DEPARTMENT OF DEFENSE

DEFENSE SYSTEMS MANAGEMENT COLLEGE
OFFICE OF THE COMMANDANT
9820 BELVOIR ROAD
FORT BELVOIR, VIRGINIA 22060-5565

6 May 1997

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (ACQUISITION & TECHNOLOGY)

SUBJECT: A New Look at Our Acquisition Education and Training Structure and Process

This memorandum is a follow-on to our previous conversations on this subject. I have taken the liberty of presenting to you some background information that you may not be aware of that bears on this general subject. In addition, I offer six options that should be considered, among others, by an Integrated Product Team seeking to improve our current acquisition education and training structure and process.

BACKGROUND.

Since the Honorable David Packard, the then Deputy Secretary of Defense, established DSMC in 1971, the College has fulfilled its mission of providing education and training, research, consulting and information dissemination products and services to the acquisition workforce, Congress, senior elements of OSD, the Services, defense agencies, and foreign governments. During virtually all of the years since DSMC was established, the Commandant reported directly to a Policy Guidance Council (PGC) chaired by the third ranking civilian in the Department of Defense.

One important result of this direct chain of command was the expansion of DSMC's mission by direction from OSD. By letter dated 16 March 1987, Dr. Costello designated the Commandant, DSMC as his action agent to perform specific tasks on his behalf. This action was formalized and promulgated by DoDD 5160.55, dated 22 August 1988. The directive includes the following mission-extending element:

"As the DoD executive agent, provide oversight for the DoD education and training program for the acquisition workforce."

Eleven specific tasks are identified in that directive; they essentially are the same tasks now assigned to the Defense Acquisition University (DAU). From March 1987 until DAU became operational in October 1992, DSMC successfully performed what has become the mission of DAU. The College accomplished that mission with the leadership provided by the Commandant, who in fact was dual-hatted as Commandant, DSMC and what today would be President, DAU.

In a Decision Memorandum dated 1 July 1991, the USD(A) established the DAU. An integrated product team composed of representatives from all of the Services, elements of the OSD staff and several DoD educational entities selected the Consortium approach as the *modus operandi* for the DAU. This approach was approved by OSD and all the Services. All consortium members were to report to and be commanded by a sponsor, e.g.:

CONSORTIUM MEMBER	COMMAND COMPONENT
Army Logistics Management College	Army
Navy Post Graduate School	Navy
Air Force Institute of Technology	Air Force
Industrial College of the Armed Forces	Chairman, JCS through the National Defense University
DSMC	USD(A&T)

Consortium participants were to **remain** in their existing command chains and **retain** control over their faculty. DSMC was to participate within the consortium in **parallel** with other DoD institutions. This action was not designed to, nor did it, change the command relationship between the Consortium members and their respective Command Components.

CURRENT STATE.

The DAU consists of an Office of The President, DAU (OPDAU) and a Consortium of members consisting of a number of DoD educational and training entities, including DSMC. The Consortium members remain under the command of their respective Service, JCS, or OSD sponsors; retain control of their faculty and "sell" selected education and training courses to the OPDAU. In the case of all Consortium members except DSMC, the OPDAU **reimburses** the members for services provided **after** those services are rendered. Most members provide OPDAU a relatively small percentage of their total training capacity, and as a consequence the funds they receive as reimbursement are a relatively small percentage of the total funds they receive from their commands.

In the case of DSMC, virtually all of the education and training courses the College offers are sold to the OPDAU. As a consequence the funds it receives is such a major percentage of its total budget that the College must--and does--receive funding **before** any products are delivered. Were this not the case, the College would not have sufficient funds to open its doors. In addition, **all** funds necessary to perform and support the research, consulting, and information dissemination elements of the College's mission are funneled through the OPDAU and disbursed **before** such services are provided to all of DSMC's customers.

POSSIBLE FUTURE STATE.

There exists a prevailing view that it is necessary to change the organizational relationship between and among the USD(A&T), the OPDAU and Consortium members. Before any decisions are made, it is necessary to assess where we are, how we got there, create a clear vision

for the future, apply the lessons learned from the past, and create the model, processes and infrastructure that will facilitate our reaching the required objective state to best serve the acquisition workforce and ultimately the warfighters in the year 2000 and beyond. This task should be given to an integrated product team, chartered by, and reporting directly to the PDUSD(A&T). My recommended composition and leadership of that IPT is contained in my memorandum to you, subject as above, dated 1 May 1997 (encl 1).

The IPT should be given the flexibility to inquire into and examine any organizational structure, model, processes and infrastructure it chooses. However, any proposed solution must address the following two questions: 1. How can we achieve the objective state? 2. What are the current problems that will be resolved by the proposed solution?

