This concluding chapter frames our recommendations within the context of the central theme of this report. This chapter also offers some observations that suggest further efforts to complement those recommendations.

**STUDY OBJECTIVES, APPROACH, AND RECOMMENDATIONS**

Improving the performance of the Disability Evaluation System is the central theme of this report. This theme emerges from and encompasses the initial study objective of identifying and recommending changes to the training provided to the primary participants of the DES to ensure consistent application of disability policy, both across and within the military departments.

We addressed the study objective with an issues-based, bottom-up approach. We started by reviewing the OSD and military department policy documents that govern the operation of the DES, attending the various military departments’ DES training events, and interviewing numerous and diverse primary participants from all the military departments. Based on these sources of information, we recorded specific differences in terms of how policy was understood, policy application, military department DES operations, availability of system information, and we identified problems.

We restated the differences among the military department DESs and the significant problems that were identified as “issues” affecting the consistent application of disability policy across and sometimes within the military departments. We then formulated desired results—what one would observe if an issue were resolved—for those issues, which led to a set of recommended actions grouped into ten categories of interventions (one of which focuses on training, the study objective) for eliminating the undesirable differences and the problems.

The ASD/FMP, in coordination with the ASD/HA and the ASD/RA, can implement these recommendations (described in Chapter 4) immediately, and doing so will decidedly move the DES toward more-consistent application of disability policy. However, a broader perspective—focused on overall system performance—promises a significantly more far-reaching and profound impact.

In particular, we could have developed the DoD training recommendations based solely on the evidence we uncovered during our search for differences in policy in-
interpretations and applications, operation of the military department DESs, and system information available to inform decisions. In fact, based on subjective performance issues as reported by primary participants, this issues-based, bottom-up approach identified a limited set of DES topics as the basis for a narrowly focused training intervention.

This issues-based, bottom-up training intervention, presented in Chapter 4 among nine other interventions, focuses primarily on improving system efficiency to resolve a common set of continuing problems reported by primary participants across the military departments. As is typical for an issues-based, bottom-up training needs assessment, the resulting narrowly focused training intervention has little or no regard for achieving any specific, uniformly agreed-upon overall system purpose or desired outcomes and improving overall system performance.

Developing and delivering training that is focused on a relatively limited set of DES topics would clearly result in more-consistent application of disability policy. However, such a recommendation would not be well grounded in training theory and application, nor in performance and strategic management theory and application for that matter. In addition, this issues-based, bottom-up approach would not take full advantage of training as a key intervention to improve overall system performance. We decided that a broader, more-robust approach to developing a DoD training intervention was necessary.

Rather than starting with current problems identified by primary participants, a broader approach begins with an analysis of learner needs, referred to as performance analysis. Performance analysis determines if a performance problem related to a lack of knowledge or skill exists. The foundation for performance analysis is a published statement of organizational intent—expressed in measurable terms such as goals, objectives, or outcomes—that allows everyone in the organization to focus on and take action to achieve the same stated intent.

In the case of the DoD DES, we propose that the foundation for performance analysis is a published statement of system purpose and desired system outcomes that applies across military departments, as described in Chapter 3. Another critical component of this foundation is a method for monitoring system performance across military departments over time, as described in Chapter 6. Actual recorded performance results point to potential problems or areas that require investigation. Chances are good that some of these problems suggest a lack of knowledge or skill within a primary participant population. This need for additional knowledge or skill development then serves as a basis for developing additional training—which includes preparation of learner-centered objectives, developing content, writing test questions, and such—or modifying existing training and assessing training effectiveness.

The system purpose and desired outcomes, in turn, shape the competencies required for primary participant populations to achieve desired on-the-job results. Stated performance competencies are another prerequisite to developing effective DoD training targeted to the needs of diverse primary participant population clusters across military departments. As noted in Chapter 3, each military department has formulated a unique statement of intent for operating its DES. Aside from OSD policy
language, we found no evidence that statements of desired system outcomes across military departments exist to help focus decisionmaking in regard to consistent application of disability policy or improvement of overall system performance.

Consequently, we employed a purpose-driven, top-down approach to developing the comprehensive training recommendations presented in Chapter 5 that is more robust than the bottom-up approach. We started with a set of desired system outcomes that explicitly states the intended results of operating the DES to achieve its stated purpose, as proposed in Chapter 3.

