Major Acquisition Issues

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May 11, 2011

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Major Acquisition Issues

Objectives		Areas for Solutions
1) Meeting 21st Century Security Needs	→	**Shifting Resources** (dollars, forces, organizations, etc.)
2) Achieving "World Class" Life-cycle Acquisition of Goods and Services	→	**Recognize the "Value" of the Acquisition Workforce to the DoD Mission**
3) Acquiring all of the right things, with fewer dollars	→	**An Overall Focus on Costs** (along with performance)
4) Achieving Rapid Response to Urgent Requirements	→	**Process Changes** (from Requirements through training and fielding)
5) Staying Ahead	→	**"Effective" Research** (includes "disruptive")

1) Shifting Resources to Meet 21st Century Security Needs

➡ Designing, testing, operating, and achieving the "force multiplier," net-centric "systems-of-systems" (vs. self-sufficient, "platform-centric")

➡ Designing, testing, operating, and achieving the "force multiplier" and "soft power" advantages of an effective coalition of forces

➡ Investing in equipment/systems for "likely" 21st century needs (e.g. for "war among the people," and widespread weapons proliferation)—ISR, "land warrior," missile defense, unmanned systems, etc. (always considering cyber security)

➡ Recognizing the reality of operating with a "mixed force" (in Afghanistan, over 50% contractors) and a "multiagency force" (e.g. with State Department, AID, etc.); then optimizing organizations, budgets, plans, etc.

➡ Shifting resources, organizations, personnel, etc. in recognition of the importance of the acquisition of services (in 2009, 57% of acquisition dollars)

2) Recognize the "value" of the acquisition workforce to achieving the DoD mission (effectively and affordably)

➡ To achieve "world class" acquisition (life cycle) results requires a government acquisition workforce that is experienced, smart and has adequate authority (for all inherently-governmental jobs)

➡ With the dramatic drawdown in the first half of the '90s; then a congressionally-mandated 25% additional cut in 1996; then a further undervaluing after 9/11/01 (as the acquisition dollars exploded, but the G.O.s and S.E.S.s with acquisition experience dramatically declined)

As a result, there is an urgent need for hiring, educating, training, promoting government (military and civilian) people in the inherently-governmental acquisition positions (e.g. contracting, program management, decision-making, oversight, etc.).

➡ Initial steps have begun (congressional authority, funding, Army Contracting Agency, "Highly-Qualified Experts," Senator Collins' and Representative Connelly's bill, etc.)

3) Acquiring all of the right things with fewer dollars, by focusing on costs (along with performance) throughout

➡ Buy affordable systems, by making "should cost" a "military requirement"—so that we design and produce all acquired goods and services to be affordable, in the quantities required

➡ Modernize DoD Logistics—the highest acquisition cost area, and the most critical for readiness (yet not world-class!)

➡ Use competition (or the option of it) effectively, as an incentive for achieving "best value" (i.e. lower risk, higher performance, at lower costs—not "Low Bid, Technically Acceptable"); fully utilizing "competitive dual-sourcing" (e.g. 2nd engine on F-35)

➡ Take full advantage of high-tech and high-quality goods and services in the commercial sector—which requires removing the current legislative and regulatory "barriers" (e.g. specialized C.A.S.; export controls; I.P. requirements; prime-contractor flow-downs; etc.)

➡ Maximize the benefits of "Globalization" (while minimizing the potential vulnerabilities)—requires changes in export and import laws

4) Acquisition Process Changes to Achieve Rapid Response to Urgent Needs

➡ <u>Combat Commanders have authority to direct resources</u> (dollars, acquisition authority, personnel, organizations, etc.) to meet their urgent needs

➡ <u>Rapid approval authorities for each step</u> (from "requirements" through budgeting and contracting)

➡ Always starting with <u>proven technology</u> (for "Block I"), and continuing development of future "blocks" (as technology, threats, and mission needs change)—fully utilizing "spiral development"

➡ Providing full visibility into what is " available"—across DoD, commercially, and globally (the equivalent of the U.K.'s new "horizon scanning")

To maintain "Technological Superiority" (the U.S. strategy for the past five decades) we must maintain a vigorous Research program

� In the past, whenever budgets decline, the first areas cut are: travel, training, and <u>research</u>

� Additionally, the research areas supported are "incremental;" while the high payoff, "disruptive technology" areas are strongly resisted

� The nation can not maintain its strong national security posture in the future if we "eat our seed corn" (i.e. pay for current needs and neglect the future, through underfunding research—especially, in such areas as: SBIR; IR&D; and ManTech)

Examples of actions include:

– Refocus DARPA on high-risk, high-payoff technologies

– Encourage collaboration between agencies to accomplish research goals

– Develop strategies to maintain "design capability" for low volume system (e.g. competitive, next-generation prototypes)

– Adequately fund fundamental research

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