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MASTER OF MILITARY STUDIES

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**The Risk to Defense Innovation: The continuous restructuring of the Defense Acquisition Enterprise**

SUBMITTED IN PARTIAL FULFILLMENT  
OF THE REQUIREMENTS FOR THE DEGREE OF  
MASTER OF MILITARY STUDIES

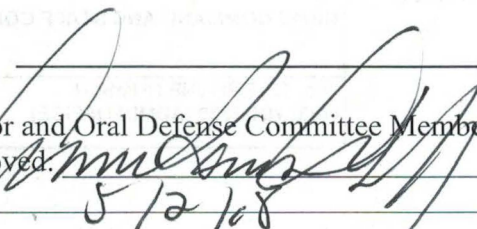
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02 May 2018

## EXECUTIVE SUMMARY

**Thesis:** The most recent restructuring of the Department of Defense Acquisition Enterprise, as directed in the 2017 National Defense Authorization Act (NDAA) (Public Law 114-328), has shortfalls with historical examples that will hinder the current efforts of the US Armed Forces to increase technological innovation.

**Discussion:** The reforms taking place in the Sister Services in order to meet the reforms underway in the Defense Acquisition Enterprise will be productive for a short term. They face the challenge of surviving and producing long-term solutions as new administrations are sworn into the White House and as new Congresses finds failures within the Defense Acquisition Enterprise and directs further reform.

**Conclusion:** The DOD approach and response to the FY17 Defense Acquisition Reform is very shallow and only focuses on the structural part of the directives from Congress. There is enough historical background of Defense Acquisition Reform that could assist DOD in addressing these changes in a matter that better benefits the Department of Defense and the Sister Services.

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## **PREFACE**

In my sixteen years of military service, ten of those as Logistics Officer, I have been the end user of services and equipment provided by the Defense Acquisition Enterprise and in many cases I have been on the right side of the Defense Procurement process as my military unit was being fielded new equipment or are providing feedback to the Project Managers on the new equipment being fielded. Many times I have heard junior Soldiers asking, “What is the Army doing? Why are we buying this “stuff”? Or what were they thinking?” Those questions have led me on a journey of learning and discovering about the Defense Acquisition Enterprise, which is where it all starts.

This paper does not try to oversimplify the Defense Acquisition Enterprise or the attempts to reform it. This paper tries to take a look at different snap shots in the past 30 years of the attempts to reform the Defense Acquisition Enterprise and then tries to use some of those lessons learned to dive into the most recent reforms of the Defense Acquisition Enterprise and provide perspectives and findings intended to assist in the management of the expected results of the current reforms and possibly assist the Sister Service to better assimilate those changes.

Enjoy the journey in this paper and appreciate that reforming the Defense Acquisition Enterprise has been tried before by brilliant minds of our government. Hence, there are some benefits in looking at those previous reform attempts when considering further reform.

MAJ Freddy Rios, US Army

## **ACKNOWLEDGEMENTS**

I want to thank my wife and my children for allowing me to dedicate many Sundays on this paper instead of spending time with our family. I also want to thank the faculty at USMC University, especially the Mind at War faculty: Dr. Anne-Louise Antonoff, LtCol Kevin Glathar, and Dr. Nathan Packard; their time invested in assisting me to develop my analytical skills during many long afternoons is appreciated. I also want to thank Conference Group 4 with our brilliant leadership: LtCol B. W. Tippett and Dr. Jorge Benitez. Many of the ideas in this paper were wrestled with during the daily lectures at Command and Staff College.

Lastly, I dedicate this paper to the Defense Acquisition workforce. They work arduously to ensure the warfighter receives the equipment and supplies they need. However, they are not always recognized on their efforts that allow the Department of Defense to execute their mission.

## **I. Introduction**

The U.S Department of Defense (DOD) is one of the most complex organizations in the world. DOD operates in over 5,400 installations worldwide, executes over 15 million contracts a year, and develops some of the most sought-after weapons systems in the world.<sup>1</sup> The vastness of these requirements rely on an even more complex Defense Acquisition System that must balance requirements, resources, and the timely delivery of those resources. There are many participants in the Defense Acquisition Enterprise: the US Congress, the Office of Management and Budget (OMB), the Office of the Secretary of Defense (OSD), the Office of the Service Secretaries (Army, Navy, and Air Force), the Service Acquisition Executives, the military service materiel commands, the program offices, the functional support organizations, and industry.<sup>2</sup> Although these are participants of the Defense Acquisition Enterprise, they do not necessarily make acquisition happen. However, they have the power to generate reform and change in the Defense Acquisition Enterprise due to their inherent power given to them by law.

In order for a Soldier to fire his newly assigned weapon effectively or for a Soldier to fill his Army Leave Form (DA31) in a government computer, there is a process that involved at some level the Defense Acquisition Enterprise to acquire that equipment for the military to use and to do their job. This Defense Acquisition Enterprise has both internal and external actors that influence the Defense Procurement process. The dynamics that govern the internal actors of the Defense Acquisition Enterprise are harder to identify, influence and change by outside actors. Only the leaders from within the organization with a clear understanding of the enterprise, like Frank Kendall and Ashton Carter, can implement changes that influence the culture of a complex organization, like DOD, resulting in changes that are lasting. This paper will address the current reforms and restructuring of the Department of Defense Acquisition Enterprise and will discuss

**how the restructuring of the Department of Defense Acquisition Enterprise, as directed in the 2017 National Defense Authorization Act (NDAA) (Public Law 114-328), has shortfalls that will hinder the US Armed Forces efforts of increasing technological innovation.** This paper will identify some of these issues by studying previous Defense Acquisition reforms in order to assist not only the Department of Defense but also the Sister Services as they execute those changes. Additionally, this paper proposes that for Acquisition reform to be lasting and effective, it must be a continuous effort from within the actors of the Defense Acquisition Enterprise; otherwise, those reforms codified through presidential directives and legislature will last until the next administration decides to change them. It has happened before and it will continue to happen until we realize that the most lasting reforms in the Defense Acquisition Enterprise come from internal changes within the Defense Acquisition culture; those internal changes survive administrations and legislations.

Why does the warfighter care about these changes? The requirements of our military do not change in the sense that we always need the most cutting edge technology in order to have overwhelming superiority over our adversaries. However, the innovation that leads to the acquisition of those cutting edge technologies depends on a Defense Acquisition Enterprise that can capture and deliver those technologies in a manner that is timely and financially efficient for DOD. The continuous demand for Defense Acquisition reform generates friction and unnecessary risks that detract from the ability of the Defense Acquisition Enterprise to execute its mission and hinders the Services from their ongoing efforts of acquiring technological innovation. In synthesis, the warfighter needs a Defense Acquisition Enterprise that is risk-tolerant, rapid to assimilate new business practices that are responsive to the emerging technologies, and that is focused on providing the warfighter with the innovations that they need.

## **II. The Problem:**

On March 27, 2018, General Gus Perna, head of the Army Materiel Command told to the attendees of the 2018 Global Force Symposium and Exposition “The enemy is not restrained by our bureaucracy” when referring to the acquisition process and its effects on stagnant modernization.<sup>3</sup> His statement reflects some of the afflictions of the Defense Acquisition Enterprise that are addressed in this paper: over-regulation, risk-aversion, and multiple layers of bureaucracies directed by Congress and the Executive in order to positively impact our military capabilities through innovation and Defense Acquisition reform.

The Defense Acquisition System is comprised by the following members that ensure those cutting age technologies are delivered, and each member has defined responsibilities: the Defense Acquisition Executive, the Heads of the DOD Components, the Secretaries of the Military Departments, and the Chief of the Military Services.<sup>4</sup> All four members of the Defense Acquisition Enterprise work together to form an Integrated Defense Acquisition, Technology, and Logistics Life Cycle Management System (See APPENDIX A). In this system is where Acquisition takes place; however, the continuous reforms to the Defense Acquisition Enterprise create friction and disrupt both the system and the members of that system.

The Fiscal Year (FY) 2017 National Defense Authorization Act (NDAA) (Public Law 114-328) contained a provision (Sec. 901) that amended chapter 4 of title 10, United States Code, to establish an Under Secretary of Defense for Research and Engineering (USD R&E), an Under Secretary of Defense for Acquisition and Sustainment (USD A&S), and a Chief Management Officer (CMO) within the Department of Defense (DOD), effective February 1, 2018.<sup>5</sup> The objectives of these provisions were to pursue the goals of technological superiority, affordable systems, and well-managed business operations.<sup>6</sup> These US Congress directives are

not the first attempt to revamp DOD's Acquisition System structure; Defense Acquisition reform has been a Department of Defense struggle since the publishing of the Packard Commission findings in 1986. Additionally, the DOD Acquisition enterprise has been experiencing a series of internal reforms in the past 10 years under the Better Buying Power initiatives of two Under Secretaries of Defense for Acquisitions, Technology and Logistics (AT&L), Ashton Carter (2009-2011) and Frank Kendall (2011-2017). These reforms that took place during the Obama administration provided an increment in defense innovation opportunities, more affordable systems, and more cost-effective systems that delivered the required technologies to the war fighter; however, many critics suggest that the numerous established controls delayed the introduction of new technologies at the operator level.<sup>7</sup>

DOD published a response to Congress's provisions in August 2017, known in the Defense Acquisition circles as "The 901 Report". In this report, DOD explained how the restructuring within the current Defense Acquisition System would be implemented. As DOD moves forward with the restructuring of the Defense Acquisition System, more analysis and discussion need to happen in order to better enable the Sister Services as they seek to enhance their procurement processes to match the ones assimilated by the Department of Defense.

