Panel 14 - Capabilities Assessment & Privatization of Defense Acquisition

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Panel 14 - Capabilities Assessment & Privatization of Defense Acquisition

*Budget Uncertainty and Business Management Reform in the Department of Defense: Some Consideration for Acquisition Management*

Philip J. Candreva and Douglas A. Brook, Naval Postgraduate School
Panel 14 - Capabilities Assessment & Privatization of Defense Acquisition

*Improving National Defense Acquisition and Resource Management through Enterprise Organization, Capabilities Assessment, Radical Reengineering, Capital and Longer-term Budgeting and Privatization/Marketization*

Jerry L. McCaffery, Naval Postgraduate School
Budget Uncertainty and Business Management Reform in the Department of Defense

- Defense budgets are going to fall
- Current capacities cannot be sustained
- Big changes in force structure, operations, etc. are needed to meet future contingencies
- It’s silly to think that we can address coming shortfalls improved management alone, although improved management ought to be pursued for its own sake
Improving National Defense Acquisition and Resource Management

- Incremental vs. Transformational reform
  - Elimination of PPBES
  - Present value budgeting
  - Radical re-engineering of acquisition process
  - Marketization/privatization of acquisition
Purpose

• How should human agents use their minds to contrive actions aimed at converting existing conditions into preferred conditions?

• How should communities of researchers and educators assist practitioners in doing so?
The design perspective

- The design perspective poses what-to-do questions, such as
  - How to organize?
  - How to innovate?
  - How to produce efficiently?
  - How to identify and mitigate risks?
  - How to lead?
- The design school also provides answers in the form of “practice theories”
How, Indeed?

- *Investigate* cases whose performance characteristics are outstanding
- *Assume* that performance is attributable to social processes in which practice features play a contingent and instrumental role
- *Attribute* a practice’s performance to the activation or suppression of social mechanisms
How can real-world actors utilize such research?

- Contrive features that activate the same sorts of constructive mechanisms in the target situation as have worked elsewhere.
- Contrive process design features that—in combination with actor participation and operating context—suppress those mechanisms whose effects would undermine a practice’s performance.
The design perspective’s blind spots

- Tends to associate means-ends claims with unwarranted cause-effect claims
- Tends to suggest (misleadingly) that the official organization describes the actual organization
- Tends to undervalue improvisation and mutual adjustment as patterns of action
- Tends to offer superficial conceptions of how management instruments become incorporated into the organizational fabric