Implementing Acquisition Reform:
The Decker-Wagner Army Acquisition Review

The Army Acquisition Review (AAR) panel, co-chaired by the Honorable Gilbert F. Decker and General (R) Louis C. Wagner, Jr, submitted a report to the Secretary of the Army, entitled "Army Strong: Equipped, Trained and Ready, Final Report of the 2010 Army Acquisition Review" in January 2011 .

The distinguished experts on the panel developed a series of recommendations which will improve the Army's acquisition processes. The AAR provides a roadmap for systemic improvements to the way we design, develop, test, buy and field weapons and equipment used by Soldiers. This summary provides a brief overview of the recommendations presented in the report and of the Army's plan to implement them.

Introduction

A deliberate acquisition process requires critical contributions from a diverse body of Army and DoD organizations, each with different areas of expertise, ranging from requirements development, engineering, program management and testing to resourcing. As expressed in the AAR, the key to improvement lies in our ability to effectively harmonize these inputs over the life of an acquisition program to deliver new capabilities on a timely and cost-effective basis.

The Army fully supports the overall blueprint for acquisition reform articulated in the AAR and has committed to the implementation of all but 13 of the 76 AAR recommendations. Of the 63 recommendations the Army intends to adopt all are assigned to Army entities to develop plans to implement. Six of the recommendations require action by the Army in partnership with the Office of the Secretary of Defense (OSD) and/or other entities.

The benefits of these improvements to our processes and procedures may not be felt immediately. Some will go into effect immediately through as simple as an internal policy change while others will require extensive coordination and support. These include changes that require DoD-wide support and assistance from Congress. In addition, some of the AAR recommendations call for process improvements with discernible benefits over the full lifecycle of acquisition programs, especially in the case of future ACAT-1 programs. The Army has recently initiated a review of the Institutional Army that will yield efficiencies and savings over time. The implementation of some AAR recommendations may be impacted additionally by the results of this ongoing analysis.

Army Accepted Recommendations

1. 0: "Charter a Task Force Co-Chaired by the USA and VCSA to ensure the implementation of these recommendations"

ANALYSIS:

The AAR recommendations involve efforts by multiple Army commands and organizations. The Army's implementation efforts will be led by the Deputy Undersecretary of the Army with assistance from the Acting Assistant Secretary of the Army (Acquisition, Logistics & Technology).

ORGANIZATIONS/COMMANDS INVOLVED: Office of the Deputy Undersecretary of the Army, ASA(ALT)

ESTIMATED TIMELINE: 1 year to complete oversight of all AAR recommendations

2. 1.1: "A TRADOC-led Integrated Capabilities Development Team (ICDT) with personnel from the Army Staff and Secretariat, AMC, ATEC and other Army Commands should collaboratively develop requirements documents for AROC approval"

ANALYSIS:

This recommendation calls for a more "collaborative and timely" requirements process that involves the acquisition, resourcing, and testing communities working together throughout the creation of requirements documents. The goal is to mitigate delay and avoid the current sequential "heel-to-toe" process and replace it with a concurrent process. This approach will allow technical and resource-informed trade-offs to begin occurring at the earliest stage of the acquisition cycle – long before they present the risk of cost escalation or delay in specific programs.

ORGANIZATIONS/COMMANDS INVOLVED: G-3/5/7
TRADOC; G-8

ESTIMATED TIMELINE: 3 months to establish ICDTs; implementation may be impacted by the pending Army Capability Development Study

3. 1.3: "Reduce the current practice of serial (saw-tooth) TRADOC-Army-Joint staffing and approval of requirements, acquisition and testing documents."

ANALYSIS:

The goal again is to mitigate delay, avoid the current sequential "heel-to-toe" process and replace it with a concurrent process. TRADOC has established new standards for the time required to staff requirements documents and is instituting changes.

ORGANIZATIONS/COMMANDS INVOLVED: TRADOC
G-3/5/7; G-8

ESTIMATED TIMELINE: 6 months; implementation may be impacted by the pending Army Capability Development Study

4. 1.4: "CSA recommend JCS terminate the current JCIDS process or require collaboration by J8 and appropriate Joint Staff with the Army during the requirements development process"

ANALYSIS:

The serial nature of the process by which the Army develops requirements is compounded by the separate Joint Capabilities Integration Development System (JCIDS) process required for large ACAT-1 programs. JCIDS provides oversight by OSD and the Joint Chiefs of Staff (JCS) but can add 15-22 months to the process. While OSD and JCS input in certain requirements may be required, the requirements process should facilitate collaborative participation by all stakeholders early in the process.

The JCS is currently examining various reforms to the JCIDS process.

ORGANIZATIONS/COMMANDS INVOLVED: G-3/5/7
JCS (J-8); OSD; G-8

ESTIMATED TIMELINE: 3 months to develop proposal for OSD; implementation may be impacted by the pending Army Capability Development Study.

5. 1.5: "Institutionalize rapid acquisition in policy guidelines and amend AR 71-9 to support rapid acquisition in response to ONS from COCOMs during quiescent periods"

ANALYSIS:

The organizations established to facilitate rapid acquisition efforts should be reviewed and duplicative functions should be consolidated within the appropriate Army organizations however, the processes and skills must be preserved and institutionalized to provide COCOMs responsive support where required.

