

Defense Acquisition University Board of Visitors Meeting
DAU Headquarters, Fort Belvoir, VA
February 1, 2017

Welcome: VADM Dave Venlet, USN, Retired, BoV Chair

VADM Venlet began the meeting by welcoming everyone and thanking them for attending. Then, after brief welcoming remarks, DAU president Jim Woolsey introduced South Region dean Mark Lumb to give the board members an overview of the South Region's customer base.

South Region Overview: Mark Lumb, Dean, DAU South

Mr. Lumb welcomed everyone and gave a brief description of the building layout. He encouraged board members and guests to explore the facility during breaks and talk to faculty and staff members.

Mr. Lumb described the close relationship DAU South has with the local community and Redstone Arsenal. He described the upcoming Annual Acquisition Update when DAU South opens its doors to the local acquisition community for a day of training opportunities on a variety of timely and relevant topics. Mr. Lumb continued by describing the demographics of nearly 36,000 members of the Defense Department's acquisition workforce who are located throughout the South Region. By describing the workforce in terms of location, command, and Service, Mr. Lumb was able to connect the type of work being done in the field with the type of training and services DAU provides—including how and where.

Mr. Lumb then introduced four guests—each of whom were familiar with DAU and are in leadership roles in local acquisition-related commands: Lisha Adams, Executive Deputy to the Commanding General, Army Materiel Command; James Johnson, Deputy to the Commander, Army Space and Missile Defense Command/Army Forces Strategic Command; James Lackey, former Director, Army Aviation and Missile Research, Development, and Engineering Center; Colonel (P) Robert Rasch, Deputy Program Executive Officer, PEO Missiles and Space. The board members introduced themselves and briefly shared their backgrounds and current positions as well.

Discussion with Customers

After briefly describing each of their organizations, the customers shared their perspectives of the Defense Acquisition Workforce related to critical thinking, risk aversion and understanding industry.

Critical thinking

- Critical and strategic thinking skills need to be introduced at a lower level so workforce members begin thinking about the broader implications of their decisions earlier in their career.
- In many program offices, people are stove-piped in their specific areas of responsibility and have little opportunity to interact with others. As a result, they are not seeing or understanding the big picture.
- There are a lot of layers for approval in an acquisition program and communication with OSD sometimes results in conflicting guidance about what is desired.
- Critical thinkers are criticized for not being team players. Critical thinking is not valued in the process. Peer reviews and audits ensure a cookbook approach and thinking outside the box is discouraged.
- Everyone is under timeline pressure; that conflicts with critical thinking.

- The disconnect between requirements generators and program offices has negative impacts. Those setting the requirements do not always understand the downstream implications derived requirements have on the program. Both sides would benefit from better communication early on related to trade-offs.
- Workforce members in a broader range of communities need to better understand cybersecurity and how it impacts what they do. The challenge we have is a system of systems integrated construct. The workforce needs to better understand that and be more attuned to how these systems are being fielded and integrated.

Risk aversion

- The contracting workforce is continuously being audited by a number of different organizations; this greatly contributes to their risk-averse behavior.
- Mitigating risk is the mentality of the enterprise; do what you can to reduce it.
- Legal teams impact risk averse behavior. When people try to be innovative, the legal team gets ahold of it and immediately says “no.” If responsible risk taking is to be encouraged, lawyers need to become part of the team early on so they understand the overall objectives and goals.
- Risk aversion is also tied to understanding industry because both sides are trying to avoid protests.
- If the desired outcome is for the workforce to be less risk averse, then they need to have adequate top cover and be rewarded for that behavior.
- It is important to recognize the difference between process-based risk and outcome risk. Program teams are focused more on the former, whereas senior leaders are more concerned with the latter.
- Program managers are trying to remove risk instead of manage it.

Understanding industry

- We do not communicate well with industry. Program managers are afraid to talk to industry members for fear of protest.
- More information is needed on how to do successful industry days.
- Learning about industry often comes too late in one’s career. Most interactions with industry happen before a workforce member becomes a program manager.

Experience & Leadership

- Acquisition is inherently about people and being successful requires people skills.
- Having experience and the ability to understand multiple perspectives, having mentors and being persistent are all keys to successful acquisition leaders.
- Civilians tend to stay in one place for long periods of time; this can lead to complacency. People become entrenched in their ways because that is all they know. Perhaps encouraging and incentivizing people to move around more will help them develop an enterprise perspective. Getting members of the workforce out into the field where they see the hardware and talk to customers provides an important perspective and a better understanding of the systems view.
- Military training provides leadership skills and confidence; civilians tend to only get supervisory training.

