

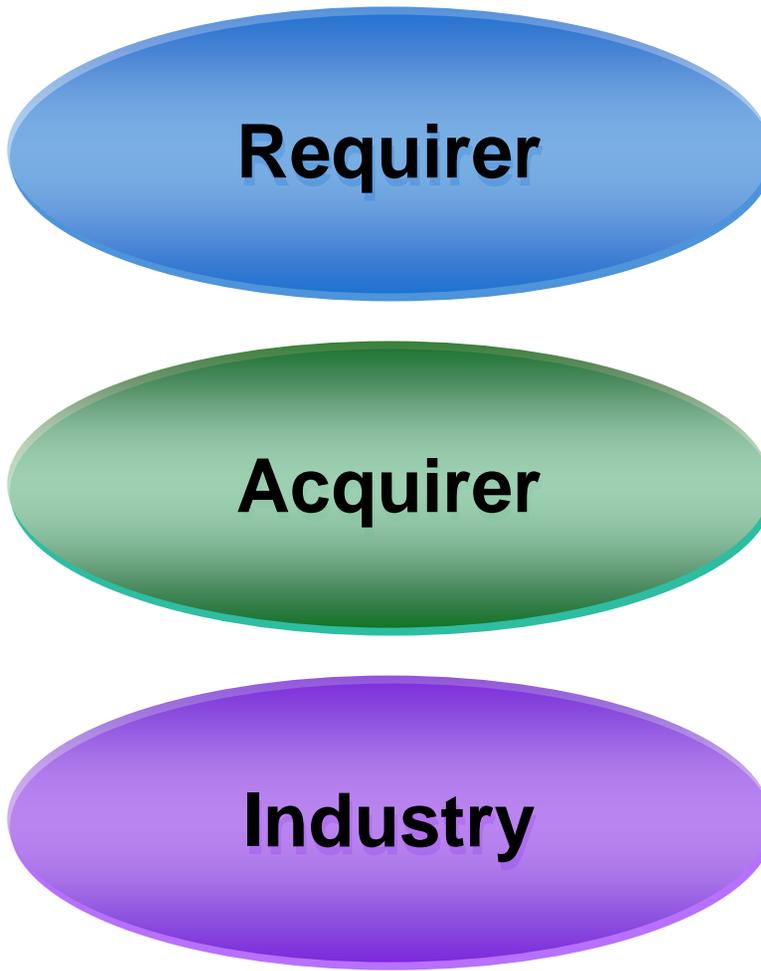
Keeping Programs Affordable

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Acquisition Process Roles

2006 PEO/SYSCOM CONFERENCE
"The Will to Change ..."



Requirer

Acquirer

Industry

Lessons Learned For the “Requirer”

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- **Understand what you require**
Model, simulate, analyze, experiment to understand trade-space
- **Require a capability not a specific solution**
There may be a more affordable, more capable solution
- **Drive technology maturity**
Exploit S&T and industry IRAD to mature leveraging technology before program starts
- **Require only what you can afford**
Budget around high confidence cost estimates
- **Program Stability**
Some change is unavoidable but it drives cost and schedule
- **Communication with Acquirer / Industry**
Affordability and timely fielding demands you be part of dealing with challenges

Lessons Learned For the “Acquirer”

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- **Cost Estimating**

Buy the level of risk you can afford but know it and resource it

- **Risk Management**

Risk does not go away, it gets retired through mitigation actions

- **Baseline / Configuration Management**

Difficult to measure performance against a moving target

- **Stability**

Change produces scrap and rework which costs money and time

- **Specifications**

Don't chase specifications, chase capabilities

- **Communication**

Transparent with customer / resource sponsor / industry

Lessons Learned For “Industry”

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- **Proposals**

Insure you and the customer knows the risk they are buying

- **Technology Maturity**

Both you and the customer must understand it

- **Risk Management**

Risks are retired through actions, not the passage of time

- **Baseline Management / Configuration Management**

Are you sure your performance metrics are real

- **Best Practices**

Applying best / proven practices reduces risk

- **Communication**

Transparent internally and with Acquirer / Customer

Required for Keeping Programs Affordable

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- **Collaborative Environment**
- **Process Discipline**
- **Stability**
- **Quality Workforce**
- **Leadership**

Affordable System Acquisition Is a Team Sport

