

## LEADING ACQUISITION REFORM

BY

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USAWC STRATEGY RESEARCH PROJECT

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## **ABSTRACT**

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The 2010 National Security Strategy gives acquisition professionals guidance to achieve long term goals while spending taxpayers' dollars wisely. The inevitable reduction of the Department of Defense budget has made it increasingly important to make the tough choices to live within our means and improve organizational performance. Top acquisition professionals are scrutinizing the programs looking for cost cutting initiatives. They will consider terminating or restructuring those Department of Defense programs that are duplicative, ineffective, or wasteful. Congress has also contributed to the defense acquisition system's inefficiency and will need to adjust the oversight process if effective reform is to take place. This paper considers the obstacles that will impact the acquisition professional's strategic path forward for future successful Department of Defense programs. Top acquisition professionals should consider not only what they are buying, but also how they can streamline the process. Acquisition leaders will be challenged to develop the future acquisition workforce while creating the right organizational culture and command climate that will facilitate a successful transition.



## LEADING ACQUISITION REFORM

We are a nation at war, and the Department does not expect the defense budget to decline. At the same time, we will not enjoy the large rate of growth we experienced during the years after September 11, 2001. We must therefore abandon inefficient practices accumulated in a period of budget growth and learn to manage defense dollars in a manner that is, to quote Secretary Gates at his May 8, 2010 speech at the Eisenhower Library, “respectful of the American taxpayer at a time of economic and fiscal distress.”<sup>1</sup>

—Ashton B. Carter,  
The Under Secretary of Defense

Senior acquisition leaders are currently engaged in an assessment to identify and improve the way they acquire and manage weapon systems. The Secretary of the Army John McHugh recently commissioned a new study to look at Army requirements, funding, acquisition policies and processes in an effort to find cost savings in programs. The intent is to expand upon the progress already made in acquisition reform and to construct a near term action plan that will make the Army acquisition process more efficient.<sup>2</sup> Over 128 acquisition reviews and studies have been conducted to recommend solutions to perceived acquisition system problems and to prevent fraud, waste and abuse.<sup>3</sup> There are growing concerns in Congress and with many top leaders in the Department of Defense that weapons programs continue to increase in cost and schedule, despite the numerous studies and acquisition reform recommendations.<sup>4</sup> Both Congress and the Department of Defense senior leadership have lost confidence in the ability of the Acquisition System to determine what needs to be developed or to accurately estimate what systems will cost, the program schedule, or how well the system will perform.<sup>5</sup>

Senate Committee Report 109-069 – S1042, Title VIII Acquisition Policy, indicates Congress is concerned that problems with organizational structure and with shortfalls in acquisition workforce experience continue to undermine the performance of major weapons systems programs. Problems occur from the start because Program Managers (PM) do not apply the necessary experience and knowledge that is needed to efficiently and effectively manage program risk. The committee report reveals that one answer can be found in the inability of the Department to address the budget and program stability issues. Requirements instability continues to drive up costs and delay the eventual fielding of new systems.<sup>6</sup>

This paper discusses the obstacles that will impact the acquisition leader's path forward for future successful Department of Defense programs and makes recommendations to overcome them. These obstacles will require acquisition leaders to develop the future acquisition workforce while creating the right organizational culture and command climate that facilitates a successful transition. They also will necessitate addressing issues with Congressional oversight responsibilities, and lastly, focusing on Time Certain Development and user requirements. Top acquisition leaders should consider not only what they are buying, but also how they can streamline the process.

