

**War Fighting Technologies: Enhance –  
Advance - Modernize:**  
**-Technological/Acquisition  
Advances Enabling a More Responsive  
IT/Cyber Acquisition Environment**

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April 23-26, 2012  
Salt Lake City Marriott Downtown  
Salt Lake City, UT  
Theme: Technology : War Fighting Technologies: Enhance - Advance  
- Modernize

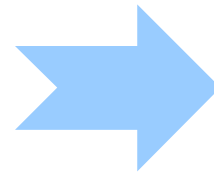
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# Overview

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- Perspective
- The Problem Space
- The Solution Space (Pre-Decisional)
- What Success Looks Like



Focus: Acquisition of  
DoD IT Systems



Source: SEI



**Software Engineering Institute**

**Carnegie Mellon**

Technological/Acquisition Advances Enabling a More Responsive  
IT/Cyber Acquisition Environment





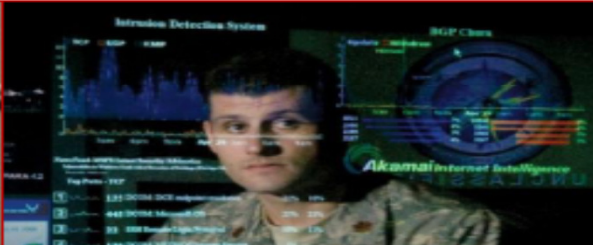

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# Problem Space: Current DoD IT Environment

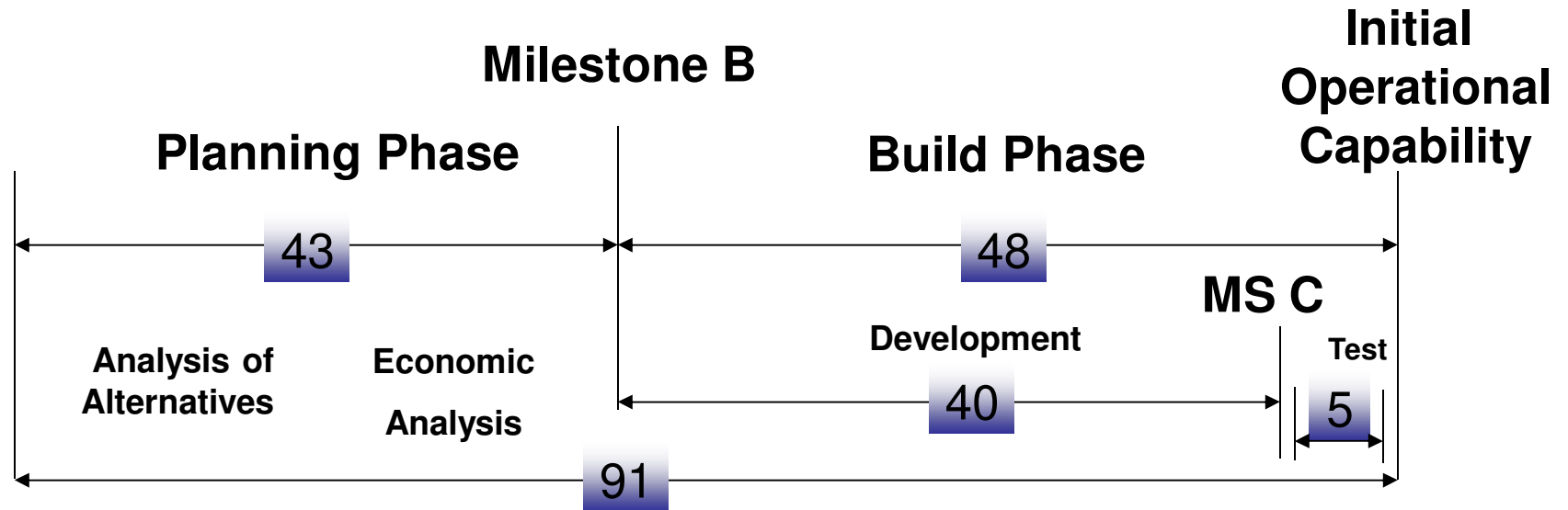
## Current DoD IT Environment

		
Hundreds of sub-optimal data centers and networks incur <b>unnecessary costs</b>	<b>Limited interoperability</b> reduces information sharing and collaboration on mission threats	Increasing demand for <b>new technology</b> on <b>rapidly</b> evolving devices
		
IT Programs average <b>81 Months*</b> Cannot rapidly and efficiently field new technology to meet warfighter needs	<b>Cybersecurity vulnerabilities</b> threaten to exploit classified information and endanger our national security	Current IT delivery process hinders our ability to take advantage of <b>new commercial technology</b>