Given the existing assignment practices and job designs for primary participant populations, we translated the proposed statements of desired system outcomes into statements that describe the major activities that the primary participant populations must be able to perform to achieve those desired outcomes. These statements shaped the formulation of the proposed competencies that primary participants need in order to achieve both the desired on-the-job results and the overall system outcomes. These competencies then pointed to a DoD training emphasis on applying specific bodies of knowledge and skills across the military departments.

We identified 107 DES topics, including 27 identified using the bottom-up, issues-driven approach described in Chapter 4, as the basis for developing the training packages described in Chapter 5. Based on our assessment of the competencies required for primary participant populations to produce desired on-the-job results to achieve overall desired DES outcomes, we organized the DES topics into specific bodies of knowledge required by the primary participant populations.

We observed that five groups, or clusters, of primary participant populations required essentially the same body of knowledge and skills to produce the desired on-the-job results. We organized those bodies of knowledge into five training packages targeted to the specific performance needs of five primary participant population clusters. These five training packages constitute the course content for a complete DoD disability evaluation training program, which is presented in Chapter 5.

To assess the effectiveness of the training content and its delivery, the OSD needs a comprehensive system for monitoring system performance. Without such a system, the OSD will not be able to evaluate the effectiveness of its training program or the actions to implement other interventions. In addition, although DoD training and a system for monitoring overall system performance are probably the most effective means of improving the performance of the DES, other interventions, such as those described in Chapter 4 that are based on our bottom-up analysis, also contribute to improving system performance.

Consequently, we recommend that the OSD develop a management information system capable of assessing DES performance on a continuing basis in order to identify areas for improvement and develop specific plans for achieving those improvements.

In summary, we recommend the following three major interrelated actions to improve the performance of the DES over time:
1. The ASD/FMP directs the Director of Officer and Enlisted Personnel Management to consult with a small group of experienced DES experts representing the military departments’ PEBs and Office of the Surgeons General to produce recommendations upon which the ASD/FMP, in coordination with the ASD/HA and the ASD/RA, can decide upon a system purpose and desired outcomes.

2. The ASD/FMP directs the Director of Officer and Enlisted Personnel Management to

- develop and monitor knowledge-based training in which the content focuses on the suggested list of DES topics that constitute the specific body of knowledge for each of five primary participant population clusters to achieve the desired DES outcomes
- deliver this standardized, knowledge-based training “just-in-time” through self-directed computer-based distance-training packages, each targeting a particular primary participant population cluster, via a DoD Web site devoted to disability evaluation training that is accessible by all primary participants
- supplement this self-directed computer-based distance training with classroom training targeted to two population clusters; this training focuses on applying knowledge of a particular set of DES topics to develop the skills necessary to evaluate and adjudicate cases consistently across and within the military departments—a primary determinant of consistent application of disability policy.

3. The ASD/FMP, after consulting on the information needs of the ASD/HA and the ASD/RA, directs the Director of Officer and Enlisted Personnel Management to develop and maintain a comprehensive management information system capable of monitoring relevant performance measures (as they apply to both the active and Reserve components) that enables leaders to assess and analyze DES performance and take action to continually improve that performance.

In Chapter 3, we propose a specific stated purpose for the DES; however, it is only a suggestion based on our analysis. We chose a top-down, purpose-driven approach in order to design and apply a method for developing the proposed training intervention and a set of metrics for use in a management information system intervention. Chapters 5 and 6 describe this method and the metrics. To accomplish the second and third recommended actions, we strongly urge the department to develop its own stated purpose for the DES and desired DES outcomes, and then apply the methodology described in Chapters 5 and 6 using the stated purpose that results from the first recommendation listed in this section.

The direction-setting statements—the purpose and desired outcomes—do not have to be 100-percent perfect; the important thing is to establish them in order to develop and deliver a DoD-wide DES training intervention that begins to positively impact the consistent application of disability policy and overall system performance. Likewise, it is preferable to quickly launch a comprehensive training intervention believed to be an 85- or 90-percent solution and simultaneously commit to making
continuous improvements based on the performance results and lessons learned from the intervention.

