



February 2014

# ARMY WORKLOAD AND PERFORMANCE SYSTEM

## Actions Needed to Complete Assessment of Unnecessary Overlap with Logistics Modernization Program

# GAO Highlights

Highlights of [GAO-14-266](#), a report to congressional addressees

## Why GAO Did This Study

AWPS is an information system that produces management reports intended to link the Army's industrial workload demands to workforce requirements. The Army has spent over \$90 million on the system through fiscal year 2013 and plans to spend approximately \$35.6 million over the next 5 years. AWPS relies on data from LMP, which was implemented after AWPS, and prior GAO reports have noted the potential overlap between AWPS and LMP. Pub. L. No. 111-139 mandates that GAO identify federal programs, agencies, offices, and initiatives that have duplicative goals or activities. This review evaluates the extent to which the Army has (1) followed certain applicable statutory and regulatory requirements for implementing AWPS and (2) assessed whether there is unnecessary overlap between AWPS and LMP. GAO reviewed laws, regulations, and prior GAO reports; analyzed Army documents related to its assessment of unnecessary overlap between AWPS and LMP; and interviewed Army officials.

## What GAO Recommends

GAO is making four recommendations to the Army to (1) strengthen oversight for completing the update to the AWPS master plan, (2) direct that AWPS be submitted to USAMAA for validation, (3) identify a specific senior-level AMC manager or committee to provide oversight of the project team's efforts, and (4) establish a fully developed and documented approach for the team's assessment that includes a milestone for completing this effort. GAO requested comments from the Army, but none were provided.

View [GAO-14-266](#). For more information, contact Zina Merritt at (202) 512-5257 or [merrittz@gao.gov](mailto:merrittz@gao.gov).

February 2014

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## Actions Needed to Complete Assessment of Unnecessary Overlap with Logistics Modernization Program

### What GAO Found

The Army has not followed certain applicable statutory and regulatory requirements for implementing the Army Workload and Performance System (AWPS). The National Defense Authorization Act for Fiscal Year 2002 requires the Secretary of the Army to submit annual progress reports to Congress on the implementation of the AWPS master plan until the Secretary certifies to Congress that AWPS is fully implemented. Although the Secretary has not yet made this certification, the Army has not been submitting progress reports. According to Army officials, the Army does not plan to submit progress reports until a revised master plan for AWPS is completed. However, for many years the Army has been unable to complete an update to the master plan due to a lack of oversight. Additionally, the Army has not validated AWPS as a manpower requirements determination tool. Army regulation states that the U.S. Army Manpower and Analysis Agency (USAMAA) is responsible for reviewing and validating manpower requirements models like AWPS and that major commands—such as the Army Materiel Command (AMC)—are responsible for submitting their models to USAMAA for validation. AMC directs the activities of Army industrial sites and is the primary user of AWPS. USAMAA and AMC officials have discussed the need for AWPS to be validated, but AWPS has not yet been submitted to USAMAA for validation. USAMAA officials initially contacted AMC regarding submitting AWPS for validation; however, at the time, AMC was not prepared to proceed. Later, when ready to seek validation, AWPS officials told GAO they asked for assistance from USAMAA, but additional assistance had not yet been provided. Because USAMAA officials involved in these earlier contacts subsequently left USAMAA, GAO was unable to corroborate that USAMAA did not respond to AWPS officials' request for assistance. Through USAMAA validation, the Army would have greater assurance that AWPS workforce management reports are accurate.

The Army has begun to assess whether unnecessary overlap exists between AWPS and the Logistics Modernization Program (LMP), but its overall progress has been limited. At the direction of AMC leadership, a project team was established and has begun to assess the extent to which AWPS's software functionality can be replaced with existing or future LMP functionality. The team has distributed surveys to AWPS users to collect information on how they use AWPS, and whether they use other tools—such as LMP—to provide similar functionality. Initial responses to this survey indicate the potential for some overlap between AWPS and LMP. Identifying unnecessary overlap among government programs or activities is important because overlap can lead to unnecessary duplication and can result in unnecessary costs and less-efficient and less-effective services. However, the overall progress of the team's assessment has been limited, due primarily to the absence of senior-level leadership attention and involvement and to the lack of a fully developed and documented approach for the assessment. Best practices have shown that sustained leadership attention and involvement can help organizations achieve positive results, and internal control standards call for proper documentation of evaluation processes. The absence of these elements increases the risk that the Army will not make progress in identifying and eliminating unnecessary overlap between AWPS and LMP.

