

November 2005

# MILITARY READINESS

## Navy's Fleet Response Plan Would Benefit from a Comprehensive Management Approach and Rigorous Testing



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# Highlights

Highlights of [GAO-06-84](#), a report to congressional committees

## Why GAO Did This Study

The Navy has been transforming itself to better meet 21st century needs. Since 2000, the Congress has appropriated about \$50 billion annually for the Navy to operate and maintain its forces and support around 376,000 military personnel. In recognizing that the Navy faces affordability issues in sustaining readiness within its historical share of the defense budget, the Chief of Naval Operations announced a concept called the Fleet Response Plan to enhance its deployment readiness status. The Fleet Response Plan is designed to more rapidly prepare and sustain readiness in ships and squadrons.

GAO evaluated the extent to which the Navy has (1) employed a sound management approach in implementing the Fleet Response Plan and (2) tested and evaluated the effectiveness of the plan and shared results to improve implementation.

## What GAO Recommends

To facilitate implementation of the Fleet Response Plan, GAO recommends that the Navy develop a comprehensive management plan with goals and performance measures. GAO also recommends that the Navy develop a comprehensive testing and evaluation plan to help determine whether the plan has been successful. The Department of Defense generally agreed with GAO's recommendations and described efforts to address them.

[www.gao.gov/cgi-bin/getrpt?GAO-06-84](http://www.gao.gov/cgi-bin/getrpt?GAO-06-84).

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

## MILITARY READINESS

# Navy's Fleet Response Plan Would Benefit from a Comprehensive Management Approach and Rigorous Testing

## What GAO Found

In establishing the Fleet Response Plan, the Navy has embraced a major change in the way it manages its forces. However, the Navy's management approach in implementing the Fleet Response Plan has not fully incorporated sound management practices needed to guide and assess implementation. These practices include (1) establishing a coherent mission and strategic goals, including resource commitments; (2) setting implementation goals and a timeline; and (3) establishing a communication strategy. While the Navy has taken a number of positive actions to implement the plan, it has not provided readiness goals for units other than carrier strike groups; resource and maintenance goals; performance measures and timelines; or a communications strategy. Sound management practices were not fully developed because senior leaders wanted to quickly implement the plan in response to changes in the security environment. However, without an overall management plan containing all of these elements, it may be difficult for the Navy to determine whether its efforts to improve the fleet's readiness are achieving the desired results, adequately measuring overall progress, or identifying what resources are needed to implement the Fleet Response Plan.

The Navy has not fully tested and evaluated the Fleet Response Plan or developed lessons learned to identify the effectiveness of its implementation and success over time. Systematic testing and evaluation of new concepts is an established practice to gain insight into how systems and capabilities will perform in actual operations. However, instead of methodically conducting realistic tests to evaluate the Fleet Response Plan, the Navy has tried to demonstrate the viability of the plan by relying on loosely linked events that were not part of an overall test and evaluation strategy. This approach could impair the Navy's ability to validate the plan and evaluate its success over time. In addition, the Navy has not used its lessons learned system to share the results of its Fleet Response Plan events or as an analytical tool to evaluate the progress of the plan and improve implementation, which limits the Navy's ability to identify and correct weaknesses across the fleet.

The U.S.S. *George Washington* Carrier Strike Group Sailing to Participate in an Exercise



Source: U.S. Navy.

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United States Government Accountability Office  
Washington, DC 20548

November 22, 2005

### Congressional Committees

A key goal of Navy senior leadership is to transform the Navy to better meet 21st century security challenges. Since 2000, Congress has appropriated about \$50 billion annually for the Navy to operate and maintain its forces and support around 376,000 active military personnel. Nonetheless, the Navy recognizes it is facing affordability issues related to sustaining readiness while developing and procuring several types of new ships within its historical share of the defense budget. One area where the Navy has made significant changes is in its operational posture. In March 2003, the Chief of Naval Operations initiated the development of a concept, which became known as the Fleet Response Plan,<sup>1</sup> to enhance the Navy's deployment readiness status. The Fleet Response Plan, as implemented by Fleet Forces Command in May 2003, is designed to more rapidly prepare and then sustain readiness in ships and squadrons. To achieve this capability, the plan alters prior manning, maintenance, and training practices to allow for a more responsive and ready naval force. The Navy expects this new readiness approach will enable its forces to provide not only presence and engagement in forward areas, but also surge a greater number of ships on short-notice in response to significant crises without increasing the readiness budget. The Fleet Response Plan modifies the Navy's pre-2001 rotational deployment policy, replacing 6-month routine deployments with more flexible deployment options for as many as eight carrier strike groups when and where needed.

The Fleet Response Plan represents a major change in the way the Navy manages its forces. Implementing large-scale change management initiatives, such as organizational transformations, can be a complex endeavor. Our prior work shows that failure to adequately address—and often even consider—a wide variety of management issues is at the heart of unsuccessful transformations. We have identified a number of key best practices and lessons learned from major public and private sector

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<sup>1</sup> The Fleet Response Plan is also known as the Fleet Readiness Program, or simply "FRP."

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organizational mergers, acquisitions, and transformations.<sup>2</sup> These sound management practices include, for example, establishing a coherent mission and integrated strategic goals to guide the transformation, including resource commitments; setting implementation goals and a timeline to build momentum and show progress from day one; and establishing a communication strategy to create shared expectations and report related progress.

We prepared this report under the Comptroller General's authority and are providing it to you because of your oversight of defense issues. We have previously reported on the maintenance aspects of the Navy's Fleet Response Plan.<sup>3</sup> This report focuses on the following two questions: (1) To what extent has the Navy employed a sound management approach in implementing the Fleet Response Plan? (2) To what extent has the Navy tested and evaluated the effectiveness of its Fleet Response Plan and shared results to improve its implementation?

To assess the Navy's management approach in implementing the Fleet Response Plan, we obtained and analyzed key messages, briefings, and instructions on the Fleet Response Plan and interviewed Department of Defense (DOD) and Navy headquarters and fleet officials, and compared the Navy's approach with best practices for transformations of large organizations. To assess the extent to which the Navy has tested the effectiveness of the Fleet Response Plan and shared results to improve its implementation, we obtained briefings from and interviewed Navy officials, reviewed and queried the Navy Lessons Learned System to determine relevant lessons recorded, and examined Navy guidance on test and evaluation efforts. We reviewed and validated the Navy Lessons Learned System data and determined the data were sufficiently reliable for our analysis. We conducted our review from January 2005 through August 2005 in accordance with generally accepted government auditing standards. The scope and methodology used in our review are described in further detail in appendix I.

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<sup>2</sup> See GAO, *Highlights of a GAO Forum on Mergers and Transformation: Lessons Learned for a Department of Homeland Security and Other Federal Agencies*, [GAO-03-293SP](#) (Washington, D.C.: Nov. 14, 2002); and *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*, [GAO-03-669](#) (Washington, D.C.: July 2, 2003).

<sup>3</sup> See GAO, *Defense Logistics: GAO's Observations on Maintenance Aspects of the Navy's Fleet Response Plan*, [GAO-04-724R](#) (Washington, D.C.: June 18, 2004).

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## Results in Brief

While the Navy has taken a number of positive actions to establish the Fleet Response Plan, the Navy has not fully developed a comprehensive management approach to effectively guide, monitor, and assess implementation. Sound management practices that provide a framework for implementing and managing programs include (1) establishing a coherent mission and integrated strategic goals to guide the transformation, including resource commitments; (2) establishing a communication strategy to create shared expectations and report related progress; and (3) setting implementation goals and a timeline to build momentum and show progress. The Navy's implementation of the Fleet Response Plan has included some aspects of these practices. For example, the Navy has established strategic goals for progressive readiness levels for carrier strike groups. However, the Navy has not established specific readiness goals for the rest of the fleet or determined the resources needed to achieve its goals, although it has stated the plan will be budget neutral. The Navy also does not have an official written definition of the Fleet Response Plan or communications strategy that clearly establishes a coherent mission and integrated strategic goals to guide the transformation, including resource commitments. These sound management practices were not fully implemented because senior leaders wanted to implement the Fleet Response Plan as quickly as possible in response to the Chief of Naval Operations' direction. Although Navy officials recently tasked the Center for Naval Analyses to conduct the study to identify potential goals and performance measures, it is not clear what the study will recommend or how long it will take for the Navy to take action. Until an overall management plan is developed, neither the Navy nor Congress may be able to determine whether the Fleet Response Plan has effectively achieved its goals, measure the plan's overall progress, or determine what resources are needed to implement the plan.

