

Germany Hosts Thirteenth Annual International Acquisition/Procurement Seminar — Atlantic

Restructuring, Consolidation, Cooperation Spark Lively Exchanges at 2001 IAPS-A

DON HOOD

The week of June 25 through 29 marked the successful presentation and conclusion of the 13th Annual International Acquisition/Procurement Seminar — Atlantic (IAPS-A).

Sponsored by the International Defense Educational Arrangement (IDEA), this year's IAPS-A was hosted by the Bundesakademie für Wehrverwaltung und Wehrtechnik (BAkWVT), translated as the Federal Academy of Defence Administration and Military Technology in Mannheim, Germany. Gathering together over 100 acquisition professionals, participants learned about and discussed current issues and impending changes in national acquisition and procurement policies as well as the latest trends in acquisition education.

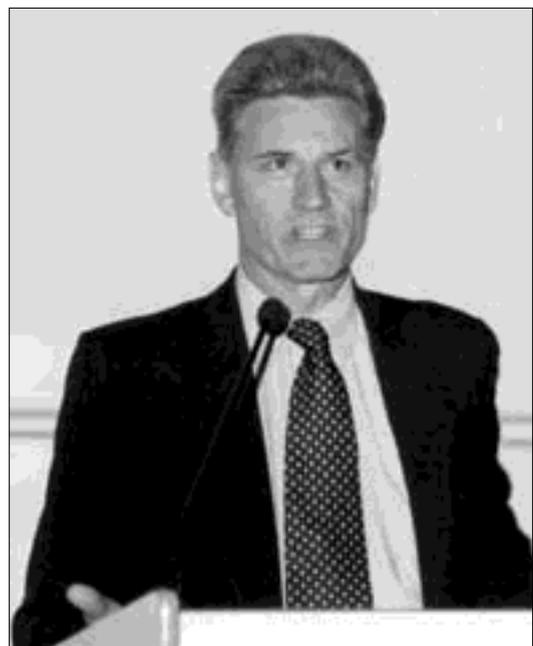
Peter George, President of the BAkWVT, provided the official welcome and opening remarks. Participating nations were the four IDEA member nations — Germany, France, United Kingdom, and the United States, plus Australia, Canada, Italy, and Singapore. The representatives of the other IDEA member nations — Dr. Gertrud Humily, Executive Director, International Education, French Procurement Agency; Frank Anderson, President, Defense Acquisition University, United States (DAU); and Brig. Will Cook, Director of Studies, Royal Military College of Science, United Kingdom (UK) — wel-

“Successful [seminar]. Met two new contacts — now we can do business.”
—AIR FORCE MAJ. GEN. CLAUDE BOLTON

comed all the participants of this year's event.

This year's Seminar focused on the acquisition and procurement relationship between the United States and OCCAR, or Organisation Conjointe de Coopération en matière d'Armement, which is the European Nation Central Procurement Agency; Industrial Mergers and Cooperation; Defense Capability Initiatives (DCI); and Barriers to International Cooperation.

The National presentations were well received, with the United States focusing on the views and expected priorities of the new Bush Administration.



Dr. Jörg Kaempf, National Armaments Director, Germany.

The German, French, and UK speakers discussed the fundamental restructuring of their respective procurement systems, their continuing industrial consolidation, and corporate cooperation.

Speakers, Presentations, Discussions

Dr. Jörg Kaempf, National Armaments Director, Germany, delivered the Keynote address. He began his remarks with an outline of five major efforts underway that will focus on Bundeswehr operations reform, within the framework of the DCI.

Hood is a Professor, Defense Acquisition University, Fort Belvoir, Va.



Participants at the 2001 International Acquisition/Procurement Seminar — Atlantic.



From left: Don Hood, Professor, Defense Systems Management College, United States; and Brig. Will Cook, Director of Studies, Royal Military College of Science, United Kingdom.

Dr. Klaus Von Sperber, OCCAR, Germany, presented “The Role and Progress of OCCAR.” His presentation, as well as the ensuing panel discussions, sparked lively interchange between OCCAR, European Union, and U.S. spokespersons on Workshare, Competition, and “Fortress Europe-Fortress America” impressions or realities.

IDEA member representatives’ discussion on Industry Cooperation Patterns also generated considerable interest.

Jean-Paul Bernard, Vice President, Europe Military Engineer, Snecma Moteurs, France, addressed five potential arrangements between companies and corporations:

- Mergers – Single (All Programs) Entity (Use of Programs)
- Joint Company
- Joint Program Management (Single Program)
- Leader-Follower (Management and Technology Shared Contribution)

- Leader-Preferred Sub-contractor Relationship (Revenue Sharing)

Karl D. Horn, Vice President and Country Manager, Raytheon International, Inc., Europe, emphasized that alliances between companies are a fact of life, dictated by economic realities that override political considerations. He also highlighted the different views on technology transfer between the United States and its European allies.

Trevor Taylor, Head of Department of Defense Management and Security

Analysis, UK, compared collaboration by project, usually the U.S.-preferred arrangement, to the more lasting multinational business arrangements and joint ventures preferred by European industry. He further stressed the need for Import/Export Processes’ harmonization between the industrial nations.

Overall, and in light of European mergers and acquisitions, a number of companies are emerging that will rival and challenge the big three U.S. defense industry leaders. The Ministries and Departments of Defense will need to develop policies and processes for contracting with, and procuring from, trans-national industries.

Other sessions, obviously enjoyed by presenters as well as delegates, touched on subjects ranging from Centralized Software development/procurement and DCI, to Lessons Learned and Cost Benefit Effectiveness Methods (which were discussed in depth).