Source: Director, Command and Control, Programs & Policy (OSD) – Pre-Decisional



# Problem Space: DoD IT Acquisition Cycle-Time - 32 MAIS\*

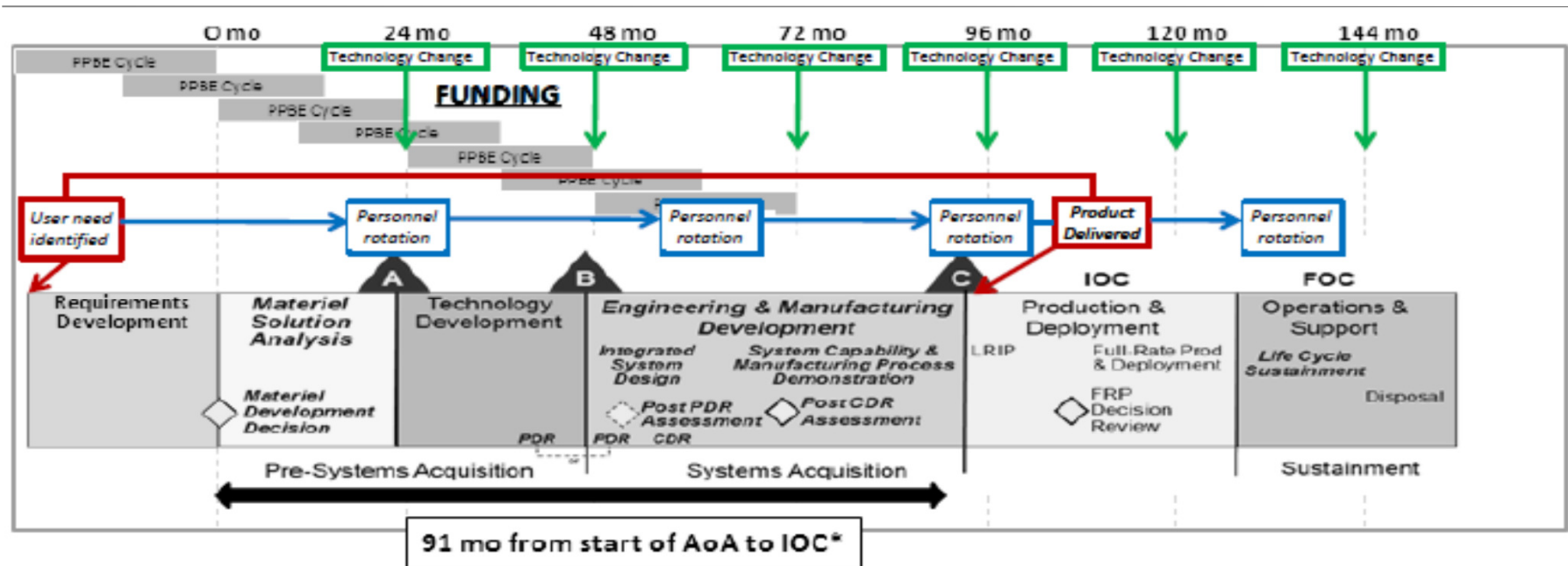


*Cycle-Time Driven by Processes Developed to Counter a Cold War Adversary In Industrial Age Society*

\*Source: Defense Science Board Report, March 2009



# Problem Space: Generic Acquisition Process



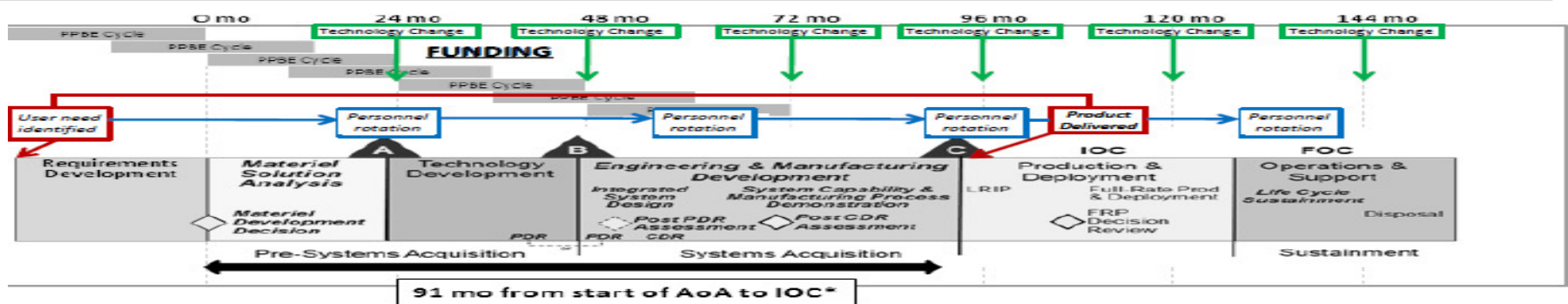
- Program-based
- Personnel Rotation – about every 3 years
- Technology Changes about every 2 years

**Not Efficient or Effective  
For Acquisition of  
Information Technology  
in DoD**

Source: Defense Science Board Report, March 2009



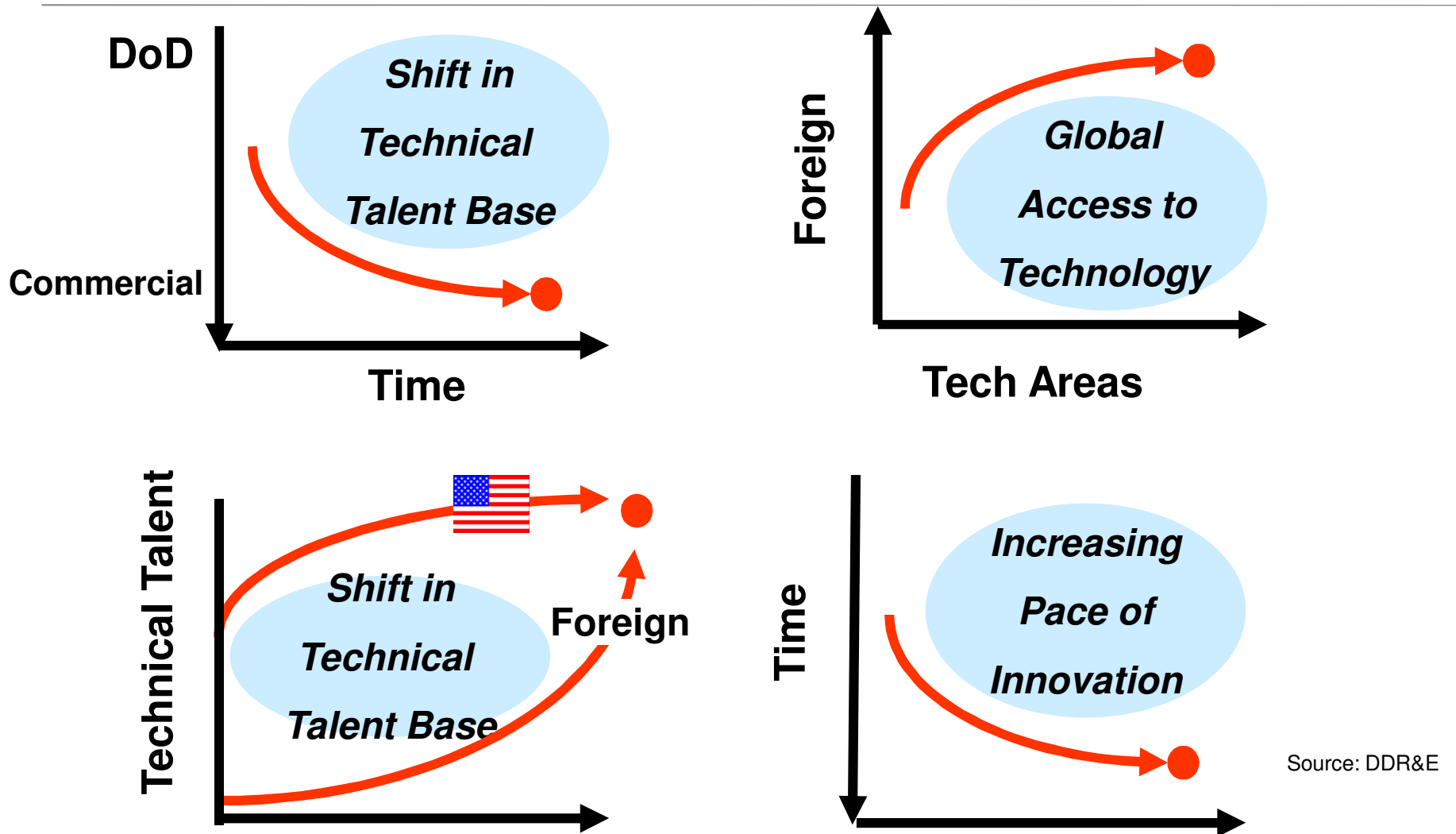
# Problem Space: No Milestone “D” – No Way to Re- Invest Replacement Savings Upfront