ORGANIZATIONS/COMMANDS INVOLVED: G-3/5/7
ASA(ALT)

ESTIMATED TIMELINE: 3 months; implementation may be impacted by the pending Army Capability Development Study

6. 1.7: "Synchronize TRADOC and Army requirements approval, MDD, MS A and MS B decisions to align with the DA POM and budget development schedules"

ANALYSIS:

The Army should synchronize its requirements approval process to inform the way the Army makes established POM and budget decisions. TRADOC initiated a document processing cycle last year in an effort to address this issue. TRADOC's ongoing efforts will be synchronized with the ongoing Institutional Army Review.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
TRADOC

ESTIMATED TIMELINE: 3 months; implementation may be impacted by the pending Army Capability Development Study

7. 2.1: "Limit the number of KPPs and KSAs"

ANALYSIS:

Development of affordable and achievable acquisition programs requires the early identification trade space in systems design. The number of Key Performance Parameters (KPP) and Key System Attributes (KSA) in requirements documents has a significant impact on cost and schedule. The Army must strike a balance that achieves maximum flexibility, best value and achievable solutions.

ORGANIZATIONS/COMMANDS INVOLVED: TRADOC

ESTIMATED TIMELINE: 3 months; implementation may be impacted by the pending Army Capability Development Study

8. 2.2: "Establish threshold and objective values for KSAs to enable tradeoffs"

ANALYSIS:

In conjunction with recommendation 2.1, industry must have flexibility in trading KSAs in order to drive designs to cost-effective proposals that can be achieved on realistic timetables. In developing RFPs for future systems, the Army must carefully tailor KSAs that support the acquisition strategy by establishing threshold and objective values for each.

ORGANIZATIONS/COMMANDS INVOLVED: TRADOC

ESTIMATED TIMELINE: 3 months; implementation may be impacted by the pending Army Capability Development Study

9. 2.3: "Obtain initial system cost parameters from G-8 and DASA(CE) prior to MDD"

ANALYSIS:

An informed cost position is a critical to better inform the acquisition strategy and refine Army requirements. Materiel Development Decisions must consider affordability constraints. Independent assessments by G-8 and DASA(CE) will inform the Army as to the affordability of related systems within modernization efforts for ACAT I (or ACAT I/II) programs.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
DASA (Cost and Economics), G-8

ESTIMATED TIMELINE: 3months; implementation may be impacted by the pending Optimization of Materiel Development and Sustainment Study and the Army Capability Development Study

10. 2.4: "Include MANPRINT metrics and considerations in Systems Engineering Plan and AoA"

ANALYSIS:

Manpower Personnel Integration (MANPRINT) considerations should take place very early in a program, when identified equipment interface issues and design problems can be addressed without significant cost or delay. The Army must develop processes to capture these human engineering considerations before a system is produced and tested.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
Army Materiel Command, G-1

ESTIMATED TIMELINE: 3 months; implementation may be impacted by the pending Optimization of Materiel Development and Sustainment Study

11. 2.5: "Involve test community in developing and costing the test strategy before MS A"

ANALYSIS:

The development of a test strategy for Army systems must result from a collaborative approach with the acquisition and requirements community to achieve cost-effective and timely results. Testing should be to be integrated with system development on an ongoing basis, commencing as early in the acquisition cycle as possible and should be clearly and directly related to operational capabilities.

ORGANIZATIONS/COMMANDS INVOLVED: ATEC
ASA(ALT)

ESTIMATED TIMELINE: 3 months

12. 2.8: "Encourage and fund competitive pre-MS B prototyping of systems, subsystems and components"

ANALYSIS

Already underway, ASA(ALT) has published a policy requiring competitive prototyping for ACAT I programs to control costs. Lessons learned from competitive prototyping programs will be gathered by OSD and shared across Services to help inform continued efforts to implement.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
G8

ESTIMATED TIMELINE: Implementation Underway

13. Recommendation 2.9: "Expand use of fixed price and incentive fee contracts consistent with risk type"

ANALYSIS

The Army is actively expanding the use of fixed-price and incentive fee contracts on low risk programs In conjunction with the OSD(ATL) Director of Defense Procurement & Acquisition Policy (DPAP) and other Services. Fixed-price and incentive fee contracts are a valuable tool for mitigating risk associated with the development of new weapons and equipment. In cases where Army requirements call for systems utilizing mature technologies, fixed-price contracts help avoid cost escalation found in long-term programs. With OSD (AT&L)'s "Better Buying Power" initiative last year, expanded use of this contract type is already underway across DoD.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: Implementation Underway

14. 2.10: "Expand the acquisition of Technology Data Package (TDP) during the development stage when the government has the most leverage, and competes using the TDP during system acquisition and sustainment phases consistent with the estimated risk-reward"

ANALYSIS

The Army is working with OSD(ATL) and other Services to expand access to technical data rights earlier in the acquisition cycle, which will allow for greater competition of platform subsystems and components as well as improve the overall affordability of complex systems. An OSD-led, cross-Service team is currently evaluating the types of Technology Data Packages necessary to enhance competition within different types of systems.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: Implementation Underway

15. 2.11: "Limit documents to those shown in the risk management matrix for a given acquisition type"

ANALYSIS:

OSD(ATL) commenced an initiative 2010 to assess and eliminate non-value added documentation and reports. ASA(ALT) initiated a parallel internal assessment in January 2011 to identify Army-unique documentation and reports for consolidation or elimination. Implementation of this recommendation is complete.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT), OSD (AT&L)

ESTIMATED TIMELINE: Implementation Complete

16. 2.14: "Request OSD and the Congress revise the Nunn-McCurdy Act so that a system block improvement or increased procurement quantity will not cause a breach of the Nunn-McCurdy threshold"

ANALYSIS:

The Nunn-McCurdy provision set forth in the National Defense Authorization Act for FY 1982 is designed to address unwarranted cost escalation in defense acquisition programs by requiring formal notification to Congress of cost growth above designated thresholds. The FY2006 NDAA amended Nunn-McCurdy to require addition of program costs associated with block improvement programs or increased procurement quantities to the approved original program. This change has resulted in a large number of Nunn-McCurdy "breaches" for otherwise stable programs. A Nunn-McCurdy breach triggers a significant amount of documentation and review within DoD and months of delay to the program. In these cases, streamlined procedures and reduced documentation would help to avoid unnecessary delays in program execution.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
OSD(AT&L) to request Congressional support