### Background

The 2010 National Security Strategy provides acquisition professionals with guidance to accomplish long term goals while spending taxpayers' dollars wisely. The coming inevitable reduction of the Department of Defense budget has made it increasingly important to make the tough choices to live within our means and

improve organizational performance.<sup>7</sup> The Quadrennial Defense Review Report recognizes the acquisition challenges facing current weapons programs and echoes the Department of Defense's obligation to defend and advance the national interest by exercising prudent financial stewardship.<sup>8</sup>

Why is it now so important to reduce defense spending? Two significant reasons are the \$1.4 trillion deficit in this year's budget as well as the total \$13 trillion in U.S. debt. Senior Department of Defense leaders recognize that the deficit and the debt are serious problems. In a speech to the Economy Club in Detroit in August, Admiral Michael Mullen, the Chairman of the Joint Chiefs of Staff, called the debt "the single biggest threat to our national security."<sup>9</sup> In response, top acquisition professionals are scrutinizing programs looking for cost cutting initiatives. They will consider terminating or restructuring those Department of Defense programs that are duplicative, ineffective, or wasteful. Defense Secretary Robert Gates has already cut back some defense weapons programs, including the F-22 stealth fighter, the C-17 cargo plane, and the Army's Future Combat Systems. He has directed a 30 percent reduction in the use of support contractors, and the elimination of the Joint Forces Command. His goal is to cut costs by \$100 billion over the next five years and use the savings to buy new weapons.<sup>10</sup>

Congress has also acted by approving yet another Weapons Systems Acquisition Reform Bill that will require the Department of Defense to establish better accountability systems to ensure that the taxpayers get the best value for their money. The bill gives direction to reduce duplication in development and procurement by emphasizing service collaboration. The bill also expands the

membership and role of the Joint Requirements Oversight Committee (JROC), which is supposed to determine whether proposed weapons or equipment is needed, by allowing the Chairman to include a regional Combatant Commander when the JROC considers a program that would affect his mission.<sup>11</sup> It is important to include senior leaders in the acquisition process in order to effect positive change within the organizational culture and command climate.

### Leading the Reform

It will take a leader who establishes a clear vision of the future that stimulates the team members to be creative and innovative, and to challenge their own beliefs as well as those of the organization. This acquisition leader will need to develop a positive command climate that will build spirited teams and attract motivated and capable employees. The acquisition leader will need to build a positive command climate that will foster collaboration and change the culture.

One of the largest challenges for top acquisition leaders will be to set a positive climate in the organization. This will require more than just managing the process; it will take leadership. "Great institutions are not managed; they are led. They are not administered; they are driven to ever increasing levels of accomplishment by individuals who are passionate about winning."<sup>12</sup> Although management is important to keep the organization running smoothly, management will not provide the organization with long term vision and goals. It is leadership that will define the vision and it is leadership that will align the team with that vision. Leadership will inspire the team to reach the goals despite the obstacles.<sup>13</sup> Ashton Carter, the Under Secretary of Defense for Acquisition, Technology and Logistics,

provided an excellent example of introducing change using leadership mechanisms in his vision address to senior acquisition leaders. His vision highlighted two significant objectives: achieving a better value for the American taxpayer and improving efficiency of Department of Defense business practices.<sup>14</sup>

In Secretary Carter's Memorandum for Acquisition Professionals, he outlines his vision of government acquisition reform. He states, "Today I want to share with you the preliminary outlines of this guidance, so that I can have the benefit of your experience and perspective before I issue it in final form."<sup>15</sup> This statement communicates to the team that he is willing to listen and open to other ideas. He encourages those senior acquisition leaders to openly make recommendations based on their vast acquisition experiences with cost, schedule, and performance issues. Secretary Carter's tone in the memorandum breeches those hierarchical ranks and opens up receptiveness to new ideas and recommendations.

On a more intimate organizational level, top acquisition leaders will need to create a vision for organizational success. In this case, it would be the current administration and Secretary Carter's vision for acquisition reform. The challenge begins when the PM has to then take that vision and put it into an action plan. The PM needs to periodically conduct an azimuth check on the progress of these actions to ensure they are working towards completion and still supporting the intent of the vision. This vision and these goals should be clearly communicated throughout the organization to ensure they are understood at all levels. Good communication is a key ingredient to an effective organization. It has become evident that the senior leaders will need to use proven leadership mechanisms to

help create a command climate that will facilitate a successful organizational culture.<sup>16</sup> These leadership mechanisms include the leader's reaction to critical incidents, their use of role modeling and coaching, and how they allocate rewards.

