

DOCUMENT RESUME

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[Department of Defense Can Benefit from Better Management of Training Activities]. FPCD-78-4; B-175773. November 21, 1977. 5 pp.

Report to Secretary, Department of Defense; by H. I. Klieger, Director, Federal Personnel and Compensation Div.

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Contact: Federal Personnel and Compensation Div.

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Organization Concerned: Department of the Army; Department of the Air Force; Department of the Navy; Department of the Navy: Naval Training Equipment Center, Orlando, FL.

Congressional Relevance: House Committee on Armed Services; Senate Committee on Armed Services.

Authority: Defense Appropriation Authorization Act [cf] 1975. OMB Circular A-76.

The Naval Training Equipment Center, which is the focal point for research and development of training devices for all services, may be unable to respond to future training device needs and has, therefore, increasingly resorted to more costly contracting for its research and development efforts.

Findings/Conclusions: In 1976, about 60% of the Center's funds were provided by the Navy, 37% by the Army, and 3% by the Air Force and Marine Corps. The Center may be unable to respond to the future training device needs of all of the services because of decreased staffing and increased workload. An Army office at the Center has grown as a result of the Army's increased emphasis on training devices and the Center's inability to meet the Army's needs. More exploratory research and development work is being contracted, which Center officials believe is more expensive than doing the work in-house. Exploratory development work under contract has increased from 40% to 62% since 1974. The potential for reducing training costs through self-pacing has not been fully realized because of post-course assignment delays. The cost effectiveness of self-pacing is primarily due to shorter student training periods and reduced instructor requirements. The services need to monitor graduates of these courses to insure their prompt assignment and to identify causes for any delays.

Recommendations: The Secretary of Defense should evaluate whether the Navy should increase the level of the Center's staffing to meet its increased workload and rescind its decision to contract a greater percentage of its exploratory research and development work. The Secretary should direct the services to monitor self-paced courses to insure that their full benefits are being realized and should direct the Navy to review its practice of self-pacing basic courses first. (Auth./SW)

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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

04003

FEDERAL PERSONNEL AND COMPENSATION DIVISION

B-175773

NOV 21 1977

The Honorable
The Secretary of Defense

Dear Mr. Secretary:

Our recently completed study of instructional technology identified the need for the Department of Defense to give greater attention to

- managing training device research and development and
- more fully realizing the benefits of self-paced instruction.

Because of staff shortages, the Naval Training Equipment Center, which is the focal point for research and development of training devices for all services, may be unable to respond to future training device needs and has therefore increasingly resorted to the costly contracting for its research and development efforts. Also, the potential for reducing training costs through self-pacing has not been fully realized because of possible assignment delays.

TRAINING DEVICE RESEARCH AND DEVELOPMENT

In 1976 about 67 percent of the Naval Training Equipment Center's funds were provided by the Navy, 37 percent by the Army, and 3 percent by the Air Force and Marine Corps.

The Center may be unable to respond to the future training device needs of all of the services because of decreased staffing and increased workload. Its workload has more than doubled since 1972, while personnel strength has decreased from 829 to 730 in fiscal year 1977. Navy training officials stated that they are aware of the problem, but that personnel shortages exist throughout the Navy.

The Army's Office of Project Manager for Training Devices, located at the Center, has grown from 27 to 96 people in the past 3 years. This growth is the result of the Army's increased emphasis on training devices and the Center's inability to meet the Army's needs. Some Army and Navy officials believe that the Center's inability to meet the Army's needs may result in the establishment of a similar Army organization. We believe that having the Center serve as the focal point for training device research and development would probably be more efficient and economical than having another organization share this role.

In addition, more exploratory research and development work is being contracted, a method which Center officials believe is more expensive than doing the work in-house. This is occurring because of decreased staffing, increased overall workload, and a decision by the Assistant Secretary of the Navy (R&D) to perform not more than 40 percent of the Navy's technology-base work in-house. Exploratory development work under contract has increased from 40 to 62 percent since 1974.