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## Abbreviations

|        |                                      |
|--------|--------------------------------------|
| AMC    | Army Materiel Command                |
| AWPS   | Army Workload and Performance System |
| DOD    | Department of Defense                |
| LMP    | Logistics Modernization Program      |
| USAMAA | U.S. Army Manpower Analysis Agency   |

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February 28, 2014

Congressional Addressees

For more than a decade, the Army has been using the automated Army Workload and Performance System (AWPS) to support workforce decision making at its industrial sites, which include maintenance depots, manufacturing arsenals, and other facilities. AWPS produces management reports and decision support tools intended to assist the Army in linking its industrial workload demands to its workforce requirements. For example, AWPS generates reports in the form of graphics and tables that compare planned workload against the available workforce and that assess both the cost and schedule performance for production programs at industrial sites. The Army Materiel Command (AMC) directs the activities of the Army's industrial sites and is the primary user of AWPS. According to the AWPS program management office, the Army has spent over \$90 million on AWPS from its inception in 1996 through fiscal year 2013, and plans to spend approximately \$35.6 million on the system over the next 5 years.

The Army's Logistics Modernization Program (LMP) is an enterprise resource planning system that, like AWPS, also supports AMC industrial operations. The Army initiated LMP in 1999 to replace two aging materiel management systems—the Commodity Command Standard System and the Standard Depot System. A modified commercial off-the-shelf system, LMP was intended to improve business processes and practices in areas such as operations at depots and arsenals and inventory management. By providing a single source of data and integrated decision-making tools, LMP was expected to increase efficiencies in AMC operations—such as buying and managing spare and repair parts and conducting depot maintenance. It was deployed during three phases beginning in 2003. At that time, LMP became the primary source of data for AWPS.

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Since 1998, we have published several reports that discuss the Army's implementation and use of AWPS.<sup>1</sup> We have reported on, among other issues, the Army's compliance with statutory requirements for reporting on the status of AWPS to Congress. Our prior reports have also discussed the relationship between AWPS and LMP. For example, in our October 2002 report on AWPS,<sup>2</sup> we found that the 2002 AWPS master plan<sup>3</sup> did not address potential overlap between the functionality provided by AWPS and that provided by LMP.<sup>4</sup> We reported that Army and contractor officials told us that there was some potential overlap and redundancy in the two systems' capabilities. For example, LMP had the same capability as an AWPS software module that allows users to compare actual resource expenditures against production plans, scheduled workload, and related budgets for specific projects. In our November 2013 report on LMP, we also found that one maintenance depot had created a tool in Microsoft Excel that extracts data from LMP and develops management reports similar to those created by AWPS.<sup>5</sup>

GAO is statutorily required to identify and report annually to Congress on federal programs, agencies, offices, and initiatives, either within

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<sup>1</sup>GAO, *Force Structure: Army Efforts to Improve Efficiency of Institutional Forces Have Produced Few Results*, [GAO/NSIAD-98-65](#) (Washington, D.C.: Feb. 26, 1998); *Defense Logistics: Army Should Assess Cost and Benefits of the Workload Performance System Expansion*, [GAO/NSIAD-00-16](#) (Washington, D.C.: Nov. 12, 1999); *Army Logistics: Report on Manpower and Workload System Inadequate and System Interface Untested*, [GAO-03-21](#) (Washington, D.C.: Oct. 30, 2002); *Defense Logistics: Oversight and a Coordinated Strategy Needed to Implement the Army Workload and Performance System*, [GAO-11-566R](#) (Washington, D.C.: July 14, 2011).

<sup>2</sup>[GAO-03-21](#).

<sup>3</sup>The Army first outlined its strategy for designing and fielding AWPS in an April 1999 master plan and updated that master plan in May 2001 in response to congressional direction. The purpose of the AWPS master plan is to establish a management framework for AWPS for the future and for enabling AWPS to effectively and efficiently respond to customer requirements. It addresses the status of AWPS, the end state, the roadmap, and progress measurement.

<sup>4</sup>Overlap occurs when multiple agencies or programs have similar goals, engage in similar activities or strategies to achieve them, or target similar beneficiaries. Duplication, a related issue, occurs when two or more agencies or programs are engaged in the same activities or provide the same services to the same beneficiaries.

<sup>5</sup>GAO, *Defense Logistics: Army Should Track Financial Benefits Realized from its Logistics Modernization Program*, [GAO-14-51](#) (Washington, D.C.: Nov. 13, 2013). We recommended that the Army develop and implement a process to track the extent of financial benefits realized from the use of LMP, and the Army concurred with our recommendation and stated that it will develop a process to track the extent of financial benefits recognized within LMP, which will be linked to the LMP performance baseline.