Year	Proportion of software maintenance costs	Definition	Reference
2000	>90%	Software cost devoted to system maintenance & evolution / total software costs	Erlikh (2000)
1993	75%	Software maintenance / information system budget (in Fortune 1000 companies)	Eastwood (1993)
1990	>90%	Software cost devoted to system maintenance & evolution / total software costs	Moad (1990)
1990	60-70%	Software maintenance / total management information systems (MIS) operating budgets	Huff (1990)
1988	60-70%	Software maintenance / total management information systems (MIS) operating budgets	Port (1988)
1984	65-75%	Effort spent on software maintenance / total available software engineering effort.	McKee (1984)
1981	>50%	Staff time spent on maintenance / total time (in 487 organizations)	Lientz & Swanson (1981)
1979	67%	Maintenance costs / total software costs	Zelkowitz <i>et al.</i> (1979)



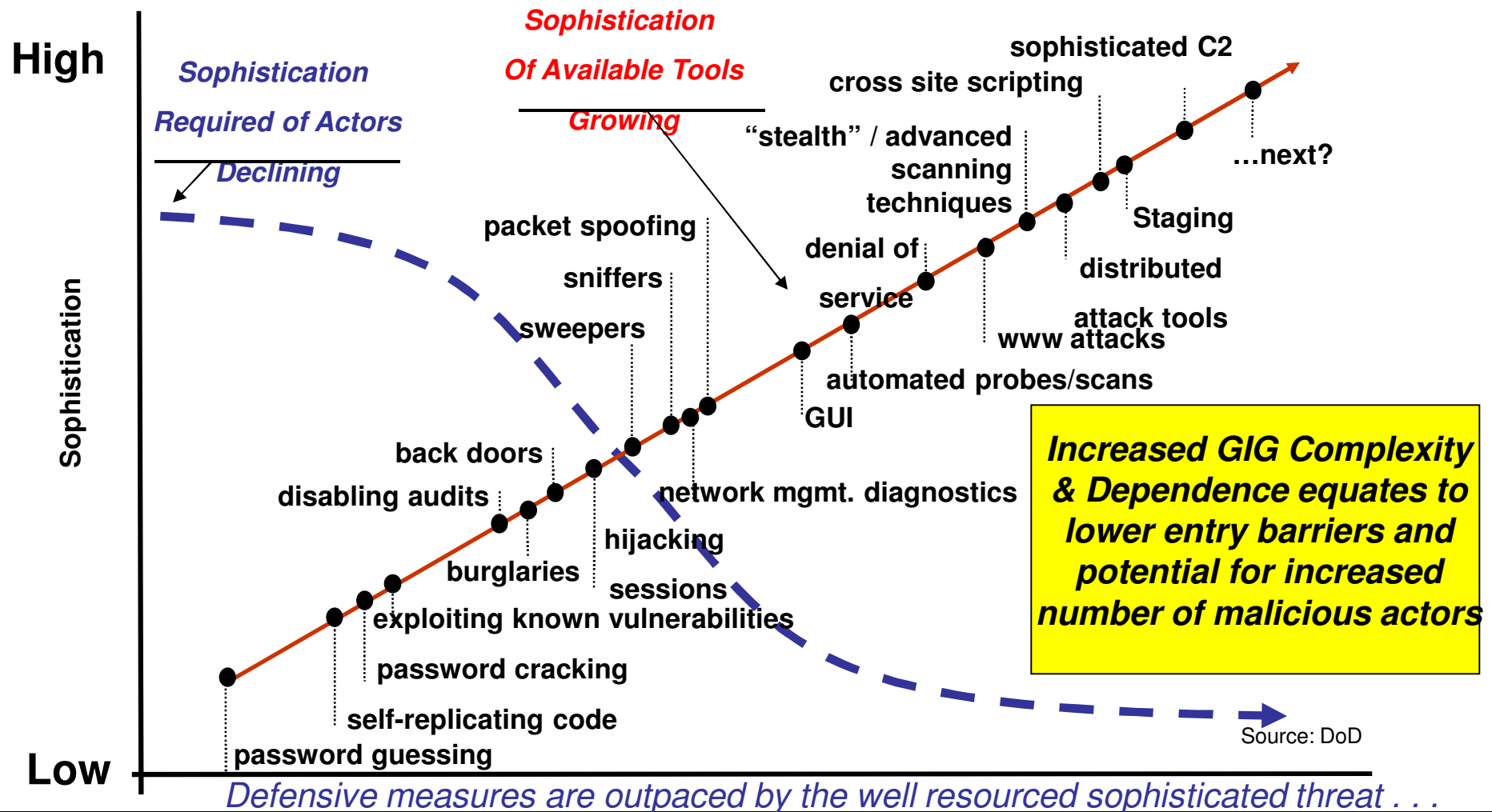
# Problem Space: Four Key Challenges to our Technical Base