ESTIMATED TIMELINE: Legislative proposal submitted to OSD

17. 2.15: "Adhere to TRL definitions to assess technological risk"

ANALYSIS:

The Office of the Assistant Secretary of Defense, Research and Engineering (ASD R&E) has recently issued a revised Technology Readiness Assessment (TRA) process for all DoD acquisition programs.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: Implementation Underway

18. 2.17: "Give priority to vertical technology insertion (VTI) and horizontal technology integration (HTI) of proven advanced technologies via evolutionary acquisitions with growth capacity"

ANALYSIS:

Army emphasis on vertical technology insertion (VTI) and horizontal technology integration (HTI) will provide for growth potential in future modernization programs, particularly in the area of SWaP (size, weight and power). The Army will incorporate VTI and HTI within current and future modernization programs as part of a greater effort to manage risk in acquisition programs.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: 3 months

19. 2.18: "Re-establish the difference between IRAD & BP"

ANALYSIS:

The defense industry has focused on near-term proposals, at the expense of long-term investment in Independent Research & Development (IRAD). In many cases, IRAD investments are focused on Bid and Proposal (B&P) activities relating to current Army needs. The Army and OSD are working directly with the ASD (R&E) to develop ways to partner more effectively with industry to revamp IRAD.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
ASD (R&E)

ESTIMATED TIMELINE: 3 months

20. 2.19: "Increase Army visibility into contractor's IRAD programs, but site reviews should be to exchange information, not be just a grading exercise"

ANALYSIS

The Army must understand the ongoing R&D efforts within industry partners just as industry partners must understand Army needs. Information regarding long-term advances can inform future systems concepts and shape Army requirements. Similarly, the exchange with industry will help spur innovation and focus development on solving the Army's problems. Overall, these IRAD reviews with industry will help the Army pursue the right weapons and equipment for soldiers.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
ASD (R&E)

ESTIMATED TIMELINE: 3 months; Implementation underway

21. 2.20: "Build "high Walls" around small, critical areas, rather than subjecting commercial products to ITAR restrictions"

ANALYSIS

The Army has an initiative under way to revise ITAR restrictions governing the exchange of defense related information and technologies from foreign military sales. Revision of the ITAR restrictions may spur innovation within defense industry, as these reforms will likely expand access to foreign markets.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
ASD (R&E)

ESTIMATED TIMELINE: Implementation Underway

22. 2.21: "Continue strong participation in the export control process."

See No. 21 above.

23. 3.2: "Codify the conduct of CPRs in an Army Regulation, with VCSA and the AAE co-chair Session 1"

ANALYSIS:

The Army's Capability Portfolio Reviews (CPRs) have demonstrated clear value in validating Army materiel requirements and have identified redundancies across a cluster of related programs. DoD

incorporated the CPR model across all services to identify and target program efficiencies. The Army will institutionalize CPRs across a broad range of portfolios.

ORGANIZATIONS/COMMANDS INVOLVED: G-3/5/7

ESTIMATED TIMELINE: Implementation underway

24. 3.4: "Seek OSD and Congressional approval of PEO Soldier and Small Unit recommended consolidation and alignment of funding lines for his programs"

ANALYSIS:

PEO Soldier manages over 468 unique soldier products through 76 different lines of funding approved by Congress. This structure has led to difficulty in harmonizing requirements and programs. Further, this splintered approach to funding soldier equipment creates a significant barrier to the introduction of ground-breaking technologies and cost-effective innovations. The Army supports a proposal to consolidate the current 76 funding lines.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(FM&C)
ASA(ALT)

ESTIMATED TIMELINE: 3 months to develop proposal for OSD to request Congressional support

25. 3.5: "Synchronize the ASTAG and ASTWG cycle with the POM submission cycle"

ANALYSIS:

ASA(ALT), G-8 and TRADOC, will synchronize the process by which S&T programs are proposed and approved. This effort will synchronize the Army Science & Technology Advisory Group (ASTAG) and Army Science & Technology Working Group (ASTWG) with the POM submission cycle. The ASTAG will be used as a prioritization body for "Big Army" issues that should have "technology enabled capability solutions" sufficiently ahead of the budgeting process. Specific program plans will be adjudicated for funding and sufficiency by the ASTWG prior to the Army POM process.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
G-8; TRADOC

ESTIMATED TIMELINE: Implementation underway

26. 3.6: "Improve the alignment among the PEO structure, Equipping PEG, BOSs, CPRs and TRADOC CoEs"

ANALYSIS:

Better alignment is needed across PEGs such as Equipping (EE) & Training (TT) so that the Army can field training capabilities concurrently with platform systems - all while maintaining synchronized life cycles for these systems. ASA(ALT) examining ways to align the PEO structure to the TRADOC Centers of

Excellence (CoEs) which develop requirements, and the PEGs which drive resource and modernization decisions.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: 3 months

27. 3.7: "Rebuild the highly efficient and effective triad of the military DASC, SSO [System Synchronization Officers] and PAE [Program Analysis and Evaluation] AO."

ANALYSIS:

DASCs, SSO and PAE should ideally work together to balance requirements, budgets, and priorities to ensure the proper execution of programs. Many Department of Army Systems Coordinator (DASC) positions were previously filled by contractors. The Army has begun in-sourcing and plans to move the DASCs back into the Pentagon this year.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
M&RA; G-8

ESTIMATED TIMELINE: Implementation currently underway

28. 3.8: "Set time limits for document review and decision - Hold staff accountable."