Implementing a comprehensive training intervention and the associated management information system intervention will require considerable time and effort before they produce measurable performance results; therefore, they should be initiated immediately.

SYSTEMS PERSPECTIVE OF THE DISABILITY EVALUATION SYSTEM

As stated earlier, consistent with the initial study objective, this report focuses on identifying and resolving problems that contribute to inconsistent application of disability policy within the DES (see Chapter 4). Although achieving a greater degree of consistency in the application of disability policy increases the value of the DES, it is desirable, and possible, to increase its value even more by relentlessly focusing on the end of continuously increasing the efficiency of DES operations and overall system performance. The interventions recommended in Chapters 4, 5, and 6 provide the foundation upon which to establish this focus. Developing a systems perspective—routinely monitoring data to provide performance-based feedback that enables decisionmakers to “see” the system interconnections that both cause and effect performance results—is the means to this end. Data are the essential resource for continuously improving efficiency of operations and overall system performance.

Primary participants from all the military departments expressed considerable frustration with the substantial amount of detailed information that they record and report through various systems without knowing how it is used. Each MTF and military department PEB collect data, but to what end?

The military departments report only the medical board processing timeliness measures to the OSD even though they report various other data within their respective departments. In other words, the OSD currently relies solely on medical board processing times to assess the performance of the DES. Furthermore, primary participants perceive that reporting processing timeliness measures to the OSD and meeting (or missing) the OSD-imposed timeliness standard is not really important. They view the standard as merely an arbitrary measure with no real accountability attached to it.

Most primary participants that we interviewed appeared not only interested in improving system operating efficiency but also committed to it. They want to produce results that make them proud of what they do every day. They do not object to collecting data when they understand how the data add value to system operations, but they do object to collecting data just for its own sake.1

Some primary participants appear to be in the unenviable position of collecting every possible data element “in case someone asks for it.” Yet, when we asked for data

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1The military departments generate the data collection requirements for essentially all data collected other than data related to timeliness.
on the number of medical boards that are returned to MTFs due to insufficient med-
cal documentation in the narrative summary and the average number of days it takes
for a medical board to be returned to an Informal PEB after it is sent back to an MTF
for insufficiency, the data were not available from all the military departments.

Likewise, although the military departments provided data we requested on the per-
centage of service members referred to the PEB who were subsequently found fit and
returned to duty and the percentage of Informal PEB decisions service members ac-
tepted or appealed, fulfilling the request seemed to take an excessive amount of
time, suggesting that the military departments do not routinely query and monitor
this data. Similarly, the Office of the ASD/RA cannot monitor aspects of DES perfor-
ence as it pertains to Reserve component members. Even so, in many instances,
significant resources are devoted to data collection.

Deciding on a purpose statement that articulates the fundamental reason the DES
exists and a set of desired results from operating the system to achieve that purpose
(the desired outcomes) positions the ASD/FMP, the ASD/HA, and the ASD/RA to de-
termine which performance measures—outcome measures, output measures, input
measures, or metrics—best assess system performance. This purpose-driven, top-
down approach will likely call into question the value of some data currently being
collected, while also affirming the value of some data elements that help assess sys-
tem performance and flagging others that are collected merely out of habit or just in
case someone asks for them.

Positioning the Assistant Secretaries to determine which performance measures best
assess DES is just one example of how a shared system purpose and set of desired
outcomes will add value to the DES. The DES purpose and desired outcomes become
the focal point upon which to base complex decisions and take action to
continuously improve system performance. The purpose and desired outcomes are
the basis for determining exactly what to measure to assess overall system per-
formance in a way that is meaningful and useful to those accountable for DES per-
formance: the ASD/FMP, the ASD/HA, and the ASD/RA; Secretaries of the military
departments; the Surgeons General; MTF commanders; and PEB approving
authorities.

Monitoring system performance produces data, the essential resource for continu-
ously improving efficiency of operations and overall system performance. It also po-
sitions the OSD to champion a systems perspective that focuses on emerging issues
or unwarranted variations in policy application and the dynamics within the system
that cause them.

