

Critical Choices

Naval Post Graduate School Acquisition Research Symposium

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Dr. Marilyn Gaska
Chief Engineer
Logistics & Sustainment
Corporate Engineering, Technology , and Operations

Agenda

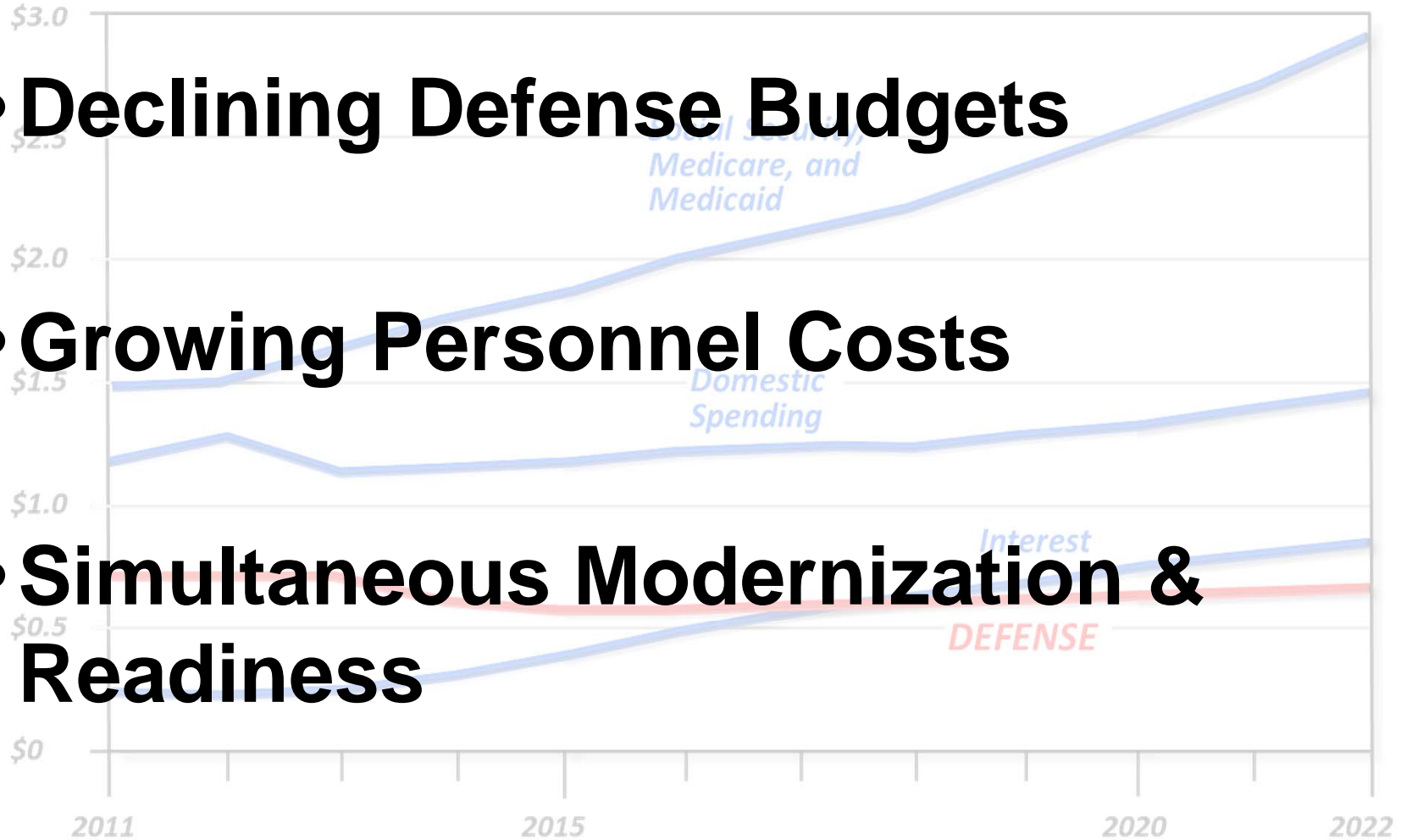
- **Baseline Conditions**
- **Manpower Considerations**
- **Purchasing Outcomes**
- **Public Private Partnerships**

Baseline Conditions



Outlays in Trillions of Dollars

- Declining Defense Budgets
- Growing Personnel Costs
- Simultaneous Modernization & Readiness



