



ACQUISITION AND
TECHNOLOGY

THE UNDER SECRETARY OF DEFENSE
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WASHINGTON, D.C. 20301-3010



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MEMORANDUM FOR DISTRIBUTION

SUBJECT: Realignment of the Defense Systems Management College

Quality and professionalism of the acquisition workforce depend upon the effective and efficient operation of our acquisition education and training program. Currently two organizations have this mission and report in parallel through the Deputy Under Secretary of Defense for Acquisition Reform; these are the Defense Acquisition University and the Defense Systems Management College.

A process action team recently completed a study of the organizational structure of the education and training program and found that the current structure has inappropriately defined lines of authority. The team recommended organizational streamlining. One specific action, with which the entire team was in support, was to realign the College to be an organizational element within the University with the Commandant of the College reporting to the President of the University. I agree with the need to realign these organizational units, which are elements within the office of the Deputy Under Secretary of Defense for Acquisition Reform. This is a step upon which many other actions depend for their success and for the ultimate success of the acquisition process, which requires that the workforce be well prepared to meet the challenges of the future.

Therefore, to achieve more effective use of limited resources and to enhance the quality of the acquisition education and training program, the Commandant of the Defense Systems Management College shall report to the President of the Defense Acquisition University as an integral element of the University, effective immediately.

R. Noel Longuemare
Acting Under Secretary of Defense
(Acquisition and Technology)



**Corporate University Strategy
Rapid Improvement Team**



**Report From Rapid Improvement Team
Meeting
Convened on November 1, 2000**

Foreword

This Report summarizes the findings and recommendations produced by a Rapid Improvement Team chartered by Stan Soloway, Deputy Under Secretary of Defense for Acquisition Reform, and co-sponsored by Frank Anderson, President Defense Acquisition University, and under the direction of the Change Management Center, led by William Mounts. The Rapid Improvement Team was chartered to explore options and forward recommendations for continuing the evolution of the Defense Acquisition University to a Corporate University end-state. The findings and recommendations in this report reflect the collective view of approximately 15 representatives of key participants (see Appendix A) in the advancement of education and training initiatives within the defense acquisition community. Participants:

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Leantha Sumpter	OSD
Ric Sylvester	OSD
Bob Wolownik	DAU
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Paul Somerville	Change Management Center

The Change Management Center extends its thanks and appreciation to all of the RIT participants for their time and contributions to this report.

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Executive Overview

The Department of Defense Section 912(c) Commercial Business Environment (CBE) Study Group, chartered by Under Secretary of Defense for Acquisition, Technology and Logistics Dr. Jacques S. Gansler to identify training on commercial business practices for the DoD acquisition workforce, reported that adopting the most effective commercial business practices requires a cultural and organizational transformation within the Department. The November 1999 report, *The Commercial Business Environment: Accelerating Change through Enterprise Team* set forth a vision for adopting fundamental commercial best practices within the DoD business enterprise. These practices include cross-functional teaming across the enterprise and managing change, while creating and maintaining a learning organization that seeks out and adopts best practices to improve individual and organizational performance. In response to the Group's report Dr. Gansler directed the Deputy Under Secretary of Defense (Acquisition Reform), in November 1999, to take immediate action on the report's objectives, thereby effecting change in the way the Department conducts business.

As a first step to support this effort Dr. Jacques Gansler, directed the establishment of the DoD Change Management Center (CMC) effective 23 November 1999, under the leadership of the Deputy Under Secretary of Defense (Acquisition Reform). The CMC mission is to work with the Military Departments and other Federal Agencies to identify change acceleration opportunities while providing the necessary resources to accelerate successful implementation of process and performance improvements.

In addition, the CBE Study Group recommended that the Department should adopt a corporate university model within the AT&L community—as a philosophical and structured approach that senior leaders can use to implement and manage DoD-wide change initiatives in the AT&L community. Senior leadership can use this model to transform the AT&L community within the DoD, in conjunction with DAU, into a learning organization that seeks out and adopts best practices to improve individual and

organizational performance. The DoD could use a training program modeled on a corporate university to service the disparate organizations (e.g., requirements, acquisition, logistics, and financial) that have been brought together under the DoD enterprise teaming concept (e.g., Team Acquisition).