ANALYSIS:

The Army must limit the staffing time associated with document generation and approval throughout the acquisition cycle.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
TRADOC; G-8; G-3

ESTIMATED TIMELINE: 3 months

29. 3.9: "The LCMC CGs should retain their Head Contracting Authority (HCA) role, Depots, Integrated Materiel Management Center (IMMC), and Item Manager functions"

ANALYSIS:

Specific implementation of this recommendation will be coordinated with the currently ongoing Optimization of Materiel Development and Sustainment study.

ORGANIZATIONS/COMMANDS INVOLVED: AMC

ESTIMATED TIMELINE: Pending results from Optimization of Materiel Development and Sustainment study

30. 3.12: "CMO promulgate policy and develop metrics for line and staff accountability in the "Big A""

ANALYSIS:

Staff entities within the Army must also be held accountable for the success or failure of an acquisition program. Personnel in TRADOC, AMC, Army staff and Army Secretariat must be held accountable for their roles in supporting PMs and PEOs to meet established cost, schedule and performance objectives. Metrics must be established to monitor progress and enforce accountability.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
TRADOC; G-3; G-8

ESTIMATED TIMELINE: 3 months / ICW 3.8

31. 3.13: "ASA(ALT) request the ASD(Acquisition) direct DAU to establish an accountability course for PEOs, PMs, TCMs and other personnel involved in the 'Big A'"

ANALYSIS

An accountability course targeted at the broad acquisition population would help foster a better acceptance of the shared responsibility associated with providing Soldiers with weapons and equipment.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
DAU

ESTIMATED TIMELINE: 3 months

32. 3.14: "Stress the importance of having value-added reviews and hold IPTs and their individual members accountable for their actions"

ANALYSIS:

Integrated Product Team (IPT) reviews can impact a program's schedule though excessive and unnecessary data collection. IPT reviews should be tailored to address key program issues while minimizing cumulative schedule impacts.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: 3 months

33. 3.15: "Clarify inherently governmental position" criteria and reduce "grey area" acquisition positions."

ANALYSIS:

The Army has been actively in-sourcing "inherently governmental" positions and will continue as appropriate.

ORGANIZATIONS/COMMANDS INVOLVED: (ASA(M&RA)

ESTIMATED TIMELINE: Ongoing; 3 months (policy)

34. 3.16: "Army leadership improve communication with industry"

ANALYSIS:

A strong and vibrant partnership between the Army's acquisition community and our industry partners is essential to our future success in acquisition. The Secretary of the Army has instituted a quarterly forum with industry CEOs to cultivate this dialogue and exchange. These efforts are complemented by regular industry engagements from ASA(ALT) leadership and PEOs. The Army Acquisition Executive also participates in OSD (AT&L)'s industry engagements.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: Underway

35. 3.17: "Consider a "partnering" relationship with industry to solve issues short of formal protests"

ANALYSIS:

Establishing an office to serve as an ombudsman for industry concerns would help industry understand Army priorities and needs in current and future programs.

ORGANIZATIONS/COMMANDS INVOLVED: Army Office of General Counsel
ASA(ALT)

ESTIMATED TIMELINE: 3 months

36. 4.1: "Reestablish the position of the Deputy Undersecretary of the Army for Operations Research (DUSA(OR)) and staff the office with 9 people, including 3 military analysts"

ANALYSIS:

The Army will benefit from an independent perspective that provides systems analysis as new programs are advocated. Implementation of this recommendation is intertwined with the larger "Roles and Missions of the Army Headquarters" review.

ORGANIZATIONS/COMMANDS INVOLVED: Deputy Under Secretary of the Army

ESTIMATED TIMELINE: 3 Months

37. 4.2: "Increase the authorizations and fill of FA 49 military analysts needed to support Army acquisition."

ANALYSIS:

Military analysts provide the basis for program analyses of alternatives (AoA), cost-benefit determinations and system tradeoffs. This keeps acquisition programs on cost and on schedule while determining the best value to the Army. There is a need for an increased number of qualified analysts to perform this role in existing and future acquisition programs. The Army will make every effort to find qualified systems engineers, quality assurance personnel and analysts to perform this important role.

ORGANIZATIONS/COMMANDS INVOLVED: G1
G-3/5/7; G-8

ESTIMATED TIMELINE: Ongoing

38. 4.3: "Combine analytical capability within AMC (AMSAA, SLAD, LOGSA) into a single organization."

ANALYSIS:

The recommendation asserts that AMC's analytic capability is fragmented and burdened by excessive reporting hierarchies.

ORGANIZATIONS/COMMANDS INVOLVED: AMC

ESTIMATED TIMELINE: 3 Months

39. 4.4: "Direct TRADOC conduct an in-depth review of the required and authorized Capability Development personnel, including scientists and ORSAs and cost analysts at ARCIC, TRAC and Centers of Excellence with a recommended minimum team of 7 ORSA analysts available at each Center of Excellence's CDID; and a minimum of 5 cost analysts at the ARCIC."

ANALYSIS:

TRADOC has conducted an analysis to identify their requirements for cost analysts to support the increased demand for Business Case Analyses (BCAs) in acquisition programs. This review will be extended to Operations Research/Systems Analysis (ORSA) requirements as well.

ORGANIZATIONS/COMMANDS INVOLVED: TRADOC

ESTIMATED TIMELINE: 3 Months

40. 4.5: "Establish a Center for Army Acquisition Lessons Learned within the Center for Military History."

ANALYSIS

The Center for Military History should establish a capacity where lessons learned from successful and unsuccessful acquisition programs can inform future modernization efforts.

ORGANIZATIONS/COMMANDS INVOLVED: Office of the Administrative Assistant (OAA)

ESTIMATED TIMELINE: 3 Months

41. 4.6: "Require an AAR after every milestone decision and program critical event, and a lessons learned report after program MS C or cancellation."

