



Highlights of [GAO-07-709](#), a report to the Committee on Armed Services, U.S. Senate

Why GAO Did This Study

The Department of Defense (DOD) is required by law to conduct a comprehensive examination of the national defense strategy, force structure, modernization plans, infrastructure, and budget every 4 years including an assessment of the force structure best suited to implement the defense strategy at low-to-moderate level of risk. The 2006 Quadrennial Defense Review (QDR), completed in February 2006, represents the first comprehensive review that DOD had undertaken since the military forces have been engaged in operations in Iraq and Afghanistan.

GAO was asked to assess (1) the strengths and weaknesses of DOD's approach and methodology for the 2006 QDR and (2) what changes, if any, in the QDR legislation could improve the usefulness of the report, including any changes that would better reflect 21st century security conditions. To conduct its review, GAO analyzed DOD's methodology, QDR study guidance, and results from key analyses and also obtained views of defense analysts within and outside of DOD.

What GAO Recommends

GAO recommends that for future QDRs, DOD develop methods to conduct a more thorough analysis of force structure and risk. GAO is also providing options for Congress to consider to revise QDR legislation. DOD generally agreed with our recommendations.

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To view the full report, including the scope and methodology, click on the link above. For more information, contact Janet A. St. Laurent at (202) 512-4402 or stlaurentj@gao.gov.

QUADRENNIAL DEFENSE REVIEW

Future Reviews Could Benefit from Improved Department of Defense Analyses and Changes to Legislative Requirements

What GAO Found

DOD's approach and methodology for the 2006 QDR had several strengths, but several weaknesses significantly limited the review's usefulness in addressing force structure, personnel requirements, and risk associated with executing the national defense strategy. Key strengths of the QDR included sustained involvement of senior DOD officials, extensive collaboration with interagency partners and allied countries, and a database to track implementation of initiatives. However, GAO found weaknesses in three key areas. First, DOD did not conduct a comprehensive, integrated assessment of different options for organizing and sizing its forces to provide needed capabilities. Without such an assessment, DOD is not well positioned to balance capability needs and risks within future budgets, given the nation's fiscal challenges. Second, DOD did not provide a clear analytical basis for its conclusion that it had the appropriate number of personnel to meet current and projected demands. During its review, DOD did not consider changing personnel levels and instead focused on altering the skill mix. However, a year after the QDR report was issued, DOD announced plans to increase Army and Marine Corps personnel by 92,000. Without performing a comprehensive analysis of the number of personnel it needs, DOD cannot provide an analytical basis that its military and civilian personnel levels reflect the number of personnel needed to execute the defense strategy. Third, the risk assessments conducted by the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, which are required by the QDR legislation, did not fully apply DOD's risk management framework because DOD had not developed assessment tools to measure risk. Without a sound analytical approach to assessing risk, DOD may not be able to demonstrate how it will manage risk within current and expected resource levels. As a result, DOD is not in the best position to demonstrate that it has identified the force structure best suited to implement the defense strategy at low-to-moderate risk.

Through discussions with DOD officials and defense analysts, GAO has identified several options for refining the QDR legislative language that Congress could consider to improve the usefulness of future QDRs, including changes to encourage DOD to focus on high priority strategic issues and better reflect security conditions of the 21st century. Congress could consider options to clarify its expectations regarding what budget information DOD should include in the QDR and eliminate reporting elements for issues that could be addressed in different reports. For example, the requirement to assess revisions to the unified command plan is also required and reported under other legislation. Further, some reporting elements such as how resources would be shifted between two conflicts could be eliminated in light of DOD's new planning approach that focuses on capabilities to meet a range of threats rather than on the allocation of forces for specific adversaries. GAO also presents an option to have an advisory group work with DOD prior to and during the QDR to provide DOD with alternative perspectives and analyses.