The CBE Study Group further recommended that the role of the Defense Acquisition University (DAU) should be broadly recast in alignment with a corporate university model. Today, DAU exists primarily to meet the job training needs of the Department's acquisition workforce. For DAU to play a role in managing and accelerating change using the enterprise-teaming concept, it would need to be recast to embrace corporate university principles. In this form, its mission will be broadened to serve an additional purpose: nourishing key change initiatives and enterprise teaming within the AT&L community. This is a function that the corporate university model serves well. To support the DoD Team Acquisition training program, DAU would need to be refocused and reengineered to quickly adapt and disseminate new business approaches.

Based on its analysis, the RIT reached consensus on the following findings related to recasting DAU in a new role as a Corporate University for Acquisition, Technology and Logistics:

- Currently, DAU is primarily focused on providing job certification training
- DAU expertise and faculty skills are primarily aligned with job training, not field performance support and consulting improvement
- The current field perception and expectations of DAU must change to significantly expand the current role relative to field performance improvement/support opportunities Current DAU emphasis and stakeholder expectations are on student throughput
- Current organizational structure and processes do not support the new role of expanded field/performance support
- New processes and infrastructure must be developed to expand the DAU role to provide more solutions/results based teams

- The Services must be involved and full partners in making the proposed changes and budget tradeoffs.

Based on these findings, the RIT developed a recommended vision, and high-level action plan for evolving the Defense Acquisition University toward a Corporate University Model. Highlights of those recommendations are:

1. Continue the DAU evolution by increasing the emphasis on performance improvement, employing education, training, performance support, knowledge management, continuous learning, and team learning approaches.
2. Refocus current resources and reengineer the organizational structure to increase the emphasis on action learning and field performance support.
3. Apply reshaping initiatives to develop and obtain the necessary staff skills and capabilities.
4. Develop a smart business strategy to transition the CMC to DAU.
5. Formally link the CMC through OSD to integrate the required capabilities and qualifications with DAU.
6. Work with the Services to build and successfully expand the performance support/solutions development role for DAU. Identify a target opportunity now.
7. Immediately reengineer the equivalency certification process to be more customer focused and easier to work while continuing to respond to DAWIA training needs.
8. President of DAU to back brief DUSD(AR) on transition plan for continuing the evolution of DAU to a corporate university end-State not later than the first week of December 00.

The balance of this report provides analyses and details for supporting these recommendations.

Expectations

The RIT began its effort with a “listening” session to hear the voices of each participant with respect to their hopes and major concerns regarding the charter to continue the evolution of the DAU to a Corporate University for acquisition, technology, and logistics.

What We Hope To Gain From This RIT:

- Define Corporate University
- Clarify the role of the Change Management Center
- Clarify the role of the Work Force Plan
- Establish Actionable Steps
- Define the end state framework.

Problem Analysis

The RIT began the problem analysis phase by defining their vision for a Corporate University.

“Corporate University for acquisition, technology and logistics, focused on performance improvement.”

The RIT then developed an initial description of the current and the “to-be” states for DAU as a corporate university:

Existing Model	“To Be” DAU Corporate University
Academic Institution	Corporate University
DAWIA Focus	Total Mission Focus
Campus Faculty & Staff	Corporate Faculty & Staff
Subject Matter Experts	Business Strategy Consultants
Classroom Training (“Bricks”)	Product Mix (“Clicks”)
Disconnected Information	Integrated Knowledge
Islands of Expertise	Virtual Communities of Excellence
Lecture/Discussion	Learning Facilitators & Critical Thinking
Student Surveys/Critiques	Corporate University Balanced Scorecard
No business need for the program	Program linked to specific needs
Value is Student Throughput	Value is Enhanced Job Performance

The RIT further identified imperatives DAU must meet to reach the described “to be” state:

- Create a better balance between classroom delivery and just-in-time action learning/field performance support
- Get SME involvement
- 7 days x 24 hour Availability
- Provide coaches with field team deployment
- Establish and maintain direct relationships with key program managers
- Establish a fee for service model
- Become resource of choice for field teams
- Be the "Center of Expertise"

The next portion of the problem analysis phase focused on identification of DAU’s customers and related performance standards:

Collectively the team agreed the key DAU customers are:

- Program Managers
- Program Executive Officers

- Students
- Service Acquisition Executives
- SYSCOM Commanders

And agreed on the key Breakthrough Performance Standards:

- Certified Workforce
- Cost/Schedule Performance
- Better-cheaper-faster

Performance Driver Analysis

The RIT engaged in a brainstorming and knowledge sharing exercise to identify performance drivers and related actions necessary to achieve them.

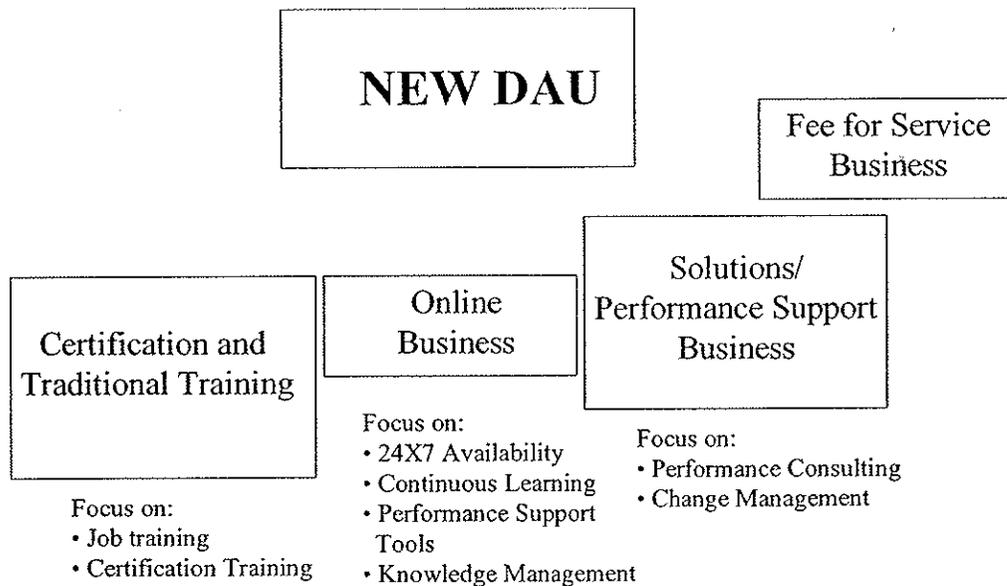
Performance Driver	Actions to achieve desired performance
Change Management Capability	<ul style="list-style-type: none"> • Build Internal and Credible Change Team • Rotating in and out of high impact projects • Technical Skills • Change management skills • Organize a cell of practicing change agents
Commitment and guidance of senior leadership	<ul style="list-style-type: none"> • Authority • Leverage the executive board • Link quickly to the next set of initiatives • Demonstrate impact performance • Program specific progress
Cross Functioning Team Based Learning	<ul style="list-style-type: none"> • Computer based 7 day x24 hour delivery • More multi-discipline courseware
Inspiring work force loyalty	<ul style="list-style-type: none"> • Connect training directly to job results • Explicit connection to career path • Connect to Individual Development Plans • Play a role in talent supply management
Team based learning	<ul style="list-style-type: none"> • Use action learning in the project • Virtual Team Work spaces
Managing training and performance solutions simultaneously	<ul style="list-style-type: none"> • Define certification equivalency • Invest more in moving to online • Fee for service based solution business
Consolidated, integrated AT&L training	<ul style="list-style-type: none"> • Knowledge & best practices • Sharing across services • Integrated with continuous learning policy
Leveraging alternative learning and delivery methods and action learning	<ul style="list-style-type: none"> • Performance support tools to drive continuous improvement
Outsourcing	<ul style="list-style-type: none"> • Develop balanced and appropriate outsourcing strategy
Competitively sourcing education providers	<ul style="list-style-type: none"> • Accelerate equivalencies • Commercial best practices

Issues/Opportunity Inventory

Upon identification of the performance drivers, the RIT then focused on identifying issues and opportunities.