In addition, the Navy has not fully developed a comprehensive set of plans to test and evaluate the Fleet Response Plan and has not developed formal lessons learned from past exercises to evaluate the plan's effectiveness. DOD has long recognized the importance of testing new concepts by using war games and experimentation, and recent Navy guidance stresses the importance of establishing a long-range plan for testing complex and novel problems. The Navy has identified three loosely linked events that Navy officials say demonstrate the viability of the plan. However, none of the three events cited by the Navy were part of an overall test and evaluation strategy to assess the value of the plan in increasing readiness. The Navy has not developed an overarching test and evaluation plan because Navy officials believe existing readiness reports provide adequate information to assess the Fleet Response Plan. However, readiness reports do not

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produce information on important factors such as costs, long-term maintenance implications, or quality of life issues. Additionally, the Navy did not analyze and evaluate the results of these three events and submit formal lessons learned to the Navy Lessons Learned System. Without systematic testing and evaluation and use of the lessons learned system, the Navy's ability to validate a complex change like the Fleet Response Plan, identify and correct problem areas, and disseminate lessons learned throughout the fleet is limited. This not only prevents ship and command staffs from learning from the experiences of others, but it also prevents the Navy Lessons Learned System from possibly identifying problems and patterns across the fleet that may require a high-level, Navy-wide response.

To facilitate implementation of the Fleet Response Plan, we recommend that the Navy develop a comprehensive management plan with goals and performance measures. We also recommend that the Navy develop a comprehensive testing and evaluation plan to help determine whether the Fleet Response Plan has been successful. In its comments on a draft of this report, DOD generally concurred with the report's recommendations. DOD concurred with our recommendation to develop a comprehensive management plan with goals and performance measures, citing several actions it has underway or planned. DOD partially concurred with our recommendation to test and evaluate the Fleet Response Plan. However, DOD does not plan to conduct no-notice surges as we recommended because it views such exercises as unnecessary and costly. We continue to believe that no-notice surges are important because they can serve as an effective means of gauging whether the Navy is ready to respond to real world events, which can occur with little notice. DOD comments and our evaluation are discussed on pages 21 and 22.

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## Background

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### Composition of a Carrier Strike Group

Carrier strike groups are typically centered around an aircraft carrier and its air wing, and also include a guided missile cruiser; two guided missile destroyers; a frigate; an attack submarine; and one or more supply ships with ammunition, fuel, and supplies (such as food and spare parts). These groups are formed and disestablished on an as needed basis, and their compositions may differ though they contain similar types of ships. Figure 1 shows a carrier strike group sailing in a group formation as it prepares to participate in an exercise.

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**Figure 1: The U.S.S. *George Washington* Carrier Strike Group Sailing to Participate in an Exercise**



Source: U.S. Navy.

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## Origin of the Fleet Response Plan

Prior to the September 11, 2001, terrorist attacks, only those Navy ships and air squadrons at peak readiness were deployed overseas, usually for 6 months at a time. Most of the Navy's remaining units were not available because they were in early stages of their maintenance or training cycles, or because the Navy did not have good visibility of the readiness of these units. This prompted the Chief of Naval Operations in March 2003 to task the Commander, Fleet Forces Command, to develop the Fleet Response Plan concept to enhance the Navy's surge capability. The Chief of Naval Operations approved the concept in May 2003 and further directed the Commander, Fleet Forces Command, to be responsible and accountable for effectively implementing the plan.

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## Fleet Response Plan Believed to Provide Increased and Flexible Readiness

The Fleet Response Plan emphasizes an increased level of readiness and the ability to quickly deploy naval forces to respond to crises, conflicts, or homeland defense needs. The plan applies broadly to the entire fleet; however, it only sets specific requirements for carrier strike groups. For example, the plan calls for eight carrier strike groups to be ready to deploy



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within 90 days of notification. Six of them would be available to deploy within 30 days and the other two within 90 days. This is commonly referred to as the 6 + 2 goal. Under the Fleet Response Plan, the Navy has developed a surge capability schedule that it uses to manage and identify the level of training a ship has completed and its readiness to deploy. The schedule contains three progressive readiness goals: emergency surge, surge-ready, and routine deployable status.<sup>4</sup> Each readiness goal specifies phases of training that must be completed to achieve the goal. To be placed in emergency surge status, a ship or an air squadron needs to have completed its unit-level phase training. Achieving surge-ready status requires the completion of integrated phase training. Attaining routine deployable status requires achievement of all necessary capabilities, completion of underway sustainment phase training, and certification of the unit for forward deployed operations.<sup>5</sup>

The surge capabilities schedule provides a readiness snapshot for each ship, allowing decision makers to quickly determine which ships are available to meet the needs of the mission. Figure 2 illustrates how the Navy notionally identifies the eight aircraft carriers available for surge deployments. The carriers numbered 1 through 6 are expected to be ready to deploy within 30 days notice. The carriers labeled “+1” and “+2” are expected to be able to surge within 90 days notice. The six surge-ready carriers include two carriers on deployment (numbered 3 and 4), one carrier that is part of the forward deployed naval force based in Japan (number 6), and three carriers in the sustainment phase (numbered 1, 2, and 5). These six carriers are expected to have completed postdeployment

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<sup>4</sup> Emergency surge status means a unit can be employed in case of urgent need but does so at levels of operational risk correlating to the level of capability achieved at the time of emergency surge. Surge-ready status means that units are ready to be employed at more acceptable levels of operational risk commensurate with the level of capability achieved at the time of the requirement to surge. Routine deployable status means a unit has achieved all required capabilities, completed underway training requirements, and is certified for forward deployed operations.

<sup>5</sup> Unit-level phase training focuses on completion of unit-level training requirements, including team training both on board and ashore; unit-level exercises in port and at sea; and unit inspections, assessments, certifications, and qualifications. During this phase, a unit becomes proficient in all required capabilities, meets the training commander’s certification criteria, and becomes ready for more complex integrated training events. Integrated phase training brings individual units together to conduct strike-group-level integrated training and operations in a challenging operational environment as a foundation for performing their anticipated deployed mission. Sustainment phase training exercises units and staffs in multimission planning and execution, including the ability to interoperate effectively in a wartime environment.