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departments or government-wide, that have duplicative goals or activities.<sup>6</sup> Under this mandate, our reviews have identified potential unnecessary overlap and fragmentation, as well as duplication.<sup>7</sup> Accordingly, this review evaluates the extent to which the Army has (1) followed certain applicable statutory and regulatory requirements for implementing AWPS and (2) assessed whether there is unnecessary overlap between AWPS and LMP.

To determine the extent to which the Army has followed certain statutory and regulatory requirements for implementing AWPS, we reviewed laws, congressional committee reports, and Army regulations related to AWPS. To obtain information on progress made and actions taken to implement these requirements, we met with Army officials responsible for overseeing and using AWPS. Specifically, we met with officials from the Office of the Assistant Secretary of the Army (Manpower and Reserve Affairs); United States Army Manpower Analysis Agency (USAMAA); Office of the Army General Counsel; Office of the Deputy Chief of Staff of the Army, G-4 (Maintenance); AMC headquarters; and AWPS program management office. We also obtained and reviewed other documentation related to AWPS, including a draft of the updated AWPS master plan and USAMAA documentation on the validation process for manpower requirements models. We also reviewed our prior reports on AWPS and followed up on issues that we had previously identified and recommendations that we had made.

To determine the extent to which the Army has assessed unnecessary overlap between AWPS and LMP, we reviewed our prior reports that discuss these systems and that outline best practices to effectively manage change, achieve positive results, and make sound investment decisions. We met with officials from AMC headquarters and the AWPS program management office to discuss the efforts of the AMC project team and its assessment of unnecessary overlap between AWPS and LMP. We obtained and reviewed documentation related to these efforts, including the documents from AMC leadership that initiated the project team's assessment, the team's draft charter, minutes from team meetings, and the team's survey on AWPS usage that was distributed to

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<sup>6</sup>Pub. L. No. 111-139, § 21, 124 Stat. 29 (2010), 31 U.S.C. § 712 Note. See List of Addressees at the end of this letter for the list of congressional addressees for this work.

<sup>7</sup>GAO, *2013 Annual Report: Actions Needed to Reduce Fragmentation, Overlap, and Duplication and Achieve Other Financial Benefits*, [GAO-13-279SP](#) (Washington, D.C.: Apr. 9, 2013).

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AWPS users. We reviewed some aspects of the project team's methodology for conducting its assessment—such as preliminary data-collection efforts—but did not evaluate other aspects because the Army had not yet fully developed and documented them at the time of our review. To identify how AMC industrial sites reported using AWPS or other tools—such as LMP—to manage their operations, we analyzed consolidated survey responses from the seven AMC sites that replied to the project team.<sup>8</sup> We also observed demonstrations from Army officials on how AWPS is used to generate reports.

We conducted this performance audit from August 2013 to February 2014 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Background

The Army began developing AWPS in 1996 at the direction of the House National Security Committee (now known as the House Armed Services Committee),<sup>9</sup> and started fielding the system to its maintenance depots that year. AWPS was not intended to directly replace any single existing system; rather it was aimed at resolving deficiencies in the Army's civilian manpower requirements determination process by providing analytically based workload forecasts to support workforce requirements.<sup>10</sup> In 1998, the committee further directed the Army to develop a master plan for implementing AWPS.<sup>11</sup> We subsequently reviewed the master plan and

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<sup>8</sup>We reviewed the consolidated survey responses submitted by the leadership at two life cycle management commands (Aviation and Missile Command and Joint Munitions Command), three maintenance depots (Anniston Army Depot, Red River Army Depot, and Tobyhanna Army Depot), and two manufacturing arsenals (Rock Island Arsenal and Watervliet Arsenal).

<sup>9</sup>Committee on National Security, National Defense Authorization Act for Fiscal Year 1996, H.R. Rep. No. 104-131 (1995).

<sup>10</sup>The Army Audit Agency reported in 1992 and 1994 that the Army did not know its workload and thus could neither justify personnel needs and budgets nor improve productivity and efficiency. The Army subsequently determined that it had a material weakness, under the Federal Managers' Financial Integrity Act, with determining institutional personnel requirements without an analysis of the workload. AWPS was part of the Army's plans for addressing this material weakness.

<sup>11</sup>Committee on National Security, National Defense Authorization Act for Fiscal Year 1999, H.R. Rep. No. 105-532 (1998).

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recommended, among other things, that the Army examine its existing program management and oversight structure as it continued to implement AWPS.<sup>12</sup> The Department of Defense (DOD) concurred with the recommendations and cited corrective actions it would take, including having the Secretary of the Army assess the adequacy of existing program management and oversight structures responsible for system development and implementation. In June 2001, the Army sent an updated master plan to the House and Senate Committees on Armed Services.