### **III. The Literature**

Between 1960 and 2009, there were more than twenty-seven major studies of defense acquisition directed by US presidents, congress, secretaries of defense, government agencies, think tanks, and universities. These studies provided similar findings and recommendations;<sup>8</sup> but they all shared the same point of failure: truly understanding the Defense Acquisition Enterprise and providing recommendations that generated external-driven changes to the system. This paper

argues that all change must be generated from within the ranks of the Defense Acquisition System in order to be truly productive and lasting.

This paper will study the works of J. Ronald Fox's "Defense Acquisition Reform 1960-2009: An Elusive Goal" (2011), Frank Kendall's "Getting Defense Acquisition Right" (2017), The Defense Department "901 Report" (2017), and the Section 809 Panel Interim Report (2017). These works provide a unique "insider" comprehensive approach from respected Defense Acquisition professionals who understand the risks of structural reform changes within the Defense Acquisition Enterprise.

"Defense Acquisition Reform 1960-2009: An Elusive Goal" (2011) was written by J. Ronald Fox and published by the US Army's Center of Military History. Mr. Fox is a member of the Harvard Business School faculty and served within the Department of Defense as assistant secretary of the Army for procurement and as deputy assistant secretary of the Air Force.<sup>9</sup> His work provides a valuable historical analysis of the numerous attempts to reform the Defense Acquisition Enterprise over the past fifty years. Mr. Fox identifies important trends, insights, and observations that can be used for the analysis of the current Defense Acquisition Reform attempts such as the continuous efforts of the US Congress in trying to reform the Defense Acquisition Enterprise as means to improve innovation within the Department of Defense.<sup>10</sup>

"*Getting Defense Acquisition Right*" (2017) was written by Frank Kendall and was published by the Defense Acquisition University at the end of Kendall's tenure as Undersecretary of Defense for Acquisition, Technology, and Logistics (AT&L). Mr. Kendall's book presents a series of essays and articles that he published during his tenure as the Principal Deputy Under Secretary for Defense for Acquisition, Technology, and Logistics (2010-2012) and as Under Secretary of Defense for Acquisition, Technology, and Logistics (2012-2017).<sup>11</sup>

Mr. Kendall was able to renew a lot of the ideas and principles born from the Packard Commission findings of the 1980s.<sup>12</sup> The importance of Mr. Kendall's work is that the acquisition policy reforms and initiatives that he implemented sought to transform the Defense Acquisition System from within. These initiatives were in the form of the Better Buying Power initiatives that were published between 2010-2014.

"The 901 Report" or Report to Congress Restructuring the Department of Defense Acquisition, Technology and Logistics Organization and Chief Management Officer Organization was published by DOD in August 2017. This report was DOD's response to Section 901 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328).<sup>13</sup> "The 901 Report" established the blueprint of how DOD would implement the changes and it allows this paper to discuss some of the potential repercussions within of the recent implemented reforms within DOD.

The Section 809 Panel published "The Section 809 Panel Interim Report" in May 2017; this panel was established and directed by Congress in section 809 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92). This panel is comprised of eighteen professionals that have worked in Defense Acquisition directly or indirectly. The purpose of this panel is to serve as an advisory panel to Congress and identify ways to streamline and codify Acquisition Regulations.<sup>14</sup> This report identifies many of the current ailments of the Defense Acquisition System and approaches those ailments as a symptom of over regulation.

#### **IV. The Historical Context**

On February 1<sup>st</sup>, 2018, the Department of Defense started the implementation of the most sweeping reforms since the Goldwater-Nichols Department of Defense Reorganization Act of 1986.<sup>15</sup> Arguably, the technology and the weapons systems used by our Armed Forces are the

best in the world and give us strategic advantage; however, our adversaries are rapidly closing the gap in the acquisition of new technologies. As a consequence, Congress and the Department of Defense are trying to increase the technological innovation gap against our adversaries by reforming the way we acquire the new technologies.<sup>16</sup> These reforms that have been codified in the National Defense Authorization Act for fiscal year 2017 are the latest effort from Congress to address the challenges in the Defense Acquisition System. This determined mandate from Congress parallels recent guidance from the Trump Administration, continues the efforts from the previous Obama administration, and echoes the DOD procurement reforms of the 1980s.

**a. The 1980s Procurement Reforms: “Procurement done right”**

In order to better understand where the Defense Acquisition Enterprise stands today, its critical evolution in the past 30 years, it is best to look at the Defense Acquisition Enterprise in the 1980s. After all, in the 1980s, the Defense Department (Research & Engineering Branches) delivered great technologies like stealth, precision strike, and Communication, Command, Control, and Intelligence (C3I) systems. Frank Kendall has praised in his articles the relevance of the architects of the 1980s Defense Acquisition Enterprise<sup>17</sup>.

Two major entities influenced the major reforms in the Defense Acquisition Enterprise in the 1980s: The Packard Commission and the Goldwater-Nichols Reforms of 1986.<sup>18</sup> In order to understand the premises of those entities, it is necessary to mention that, at the beginning of the 1980s, a recently elected Republican President and the threat of the Cold War dominated the United States political arena. Under these circumstances, the military needed from the Defense Acquisition Enterprise the rapid procurement of: Tactical aircrafts, strategic bombers, intercontinental ballistics missiles (ICBMs), nuclear submarines, tanks, and attack helicopters.<sup>19</sup>

In 1985, Senator Goldwater (R-Arizona) and Senator Nunn (D-Georgia) issued a lengthy report criticizing the Defense Acquisition Enterprise. This report resonated throughout Congress and by the summer of 1985, President Ronald Reagan had established the Blue Ribbon Commission (also known as the Packard Commission) led by David Packard.<sup>20</sup> The Packard Commission reported back to the President that the current Defense Acquisition Enterprise was “expensive, inefficient, and cumbersome.” For example the acquisition process lasted between seven to ten years for major weapon systems. The Packard commission made the following recommendations: Create a new Undersecretary of Defense for Acquisition, create the senior position of Service Acquisition Executive (SAE) in each service, create Program Executive Officers (PEOs) appointed by the SAEs, give the chairman of the Joint Chief of Staff more authority, and create the position of the vice chairman to assist in the establishing of new weapons system requirements.<sup>21</sup> President Reagan and Congress were very accepting of these reforms. On October 1<sup>st</sup> 1986, the President signed the Goldwater-Nichols Department of Defense Reorganization Act.<sup>22</sup>

The Defense Acquisition community agrees that very few Americans have been as dedicated to improving the acquisition enterprise as David Packard. However, David Packard’s success in the private sector at Hewlett-Packard presented different challenges than the ones embodied in the Defense Acquisition Enterprise. Some of the challenges faced by Packard were the lack of urgency within DOD to help the services do their job and a lack of good program managers within the Defense Acquisition Enterprise with the required level of authority and responsibility to carry out decisions.<sup>23</sup> Additionally, the Acquisition reforms presented by Goldwater-Nichols Reorganization Act tackled only the symptoms of many of the afflictions of

Defense Acquisition Enterprise;<sup>24</sup> hence, they delivered quick results but did not fix the problems, and the symptoms continued to reoccur in later decades.

#### **b. The Obama Administration and Defense Acquisition Reform**

During his 2008 Presidential Campaign, then Senator Barack Obama was very outspoken in wanting to reform the Defense Acquisition Enterprise. More specifically, Senator Obama sought to reform the defense-contracting practices and make contractors more accountable for their abusive practices when doing business with the US Government.<sup>25</sup> Following his first election, President Obama enforced a new approach to Government Procurement. This section of the paper will focus on three documents that shaped the Defense acquisition reform efforts during the eight years of the Obama administration: President Obama's Memorandum for the Heads of Executive Departments and Agencies/ Subject: Government Contracting (04 March 2009), the 2009 Weapons Systems Acquisition Reform Act (WSARA) (February, 23, 2009), and Department of Defense Instruction 5000.02 with the Department of Defense Better Buying Power Initiatives (2010-2014).

On March 4, 2009, President Barack Obama issued a memorandum to the heads of executive departments and agencies addressing "Government Contracting". As one of his first presidential instructions, President Obama directed the Office of Management and Budget to make a number of recommendations: to govern the appropriate use and oversight of sole-source and other type of noncompetitive contracts; provide guidance on how to maximize the use of full competition, open competition, and other competitive process; provide guidance to govern the appropriate use and oversight of all contract types; assist agencies in assessing the capacity and ability of the Federal acquisition workforce to develop, manage, and oversee acquisition appropriately; and clarify when the government outsourcing for services is considered

appropriate in accordance with public law.<sup>26</sup> Although his directive to all Government agencies, to include DOD, were not codified into public law, this memorandum set the tone for the following eight years of his administration in regards to reforms to the Defense Acquisition Enterprise.