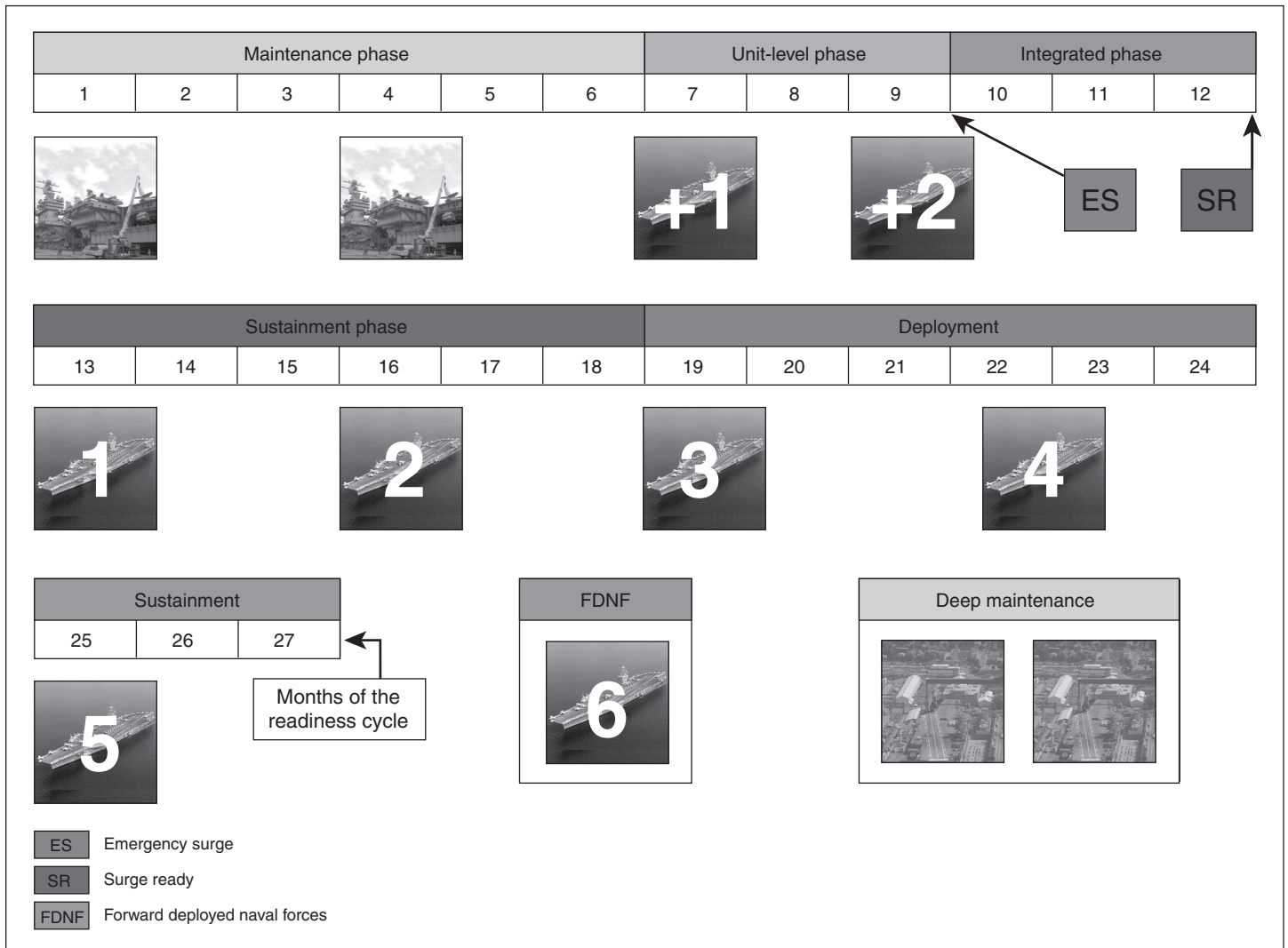
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depot-level maintenance and their unit-level phase training. The two additional surge carriers are expected to have completed depot-level maintenance but not to have completed unit-level phase training. The remaining four carriers are in the maintenance phase or deep maintenance.<sup>6</sup>

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<sup>6</sup> The maintenance phase consists of depot-level shipyard maintenance for a period of 6 to 12 months. Deep maintenance is for a period of 2 to 3 years for a nuclear-refueling overhaul.

**Figure 2: Fleet Response Plan Readiness Cycle Is Intended to Provide Eight Carriers for Surge Deployments**



Source: GAO analysis of Navy data.

## Revised Fleet Response Plan Is Being Developed

Based on the Navy's experiences during the past 2 years, Fleet Forces Command has convened a cross-functional working group to develop a refined version of the Fleet Response Plan. This update, known as Fleet Response Plan-Enhanced, is intended to further define the Fleet Response Plan, modify terminology for progressive readiness states to better reflect

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their meaning, tie in elements such as a human capital strategy, and expand the focus of the plan beyond carrier strike groups to the entire Navy. It may also extend the Fleet Response Plan's current employment cycle length of 27 months. The Fleet Response Plan-Enhanced is still under development at this time.

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## Fleet Response Plan Does Not Fully Incorporate Sound Management Practices

The Navy's management approach in establishing the Fleet Response Plan as its new readiness construct has not fully incorporated sound management practices needed to effectively guide, monitor, and assess implementation.<sup>7</sup> Studies by several organizations have shown that successful organizations in both the public and private sectors use sound management practices to assist agencies in measuring performance, reporting results, and achieving desired outcomes. These practices provide management with a framework for effectively implementing and managing programs and shift program management focus from measuring program activities and processes to measuring program outcomes. Sound management practices include (1) establishing a coherent mission and integrated strategic goals to guide the transformation, including resource commitments; (2) setting implementation goals and a timeline to build momentum and show progress from day one; and (3) establishing a communication strategy to create shared expectations and report related progress.

The Navy's implementation of the Fleet Response Plan has included some aspects of these practices. For example, the Navy has established some strategic goals needed to meet the intent of the plan, such as the progressive readiness levels of emergency surge, surge-ready, and routine deployable status. The Navy also has established specific training actions to support these goals, such as that carrier strike groups must complete unit-level training to be certified as emergency surge-ready. However, other actions taken by the Navy do not fully incorporate these practices. For example, the Navy has identified the 6 + 2 surge capability as a readiness goal and performance measure for carrier strike groups, but no such goal was established for the rest of the fleet. The Navy also has some unofficial goals and performance measures regarding manning and maintenance, but these unofficial goals and performance measures have

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<sup>7</sup> The Congress enacted the Government Performance and Results Act of 1993 to provide for, among other things, the establishment of strategic planning and performance measurement in the federal government. Pub. L. No. 103-62 (1993).

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not been formally established. For example, briefings on the Fleet Response Plan state that the Navy desires and needs fully manned ships (i.e., manning at 100 percent of a ship's requirement) for the program to be successful. Moreover, according to Navy officials, the Navy has not established milestones for achieving its results.

In addition, 2 years after initiating implementation of the Fleet Response Plan, the Navy still does not have an official written definition of the Fleet Response Plan that clearly establishes a coherent mission and integrated strategic goals to guide the transformation, including resource commitments. This definition would describe the Fleet Response Plan's total scope and contain guidance with formal goals and performance measures. The Navy recently has taken some action to address this area. In February 2005, the Navy directed the Center for Naval Analyses to conduct a study to develop formal definitions and guidance as well as identify goals and performance measures for the plan. However, it remains to be seen whether this study will be completed as planned by November 2005; if it will recommend developing and implementing sound management practices, such as goals, measures, milestones, and timelines; and whether any management improvement recommendations made in the study will be implemented by the Fleet Forces Command, the Navy command responsible for implementing the Fleet Response Plan. Without goals, performance measures, timelines, milestones, benchmarks, and guidance to help effectively manage implementation of the Fleet Response Plan and determine if the plan is achieving its goals, the Navy may find it more difficult to implement the Fleet Response Plan across the entire naval force.

Moreover, despite the Navy's unofficial goal that the Fleet Response Plan be budget neutral, as articulated in briefings and by senior leaders, the Navy has not yet clearly identified the resources needed to achieve its goals or provided a rationale for how these resources will contribute to achieving the expected level of performance. Navy officials have said that current operations and maintenance funding levels, as well as manning at 100 percent of required positions, have contributed to successful implementation of the Fleet Response Plan. However, officials do not know what level of manning or funding is actually required for program success over the long term to avoid any unintended consequences, such as greater amounts of deferred maintenance. According to Navy officials, it is difficult to attribute costs to the plan because there is no single budget line item that tracks the costs associated with the Fleet Response Plan. Without knowing the funding needed, the Navy may not be able to assess the impact of possible future changes in funding on implementing the plan.

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Furthermore, without a comprehensive plan that links costs with performance measures and outcomes, neither the Navy nor Congress may be able to determine if the Fleet Response Plan is actually achieving its unofficial goal of being budget neutral.

Finally, the Navy also has not developed a comprehensive communications strategy that reaches out to employees, customers, and stakeholders and seeks to genuinely engage them in a two-way exchange, which is a critical step in successfully implementing cultural change or transformation. We looked for formal mechanisms that communicated the details of the Fleet Response Plan and spoke with personnel from carrier strike groups, aircraft carriers, air wings and an air squadron, one surface combatant ship, and other command staff.<sup>8</sup> We found that while the Fleet Response Plan was communicated extensively to senior-level officers, and the Navy provided numerous briefings and messages related to the plan, communication and understanding of the plan did not flow through to the lower ranks. While the concept of the Fleet Response Plan is generally understood by some senior-level officials, many of the lower grade personnel on these ships were unaware of the scope, goals, and other aspects of the plan. In the absence of clear communication throughout the fleet via an overall communications strategy that could increase employee awareness of the Fleet Response Plan, its successful implementation could be impeded.