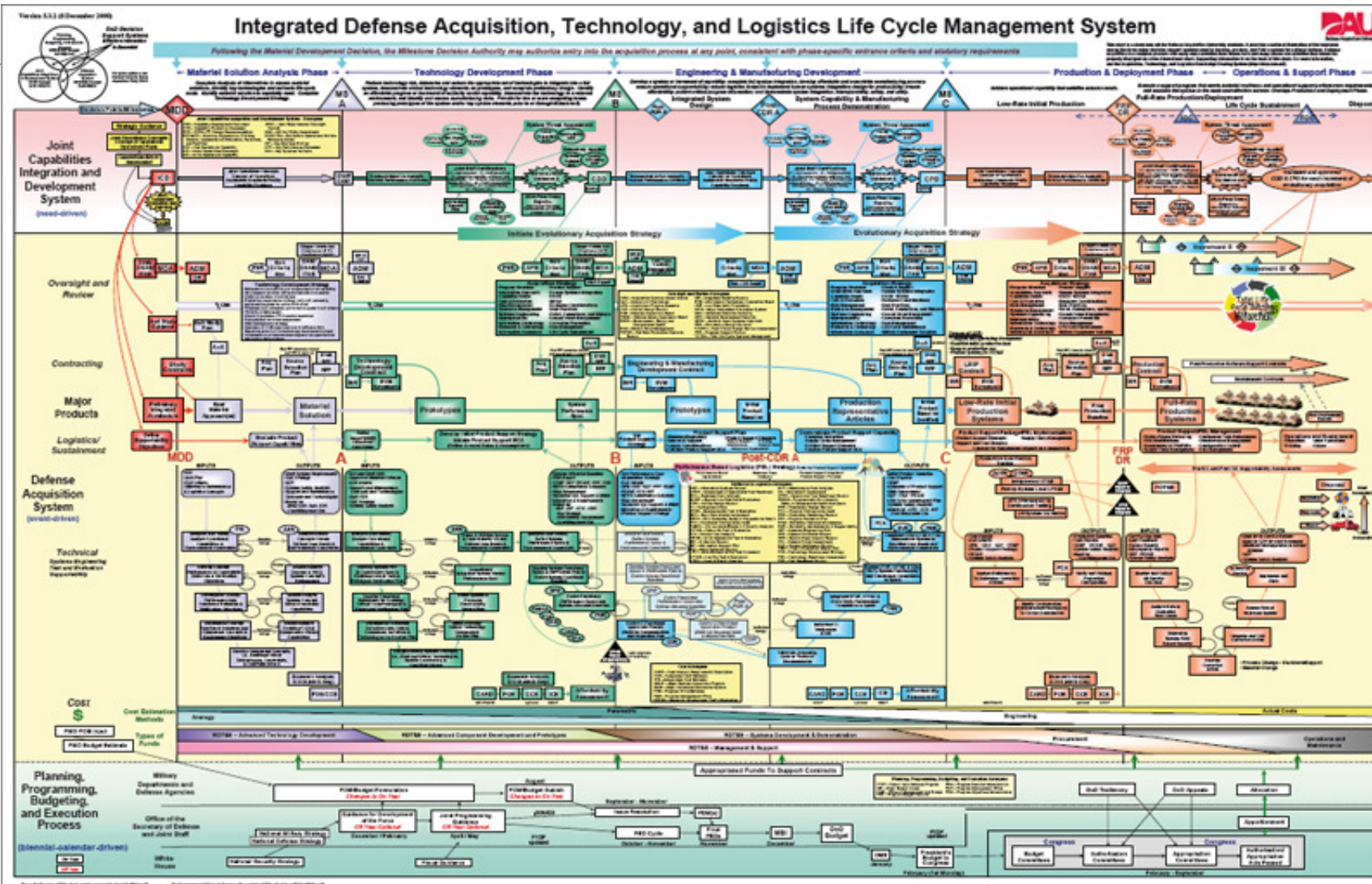
Source: DDR&E



# Problem Space: Technological Rate of Adoption - the Cyber Domain is Hotly Contested



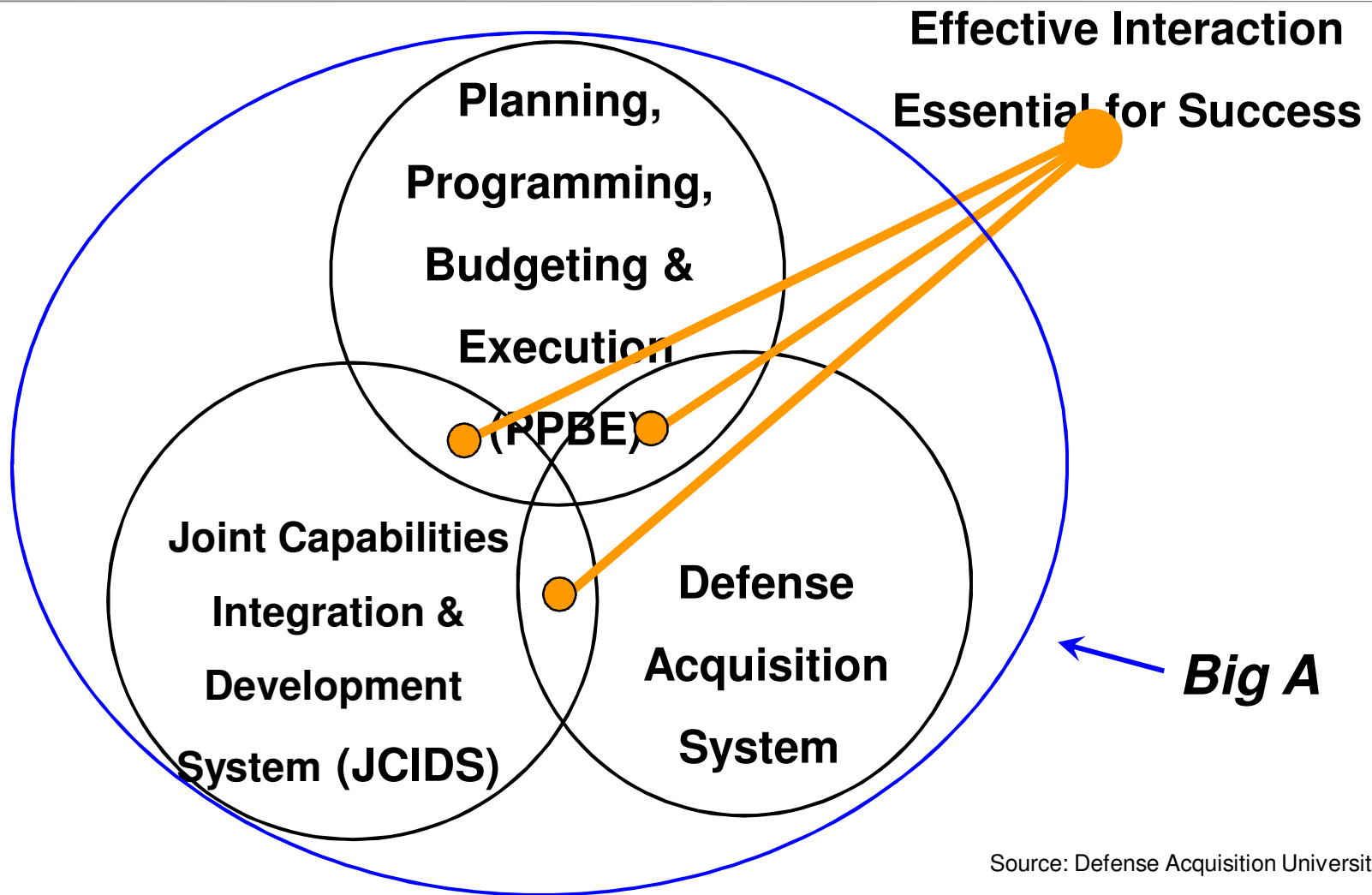
# Problem Space: An Effective Process for Major Defense Systems – But Not Very Agile for IT Systems



