



Highlights of [GAO-08-145](#), a report to congressional committees

Why GAO Did This Study

The Army's modular force restructuring is a multiyear \$52.5 billion initiative to redesign operational Army units. The Army also plans to spend \$70 billion through fiscal year 2013 to expand the force by 74,200 military personnel. Congress mandated that GAO report annually through fiscal year 2012 on the Army's modular force. For this report, GAO assessed to what extent the Army has (1) implemented and established management controls for its modular force and force expansion initiatives, and (2) assessed its modular unit designs. GAO assessed Army plans and funding requests; visited brigades that were reorganizing; and examined key Army planning documents, performance metrics, and testing plans. Both brigade combat teams and support brigades were visited, including units from the active component Army, Army National Guard, and Army Reserve.

What GAO Recommends

GAO recommends that (1) the Army develop a comprehensive strategy and funding plan to improve accountability for staffing and equipping the modular force; (2) the Army develop a plan for assessing the modular force designs; and (3) DOD should review the Army's strategy, funding plan, and assessment plan. DOD concurred with GAO's recommendations; however, DOD's actions for assessing unit designs did not fully meet the intent of GAO's recommendations. GAO added a matter for congressional consideration to require the Army to more fully assess modular force designs in full spectrum warfare.

To view the full product, including the scope and methodology, click on [GAO-08-145](#). For more information, contact Janet St. Laurent at (202) 512-4402 or stlaurentj@gao.gov.

FORCE STRUCTURE

Better Management Controls Are Needed to Oversee the Army's Modular Force and Expansion Initiatives and Improve Accountability for Results

What GAO Found

The Army is making progress in establishing modular units but has not established sufficient management controls to provide accountability for results and facilitate transparency of the Army's overall funding needs for modular units and force expansion. By the end of fiscal year 2007, the Army established 138 of 190 planned modular units; however, all 10 units GAO visited that had converted to modular designs continue to have some equipment and personnel challenges, including shortfalls in key equipment, and mismatches in skill levels and specialties of assigned personnel. Although the Army originally estimated it could largely equip and staff modular units by spending \$52.5 billion through fiscal year 2011, the Army now believes it will require additional funding to equip modular units through fiscal year 2017. However, the Army has not identified how much additional funding it may need to fully equip units, nor has it provided sufficient information on progress to date. In addition, the Army is seeking multiple sources of funding for modular unit and force expansion equipment purchases without linking the funding to its modular unit design requirements, thus complicating decision makers' ability to assess the Army's progress in fully equipping the modular force. GAO's work has shown that major transformation initiatives have greater chance of success when their funding plans are transparent, analytically based, executable, and link to the initiative's implementation plans. Effective management controls are needed to establish these links. Office of Management and Budget (OMB) guidance explains that it is management's responsibility to take systematic and proactive measures to develop and implement management controls that ensure accountability for results. Without better controls, decision makers will have difficulty assessing the Army's progress in meeting its goals, knowing what resources will be required to equip and staff modular units, and balancing funding requests for these initiatives with other competing priorities.

The Army is evaluating and applying lessons learned from its ongoing counterinsurgency operations, but it lacks (1) a comprehensive assessment plan to determine whether fielded modular unit designs meet the Army's original goals for modular units across the full spectrum of low- and high-intensity warfare, and (2) outcome-oriented metrics that help to measure progress in achieving the goals of the modular force. The Army evaluated the experiences of modular units deployed to Iraq and Afghanistan and has made some changes in unit designs based on these lessons; however, the Army continues to lack a plan for assessing modular units in high-intensity combat operations. Further, the Army has not yet defined outcome-oriented metrics against which it could assess progress, although GAO previously made this recommendation and OMB also notes this in its performance assessment reporting. As a result, the Army does not have a clear way to measure the extent to which it is achieving the benefits it initially envisioned when it designed the modular force and that it is doing so in a manner that supports DOD joint warfighting capabilities.