How the senior leadership reacts to a critical incident can determine how an organization openly shares important information. Top acquisition leaders must foster a command climate that encourages an open dialogue. The leader must be able to receive the bad news without shooting the messenger. It is necessary for a leader to have complete access to all available data, insights, and candid points of view in order to critically analyze the issue. The program management staff will quickly recognize if a leader is unable to handle the bad news and will begin to provide information that only supports the leader's views and can lead to bad decisions.<sup>17</sup> The top acquisition leader that has access to all available program information will be able to effectively apply critical thinking to the issue and be able to examine the whole picture to make the right decisions and apply the right resources to fix the problem.

People, funding, time and equipment are a few of the many resources available to the top acquisition leaders. These leaders need to evaluate the resource plan to ensure it adequately supports the vision and goals. As the plan changes, based on new information, the leader will need to adequately adjust the resources to support the requirements. For example, the Secretary of Defense initiated program reductions that eliminated weapons projects that underperformed and were high cost. He began a massive campaign focusing on streamlining the Department of Defense acquisition process. In December 2009, the Army instituted

the Capability Portfolio Review process with the purpose of ensuring that only essential weapons systems are developed and procured in a resource-constrained environment.<sup>18</sup> The Department of Defense cannot afford everything it wants, therefore, the Department of Defense must balance requirements to better align with available funding and current operational warfighter needs.<sup>19</sup> In July 2010, the Vice Chief of Staff of the Army stated, “If you look at any one of these systems as an individual system, you can sell just about anything. But when you look at the entire portfolio, you can start to see where we have duplication in different systems, or maybe we’re over-investing in one and under-investing in another.”<sup>20</sup> Secretary Gates has focused his own position on reforming Department of Defense spending and overhead efficiency savings. His goal is to “eliminate extreme peak/valley characteristics” of the defense budget which have detrimental results.<sup>21</sup> To identify the problem areas, the Capability Portfolio Review was instituted.

The Capability Portfolio Review has three components. The first component is revalidating system requirements of all components Army-wide. The second component is to ensure resources are aligned with the items that are of utmost importance to the warfighter. The last component of the Capability Portfolio Review is to ensure future flexibility of the capabilities-based planning process through institutionalization of resources and acquisitions.<sup>22</sup> In less than a year, the Capability Portfolio Review process has identified a number of programs that were recommended for changes that eliminate redundancies in order to attain an effective, affordable, and modernized Army.<sup>23</sup>

The Army Capability Portfolio Review process is designed to look holistically at requirements versus resources across all components and systems. Included in the revalidation intent are eight programs: Tactical Wheeled Vehicles, Precision Fires, Air and Missile Defense, Radios and Network, Aviation, Engineer Mobility, Combat Vehicles Modernization and Intelligence Surveillance and Reconnaissance.<sup>24</sup> As a result of the first review, the Army announced the cancelation of the Non-Line-of-sight Launch Systems (NLOS). The NLOS fell under the Precision Fires portfolio. It was determined through the Capability Portfolio Review process that the NLOS program was not cost-effective. The Precision Fires operational requirement did not dissolve so the Army has intentions of researching and using different capabilities to fulfill this requirement. In addition, the review recommended and received approval from the Secretary of the Army and Undersecretary of Defense for Acquisition, for a reduction of the Excalibur and Accelerated Precision Mortar initiative rounds.<sup>25</sup>

Simultaneously, The Army announced that the Future Combat System program would transition management responsibilities from under the Program Executive Office Integration to Program Executive Offices that already maintain similar systems. This change was different in comparison to the recommendations for the Precision Fires portfolio. This change altered the Army Acquisition Executive's plan and transitioned management responsibilities.<sup>26</sup> These are significant and direct results of the Capability Portfolio Review. The Capability Portfolio Review provides an outlined framework of instruction to analyze the portfolios and to achieve cost savings and improved effectiveness of Department of