On May 22, 2009, President Obama signed Public Law 111-23 and ordered the implementation of the 2009 Weapons Systems Acquisition Reform Act (WSARA). WSARA would be one of the few laws signed by President Obama that received unanimous support from both chambers of Congress; it passed 411-0 in the House and 93-0 in the Senate.<sup>27</sup> WSARA targeted many of President Obama's concerns addressed in the memorandum to the heads of executive departments and agencies at the beginning of his presidency. It aimed to allow the Federal Government especially DOD to carry out robust and thorough management and oversight of its contracts in order to meet targeted goals without the outrageous Defense Acquisition overruns that kept being reported by the Government Accountability Office (GAO) and resulted in over 95 major defense acquisition projects having over 295 billion dollars in cost overruns.<sup>28</sup> In short, WSARA sought to seek a Defense Acquisition enterprise that could generate realistic program cost and schedule estimates, define clear and stable requirements, produce mature technologies, and produce solid designs and manufacturing processes.<sup>29</sup>

The White House Memorandum of March 4<sup>th</sup>, 2009, set the tone for the Defense Acquisition reforms during the Obama Administration. The WSARA of 2009 codified both President Obama Administration and Congress concerns into Public Law. In turn, the Department of Defense Instruction (DODI) 5000.02 with the Better Buying Power (BBP) documents implemented those initiatives throughout the Department of Defense.

There were two prominent leaders in the Defense Acquisition Reform efforts of the Obama Administration and they both occupied the office of the Under Secretary of Defense for Acquisition, Technology and Logistics (AT&L). Both Undersecretary Ashton Carter (2009-2011) and Undersecretary Frank Kendall (2011-2017) identified the concerns and demands for Defense Acquisition reform from both President Obama and Congress. Additionally, Undersecretary Carter and Undersecretary Kendall developed a new culture within the Defense Acquisition Enterprise that has been documented in both DODI 5000.02 and the BBP initiatives.<sup>30</sup>

During his tenure as Under Secretary of Defense for Acquisition, Technology, and Logistics (AT&L), Frank Kendall rewrote the Department of Defense Instruction (DODI) 5000.02. This document, entitled “The Defense Acquisition System”, is the basic acquisition policy used by every professional in the Defense Acquisition Enterprise. DODI 5000.02 has been modified and rewritten numerous times in the past three decades. The nuance of Frank Kendall’s DODI 5000.02, officially published on January 7, 2015, is that it incorporated not just critical legislative directive changes, but also included overarching principles directed in the three Better Buying Power acquisition improvement initiatives published and implemented in a period of four years (2010-2014). In essence, their efforts focused on institutionalizing change within the Defense Acquisition Enterprise from within the organization instead of as a mandate from Congress or the President of the United States.<sup>31</sup>

The Better Buying Power (BBP) acquisition improvement initiative comprised a series of disseminating reform principles throughout the Defense Acquisition Enterprise. The first BBP 1.0 initiative was published in 2010 by then Undersecretary of Defense (AT&L) Ashton Carter. The initiatives continued to be developed by his predecessor, Frank Kendall as BBP 2.0

(Published in 2012) and BBP 3.0 (Published 3.0). These initiatives sought to reform the Defense Acquisition Enterprise by targeting eight specific principles: Achieve Affordable Programs, Achieve Dominant Capabilities while controlling lifecycle costs, Incentivize Productivity in Industry and Government, Incentivize innovation in Industry and Government, Eliminate Unproductive Processes and Bureaucracy, Promote Effective Competition, Improve tradecraft in acquisition of services, and Improve the professionalism of the Total Acquisition Workforce.<sup>32</sup>

The Defense Acquisition reform constituted a major focus in the eight years of the Obama Administration. The strong support of the Congress for Defense Acquisition reform, codified in WSARA 2009, set the conditions for the brilliant minds of Ashton Carter and Frank Kendall to change the culture from within the Defense Acquisition Enterprise. By the end of FY2015, the Better Buying Power initiatives had decreased the average cost and overrun risk of 239 Department of Defense major programs pursued through 1,123 major contracts.<sup>33</sup> However, the established management and control metrics generated a risk aversion phenomenon throughout the Defense Acquisition Enterprise that along with sequestration would produce a delay in the development of new defense technologies and innovation throughout the DOD.<sup>34</sup>

### **c. The Trump Administration and Defense Procurement Reform**

The 2016 presidential campaign of then candidate Donald J. Trump was dominated not just by the promise of “Making America Great Again”, but also by the promise of boosting the US military posture, both in personnel and in equipment. Hence, it was not surprising to see that many of the first policies of the Trump Administration were geared towards bringing business reforms to the Department of Defense within their first 12 months in office. More specifically, these reforms focused on how the military developed and acquired new technology. Some of these key points can be found in the following executive documents and statements: Secretary of

Defense Jim Mattis' testimony to the House Armed Services Committee in support of the President's Budget request for FY2018 (June 12, 2017), the SECDEF's Budget Guidance to the Department of Defense (October 5, 2017), the President's National Security Strategy (December 2017), and the Summary of the 2018 National Defense Strategy of the United States of America (January 19, 2018).

In his June 2017 statement to the House Armed Services Committee in support of President Trump's Budget for FY2018, SECDEF Jim Mattis requested Congress to fully fund the DOD's FY2018 Budget request, to pass a budget in a timely manner, and to eliminate the threat of future sequestration cuts.<sup>35</sup> Mattis explained that stable budgets and increased funding were necessary to counteract the impact of "four external forces" affecting DOD: 16 years of war, the worsening security environment, contested operations in multiple domains, and rapid pace of technological change.<sup>36</sup> Addressing the fourth of these factors, the rapid pace of technological change, SECDEF Mattis stated that in order to allow DOD to adapt to a rapid pace of technological change, the Department needed to improve their investment in new technological approaches, increase the number of innovation initiatives, and more importantly nurture the collaboration between DOD and industry.<sup>37</sup> However, all these improvements were contingent on a steady budget horizon that would fund the Department's initiatives; given adequate funding and stability, it would then be possible to achieve Mattis' objectives for the Defense Acquisition Enterprise: Improved responsiveness.

As part of his statement, SECDEF Mattis also presented Congress with DOD's top priorities: Continuing to improve warfighter readiness, increasing capacity and lethality, reforming how the department does business, keeping faith with Service members and families, and supporting Overseas Contingency Operations.<sup>38</sup> Addressing the third priority, reforming how

the department does business, SECDEF Mattis expressed his support for the directives in section 901 of the 2017 NDAA and committed the Department to execute these changes as soon as possible in order to reform the acquisition enterprise and “improve its ability to be innovative, responsive, and cost effective”.<sup>39</sup>

This sense of urgency and this understanding of the need to restructure the Defense Acquisition Enterprise were reiterated to the whole Department in SECDEF Mattis’s “Guidance to all Department of Defense Personnel” at the beginning of fiscal year 2018. In this two-page memo, Mattis presented DOD with three lines of efforts that would make the US military the world’s preeminent fighting force. One of them was “bring business reforms to the Department of Defense” to include the “realignment of the Under Secretary of Defense for Acquisition, Technology and Logistics” in an effort to instill budget discipline, enable effective resource management, develop a culture of rapid and meaningful innovation, streamline requirements, streamline the acquisition process, and promote responsible risk taking and personal initiative.<sup>40</sup>

The theme of reducing risk aversion has continued to inform subsequent Trump era Defense Acquisition Enterprise related pronouncements. The National Security Strategy (NSS) of the United States of America, published on December 2017 and endorsed by President Donald J. Trump, called for the United States to “Lead in Research, Technology, Invention, and Innovation” as a critical part of Pillar II of the strategy, which is titled “Promote American Prosperity: Economic security is national security.” In order to lead in research, technology, invention, and innovation, the NSS established four priority actions for all agencies of the Federal Government: Understand Worldwide Science and Technology (S&T) trends, attract and retain inventors and innovators, leverage private capital and expertise to build and innovate, and rapidly field inventions and innovations.<sup>41</sup> In the same document, the NSS calls for a renewal of

capabilities as a critical part of Pillar III of the strategy, which is titled “Preserve Peace Through Strength”. Specifically addressing the military, the NSS calls for five military priority actions: modernizing military systems, restructuring the Acquisition enterprise, increasing the size and capacity of the US military force, improving in readiness, and retaining a full-spectrum force.<sup>42</sup> Both Pillars II and Pillars III of the NSS echo the posture presented by SECDEF Mattis earlier in 2017 and reinforce the need for changes in the Defense Acquisition Enterprise in order to decrease the cost of new technologies, eliminate unnecessary bureaucracies in the acquisition process, and to stop unnecessary delays in the fielding of new equipment and technology to the American warfighter.

