



ACQUISITION INNOVATION  
RESEARCH CENTER



## Innovative Ideas and Insights for Improving Program Resourcing Across Seams

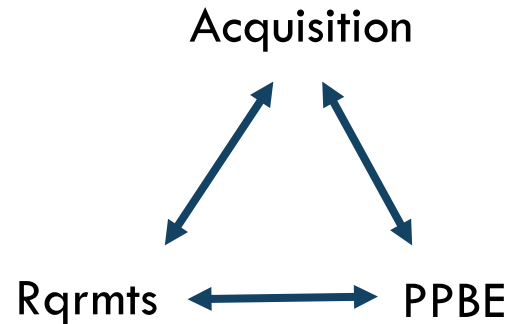
*Input to the PPBE Reform Commission*

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**DRAFT**

## “Big A” Acquisition



## Research Questions

- What factors drive synchronization issues at the seams in “Big A” acquisition?
- How can they be mitigated?

## Methodology

- Executive Research Panel
- Literature Search
- Use case examples (Munitions, B-21, SDA)
- 50 Discussion Sessions with Senior leaders (current and former, DoD and Industry)
- Qualitative Data Analysis

**Chair:** LTG (ret.) Ed Cardon  
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- **PPBE is calendar-driven, but Acquisition and Requirements are event-driven**
  - *Hard to keep in sync*
- **Munitions case – often used as a “bill payer” with erroneous assumption that we can surge when needed**
- **Technology “Valley of Death” really comes down to PPBE priorities**
- **Trust and transparency issues at every level**
- **Decision rights – who can say yes**

## What We Heard

- Program execution is a continuum, not a series of discrete budget execution
- The Service programming process unduly drives the acquisition process and strategy
- There is no streamlined approach to make changes once the budget is submitted
- The reprogramming process is broken
- Too many involved are not accountable for results
- It’s the volatility of budgets, not industry performance, that is the innovation problem
- DoD has only \$4B in General Transfer Authority (GTA) out of an \$855B budget (about half of a percent)!

# 1. *PPBE-Acquisition Seam Recommendations*

- **Implement the PPBE Reform Commission’s final recommendations**
- **Define who can say “yes”, limit who can say “no” in decisions affecting acquisition programs once top line is set.**
  - Only the PEO has approval authority over the PM from program perspectives; all others are advisory to the PM and PEO but cannot nonconcur.
  - Only the Component Acquisition Executive (CAE) has approval authority over the PEO
  - Only the Defense Acquisition Executive (DAE) has approval authority over the CAE
  - The Milestone Decision Authority (MDA) is the main stopping point for approvals up the acquisition chain-of-command. It is DoD policy to budget to the DCAPE ICE unless an alternative estimate is specifically approved by the MDA
  - Those above the MDA in the acquisition chain-of-command can intervene in oversight, but this should be minimized.
- **Link the concept of affordability in PPBE (DODD 7045.14) to the analysis required in Acquisition (DoDI 5000.85)**

- **Major disconnect between formal DoD requirements process and PPBE at every level below the Defense Planning Guidance (DPG)**
- **The Joint Requirements Oversight Council (JROC) validates joint capability development, but has little influence over PPBE priorities set in the Service programming process**
- **Combatant Commanders (CCDRs) perceive their priorities are subordinate to Service PPBE priorities, with no forum for resolution**
- **Industry needs more visibility into DoD requirements to justify investments**
- **B-21 and Space Development Agency (SDA) use cases show the value of a cross-functional team, including industry, for collaborative, iterative development of requirements, resource priorities, and acquisition strategy**

## *2. Requirements-PPBE Seam Recommendations*

- **Empower JROC to make validated CCMD emerging operational needs a “must fund” priority, with DepSecDef visibility. Give CCDR-provided scenarios, exercises and wargame results weight equal to the Services in Capability Gap Analyses. Designate a single organization or entity responsible for overseeing and driving development of joint capabilities identified as CCMD priorities.**
- **Use Acquisition affordability analyses (DoDI 5000.85) to inform JROC decisions**
- **To improve industry ability to plan, include in budget justification documents a threshold and objective level for annual procurement quantities, and give cleared contractors controlled access to validated mission needs**
- **Provide structured, machine-readable budget justification materials to allow both Congress and cleared industry to benefit from improved data analytics and large language models.**

#### Outside Scope of PPBE Reform, but in Need of Improvements

- **The deliberate Joint Capabilities Integration Development System (JCIDS) is widely criticized as too slow (3-5 years) and bureaucratic to keep pace with technology**
  - JCIDS is based on an outmoded waterfall model rather than the highly collaborative and iterative agile development process used in industry
- **Services and SOCOM are using streamlined processes outside of JCIDS to validate requirements for Middle Tier of Acquisition (MTA) programs**

#### Recommendation

- **Fully implement the “clean sheet” DoD Requirements Reform called for by the FY-24 NDAA (Sec. 811).**
  - Opportunity for better alignment with Adaptive Acquisition Framework, mission engineering, capability portfolio development, CFTs and other collaborative best practices, replacing DoD Architecture Framework (DODAF) with something modern, developing requirements professionals career paths

- **Prototype a Large Language Model (LLM) approach to justification books using existing commercial technology**
- **Replace calendar-based Comptroller sweeps of RDT&E and Procurement funds with sweeps based on PM event-based obligation schedules**
- **Build on the European Deterrence Initiative model to create regional CCMD equivalents. CCMDs collaborate with Services on priorities and funding, rely on Services/Agencies for execution.**
- **Give industry visibility of Defense Contract Management Agency (DCMA) and Defense Logistics Agency (DLA) supply chain insights so industry can better plan and fund for capacity issues, cross-program parts and end-of-life procurement**