Defense programs.<sup>27</sup> Another instituted change which came about due to the Capability Portfolio Review results is that the senior leadership of the Army has added additional non-materiel areas of focus. These additional focus areas include Training, Workforce Composition, and Installation Service and Information Technology.<sup>28</sup>

It is essential that the Army continues to modernize and transition its operational capabilities, including within it a strategy of affordability. A critical balance between the two is essential and the Capability Portfolio Review appears to provide an excellent assessment method in identifying redundancies and over expenditures. Two of the eleven identified Capability Portfolio Reviews have been completed with remarkable results, and there are nine more, both non-materiel and materiel in nature, that are in the process.<sup>29</sup> As a result of praises of the Capability Portfolio Review, the other military services are also looking at instituting Capability Portfolio Reviews in their own programs and acquisition processes.<sup>30</sup>

The Capability Portfolio Review is proving itself as a tool that will change the next decade of Department of Defense programs. The Vice Chief of Staff of the Army said that the reviews have “turned out to be a much, much more complicated process than we had envisioned. But it was also much more beneficial than we envisioned.”<sup>31</sup> Secretary Carter praised the Army Capability Portfolio Review process as a model for his affordability guidance and is considering the Capability Portfolio Review process as a permanent addition to the Department of Defense acquisition model.<sup>32</sup> The Army’s Capability Portfolio Review is a value added process that should be implemented across the services to eliminate redundancies

to save resources. The Capability Portfolio Review is a step in the right direction and a success that should be celebrated.

Top acquisition leaders must take time to celebrate the win when the team or individual team member reaches a goal. How a leader allocates rewards, performs organization rites and rituals, along with telling stories about important events and people are leadership tools that symbolize the culture of the organization and unite the team members together, motivating them to accomplish the extra. The difference between good organizations and great organizations is going the extra mile. The leader that praises and rewards excellence is working to create a high performance culture. This leader sets demanding goals, measures results, holds people accountable, and then celebrates and rewards successes. They challenge their team throughout the entire acquisition process. They are constantly driving the organization to adapt and to accomplish more, faster, and better.<sup>33</sup>

Congressional leaders also have a leadership responsibility to give direction to the acquisition community to review the process and to institute positive change. House Committee Report 109-89- HR1815, Title VIII Acquisition Policy, addressed concerns about the ability of the Department's Acquisition System to develop and deliver required capabilities within cost, schedule, and performance.<sup>34</sup> However, the situation will unlikely improve until Congress itself also takes an internal review on how it administrates oversight on the programs.

#### Excess Congressional Oversight

Although a large number of the defense acquisition system's problems reside within the Department of Defense, some of the largest problems reside

within Congress. Because of excessive Congressional oversight, acquisition professionals are placed in the position of being afraid to take risks that could possibly be the best solution for their program. In their quest to find a “perfect-world” procurement process, Congress has instituted burdensome mandates.<sup>35</sup>

Thousands of Congressional laws and procedures now inundate the acquisitions process, tying the hands of the acquisition professional. Because so much Congressional oversight is hampering the system, procurement times have slowed to a turtle’s pace.<sup>36</sup> Adding to the heavy laden layers of Congressional bureaucracy, professionals hesitate to take the steps needed to move their programs forward because of fear of breaking the law.<sup>37</sup> The laws and Congressional oversight become counterproductive when a product is not delivered to the warfighter even after seven years of working the acquisition process. This cumbersome process does not help to solve the problems, but only makes an already problematic situation worse.<sup>38</sup>

In an effort to resolve these issues, President Obama signed the Weapon Systems Acquisition Reform Act into law on May, 22 2009. The goal of this new reform act was to improve the results of the acquisition process, with specific emphasis on major defense acquisition programs and major automated information systems. During the signing ceremony, the President stated that the legislation was designed to “limit cost overruns before they spiral out of control. It will strengthen oversight and accountability by appointing officials who will be charged with closely monitoring the weapons systems that we’re purchasing to ensure that costs are controlled.”<sup>39</sup> Although the intent of the Acquisition Reform Act was to help PMs by

identifying and addressing program issues early in the acquisition process, it added yet another statutory oversight requirement to the process.