The Summary of the 2018 National Defense Strategy (NDS) endorsed by SECDEF Jim Mattis and published on January 19, 2018, recognized an increasingly complex global security environment and sought to establish a National Security apparatus that would focus on innovation in order to more effectively support Operational Security requirements.<sup>43</sup> In one of the NDS lines of efforts, the Department of Defense seeks to reform the Department’s business practices for greater performance and affordability.<sup>44</sup> The NDS recognized that “the current bureaucratic approach centered on exacting thoroughness and minimizing risk above all else, is proving to be increasingly unresponsive” and called for a new culture with equitable accountability and performance. The NDS called for the Department of Defense to deliver performance at the speed of relevance, organize for innovation, drive budget discipline and affordability to achieve solvency, streamline rapid and iterative approaches from development to fielding, and harness and protect the National Security Innovation Base.<sup>45</sup>

The consistent statements of the SECDEF and the two most recent prominent National Strategy documents of the Trump Administration are examples of the current trend in the US

Government to push for the reform of the Defense Acquisition Enterprise. Consequently, the executive and the legislative branches of the US government are again seeking more creative approaches to better invest in the future of national security.

## **V. The future of the Defense Acquisition Reform: The 901 Report**

In August 2017, DOD published “The 901 Report”. In this report, DOD acknowledged the need for structural changes in the Defense Acquisition Enterprise in order to better pursue the goals of “technical superiority, affordable systems, and well managed business operations”. As part of these changes, DOD reemphasized their desire to take risk in developing new technology and abandon the current standard of “incremental innovation” in favor of a new standard of “game changing” innovation.<sup>46</sup>

In “The 901 Report”, DOD accepted that Congress was granting new latitude to the Department via FY2016 and FY2017 NDAAAs in order to execute drastically structural changes that could achieve the overarching objectives of technical superiority and weapon system affordability.<sup>47</sup> This new effort of streamlining the acquisition enterprise assigns greater responsibility and accountability to the Sister Services for program execution and performance.

### **a. The Old Model**

“The 901 Report” recognized that the old office of the Undersecretary of Defense for Acquisition, Technology, and Logistics (AT&L) had grown in size and complexity (See APPENDIX B). The four causes attributed to these issues were: accrual of additional responsibilities, the impacts of additional legislation, the increase in complexity of major weapon systems, and the assumptions of increased oversight responsibilities over services.<sup>48</sup>

“The 901 Report” accepted the arguments of the FY2017 NDAA that the structure of the Undersecretary of Defense for Acquisition, Technology, and Logistics (AT&L) (APPENDIX B)

failed to meet the future national security challenges. One of the main issues was that it mixed the missions of technology development and acquisition, and added a handicapping culture of “risk aversion”. Hence, the new structure calls for the creation of two new Undersecretaries of Defense; the Undersecretary of Defense for Research and Engineering (R&E) with focus on closing the gap on current and emerging threats and the Undersecretary of Acquisition and Sustainment (A&S) with focus on the procurement of major defense program performance and reducing the life cycle costs for further investment. Both new organizations would have the common goal of breaking down barriers to execute and reduce the multiple layers generated by the unnecessary processes imposed on the services by decades of acquisition micromanagement and risk aversion.<sup>49</sup>

#### **b. The New Undersecretary of Defense for Research and Technology (R&E) Organization**

The purpose of the new Undersecretary of Defense for Research and Technology (R&E) is to ensure that the US military maintains its technical superiority in the world. The structure of the new USD (R&E) (APPENDIX C) has three paramount goals: Setting the acquisition strategy for DOD, solving the critical technical warfighting challenges, and delivering technical technology solutions faster.<sup>50</sup>

The new USD (R&E) is organized around three major offices that will carry the weight of those goals. The first office is the Strategic Intelligence Analysis Cell, which will focus on understanding our adversary’s capabilities and vulnerabilities while conducting a comprehensive analysis of the US capabilities in regards to those emerging threats. Additionally, this cell will analyze global trends and opportunities for the development of future technologies that will enhance our National Defense Security posture in the world.<sup>51</sup> The second office is the Assistant Secretary of Defense (ASD) for Research and Technology; which will focus on setting the

strategic technical direction and investment strategies for the Department; this office will integrate the DOD technological infrastructure and the industry's technological community to ensure the US technological and warfighting dominance in the world.<sup>52</sup> The third office is the Assistant Secretary of Defense (ASD) for Advanced Capabilities; which will focus on conducting prototyping and experimentation in order to increase the understanding of technology and their implication on new warfighting capabilities. This ASD will drive technical risk, manage the warfighter feedback, and promote the movement forward of promising technology throughout the defense acquisition process.<sup>53</sup>

In synthesis, the new USD (R&E) will identify key investment technologies that will allow the US military to maintain its technical superiority by conducting methodical analyses of those technologies and the risks associated with those new technologies.<sup>54</sup> Additionally, the FY2017 National Defense Authorization Act (NDAA) gives priority to the establishment of the USD (R&E) in order to ensure that the US restores its technical overmatch across the world.

### **c. The new Undersecretary of Defense for Acquisition and Sustainment (A&S)**

The new Undersecretary of Defense for Acquisition and Sustainment (A&S) will advise the Secretary of Defense on all matters regarding Acquisition and Sustainment with special emphasis on strategy and policy development. In this new structure, the Services (Army, Air Force, Navy, and Marines) will have more independence to execute programs and the USD (A&S) will assume a more "oversight role" (APPENDIX D). Additionally, the acquisition focus of this USD will consist of activities like: life cycle sustainment planning, cross-service procurement, software integration, and Industrial base assessment/ management. The sustainment focus of this USD will consist of functions that include operational logistics, strategic mobility, war reserves, and sustainment services.<sup>55</sup>

The core of the USD (A&S) will be founded in three major offices with the mission of executing disciplined and affordable acquisition, logistics, material readiness, installation readiness, and nuclear readiness. The first office is the Assistant Secretary of Defense (ASD) for Acquisition, this office will be responsible for providing the Services with the best practices on acquisition programs in order to allow them to achieve more affordable and capable warfare systems; this ASD will also have oversight of all joint programs, industrial base and supply chain expertise, as well as the management of cross-Service data analytics and metrics of acquisition programs. The second office is the Assistant Secretary of Defense (ASD) for sustainment, this office will focus on joint and cross-service materiel readiness issues, support for the services through logistics planning, and identifying the best practices to drive cost down for the sustainment of existing weapon systems. The third office is Assistant Secretary of Defense (ASD) for Nuclear, Chemical, and Biological Defense Program, this office will oversee and prescribe the policy for the modernization of nuclear weapons, arms control programs, and counter weapons of mass destruction (WMD) programs.<sup>56</sup>

Although not less important than the USD (R&E), the USD (A&S) establishment will follow the formation of the first organization and in synchronization with the deactivation of the defunct USD (AT&L) in order to avoid gaps in support to the Sister Services.

#### **d. Changes in the current Acquisition Model and the rise of “Alternative Pathways”**

The department of Defense uses two acquisition pathways, one for Major Defense Acquisition Programs governed by DoDI 5000.02 and another one for Urgent/ Emerging Operational Needs governed by DODI 5000.71. However, the current threats and technological race for global technological supremacy calls for alternative pathways that allow faster acquisition of new technologies. The FY2016 NDAA recommended the use of “middle tier

acquisition”. Middle tier acquisition (See APPENDIX E) would allow DOD to acquire promising technologies at a faster pace without having to declare them an “Acquisition Program” and while delivering significant warfighting advantages to the warfighter.<sup>57</sup>

Although “The 901 Report” suggests that the other two conventional pathways remain the preferred methods to acquire new technologies, it also suggests that the new USD (R&E) will have the authority to use Middle Tier Acquisition in order to expedite the procurement of new technologies. This alternative acquisition pathway has been successful when used in the past by small elite US military organizations like the Explosive Ordnance Disposal (EOD) units, Special Operations, and Defense Intelligence Organizations. Additionally, this alternative pathway would require a scaled up approach of these smaller uses in order to meet the congressional intent of using it for the conventional forces.<sup>58</sup>

## **VI. The Consequences to the Services**

In the past 3 years, a number of Defense Acquisition experts and military leaders have expressed to both Congress and the President of the United States the need to shift the power of Defense Acquisition to the Chiefs and their Services;<sup>59</sup> after all, the Service Chiefs are given responsibilities over defense requirements and budgets, and Congress also expects them to track the success of all acquisition programs related to their services. However, many members of the Obama Administration objected to these requests due to the historical data of unwarranted cost and excessive risk-taking that bled through the first years of the 21<sup>st</sup> Century.<sup>60</sup> Although, the authorities granted to the Service Chiefs through the NDAA's (FY16, FY17, and FY18) are empowering the Services to execute more ownership of the Defense Acquisition Enterprise, the most tangible and critical consequence of Defense Acquisition reform is the creation of new entities within the Services in order to meet the new Defense Acquisition reform changes.