Website Demonstration: CAPT Mike Hocker, Director, Workflow Learning

CAPT Hocker demonstrated the new DAU website to the board members; it is expected to go live in late February. He highlighted new capabilities and features of the site in addition to specific improvements over the existing site.

Comments and suggestions from the board included: maintain a customer focus and think about what they come to the website to do; past metrics aren't always the best way to determine how to lay things out going forward because it is only perpetuating that behavior.

DAU Update: James Woolsey, President, DAU

Mr. Woolley began the update by telling the board about the newly-hired dean for the Capital and Northeast Region, Lois Harper, the former Major Defense Acquisition Program (MDAP) director for the West Region.

Mr. Woolsey outlined the training the 2017 National Defense Authorization Act (NDAA) requires DAU to deliver.

- Sec 832: Contractor incentives to achieve savings and improve mission performance
- Sec 898: Establishment of panel on Department of Defense and AbilityOne contracting oversight, accountability, and integrity; Defense Acquisition University training.
- From committee report: review curriculum taught to determine the extent to which the curricula includes appropriate courses on data analytics and other evaluation-related methods and their application to Defense acquisitions, and how these efforts can be used by the acquisition workforce to perform their missions.
- Sec 824: Treatment of independent research and development costs on certain contracts
- Sec 863: Purposes for which the department of Defense Acquisition Workforce Development Fund may be used; Advisory panel amendments.
- Sec 866: Senior military acquisition advisors in the Defense Acquisition Corps
- Sec 214: Authorization for National Defense University and Defense Acquisition University to enter into cooperative research and development agreements.

Mr. Woolsey explained how the NDAA disestablished the position of Under Secretary of Defense for Acquisition, Technology, and Logistics. He said that much was still unknown about how the change would be implemented or what the final reporting structure would look like; although the law is in effect now, the organizational change takes effect in February 2018.

Mr. Woolsey moved the discussion to strategic planning. DAU has always been responsive to customers as evidenced by our regional construct and mission assistance. He stated that the university plans to take an even more structured approach to meeting customer needs. The leadership team explored three main areas an organization can focus its excellence on: operational excellence, product leadership, and customer intimacy. DAU has chosen to focus on customer intimacy. The team is in the process of defining what the strategy looks like for DAU.

The board engaged Mr. Woolsey and the leadership team in a discussion about what that model means to DAU and to DoD. They also discussed framing assumptions and challenged the team to think about how they might approach the same situation if the framing assumptions were wrong. This allowed everyone to talk through the merits of the organization from the DoD enterprise perspective as well as potential weaknesses. Members encouraged DAU to highlight the connection between organizational

value and improved acquisition and business outcomes. They also suggested considering what a service agreement would look like between DAU and the Services.

Close: VADM Dave Venlet, USN, Retired, BoV Chair

VADM Venlet concluded the board meeting by thanking everyone for their contributions to the discussions. He also announced the next two meeting dates: May 17 and September 13.

BoV members and candidates present:

Ms. Caroline Avey
BGen Michael Brogan, USMC, Ret.
Mr. Gene Fraser
Mr. Kimo Kippen
Maj. Gen. Erwin Lessel, USAF, Ret.
VADM Walter Massenburg, USN, Ret.
Mr. Bob Mosher
LTG Bill Phillips, USA, Ret.
Ms. Anne Reed
Dr. Allison Rosset
VADM David Venlet, USN, Ret.
Mr. Charlie Williams

Army Senior Acquisition Official guests present:

Ms. Lisha Adams, Executive Deputy to the Commanding General, U.S. Army Materiel Command
Mr. James Johnson, Deputy to the Commander, U.S. Army Space and Missile Defense Command/Army Forces Strategic Command
Colonel Robert Rasch, Deputy Program Executive Officer, Program Executive Office, Missiles and Space
Mr. James Lackey, Former Director, U.S. Army Aviation and Missile Research, Development, and Engineering Center

Minutes prepared by:

Christen Goulding, Designated Federal Officer, Defense Acquisition University Board of Visitors

Minutes approved by:

David Venlet, Chairman, Defense Acquisition University Board of Visitors

Signature David J. Venlet Date 7 March 2017