Section 346 of the National Defense Authorization Act for Fiscal Year 2002 encouraged the sharing of data between AWPS and LMP (which had been in development since 1999) and identified several requirements related to AWPS.<sup>13</sup> Among other things, the law required: the Army to continue to use AWPS as a standard Army-wide manpower system under the supervision and management of the Secretary of the Army; the Secretary of the Army to submit annual progress reports to Congress on the implementation of the AWPS master plan until the Secretary certifies to Congress that AWPS is fully implemented;<sup>14</sup> and GAO to submit evaluations of each of the Army's annual reports not later than 60 days after the Army has issued them to Congress. We evaluated the Army's May 2002 progress report to Congress and recommended several actions to improve the quality of the Army's annual progress reports and enhance the efficiency and effectiveness of AWPS.<sup>15</sup> DOD concurred with our recommendations and stated that it would take steps to implement them. For example, the Army said it was in the final stages of updating the AWPS master plan and that it would provide it to Congress by November 2007. However, the Army ultimately did not submit an updated master plan. In our most recent report on AWPS in July 2011, we found that the Army was using AWPS to generate reports related to managing its workload and workforce issues but that the accuracy of those reports varied.<sup>16</sup> We also found that the Army's oversight of AWPS was

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<sup>12</sup>[GAO/NSIAD-00-16](#).

<sup>13</sup>Pub. L. No. 107-107 (2001).

<sup>14</sup>As we have previously reported, while the basic depot maintenance application had been certified as fully operational, the Army planned to continue developing AWPS to enhance its capabilities to provide more-refined information. Once development was complete and AWPS was fully operational at all sites identified in the master plan, AWPS could be certified as fully implemented.

<sup>15</sup>[GAO-03-21](#).

<sup>16</sup>[GAO-11-566R](#).



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fragmented among several organizations and that the Army had not been submitting annual reports on the implementation of the 2002 AWPS master plan. Accordingly, we recommended that an organization be identified for overall oversight of AWPS and that annual reports on AWPS implementation be submitted to Congress, as required by law. The Army concurred with these recommendations and stated that it would update the master plan and report to Congress by October 2011. We discuss later in this report the status of the Army's efforts to address this recommendation.

AWPS has several modules that enable users to generate products that include the workload and resources report,<sup>17</sup> which compares forecast workload against the available workforce; performance management and control tables, which assess the cost and schedule performance for production programs; and a report used by AMC leadership to monitor the status of efforts to repair and recapitalize equipment returning from overseas operations. To do so, AWPS pulls LMP data on labor costs as well as the personnel time required to complete repairs, among other things. Officials from Army G-4 (Maintenance) also use AWPS reports to assess whether the Army is maintaining a core depot-level maintenance and repair capability.<sup>18</sup> As of October 2013, approximately 1,400 personnel had access to the system at 15 AMC industrial sites.<sup>19</sup>

The Army spent approximately \$1.4 billion on LMP through fiscal year 2012, and its total life cycle cost from fiscal years 2000 to 2026 is more than \$4 billion. According to the AWPS program management office, the Army has spent over \$90 million on AWPS from its inception in 1996 through the end of fiscal year 2013. Table 1 shows the Army's reported actual and projected AWPS costs from fiscal year 2011—when we issued our last report on AWPS—through fiscal year 2018. The costs include

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<sup>17</sup>The system defines workload demands in terms of the amount of work projected to be completed in an 8-hour period and labels each such period as one "resource."

<sup>18</sup>Core depot-level maintenance and repair capability is an element of core logistics capability, which refers to capability that is government-owned and government-operated to ensure a ready and controlled source of technical competence and resources necessary to ensure effective and timely response to mobilizations, contingencies, or other emergencies. 10 U.S.C. § 2464.

<sup>19</sup>The 15 AMC industrial sites are Anniston Army Depot, Anniston Defense Munitions Center, Blue Grass Army Depot, Corpus Christi Army Depot, Crane Army Ammunition Activity, Letterkenny Army Depot, Letterkenny Munitions Center, McAlester Army Ammunition Plant, Pine Bluff Arsenal, Red River Army Depot, Rock Island Arsenal, Sierra Army Depot, Tobyhanna Army Depot, Tooele Army Depot, and Watervliet Arsenal.

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government and contractor personnel expenses and hardware and software upgrades.

**Table 1: Actual and Projected Army Workload and Performance System (AWPS) Costs, Fiscal Years 2011-2018**

Dollars in millions

| Fiscal year | Annual costs |
|-------------|--------------|
| 2011        | \$12.3       |
| 2012        | 7.9          |
| 2013        | 7.9          |
| 2014        | 6.9          |
| 2015        | 6.9          |
| 2016        | 6.9          |
| 2017        | 7.9          |
| 2018        | 7.0          |

Source: AWPS program management office.

