ATSS-DAS

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Date: 02 Dec 10

Student Printed Name: Daniel R. Posnell

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Accepted on behalf of the United States Army by:

SGA Printed Name/Date: SCHUMACHER, JAMES 8 DEC 10

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USASMA FORM 7273-R, APR 06

Acquisitions, the Nightmare

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03 December, 2010

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Acquisitions, the Nightmare

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History

Several things have characterized the Coast Guard for much of the time since the modern Coast Guard was established in 1915. The Coast Guard is a small organization having fewer than 40,000 active and reserve members, which is less than the New York City police department. Members often think of themselves as similar to their DoD counterparts with slight differences. Members of a DoD service train for things they hope they never have to do, where as members of the Coast Guard train for the jobs they do every day. Often, the Coast Guard members are forced to complete missions in spite of equipment that has reached the end of its service life or was never designed to be employed the way the Coast Guard is currently using it. Finally, the Coast Guard occasionally reverts to a mindset of "We're not the Navy, we don't have to do things like the Navy." These are some of the institutional issues have plagued the Deepwater program since its inception.

The Intent

The Deepwater Project was a 25 year, 24 billion dollar project intended to modernize the Coast Guard's ships, aircraft, logistics and Command and Control, Communication, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems. The strength of the Coast Guard has always been in its people; the Deepwater project was intended to bring Coast Guard equipment up to the level of quality normally seen in its people in prosecution of its 11 primary missions.

The Deepwater Contract

In a merger of two Defense contracting giants, Integrated Coast Guard Systems (ICGS) was formed. ICGS is a partnership between Northrop Grumman Ship Systems (NGSS) and Lockheed Martin (LMCO), which was developed for the specific purpose of updating the Coast Guard**.** The concept employed was to use a lead systems integrator (LSI) as a prime contractor to upgrade Coast Guard systems. The use of an LSI was directed by Congress when Deepwater was approved. The prime contractor would then reach out to and supervise subcontractors who would perform much of the work. A major savings for the government with the LSI concept is that they do not have to have as many government employees to supervise the contracts with the subcontractors, because the prime contractor is responsible for the bulk of the oversight. The concept is very much one stop shopping for the buyer, but also has the potential to yield large profit margins for the LSI. It is an excellent concept for a service with a small work force, which has a large budget for the project, as the Coast Guard did at the beginning of the Deepwater project.

In the mid-90s, the Coast Guard instituted a study to analyze the need to replace the 378 class of cutters, which are primarily used for offshore patrolling. During this study, it quickly became apparent that the entire fleet was in need of upgrading and replacement. The business design was for NGSS to build the new cutters and for LMCO handle the C4ISR, the aviation and the logistics aspects of the project. The Deepwater contract had pieces to modernize all parts of the Coast Guard in a turnkey package. The National Security Cutter (NSC) was to be the latest and greatest surface ship in the Coast Guard arsenal, of which there were to be nine built to replace the 13, 378 foot High Endurance Cutters (HECs). There is also to be an Offshore Patrol Craft (OPC), a Fast Response Cutter (FRC) and an upgraded Patrol Boat which was to stretch the

110’ to 123’. Additionally, command centers at the ten Coast Guard District headquarters were to be upgraded and the communications suits at some units were to be improved to insure interoperability with U.S. Navy and NATO forces through the ICGS Deepwater contract. A revamp of the Coast Guard logistics system was also included in the contract to include the ten elements of logistics: Design Interface, Maintenance Planning, Facilities, Supply Support, Support Equipment Training/Training Devices, Technical Data, Computer Resources Support, Packaging, Handling, Storage, and Transport, and Manpower and Personnel studies.

The Effect

Coast Guard wasn’t ready to play with the “big boys”. ICGS picked may of the best and brightest from NGSS and LMCO to run their program management and contracting departments. Using those hard earned skills, ICGS was able to manipulate and twist the minimum manned Coast Guard oversight staff. In 2007, Coast Guard Commandant Thad Allen announced the “Taking back” of the Deepwater project and many civilian and government billets were added in an effort to provide better oversight of the Deepwater contract.

