



# We Don't Dance Well

Government and Industry  
Defense Materiel  
Acquisition

*Steve Mills*



Department of Defense acquisition programs continue to experience significant challenges in the areas of cost, schedule, and performance. The defense acquisition workforce, elected officials, and other key stakeholders continue to seek ways to improve acquisition processes and systems to meet the needs of the warfighter. Numerous pro-

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cesses, policies, and business approaches have been implemented to address those challenges, which have achieved various degrees of success. The latest attempt to address those challenges is the revised DoD Instruction 5000.02. The changes found in DoDI 5000.02 primarily focus on the early achievement of technology maturity using competitive prototyping prior to Milestone B and rigorous system engineering. Those activities are extremely important and critical to successful acquisition outcomes; however, is the department continuing to miss the mark on other low-cost, high-payoff opportunities to improve overall program performance? Are there practical measures that can be pursued to improve acquisition performance? The answer to both of those questions is an emphatic yes. Acquisition program performance can be greatly improved by focusing on DoD's relationship with industry, particularly in the following areas:

- Understanding and perspective
- Communication
- Education.

### DoD's Perception of Industry

Many members of the defense acquisition workforce fail to appreciate the importance of their relationship with industry partners regarding program performance. Yet DoD and industry need to work closely together. In the Sept. 14, 2009, issue of *Federal Times*, Under Secretary of Defense for Acquisition, Technology and Logistics Ashton Carter put that point into perspective when he said, "I am not a believer that the defense industry is the enemy; they are our partners. We can't arm and defend the country without private industry."

Acquisition employees within the department must acknowledge that private industry builds the necessary products for the warfighter and is a critical member of the materiel acquisition team. That point seems to be forgotten by some acquisition workforce members. A healthy and engaging relationship with industry partners is a critical component of any program and will surely impact—positively or negatively—its cost, schedule, and performance. How can government-led, industry-supported integrated product teams (IPTs) be expected to solve functional program challenges if the underlying relationship between the public and private acquisition communities is inherently flawed? The department must strive to develop, foster, and maintain a positive, healthy relationship with its industry partners.

Also, some in government, including many members of the defense acquisition workforce, fail to understand profit's importance to industry. Reasonable profit is not only a beneficial outcome for private firms but is actually a critical element of success for the department as well. Profit is required for companies to remain in business and for competition to exist, which is also necessary to maintain a robust military industrial base.

Finally, many defense acquisition workforce personnel often fail to appreciate how the performance of their private industry colleagues is impacted by government actions. Poorly written request for proposals (RFPs) and contracts have a negative impact on industry performance. Private firms require clear and stable requirements to perform at maximum efficiency. Clear, concise, and discernable program requirements support effective resource management and cost control. Unexpected requirements changes during program execution, while sometimes unavoidable, rarely have a positive impact on acquisition programs.

### Industry's Perspective of DoD

Some employees of private industry supporting defense acquisition programs possess a healthy understanding of their government customers and teammates. Unfortunately, many others lack that understanding, and that lack of perspective degrades overall program performance in several ways. Both government and industry must have a common understanding of the government's materiel acquisition process. Regrettably, the primary components of materiel acquisition as embodied in DoDI 5000.02 are unfamiliar to many employees in private industry. It is therefore incumbent upon government acquisition professionals to educate their industry partners in the acquisition process. The critical importance of education for both government and industry professionals is addressed at greater length at a later point in this article.

### Clear Communication at All Levels

Communication between the government and private industry with regard to materiel acquisition programs generally begins during the solicitation process and is primarily achieved through written media. The best example of early program communication is the government-developed RFPs. While most personnel in the government and industry are familiar with the RFP and its accompanying processes, many fail to understand the critical importance of the communication taking place at that time. The government must provide clear program requirements when developing and publishing RFPs, which leads to stronger communication later in the program's life cycle.

Often, however, the government fails to produce a quality RFP that solicits a greater exchange of dialog between the government and industry. How can a materiel acquisition program be expected to successfully adhere to cost, schedule, and performance parameters when the RFP is flawed? A poorly written government RFP can adversely affect program execution. In general, private industry goes to great lengths to train and manage resources in order to facilitate proposal development with intensive training and staffing. Industry responds to government RFPs with strategically planned and artfully executed proposals, as demonstrated by the numerous high-quality proposals provided to the government. While acquisition workforce members

receive training on the preparation of solicitations, to include RFP preparation, the training fails to be in the quality and density of our industry partners. The acute differences between the experience and resources of government and industry create an unhealthy balance, which can negatively impact program start up, execution, and performance. An imbalance of expertise and resources also increases the opportunity for contractor protests.