The second and third order effects of how Congress exercises its legislative and oversight responsibilities regarding Department of Defense acquisition is one of the most important factors contributing to these shortcomings.<sup>40</sup> For example, in 1941, Congress passed the Berry Amendment to protect America's industrial base by giving procurement preference to domestic product sources. More than 60 years later, the United States Army had to consider a foreign source to procure black berets as the new Army headgear. The Defense Logistics Agency had to waive the Berry Amendment domestic procurement requirement in order to procure the Army berets from China, Romania, and other foreign sources. The outcry from domestic American sources and Congress led the Army Chief of Staff to direct the soldiers not to wear the berets made in China which resulted in a disposal of more than 900,000 berets valued at \$6.5M as well as a new policy directive raising the waiver authority to the Secretary of Defense.<sup>41</sup>

Congressional leaders have a vested interest in programs that reside in their Congressional district and may defend those programs regardless if they fail to meet the program requirements, are high cost, or are no longer needed. For example, at the request of the Department of Defense leaders, Congress recently voted to cut the funding for the F-35 Joint Strike Fighter (JSF) second engine procurement. The JSF is the largest defense acquisition program that has suffered from a decade of schedule delays and cost growth. Although Congress has voted

to cut the funding, there is still a chance that the Senate will fight to keep the program funded to maintain jobs in Congressional districts.<sup>42</sup>

It has become apparent that Congressional legislative and oversight activities have sought to centralize acquisition functions. Congress sees centralization as increasing its power to control the acquisition process and specific acquisition decisions. The Congressional centralized approach to management has had a negative effect on the system. The Department of Defense responded by developing a risk-averse mindset that undermines program accountability. In this mindset, the bureaucracy moves towards protecting itself by adding more bureaucracy to diffuse responsibility. In the end, Congress gets more bureaucracy and less accountability out of the acquisition system. Additionally, the excess bureaucracy is itself wasteful and slows the acquisition process.<sup>43</sup>

Congress has remained active in acquisition policy making and has enacted hundreds of acquisition related bills in the last 50 years. A positive example is the Goldwater-Nichols Department of Defense Reorganization Act of 1986, which included major changes to the acquisition decision making structure. The Goldwater-Nichols Act also increased cooperation and interoperability among the services, improved professional military education, and unified the national military command structure.<sup>44</sup> However, in 1985, Congress approved the Defense Authorization Act that established requirements for warranties and then later repealed this requirement in 1997 because the warranties were considered expensive, unnecessary, and unenforceable.<sup>45</sup>

Congress will need to be willing to listen to the acquisition leader's concerns and respond with reforms that encourage decentralized management. This begins with the recognition that it has imposed excessive centralization in the defense acquisition system that neither meets Congress' legislative and oversight intent nor serves the overall effectiveness of the acquisition system.<sup>46</sup>

The Department of Defense carefully selects PMs that have the required experience and leadership skills that can best manage their assigned programs. Current policy assigns the PM as the one individual that is responsible for and has the authority to accomplish program objectives that include development, production, and sustainment of the system. Senior Department of Defense leaders trust and hold the PM accountable for the cost, schedule, and performance of their assigned program.<sup>47</sup> Congressional leaders should also trust these professionals and allow them to lead their teams and provide oversight of their own programs, to some reasonable degree.<sup>48</sup> This alone will speed up the acquisition process. The PM is given specific requirements and when burdened with too many layers of paperwork and oversight, their work becomes stagnant, resulting in little movement towards fielding of products to the warfighter. There must be a balance between Congressional oversight and the leadership of the PM.<sup>49</sup>