Sound management practices, such as those noted above, were not fully used by the Navy because senior leaders wanted to quickly implement the Fleet Response Plan in response to the Chief of Naval Operations' desires. However, without an overall management plan containing all of these elements to guide the implementation of such a major change, it may be difficult for the Navy and Congress to determine the extent to which the Fleet Response Plan is achieving the desired results, measure its overall progress, or determine the resources needed to implement the plan.

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<sup>8</sup> We met with people individually and in groups. Personnel included commanding officers, executive officers, and senior and junior enlisted personnel. Additionally, we met with command master chiefs and command career counselors.

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## Navy Has Not Fully Tested and Evaluated the Fleet Response Plan or Developed Lessons Learned

The Navy has not fully tested and evaluated the Fleet Response Plan or developed lessons learned to identify the effectiveness of its implementation and success over time. The methodical testing, exercising, and evaluation of new doctrines and concepts is an established practice throughout the military to gain insight into how systems and capabilities will perform in actual operations. However, instead of methodically conducting realistic tests to evaluate the Fleet Response Plan, the Navy has tried to demonstrate the viability of the plan by relying on loosely linked events that were not part of an overall test and evaluation strategy, which impairs the Navy's ability to validate the plan and evaluate its success over time. In addition, the Navy has not used its lessons learned system to share the results of its Fleet Response Plan tests or as an analytical tool to evaluate the progress of the plan and improve implementation, which limits the Navy's ability to identify and correct weaknesses across the fleet.

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## Methodical Tests and Evaluations of New Concepts Are Important

Methodically testing, exercising, and evaluating new doctrines and concepts is an important and established practice throughout the military. DOD has long recognized the importance of using tabletop exercises, war games, and experimentation<sup>9</sup> to explore military doctrine, operational concepts, and organizational arrangements. Collectively, these tests and experiments can provide important insight into how systems and capabilities will perform in actual operations. U.S. Joint Forces Command, which has lead responsibility for DOD experimentation on new concepts of operation and technologies, states that its experimental efforts aim to foster military innovation and improvement by exploring, developing, and transferring new concepts and organizational ideas into operational reality.

Particularly large and complex issues may require long-term testing and evaluation that is guided by study plans. Joint Forces Command's Joint Warfighting Center has an electronic handbook that provides guidance for conducting exercises and lays out the steps in an exercise life cycle: design; planning; preparation; execution; and analysis, evaluation, and reports. The Army also has well-established guidance<sup>10</sup> governing service

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<sup>9</sup> Tabletop exercises are analytical tools that require fewer resources than full-fledged live exercises. They provide a means to develop both immediate and long-term solutions among functional areas, to develop standardization and interoperability of procedures, and to document best practices for others to utilize.

<sup>10</sup> Army Regulation 5-5, *Army Studies and Analyses* (June 30, 1996).

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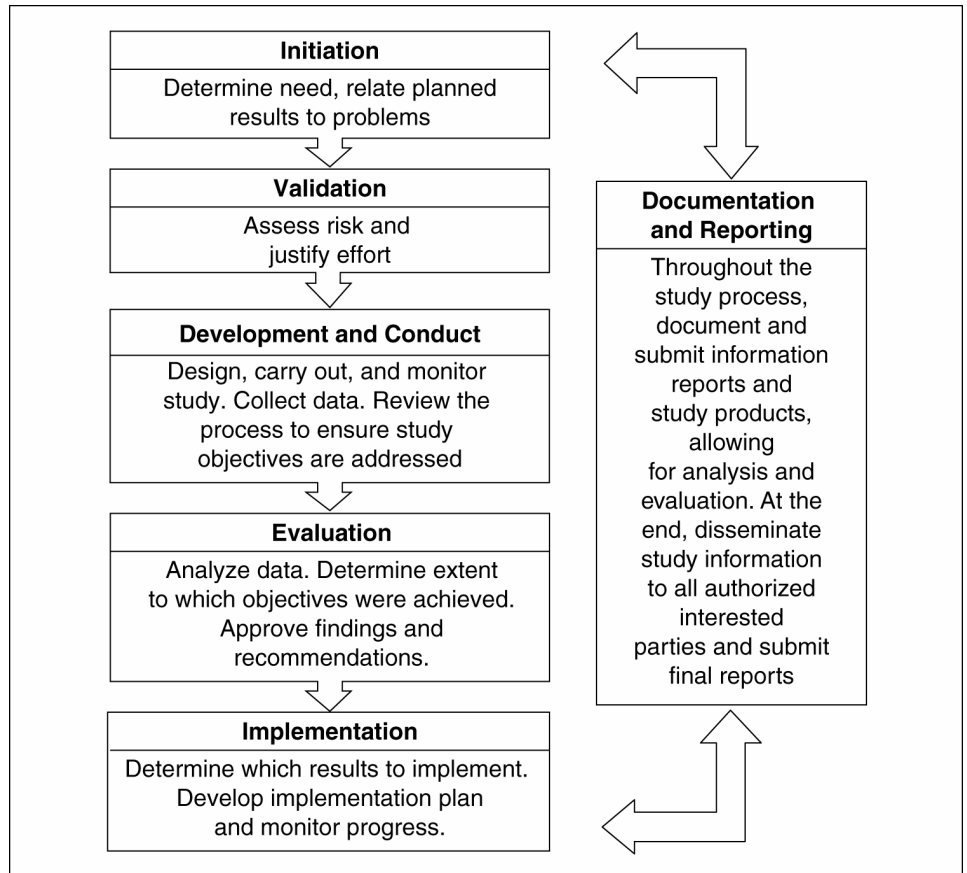
studies, analyses, and evaluations that the Navy feels is representative of best practices for military operations research. This provides an important mechanism through which problems pertaining to critical issues and other important matters are identified and explored to meet service needs. As shown in figure 3, the Army's process involves six major steps that create a methodical process for developing, conducting, documenting, and evaluating a study. Following a formal study process enables data evaluation and development of lessons learned that could be used to build on the existing knowledge base. In a roundtable discussion with the Fleet Forces Command on the rationale behind Summer Pulse 2004, the Navy's major exercise for the Fleet Response Plan, a senior Navy official stated, "From the concept, ... you need to exercise, ... you need to practice, ... you need to demonstrate it to know you got it right and what lessons are there to learn from how we did it."<sup>11</sup>

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<sup>11</sup> Rear Admiral John D. Stufflebeem, "Roundtable: Summer Pulse Discussions With Rear Admiral John D. Stufflebeem," Summer Pulse '04 News Archive (July 8, 2004), <http://www.cffc.navy.mil/summerpulse04/stufflebeem-transcript.htm>.



**Figure 3: Best Practice Steps for a Methodical Study Plan Process**



Source: GAO analysis of DOD data.

Other governmental agencies, like GAO, and the private sector also rely on detailed study plans, or data collection and analysis plans, to guide the development of studies and experiments and the collection and analysis of data, and to provide a feedback loop that links the outcomes of the study or experiment event and subsequent analysis to the original goals and objectives of the study or event. GAO guidance states that data collection and analysis plans “should carry forward the overall logic of the study so that the connection between the data that will be collected and the answers to the study questions will become evident.”<sup>12</sup>

<sup>12</sup> See GAO, *Quantitative Data Analysis: An Introduction*, GAO/PEMD-10.1.11, ch. 7 (Washington, D.C.: May 1992).

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Recent Navy guidance also recognizes the need for a thorough evaluation of complex initiatives. In April 2005, the Navy issued a *Study Planning and Conduct Guide* assembled by the Navy Warfare Development Command.<sup>13</sup> This guide stresses the importance of establishing a long-range plan for complex and novel problems and lays out the rationale for detailed study plans for exercises and experiments, as they establish a structure in which issues are explored and data are collected and analyzed in relation to the established goals or objectives for the event. Furthermore, the Navy's guide notes that random, inadequately prepared events and a determination just to study the problem do not lead to successful resolution of problems that may arise in programs and concepts that the Navy is testing and evaluating.