Lt. Col. Mike Phelps, Royal Military College of Science, UK, concluding his National Presentation, discussed the results of a major review and some fundamental changes being made to the Australian Acquisition process.

The Asian-Pacific update, given by Dr. Stefan Markowski, Australian Defence

Force Academy, provided a detailed analysis of the regional/country defense expenditures as a percentage of Gross Domestic Product (GDP). While the amounts are small when compared to the GDP of the United States, they are stable, and in some cases are increasing with the regional recovery from this year's "meltdown" in technological stocks being stronger than anticipated.

Comparative Acquisition Handbook

Also at this year's Seminar, the IDEA-sponsored *Comparative Acquisition Handbook* development and publication efforts led by U.S. representative, Tony Kausal, DAU Air Force Chair, were reviewed briefly at the start of the program. Later in the week, Kausal also discussed and outlined future update and publication timetables for the handbook. (Within hours of the opening session, over 100 copies of the Handbook – now in its 4th printing – were made available to the participants at the Seminar.)

Authored by Kausal; Peter Roller of the German Federal Academy of Defence Administration and Military Technology; Taylor; and Humily, the Consensus was that the book should continue to be published in hard copy form, updated and reissued every two to three years, and be available on the DAU Web site for review and intermittent update. The authors also solicited volunteers to help review, revise, and edit future editions.

During the final panel session, representatives of four nations discussed changes in their programs. Participating in the final panel were: Roller; Michael Austwick, Defence Procurement Agency, UK; U.S. Professor Don Hood, Defense Systems Management College; and Humily.

Austwick spoke on reviewing, consolidating, and reassessing the UK's educa-



From left: Frank Anderson Jr., President, Defense Acquisition University, United States, presenting Peter Roller, Federal Academy of Defense Administration and Military Technology, Germany, a memento.



Signing of the Atlantic Charter. Seated from left: Anderson; Cook; Peter George; President of the Bundesakademie für Wehrverwaltung und Wehrtechnik, Germany; and Dr. Gertrud Humily, Executive Director, International Education, French Procurement Agency. Standing: Hood.

tional needs, while Roller talked about totally revamping Germany's program (Note: Germany's first new offering started July 2, 2001).

Humily said that since France opened its system to, and encouraged more international students, many graduates of the top schools are opting for careers in

industry rather than government. Hood stressed the increasing need and increasing numbers of students (replacements) needed to fill the void that will be created when large numbers of experienced personnel retire during the next five years. Distance and online learning programs were discussed along with social, ethical, and employment is-

sues. The panel consensus was that these programs have their place, but they may not be the answer if the goal is to improve students' decision-making skills.

Recurring themes in all the national defense acquisition education systems were the need to go from program inception to equipment fielding faster and cheaper, with fewer government employees; and the continued privatization of formerly government functions.

IDEA Board of Directors Convened

On Wednesday, June 27, the IDEA Board of Directors convened. Their agenda items included formal signature of the reformatted Charter, a review of the functional content of the Seminar, and recommendations for future seminars. The Board, sensing the need for a

theme-structured approach, recommended that the Seminars, in conjunction with the National Presentations, also include a theme selected by the IDEA member nations such as Contracting, Logistics, Export Licensing, or Offsets.

Delegates would be encouraged to submit comments and recommendations, and with the aid of case study materials in a workshop format, would review the issues raised in the case study materials and record their conclusions. The recorded conclusions would then become a "lessons learned" part of the *Comparative Acquisition Handbook*.

Although extremely busy, the Seminar was not all work. After hours, the delegates were formally welcomed to Mannheim, at a reception hosted by the

Deputy Lord Mayor, in the City's Art Museum. An evening walking tour of the ancient city of Speyer was organized, and participants enjoyed an informal dinner at the BAKWVT facilities.

Next Year – France

The 14th Annual International Acquisition/Procurement Seminar – Atlantic will be hosted by CHEAr, the Centre des Hautes Études de l'Armement, in Paris, France, during the last week of June 2002. The host will determine the Seminar theme with IDEA member concurrence. Watch for details of the Seminar in future issues of *Program Manager*.

Editor's Note: The author welcomes questions or comments on this article. Contact him at don.hood@dau.mil.

U.S. Office of Personnel Management Individual Learning Account (ILA) Pilot Program

The Federal Training Technology Task Force was established Jan. 12, 1999 by Executive Order 13111, "Using Technology to Improve Training Opportunities for Federal Government Employees." The Task Force was charged with developing a policy to "make effective use of technology to improve training opportunities for Federal Government employees." The U.S. Office of Personnel Management (OPM) invited agencies, including field and regional offices, to participate in an Individual Learning Account, or ILA Pilot Initiative. The OPM invitation and ILA guidance asked agencies to develop ILA plans, participate in piloting ILAs, and assist the Task Force in evaluating the effectiveness of ILAs for federal workers. Agencies, within the parameters provided in the guidance, were encouraged to structure their pilots using innovative models that best met their organizational needs.

Agencies are enthusiastic about this new development tool. Anecdotal feedback from employees and management indicate that ILAs provide a different and advantageous approach to training and development. The agencies overwhelmingly recommended the implementation of ILAs and continued OPM guidance and leadership in this effort. The pilot demonstrated that ILAs are indeed a feasible and practical approach to the 21st Century workforce needs of the Federal Government.

A report on the Individual Learning Account Pilot Program is now online at <http://www.opm.gov/hrd/lead/ILA/ilarpt.htm#Exec>.