Source: Defense Acquisition University



# Problem Space: Alignment of Three Major DoD Decision Support Systems



# Problem Space: Software-Reliant Acquisitions Can Be Difficult to Manage

According to Fred Brooks\* software projects are difficult because of accidental and essential difficulties

- Accidental difficulties are caused by the current state of our understanding
  - of methods, tools, and techniques
  - of the underlying technology base
- Essential difficulties are caused by the inherent nature of software
  - invisibility - lack of physical properties
  - conformity
  - changeability
  - complexity



Dr. Fred Brooks

\* Source: *The Mythical Man-Month* by Fred Brooks, Addison Wesley, 1995



# Solution Space: Issues Are Well Known and Are Being Addressed

	House Armed Services Committee	National Research Council	Defense Science Board	Business Executives for National Security
→ Defense acquisition process structured for weapon systems; ill-suited for information technology	✓	✓	✓	✓
→ Systems take too long to deliver; inconsistent with technology cycle	✓	✓	✓	
→ Too document intensive, time consuming, and process bound to respond effectively to end-user needs	✓	✓	✓	✓
Oversight process not aligned with rapid acquisitions (favors large programs, high-level oversight)		✓		✓
Lack of accountability by personnel in the oversight process		✓		✓
Complexity inherent in aligning three major Departmental processes - Requirements, Resourcing and Acquisition	✓			✓
Funding process inconsistent with pace of evolving mission requirements	✓	✓		
Current metrics (financial, acquisition process) don't work well in measuring IT success	✓	✓		
Lack of meaningful trades between performance, cost, and date-to-field	✓	✓	✓	✓
→ Overly detailed requirements that are inconsistent with pace of technology change and need for rapid delivery	✓	✓		✓
Inability to prioritize requirements effectively	✓	✓		✓
Testing is integrated too late and serially	✓	✓		
Cyber-security is inadequately managed during the acquisition process			✓	
Lack sufficient numbers of individuals with proven records of acquisition success	✓	✓	✓	✓
→ Significant cultural impediments to change	✓			✓

Source: Director, Command and Control, Programs & Policy (OSD) – Pre-Decisional



# Solution Space: Legislative Landscape – 2009 and 2011 National Authorization Acts

Sec 804: NEW IT ACQUISITION PROCESS REQUIRED	Sec 933: STRATEGY FOR ACQUISITION/OVERSIGHT OF DoD CYBER WARFARE CAPABILITIES
<p>“The Secretary of Defense shall develop and implement a new acquisition process for information technology systems</p> <ul style="list-style-type: none"><li>• Be based on the recommendations in Chapter 6 of the March 2009 report of the DSB Task Force on DoD and Procedures for the Acquisition of Information Technology</li><li>• Be designed to include—<ul style="list-style-type: none"><li>(A) early and continual involvement of the user;</li><li>(B) multiple, rapidly executed increments or releases of capability;</li><li>(C) early, successive prototyping to support an evolutionary approach;</li><li>(D) a modular, open-systems approach</li></ul></li></ul>	<p>“The Secretary of Defense, in consultation with the Secretaries of the military departments, shall develop a strategy to provide for the rapid acquisition of tools, applications, and other capabilities for cyber warfare for the United States Cyber Command and the cyber operations components of the military departments”</p> <ul style="list-style-type: none"><li>(1) An orderly process for determining and approving operational requirements</li><li>(2) A well-defined, repeatable, transparent, and disciplined process for developing capabilities to meet such requirements, in accordance with the information technology acquisition process developed pursuant to section 804 of the 2010 NDAA”</li></ul>

Source: Director, Command and Control, Programs & Policy (OSD) – Pre-Decisional



# Solution Space: Section 804 - IT Acquisition Reform Goals

## Objectives

- Guiding Principles in Report to Congress
  - Deliver Early and Often – Be responsive to the users needs
  - Incremental and Iterative Development and Testing
  - Rationalized Requirements – Balance user needs with constraints
  - Flexible/Tailored Processes – Customize to IT category
  - Knowledgeable and Experience IT Workforce – Understands IT uniqueness
- Provide a simplified, tailorable approach for delivering IT capability that:
  - Favors mature technology (OTS), emphasizes the Enterprise and eliminates redundancy

## Reform Tenets

- An actively managed portfolio-based construct used to plan, resource, and manage capability delivery and execution
- Tailored acquisition process with an emphasis on short duration projects that deliver incremental capability
- Capability-based requirements process that reflect user needs with “rationalized” constraints
- Greater funding flexibility for portfolio-aligned information capabilities
- Portfolio-based oversight and management of the IT Enterprise using well-defined Enterprise Architectures

