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### The Future of Acquisition Reform

#### Requirements Gathering, Flexible Systems Key to Future Engagement

Noreen Costello and Carol Scheina

Dr. Ashton Carter, under secretary of defense for acquisition, technology and logistics, recognizes the urgency of ensuring the Department of Defense's acquisition workforce are able to respond to current warfighting challenges and are prepared for the future.

"When Secretary [of Defense Robert] Gates offered me this job, he said the troops are at war and the building is not," Carter said, speaking at the PEO/SYSCOM Commander's Conference, held Nov. 3 to 4, 2009, at the Fort Belvoir Officer's Club, Va. "Reshaping Defense Acquisition for 21st Century Customers" was this year's conference theme, and the 450 conference attendees participated in and listened to panels, workshops, forums, and roundtable discussions to gain a better idea of how to ensure DoD is shaped for the future. Carter and Chairman of the Joint Chiefs of Staff Navy Adm. Mike Mullen were the keynote speakers for the event.

### Key Areas of Improvement

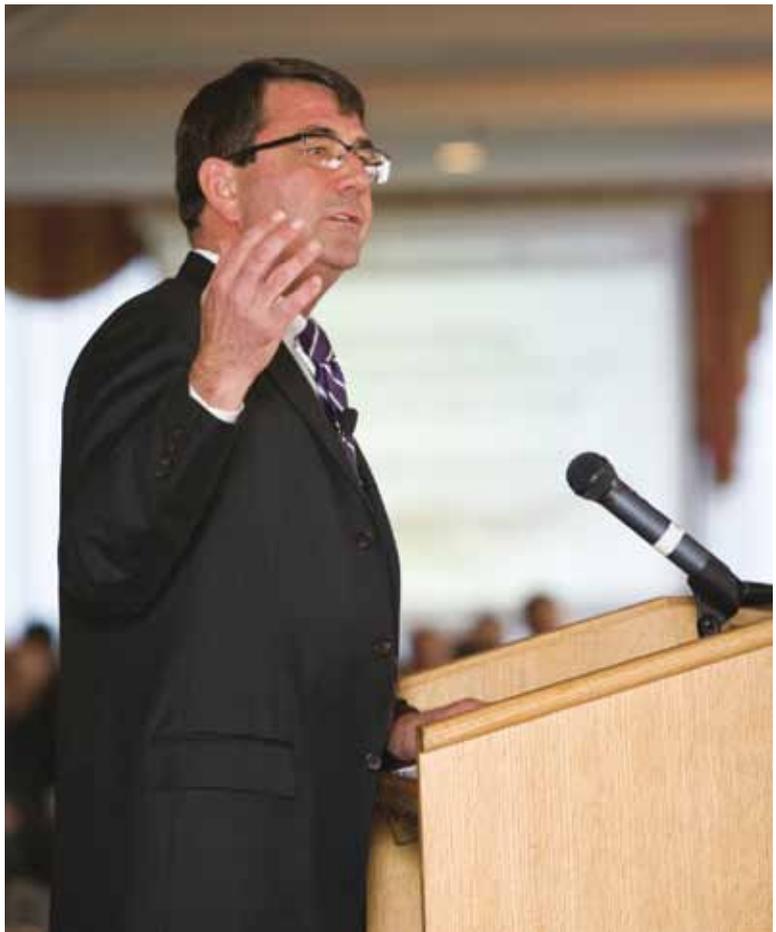
During his speech on Nov. 3, Carter identified three key areas that DoD acquisitions must focus upon in terms of improvement. First, DoD needs to provide more rapid and responsive acquisition. We need to review our processes, and if we're called to do so, we're going to build something quickly, he emphasized. Second, DoD needs to overcome its logistics challenges, particularly as it focuses on increasing operations in Afghanistan. The location is "the most difficult place to fight an expeditionary war," Carter said. Operations in Afghanistan often involve locations that are far removed from any base of operations, across barren and rocky terrain that is difficult to cross.

Third, DoD needs to strengthen its contingency contracting efforts. "We have to get good at contingency contracting; it's something we're still working on," Carter said. DoD should not repeat in Afghanistan the mistakes that were made in Iraq, he emphasized. Two major problems faced in Iraq were maintaining the level of necessary contract support needed for effective operations, and avoiding contracting practices that could lead to audits and protests. "We need to maintain a balance between controls on one hand and effectiveness on the other," he said.