- Where do we get impact for investment?
- How do we leverage the new incoming workforce?
- Should DAU be influencing policy through the corporate university?
- How do we solve the Information Systems infrastructure issues?
- Integrating culture and values into training content
- In an equivalency case, who pays for tuition?

“Should be” Organizational Design/Model



The RIT developed the following high-level focus/mission areas for the new DAU role as a corporate university:

To change the focus in the new DAU, it was agreed eight major recommendations must be implemented. The following table defines the key recommendations and supporting actions for execution.

Breakthrough Recommendation and Action Plan

Breakthrough Recommendation	Action
Structure	<ul style="list-style-type: none"> • Plan completed to build a solution business within 30 days • Identify and develop appropriate faculty • Establish appropriate role for distance learning
Equivalency	<ul style="list-style-type: none"> • Plan to address equivalency issues • Develop customer friendly business process for equivalency certification and funding
Budget Implementations	<ul style="list-style-type: none"> • Analyze budget allocations • Understand cost per student at an activity level (for equivalency)
Transaction Team Action Plan	<ul style="list-style-type: none"> • Develop an Action Plan
Proof of Concept Opportunity	<ul style="list-style-type: none"> • Identify and execute a proof of concept for performance consulting resulting in a success that DAU can leverage
Change Management Center	<ul style="list-style-type: none"> • Develop and execute a CMC transition/migration plan • Integrate change mgt with OSD Policy to drive change initiatives • Include DAU Participants in every RIT • Grow DAU RIT Certified Facilitators.
Metrics	<ul style="list-style-type: none"> • Process and Plan for Performance measurement (expand current effort) (done by Jack Phillips) • Apply a Corp University Score Card Model (adopting Franklin-Covey recommendations and the DAU Balanced Scorecard)
Continuous learning	<ul style="list-style-type: none"> • Others may develop • Transition to DAU after launch • Transition desk book to DAU, DAU gets the program Office

DAU Charter Development

Using previously developed efforts as the foundation; the RIT then reviewed the findings and recommendations and developed the following Charter for DAU:

Charter:

Who do we serve?

SAEs, PEOs, PMs, SYSCOM

What Service do we provide?

- Performance Based Solution
- 24x7 learning
- Basic certification
- Change leadership
- Continuous learning
- Job specific tools
- Inculcating culture and values

Why are we unique?

- We deliver business results
- Resulting in better/faster/cheaper
- Cost/schedule performance
- Functional expertise
- Speed!
- Proven return on investment.

Barriers that must be overcome to establish the new model!

- Faculty Currency/skills at DAU
- Field perception of DAU expertise
- Currently measured and valued based on student throughput
- DAU culture / Structure (personnel rules, etc)
- Need to validate what the customers think of this new model for DAU (would it be viewed as “goodness”)
- Functional Stovepipes Organization
- OSD/DAU not a team – yet
- Not an integrated approach to policy development
- Lack of Marketing capability for team training and consulting
- Budget, time, and transition strategy

- Fee for service not a key performance driver
- No dedicated cross- functional student billets or visiting faculty available with recent experience.

Recommended Actions to overcome barriers:

- Accelerate a corporate university model by focusing on performance improvement, employing education, training, performance support, knowledge management, continuous learning, and team learning approaches
- Refocus and reengineer the organizational structure to support new mission/roles
- Apply reshaping initiatives to develop and obtain the necessary staff skills and capabilities
- Transition the Change Management Center and its support organization to DAU to provide required capabilities and qualifications
- Identify and execute a successful performance consulting opportunity resulting in a success that DAU can leverage
- Expand the equivalency certification process
- President of DAU to back brief DUSD(AR) on transition plan for continuing the evolution of DAU to a corporate university end-State not later than the first week of December 00.

Appendix A Participants

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