Note: Figures for 2011 to 2013 are actual costs; figures for 2014 to 2018 are projected costs.

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## The Army Has Not Followed Certain Statutory and Regulatory Requirements for Implementing AWPS

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### The Army Has Not Submitted Annual Progress Reports to Congress on AWPS Implementation

The Army has not submitted the required annual progress reports to Congress on the implementation of the AWPS master plan since 2002. Section 346 of the National Defense Authorization Act for Fiscal Year 2002 requires the Secretary of the Army to submit annual progress reports to Congress on the implementation of the AWPS master plan until the Secretary certifies to Congress that AWPS is fully implemented. The Army submitted its first AWPS progress report to Congress in 2002 in the form of a revised version of the AWPS master plan. Although the Secretary of the Army has not yet certified to Congress that AWPS is fully implemented, the Army has not submitted any further annual reports. Because we recommended in July 2011 that the Army submit annual reports on the implementation of the AWPS master plan, as required by

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law, we are not making a new recommendation on this issue in this report.<sup>20</sup>

The Army has not been submitting annual reports because, according to Army officials, it does not plan to submit progress reports until the revised master plan is completed. Army officials stated that AMC, in coordination with other Army offices, has been drafting an update to the AWPS master plan since July 2011—when GAO’s last report on AWPS was issued—in order to reflect changes regarding AWPS status and future use. However, it has not yet been completed and submitted to Congress, and officials were uncertain when that would occur. The AWPS master plan is still important, as AWPS has not yet been certified as fully implemented. According to officials, the Army has not completed the AWPS master plan due to oversight challenges arising from a series of internal reorganizations and multiple transfers of responsibility for AWPS within the Army. Another contributing factor, according to AMC officials, was the loss of personnel with knowledge of AWPS that has occurred since the AWPS master plan was last updated in 2002. In response to one of our July 2011 recommendations, the Army identified the Office of the Assistant Secretary of the Army (Manpower and Reserve Affairs) as the Army organization with overall oversight of AWPS. However, we did not find evidence that this office has had an active role in overseeing the completion of the AWPS master plan. Internal control standards identify the need for oversight, including responsibilities such as setting and monitoring objectives, as important.<sup>21</sup> In the absence of oversight, completion of the AWPS master plan could be further delayed, resulting in continued lack of submission of annual progress reports on AWPS implementation to Congress.

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## The Army Has Not Validated AWPS as a Manpower Requirements Determination Tool

The Army has not validated AWPS as a manpower requirements determination tool as required by regulation. In October 2001, the Secretary of the Army designated AWPS as an Army-wide decision support, manpower determination, and management tool for applicable workload and workforce in the Army. According to Army regulation, USAMAA is responsible for reviewing and validating manpower requirements models. Army Regulation 570-4, which establishes policies

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<sup>20</sup>[GAO-11-566R](#).

<sup>21</sup>GAO, *Standards for Internal Control in the Federal Government*, [GAO/AIMD-00-21.3.1](#) (Washington, D.C.: November 1999).

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and procedures for manpower management, states that USAMAA is responsible for reviewing and recommending approval of manpower requirements models developed by major commands.<sup>22</sup> Army Regulation 71-32, which establishes policy for force development and documentation, states that the Assistant Secretary of the Army (Manpower and Reserve Affairs), to which USAMAA provides assistance, is responsible for validating manpower models.<sup>23</sup> Such reviews are to occur at least every 3 years, or more often as needed, and are part of USAMAA's responsibility to ensure consistent application of Army manpower policies. Army regulation also states that major commands—such as AMC—are responsible for submitting manpower models to USAMAA for approval, along with background information to support assumptions and equations in existing and proposed models. According to USAMAA officials, AWPS has not been validated as a manpower requirements determination tool in accordance with Army regulation, and therefore they cannot be assured that AWPS reports on workforce requirements are accurate.

USAMAA officials stated that they have previously asked AMC whether it would submit AWPS for review and validation, but AMC has not yet done so. USAMAA officials told us they contacted AMC in late 2011 or early 2012 regarding submitting AWPS for validation. At the time, AMC was not prepared to move forward with validation. However, officials from the AWPS program management office told us that in April 2012 they asked for assistance from USAMAA regarding submitting AWPS for validation, but that additional assistance had not yet been provided. Because USAMAA officials involved in these earlier contacts subsequently left USAMAA, we were unable to corroborate that USAMAA did not respond to AWPS program management officials' requests for assistance. A senior official within the Office of the Assistant Secretary of the Army (Manpower and Reserve Affairs) told us that USAMAA had provided assistance to the AWPS program management office but that AWPS had not been formally submitted for review and validation.