Private industry representatives should strive for openness with their government customer. Openness with the customer will encourage and increase trust, which is a critical component of effective program execution. During the program's execution, private firms should promote government involvement, where appropriate, so as to build and maintain a strong level of trust. Direct, proactive engagement by industry with the government mitigates overall program risk and is the best approach for all concerned. Through direct engagement and effective communication, resolution of program challenges can be achieved. Both government and industry must ensure that effective communication at all levels is a tool for problem resolution.

Another area of less-than-optimal communication between the government and industry during program execution consistently occurs with the various program IPTs. Day-to-day activities and communication at the IPT level are critical components of program execution. IPTs are the problem-solving bodies for acquisition programs. If managed appropriately, the teams also provide a forum for effective communication and conflict resolution. Employees of both government and industry must be well-versed in how to operate as members of IPTs in order to receive the maximum benefit. Defense acquisition workforce members receive effective training on how IPTs should work, why the entities are important, and how to maximize the effectiveness of the team in the Intermediate Systems Acquisition (ACQ 201) course offered by the Defense Acquisition University. The course is a requirement for most members of the defense acquisition workforce. Examples of the IPT tenets taught in the course are:

#### ***IPT Barriers***

- Lack of empowerment
- Unclear goals
- Poor leadership
- Unreasonable schedule
- Insufficient resources
- Lack of commitment.

#### ***IPT Aids***

- Clear goals/charter
- Willing participants
- Right expertise
- Good communication
- Top management support
- Early resolution of issues.

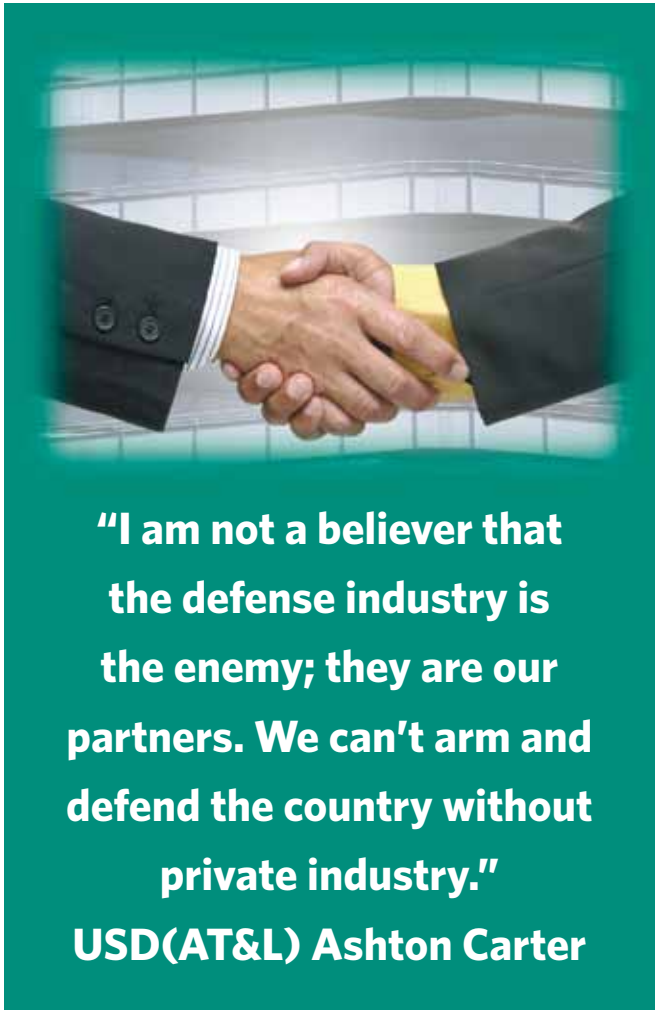


**More focused training  
for both government and  
industry personnel will  
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performance.**

DAU courses place considerable emphasis on the importance of IPTs; and the university's emphasis on IPTs, coupled with real-world experience in defense acquisition, provides defense acquisition workforce members with a solid understanding of the IPT process. Employees of private industry, however, may not always understand the importance of DoD's IPT processes, and IPTs may simply represent another obligatory meeting with their government counterparts. A clear understanding and application of the tenets of IPT membership by industry will have a positive effect on overall program performance. Industry members can gain a stronger understanding of the IPT and their benefits by attendance and completion of the ACQ 201 course taught by DAU.