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### Navy Events to Show Viability of the Fleet Response Plan Have Lacked Methodical Testing and Evaluation

The Navy has not methodically conducted realistic tests of the Fleet Response Plan to demonstrate the plan's viability and evaluate its progress and success over time, instead relying on loosely linked events and some routine data to demonstrate the viability of the plan. The events identified by the Navy as successful tests of the Fleet Response Plan are Summer Pulse 2004, the emergency deployment of the U.S.S. *Abraham Lincoln*, and Global War on Terrorism Surge 2005, but of these events only Summer Pulse 2004 was driven by the Fleet Response Plan with the intent of demonstrating that large numbers of ships could be surged. In addition, these events were not part of an overall test and evaluation strategy that yielded specific information from which to assess the value of the plan in increasing readiness and meeting the new 6 + 2 surge capability goal for carrier strike groups.

Summer Pulse 2004 encompassed a number of previously scheduled deployments, exercises, and training events that took place between June and August of 2004. The intent of Summer Pulse 2004 was to demonstrate the Fleet Response Plan's new readiness construct and the Navy's ability to deploy multiple carrier strike groups of varying levels of readiness. However, Summer Pulse 2004 was not a methodical and realistic test of the Fleet Response Plan for three reasons. First, Summer Pulse 2004 did

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<sup>13</sup> The Navy Warfare Development Command's responsibilities include being a champion for Navy warfare innovation, operating concepts, and concept of operations development in a naval, joint, and coalition environment; coordinating the planning and implementation of the Navy's experimentation process; managing development, approval, and rapid dissemination of naval, joint, and allied doctrine; and managing the Navy's Lessons Learned Program.

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not follow best practices regarding study plans and the ability to evaluate the impact and outcomes of the plan. The Navy did not develop a formal study plan identifying study objectives, data collection requirements, and analysis, or produce a comprehensive after-event report describing the study's findings. Navy officials have stated that the elements of a formal study plan were there for the individual deployments, exercises, and training events constituting Summer Pulse 2004, but were not brought together in a single package. While the Navy may have had the study elements present for the individual exercises, they were not directly linked to testing the Fleet Response Plan. Without such a comprehensive study plan and overall evaluation, there is no ability to discern potential impacts on fleet readiness, maintenance, personnel, and other issues that are critical to the Fleet Response Plan's long-term success. Second, Summer Pulse 2004 was not a realistic test because all participating units had several months' warning of the event. As a result, five carriers were already scheduled to be at sea and only two had to surge. Because six ships are expected to be ready to deploy with as little as 30 days' notice under the plan and two additional carriers within 90 days, a more realistic test of the Fleet Response Plan would include no-notice or short-notice exercises.<sup>14</sup> Such exercises conducted without advance notification to the participants would provide the highest degree of challenge and realism. Without such exercises, the Navy might not be able to realistically practice and coordinate a full surge deployment. Third, Summer Pulse 2004 was not a sufficient test because the Navy involved only seven carriers instead of the eight carriers called for in the plan. Therefore, it did not fully test the Navy's ability to meet deployment requirements for the expected force.

Another event cited by the Navy as evidence of the Fleet Response Plan's success is the deployment of the U.S.S. *Abraham Lincoln* carrier strike group while it was in surge status in October 2004. Originally scheduled to deploy in the spring of 2005, the *Lincoln* was deployed early to support operations in the Pacific Command area of operation and provide aid to areas devastated by a tsunami in the Indian Ocean in December 2004. Navy officials said that the Fleet Response Plan enabled the Navy to identify a carrier to send to the Pacific and to quickly tailor its training package based on its progressive readiness status. The Navy touted this rapid response relief work by a strike group deployed during surge status as a

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<sup>14</sup> No-notice exercises demonstrate participants' ability to rapidly respond to unexpected situations. This type of exercise is valued because it can lead to improvements in procedures by exercising participants in a near-real-world context.

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Fleet Response Plan success story. We agree that the *Lincoln* carrier strike group was able to respond quickly. However, the extent to which this event realistically tested the Fleet Response Plan's expectations for surging one carrier strike group is not known. As with Summer Pulse 2004, the *Lincoln* deployment was not a methodical test of the Fleet Response Plan because there was no plan to systematically collect or analyze data that would evaluate the outcomes of the *Lincoln* deployment against Fleet Response Plan-related study goals.

The Navy also pointed to a third event, its recent Global War on Terrorism Surge 2005,<sup>15</sup> as an indicator that the Fleet Response Plan works. The Global War on Terrorism surge was a response to a request for forces<sup>16</sup> from which the Navy is looking to glean Fleet Response Plan-related information about what did and did not work when the ships return. However, this is not a good test of the Fleet Response Plan because there is no plan showing what specific data are being collected or what analytical approaches are being employed to assess the ships' experiences. As of September 2005, no other events had been scheduled to further test and evaluate the Fleet Response Plan.

The Navy has not developed the kind of comprehensive plans to test and evaluate the Fleet Response Plan as recommended by DOD and Navy guidance and best practices because Navy officials have stated that existing readiness reporting processes effectively evaluate the Fleet Response Plan's success on a daily basis. They said after-action reports<sup>17</sup> from training exercises and the *Joint Quarterly Readiness Review*<sup>18</sup> assist

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<sup>15</sup> In the spring of 2005, the Navy surged five ships in support of the Global War on Terrorism to work with allies to detect, disrupt, and deny international terrorist organizations the use of the maritime environment. These ships will also work to build regional security and long-term stability. The five ships are the U.S.S. *Saipan* (LHA 2), U.S.S. *Nashville* (LPD 13), U.S.S. *Nicholas* (FFG 47), the U.S.S. *Gunston Hall* (LSD 44), and the U.S.S. *Philippine Sea* (CG 58).

<sup>16</sup> A request for forces is a special request by a geographic combatant commander through the Chairman, Joint Chiefs of Staff, for forces in addition to the normal, preapproved force deployments or forces assigned.

<sup>17</sup> An after-action report is a professional discussion of an event, focused on performance standards, that enables participants to discover for themselves what happened, why it happened, and how to sustain strengths and address weaknesses. It is a tool that leaders, trainers, and units can use to get maximum benefit from every mission or task.

<sup>18</sup> The *Joint Quarterly Readiness Review* is a quarterly readiness assessment that identifies capability shortfalls and risks in mission execution and identifies appropriate measures for risk reduction.

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with this function. Navy officials explained that they implemented the Fleet Response Plan the same way they had implemented the Inter-Deployment Training Cycle, the predecessor to the Fleet Response Plan's Fleet Readiness Training Plan. While this may be true, the Inter-Deployment Training Cycle was focused on the specific training needed to prepare units for their next deployment, not for implementing a new readiness construct that emphasized surge versus routine deployments. Furthermore, the Inter-Deployment Training Cycle did not contain stated goals whose validity the Navy needed to test. In addition, ongoing readiness reports do not provide information on important factors such as costs, long-term maintenance implications, and quality of life issues.

The Summer Pulse 2004, *Lincoln* surge deployment, and Global War on Terrorism Surge 2005 testing events were not part of a methodical test and evaluation approach. Therefore, the Navy is unable to convincingly use these events to evaluate the Fleet Response Plan and determine whether the plan has been successful in increasing readiness or achieving other goals. Moreover, without effective evaluation of the Fleet Response Plan, the Navy may be unable to identify and correct potential problem areas across the fleet. Without a comprehensive long-range plan that establishes methodical and realistic testing of the Fleet Response Plan, the Navy may be unable to validate the Fleet Response Plan operational concept, evaluate its progress and success over time, and ensure that it can effectively meet Navy goals over the long term without any adverse, unintended consequences for maintenance, quality of life, and fleet readiness.

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### Navy Lessons Learned System's Repository and Analytic Resources Have Not Been Used to Catalog and Share Fleet Response Plan Lessons

The formal Navy repository for lessons learned, the Navy Lessons Learned System, has not been used to disseminate Fleet Response Plan-related lessons learned or to analyze test results to evaluate the progress of the plan and improve implementation. The Navy Lessons Learned System has been designated by the Chief of Naval Operations as the singular Navy program for the collection, validation, and distribution of unit feedback as well as the correction of problems identified and derived from fleet operations, exercises, and miscellaneous events. However, there are no mechanisms or requirements in place to force ships, commands, and numbered fleet staffs to submit all lessons learned to the Navy Lessons Learned System, although such mechanisms exist for the submission of port visit and other reports. For the events that the Navy cites as tests of the Fleet Response Plan, it did not analyze and evaluate the results and produce formal lessons learned to submit to the Navy Lessons Learned System for recordation and analysis. Any evaluation done of the testing

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events has not been incorporated into the Lessons Learned System, preventing comprehensive analyses of lessons learned and identification of problems and patterns across the fleet that may require a high-level, Navy-wide response.