Center officials said that experience has shown the cost of 1 staff-year under contract to be about 50 percent higher than the same effort accomplished in-house, but stated they had made no study to support this claim. They provided the following information as an example of this cost difference:

The Center contracted in August 1977 for the training system development for the LAMPS III helicopter. The contract costs are estimated to be as much as \$26 million. Center officials believed the work could have been performed in-house for half as much if personnel had been available. Because personnel were not available, the Center proposed to do the work partly in-house and partly by contract and still achieve large savings. The proposal was rejected.

In the fiscal year 1975 Defense Appropriation Authorization Act, the Congress told the Department of Defense to use the least costly form of staffing consistent with military requirements. The Congress told the Secretary of Defense to consider the advantage of converting from one form of staffing to another (military, civilian, or contract) for the performance of a specific job. This congressional guidance is partly embodied in Office of Management and Budget Circular A-76 which provides for Federal agencies to rely on

the private sector for goods and services and requires that in-house activities be justified.

While we support the policy of obtaining needed goods and services from commercial sources, we believe that obtaining these goods and services at the lowest possible cost is also an important policy objective that must be given equal consideration. The effective implementation of both policies requires that complete and accurate cost comparisons be made.

Conclusions and recommendations

The Navy's decision to contract a greater portion of its research and development work at this Center has resulted in increased cost, according to Center officials, and needs to be reexamined.

We recommend that the Secretary of Defense evaluate whether the Navy should

--increase the level of the Center's staffing to meet its increased workload and

--rescind its decision to contract a greater percentage of its exploratory research and development work.

BENEFITS OF SELF-PACING NOT FULLY REALIZED

The potential for reducing training costs through self-pacing has not been fully realized because of post-course assignment delays. Self-pacing allows each student to proceed at his/her individual pace. Students in traditional group-paced courses proceed simultaneously in the time required for the average student.

The cost effectiveness of self-pacing is primarily due to shorter student training periods and reduced instructor requirements. For example, officials at one installation stated that four self-paced courses averaged about a 25-percent reduction in training time, a savings of about 500,000 student-hours over a 3-year period.

The benefits from self-pacing are diminished when post-course duty assignments are delayed. Duty assignments are based on graduation dates which are predicted on the basis of the student's progress through the course. If the prediction is incorrect, the duty assignment may be delayed and the student placed in a personnel pool until the

assignment is received from the Personnel Centers. Individuals in the pool are assigned to work details to perform odd jobs around the base.

Assignment delays also occurred in Navy training programs because some basic courses were self-paced while the advanced courses were group-paced. Students completing self-paced basic courses early were placed in personnel pools awaiting the start of group-paced advanced courses. Army and Air Force training programs avoid this particular problem by first designing the advanced courses for self-pacing.

The expectation of being assigned to a personnel pool can influence the attitude of students toward completing self-paced courses. For example, at one location graduates of a self-paced course were asked to evaluate self-pacing:

--Sixty percent said they did not complete the course as fast as they could have.

--Seventy-one percent believed they would be put on detail if they graduated early.

--Sixty-seven percent believed they would not be sent to their next assignment right away if they graduated early.

Conclusions and recommendations

The benefits from self-paced instruction are diminished when post-course assignments are delayed. The services need to monitor graduates of these courses to insure their prompt assignment and to identify causes for any delays. When a series of courses is involved in a training program, the Navy should first design the advanced course as self-paced.

We recommend that the Secretary of Defense direct

--the services to monitor self-paced courses to insure that their full benefits are being realized and

--the Navy to review its practice of self-pacing basic courses first.

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As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to

submit a written statement on actions taken on our recommendations to the House Committee on Government Operations and Senate Committee on Governmental Affairs not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Chairmen of the House and Senate Committees on Appropriations, House Committee on Government Operations, Senate Committee on Governmental Affairs, and House and Senate Committees on Armed Services; and to the Acting Director, Office of Management and Budget.

Sincerely yours,



H. L. Krieger
Director