As a minimum, the IPT should consider the following organizational options:

Option 1. The current organizational alignment.
DESCRIPTION: As described above. OPDAU and DSMC as equal and independent entities report to the Acting DUSD(AR). DSMC, as a member of the Consortium is treated in the same manner as other members. All DSMC funds are funneled through OPDAU.

Option 2. The current organizational alignment, enhanced.
DESCRIPTION: As described in Option 1 with the following modifications. 1. OPDAU and DSMC as equal and independent entities report to the PDUSD(A&T). 2. All funding for DSMC is approved by the PDUSD(A&T); OPDAU forwards such funds to DSMC in a timely manner. Any changes recommended by OPDAU to be approved by the PDUSD(A&T) before implementation.

Option 3. OPDAU assumes command of DSMC and elements of other selected Consortium members; reports directly to the PDUSD(A&T).
DESCRIPTION: Essentially, the Consortium approach is replaced by a direct chain of command. The President, DAU exercises command and control of all elements of his command, and serves as the rating officer for all Commandants, Deans, Presidents, etc. of all subordinate elements. The Services, OSD and Chairman, JCS, relinquish authority previously exercised by them over elements transferred to the OPDAU. The President, DAU reports directly to the PDUSD(A&T).

Option 4. OPDAU and DSMC merge and the President of DAU is "dual hatted" as Commandant of the College; report directly to the PDUSD(A&T); and assumes command of elements of other selected Consortium members.
DESCRIPTION: The same as Option 3 modified to reflect the elimination of a separate Commandant of DSMC.

Option 5. OPDAU and DSMC merge and the Commandant, DSMC is "dual hatted" as the President of DAU; report directly to the PDUSD(A&T); retain the Consortium approach for all other members of the Consortium.
DESCRIPTION: Eliminates a separate President of DAU; does not alter the existing command relationships between and among Consortium members and their individual Command Components.

Option 6. OPDAU and DSMC merge; the President to be a General/Flag rank, active duty officer from one of the Services on a rotating basis for a three/four year assignment; report directly to the PDUSD(A&T). The President of DSMC to be a civilian reporting to the President of DAU; retain the Consortium approach for all other members of the Consortium.
DESCRIPTION: Essentially the same as Option 5 modified to reflect that there will be a separate President of DAU (an active duty General/Flag officer), and a separate civilian President of DSMC.

I appreciate the interest you have demonstrated in the contributions DSMC has made and can continue to make to the acquisition workforce.

Richard A. Black

Encl

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Brigadier General, USA
Commandant

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1 May 1997

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (ACQUISITION & TECHNOLOGY)

SUBJECT: A New Look at Our Acquisition Education and Training Structure and Process

Since its inception, the Defense Acquisition Workforce Improvement Act (DAWIA), supported and augmented by DoD implementing regulations and infrastructure, has served the Department well. The primary purpose of DAWIA, to enhance the professionalism of the acquisition workforce, is being pursued with energy and dedication. The Consortium approach was selected by an integrated product team and approved by OSD and all of the Services as the *modus operandi* for the Defense Acquisition University. That approach has proved to be sound and successful; however, it may require modification to keep pace with the rapidly changing environment we envision for the future. Progress has been and is being made in most areas of endeavor; however, it has not been easy, nor has it been rapid. Progress has been adequate to the task given the challenges posed by a shotgun marriage, a difficult birthing, and subsequent growing pains.

As we approach the fifth anniversary of the establishment of DAU, it is appropriate to assess where we are, how we got there, create a clear vision for the future, apply the lessons learned from the past, and create the model, processes and infrastructure that will facilitate our reaching the required objective state to best serve the acquisition workforce and ultimately the warfighters in the year 2000 and beyond.

I propose that, before you depart, you establish an integrated product team, chartered by the PDUSD(A&T), to accomplish that mission. Membership should include selected OSD staff elements and Consortium members, the Services and DLA. The Chairperson should be selected by the PDUSD(A&T) and report directly to him. Qualifications for the Chair should include some academic experience, thorough knowledge and understanding of DoD's acquisition education and training needs and processes, and prior experience as an appointed government official at the OSD or Service secretarial or assistant secretarial level; e.g. Dr. Gansler, Mr. Decker, Mr. Jack Welch or Dr. Fox, etc. A suitable alternative could be a retired, senior military person; e.g. General Skantze, General Soloman or General Loh, etc.

There are those who may say that such a process is unduly time consuming, represents management by committee and urge immediate, authoritarian action to achieve pre-conceived objectives that may or may not solve undefined problems. Throughout industry and the government IPTs have proved their worth. We in DoD profess our dedication to that concept and urge its use within the Department. We should walk that talk.

Richard A. Black

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