Some ship and carrier strike group staff informed us that they prefer informal means of sharing lessons learned, because they feel the process through which ships and commands have to submit lessons learned for validation and inclusion in the database can be complex and indirect. This may prevent ship and command staffs across the fleet from learning from the experiences of others, but it also prevents the Navy Lessons Learned System from performing comprehensive analyses of the lessons learned and possibly identifying problems and patterns across the fleet that may require a high-level Navy-wide response. In addition, the lessons learned are recorded by mission or exercise (e.g., Operation Majestic Eagle) and not by operational concept (e.g., the Fleet Response Plan), making identification of Fleet Response Plan-specific lessons learned difficult and inconsistent.

Over the last 10 years, we have issued several reports related to lessons learned developed by the military. We have found that service guidance does not always require standardized reporting of lessons learned<sup>19</sup> and lessons learned are not being used in training or analyzed to identify trends and performance weaknesses.<sup>20</sup> We emphasized that effective guidance and sharing of lessons learned are key tools used to institutionalize change and facilitate efficient operations. We found that despite the existence of lessons learned programs in the military services and the Joint Staff, units repeat many of the same mistakes during major training exercises and operations. Our current review indicates that the Navy still does not include all significant information in its lessons learned database. Therefore, Navy analysts cannot use the database to perform comprehensive analyses of operational concepts like the Fleet Response Plan to evaluate progress and improve implementation.

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<sup>19</sup> See GAO, *Chemical and Biological Defense: Army and Marine Corps Need to Establish Minimum Training Tasks and Improve Reporting for Combat Training Centers*, [GAO-05-8](#) (Washington, D.C.: Jan. 28, 2005), and *Force Structure: Navy Needs to Fully Evaluate Options and Provide Standard Guidance for Implementing Surface Ship Rotational Crewing*, [GAO-05-10](#) (Washington, D.C.: Nov. 11, 2004).

<sup>20</sup> See GAO, *Military Training: Potential to Use Lessons Learned to Avoid Past Mistakes Is Largely Untapped*, [GAO/NSIAD-95-152](#) (Washington, D.C.: Aug. 9, 1995).

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Officials from the Navy Warfare Development Command stated that the Navy is currently drafting a new Chief of Naval Operations Instruction governing the Navy Lessons Learned System that will address some of these issues.<sup>21</sup> Navy Warfare Development Command officials hope that the new instruction will result in several improvements over the current system. First, they would like to see a dual reporting system, so that lessons learned are simultaneously sent to the Navy Lessons Learned System for preliminary evaluation when they are submitted to the numbered fleets for validation. This would allow Navy Lessons Learned analysts to look at unvarnished data for patterns or issues of interest to the Chief of Naval Operations, without taking away the numbered fleets' validation processes. In addition, officials would like to establish deadlines for the submission of lessons learned to ensure timeliness. Not only will these changes add value to the data stored in the Navy Lessons Learned System, but they will keep the data flowing while ensuring that data are actually submitted and not lost as they move up the chain of command. According to Navy Lessons Learned officials, other branches of the military already allow operators in the field to submit lessons learned directly to their lessons learned systems, enabling value-added analysis and the timely posting of information. By addressing these issues, the Navy can help ensure that the lessons learned process will become more efficient, be a command priority, and produce actionable results.

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## Conclusions

Two years after implementing a major change in how it expects to operate in the future, the Navy has not taken all of the steps needed to enable the Navy or Congress to assess the effectiveness of the Fleet Response Plan. As the Navy prepares to implement the Fleet Response Plan across the entire naval force, it becomes increasingly important that the Navy effectively manages this organizational transformation so that it can determine if the plan is achieving its goals. The absence of a more comprehensive overarching management plan to implement the Fleet Response Plan has left essential questions about definitions, goals, performance measures, guidance, timelines, milestones, benchmarks, and resources unanswered, even though sound management practices recognize the need for such elements to successfully guide activities and measure outcomes. The absence of these elements could impede effective

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<sup>21</sup> Chief of Naval Operations Instruction 3500.37D, currently being drafted, would replace Chief of Naval Operations Instruction 3500.37C, March 19, 2001, *Navy Lessons Learned System*.

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implementation of the Fleet Response Plan. Furthermore, without a comprehensive plan that links costs with performance measures and outcomes, neither the Navy nor Congress may be able to determine if the Fleet Response Plan is budget neutral. More effective communications throughout the fleet using an overall communications strategy could increase employee awareness of the plan and help ensure successful implementation.

The Navy also has not developed a comprehensive long-range plan for testing and evaluating the Fleet Response Plan. Without a well-developed plan and methodical testing, the Navy may not be aware of all of the constraints to successfully surging its forces to crises in a timely manner. Moreover, the absence of an overarching testing and evaluation plan that provides for data collection and analysis may impede the Navy's ability to use its testing events to determine whether the Fleet Response Plan has been successful in increasing readiness and to identify and correct problem areas across the fleet. Failure to document and record the results of testing and evaluation efforts in the Navy Lessons Learned System could limit the Navy's ability to validate the value of the concept, identify and correct performance weaknesses and trends across the fleet, perform comprehensive analyses of lessons learned, and disseminate these lessons and analyses throughout the fleet.

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## Recommendations for Executive Action

To facilitate successful implementation of the Fleet Response Plan and enhance readiness and ensure the Navy can determine whether the plan has been successful in increasing readiness and is able to identify and correct performance weaknesses and trends across the fleet, we recommend that the Secretary of Defense take the following two actions:

- Direct the Secretary of the Navy to develop a comprehensive overarching management plan based on sound management practices that will clearly define goals, measures, guidance, and resources needed for implementation of the Fleet Response Plan, to include the following elements:
  - establishing or revising Fleet Response Plan goals that identify what Fleet Response Plan results are to be expected and milestones for achieving these results,
  - developing implementing guidance and performance measures based on these goals,
  - identifying the costs and resources needed to achieve each performance goal, and
  - communicating this information throughout the Navy.



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- Direct the Secretary of the Navy to develop a comprehensive plan for methodical and realistic testing and evaluation of the Fleet Response Plan. Such a comprehensive plan should include a description of the following elements:
    - how operational tests, exercises, war games, experiments, deployments, and other similar events will be used to show the performance of the new readiness plan under a variety of conditions, including no-notice surges;
    - how data will be collected and analyzed for these events and synthesized to evaluate program success and improvements; and
    - how the Navy Lessons Learned System will collect and synthesize lessons from these events to avoid repeating mistakes and improve future operations.

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## Agency Comments and Our Evaluation

In written comments on a draft of this report, DOD generally concurred with our recommendations and cited actions it will take to implement the recommendations.

DOD concurred with our recommendation that the Navy should develop a comprehensive overarching management plan based on sound management practices that would clearly define the goals, measures, guidance, and resources needed for successful implementation of the Fleet Response Plan, including communicating this information throughout the Navy. DOD noted that the Navy has already taken action or has plans in place to act on this recommendation, and described several specific accomplishments and ongoing efforts in this regard. DOD also noted that the Navy intends to communicate through message traffic, white papers, instructions, lectures, and meetings with Navy leadership. We agree that these means of communication are an important part of an effective communication strategy; however, we do not believe that these methods of communication constitute a systemic strategy to ensure communication at all personnel levels. We believe the Navy would benefit from a comprehensive communication strategy that builds on its ongoing efforts, but encompasses additional actions to ensure awareness of the plan throughout the Navy.