#### **Education**

This article has discussed the challenges in both perspective and communication between government and industry in the execution of materiel acquisition programs, and many readers would agree that the challenges do exist. The key to overcoming those challenges is through education and leadership emphasis on application. Both DoD and industry expend considerable amounts of time and financial resources to educate personnel, but does the current educational model represent the best use of available re



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**USD(AT&L) Ashton Carter**

sources? Although the answer to this question is not readily apparent, it is clear that both the government and private industry often forfeit opportunities to provide their respective teammates with the necessary skills regarding defense materiel acquisition programs.

For both government and industry, education and application are enabling mechanisms that will positively or negatively affect the cost, schedule, and performance of defense acquisition programs. All acquisition community professionals—government and industry—require high-quality, targeted training. Areas that require additional focus for both government and industry employees are:

- **Requirements Development/Management**—Development, understanding, and management of user requirements is one of the cornerstones of the Defense Acquisition System. The ability to perform those critical functions is essential to the overall success of any defense acquisition program. Both the government and industry require additional training and expertise in this critical area.
- **RFP Development and Execution**—RFP development is the beginning of the department's acquisition process. The

RFP provides user requirements for industry and is the source selection component used to differentiate among offerors. The end result of the RFP and the solicitation process is to select the best-value offeror. The RFP is a critical component of a successful materiel acquisition program. The government clearly has room for improvement in that area. Poorly written and executed RFPs are a contributing factor to the large number of industry protests and poor program performance.

- **Program Management from the Industry Perspective**—Defense acquisition workforce employees, in many cases, do not have an appreciation for the way private industry executes programs. For example, industry standards in program and project management follow guidelines set forth by the Project Management Institute and are embodied in the Project Management Book of Knowledge (PMBOK®). While the parallels between government acquisition management and its public sector counterpart are significant, in practice, few members of the defense acquisition workforce are aware of the industry approach to project and program management. Workforce members' clear understanding and appreciation of those principles would be beneficial to many defense acquisition programs. Furthermore, industry certification and expertise could be used more as a program management or management volume source selection component to assist in determining the best value offeror.

### **The Way Forward: How to Improve**

Several things can be done to address the challenges posed by the incongruous perspectives held by both government and industry. Firstly, while DAU provides a solid set of tools for government employees, industry employees require similar tools as well. Attendance in DAU acquisition courses is an available option for industry representatives; however, employees of private firms consistently fail to fully use such opportunities.

Currently, there is limited incentive for industry attendance. One way to improve industry participation in DAU courses would be for DoD to offer some form of acquisition certification similar to that provided to department employees by the Defense Acquisition Workforce Improvement Act. Currently, only government personnel are eligible to receive DAWIA certification.

Another opportunity to foster a better understanding between government and industry personnel would be to promote industry-standard credentials as a value-added or as a career progression option for DoD acquisition workforce employees. Numerous opportunities exist for this in the private sector, courtesy of the Program Management Institute, including:

- Certified Associate in Project Management (CAPM) for IPT members
- Project Management Professional (PMP) for Project/Program Managers

- Program Management Institute-Risk Management Professional and Scheduling Professional for select individuals

Applicable commercial engineering, information technology, contracting, logistics, and other career field credentials exist as well. Providing the defense acquisition workforce members incentives to seek those industry-standard credentials will convey badly needed insight into how the department's industry partners conduct business.

More focused training for both government and industry personnel will reduce overall program risks and increase program performance. Increased spending and emphasis on the education of the acquisition workforce is already a departmental priority. The cost to improve the education of the workforce is a relatively small investment in decreasing program risk, especially when compared to the costs of recent program overruns.

Another advantage of additional training and education for the workforce is that it will demonstrate leadership's commitment to the professional development of the individual. That applies to both government and industry. The department must figure out how to make the professional development of its private partners part of its acquisition programs, and one opportunity is to introduce additional industry-DoD partnership training to select DAU courses that have the greatest impact on the acquisition workforce and potentially industry. ACQ 201 is such a course. The course provides an in-depth overview of the defense acquisition processes and is a DAWIA requirement for most of the government acquisition workforce members if they are to reach various certification levels in their respective career fields. Currently, the course is composed of two parts—an online, self-paced course and a traditional classroom course. While the course provides tangible results in its current form, extending it from a one-week to a two-week classroom-based course would be a step in the right direction. Additional content could be added, including supplementary, in-depth IPT problem-solving exercises. Adding additional content and coupled with increased industry attendance would help address many of the challenges discussed previously.

DoD acquisition programs function as a team effort between DoD and industry. The difficult process remains challenging from the perspective of cost, schedule, technical performance, and risk. Improvements in program execution through education and communication are possible without incurring great expense and conducting excessive analysis. All the training in the world is only effective if it is applied, which underscores the importance of leadership in both government and industry.

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