#### Program Managers and the Time Certain Development

The PM is responsible for delivering a product to the user within cost, schedule and performance. Achieving the cost, schedule, and performance objectives is the PM's ultimate goal and is often referred to as the triple constraint. The cost constraint reflects the fact that projects cannot be managed without resources.<sup>50</sup> It is essential for the Army to control cost growth of our weapon

systems to be a good steward of taxpayer dollars. Generally, requirements generation is developed without considering cost. The main objective is to develop a capability that addresses a capability gap.<sup>51</sup> The schedule constraint reflects the time necessary to complete the project. As PMs strive to complete projects within schedule, they are challenged with dealing with schedule delays, conflicts and loose time estimates.

The performance constraint is the main purpose of the project. The PM is chartered to develop and produce a materiel product that satisfies the warfighter's requirements. The triple constraint is the focus of the PM's attention as he navigates through the acquisition process. It becomes a juggling act as the PM tries to keep the three balls in the air, each ball representing one of the constraints. Historically, the PM tries to manage all three constraints within the thresholds and objectives and conducts tradeoffs between the constraints to meet the warfighter's requirements.<sup>52</sup>

In November 2010, the Under Secretary of Defense implemented affordability-based decision making as a program milestone. The PM is now directed to treat an affordability target as a Key Performance Parameter.<sup>53</sup> The PM will interpret program cost and affordability as the most important constraint above schedule and performance. It will drive behavior that could possibly impact the program schedule and performance. Affordability will be hard to define at the PM level. Congress may not have the same definition of what is an affordable program. First, the PM will need to meet the warfighter's operational requirement. Secondly, the PM will need to stay on schedule and get the product to the warfighter as soon

as possible. Lastly, the priority must be to attain the highest quality product for the best price. With affordability being mandated as the primary driving force in product selection, it will force the PM to develop the lowest cost product regardless as to whether it is the best value for the warfighter or not.

Isn't it time we change our approach and look at the problem differently? Program managers could procure an affordable product by attacking the problem using a different constraint. This is an opportunity to shift to Time Certain Development and make schedule a Key Performance Parameter. Top acquisition leadership needs to consider changing focus to deliver useful military capability within a specified time.<sup>54</sup>

Historically, Congress and top Department of Defense acquisition leaders have placed the greatest emphasis on costs of the program as the primary constraint for managing and procuring weapon systems and services. Laws and policy in the acquisition system focus on the cost of weapon systems such as the Future Combat System or the Joint Strike Fighter. To a large degree, this focus is understandable and acceptable.<sup>55</sup> It is the duty of acquisition professionals to guard against fraud, waste and abuse of the system. All would agree that it is the responsibility of the government to be a good steward of the taxpayer's dollars.

However, as indicated in the Government Accountability Office's review of Defense Acquisition Programs, cost as the primary focus has not made the anticipated impacts. Growing costs and overrun schedules in DoD-wide programs are still occurring. In 2007, the Defense Acquisition Performance Assessment recommended shifting from the cost constraint to a time based metric. The

assessment indicated that this shift would provide the desired results. The assessment highlighted the culture in the Department of Defense as the problem. The Department of Defense radiates a culture that they refer to as the “conspiracy of hope.”<sup>56</sup>

The conspiracy of hope is a result of instability in a program when industry proposes unrealistic cost, optimistic performance and underestimates technical risk estimates during the acquisition solicitation process and the government is encouraged to accept these proposals.<sup>57</sup> Conspiracy of hope often results in schedule delays and cost overruns. Years are required to drudge through the process and sometimes after millions of dollars are invested, the program is terminated. Ultimately, the warfighter feels the effect. By the time the product is developed, procured, and delivered to the warfighter, the product has lost the competitive, technological edge.

