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and the impact on acquisition cycles**

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Monterey, California: Naval Postgraduate School

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**JOINT APPLIED PROJECT**

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**AN ANALYSIS OF THE ARMY'S  
FORMAL BUREAUCRACY AND THE  
IMPACT ON ACQUISITION CYCLES**

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**September 2017**

**By: William T. Montgomery  
Shannon L. Laegeler**

**Advisors: Charles Pickar  
Robert Mortlock**

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**AN ANALYSIS OF THE ARMY'S FORMAL BUREAUCRACY AND THE  
IMPACT ON ACQUISITION CYCLES**

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Submitted in partial fulfillment of the requirements for the degree of

**MASTER OF SCIENCE IN PROGRAM MANAGEMENT**

from the

**NAVAL POSTGRADUATE SCHOOL  
September 2017**

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# **AN ANALYSIS OF THE ARMY'S FORMAL BUREAUCRACY AND THE IMPACT ON ACQUISITION CYCLES**

## **ABSTRACT**

The federal government is considered the largest bureaucracy in the world. This joint applied project explains the impacts of operating in a bureaucratic environment. Bureaucracy, with respect to complex weapon system acquisition, is blamed for many of the programs that fail to meet major milestone decisions.

By defining bureaucracy, explaining several bureaucratic models, and introducing decision making in actual Department of Defense (DOD) acquisition, this paper displays acquisition impacts. The paper describes how specific elements in acquisition have negative consequences. In more precise terms, this paper analyzes events in an Army Program Executive Office (PEO), where the Head of Contracting Activities (HCA) was transferred to a single oversight agency, referred to as the "Transition Plan." In the Transition Plan, several themes emerged that identify why initial timelines were not met: key leadership turnover, lack of ownership, and a rigid budget cycle.

This paper compares Allison's Organizational Behavior Model (Model II) to the Transition Plan events to determine whether the model accurately depicts the effect of bureaucracy. Our research is not intended to reform acquisition systems by ridding them of bureaucracy, but rather to understand them and their context so we can do a better job of operating and estimating within them.

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# TABLE OF CONTENTS

<b>I.</b>	<b>INTRODUCTION.....</b>	<b>1</b>
	<b>A. BACKGROUND .....</b>	<b>1</b>
	<b>B. PROBLEM STATEMENT/PROJECT DESCRIPTION.....</b>	<b>2</b>
	<b>C. RESEARCH OBJECTIVES .....</b>	<b>2</b>
	<b>D. RESEARCH QUESTIONS.....</b>	<b>2</b>
	<b>E. PURPOSE AND BENEFIT.....</b>	<b>2</b>
	<b>F. SCOPE/METHODOLOGY .....</b>	<b>3</b>
	<b>G. PROJECT STATEMENT.....</b>	<b>3</b>
	<b>H. REPORT ORGANIZATION.....</b>	<b>3</b>
	<b>I. DEFINITION .....</b>	<b>4</b>
	<b>J. COMMON MODELS OF BUREAUCRACY.....</b>	<b>5</b>
	<b>K. DECISION MAKING MODELS IN BUREAUCRACY .....</b>	<b>7</b>
	<b>L. COST/IMPACT OF BUREAUCRACY .....</b>	<b>7</b>
	<b>M. STUDIES ON BUREAUCRACY .....</b>	<b>9</b>
	<b>N. SUMMARY .....</b>	<b>11</b>
<b>II.</b>	<b>BUREAUCRATIC DECISION MAKING.....</b>	<b>13</b>
	<b>A. ALLISON’S DESCRIPTION OF BUREAUCRATIC DECISION MAKING .....</b>	<b>13</b>
	<b>B. MODEL I—THE RATIONAL ACTOR MODEL .....</b>	<b>13</b>
	<b>C. MODEL II—ORGANIZATIONAL BEHAVIOR MODEL.....</b>	<b>14</b>
	<b>D. MODEL III—GOVERNMENT POLITICS MODEL .....</b>	<b>17</b>
<b>III.</b>	<b>ACQUISITION—EXPLAINING WHY DOD’S ORGANIZATION DESIGN FOR ACQUISITION LEADS TO BUREAUCRACY .....</b>	<b>19</b>
	<b>A. THE CURRENT DEFENSE ACQUISITION SUPPORT SYSTEMS.....</b>	<b>19</b>
	<b>B. LITERATURE REVIEW OF REFORM INITIATIVES.....</b>	<b>22</b>
<b>IV.</b>	<b>RESEARCH METHODOLOGY .....</b>	<b>27</b>
<b>V.</b>	<b>STUDY—BUREAUCRATIC IMPACTS AND DELAYS FOR LARGE ARMY INITIATIVE TO CONSOLIDATE HEAD OF CONTRACTING ACTIVITY (HCA).....</b>	<b>29</b>
	<b>A. “TRANSITION PLAN” BACKGROUND.....</b>	<b>29</b>
	<b>B. TRANSITION PLAN IMPACT #1—LEADERSHIP TURNOVER.....</b>	<b>30</b>