USAMAA has published written guidance on how to develop and validate a manpower modeling tool. This guidance is designed for developing new tools and is not tailored for submission of an existing tool, such as AWPS,

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<sup>22</sup>Department of the Army, *Manpower and Equipment Control: Manpower Management*, Regulation 570-4 (Feb. 8, 2006).

<sup>23</sup>Department of the Army, *Force Development: Force Development and Documentation*, Regulation 71-32 (July 1, 2013).

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for validation. For example, the primary validation process identified in the guidance begins at the outset of the model-development process, which is not applicable for an existing tool. However, USAMAA officials provided us with an explanation of what would be necessary to validate AWPS as a manpower requirements determination tool and indicated that they work collaboratively with Army organizations to support the model-validation process. The process would include a briefing from AMC that demonstrates the AWPS manpower model. USAMAA officials could also ask AMC for further information on the model. USAMAA would then test the model to ensure the accuracy of what was presented by AMC. If any issues were to arise during testing, USAMAA would work with AMC to address them before validating the AWPS manpower model. Officials from the AWPS program management office stated that although USAMAA has not validated AWPS as a manpower requirements determination tool, AWPS has undergone prior reviews by other entities, to include an assessment of the data interface between AWPS and LMP. As of September 2013, the draft of the updated AWPS master plan states that the Army plans to submit AWPS to USAMAA for validation in the next 1 to 4 years, and AMC officials also acknowledged the need to have AWPS validated by USAMAA.

Although AWPS has not been validated, Army officials stated that AWPS reports continue to be used for workforce planning, including the development of budget estimates for future workload and workforce needs. For example, AMC industrial sites are using AWPS forecasting reports to make decisions on how to size their workforce to the sites' projected workload. We previously reported that the accuracy of reports generated from AWPS varied.<sup>24</sup> Through USAMAA validation of AWPS, the Army would have greater assurance that reports of these types, linking workload demand to workforce requirements, are accurate.

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<sup>24</sup>[GAO-11-566R](#).

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## The Army Has Begun to Assess Unnecessary Overlap between AWPS and LMP, but Progress Has Been Limited

The Army has begun to assess whether unnecessary overlap exists between AWPS and LMP and has begun its assessment by initiating data-collection and analysis efforts. However, its overall progress—including the development of a business case analysis—has been limited, due primarily to the absence of senior-level leadership involvement and attention and the lack of a fully developed and documented approach for conducting the assessment, including an established milestone for completing it. GAO has found that overlap among government programs or activities can lead to unnecessary duplication and can result in unnecessary costs and less-efficient and less-effective services.<sup>25</sup> Eliminating unnecessary overlap is particularly important given the current budgetary situation that the federal government and DOD face.

In December 2012, the AMC Commanding General and Deputy Commanding General directed that a plan be developed to “sunset,” or retire, AWPS and transition its functionality to another system, such as LMP.<sup>26</sup> AMC officials stated that this task was assigned by AMC leadership as a result of feedback provided by industrial sites indicating that overlap existed between LMP and AWPS and questioning whether it was necessary for sites to continue to pay operating expenses for both AWPS and LMP.<sup>27</sup> In response, a project team was established within AMC and started meeting in February 2013 to assess unnecessary overlap between AWPS and LMP.<sup>28</sup> As part of this effort, the team has begun to evaluate the extent to which software functionality currently provided by AWPS can be provided by LMP—either through LMP’s existing functionality or through the expansion of functionality planned for LMP Increment 2. AMC officials stated that LMP Increment 2 will include a software module called Business Objects that will be able to produce

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<sup>25</sup>GAO, *Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue*, [GAO-11-3188P](#) (Washington, D.C.: Mar. 1, 2011).

<sup>26</sup>AMC officials stated that if a decision is made to retire AWPS, they will request that Congress relieve the Army of the statutory requirement to use AWPS as a standard manpower system.

<sup>27</sup>According to officials with the AWPS program management office, AWPS operating expenses are funded through Army working capital fund payments from the AMC industrial sites, and each site’s payment is based on the amount of workload conducted at the site.

<sup>28</sup>According to the draft charter for the project team, the team was tasked to prepare a plan to sunset AWPS, but the functionality of the system must remain available to users. The AWPS project team’s efforts will include determining the feasibility of implementing AWPS requirements into an existing planning tool, determining budgetary needs and legislative change requirements, and identifying a funding source.

