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Straight Talk: Major Program Manager Views of Defense Acquisition

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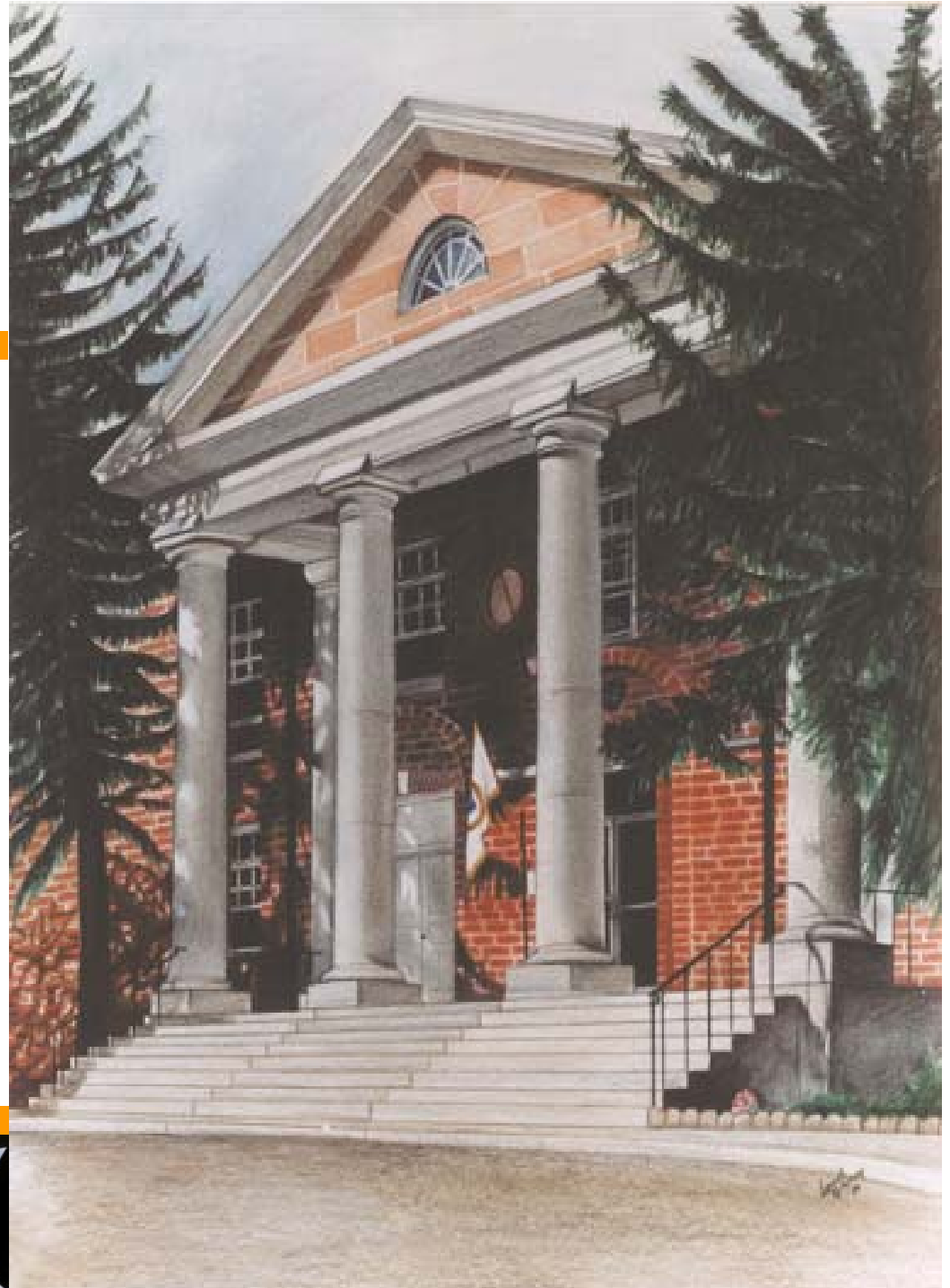
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Straight Talk: Major Program Manager Views of Defense Acquisition