Developing a “system-performance perspective”\(^2\) among primary participants and
those accountable for the overall performance of the DES enables continuous col-
laborative investigation of system performance based on feedback from all sources
(for example, from primary participant satisfaction surveys, surveys of service mem-

\(^2\)A system-performance perspective is one focused on monitoring and improving system performance.
bers referred to the DES, performance measures—outcome, output, and input, and General Accounting Office (GAO) and Inspector General (IG) reports).

A system-performance perspective enables primary participants and those responsible for overall system performance to “see” the pattern of interrelationships within the system that causes and affects performance and therefore helps target or focus interventions to improve system performance. The ability to see the interrelationships within the DES reveals a variety of areas or leverage points, some high-leverage and some low-leverage, that may benefit from interventions to improve system performance. A system-performance perspective enables primary participants and those responsible for overall system performance to recognize the impact and trade-offs of various interventions to improve that performance.

Future investigations based on a system-performance perspective may lead to a host of system interventions focused on identified leverage points, such as developing better measures of overall system performance; revising DES policy; developing new sources of information; changing the process; or implementing training interventions, such as revising the knowledge-based training, introducing new knowledge-based training, or introducing a new method of delivery.

Ideally, a system performance perspective requires a management information system that monitors DES performance at DoD, military department, and MTF levels. The management information system measures actual results compared with desired results and, thereby, focuses training and other interventions on closing the gap between desired outcomes and actual outcomes.

OTHER APPLICATIONS OF THE ISSUES-BASED AND PURPOSE-DRIVEN APPROACHES

Although this report focuses on the DES, the issues-based, bottom-up approach and the purpose-driven, top-down approach applied in this study are applicable to other components of the DES and other systems for which the OSD is responsible.

Applying the two approaches discussed in this report—particularly the purpose-driven, top-down approach presented in Chapter 3—could substantially improve the effectiveness of two key components of the DES that are pertinent to, although not within the scope of, this study: management of the TDRL and application of the DES to the Reserve component.

Many primary participants referred to problems in the management of the TDRL. The military departments vary in their ability to track service members placed on the TDRL, the timeliness of the evaluation of a service member placed on the TDRL, and the attention they give to the TDRL. Although representing only about 5 percent of disability retired pay disbursements, in any given year, approximately 9,000 service members are on the TDRL (out of a total of approximately 120,000 veterans receiving disability retired pay). Approximately 20,000 service members are processed in the DES each year, in addition to approximately 4,500 who are processed from the TDRL.
Whereas primary participants could identify specific problems with the management of the TDRL, many primary participants lacked basic information regarding the application of disability policy to Reserve component service members. This lack of basic information among primary participants makes it impossible to assess the consistency of application of disability policy and overall system performance, but it suggests that neither application of disability policy nor system performance as it applies to the Reserve component is up to the DES level as it applies to the active component.

**SUGGESTIONS FOR FUTURE STUDY**

If the ASD/FMP, in coordination with the ASD/HA and the ASD/RA, decides on a purpose statement and a set of desired outcomes for the DES, the ASD/FMP could direct the purpose-driven, top-down approach described in Chapter 3 to identify effective interventions in the aforementioned two areas: (1) management of the TDRL, and (2) application of disability policy in the Reserve components. In the absence of an established purpose statement and set of desired outcomes, the Assistant Secretaries could nevertheless direct the issues-driven approach described in Chapter 4 in both these areas.

In any event, we recommend that the ASD/FMP, in coordination with the ASD/HA and the ASD/RA, address TDRL management and application of disability policy in the Reserve components.

The OSD could also apply the two approaches used in this report—issues-driven and purpose-driven—to identify potential problem areas and develop appropriate interventions in other programs in which consistent application of defense-wide policy is an important factor, or to improve program performance. For example, potential candidates that might benefit from the approaches described in this report include TRICARE (the military health-care program) and the Defense Leadership and Management Program (the DoD’s training program for senior civilians).

In conclusion, we urge the Assistant Secretary of Defense for Force Management Policy, in coordination with the Assistant Secretary of Defense for Health Affairs and the Assistant Secretary of Defense for Reserve Affairs, to decide on a statement of purpose and a set of desired outcomes for the Disability Evaluation System to serve as the basis for developing and implementing the DoD disability evaluation training program and a supporting management information system. Developing and applying a system-performance perspective to the DES can lead the way to improving overall performance.