The last three NDAAAs (FY16, FY17, and FY18) have slowly paired the push for Defense Acquisition reform with gradual changes in the Services (Army, Navy, Air Force, and Marines) responsibilities; these changes are geared towards more responsibility to the Sister Services Chiefs.<sup>61</sup> The FY16 NDAA assigned two new defense acquisition responsibilities to the service Chiefs: first, assisting the SECDEF in making decisions regarding balancing resources, priorities, and associated trade offs for major defense acquisition programs; and second, managing the career paths in acquisition of their military personnel.<sup>62</sup> As previously mentioned, the FY2017 NDAA restructured the Under Secretary of Defense (USD) for Acquisition, Technology and Logistics (AT&L) into two USDs: one for Research & Engineering (R&E) and another one for Acquisition and Sustainment (A&S); additionally, the FY2017 NDAA strengthened the role of the Services in the Defense Acquisition process by transferring some of the responsibilities of the SECDEF such as: requiring the Director of Operational Test and Evaluation to submit their annual report of new technologies to the Services in addition to just the SECDEF and Congress; another change was the authorization to the Services to establish service-specific funds for acquisition programs using certain rapid fielding and prototyping authorities.<sup>63</sup> Lastly, the FY2018 NDAA provided more clarity on the roles of USD (A&S) and required the Service Chiefs to concur with many of the critical decision needed for the development of new technologies.<sup>64</sup>

In regard to forming service specific offices that would deal with the development of new technologies, the US Air Force (USAF) was ahead of the game having already formed the US Air Force Rapid Capabilities Office (RCO) in April 2013. This office is responsible for expediting the development and fielding of select DOD combat support and weapons systems by leveraging defense-wide technology development efforts and existing operational capabilities.<sup>65</sup>

Hence, the recent changes in the Department of Defense Acquisition Enterprise did not generate as much friction within the USAF because there were offices that were already addressing those issues. In fact, the USAF RCO had delivered successful programs like the B21. Therefore, the USAF is now only focusing on expanding their RCO office and their concepts across their acquisition force.<sup>66</sup>

The US Navy (USN) established their Maritime Accelerated Capabilities Office (MACO) in mid 2016. The purpose of this new office is to build new prototypes and get them to the fleet as soon as possible in order to test them and use those lessons learned either to cancel the program or to develop it into a program of record.<sup>67</sup> The US Marine Corps (USMC) was not too far from the USN in establishing their USMC Rapid Capabilities Office in December 2016 at the Warfighting Lab in Quantico, Virginia. The purpose of this office is to accelerate prototyping, demonstration, experimentation, and limited equipping of emerging capabilities.<sup>68</sup>

The US Army faces the toughest challenges when compared to the other services in restructuring their Acquisition process. Decades of over regulation and oversized bureaucracy has left the US Army procurement efforts paralyzed and segmented throughout different offices and institutions. In November of 2017, both Undersecretary of the Army Ryan D. McCarthy and US Army Chief of Staff Mark Milley announced that the Army was going to establish a new Futures Command in the spring of 2018.<sup>69</sup> The purpose of the new US Army Futures Command is not to become a 500-personnel bureaucratic Command that would drain talent and funds. Instead, Futures Command emphasis is to be a small, unbureaucratic and innovative workforce that accepts the challenge of seeking new technologies that can impact our warfighting capabilities.<sup>70</sup>

In addition to distributing personnel from existing commands like the US Army Training and Doctrine Command (TRADOC), the US Army Materiel Command (AMC), and the Office of the Assistant Secretary of the Army (Acquisition, Logistics, and Technology). The Army leadership has ordered through Army Directive 2017-22 the creation of eight Cross-Functional Team (CFT) pilots with the intent of embracing horizontal and vertical integration and improving the quality and speed of materiel development activities.<sup>71</sup> Just like the RCOs in the other services, the Army's eight CFTs are empowered to integrate and synchronize developmental operations activities that enable the delivery of leader-approved capabilities to the operating force. Each CFT is aligned with the US Army Chief of Staff's six modernization priorities: Long Range precision Fires, Next Generation Combat Vehicle, Future Vertical Lift, Network Command/Control/Communication and Intelligence, Air and Missile Defense, and Soldier lethality.<sup>72</sup> Additionally, each CFT is led by a Brigadier General acting as a Director who reports directly to the Under Secretary of the Army at the direction of the Secretary of the Army and to the Army Vice Chief of Staff at the direction of the US Army Chief of Staff.<sup>73</sup>

As the Sister Services react to the restructuring of the Defense Acquisition Enterprise by establishing new offices of Rapid Capabilities Offices and Futures Command, the questions remain: will these changes throughout the Sister Services improve the US Military technological innovation process? Although these changes improve the defense acquisition process and cut the red tape in the bureaucratic process, only the symbiotic relationship between sister services and the innovators out of the military can assure positive results. Otherwise, we are just experiencing the morphing of another DOD bureaucracy into another "promising" bureaucracy without the legs to run and be successful.

## VII. Findings

Clausewitz enlightened us when describing the friction within military organizations: “The military machine-the army and everything related to it- is basically very simple and therefore seems easy to manage. But we should bear in mind that none of its components is of one piece; each part is composed of individuals, every one of whom retains his potential of friction.”<sup>74</sup> This could not be truer for the Defense Acquisition Enterprise, which throughout every Presidential Administration, Congress, and major US conflict; the Defense Acquisition Enterprise has experienced the friction generated by the outside elements with which it interacts. The following findings are ideas that can be traced to the more than 30 years of past Defense Acquisition reform attempts. They are neither absolute nor limiting, but they are intended to provide the readers with perspectives to better understand the complex Defense Acquisition Enterprise:

1. As DOD moves forward with the restructuring of the Defense Acquisition System, more analysis and discussion need to happen to enable the Sister Services as they seek to enhance their procurement processes to match the reforms and changes emplaced by the Department of Defense. Although the Defense Acquisition Enterprise is part of the Department of Defense where the top-down approach is normal; the Defense Acquisition Enterprise is not a typical military system and requires a different approach in order to produce innovation and lasting productivity of defense initiatives.
2. True change comes from within. Outside directives for change can inject energy to a system and promote change within the system; however, true change must come from within the system to be durable and productive. This is one of the challenges of the past 30 years attempts to reform the Defense Acquisition Enterprise. Most of the reforms are not being generated by

educated Defense Acquisition Professionals so the reforms tend to live as long as the terms (Presidential or Congressional) of those elected officials directing reform.

3. Defense Acquisition Enterprise Reform needs to be incremental to match the changes in technology and innovation.<sup>75</sup> There is no “acquisition magic bullet” that will solve the Defense Acquisition Enterprise puzzle or the need for innovation. The continuous development of the Defense Acquisition Enterprise is better appreciated over time. Even the current reforms as aggressive as they are will not generate immediate results without increasing the risk or a few failures. The question is: Are our elected leaders prepared to assume those risks? Or will the Defense Acquisition Enterprise become the “cop out” in 2 or 4 years when we start getting the results from the current reform initiatives. Additionally, there are not defined metrics to measure Defense Acquisition Enterprise Reform success. In Defense Acquisition, success can be defined as the war fighter having the necessary equipment and capabilities to win battles; but that is not a metric that will fill charts or statistical tables required by the analysts in Washington D.C.

4. The structural changes in the Defense Acquisition Enterprise may increase the speed of the Acquisition process; but they will not decrease the risks in cost, schedule or performance of new acquisition programs. Hence, the new aggressive acquisition processes must be matched with aggressive risk reduction processes that might generate more bureaucracies that will impact time on delivery. Additionally, the reduction of more bureaucracy by creating more bureaucracy is already a faulty concept. If we look at the Army’s creation of a Future Command to solve the innovation and acquisition problems, there is the risk for that new Command and its eight CFTs to become another layer of bureaucracy that will prevent innovation from delivering better capabilities to the war fighter.

5. The Defense Acquisition Enterprise is a non-linear system in the sense that involves “People’s business”. This non-linearity generates a “wicked problem” that inherently generates friction and disorder in all interacting members of that system. Hence, the Sister Services must be prepared to increase communication and synchronization strategies in order to match the changes within the DOD Acquisition Structure. The nature of this requirement might not be compatible with the Career driven professional path of the Sister Services Acquisition Uniformed Force.

6. As stated by Ashton Carter, Frank Kendall, and Chuck Hagel, DOD must reach out and collaborate with the American Private Industry in order to meet the overarching goal of defense acquisition: To give our warfighters a significant military advantage over any foreign or domestic threat.

7. One of the risks to all services, especially the US Army, is that the Defense Industrial Complex will flood the new established innovation offices with “innovative capabilities” that feed the requirement of new technology; but do not feed the requirement of granting strategic advantage to the warfighter. Additionally, there is the risk of having personal interests influencing the choosing of the new technologies especially if there are limited controls that monitor the transition of DOD employees into the civilian sector working for industry post retirement.