### Weapons Systems Acquisition Reform

DoD acquisitions need to change to support current operations. Gates has emphasized that we need to keep scrutinizing the way we do business, Carter said, and the secretary of defense has taken an intense interest in acquisitions, making it one of his top priorities. The president and Congress also take note of what goes on in the acquisition world, as acquisitions involve both taxpayers' money and the ability of our nation to defend itself and conduct effective military operations. Congress voted for acquisition reform in the Weapons Systems Acquisition Reform Act (WSARA), and the president signed the act into law on May 22, 2009.

Much of the WSARA of 2009 emphasizes changes to the acquisition process identified in DoD Instruction 5000.02, which was the first major overhaul to the acquisition process in five years. A major part of the act involves the creation of the presidentially appointed director of cost assessment and



Dr. Ashton Carter, under secretary of defense for acquisition, technology and logistics, speaks at the PEO/SYSCOM Conference Nov. 3. Photo by Scott Henrichsen

program evaluation, who will provide independent cost assessments of some, but not all, of DoD's major acquisitions programs. The act will help DoD pay attention to time and affordability and develop realistic cost estimates, Carter said.

"We need to do better development of things," Carter said, and that's another major focus of WSARA. The act emphasizes better developmental planning and stronger systems engineering.

"We need to have the discipline to stop things that aren't working; to emphasize performance above all," Carter said.

### **The Focus on People**

Above all, though, Carter said that there needs to be a strong workforce. "The big key to acquisition reform: people. We can do this process; that process. But it makes a difference if you don't have good people," Carter said. "This is a big priority."

Gates has called for 20,000 additional acquisition new positions—10,000 in-sourced (contractors converted to government employees) and 10,000 new government positions—by 2015. Carter said DoD will meet that goal, but emphasized that while quantitative targets are important, it is quality that matters most. "We need to attract to the acquisition workforce more and highly skilled people," Carter said. "When we talk about acquisition reform, if we don't talk about people, we're wasting our time," he added.

### **Strategizing the Future**

Mullen spoke at the conference a few hours after Carter, and he emphasized the importance of responsible requirements gathering and the acquisition of flexible systems, particularly when faced with the reality that we can no longer predict DoD's next military engagement. Mullen gave a broad overview of the challenges the department faces in providing support to the 21st century warfighter.

"We have not done a good job of predicting what comes next," he admitted, saying that while we have been able to sustain in Iraq and Afghanistan since 2001, there is still progress to be made. Using the wars in Iraq and Afghanistan as a point of reference, Mullen explained that the traditional Washington mentality of focusing on the five-year horizon is no longer adequate. "My day starts with what's going on in the war. What's going on in the wars now has a lot to do with what's going on in the future," he said, stressing the importance of recognizing the evolving threat.

The department has to try to "move the pendulum" toward a strategic frame of mind to better anticipate the future if

we're going to ensure the warfighter at the edge has what he or she needs, he explained. "We just need to move it a little," he said, "not swing it entirely."

Some of the challenges Mullen has faced in his attempt to move the pendulum include finding better ways to do requirements gathering, recognizing and addressing faults in the acquisition process, and dealing with budgetary constraints.

### **The Vision vs. the Requirement**

Mullen pointed out that all of the combatant commanders are asking for more of the same things: intelligence, surveillance, and reconnaissance; missile defense; preventative engagement groups in country; and ways to address cultural and language barriers in the area of responsibility. The problem, as Mullen explained, is moving these requirements through the acquisition process. That's something that became very clear to him during his time as the Chief of Naval Operations.

"There's a great deal of disconnect between the vision or requirement that I, as a CNO, had and the end acquisition," said Mullen. What happens, he explained, is that "they guy with the original requirement—the guy with the vision" gets the contractor to buy into that vision and translate it into a proposal. The acquisition representative then handles the proposal and, ultimately, signs off on it.

"Along the line, people have 'great ideas' and add them in," said Mullen. "It's not that the ideas that get added in aren't good ones; it's just that they're not what was being asked for. A lot gets lost in translation." In addition, he said, great ideas can be expensive.

As a result of the current acquisition process, there's a disconnect between the information in the contract compared to the original requirement. "What is actually in the contract?" Mullen asked, directing the question to the acquisition community at large. "I want you to read it back to me [*the individual who generated the requirement*] before you sign it."

"[*The process*] has got to be transparent. It's got to be collaborative. It's got to be everyone in the room working together and making hard decisions," said Mullen.

### **Need for Flexibility**

There are plenty of things that can be done to meet warfighter needs within the existing acquisition system, though. The most important thing we can do, said Mullen, is to acquire flexible systems. "We can't hold out for the exquisite,