Source: Director, Command and Control, Programs & Policy (OSD) – Pre-Decisional



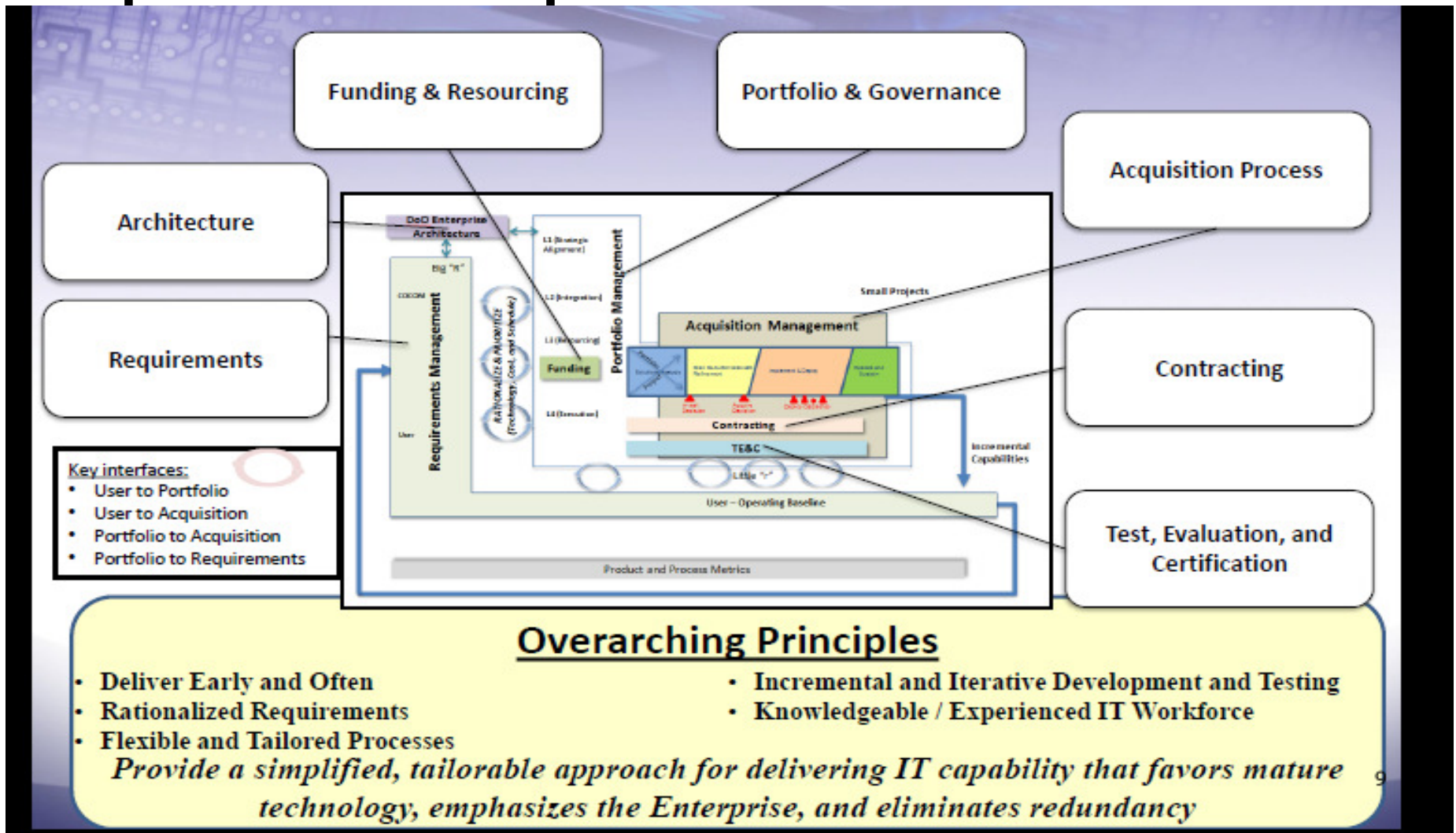
# Solution Space: IT Reforms in Progress



Source: Director, Command and Control, Programs & Policy (OSD) – Pre-Decisional



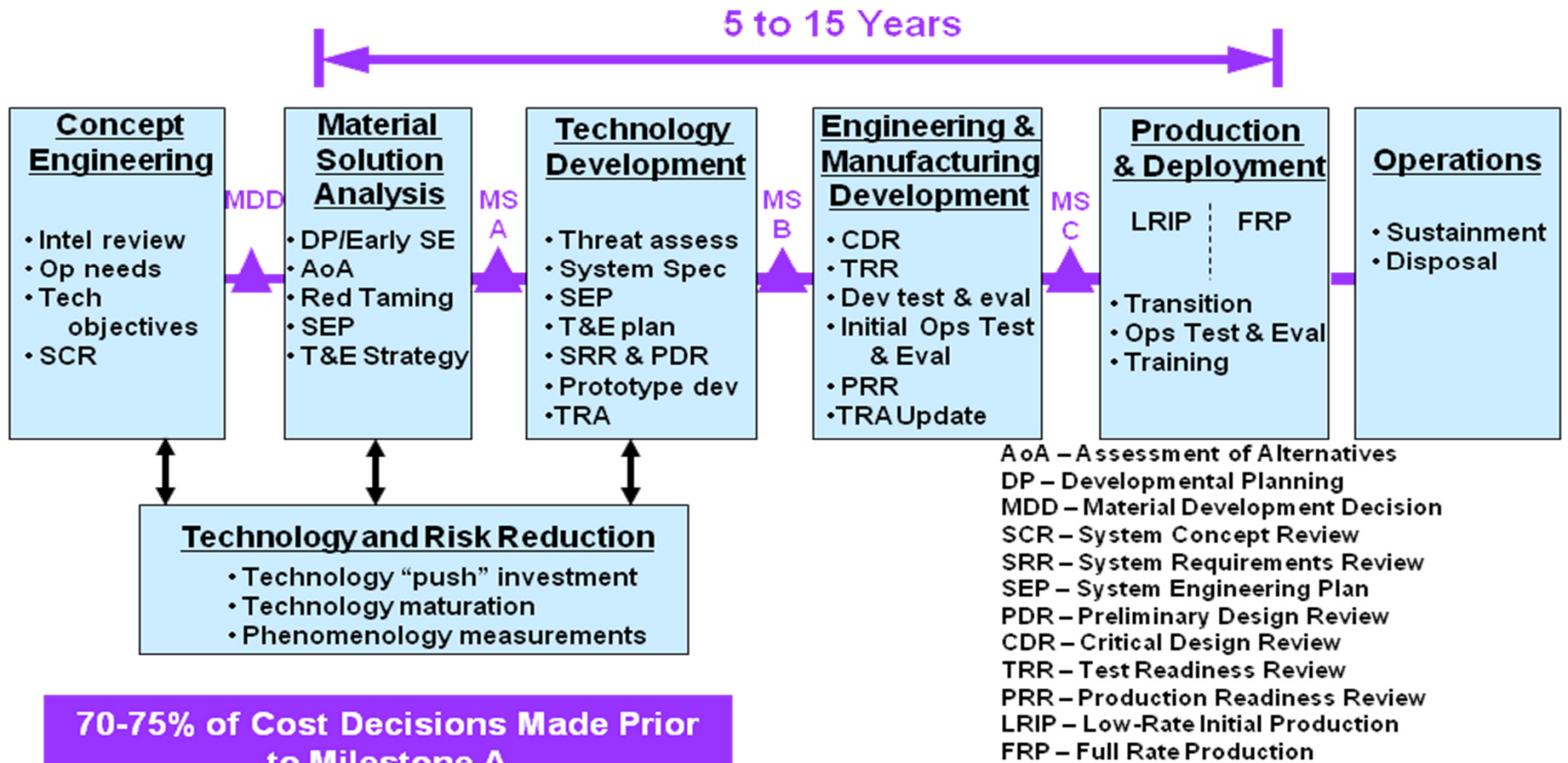
# Solution Space: Section 804 Improvement Acquisition Concepts