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Naval Postgraduate School
11-12 May 2011
Monterey, CA



- **Analyze results from six Program Manager (PM) Forums attended by 148 major PMs between November 2007 and November 2010**
- **Provide synthesis and presentation of current programmatic issues and trends**



- Feb 2007 – DUSD(A&T) initiated forum idea in collaboration with ACAT I PMs attending DAU executive PM course
- Central tenet -- “Straight Talk” directly from PMs
- Non-attribution environment, unvarnished opinions of what was going well & not so well in Defense acquisition
- Sep 2007 – USD(AT&L) memo created first PM Forum held in conjunction with PEO/SYSCOM at Ft Belvoir, VA

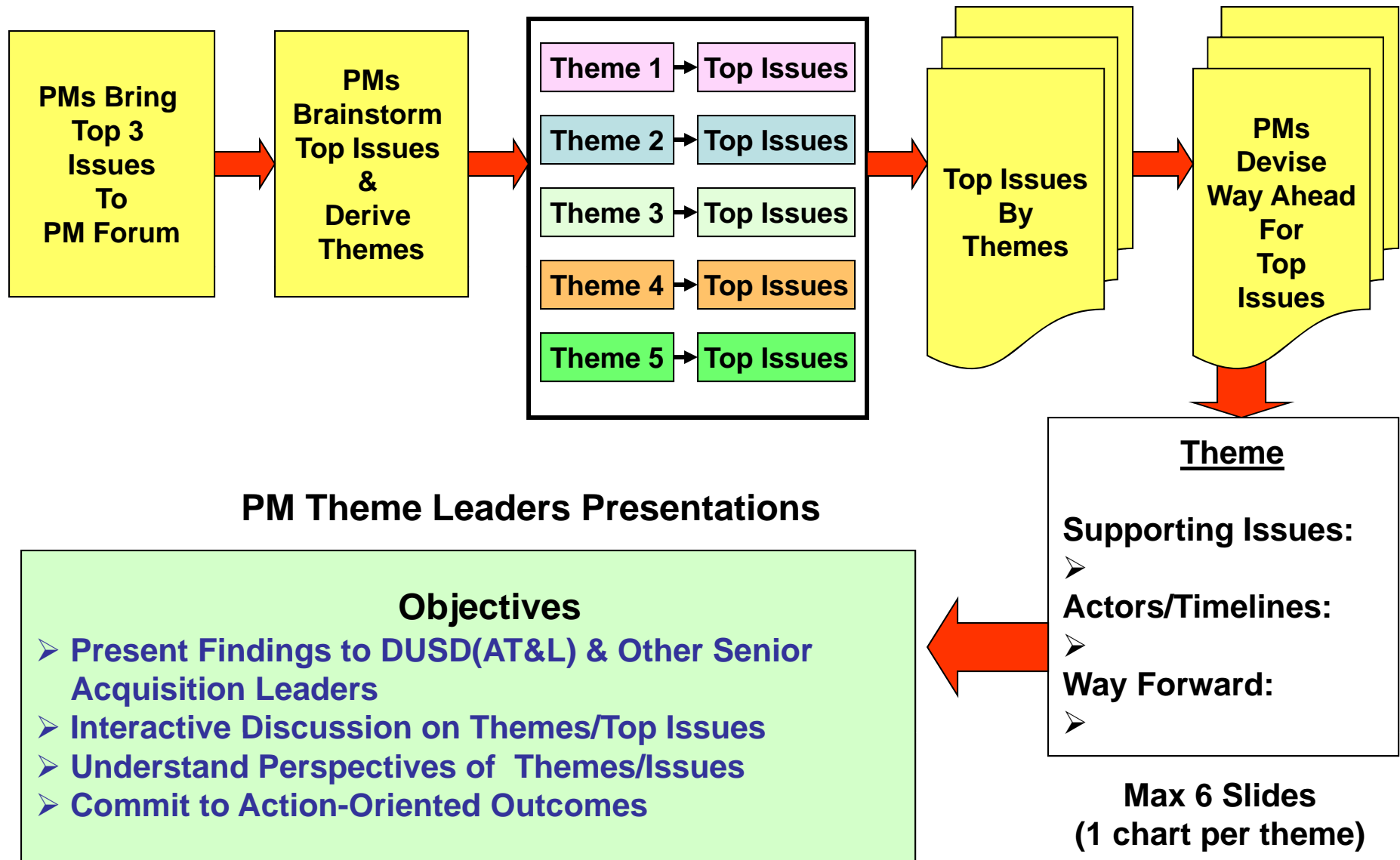


Table 1 Number of PMs Attending Forum by Acquisition Defense Agency

Acquisition Agencies	Nov 2007	Apr 2008	Nov 2008	May 2009	Nov 2009	Nov 2010
BTA	1	2	0	2	0	0
DISA	3	4	3	3	1	2
DLA	0	0	2	0	0	0
MDA	2	3	2	2	1	0
NGA	1	1	0	1	1	1
NSA	0	1	0	0	2	1
USAF	8	6	3	5	4	3
USA	9	3	7	3	4	6
USN	5	4	5	4	5	6
USMC	1	1	1	1	1	2
USSOCOM	2	0	3	1	1	0
USTRANSCOM	0	0	2	0	0	0
Total	32	25	28	22	20	21

Source: Moseley, A. (2010). *PM Forum Outbriefs, November 2007 – November 2010*. Ft. Belvoir, VA: Defense Acquisition University.



Results



Table 2 Summary of Major Themes from the Six PM Forums

8 Nov 07 35 PMs Attended	3 Apr 08 25 PMs Attended	6 Nov 08 26 PMs Attended	28 May 09 24 PMs Attended	5 Nov 09 20 PMs Attended	4 Nov 10 21 PMs Attended
OSD Policy & Staff	Funding Stability	Qualified/Experienced Acquisition Workforce	IT Acquisition & Implementation	Manpower Skills & Knowledge Shortage	Requirements/Testing