ANALYSIS:

ASAALT has implemented a policy requiring a comprehensive review of Army program developments at key milestones in the acquisition process to capture lessons learned.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: Complete

42. 4.7: "Establish and resource a Directorate for Advanced Systems (DAS) at the AMRDEC, CERDEC, TARDEC and Natick Soldier RDEC"

ANALYSIS:

The analysis and documentation required to initiate a Materiel Development Decision (MDD) requires coordinated effort and oversight. Additionally, the current pace of technology has increased the challenges of identifying viable technologies for migration into acquisition programs.

ORGANIZATIONS/COMMANDS INVOLVED: AMC

ESTIMATED TIMELINE: 3 Months with input from Optimization of Materiel Development and Sustainment study

43. 4.8: "Assign a Concept Manager from the PEO or DASC prior to Milestone A for ACAT I programs."

ANALYSIS:

Concept Mangers from ASA(ALT) would help spearhead developmental efforts within RDECs at the pre-Milestone A stage in large ACAT I programs.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
AMC

ESTIMATED TIMELINE: 3 months

44. 4.9: "Establish data-informed process for balancing acquisition workforce requests, supply and quality."

ANALYSIS:

There are a broad range of personnel involved in acquisition, including both government and support contractor personnel. Position and skill requirements change over time, which adds to the challenge. ASA(ALT) is currently reviewing the TDAs (Table of Distribution and Allowances) to develop a process to make this information accessible to assist in keeping the acquisition workforce properly balanced.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
AMC

ESTIMATED TIMELINE: 3 Months; underway

45. 4.10: "Increase the number of qualified systems engineering, cost estimating, quality assurance and ORSA personnel in the 'Big A'."

ANALYSIS:

Acquisition activities place significant demands for skills in operations analysis, systems engineering, systems analysis, cost estimating, contracting and quality assurance. Many of these resources have been diverted to current operations over the past ten years. The Army has hired over 1300 journeyman and interns across these broad categories using the Defense Acquisition Workforce Development Fund (DAWDF). Army's goal is to hire 1885 individuals by FY15. However, the shortage of systems engineers is a systemic problem across industry and all the services. It takes well over a decade to develop and mature a system engineer with domain expertise.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(M&RA)
ASA(ALT)

ESTIMATED TIMELINE: Ongoing: 6 Month (updated TDA)

46. 4.11: "Leverage FFRDCs and UARCs to make up for the shortfalls in the Army's system engineering and analytic capabilities until the bench is replenished."

ANALYSIS:

The Army has implemented use of these Federally Funded Research and Development Centers to provide expertise as Army platforms become increasingly interconnected. PEO Command, Control, Communications – Tactical (C3T), JPEO Joint Tactical Radio System (JTRS) and PEO Soldier use these institutions to enhance system engineering capabilities.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: 3 months (policy); ongoing

47. 4.13: "Establish an ASA(ALT) Deputy Assistant Secretary for Services with a small staff for services acquisition, with similar responsibilities, authorities and accountability to those of the ASA(ALT) Deputy for Weapons Systems"

ANALYSIS:

In Nov. 2010 the Army designated Mr. Jim Sutton to be the DASA(Services). The DASA(S) is responsible for establishing policy, processes, metrics, compliance, guidance, mediation and review of Army service contracts.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: Implementation complete

48. 4.14: "Complete implementation of Gansler recommendations, to include recommended improvements in services contracting"

ANALYSIS:

The Army has completed implementation of 20 out of 22 Army specific recommendations from the Gansler Commission report. The Army continues to work diligently on two remaining ongoing efforts: rebuilding the contracting workforce and developing support tools

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: 2 Months; Implementation underway

49. 4.15: "Fully support the ASA(ALT) initiative to add 'Contracting for the Non-contracts Professional Course' recently added to the HQDA 'How the Army Runs' Course"

ANALYSIS:
The Army has implemented a course for Army leaders on procurement oversight and management issues.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: complete

50. 4.16: "Improve quality of Program, Project and Product management"

ANALYSIS:

Program, Project and Product Managers should possess a broad range of experience and assignments reflecting their qualifications. Assignment of personnel with more extensive experience, subject to the Army's inventory, could help improve the management of Army programs. It may require consideration for GO positions in certain instances.

ORGANIZATIONS/COMMANDS INVOLVED: G-1
ASA(ALT)

ESTIMATED TIMELINE: 3 months

51. 4.17: "Improve qualifications of TRADOC Capability Managers (TCM)"

ANALYSIS:

The AAR recommends limiting the portfolios of some TCMs to better align their skill sets. The current TCM force structure is aligned with broad capabilities rather than a single focus which provides effective portfolio integration. Specifically targeting qualifications to limited portfolios may improve the requirements development process.

ORGANIZATIONS/COMMANDS INVOLVED: G-1

ESTIMATED TIMELINE: 3 months

52. 4.18: "Provide Army Acquisition Corps (AAC) members an opportunity for re-greening through full resident participation at AWC and CGSC, and short assignment of potential PMs to staff positions in operational units"

ANALYSIS:

The acquisition corps needs exposure to the operational force. Acquisition officers should be assigned, alongside their operational counterparts, to the Army War College and Command and General Staff College. Short-term assignment of program managers within operational units would be valuable experiences to help acquisition corps officers better understand operational requirements in designing, developing and procuring future weapons and equipment.

ORGANIZATIONS/COMMANDS INVOLVED: G1

ESTIMATED TIMELINE: 3 months (Develop policy)

53. 4.19: "Increase AAC members' experience and understanding of high technology"

ANALYSIS:

The Army already provides acquisition corps officers with PhDs an opportunity to serve as deputy PMs at DARPA . Assignments to NASA, and the national labs are potentially valuable, but will constitute a demand on the inventory of military Acquisition Corps members. The Army will work to expand the number of officers assigned to the organizations.