Source: Director, Command and Control, Programs & Policy (OSD) – Pre-Decisional



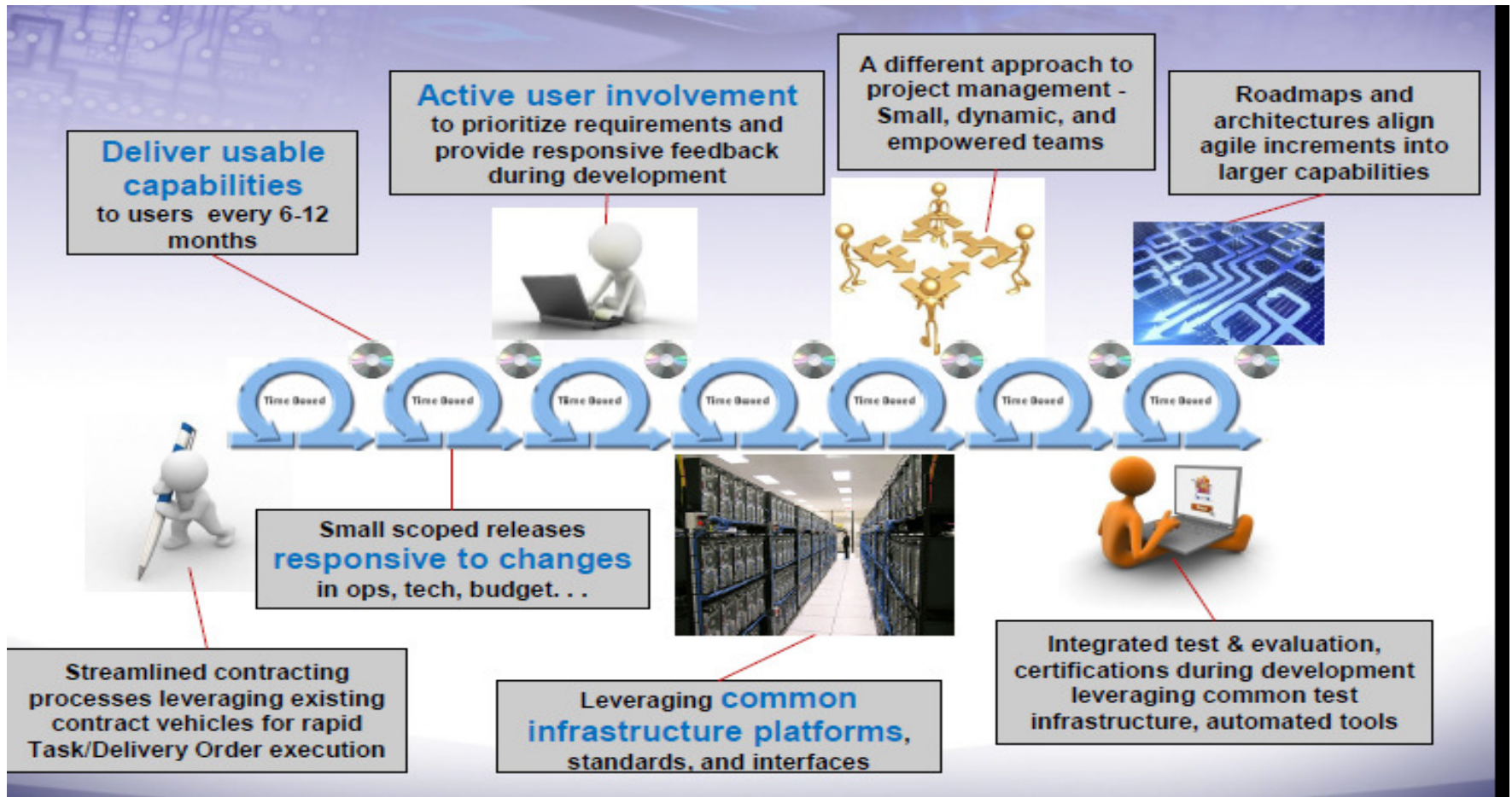
# Solution Space: Systems Engineering - Key Upfront Discipline