Requirements	People, Staffing & Skills	Funding & Contracting	Oversight & Excessive Documentation	Funding Instability & Minimal Reprogramming Authority (Reduces PM Flexibility & Management Control & Causes Frequent Program Restructures)	IT & Software-Intensive Systems
Program Management Resources	Speed of Acquisition	Controlling Requirements	Policy	Requirements Instability, Growth & Inadequate Definition Drive Cost & Schedule Execution Issues	Contracting: Process— Management— Procurement Timeline
Resources-- Personnel	Integration, Interoperability & Interdependency	Inconsistent Policy & Oversight	Staffing & Personnel	Policy Unclear, Inconsistent, & Burdensome	Funding Flexibility & Workforce Experience
Lack of End-to-End System of Systems Engineering Process	Industrial Base		Requirements & Funding	Focus of OSD Staff Misplaced	Leadership Intent: Disconnected Implementation
Testing	Oversight/ Governance			Issues with Contracting & Industrial Base	
Industry	Requirements				

Source: Moseley, A. (2010). *PM Forum Outbriefs, November 2007 – November 2010*. Ft. Belvoir, VA: Defense Acquisition University.



Results (Cont'd)



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Note: Consistent themes highlighted in RED ... each of the major themes shown has supporting sub-issues ... the themes above represent the views of 148 major PMs over a 3-year period (Nov 2007-Nov 2010)

Table 9 Comparative Analysis of the Repetition of Major Themes in PM Forums

Major Themes	Nov 2007	Apr 2008	Nov 2008	May 2009	Nov 2009	Nov 2010
Program Management Resources	X	X	X	X	X	X
Policy/Oversight	X	X	X	X	X	X
Requirements	X	X	X	X	X	X
Acquisition Workforce	X	X	X	X	X	X
Contracting Process			X		X	X
Industrial Base	X	X			X	
IT Acquisition				X		X
Testing	X					X

There is no direct evidence that PM Forum discussions led to changes in acquisition system....

