



## DAPA Project Public Meeting Summary

### ***Defense Acquisition Performance Assessment***

Thursday, August 10, 2005, 9:00 AM – 4:00 PM

Panel and Staff Present: Ronald Kadish, Gerald Abbott, Frank Cappuccio, Richard Hawley, Paul Kern, Don Kozlowski, David Patterson, and Eileen Giglio.

Location: Anteon Corporation  
1560 Wilson Blvd  
Arlington, VA 22209

#### Opening Remarks (9:00 AM)

- Mr. Dave Patterson, Project Director, introduced the panel members and the Project Officers assigned to assist the panel
- Chairman Kadish began by stating the day's objective and outlining the briefings to be given throughout the course of the meeting

#### Interview Process Update (Mr. Michael Mulligan, A-Team Program Manager)

- Description of the interview process
  - 90 minutes
  - Team of two – interviewer and note taker
  - 74 questions
  - Team "hot wash" after interview complete
- Interviewee demographics
  - Industry executives and program managers
  - Government acquisition executives and program managers
  - Labor union leadership
  - Trade association executives
- Process provides a comprehensive functional inquiry of a diverse stakeholder population with an aggressive interview schedule culminating in a challenging aggregation task

#### Big "A" Little "a" (Chairman Kadish)

- Described the three major DoD management systems that interact to facilitate the acquisition process:
  - The Planning Programming Budgeting and Execution System (PPBE)
  - The Joint Capabilities Integration and Development System (JCIDS)
  - Defense Acquisition
- Explained the Big "A" Little "a" concept
  - Little "a" includes contracting, developing, acquiring, testing, producing and fielding
  - Big "A" includes all of Little "a" plus capability need, resources, operations and sustainment, upgrades/modifications, and retirement/demilitarization
- Little "a" is only effective if
  - Requirement statement is timely
  - Funding is available and stable



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- Technology is mature
- Requirements creep is addressed in approved increments of capability
- “The total process must be addressed to truly benefit any portion of the process”

#### National Defense Industrial Association (Mr. Lawrence Farrell, Jr., President)

- Recommended the panel focus on three areas
  - How we select and train program managers
  - How we oversee programs that are underway
  - How to fix accountability
- Acquisition is more art than science, and expertise and excellence is gained through on-the-job-training and proper mentoring by experts
- DoD provides very poor oversight for the acquisition process
- Scattered acquisition authorities with no centralized accountability
- Recommendations:
  - Good acquisition and ethics rules already established that should be followed
  - Re-emphasize the DoD acquisition framework
  - Develop a foreign comparative test program and take full advantage of the benefits
  - Re-emphasize fair profit policies for industry
  - Ensure program managers have proper authority over contracting and resources needed to execute programs effectively
  - Return the acquisition system to the service chiefs and the acquisition command
  - Encouraging “joint” experimentation, test and evaluation, and model simulation enhancement
- Must find a way to force trade-offs between the perfect and the possible by allotting accountability and authority for acquisition and requirements in the same person, and getting operators involved up front in iterating requirements

#### L-3 Communications Corporation (Mr. Frank Lanza, Chairman)

- Began by familiarizing audience with L-3 history and market focus
- Gave brief overview of industry consolidation during the last decade
- Proposed three process steps to improve the acquisition system in “make or buy” decisions
  - RFPs should require prime to establish formal make or buy decision process
  - DAB should review make or buy plans for key areas of program
  - After award, program office needs to actively monitor prime, retain right to exercise disapproval of decisions to make instead of buy, and approve any exceptions in the formal program make/buy policy

#### BAE Systems (Mr. Mark Ronald, President & CEO)

- Problems with the Defense Acquisition System
  - Cost growth
  - Schedule delays
  - Unfilled requirements



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- Problems are getting tougher
  - Programs more complex
  - Massive industry consolidation
  - Requirements less stable due to less defined and varied threats
  - Economic reality put increasing pressure on defense budgets
- Recommendations
  - Stabilize program funding through rigorous cost realism assessments, add management reserve, and funding over multiple fiscal years to minimize impact of competing political priorities
  - Manage requirements better by establishing realistic and achievable requirements, eliminate unplanned requirements changes and establish a more disciplined application of design to unit cost, technology insertion, and spiral development procedures
  - Bolster the acquisition corps by consolidation, increase stability of leadership and create independent systems engineering capability within DoD to participate in major milestone reviews
  - Partner with industry early in the planning stages
  - Apply performance-based contracting more broadly, i.e. buy outcomes, not inputs, and set required performance levels with appropriate rewards and penalties
  - Use parallel concept studies followed by demos more frequently

### Chairman Kadish's Closing Remarks

Adjourn (3:45 PM)

APPROVED/   
Col Alan J. Boykin, USAF  
Designated Federal Official

15 August 2005  
Date 