My Issue

Currently on the enlisted side of Coast Guard assignments, any Petty Officer who meets the pay grade requirement can be put in almost any job for his/her rate. When I made Senior Chief (E-8) the only job open was the Subject Matter Expert (SME) for Coast Guard Operations. Because I was the next on the list, I was put in the Operations SME role.

In 2003, the Coast Guard retired several rates and created several others. In this rate merger the Quartermaster (QM) rate was merged with the Boatswains mate (BM) rate; some members were sent to the newly created Operations Specialist (OS) rate. I was one of the

members who went from QM to OS. Because I was the next on the list for E-8 the OS SME job in Acquisitions became my destiny.

Special qualifiers outside the normal system

Some jobs require special skill sets. As the OS SME a strong grasp of the workings of the Combat Information Center (CIC) on a ship and shipboard communications is essential. I "grew up" as a QM and had held traditional QM jobs since the rate merger. I was not an expert in CIC or shipboard communications and was placed in a position to make critical decisions on the design and operations of the systems that make these systems perform. Additionally, jobs in acquisitions require skills not normally held by enlisted people in the Coast Guard, including but not limited to, Contracting Officers Technical Representative (COTR) and program management skills.

My experience

When I received orders to the Deepwater program as the OS SME, my new unit contacted the OS assignment officer to see if a more qualified OS was available. My future Commander was told that if I didn't go, the billet would be gaped for a year (no replacement would be provided). So in my first "real" OS job I was the OS SME. Immediately upon my arrival at my new unit, the Commander and I discussed my background and interest. My acquisitions tour helped the Coast Guard. We decided it was in the best interest of the Coast Guard for us to begin requesting the money to higher Civilian contract support and more government bodies to help with contract oversight. The staff supervising the contract for C4ISR was under staffed. LMCO had over 300 people working on the contract and the USCG had 15. This amount of oversight was entirely too small for the size and scope of the contract.

Why the office was suffering

The OS Master Chief I relieved was a very forceful individual who never allowed others to make decisions and took offense anytime he was challenged. Additionally he was a "computer guy" and spent a lot of time tweaking the code of the systems being developed by LMCO. When he made these changes he didn't tell the contractor which caused issues of mistrust and contract complications.

Honesty

When I arrived, I let the Commander know I was not a computer person. I lacked the extra skills required to make sure the job was done correctly. I simply had never trained in the computer skills other than basic operator functions. I did the best I could, I worked within my abilities to get the job done, but more was needed.

The Fix

This type of problem will become more and more prevalent as more and more technology is infused into the military operating environment. Expansion of the billet structure is essential to accommodate these needs. There are several approaches that can be taken to rectify this and future similar situations.

Special designation for billets

Members who are going to be placed in "special" billets in which they are going to have very large roles in oversight of development of highly technical and extremely expensive systems need to have the proper training to do the job effectively. Send folks to college to make sure they have the correct education. Applicable degrees are necessary to make informed decisions. Investing the funds in the people for the good of the service is a small price to pay.

Boost number of personnel

Have more Military, Civilians, and Contractors. After my arrival, within one year our staff of 15 grew to more than 50. We were finally able to begin making strides to provide proper oversight of the Deepwater project. Our ability to understand the subtle but major changes in contracts, other documents and conversations skyrocketed. There are three pools in which personnel can be gathered to be affective. All of these pools have their pros and cons. Military members have the best current perspective on operations. The down side of military members is that they are expensive in the long term. Civilian government workers are another source. The civilians are great because they are usually around for long amounts of time. Civilians can be very specialized and highly skilled. The only down side is that they are almost as expensive as military members. The third source of contract oversight is support contractors. Support contractors are very focused on a specific task, while being the cheapest type of worker in this environment. The biggest downside of support contractors is the limited scope of their work; if a task is not included in their statement of work, they can not accomplish it.

Conclusion

The Coast Guard still has a need to modernize their fleet of ships, boats and aircraft as well as their shore sights. Many lessons have been learned and are now being applied. More changes are needed, but steps are being taken to make Coast Guard Acquisitions effective.