- Workforce initiatives (i.e., Defense Acquisition Workforce Development Fund)
- Congressionally mandated Requirements Management training
- Configuration Steering Boards (help control requirements creep)
- USD(AT&L) efficiency initiatives (one of aims: reducing oversight burden & expensive acquisition documentation)

Unpredictable funding – remains unanswered!



What's Next?



**PM Forum scheduled 1-2 June 2011,
Ft Belvoir, VA**

Back Up



Approach

(Nov 2010 PM Forum)



- ❑ **Twenty one major PMs**
 - ❑ **7 USN; 1 USMC; 3 USAF; 6 USA; 2 DISA; 1 NGA; 1 NSA**
- ❑ **Each PM was solicited for top 3 PM programmatic issues**
- ❑ **PMs brainstormed top issues and aligned them into major themes:**
 1. Requirements/Testing
 2. IT & Software-Intensive Systems
 3. Contracting: Process—Management—Procurement Timeline
 4. Funding Flexibility & Workforce Experience
 5. Leadership Intent: Disconnected Implementation
- ❑ **PMs identified major problems within each theme**
- ❑ **PM outbrief succinctly captures “supporting issues,” “action offices” involved in working/resolving issues, the “timeline” for issue resolution, and the recommended “way forward”**



Strategic Value Linkage to Actions



- 1. Increased workforce productivity**
- 2. Reduced cycle time**
- 3. Increased program office efficiency**
- 4. Reduced cost of doing business**
- 5. Increased team productivity**

Supporting Issues

- ❑ Issue 1: Changes to 100% compliance mandates drive cost in long-term programs
 - ❑ e.g. IA, Environmental
- ❑ Issue 2: OT expectations exceed program requirements
 - ❑ ACAT III/Non-ACAT “below the radar”

Actors / Timeline

- ❑ Issue 1: Policy owners, CAPE, PEO/PM

- ❑ Issue 2: USD (AT&L), J8, CAPE, DOT&E

Way Forward

- ❑ For Issue 1 (SV: 4)
 - ❑ WI: Greater trade space on “mandatory” compliance
 - ❑ AI: ICE needs to include greater allowance for cost growth for IA, Environmental, etc

- ❑ For Issue 2 (SV: 3, 4)
 - ❑ SA: Appeasement of DOT&E to protect high priority systems results in Special Program of Interest inefficiencies (death of 1000 cuts)
 - ❑ AI: USD (AT&L) review sample of programs to maximize efficiencies

Supporting Issues

- ❑ (S1) Weapons System Acquisition Policy inappropriately applied to IT Programs (Business IT, NDI's, SW Intensive "warfighting" capabilities)
 - ❑ TRA, AoA
- ❑ (S2) Dynamic & Inconsistent application of MAIS Governance
- ❑ (S3) Lack of Reciprocity for DIACAP certification

Actors / Timeline

- ❑ AI1 NII??/DCMO --- Now
- ❑ AI2 AT&L & DCMO... 2QFY11
- ❑ AI3 OSD CIO ... 2QFY11

Way Forward

- ❑ AI1– Include MAIS PMs in the IT Policy development team (Business IT and NSS)
- ❑ AI2 - Establish interim guidance during restructuring
- ❑ AI3 – Establish reciprocity policy

- ❑ Benefits:
 - ❑ SV2: Reduced acq lead times
 - ❑ SV3/4: Reduced resources (hours and \$) consumed in approval/oversight process
 - ❑ SV2: Solutions in warfighters' hands earlier

Supporting Issues

- ❑ DCAA Audit process overly conservative/risk adverse
- ❑ Double Standard: Ktr–30-45 days; Govt – 6-18 mos
- ❑ Inexperienced contracting workforce
- ❑ Contracting process exacerbates funds mgmt issues
- ❑ Process over Product: OSD & Services overlap
- ❑ Certification to CICA/TINA & certified cost & pricing data/EVMS actions are redundant and overly burdensome for lower value contracts

Actors / Timeline

- ❑ PCOs/Buyers (Training): 1-2 years
- ❑ DPAP/DCAA/DCMA (Audits): 6 mos – 1 year
- ❑ AT&L/SAEs/DPAP (Policy on PCO-PM relationship) – 6 mos

Need the 80% Solution for Contracting!