**VIII. Conclusion: “Any fool can make a rule and every fool will mind it”- Henry David Thoreau.**

The dynamics that govern the external actors of the Defense Acquisition Enterprise- like Congress, the executive, military leaders, and even our strategic adversaries (China, Russia, Iran, and DPRK) are more noticeable and easier to impact through NDAAAs, Presidential Directives, and regulations. However, those external changes that try to reform the Defense Acquisition

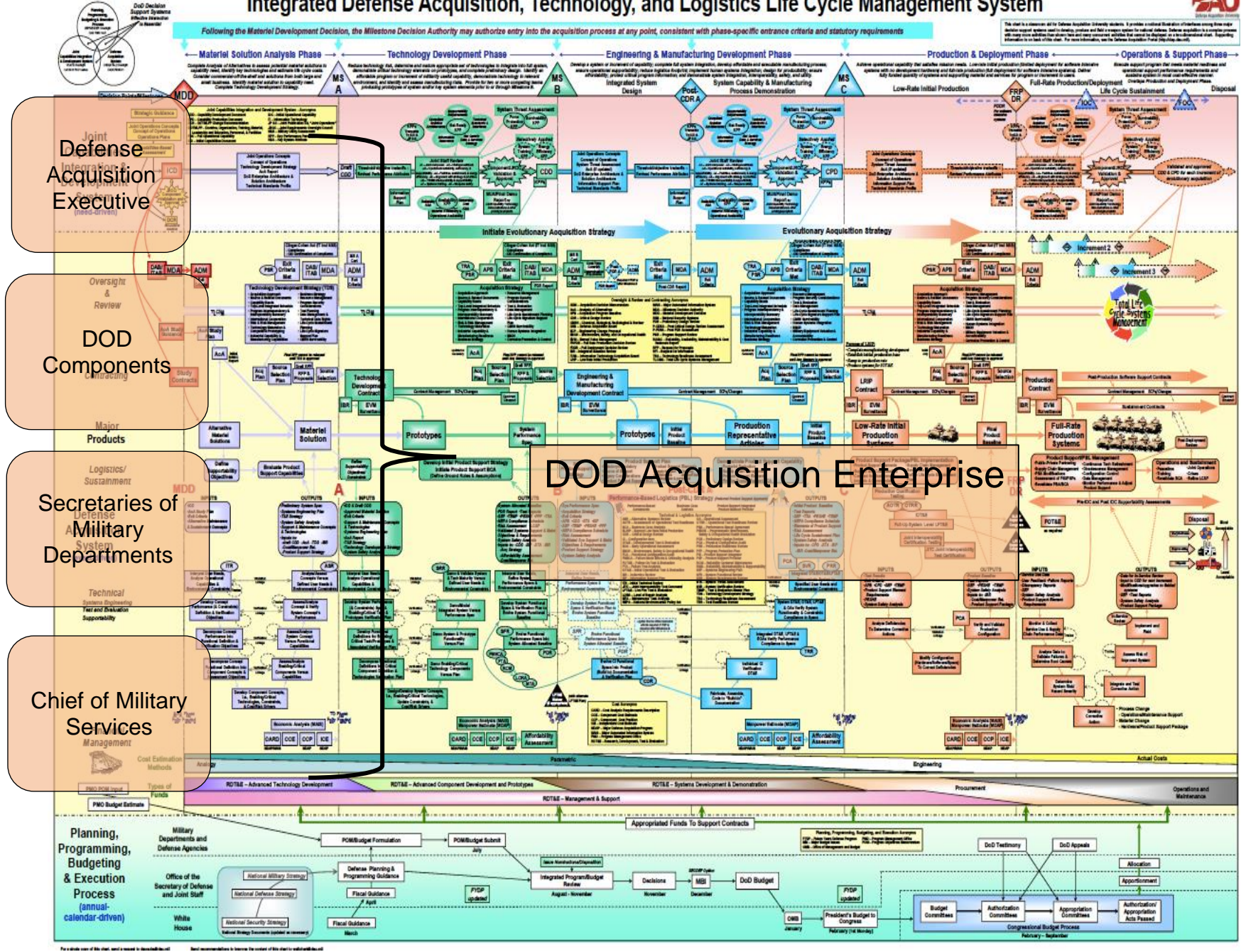
Enterprise are not as effective as the internal factors because they will continue to change as the actors change.

The DOD approach and response to the FY17 Defense Acquisition Reform is very shallow and only focuses on the structural part of the directives from Congress. There is enough historical background of Defense Acquisition Reform that could assist DOD in addressing these changes in a matter that better benefits the Department of Defense and the Sister Services.

The reforms taking place in the Sister Services in order to meet the reforms in the Defense Acquisition Enterprise will be productive for a short term; however, they have the challenge of surviving and producing long term solutions as new administrations are sworn into the White House and as new Congresses find failures within the Defense Acquisition Enterprise and direct further reform. At the end of the day, only those cultural changes that take place gradually within the Defense Acquisition Enterprise will survive because they are rooted in the culture of the organization and not in the directives of the elected officials that lack the understanding of the Defense Acquisition Enterprise.

# Integrated Defense Acquisition, Technology, and Logistics Life Cycle Management System

Version 5.4 15 June 2010

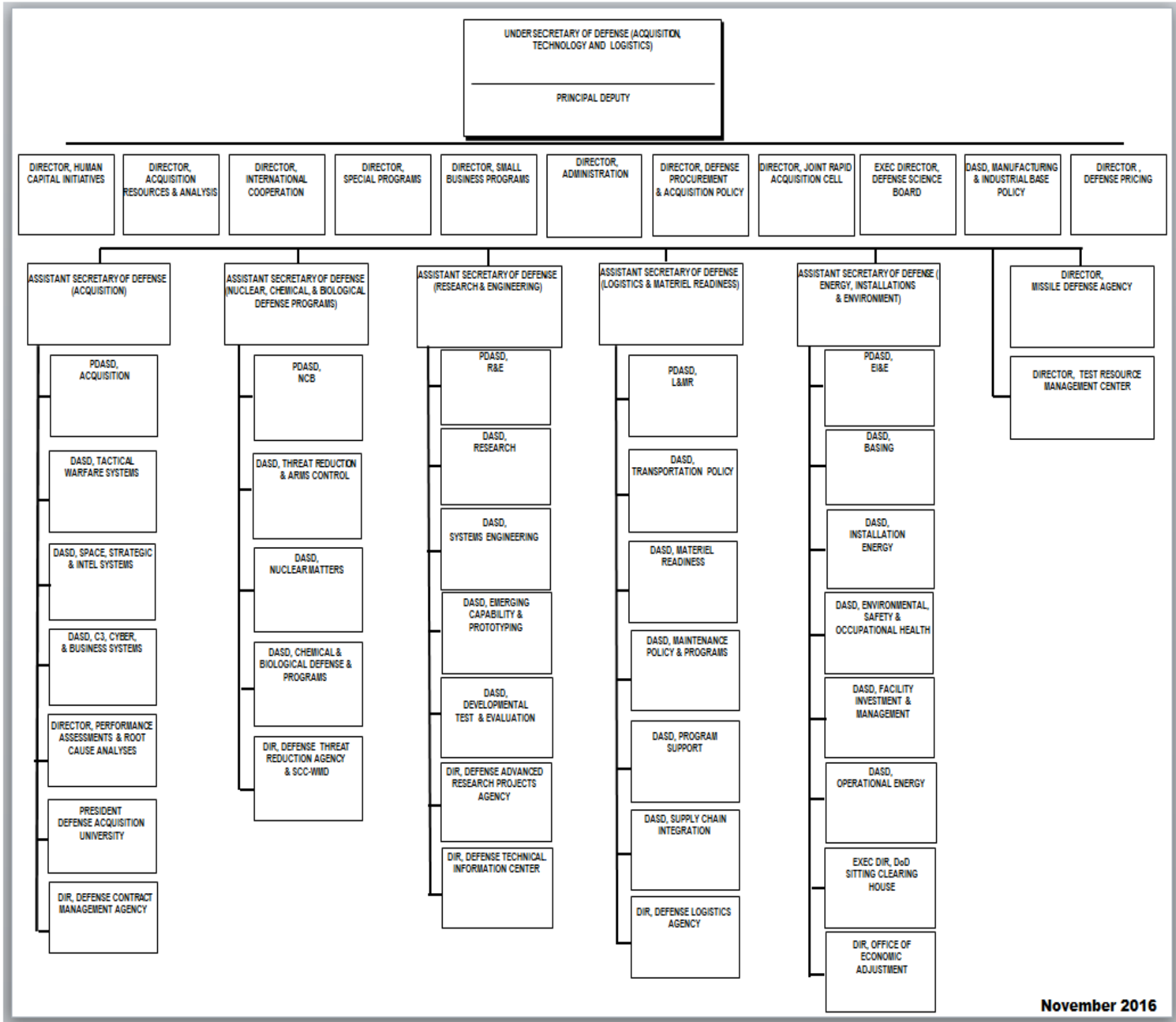


**Appendix A: The Integrated Defense Acquisition, Technology, and Logistics Life Cycle Management System.**  
Source: Defense Acquisition University and MAJ Freddy Rios.