ORGANIZATIONS/COMMANDS INVOLVED: G-3/5/7

ESTIMATED TIMELINE: 3 months (Develop Program)

54. 4.20: "Request a DAU course for PEOs, PMs and contracting officers on how industry is run, including familiarity with the financial 'top' and 'bottom' lines."

ANALYSIS:

The PM's exposure to business practices and concerns is limited, although some participate in industry training programs. Industry experience brings a unique and valuable perspective.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
DAU

ESTIMATED TIMELINE: 3 months

55. 14.21: "Actively solicit assignment of highly qualified Army officers to key OSD and JCS positions"

ANALYSIS:

These assignments bring invaluable experience and OSD and Joint staff perspective to future acquisition leaders . The Army has recently placed several Colonels in key support positions within OSD (AT&L) and the Joint Staff.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT) MILDEP
VCSA (SLD)

ESTIMATED TIMELINE: Ongoing

56. 4.22: "Increase AMSAA and TRAC base funding to reduce reliance on reimbursable funding from the current 40% to 20%"

ANALYSIS:

The current funding levels for AMSAA and TRAC do not fully support the analysis requirements of program offices and early system development.

ORGANIZATIONS/COMMANDS INVOLVED: G-8

ESTIMATED TIMELINE: 1 month

57. 4.23: "Increase both AMSAA and TRAC funding by $10M per year to conduct AoAs"

ANALYSIS:

The number of acquisition-related systems analyses required for Army programs has increased in recent years. This AAR proposal seeks to fully resource the Army organizations primarily responsible for conducting and supporting these studies.

ORGANIZATIONS/COMMANDS INVOLVED: G-8

ESTIMATED TIMELINE: 1 Month

58. 4.24: "Continue to resource the DA program for data collection and development of scenarios, models and simulations to support systems analysis in stability and irregular warfare operations"

ANALYSIS:

Development of models which address stability and irregular warfare would provide a more relevant assessment of systems in a broader range employment.

ORGANIZATIONS/COMMANDS INVOLVED: G-8

ESTIMATED TIMELINE: 1 Month

59. 4.25: "Fully support the DoD Human Social Culture Behavior Modeling Program to integrate human behavior into Army models"

ANALYSIS:

Universities routinely conduct research in the area of social and cultural behavior modeling. This should be incorporated into Army Courses of Action analysis. Models that address human behavior provide a more relevant assessment of systems through a broader range of likely employments.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: 2 Months

60. 4.26: "Develop needed analytic portfolio management tools for the G-8 and CPRs"

ANALYSIS:

Models that address comprehensive portfolios of systems provide a more relevant assessment of the individual systems and their interdependencies through a broader range of employments. This assists in conducting Analysis of Alternatives, as well as Capability Portfolio Reviews.

ORGANIZATIONS/COMMANDS INVOLVED: G-8 (PA&E)

ESTIMATED TIMELINE: 3 months

61. 4.27: "Fence the funds, or fund with a 'capital account', six or less key ACAT I programs"

ANALYSIS:

A capital account would increase funding stability, and reduce turbulence in program execution. Greater funding stability would allow PMs to focus more attention on program management.

ORGANIZATIONS/COMMANDS INVOLVED: G8
ASA(FM&C)

ESTIMATED TIMELINE: 3 months to develop proposal

62. 4.28: "Invest upfront for Integrated Process and Product Development (IPPD) and O&S cost reduction to generate future production and sustainment cost savings"

ANALYSIS:

Operations and Sustainment (O&S) costs typically account for the majority of system costs over the lifecycle of a weapon or piece of equipment. Strategies, such as Integrated Process and Product Development (IPPD), account for O&S costs early and throughout the acquisition cycle and can help control these costs in fielded systems. Analyses, performed at the beginning of a program, identify recurring and life-cycle costs and provide insight on how they can be mitigated by technical and design changes.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)
AMC

ESTIMATED TIMELINE: 3 months

63. 4.29: "Increase the use of multi-year contracts on stable contracts"

ANALYSIS:

Multi-year contracts have been implemented on the following Army programs: Blackhawk, Cargo Helicopter (CH-47), Family of Medium Tactical Vehicles (FMTV) and Paladin Integrated Management program (PIM) (expected in FY12). This effort will continue where appropriate.

ORGANIZATIONS/COMMANDS INVOLVED: ASA(ALT)

ESTIMATED TIMELINE: Implementation underway

Recommendations the Army will not implement

1. 1.2 "For key ACAT I programs, establish a STF, chartered by either the CSA or SecArmy, that is: Prepared to provide some STF members to serve on the SSEB or SSAC"

Background:

There is near unanimous agreement that acquisition reform depends on greater collaboration between the acquisition, requirements and resourcing communities to ensure Soldiers have the right equipment, at the right cost, and at the right time. Recommendation 1.2 in the AAR is part of a series of recommendations designed to require and foster the close collaboration necessary to start acquisition programs on the best possible foundation.

No acquisition program should begin without agreement that the system requirements are realistic and affordable within an established timeframe. This should be reflected in the acquisition strategy and RFPs that guide and initiate materiel development through the acquisition cycle.

Analysis:

While the Army fully agrees with the ongoing need for close collaboration between the acquisition, resourcing and requirements communities, there are concerns with the manner in which the AAR proposed to institutionalize this.
The AAR calls for the creation of separate organization, a Special Task Force (STF), to guide the development of acquisition documents -- including RFPs – for major ACAT I programs. Signature characteristics of this proposed task force include:

- Location outside the Washington, D.C area
- Co-chaired by TRADOC MG and an ASAALT SES
- STF would be convened periodically to prepare for Acquisition Milestone decisions
- STF would be staffed and represented by personnel from ARSTAFF, AMC, TRADOC, ATEC, and would invite JCS, DOT&E and OSD personnel.