Way Forward

- ❑ SA: FARs, DFARs, AFFARs, AFFAR Sup, ARFARS, OSD Policy, Service Policy, Command Policies, Functional Policy...too much regulation?
 - ❑ Protests have made us risk averse
 - ❑ Workforce: Doesn't have bandwidth and experience/judgment to tailor the process
 - ❑ Approval levels too high: dollar thresholds too low
- ❑ AI – Review DCAA audit processes (DPAP) to allow less than 100% perfection in audits
 - ❑ Look to raise Audit thresholds
- ❑ WI: PCOs & Buyers need to partner w/ PM/Technical team to ensure Govt is a smart buyer – PK team generally not experts in the domain (“too much independence” today)
- ❑ AI: PCOs need to take PM training and vice versa—case based vs. “how-to” / checklist
- ❑ AI: Ensure PCOs accountable to the PM while still fulfilling responsibilities (OPCON vs. ADCON)

SV: 2, 3, 4 +

Supporting Issues

- ❑ Fiscal policy (colors, time limits) promote inefficiency
 - ❑ Hampers integration; especially software
 - ❑ Hampers competition; “give it all to the prime to obligate it”
 - ❑ Emphasis on meeting benchmarks drives non-optimal behaviors
 - ❑ CRA degrades ability to execute

Actors / Timeline

- ❑ OASD(ATL) – 1 year
- ❑ USD (Comptroller) – 1 year

Way Forward

- ❑ AI – DoD level panel to analyze and recommend Financial Mgt Regulation (FMR) transformation to modern cost based accounting system
- ❑ AI – DoD recommendations to empower a “person” to make FMR exceptions; eliminate “follow the process when we know something does not make sense mentality”
- ❑ Factor Continuing Resolution into benchmarks; automatic carry-over of funds authorized by FMR (fence the money to provide stability)

SV: 1,2,3,4,5

Supporting Issues

- Matrix organization not effectively growing future workforce
- Limited government experience for Business IT, agile IT
- Lack of dedicated PMO workforce (PCO & Legal) impedes execution
- DAU training emphasizes policy compliance, not mission accomplishment (cost, schedule)

Actors / Timeline

- OSD(AT&L)—1 year
- SAEs—1 year
- DAU—3 years

Way Forward

- Identify workforce constraints by discipline
- Continue in-sourcing with greater flexibility for constructive ACQ certification credit
- IT Project Management is perishable skill that must be a career field of it's own (APM “Little Green Generator” should not become PM “Enterprise Info Systems”)
- Policy driving dedicated workforce for ACAT I programs
- Empower people (KOs) over process; reduce reviews

SV: 1,2,3,4,5

Supporting Issues

- Guidance lacks clarity and completeness (leadership intent)
- Communication Breakdown yields multiple interpretations
 - External stakeholder undue influence
- Tailoring not used effectively
- Too much “Oversight” is non value added
 - Lack of accountability Measures of Success (MOS)

Actors / Timeline

- DAE and OSD staffs--now
- SAE's and Service staffs--now

Way Forward

- Re enforce programmatic leadership chain of responsibility
 - Clarity of intent
 - Enable PMs to execute
- Assess alignment of organization and ensure process supports intent and execution
- Revise DoD 5000.2 to incorporate gates, tailoring criteria, and feedback mechanisms
- OSD and Service staffs define MOS to align DAE/SAE intent with results
 - Evaluate MOS and associated processes prior to gate reviews
 - Tailor out non-value added process steps at gate reviews