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A New Approach to Building a 21st Century Defense Acquisition Workforce

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A NEW APPROACH TO BUILDING A 21ST CENTURY DEFENSE ACQUISITION WORKFORCE

Every year, the Department of Defense (DOD) spends roughly \$300 billion to purchase everything from nuclear submarines to accounting services. The defense acquisition workforce is responsible not only for negotiating prices, enforcing requirements, and managing delivery on these acquisitions, but also for addressing issues like interoperability, sustainability, cyber protection, and supply chain security. And every year, Congress adds complexity to the system, with more than 300 provisions of acquisition legislation enacted in the last four years alone.

Advocates of acquisition reform have long sought changes in the civil service rules to make it easier to build the talent that DOD needs to meet this challenge, but despite the wide array of legislative authorities now available, little has changed. What is needed is not a new set of rules, but a new mindset: If the DOD wants to develop employees rather than just manage them for immediate performance, it must stop making hiring decisions position by position and establish a system that enables it to rotate future civilian leaders through a series of time-limited, career-building assignments. Instead of managing civil service positions, DOD must start managing its people.

The Call for Civilian Personnel Reform

Sixteen years ago, the National Commission on the Public Service (known as the “[Second Volcker Commission](#)”), reported that the federal government was not adequately staffed to meet the demands of the 21st century. Instead of attracting talent, the federal government too often drives it away. “Those who enter the civil service,” the Commission reported, “often find themselves trapped in a maze of rules and regulations that thwart their personal development and stifle their creativity. The best are underpaid, the worst, overpaid. Too many of the most talented leave the public service too early, too many of the least talented stay too long.”

In 2017, the National Academy of Public Administration (NAPA) reached a similar conclusion, finding “serious gaps between the skills agencies needed and the skills they had on board.” The [NAPA report](#) identified human capital shortfalls in areas like cybersecurity, acquisition, and STEM, adding that there are “undoubtedly other areas where agencies face special challenges.” Nobody knows how large the competency gaps are, the report concluded: “The country is flying blind into wicked problems, without enough pilots who know how to direct its programs onto the right routes.”

Almost every major study of the acquisition system, from the 1986 [Packard Commission](#) report to the 2006 Defense Acquisition Performance Assessment ([DAPA](#)), has pointed to shortcomings in workforce training and expertise. A 2016 [Grant Thornton survey](#) found that the federal government continues to “suffer from a capability gap when it comes to hiring, training, and retaining acquisition workers,” and that most of the workforce remains “unprepared or unwilling to take well-reasoned risks to exploit potential innovations or cost savings.” And a 2017

[MITRE study](#) concluded that the acquisition workforce lacks the experience, knowledge, and tools necessary to keep pace with a rapidly-changing environment and effectively execute complex acquisitions.

Reviews of specialized acquisition fields have likewise identified shortfalls. A congressionally-mandated government-industry [panel on technical data rights](#) in government contracting reported in 2018 that acquisition personnel “do not receive adequate, if any, training in this area,” and recommended the development of a specialized cadre of experts. Similarly, a 2019 report of the Defense Innovation Board ([DIB](#)) found that the DOD human resource system fails to build needed software acquisition expertise and recommended “establishing software development as a high-visibility, high-priority career track with specialized recruiting, education, promotion, organization, incentives, and salary.”

Workforce Authorities and Flexibilities are Already Available

Over the last two decades, three very different administrations have proposed far-reaching new personnel authorities to address perceived shortcomings in the federal civil service system. The [Bush Administration](#) implemented an alternative civilian human capital system – the National Security Personnel System (NSPS) – in DOD from 2003 to 2009. The [Obama Administration](#) called for instituting expedited hiring and performance-based pay systems throughout the federal government. And the [Trump Administration](#) has proposed eliminating the General Schedule (GS) system, making it easier to hire and fire federal employees, and “[reskilling](#)” employees in antiquated positions.

