



SIG Scouting Report for the week of 15 September 2014

A Strategic Scouting Report...informing you to better fight the Battle of the Beltway

Bringing Reality to "Rethinking Readiness". Todd Harrison, a senior fellow from the Center for Strategic and Budgetary Assessments (CSBA), recently released a critical assessment of the Department of Defense's readiness reporting system titled "Rethinking Readiness."¹ In his analysis, Mr. Harrison charges that the DoD incorrectly measures readiness and, in effect, haphazardly applies resources to achieve readiness. He contends that the military needs a readiness reporting redesign incorporating better objective metrics and the inclusion of scientific analysis to determine whether resource decisions are achieving the correct readiness outputs.

Mr. Harrison has been named one of the 100 most influential people in Defense by *Defense News*, joining the ranks of the major policy makers in OSD, the military, and industry CEOs. As noted by *Defense News*, "at a time when the fiscal future for defense spending is unclear, those who are good at divining a picture of what's to come are in demand...and his track record of getting it right is about as good as it gets."² Consequently, his readiness analysis is likely to get attention and may invoke skepticism among law-makers, resulting in a potentially costly revamp of the manner and method that the DoD reports readiness. In light of this, the Marine Corps and the DoD-enterprise must be prepared to address challenges highlighted by Mr. Harrison's analysis.

Highlights from Rethinking Readiness. Mr. Harrison correctly states at the beginning of *Rethinking Readiness* that the defense budget, in many respects, will boil down to discussion of how funding for pay, benefits, training, maintenance, and future procurement will improve readiness.³ In that regard, the DoD's ability to accurately measure and report readiness is a critical skill that, according to Mr. Harrison, falls short in its current state. *Rethinking Readiness* poses a number of challenges, but three of its tenants stand out: how readiness is incorrectly measured, resource misallocation based on inputs, and how the application of the scientific method will result in more accurate resource allocations.

How readiness is incorrectly measured. Mr. Harrison premises his argument on the inputs and outputs of the current SORTS/DRRS reporting systems. He maintains that the input metrics used to measure readiness in these systems are insufficient to accurately portray readiness. Moreover, he argues that the inclusion of a commander's self-assessment skews any objective measure of readiness. His analysis posits that the current unit resource measured areas⁴ use input resources as a proxy that stands-in for actual capability, in essence assuming that if resources meet their target levels, then a unit will be fully ready.⁵ Representing the "science" side of readiness, the unit resource measured areas, he argues, fail to provide a quantifiable measure of readiness. On the other side, he argues that the "art" of determining readiness through the commander's unit self-assessment "creates an incentive for commanders to inflate unit readiness to avoid telling superiors that the unit under their command is unfit for combat," implying maleficence by subordinate commanders.⁶ In this view, the current system produces either incomplete (at best) or blatantly false (at worst) assessments of readiness.

Resource misallocation based on inputs. In the objective measure of readiness, Mr. Harrison's analysis challenges the output results, as related to how resources are apportioned, arguing that the DoD confuses input and output metrics. He suggests that the DoD mislabels input metrics as measures of readiness and that the metrics, which DoD treats as "outputs", are

¹ Harrison, Todd, *Rethinking Readiness*. CSBA, 2014. <http://www.csbaonline.org/publications/2014/08/rethinking-readiness/>.

² <http://special.defensenews.com/people/profile.php?id=14>

³ Ibid.

⁴ P-level (personnel)/S-level (Equip&Supplies)/R-level (Equip condition)/T-level (Training)

⁵ Ibid.

⁶ Ibid.

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used to justify the need for more input resources. To highlight the claim, he uses flight hours as an example of how the DoD uses input metrics to influence readiness. He argues that output metrics that truly depict readiness in this example are measureable metrics, like bombs on target percentages. Instead, he notes that the DoD's current system emplaces a "circular logic of readiness" where inputs (flight hours) are used to justify more inputs (funding for flight hours) that may not result in actual readiness advances (bombs on target).

The scientific method to solve the issue. Mr. Harrison suggests the answer to the dilemma lies in the application of the scientific method to produce accurate input/output reporting. He argues that readiness reporting should continuously *collect the correct* output metric data (i.e. bombs on target), develop casual theories and models based input and correct output metrics, and use controlled experiments that vary inputs to validate the casual hypothesis. This method would, in theory, produce a clearer causal relationship between the allocation of resources and the strategic capability desired.

Counter Arguments. *Rethinking Readiness* is not without merit, and as Mr. Harrison correctly points out: "the trillion dollar question for defense is: how can resources be allocated most effectively to achieve the readiness required by strategy?"⁷ Notwithstanding the desire to steward resources correctly, the underlying tenants upon which his arguments are based place too great an emphasis on the "science" and too little on the "art" of readiness reporting.

Metric measures. Unlike Mr. Harrison's assertion, SORTS and DRRS account for both the art and science, providing both an objective readiness outputs measure (P/R/S/T-levels) and a readiness assessment in areas that are either not quantifiable or are influenced by intangible factors (morale, tempo, etc). In contrast to his flight hour example, training and readiness are actually quantified against individual and unit collective performance standards to produce an accurate and largely objective unit assessment of overall readiness. Because an assessment of unit readiness isn't always as simple as measuring the number of bombs on target, commanders, whose duty it is to assess unit readiness, provide subjective analysis to render a better readiness picture. In the end, while his critique deserves consideration, it is incomplete. A more thorough analysis of DRRS metrics would reveal significantly greater fidelity in output readiness than Mr. Harrison asserts.

An unrealistic solution. Mr. Harrison purposes the use of blind testing for resourcing hypotheses. Put in simple terms, inputs (number of flight hours) for one unit would be adjusted while not for another to determine the effect on outputs (weapons delivery accuracy) in order to justify whether the correct resources are being applied at the right time and in the right way. In theory, his model may better refine input resourcing to match quantifiable metrics in output; but, in a complex reality where multiple factors result in readiness, his solution would introduce a costly redesign of the readiness reporting system and disadvantage units to test hypotheses.

Conclusion. In an ideal world, the DoD could produce greater fidelity for resource providers and deciders to balance means against ends, while seeking greater efficiencies across the enterprise. Unfortunately, *Rethinking Readiness's* approach fails to address fully the art and science of readiness. Notwithstanding the flaws in Harrison's critique, the DoD must continue to refine its metrics to better match resources to requirements.

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⁷ Ibid.