- STF would draft RFP for the program and evaluate comments
- Members of the STF would serve on the Source Selection Evaluation Board (SSEB) used to evaluate proposals submitted by industry

The Army believes delay and inefficiency is likely to occur by attempting to manage the development of acquisition strategy, RFPs and acquisition documents through an off-site, ancillary process – yet still subject to oversight in the Pentagon. ACAT I programs are subject to decision-making authority within OSD, and close and continuous collaboration at the staff level must take place between OSD and Army in advance of milestone decisions and key acquisition events. The proposed off-site STF model would either disrupt such Army-OSD collaboration or lose effectiveness as a result.

There are also concerns with the proposed task force structure. RFP development requires specific expertise in the area of federal contracting law, best practices in acquisition, and DoD-wide procurement policy. While the STF model has the advantage of bringing key stakeholders together to work on major programs, it falls short on the expertise needed to produce the best RFP for a given program.

Further, SSEBs are typically comprised of acquisition professionals with expertise in procurement, program management and oversight. They usually have been involved with prior evaluations. Expertise in the procurement process, as well as program management experience, is critical to the function SSEBs perform as they are expected to identify and address problems within contractor proposals before they result in cost increases or schedule delays. STF members originate from different Army organizations, including TRADOC, ARSTAFF, etc. They simply do not have the requisite expertise in acquisition.

2. **2.6: "Promulgate acquisition strategy templates for the 6 types of acquisition programs to manage by risk as well as scope."**
3. **2.7: "Restrict Type 5 acquisitions to only 'game changing' military capabilities"**
4. **2.12: "Emphasize more Type 1, 2 & 3 acquisition for shorter cycles, more stability, and rapid tech insertion and reduced 'requirements/technology creep'"**
5. **2.13: "Require the PM to identify to the ASARC which type of program acquisition strategy is proposed,"**

Background

The four recommendations above are related to implementing a risk-based management approach to Army acquisition. The intent of the risk-based management approach is to tailor acquisition strategies so that program management based on the risk of a program, i.e., likelihood of future schedule delays, cost escalation, engineering challenges, etc.

The AAR recommends mapping all programs into the following six program risk templates and managing acquisition by program risk as defined below:

- Type 1 program: Existing systems, program using non-developmental item (NDI), with engineering changes for safety, Reliability, Availability and Maintainability (RAM), and Life Cycle Cost. Overall Risk = Low.

- Type 2 program: Existing systems, development program with incremental block improvement/upgrade. Overall Risk = Low to Moderate.

- Type 3 program: New system, program intent is to improve an existing capability with proven produced technology and better engineering. Overall Risk = Low to Moderate.

- Type 4 program: New system, which provides a new innovative capability with developed, proven technologies. Overall Risk = Moderate.

- Type 5 program: New system for early adoption of technologies yet to complete development. Overall Risk = High.

- Rapid Acquisition program: Joint Advanced Concept Technology Demonstration (J/ACTD) with Overall Risk = Moderate to High, Rapid Equipping Force (REF) with Overall Risk = Low to Moderate, Rapid Fielding Initiative (RFI) with Overall Risk = Low.

Analysis:

The concern with such an approach stems from the fact that program risk is highly subjective and not so easily categorized into a discrete set of archetypes. Over their lifecycle, programs could migrate between the categories above causing confusion and delay. In DoD, while risk is not explicitly defined within the ACAT level, there is an inherent association. In general, larger $ programs tend to have greater integration complexity, therefore greater risk. Higher $ Research, Development, Test & Evaluation (RDT&E) levels typically have higher technology risk. RDT&E investment is a factor in deciding the level of the ACAT.

Categorizing programs by risk would not likely lead to more effective management. Successful program execution requires the Army to ascertain fundamental elements broader than just categorizing risks, to include:

- Programs must prevent requirements creep. At the beginning of the program, requirement must be locked down to prevent the impossible task of "designing to a moving target". Requirements creep inevitably leads to cost and schedule growth.

- The system under design must possess a modular architecture to enable component level testing prior to subsystems test; subsystems testing prior to full systems testing. This modular architecture should possess an isolation layer (also known as abstraction layer) to prevent hardware modifications from impacting software and vice versa.

- Systems engineering cones-of-tolerance must be performed at the beginning of the program to ensure that the designs have sufficient margin to meet requirements.

- Stable funding must be sought. Instability in program funding creates program delays and cost overruns.

- Risk mitigation planning is essential to managing a successful program and all programs, regardless of size, should perform rigorous risk mitigation planning with progress tracked on a monthly basis.

6. 2.16: "Properly define and promulgate Integration Readiness Levels (IRL) and Manufacturing Readiness Levels (MRL) criteria for use in determining readiness to enter EMD and production."

Analysis:

No one argues that understanding a program's readiness for integration and manufacturing is essential to success but creating additional metrics for milestone decision approval is not needed. Prior to the Engineering and Manufacturing Design (EMD) phase, the system's design has not matured. At such an early stage in the acquisition lifecycle, manufacturing and integration risks are very difficult to accurately predict. Taking this into account, during the EMD phase, there are multiple existing design reviews such as the Preliminary Design Review (PDR) and Critical Design Review (CDR) that already provide metrics and opportunities to address manufacture and integration issues. Prior to exiting EMD, a Manufacturing Readiness Review (MRR) is performed to assess the maturity of manufacturing plan prior to entering Low Rate Initial Production (LRIP).
Of greater concern is that the imposition of metrics – more appropriate for the mature manufacturing and integration phase - at the beginning of the EMD phase will drive system designs to be overly conservative and provide only minor incremental improvements to well-known production-proven designs.

