

## Why GAO Did This Study

The Weapon Systems Acquisition Reform Act of 2009 (WSARA) directed the Joint Requirements Oversight Council (JROC) to ensure trade-offs among cost, schedule, and performance objectives are considered as part of its requirements review process. WSARA also directed GAO to assess the implementation of these requirements. This report addresses (1) the extent to which the JROC has considered trade-offs within programs, (2) the quality of resource estimates presented to the JROC, and (3) the extent to which the JROC is prioritizing requirements and capability gaps. To do so, GAO analyzed requirement documents reviewed by the JROC in fiscal year 2010, which identified capability gaps or performance requirements for new major defense acquisition programs. GAO also assessed resource estimates presented to the JROC against best practices criteria in the GAO Cost Estimating and Assessment Guide.

## What GAO Recommends

GAO recommends that the JROC establish a mechanism to review analysis of alternatives (AOA) results earlier in the acquisition process, require higher quality resource estimates from requirements sponsors, prioritize requirements across proposed programs, and address potential redundancies during requirements reviews. The Joint Staff partially concurred with GAO's recommendations and generally agreed with their intent, but differed with GAO on how to implement them.

View [GAO-11-502](#) or key components. For more information, contact Michael J. Sullivan at (202) 512-4841 or [sullivanm@gao.gov](mailto:sullivanm@gao.gov).

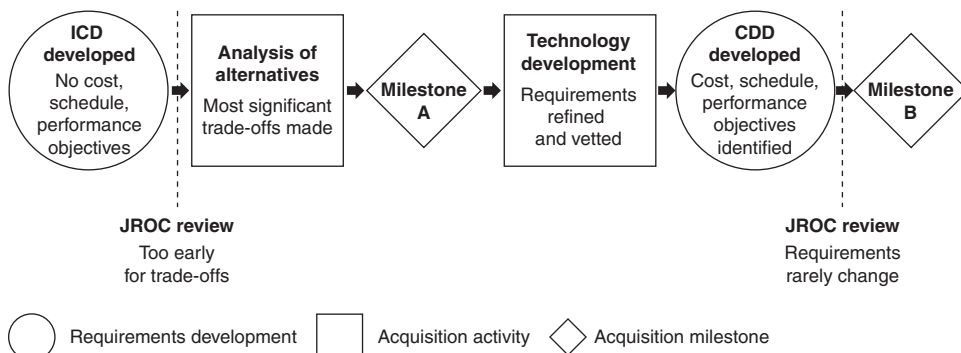
# DOD WEAPON SYSTEMS

## Missed Trade-off Opportunities During Requirements Reviews

### What GAO Found

The JROC considered trade-offs made by the military services before validating requirements for four of the seven proposed programs it reviewed in fiscal year 2010. According to DOD officials, the most significant trade-offs are made by the military services during the AOA, which occurs between the JROC's review of an Initial Capabilities Document (ICD) and its review of a Capability Development Document (CDD). The AOA is intended to compare the operational effectiveness, cost, and risks of a number of alternative potential solutions. The JROC does not formally review the trade-off decisions made as a result of an AOA until it reviews a proposed program's CDD. As a result, the JROC does not have an opportunity to provide military advice on trade-offs and the proposed solution before it is selected, and a significant amount of time and resources can be expended in technology development before the JROC gets to formally weigh in.

### AOA's Relationship to JROC Requirements Reviews



Source: GAO analysis of DOD policy.

The military services did not consistently provide high-quality resource estimates to the JROC for proposed programs in fiscal year 2010. GAO found the estimates presented to the JROC were often unreliable when assessed against best practices criteria. In most cases, the military services had not effectively conducted uncertainty and sensitivity analyses or examined the effects of changing assumptions and ground rules, all of which could further the JROC's efforts to ensure that programs are fully funded and provide a sound basis for making cost, schedule, and performance trade-offs.

The JROC does not currently prioritize requirements, consider redundancies across proposed programs, or prioritize and analyze capability gaps in a consistent manner. As a result, the Joint Staff is missing an opportunity to improve the management of DOD's joint portfolio of weapon programs. According to Army, Air Force, and Navy officials, having a better understanding of warfighter priorities from the JROC would be useful to inform both portfolio management efforts and service budgets. A DOD review team examining the JROC's requirements review process is considering changes that would address the prioritization of requirements on a departmentwide basis.