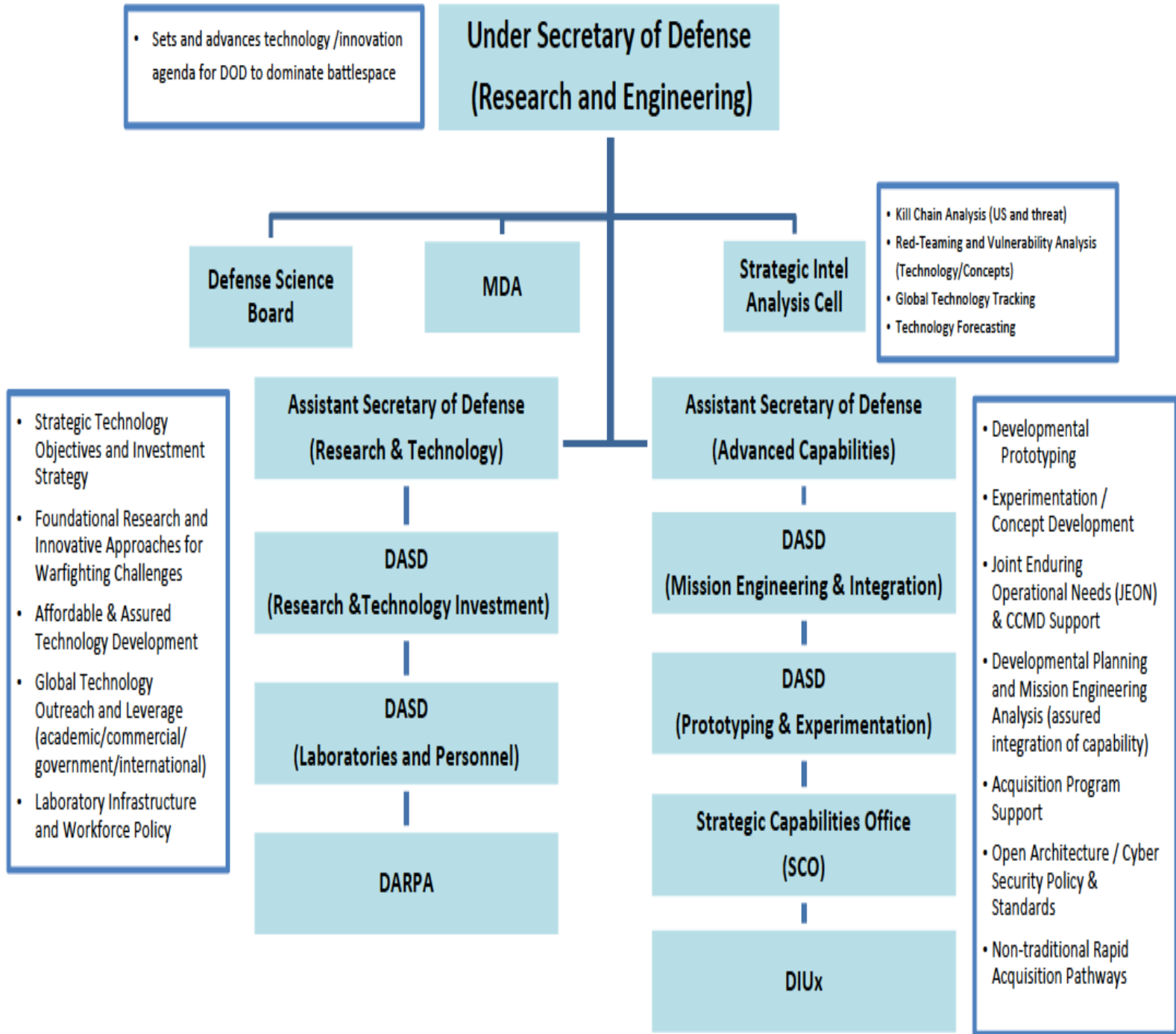
## DOD Acquisition Enterprise

**Appendix B: The Undersecretary of Defense for Acquisition, Technology, and Logistics Organization.**

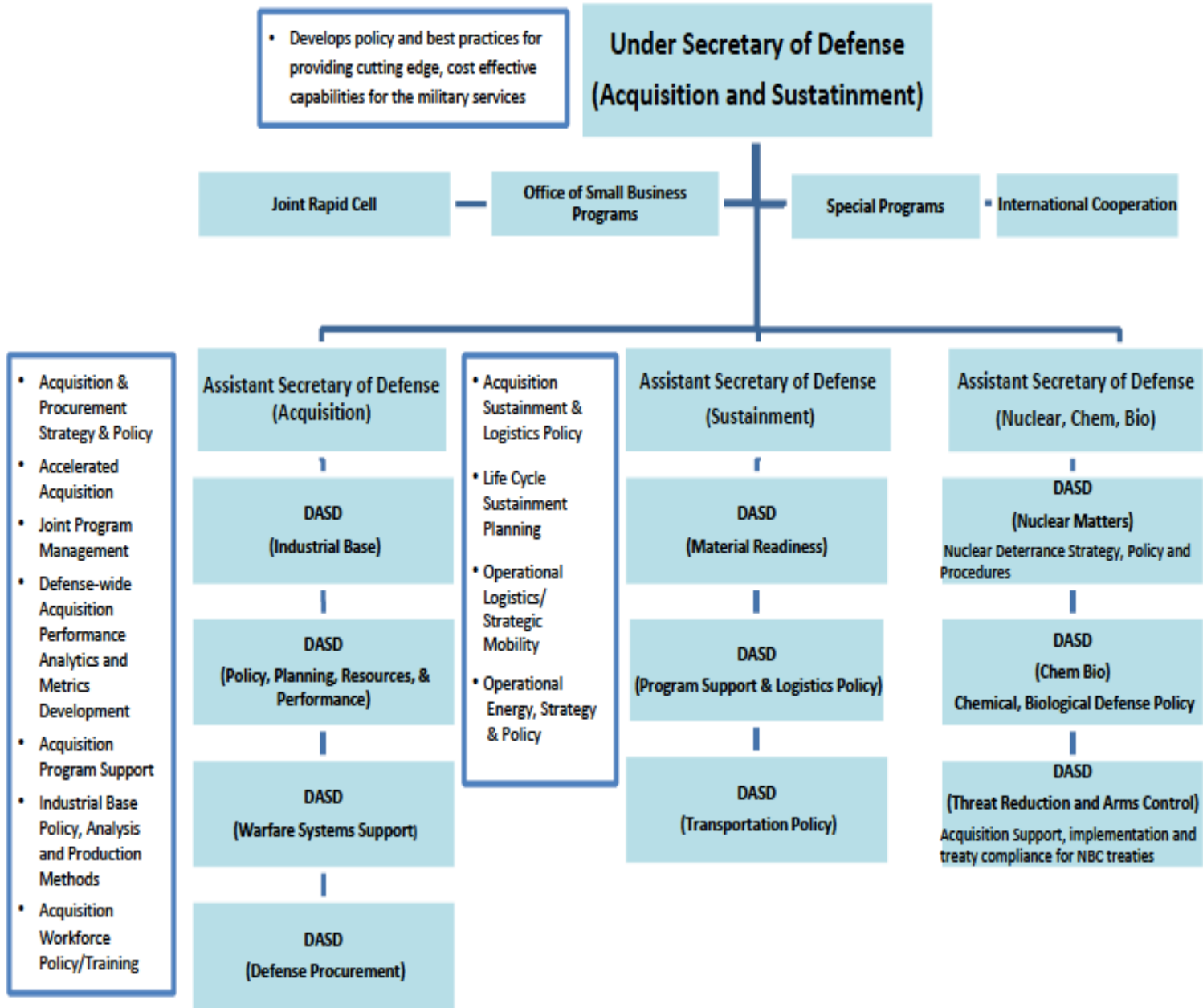
Source: The 901 Report, Department of Defense, August 2017.