Shifting the constraint to the Time Certain Development will speed up the acquisition process. Placing the focus on time will have greater results in the acquisition world. Programs are more likely to stay on schedule and within cost when not having to constantly change the design because of requirements upgrades. Products will be fielded more rapidly, and can be upgraded as technologies become more refined. The warfighters will benefit when they are fielded with supportable and technologically advanced products. No longer will they be forced to use outdated equipment because the new replacement is stuck in the development phase. The emphasis on the time constraint will drive production, provide faster results and delivery of acceptable products to the user.<sup>58</sup> In addition

to the Time Certain Development, it is essential that from the onset of the acquisition process, the proper requirement must be identified.

### Getting the Requirement Right

A major problem with the Acquisition system is the process in which requirements are determined. In order to first determine what the warfighter needs, the process must begin with getting the perspective from the warfighter. Combatant Commanders play an important role in defining requirements because they are the ultimate user. The Acquisition process currently focuses on the acquisition process, instead of placing the focus on current needs.<sup>59</sup> Getting the system requirement right in the beginning is the key driver to a successful acquisition process. A successful acquisition process should be based on requirements that are relevant in the current and future security environment. This will help avoid “requirements creep” to a program. Requirements creep is a tendency of the user to add to the original performance requirement after the requirement is approved and the system is in development.<sup>60</sup> Those requirements should be validated across the user community and approved by the JROC in a timely manner so they can be developed into a system that will fulfill the Combatant Commanders capability shortfall.<sup>61</sup> The procedures established in the Joint Capabilities Integration and Development System (JCIDS) was designed to support the Chairman of the Joint Chiefs of Staff and the JROC in identifying, assessing, and prioritizing joint military needs.<sup>62</sup> However, leaders have discovered that the JCIDS is slow and complex and is ill suited to respond to the urgent needs of the Combatant Commander.<sup>63</sup> As a result, on March 1, 2009, DOD issued an updated instruction JCIDS (CJCSI 3170.01G), to streamline the requirement validation

process and expand the role of the Joint Capability Board, which reviews and, if appropriate, endorses requirements before they are submitted to the JROC. The new instruction also calls for Combatant Commanders to be more involved in establishing requirements.<sup>64</sup>

### Conclusion and Recommendations

Acquisition reform must begin with Congress. Heavy Congressional oversight has bogged down the system with an overly centralized management process. Less intrusive oversight is an absolute necessity in order to evolve the nation's fighting forces to becoming highly sophisticated, modern entities. Congress needs to adjust their oversight requirements to improve the system and empower the PMs to make cost, schedule and performance decisions without unnecessary and burdensome oversight requirements.

The policy of making affordability a Key Performance Parameter is not a productive solution to solving the problems with the Acquisition process. It is imperative that we change how we look at the constraints. The Key Performance Parameter needs to shift from Affordability to instead, Schedule, making Time Certain Development the priority. The Combatant Commanders must also be involved and work with the Service Chiefs to develop short and long term requirements that are relevant and meet the warfighter's needs.

Senior leaders must develop their organization's culture and command climate to welcome positive change by using effective leadership mechanisms. As Ashton Carter demonstrated in his speech to acquisition professionals, this integration must take place from the top down. The willingness to listen to

recommendations for improvements from subordinates is essential in order to implement change in the right direction.

The Capability Portfolio Review Process is making a difference within the Army. The Secretary of Defense should institute the Capability Portfolio Review process across all Department of Defense service programs. The Capability Portfolio Review process has proven to be a refining tool that can be used to identify redundancies and useless programs for possible termination.

It is the senior leader who must drive the vision forward, adapt and overcome obstacles, encourage communication within the team, and then celebrate and reward successes. This, together with the adjustment of Congressional oversight, the identification and development of true requirements and the refocus of acquisition priority to Time Certain Development, will guarantee success in streamlining the acquisition process.

## Endnotes

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