

Excerpts from Statement of The Under Secretary of Defense for Acquisition and Technology, Honorable Jacques S. Gansler



Before the Subcommittees on Procurement and Research and Development House Committee on National Security

Acquisition Reform

In February, 1994, in response to the legislative recommendations of the Acquisition Law Advisory Panel and the National Performance Review, the Department of Defense recognized the need to reengineer the entire acquisition system to ensure smart, efficient, and responsive development, procurement, and support of the best value goods and services that meet the warfighters' needs – relying upon a globally competitive national industrial base to satisfy its requirements.

Two significant pieces of legislation, the Federal Acquisition Streamlining Act of 1994 (FASA), and the Clinger-Cohen Act of 1996, along with a Presidential Memorandum, "Streamlining Procurement Through Electronic Commerce," are guiding our efforts. By forming integrated teams throughout the Department, we have made additional policy and regulatory changes in a number of areas including electronic commerce/ electronic data interchange, military specifications and standards, the procurement process, the contract administration process, systems acquisition oversight and review, and – particularly critical – in establishing metrics.

Acquisition reform is far from finished. We are expanding into new areas, seeking to capitalize on changes already made, and reengineering where still necessary to enable "better, faster, cheaper" acquisition.

Acquisition Workforce

The National Defense Authorization for Fiscal Year 1998 contains a provision in section 912(a) requiring that the Department reduce by between 10,000 and 25,000 the workforce in acquisition organizations (exclusive of civilians in maintenance depots).

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Since 1989 the Department has reduced the workforce in acquisition organizations by 42 percent – over one-quarter million people. We have done extensive process reengineering through our Acquisition Reform initiatives in order to be able to operate effectively and efficiently with such reductions. However, we also know that infrastructure must continue to shrink if we are to afford modernization and readiness.

We take very seriously the mandate Congress has given the Department to reduce the workforce in acquisition organizations as much as possible by the beginning of next fiscal year. The Under Secretary of Defense for Personnel and

Readiness, working with me, is gathering the information needed to determine the maximum possible reduction without sacrificing military readiness and the efficient management of the acquisition system.

Congress has given us a valuable tool in Section 912 of the National Defense Authorization Act for Fiscal Year 1998. Section 912 requires the Department to review acquisition organizations and functions and to develop a plan to streamline acquisition workforce, organizations, and infrastructure. I look at this requirement as an opportunity to examine the structure that we have in place today and, in light of the advances in commercial practices and processes and the new tools that information technology has given us, adapt that structure to the needs of the 21st century. We intend to provide the Congress a road map to the new acquisition infrastructure when we report to you April 1.

Continuing Education

There must be reductions in the entire defense infrastructure to provide resources for modernization and readiness. A smaller workforce will have to be a better qualified and better trained workforce, particularly with regard to new policies, practices, and processes stemming from acquisition reforms. This year I intend to institute a new program of continuing education, because much of what the workforce learned in school – even just a few years ago – is obsolete. This Committee has a long history of supporting workforce professionalism. I hope we can work together on this in the future.

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