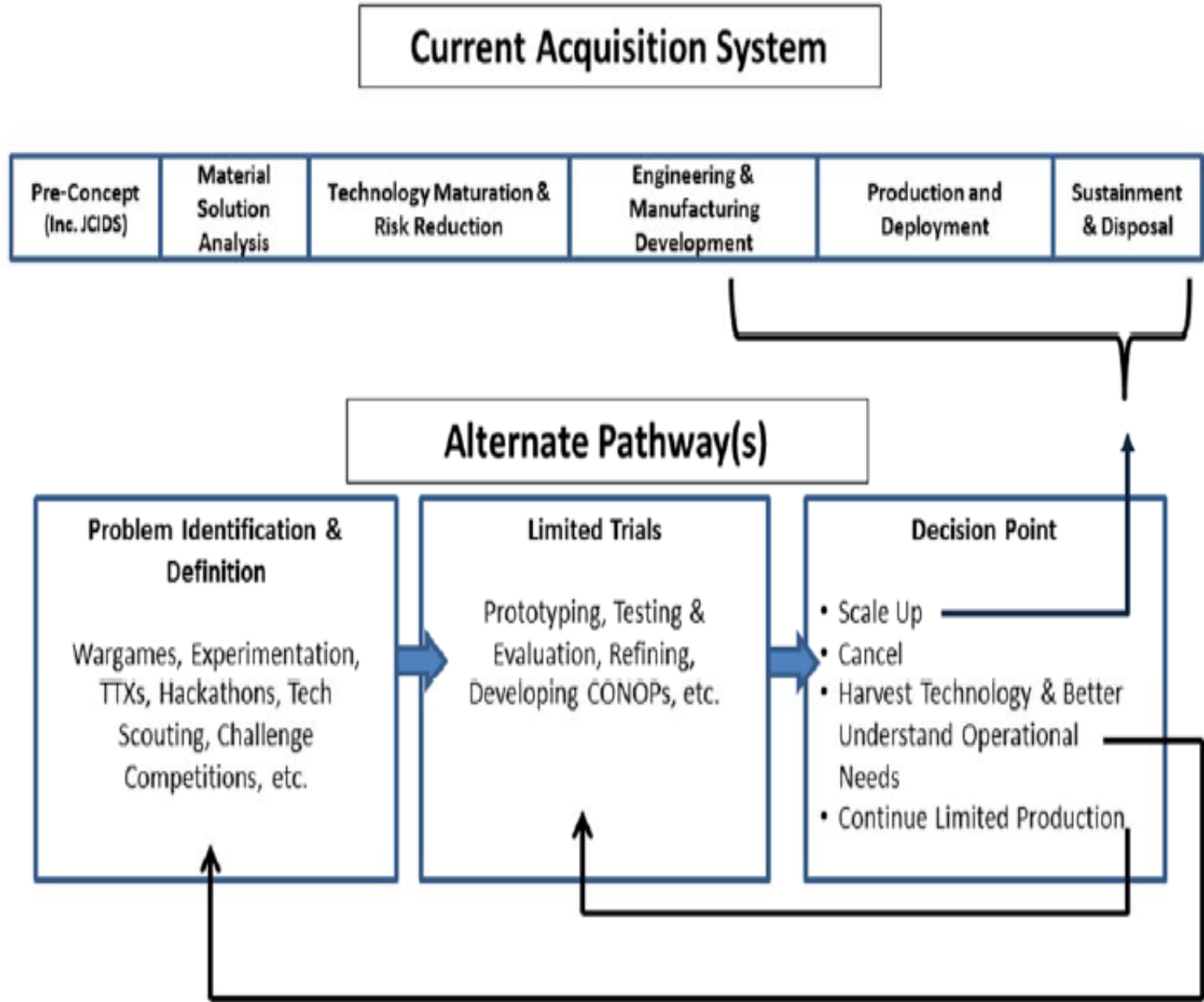
**Appendix C: The New Undersecretary of Defense for Research and Engineering.**  
 Source: The 901 Report, Department of Defense, August 2017.



**Appendix D:** The New Undersecretary of Defense for Acquisition and Sustainment.  
 Source: The 901 Report, Department of Defense, August 2017.



**Appendix E:** Middle Tier Acquisition: An alternative pathway.  
Source: The 901 Report, Department of Defense, August 2017.





## The Risk to Defense Innovation: The Continuous Restructuring of the Defense Acquisition Enterprise

| FY17 NDAA Defense Acquisition Reform                                     | Effects  | Previous Efforts to Reform Acquisition  | Effects  |
|--|--|---|--|
| 1. Eliminate the USD for Acquisition, Technology, and Logistics position | Decrease the complexity and size of the Defense Acquisition Enterprise   | Creation of USD for Acquisition, Goldwater Nichols Department of Defense Reorganization Act 1986  | Centralizing Defense Acquisition by conducting more Oversight, policy making, and auditing   |
| 2. Establish the USD Research and Engineering                            | Solving the critical technical warfighting challenges and delivering technical technology solutions faster         | Develop milestones in the Defense Acquisition Process and provide cultural change initiative within the Defense Acquisition Enterprise, Weapons System Acquisition Reform Act of 2009 and Better Buying Power Initiatives (2010-1014) | Solved critical technical warfighting challenges and delivered technology solutions faster while ensuring internal culture change within DOD |
| 3. Establish the USD Acquisition and Sustainment                         | More power to the Sister Services to execute Service specific Programs   |   | Limited the power to the Sister Services to execute Service specific Programs  |
| 4. Authorization to the Services to execute Middle Tier Acquisition      | Allow the Services to acquire promising technologies faster without making the technology an "Acquisition Program" | Creation of USD for Acquisition, Goldwater Nichols Department of Defense Reorganization Act 1986  | Synchronized Acquisition Efforts IOT get new technologies faster and more cost effective   |

MAJ Freddy Rios, USA



## The Risk to Defense Innovation: The Continuous Restructuring of the Defense Acquisition Enterprise

### Findings:

1. The Defense Acquisition Enterprise is a system based on bureaucracy; a bureaucratic system will resist any attempts to change, restructure, and reform.
2. The Defense Acquisition Enterprise is also a non-linear system that involves "people's business". The complexity of actors involved (Congress, Executive, DOD, Sister Services, warfighter) makes this system a wicked problem with a lot of friction every time it experiences reform.
3. The most enduring and productive changes within the Defense Acquisition Enterprise are those cultural changes from within the organization. They change the way people with Defense Acquisition think and act.

### Recommendations:

The DOD approach and response to the FY17 Defense Acquisition Reform is very shallow and only focus on the structural part of the directives from Congress. There is enough historical background to address these changes in a matter that better benefits the Department of Defense and the Sister Services.

MAJ Freddy Rios, USA

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### Endnotes:

- <sup>1</sup> J. Ronald Fox, *Defense Acquisition Reform 1960-2009: An Elusive Goal*. (Washington, D.C.: Center of Military History, US Army, 2011), 1
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- <sup>5</sup> Department of Defense. *Report to Congress Restructuring the Department of Defense Acquisition, Technology, and Logistics Organization and Chief Management Officer Organization*. (Washington D.C.: Department of Defense. 2017), 2
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- <sup>7</sup> Frank Kendall, *Getting Defense Acquisition Right*. (Washington D.C.: Defense Acquisition University, United States Government, 2017), 7
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- <sup>18</sup> Ibid 8
- <sup>19</sup> J. Ronald Fox, *Defense Acquisition Reform 1960-2009: An Elusive Goal*. (Washington, D.C.: Center of Military History, US Army, 2011), 98
- <sup>20</sup> Ibid 126
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- <sup>29</sup> Karen Byrd. DoDI 5000.02 & Implementation of the Weapon Systems Acquisition Reform Act of 2009 & New Changes to Policy. Defense Acquisition University. May 2010.
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- <sup>31</sup> Ibid
- <sup>32</sup> Ibid 7
- <sup>33</sup> Ibid 179
- <sup>34</sup> Section 809 Panel, *Advisory Panel on Streamlining and Codifying Acquisition Regulations*. (Panel Interim Report. Washington D.C.: Section 809 Panel, 2017), 2
- <sup>35</sup> Jim Mattis, *Secretary of Defense Jim Mattis Written Statement to Congress*. (Washington D.C.: 115<sup>th</sup> US Congress, 2017), 2
- <sup>36</sup> Ibid 7
- <sup>37</sup> Ibid
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- <sup>39</sup> Ibid 11
- <sup>40</sup> Jim Mattis, *MEMORANDUM FOR ALL DEPARTMENT OF DEFENSE PERSONNEL, SUBJECT: Guidance from Secretary Jim Mattis*. (Washington D.C.: Office of the Secretary of Defense, 2017), 2
- <sup>41</sup> US Government. *The National Security Strategy of the United States*. (Washington D.C.: The White House, 2017) 20
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- <sup>50</sup> Ibid 7
- <sup>51</sup> Ibid 8
- <sup>52</sup> Ibid
- <sup>53</sup> Ibid
- <sup>54</sup> Ibid
- <sup>55</sup> Ibid 10
- <sup>56</sup> Ibid

- <sup>57</sup> Ibid 27
- <sup>58</sup> Ibid
- <sup>59</sup> Moshe Schwartz, *Acquisition Reform in the FY2016-FY2018 National Defense Authorization Acts (NDAAs)*. CRS Report for Congress R45068 (Washington D.C.: Congressional Research Service, 2018), 8
- <sup>60</sup> Ibid 8
- <sup>61</sup> Ibid
- <sup>62</sup> Ibid 9
- <sup>63</sup> Ibid 10
- <sup>64</sup> Ibid 11
- <sup>65</sup> Valerie Insinna. “Air Force wants to apply success of Rapid Capabilities Office to other weapons programs”. *Defense News*, 12 October 2017, <https://www.defensenews.com/air/2017/10/12/air-force-wants-to-apply-success-of-rapid-capabilities-office-to-other-weapons-programs/>
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- <sup>67</sup> Megan Eckstein, “New Navy Procurement Office, Marine to Push Rapid Innovation in 2016”. *USNI News*, 01 March 2016, <https://news.usni.org/2016/03/01/new-navy-procurement-office-marines-to-push-rapid-innovation-in-2016>
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- <sup>70</sup> Ibid
- <sup>71</sup> Ryan D. McCarthy, MEMORANDUM FOR SEE DISTRIBUTION, SUBJECT: Army Directive 2017-24 (Cross-Functional Team Pilot In Support of Materiel Development). Washington D.C: Office of the Secretary of the Army, 06 OCT 2017
- <sup>72</sup> Ibid
- <sup>73</sup> Ibid
- <sup>74</sup> Carl Von Clausewitz, *On War*. (Princeton, New Jersey: Princeton University Press, 1984), 119
- <sup>75</sup> Frank Kendall, *Getting Defense Acquisition Right*. (Washington D.C.: Defense Acquisition University, United States Government, 2017), 7

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