Source: DDR&E



# What Success Looks Like: Enabled Agile Capability Delivery



Source: Director, Command and Control, Programs & Policy (OSD) – Pre-Decisional



# What Success Looks Like: Alignment with DoD's Better Buying Power

Better Buying Power Tenets	Agile Capability Delivery
<b>Target Affordability and Control Cost Growth</b> <ul style="list-style-type: none"> <li>Mandate affordability as requirement</li> <li>Set shorter program timelines and manage to them</li> </ul>	<ul style="list-style-type: none"> <li>Agile Capability Delivery provides timely delivery of effective and efficient capabilities</li> <li>Releases are cost and schedule constrained</li> <li>Emphasis on affordability and short program timelines</li> </ul>
<b>Incentivize Productivity and Innovation in Industry</b> <ul style="list-style-type: none"> <li>Increase the use of FPIF contract type</li> <li>Reinvigorate industry's independent research and development and protect the defense technology base</li> </ul>	<ul style="list-style-type: none"> <li>Cost and schedule constrained development cycles permit the frequent use of Fixed Price type contracts</li> <li>Flexible requirements refinement process allows the frequent integration of current technologies</li> </ul>
<b>Promote Real Competition</b> <ul style="list-style-type: none"> <li>Present a competitive strategy at each program milestone</li> <li>Require open system architecture</li> <li>Increase dynamic small business role in defense marketplace competition</li> </ul>	<ul style="list-style-type: none"> <li>Smaller increments provides opportunities for frequent competition and greater small business participation</li> <li>Agile Capability Delivery encourages the use of open systems architectures</li> </ul>
<b>Improve Tradecraft in Services Acquisition</b> <ul style="list-style-type: none"> <li>Address causes of poor tradecraft in services acquisition</li> </ul>	
<b>Reduce Non-Productive Processes and Bureaucracy</b> <ul style="list-style-type: none"> <li>Reduce the number of OSD-level reviews</li> <li>Eliminate low-value-added statutory processes</li> </ul>	<ul style="list-style-type: none"> <li>Reduces non-productive processes and bureaucracy</li> <li>Streamlines test and certification processes for faster deliveries</li> </ul>

Source: Director, Command and Control, Programs & Policy (OSD) – Pre-Decisional



# What Success Looks Like

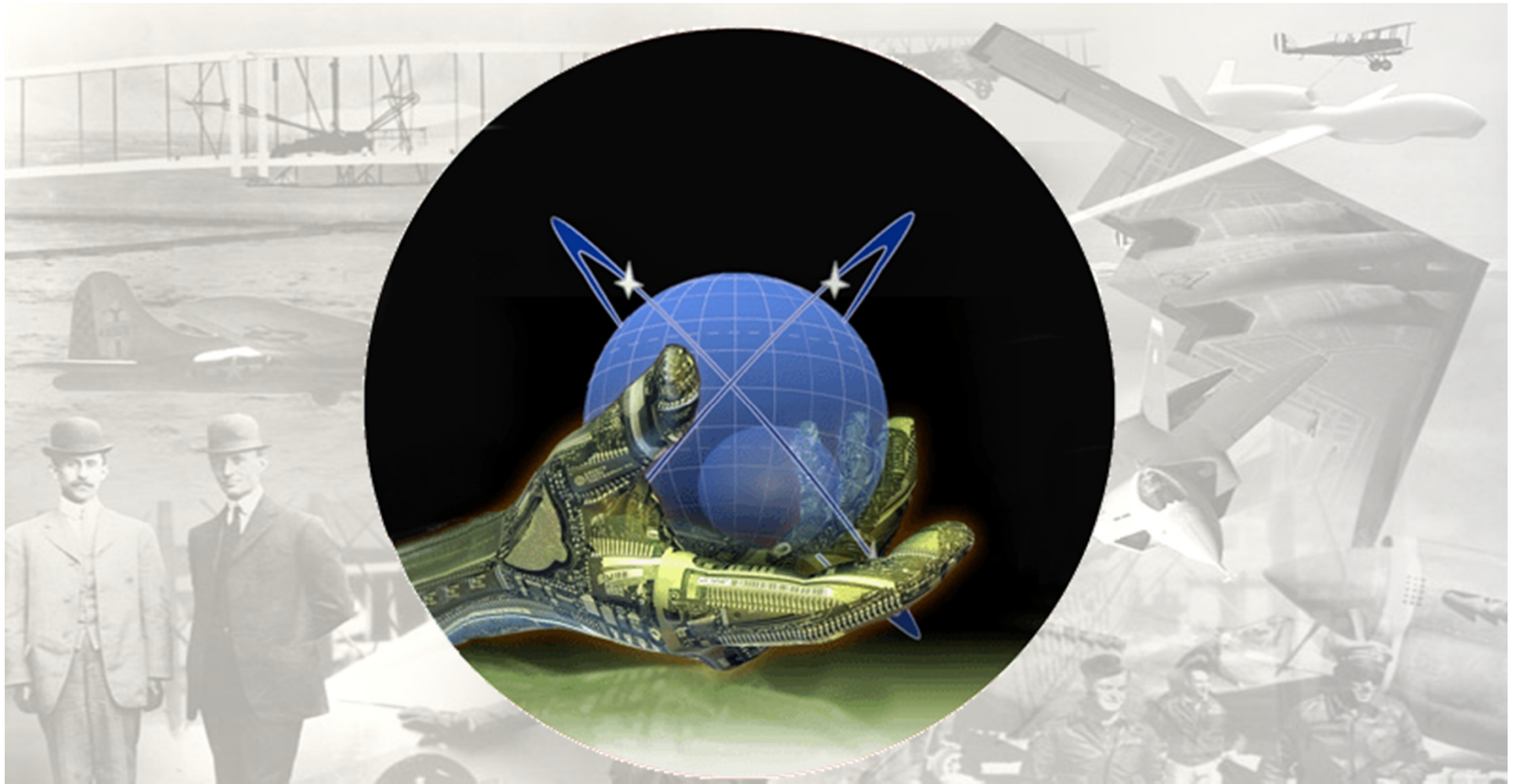
		
<p><b>Reduced costs for data centers and applications</b></p>	<p><b>Improved interoperability for better coordination and collaboration</b></p>	<p><b>Improved user satisfaction and mission success</b></p>
		
<p><b>Faster, more responsive capability deliveries to Warfighters</b></p>	<p><b>Improved security to reduce cyber threats</b></p>	<p><b>Faster adoption of commercial IT breakthroughs</b></p>

Source: Director, Command and Control, Programs & Policy (OSD) – Pre-Decisional



# Questions?

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# Contact Information

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