The problem, however, may not be a lack of authority. DOD workforce authorities now include pay-for-performance programs and increased pay caps for the acquisition workforce, the science and technology workforce, the intelligence workforce, and the cyber workforce. They include employment authorities for highly-qualified experts, science professionals, temporary and term appointments, and rotational Intergovernmental Personnel Act (IPA) employees. They also include expedited hiring authorities for the acquisition workforce, the scientific and engineering workforce, the financial management workforce, the weapons testing workforce, the intelligence workforce, the cybersecurity workforce, the business management workforce, and the depot maintenance workforce.

DOD has multiple programs to educate, train, and advance the civilian workforce, including three major [leadership development programs](#): the Defense Civilian Emerging Leader Program (DCELP), the Executive Leadership Development Program (ELDP), and the Defense Senior Leader Development Program (DSLDP). It has requirements for mentoring and coaching of civilian employees. It has a strategic workforce [planning guide](#) and detailed [regulations](#) for civilian career management, including competency management frameworks, career ladders, and career maps.

These broad authorities are augmented by a series of special provisions applicable to the acquisition workforce. The Defense Acquisition Workforce Improvement Act ([DAWIA](#)), first enacted in 1990, establishes a separate acquisition corps with its own accession, education, training, and career development requirements. The Acquisition Demonstration ([Acq Demo](#)) program, enacted six years later, authorizes the use of direct hiring, pay-for-performance, performance management, and other flexible management tools. And for more than a decade, the Defense Acquisition Workforce Development Fund has provided a [half a billion dollars a year](#) for workforce hiring, training and development, retention, and recognition.

The Promise and Problem of a Career Development Approach

Why haven't these new authorities been sufficient to build the specialized skills and expertise that DOD says it needs? The 2019 report of the [Section 809 panel](#) on streamlining and codifying acquisition laws and regulations contains a hint, with its recommendation that DOD address shortcomings in the acquisition workforce by developing new acquisition career patterns and career development.

DOD has taken an “unbalanced approach to professionalizing the workforce,” the panel argued, by focusing “primarily on training to meet certification requirements,” rather than long-range career paths that include “jobs of increasing variety, complexity, responsibility, and accountability, leading to management and leadership opportunities.” To address this shortcoming, the panel recommended a new “competency model” for career development that would include qualifications gained through “a combination of education, training, and practice.”

The panel fell short, however, when it came to explaining how its vision for career planning would be implemented in practice. Congress and DOD have provided similar career planning direction on multiple occasions since the enactment of DAWIA more than 25 years ago. In fact, as a member of the staff of the Senate Armed Services Committee in 2010, I helped draft a [legislative mandate](#) for the development of a “deliberate workforce strategy that increases the attainment of key experiences.” And six years later, as Acting Under Secretary of Defense for Personnel and Readiness, I signed [a DOD instruction](#) requiring the development of “a competency-based road map for employees to aid in their career planning and development.”

Unfortunately, none of these past career-planning efforts has achieved the desired objectives. Despite an extensive web of existing requirements, acquisition careers in the civilian acquisition workforce continue to be largely haphazard and unplanned, and the results continue to be unsatisfactory. As the Section 809 panel acknowledged, “Creating a policy that simply publishes career paths and implements a competency model, without recognizing the heavy lifting needed to change culture” is inadequate.

In fact, the panel's recommendations suffer from the same problem as existing policies: they establish expectations for the acquisition workforce, but fail to provide a mechanism by which those expectations can be met. The model career paths envisioned by legislation and regulation

alike are predicated on rotating individuals through a progression of assignments and training experiences, which work cumulatively to build needed skills and competencies, and DOD does not currently have a mechanism for such a rotation.

The military personnel system provides a mechanism for concerted career planning, because military tours of duty have a limited duration – generally three years when the Service member is accompanied by family, two years for unaccompanied tours, and a single year for combat action or other hardship duty. This means that multiple tours can be used to provide successive experiences needed to build skills and competencies. As a result, when a young officer chooses a career in acquisition, he or she can expect to begin a designed sequence of assignments that includes not only a progression of developmental acquisition positions, but also training and educational opportunities, broadening experiences, staff jobs, and command assignments.