C.	<b>TRANSITION PLAN BUREAUCRACY IMPACT #2— MISSED POM RESOURCING TIMELINES .....</b>	<b>33</b>
D.	<b>TRANSITION PLAN BUREAUCRATIC IMPACT #3— OWNERSHIP.....</b>	<b>36</b>
<b>VI.</b>	<b>ALLISON’S MODEL VALIDATION.....</b>	<b>39</b>
A.	<b>LEADERSHIP TURNOVER AND NEW ACTORS.....</b>	<b>42</b>
B.	<b>INTEROPERABILITY, TRAINING, MEETING ATTENDANCE, LEAVE, SYMPOSIUMS, TRAVEL .....</b>	<b>45</b>
C.	<b>MISALIGNMENT WITH RESOURCES .....</b>	<b>47</b>
D.	<b>CONCLUSION .....</b>	<b>47</b>
<b>VII.</b>	<b>CONCLUSIONS, RECOMMENDATIONS, SUMMARY, AND AREAS FOR FURTHER RESEARCH .....</b>	<b>49</b>
A.	<b>CONCLUSION .....</b>	<b>49</b>
B.	<b>AREAS FOR FURTHER RESEARCH.....</b>	<b>50</b>
	<b>LIST OF REFERENCES .....</b>	<b>53</b>
	<b>INITIAL DISTRIBUTION LIST .....</b>	<b>57</b>

## LIST OF FIGURES

Figure 1.	Integrated Defense Acquisition, Technology, and Logistics Life Cycle Management Framework. Source: Defense Acquisition University (2017).....	16
Figure 2.	The Big “A”—The Three Major Components of Acquisition. Source: Jones (2017).....	20
Figure 3.	Acquisition Environment. Source: Jones (2017). ....	21
Figure 4.	Comparison of Government and Industry Timelines for Acquisition. Source: Jones (2017).....	23
Figure 5.	Timeline of Events for Transition Plan.....	32
Figure 6.	Bureaucratic Impacts in the Transition Plan.....	37

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**LIST OF TABLES**

Table 1. Acquisition Reform Legislation Events. Adapted from Stark, Roth,  
and Bold (2016). .....8

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## LIST OF ACRONYMS AND ABBREVIATIONS

ACC	Army Contracting Command
AMC	Army Materiel Command
ASA(ALT)	Assistant Secretary of the Army (Acquisition, Logistics and Technology)
BBP	Better Buying Power
CEO	Chief Executive Officer
CRS	Congressional Research Service
DAS	Defense Acquisition System
DOD	Department of Defense
FOC	Full Operational Capability
GAO	Government Accountability Office
HCA	Head of Contracting Activity
IOC	Initial Operating Capability
IPT	Integrated Product Team
JCIDS	Joint Capabilities Integration Development System
MAIS	Major Automated Information System
MDA	Milestone Decision Authority
NDAA	National Defense Authorization Act
NDS	National Defense Strategy
NMS	National Military Strategy
NSS	National Security Strategy
OSD	Office of the Secretary of Defense
PBAT	Program Budget Assessment Team
PEO	Program Executive Office, Program Executive Officer
PM	Program Manager
POM	Program Objective Memorandum
PPBE	Planning, Programming, Budgeting, and Execution
S8	Schedule 8
SOP	Standard Operating Procedure