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reports similar to some of those produced by AWPS—such as charts outlining cost performance and schedule performance for projects at AMC industrial sites. Team members stated they will develop a business case analysis that will likely recommend one of three courses of action for providing AWPS functionality: retire AWPS completely and provide functionality with another system, such as LMP; provide functionality partially with AWPS and partially with another system, such as LMP; or continue to provide functionality solely with AWPS.

The project team has begun developing its assessment by initiating data-collection and analysis efforts. Specific actions to complete the assessment have been identified, such as surveying AWPS users, holding a design workshop to determine what AWPS functionality can be provided by LMP or another tool, and developing the business case analysis mentioned previously. The team has received a demonstration on the current functionality provided by AWPS and LMP and has distributed surveys to Army personnel with AWPS accounts to collect information on how they use the system. Among other things, the survey asked whether personnel used AWPS, for what purposes, and how often. The survey also asked whether they used another tool—such as LMP—to provide similar functionality. The team received survey responses from several AMC sites, including consolidated responses signed by site leadership (e.g., depot commander) and individual responses from AWPS account holders.<sup>29</sup> At the time of our assessment, consolidated responses were provided by 7 of 15 AMC sites—two life cycle management commands, three maintenance depots, and two manufacturing arsenals.

Based on our review of the consolidated responses to the project team's survey and our previous work, there is potential for some unnecessary overlap between AWPS and LMP, but further analysis is necessary. The survey lists several AWPS modules and asks users to report the time spent using each module, as well as the time spent using other tools to perform similar functions. All seven consolidated survey responses reported that AMC sites use some AWPS modules, but they also all reported using other tools—including LMP—to provide similar functionality. However, the project team has not assessed the reason these sites use multiple tools to perform similar functions and therefore it has not yet determined the extent of unnecessary overlap that may exist. For example, Anniston Army Depot and Rock Island Arsenal responded

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<sup>29</sup>We did not analyze the individual responses from AWPS account holders. Project team members stated that those responses would be included in their overall analysis of the survey results.

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that they use reports available in LMP to assess cost performance and schedule performance for projects at their sites. Other sites responded that they use locally developed tools that extract data from LMP and produce reports similar to those in AWPS. For example, Red River Army Depot responded that it has developed a depot information visualization system that extracts data from LMP and links planned workload to workforce requirements. In addition, Tobyhanna Army Depot is using a tool in Microsoft Excel that extracts data from LMP and develops management reports similar to those created by AWPS. According to Tobyhanna's survey response, this tool allows the depot to compare planned workload against its available workforce. Officials from the AWPS program management office stated that they plan to analyze the survey results and follow up with survey responders to obtain additional information. Furthermore, as previously noted, AMC initiated its assessment as a result of feedback provided by industrial sites indicating that overlap existed between LMP and AWPS.

Although the project team has made progress on the user survey, its progress in other areas of the assessment has been more limited. The team's charter—which it began drafting in February 2013 to guide its operations—has not been completed. Team meetings have not been held regularly, and Army officials stated that attendance at these meetings is not always a high priority for team members. The AWPS program management office first provided a demonstration of AWPS functionality to the team in March 2013, but the LMP product office did not provide a similar demonstration of LMP functionality until December 2013.<sup>30</sup> Milestones for some key actions—such as developing a business case for how to most cost-effectively provide AWPS functionality—have not been established, while milestones set for other actions have been missed. For example, the team originally planned to complete its analysis of survey responses from AWPS users by August 2013. However, as of December 2013, it had not completed this analysis.

Progress on the Army's assessment of AWPS has been limited due to the absence of senior-level leadership attention and involvement. Best practices have shown that sustained leadership attention and involvement can help organizations make lasting changes and achieve positive results.<sup>31</sup> In addition, these best practices indicate that a strong and stable

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<sup>30</sup>According to project team members, the LMP product office did not join the project team until November 2013.

<sup>31</sup>GAO, *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*, [GAO-03-669](#) (Washington, D.C.: July 2, 2003).



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team responsible for managing change is also essential to ensure that the effort receives the attention it needs to be sustained and successful. Having a strong, stable team for this assessment is particularly important because any changes made to AWPS and LMP could potentially affect numerous functions and activities across AMC. The project team is composed of representatives from various offices within AMC. The team leader works in the AMC G-1 (Personnel) office and has provided G-1 management with updates on the team's progress. The other team members, however, do not work for G-1 and therefore do not officially report to the team leader or G-1 management; team members cited this leadership structure as a factor contributing to the team's limited progress. Project team members stated that other than a June 2013 progress update to an AMC committee overseeing the implementation of LMP, no senior-level AMC manager or committee has requested updates on the team's progress in assessing unnecessary overlap between AWPS and LMP and developing a plan to potentially retire AWPS.