The civilian personnel system, by contrast, is centered on positions of potentially unlimited duration. An individual is hired for a particular position, and can expect to remain in that position unless and until he or she applies for and receives a new position. The next developmental position will become available only when it is vacated by the individual occupying it. This position-based system provides little opportunity for systematic career planning and progressive assignment along the lines common to the military's rotational system. The stability of the civilian personnel system enables long-serving senior civilians to achieve levels of specialized expertise and institutional memory that are difficult to match in the military, but it is not readily susceptible to systematic career planning.

In the civilian system, it is up to individual employees to build their own careers by identifying the next job opportunities and seeking to fill them. Training opportunities and broadening assignments may be available, but are not used to build careers in an organized manner. Such opportunities are too often used to reward a star performer or to rid the office of an unproductive worker, rather than to build experience that is relevant to career development and future job opportunities. Supervisory assistance and mentorship may help individual employees in their efforts to rise through the system, but these ad hoc mechanisms are not a sufficient basis for building a workforce. In too many cases, the short-term goals of a local supervisor may not be fully aligned with DOD's interest in the acquisition workforce as a whole.

The Section 809 panel identified this problem when it recommended a public-private exchange program to broaden the experience of defense acquisition professionals. The panel found that multiple exchange programs already exist, but the civilian personnel system discourages their use. Employing offices that participate in exchange programs face the risk of losing talented employees with no prospect for a backfill or replacement. Employees who participate fear that they could lose their current positions without assurance that an equal or better position will be available upon their return. As a result, these potentially beneficial opportunities remain underutilized.

In short, there is a fundamental conflict between DOD’s long-term interest in building a highly-trained and capable career acquisition workforce and the individual, position-based structure of the existing civilian employment system.

A Step Away from Position-Based Employment

What is needed, then, is not new personnel authorities or a new set of requirements for career development, but more effective implementation of existing authorities and requirements. The missing piece is a mechanism that empowers future civilian leaders to build their careers through a series of rotational assignments by separating employment status from position status. A cautious first step away from position-based employment would not have to apply to all positions. Rather, select positions could be designated as career-building slots, and employees could be allowed to opt into an optional “career track,” agreeing to accept a series of rotational, term-limited assignments without giving up their employment status.

In the case of new employees, DOD should take the extra step of separating hiring from placement, using a process sometimes referred to as “[hiring talent pools](#).” Instead of hiring new employees exclusively on a position-by-position basis as it does now, DOD should hire annual cohorts for an acquisition career track, bringing them into a program that incorporates blocks of training and education along with rotational, career-building assignments. Rather than looking for an individual who is suited to each particular entry-level position—usually the least challenging assignment in the workforce—DOD should hire the strongest candidates it can find, train them as a team, and offer them the prospect of steady advancement and new responsibilities.

Cohort hiring would not only streamline and expedite the hiring process; it should make it easier for DOD to access needed talent by assuring new hires of the potential for a career of varied and challenging work from the outset. The greatest competitive advantage the federal government has in the job market is the promise of significant responsibility for an important mission; this advantage may be unnecessarily dissipated when recent graduates are hired for relatively low-challenge entry-level positions and it is left up to them to find their own way to advancement.

To make the new system work, DOD would have to designate developmental positions that would be available for rotation at all levels of the organization, so that a wide variety of challenging future assignments would be visible to employees beginning their careers. The objective would not be to replicate the military rotation system, with the rigidity of its uniform two-to-three year tours and ticket-punching requirements. Many other options are available. For example, initial assignments of one or two years could be followed by longer rotations of up to five or seven years. Assignment terms would not have to be absolute: high-performing employees could be afforded the possibility of moving to new assignments on an expedited basis after developing required skills and competencies.

The key to this change would not be new authorities or new requirements, but a new mindset: instead of managing positions, DOD would have to start managing people. Succession

planning would no longer be solely about hiring a new person for a particular position; instead, the objective would be to match individuals who are already in the workforce with the assignments they need to turn them into innovative, productive acquisition leaders.

The result would be a rotational system for civilian employees—a system that enables career-building opportunities, career-broadening experiences, a constructive mix of training and practical experience, and even public-private exchanges. If DOD gets the rotational system right, it could not only help build more skilled and experienced acquisition workers, but also a more cohesive, productive, and mission-oriented workforce.

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