DOD partially concurred with our recommendation to test and evaluate the Fleet Response Plan. DOD noted that it plans to use a variety of events and war games to evaluate the Fleet Response Plan, but it does not see a need to conduct no-notice surges to test the Fleet Response Plan. DOD stated that it believes no-notice surges are expensive and unnecessary and could lead to penalties on overall readiness and the ability to respond to

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emergent requirements. DOD also noted that the Navy has surged single carrier strike groups, expeditionary strike groups, and individual ships or units under the Fleet Response Plan, and it cited several examples of such surges. We commend the Navy's plans to use a variety of events to evaluate the Fleet Response Plan and its use of the Navy Lessons Learned System to report and evaluate the lessons learned in the Global War on Terrorism Surge 2005 exercise held earlier this year. However, we continue to believe that no-notice surges are critical components of realistic testing and evaluation plans and that the benefits of such exercises can outweigh any additional costs associated with conducting such tests on a no-notice basis. Both we and Congress have long recognized the importance of no-notice exercises. For example, in a 1989 report, we noted that DOD was instituting no-notice exercises to assess the preparedness of combatant commands' state of training of their staffs and components.<sup>22</sup> In addition, in 1990 the Department of Energy conducted no-notice tests of security personnel in response to our work and out of recognition that such tests are the best way to assess a security force's ability at any given time.<sup>23</sup> Furthermore, in recent years, the Department of Homeland Security, Department of Energy, and others have conducted no-notice exercises because they add realism and demonstrate how well organizations are actually prepared to respond to a given situation. Despite the importance of no-notice exercises, the Navy has not conducted no-notice exercises to test and evaluate the centerpiece surge goal of 6 + 2 for carrier strike groups. We believe that the smaller surges cited by DOD can provide insights into the surging process, but we do not believe that such surges can effectively test the Navy's readiness for a full 6 + 2 carrier strike group surge.

DOD also provided technical and editorial comments, which we have incorporated as appropriate. DOD's comments are reprinted in appendix II of this report.

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We are sending copies of this report to other interested congressional committees; the Secretary of Defense; the Secretary of the Navy; and the Director, Office of Management and Budget. We will make copies available

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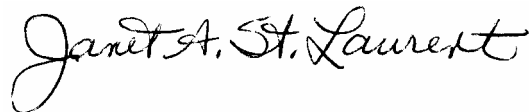
<sup>22</sup> See GAO, *Defense Reorganization: Progress and Concerns at JCS and Combatant Commands*, [GAO/NSIAD-89-83](#) (Washington, D.C.: Mar. 1, 1989).

<sup>23</sup> See GAO, *Nuclear Safety: Potential Security Weaknesses at Los Alamos and Other DOE Facilities*, [GAO/RCED-91-12](#) (Washington, D.C.: Oct. 11, 1990).

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to others upon request. In addition, the report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-4402 or [stlaurentj@gao.gov](mailto:stlaurentj@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 major contributions to this report are listed in appendix III.



Janet St. Laurent  
Director, Defense Capabilities  
and Management

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*List of Committees*

The Honorable John Warner  
Chairman  
The Honorable Carl Levin  
Ranking Minority Member  
Committee on Armed Services  
United States Senate

The Honorable Ted Stevens  
Chairman  
The Honorable Daniel K. Inouye  
Ranking Minority Member  
Subcommittee on Defense  
Committee on Appropriations  
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The Honorable Ike Skelton  
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House of Representatives

The Honorable C. W. Bill Young  
Chairman  
The Honorable John P. Murtha  
Ranking Minority Member  
Subcommittee on Defense  
Committee on Appropriations  
House of Representatives

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# Appendix I: Scope and Methodology

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To assess the extent to which the Navy has employed a sound management approach in implementing the Fleet Response Plan, we interviewed Navy headquarters and fleet officials; received briefings from relevant officials; and reviewed key program documents. In the absence of a comprehensive planning document, we compared best practices for managing and implementing major efforts to key Navy messages, directives, instructions, and briefings, including, but not limited to, the *Culture of Readiness* message sent by the Chief of Naval Operations (March 2003); the *Fleet Response Concept* message sent by the Chief of Naval Operations (May 2003); the *Fleet Response Plan Implementation* message sent by the Commander, Fleet Forces Command (May 2003); the *Fleet Response Plan Implementation Progress* message sent by the Commander, Third Fleet (September 2003); and the U.S. Fleet Forces Command's *Fleet Training Strategy* instruction (May 2002 and an undated draft). We also conducted meetings with several of the commanding officers, executive officers, and department heads of selected carrier strike groups, aircraft carriers, and air wings to obtain information on how the plan had been communicated, how the plan had changed their maintenance and training processes, the impact on their quality of life, the cost implications of the plan, and other factors.

To assess the extent to which the Navy has tested the effectiveness of the Fleet Response Plan and shared results to improve its implementation, we obtained briefings; interviewed Navy headquarters and fleet officials; and reviewed test and evaluation guidance for both the Navy and other federal agencies. To evaluate the three Fleet Response Plan demonstrations identified by the Navy, we interviewed officials from the Fleet Forces Command and the Navy Warfare Development Command, reviewed existing documentation on the demonstrations, queried the Navy Lessons Learned System for lessons learned from the demonstrations, and compared our findings to accepted best practices for tests and evaluations. Further, we reviewed Navy Lessons Learned System instructions and queried the system to determine recorded lessons learned pertaining to the Fleet Response Plan.

We validated the Navy Lessons Learned System data and determined the data were sufficiently reliable for our analysis. We conducted our review from January 2005 through August 2005 in accordance with generally accepted government auditing standards at the following locations:

- The Joint Staff, Washington, D.C.
- U.S. Pacific Command, Camp H. M. Smith, Hawaii
- Offices of the Chief of Naval Operations, Washington, D.C.

- Naval Sea Systems Command, Washington, D.C.
- U.S. Fleet Forces Command, Norfolk, Virginia
  - Offices of the Fleet Forces Command
  - Commander, U.S. Second Fleet
  - Commander, Naval Air Forces
  - Commander, Submarine Forces
  - Commander, Naval Surface Force
  - U.S. Marine Corps Forces
  - Afloat Training Group
  - Navy Warfare Development Command, Newport, Rhode Island
- Commander, U.S. Pacific Fleet, Pearl Harbor, Hawaii
  - Offices of the U.S. Pacific Fleet
  - Commander, Naval Submarine Force
- Asia-Pacific Center for Security Studies, Honolulu, Hawaii

We held group discussions with selected personnel such as commanding officers, executive officers/chief of staffs, department heads, and crew members from the following units, all located in the Norfolk, Virginia, area:

- U.S.S. *Bulkeley*
- U.S.S. *Enterprise*
- U.S.S. *Theodore Roosevelt*
- U.S.S. *Harry S. Truman*
- Carrier Air Wing 3
- Carrier Air Wing 8
- Carrier Strike Group 2
- Carrier Strike Group 10

# Appendix II: Comments from the Department of Defense



PERSONNEL AND  
READINESS

OFFICE OF THE UNDER SECRETARY OF DEFENSE  
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WASHINGTON, D. C. 20301-4000

OCT 31 2005

Janet A. St. Laurent  
Director, Defense Capabilities and Management  
U.S. Government Accountability Office  
441 G Street, N.W.  
Washington, DC 20548

Dear Ms. St. Laurent:

This is the Department of Defense (DoD) response to the GAO draft report, GAO-06-84, "MILITARY READINESS: Navy's Fleet Response Plan Would Benefit From a Comprehensive Management Approach and Rigorous Testing" (GAO Code 350625)," dated September 27, 2005.

DoD appreciates the opportunity to comment on the draft report. DoD concurs with Recommendation 1 and partially concurs with Recommendation 2. Detailed comments on the GAO recommendations and report are enclosed

Sincerely,

Joseph J. Angello  
Director  
Readiness Programming & Assessment

Enclosure:  
As Stated

GAO DRAFT REPORT – DATED September 27, 2005  
GAO CODE 350625/GAO-06-84

"MILITARY READINESS: Navy's Fleet Response Plan Would Benefit From a  
Comprehensive Management Approach and Rigorous Testing"

DEPARTMENT OF DEFENSE COMMENTS  
TO THE RECOMMENDATIONS

**RECOMMENDATION 1:** The GAO recommended that the Secretary of Defense direct the Secretary of the Navy to develop a comprehensive overarching management plan based on sound management practices that will clearly define goals, measures, guidance, and resources needed for implementation of the Fleet Response Plan, to include the following elements:

- establish or revise Fleet Response Plan goals that identify what Fleet Response Plan results are to be expected and milestones for achieving these results;
- develop implementing guidance and performance measures based on these goals;
- identify the costs and resources needed to achieve each performance goal; and
- communicate this information throughout the Navy.