7. 3.1: "VCSA should co-chair the ASARC with the ASA(ALT); ASARC to make appropriate recommendations to the AAE."

Analysis:

The Army acquisition process is governed by a complex patchwork of federal statutes and DoD/Army regulations. The current process establishes several oversight and decision-making steps at key phases of the acquisition cycle, the focus of which is to monitor a program's cost, schedule and performance. As described by Army Regulation 70-1, the ASARC is an Army-level acquisition decision review forum initiated at formal milestones to determine whether a designated program or system is ready to enter the next phase of the acquisition cycle. For ACAT ID programs subject to OSD decision-making authority, ASARCs typically take place just before the equivalent OSD decision-making event—the Defense Acquisition Board (DAB) meeting.

The VCSA's expertise and regular participation in matters affecting the success of acquisition programs – particularly on Army requirements – is beyond dispute. However, the ASARC already provides the VCSA with permanent membership so that he may influence and inform program reviews and execution. The proposed change only complicates scheduling and execution of the forum. It is unneeded.

8. 3.3: "Re-designate PEO Soldier as PEO Soldier and Small Unit"

Analysis:

PEO Soldier acquires the weapons and equipment the soldier carries in today's Army. The soldier is increasingly interconnected role within a small unit in a networked Army. While PEO Soldier's mission and emphasis should expand to address small unit issues - to include burdens on the soldier such as information and power requirements as well as weight - the Army believes that the name of the

organization should remain unchanged. The organization's name should continue to reflect the Army's paramount focus and attention to the individual soldier's needs and concerns.

9. 3.10: "Make PMs lead/accountable for acquisition logistics during development through successful IOC fielding and LCMCs lead/accountable for post-fielding operational logistics."

Analysis

DoDD 5000.01, Encl 1 para E1.1.29 states: "The PM shall be the single point of accountability for accomplishing program objectives for total life-cycle systems management, including sustainment" (emphasis added). To the extent that any confusion over responsibilities exists, it is already settled.

The benefits of this proposal are in doubt, given the increasing sophistication of Army weapon systems and equipment. Current realities dictate that PM's remain involved in the program's lifecycle as system upgrades, service life extension programs (SLEP) and other modifications require their acquisition management expertise and direction. In short, Army weapons and equipment are simply not amenable to such an arbitrary divide in responsibility once they are fielded.

Resolution of this recommendation is intertwined with the ongoing Material Development and Sustainment study.

10. 3.11: "Disestablish RDECOM and return the RDECs to the LCMC Commanders"

Analysis:

Prior to 2002, Research, Development and Engineering Centers (RDEC) were the technical and engineering arm of the Life Cycle Management Commands (LCMC). However, duplicative research and development efforts across different stove-piped LCMCs led to the creation of Research, Development & Engineering Command (RDECOM) to provide oversight and centralized function to the various RDECs. The creation of RDECOM was intended to provide strategic guidance and coordinate the portfolios across the RDECs to prevent duplication of effort.

The need for a more streamlined and efficient R&D headquarters that leverages S&T across the community to solve critical Army problems is evident. Resolution of this recommendation is intertwined with the ongoing Material Development and Sustainment study.

11. 4.12: "AMC establish a cadre of best practitioners experienced in establishing and conducting SSEBs. This cadre deploys to form and lead ACAT I SSEBs & maintains lessons learned."

Background:

The study believes that the Army's professional ranks currently lack the requisite engineering, cost estimation, program execution and contracting expertise necessary to evaluate proposals submitted by industry in response to RFPs due to fewer major programs under development in recent years. The proposed solution is to establish a single core team of Source Selection Evaluation Board (SSEB) experts to review proposals for all ACAT I programs to counter the erosion of these skills.

Analysis:

This proposal exacerbates the purported deficiency. SSEBs currently conduct these evaluations. The skills and knowledge base of SSEB members is highly specific. It requires a keen understanding of Defense procurement, acquisition program management, and engineering within a functional area (e.g., aviation, combat vehicles, and missiles). The Army needs to provide talented rising acquisition professionals to SSEBs in order to grow that requisite expertise. The recommendation that the Army vest the SSEB duties in a single group of professionals diminishes both access and inventory.

12. 4.30: "Focus development and production on what the operational force needs fielded in the next seven years."

Background:

The AAR recommends that the Army focus on development and production on what the operational forces needs fielded in the next 7 years in light of the constrained budget environment and recent experience.

During the past decade of conflict, the Army has increasingly produced vehicles and equipment in rapid acquisition cycles responding to urgent needs by Warfighters. The arguments in favor of such an approach stress the avoidance the risk and requirements creep associated with long development times. Observers of the acquisition process often ask whether the Army should replicate the model employed in development of MRAPs in response to urgent operational needs.

Analysis:

A focus on systems that enable fielding in less than 7 years would significantly increase our reliance on commercial off-the-shelf (COTS) or military off-the-shelf (MOTS) solutions to meet evolving Warfighter requirements. The development of new technologies is critical to providing soldiers with the capabilities to address emerging and more sophisticated threats. The Army needs to take a balanced approach to equipping Soldiers, utilizing readily accessible technologies when available and appropriate, while also cultivating the next state of the art capabilities in our industrial base.

13. 1.6: "Request rapid acquisition discretionary funding for ONS to support COCOMs during such periods"

Background:

The past decade of conflict has led to the development of streamlined acquisition processes to respond to urgent operational needs for materiel in theater which are funded by supplemental appropriations. In a post- drawdown environment, this suggests that the Army incorporate similar processes to address acquisition needs as they arise. Key to this proposal is the suggestion that the Army request a pool of discretionary funds to address the COCOM needs.

Analysis:

This recommendation is appropriate in times of conflict when Overseas Contingency Operations (OCO) funding may be available, but is not feasible in a peacetime environment.