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## **EXECUTIVE SUMMARY**

This research examines the definition, role, and extent to which bureaucracy in Defense Acquisition can impact programs. It first seeks to understand the different representations of bureaucracy by engaging in a literary review, which revealed several common models of bureaucracy and how organizations respond and make decisions within each. As a secondary objective, a model is chosen and examined in light of a live scenario within a Department of Defense program office. The scenario is analyzed for identification of specific bureaucratic events that impact and ultimately delay program objectives.

This research analyzed data and administrative events captured from a live scenario of a current organizational transition that has been on-going within the Agency. It was previously decided that there would be efficiencies gained from such a transition.

First, bureaucracy was defined and explained in terms of how it impacts processes in a program office. The research reveals that despite being blamed for much of what goes wrong in defense organizations, all bureaucracy is not bad, in fact much of it is necessary for a large organizations to function. Formal procedures and structure aid the necessary transfer of information required for organizational success.

Secondly, several common models of bureaucracy were identified and analyzed in order to observe how decisions are made in a bureaucracy. Finally, further research on the effects of bureaucratic behavior through decisions utilizing the work and writings of Graham Allison was examined in light of our live scenario transition event. Allison's Organizational Behavior model was found to be representative of how events unfolded in the live scenario transition event and help explain how decisions were made and the resulting impacts.

The primary objective of this research is to determine factors that impact defense programs and are a result of operating in a bureaucratic environment. By defining bureaucracy, identifying several models of bureaucracy and observing how decisions are

made within a bureaucratic environment, this research has identified and validated additional context and/or factors of operating in a large bureaucracy.

The themes that emerge after analysis of our live scenario indicate several key bureaucratic factors were present to include, leadership turnover and absence, resourcing constraints, ownership ambiguity and negotiations. These outputs from bureaucracy lead to delays, cost overruns, and other negative measurable consequences.

This research established that while bureaucracy may be necessary in large organizations, too much of it results in undesirable impacts to defense programs. The research recommends further analysis and comparison to decision making in private industry in order to streamline current defense acquisition processes and pursue continued innovation. The research also recommends “lean” principles be considered to identify and eliminate unnecessary or unimportant items from the defense acquisition process. Finally, one additional byproduct of the research suggests that while government bureaucracies frequently utilize an integrated project team of individuals to solve problems, streamline processes, and ensure stakeholder representation, in the end this group may not necessarily make timely or accurate decisions, hindering efforts and disrupting direction.

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## I. INTRODUCTION

This section outlines the intent of our project chapters, to show how bureaucracy can impact acquisition programs. In order to do that, we discuss and define the term “bureaucracy,” describe several connotations of the term, identify the relevant models of bureaucracy, and describe how acquisition professionals are representative of the models, and that ultimately programs are impacted. Specifically, this chapter outlines the issues that can occur when Department of Defense (DOD) agencies do not act in an efficient manner, to include impacts like funding cuts, schedule delays, indecision, and project cancellations.

### A. BACKGROUND

“Supporting the warfighter, protecting the taxpayer”—these words...succinctly express the challenges those of us who work in defense acquisition, technology, and logistics face in the austere times we have entered. (Kendall, 2017, p. 21)

One thing the DOD is very good at is creating bureaucracy. New procurement laws lead to the creation of more bureaucracy... it does have the secondary impact of distracting our managers from their job of getting the most out of our resources, and it does increase overhead costs. Frankly, I think we have enough rules; we need fewer rules—not more. (Kendall, 2017, pp. 35–36)