Additionally, the team's progress has been limited due to the lack of a fully developed and documented approach, including an established milestone for completing the assessment and recommending a course of action for providing AWPS functionality. When the task was originally assigned in December 2012, the AMC Commanding General and Deputy Commanding General did not establish a milestone for when the project team should complete the assessment, and the project team itself has not yet established a completion date. Standards for Internal Control call for proper documentation of evaluation processes.<sup>32</sup> In addition, best practices have shown that a well-planned schedule—with milestones for completing activities—is a fundamental management tool that can help government programs use public funds effectively by specifying when work will be performed in the future and measuring program performance against an approved plan.<sup>33</sup> The absence of senior-level AMC leadership involvement and attention, as well as the lack of a fully developed and documented approach that includes an established milestone for completion, increases the risk that the Army will not make sustained progress in its efforts to identify and eliminate unnecessary overlap between AWPS and LMP.

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<sup>32</sup>GAO, *Internal Control Standards: Internal Control Management and Evaluation Tool*, [GAO/AIMD-00-21.3.1](#) (Washington D.C.: Aug. 2001).

<sup>33</sup>GAO, *GAO Schedule Assessment Guide: Best Practices for Project Schedules*, [GAO-12-120G](#) (Washington, D.C.: May 2012).

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## Conclusions

The Army has experienced delays in completing an update to the AWPS master plan. In the absence of strong oversight, completion of the master plan could be further delayed, resulting in continued lack of submission of statutorily required annual progress reports to Congress on the system's implementation. In addition, AWPS was developed to address deficiencies in the Army's manpower requirements determination process, but the Army has not validated AWPS as a manpower requirements determination tool in accordance with regulation and therefore lacks assurance that AWPS is producing valid results for workforce planning. Further, GAO has found that eliminating unnecessary overlap among government programs or activities can help prevent unnecessary duplication and help agencies provide more-efficient and more-effective services. Eliminating unnecessary overlap is particularly important given the current budgetary situation that the federal government and DOD face. The Army's current effort to assess unnecessary overlap between AWPS and LMP could facilitate its ability to make a sound business decision on how to most cost-effectively provide AWPS functionality—which could include retiring AWPS and transitioning its functionality to LMP. Timely and effective actions to complete the assessment could improve the Army's ability to support industrial operations in the most-efficient and cost-effective manner by minimizing unnecessary overlap between these two information systems. In the absence of increased leadership attention and involvement and without a fully developed and documented approach for this assessment, including an established milestone for completion, the Army could continue—unnecessarily—to spend millions of dollars annually on AWPS.

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## Recommendations for Executive Action

We are recommending that the Secretary of the Army take four actions.

To ensure completion of the update to the AWPS master plan, we recommend that the Secretary of the Army direct the Assistant Secretary of the Army (Manpower and Reserve Affairs) to strengthen oversight of the plan's development, review, and approval.

To provide greater assurance of the accuracy of manpower requirements reports produced by AWPS for use at Army industrial sites, we recommend that the Secretary of the Army direct AMC—with assistance as needed from USAMAA—to submit AWPS to USAMAA for review and validation as a manpower requirements determination tool, in accordance with Army regulations.

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To complete the Army's assessment of unnecessary overlap between AWPS and LMP and to ensure that a sound business decision is made on how to most cost-effectively provide AWPS functionality, we recommend that the Secretary of the Army direct the Commanding General, AMC, to take the following two actions:

- Identify a specific senior-level AMC manager or committee to provide increased leadership involvement and attention of the project team's efforts, to include ensuring that a strong and stable team exists for managing change.
- Establish a fully developed and documented approach for the team's assessment, including a milestone for completing it.

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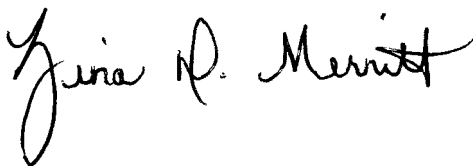
## Agency Comments

We requested comments from the Army, but none were provided.

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We are sending copies of this report to appropriate congressional committees, the Secretary of Defense, and the Secretary of the Army. In addition, the report is available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-5257 or [merrittz@gao.gov](mailto:merrittz@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix I.



Zina D. Merritt  
Director  
Defense Capabilities and Management

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Chairman  
The Honorable James Inhofe  
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Committee on Armed Services  
United States Senate

The Honorable Tom Coburn  
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# Appendix I: GAO Contact and Staff Acknowledgments

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## GAO Contact

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## Staff Acknowledgments

In addition to the contact named above, Thomas Gosling (Assistant Director), Joanne Landesman, Brian Mazanec, Alexis Olson, Geoffrey Peck, and Sabrina Streagle made key contributions to this report.

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