**DoD RESPONSE:** Concur. The Navy has either already developed or is in process of developing guidance, performance measures, and a methodology to capture Fleet Response Plan (FRP) costs and efficiencies. Additionally, the Navy leadership is continuously working to educate and inform personnel, at all levels, on the dynamics, requirements, and benefits of the FRP.

Since its very inception, the FRP is designed as a dynamic and flexible operational process that affords all levels of command an ability to adapt to changing world environments and requirements. Therefore, the management and process tracking of FRP will also change in concert with those emergent requirements.

Specific accomplishments and ongoing efforts are described below:

- FRP goals and expectations were initially established and communicated to the Fleet via formal message traffic and guidance from subordinate commanders. CNO's "personal for" Commanders, Commanding Officers, and Officers in Charge dated 22 May 2003 outlined the requirement to develop a process that would improve Navy's speed of response. It announced the approval of the Fleet Response Concept and directed CFFC to develop FRP to make the concept a reality. Supplemental guidance from CFFC explained FRP and delineated key implementation milestones. More recent and expanded guidance can be seen in the draft CFFC Instruction 3501.3A titled Fleet Training Continuum. This document discusses and identifies in-depth guiding principles, roles and responsibilities, business rules, and critical training enablers.



- Overarching guidance in the form of a CNO FRP instruction is in work with OPNAV N43 as lead agent. This instruction will address all facets of FRP and will include references and descriptions of performance based measures and consolidate implementation guidance. Additionally, significant progress has been made to standardize performance measures via a capabilities-based approach, using the Navy Mission Essential Task Lists (NMETLs). These are the basic building blocks used in determining Fleet training requirements, plans, execution, and readiness assessment.
- Identification of costs and resources needed to efficiently operate the FRP has been undertaken by several organizations under the cognizance of CFFC. The Center for Naval Analysis (CNA) will deliver the results of a comprehensive study on the “Resource Implications of the FRP”. This study is currently expected to be published in November 2005. Fleet Forces Command is also developing the Fleet Training Capability Cost System (FTCCS) which is an Activity Based Costing / Management system (ABC/M) designed to trace Fleet resource utilization and costs.
- As previously described, Navy leadership has worked diligently to communicate evolving changes to Fleet plans to prepare and respond to our changing security environment. This work will continue through message traffic, white papers, instructions, and face-to-face lectures and meetings with Navy leadership.

**RECOMMENDATION 2:** The GAO recommended that the Secretary of Defense direct the Secretary of the Navy to develop a comprehensive plan for methodical and realistic testing and evaluation of the Fleet Response Plan. Such a comprehensive plan should include a description of the following elements:

- how operational tests, exercises, war games, experiments, deployments, and other similar events will be used to show the performance of the new readiness plan under a variety of conditions, including no-notice surges;
- how data will be collected and analyzed for these events and synthesized to evaluate program success and improvements, and
- how the Navy Lessons Learned System will collect and synthesize lessons from these events to avoid repeating mistakes and improve future operations.

**DoD RESPONSE:** Partially Concur. Continual evaluation is a key tenet of the revised Fleet Response Plan (FRP) and the Navy plans on using a variety of events to include deployments and war games to evaluate FRP. However, conducting no-notice surges to “test” the Fleet Response Plan is an expensive and unnecessary means to evaluate the FRP, and could lead to penalties on overall readiness and ability to respond to future emergent requirements. The FRP is an operational construct which is subject to methodical and realistic “testing and evaluation” during ongoing deployments and operations. To expand:

- The Navy's mission is global response and providing our nation and allies dominant naval power wherever and whenever required. Our maritime forces do this through persistence, precision, reach, speed, and agility. The FRP is the operational framework that capitalizes on investments that have been made to readiness accounts and leverages force provider capability to meet global Combatant Commander demand signals for traditional roles, e.g. forward presence, and new emerging mission areas such as Detention Facility Security, JTF HOA, and Air Ambulance. The FRP is an on-going mission-driven response plan that provides the right readiness at the right time, enables responsive forward presence, and drives our ability to answer the Combatant Commanders' demand signals. With FRP the Navy has deployed and developed a more agile, flexible and scalable naval force capable of surging quickly to deal with unexpected threats, humanitarian disasters and contingency operations.
- A key objective in the FRP evolution is the continual evaluation and re-evaluation of mission essential tasks, in response to Combatant Commander demands, to create an adaptive capability earlier in the training cycle. The Navy has and will continue to use both Unit Level Training (ULT) and the ability to respond to Requests For Forces (RFF) to evaluate both current training funding levels and FRP sustainment funding levels. By aligning key training milestones in accordance with national strategy, and Component and Combatant Commander feedback/lessons learned our naval forces will deliver a tailored combat ready force in the highest state of readiness.
- To specifically address the no-notice surge requirement, any FRP surge is in fact no notice. Should world events require a large no-notice surge, the Navy will capture those lessons learned and incorporate improvements into the FRP. For example, Global War on Terrorism Surge 05 (European and Central Command surges) was no notice. The demand signal and supply signal were both generated in May 05 and ships deployed 27 May 05, NWDC is currently analyzing. Other surge examples:
  - HSV surge in support of PACOM Tsunami relief
  - Hurricanes Katrina and Rita Navy response (HARRY S TRUMAN underway 96 hours after notification)
    - Salvage/Recovery ship/EOD/Divers
    - Mine Countermeasure ships
    - Hospital ship (surge from reduced operational status)
    - SEABEES/Cargo Handling/Helicopters/Tactical Air Control/AEW/Maritime Preposition
    - Expeditionary medical facilities
    - Causeway transport
  - SAIPAN Expeditionary Strike Group readiness to surge in 96 hours to support Haiti operations (JCS did not execute)
  - SAIPAN Expeditionary Strike Group 96 hour readiness to surge to PACOM in support of Tsunami relief operations (JCS did not execute)
  - THEODORE ROOSEVELT Carrier Strike Group surged 7 days early from planned deployment to meet CENTCOM increased demand signal for Iraqi elections.

- LINCOLN Carrier Strike Group surge (from Emergency Surge status) to cover for KITTY HAWK in maintenance
- BOXER/BATAAN and KEARSARGE surge in support of Marine Corps Air Combat Element transport to Iraq.
- The FRP was demonstrated in response to Operation Iraqi Freedom, where 6 carriers were deployed to Iraq, and again during SUMMER PULSE 2004. During SUMMER PULSE over 40 Broad categories of data were captured. Prior to conduct of the surge, analysis was conducted to predict performance, and was then compared to SUMMER PULSE results, all of which were in the expected (fiscally, flight hour, weapons expenditure and steaming days constrained) and predicted readiness levels. Navy analyzed:
  - Cost/sorties/flight hours
  - Combat readiness/Mobility ratings
  - Steaming days/PASSEX events
  - Mil to Mil exchanges / Conduct of Argentinean and Brazilian aircraft aboard USS REAGAN
  - Training events conducted/ weapons expended/ranges utilized (TAN TAN in Morocco noteworthy)
  - Anti-submarine warfare time
  - Logistics/maintenance
  - Personnel qualification gains
  - Information Operations/Public Affairs
  - FRP total ordnance posture
  - Strategic/Operational and Tactical gains (Theater Security Cooperation) with International organizations and foreign nations.

The Navy will continue to capitalize on the investments to the readiness accounts under the Fleet Response Plan framework/operational construct. FRP provides a superb base to meet the challenges faced in the Global War on Terror and transforming, trans-national threats while maintaining significant presence abroad; to assure our allies, dissuade our adversaries and respond with scalable Major Combat Operations capable forces. It provides the framework to rapidly adapt to new mission requirements and meet the demands of Combatant Commanders. It is an evolving operational construct that incorporates lessons learned, adapts to the changing landscape and maintains the capability to manage risk and fiscal responsibilities.

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# Appendix III: GAO Contact and Staff Acknowledgments

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## GAO Contact

Janet St. Laurent, (202) 512-4402 or [stlaurentj@gao.gov](mailto:stlaurentj@gao.gov)

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## Acknowledgments

In addition to the contact named above, Richard Payne, Assistant Director; Renee Brown; Jonathan Clark; Nicole Collier; Dawn Godfrey; David Marroni; Bethann Ritter; Roderick Rodgers; John Van Schaik; and Rebecca Shea made significant contributions to this report.

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