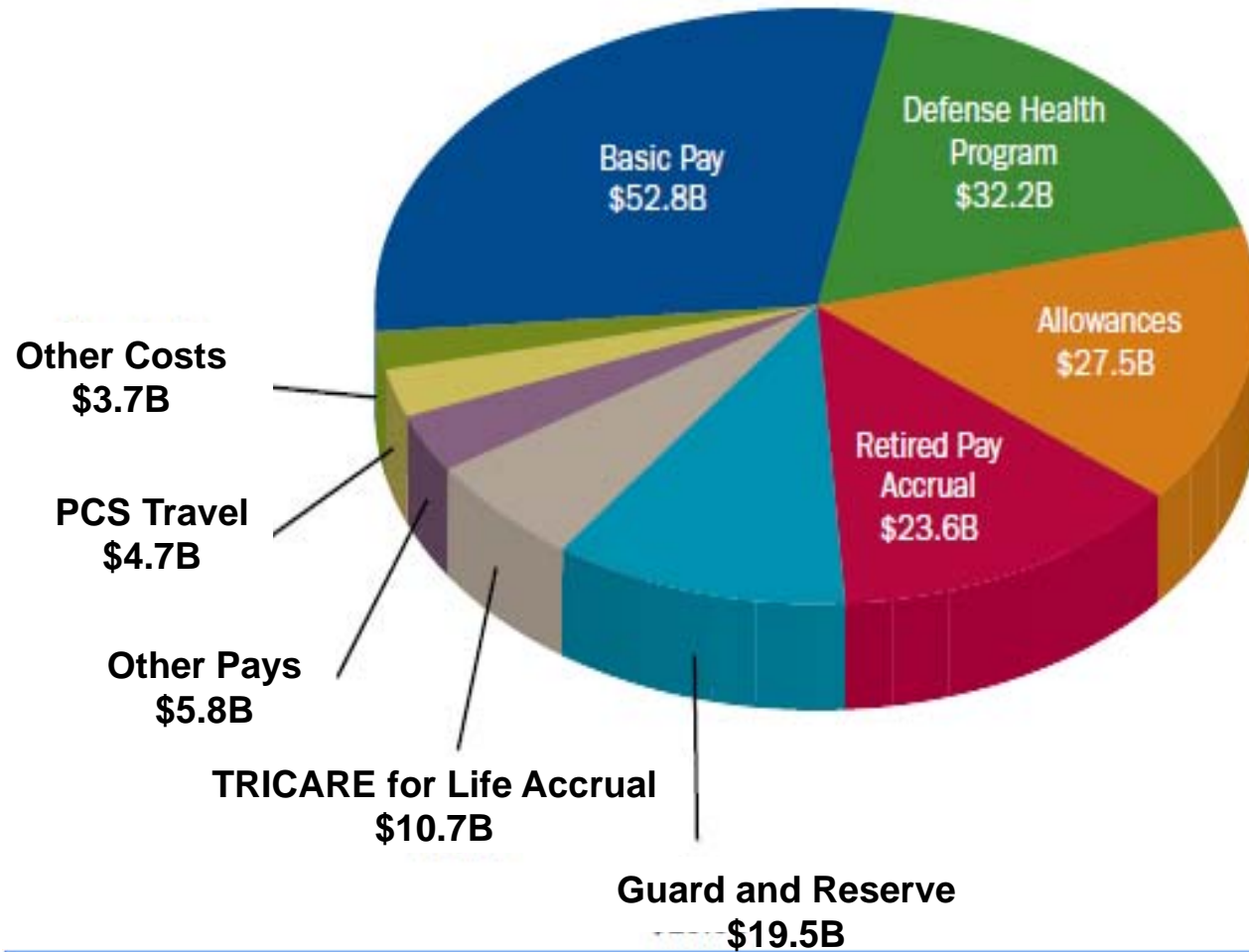


Allied Experience

Transformed military structures to concentrate on core competencies

- **Migrate uniformed personnel to only combat / combat support functions**
- **Employ of public / private partnerships**
- **Foster commercial joint ventures**

US Force Structure Costs



US Military Personnel Cost = \$180B/year

Autonomous Joint Force?

- Integrated autonomy in a Joint Force environment

- Operations with reduced manpower

- ROI in relation to the full manpower life cycle



Focus on Combat Operations



Total US Active Duty and DoD Civilian Personnel					
	Enlisted	Officer	Total (Military)	DoD Civilians	Total
Combat Specialty Occupations	192,000	33,000	226,000	n/a	226,000
Other	1,019,000	215,000	1,234,000	784,000	2,018,000
Ratio—tail : tooth	5:1	6:1	5:1	n/a	9:1

Non-combat essential functions may be considered for private sector partnerships

- **Financial accounting/independent audits**
- **Logistics (supply chain and distribution)**
- **Data center operations**

As the U.S. military considers force reduction, it is imperative that the nation retain essential military capability

Public Private Partnerships



Singapore Basic Wings Course



F-22 – Ogden AFB



Kelly Aviation – T-56 Engine



H-60 Tip-to-Tail: (MHSCo)

Public Private Partnerships



- **Base housing**
- **Energy generation**
- **Transportation**
- **Enhanced Use Lease**

Can we capitalize on prior efforts?

Joint Ventures - AMMROC



- **Joint venture enterprise between Mubadala, Sikorsky, & Lockheed Martin**
- **Unifies all logistic and maintenance efforts into a single entity**
- **Coordinates all required OEM and third party contractors**
- **Combines all supply chain authority under one entity**

The Best of Government and the Best of Industry

Strategic Questions



- **Does the United States really want a technologically-enabled military?**
- **Are the DoD and military departments ready to re-look the public/private sector balance? (similar to our Allies)**
- **Can we continue to provide affordable readiness within the current regulatory environment?**