Throughout this joint applied project, we explore the impacts of bureaucracies and why, in and of themselves, they are important to organizations, but at a cost. This importance, however, begins to be dilutive, when specific impacts of the bureaucracy dominate, slowing down and disrupting decision-making in DOD acquisition. We show how the bureaucracy that Mr. Kendall discusses in the aforementioned quotation is evident in a project that was initiated at a Program Executive Office (PEO), where under Army guidance, part of the command was divested to a larger organization and we show how inherent government practices caused impacts to the program. The very intent of that project, to streamline acquisition contracting activities, has succumbed to bureaucracy and what would seemingly be a relatively short and straightforward process, moving

approximately 160 employees from one agency to another, and is behind schedule by two years.

**B. PROBLEM STATEMENT/PROJECT DESCRIPTION**

This project seeks to identify the impacts of bureaucracy within the DOD; that added wait time and bureaucratic processes contribute to acquisition failures. Generally speaking, the government assigns integrated product teams (IPTs) and completes heavily complex studies in an attempt to fix delays in acquisition and bring about reform. We believe in many cases, the answers may be far less complex and have more to do with a culture (for example, built in behavior and designs and an aversion to risk) that inflate a bureaucratic base and drive program management issues.

**C. RESEARCH OBJECTIVES**

The primary objective is to identify specific bureaucratic impacts that lead to delays and non-value processes in Army acquisition. We will expose some common bureaucratic themes that were evident in our research during the “Transition Plan” and their impacts. A secondary objective of this research is to examine the potential of reducing select identified bureaucratic root causes and behaviors, in order to improve acquisition processes and timelines.

**D. RESEARCH QUESTIONS**

This paper is written to determine what impacts bureaucracies have on the Army acquisition process, and are there previously developed models that help describe bureaucratic decision-making in government and perhaps at the local PEO level.

**E. PURPOSE AND BENEFIT**

The purpose of this project is to provide insight as to whether bureaucracies do, in fact, have consequences on program performance. We intend for the research to show that the same kind of bureaucratic impacts common at the highest levels of acquisition can also exist at the program office level. We also expect our research to identify areas where significant and subtle shifts in cultural norms, oversight requirements or design

(military) changes may not materially breach project quality requirements, while reducing layers of bureaucracy in acquisition.

## **F. SCOPE/METHODOLOGY**

This is a literary research project within the DOD with evidentiary conclusions and recommendations being gained from research and local program office information. Our research will allow us to gain data from existing published sources. Our research will also require us to analyze and conclude on the impacts from the data we are able to gain from a specific program office and an acquisition program. Those conclusions will attempt to validate the sufficiency of at least one model of bureaucracy.

## **G. PROJECT STATEMENT**

As of December 2014, DOD's portfolio of major defense acquisition programs (MDAP) included 78 programs with a total acquisition cost of roughly \$1.4 trillion (Government Accountability Office [GAO], 2015, p. 8). Thousands of other DOD-managed programs exist that are simply not considered MDAP. Any reductions in the "cost of bureaucracy," which includes length of time (time to procure, wait-waste, etc.) in the acquisition process generates buying power opportunities and improve overall execution. Because of built-in bureaucratic processes (behaviorally defined, culturally defined and design-defined) which delay the speed of acquisition, buying opportunities are missed and government resources are wasted. Many studies have been completed that detail Program Management (PM) offices' processes and associated timelines in the acquisition stream, and many research papers and publications exist that speak to delays in acquisition as a result of bureaucracy. In this project, we research, accumulate, and categorize the data into meaningful bureaucratic effects, or impacts, so that focused conclusions, recommendations, and further research can be determined.

## **H. REPORT ORGANIZATION**

Chapter I of this research provides background of the problem or current situation that drives our research questions and objectives. It defines bureaucracy and introduces decision making in the context of bureaucracy and begins to describe how bureaucracy

can add resources and cause delays. Chapter II describes various models that help explain the decision making process in bureaucratic environments and identify their impacts. Much of chapter two relies on the United States reaction(s) during the Cuban Missile Crisis to help explain how bureaucratic governments make decisions. Chapter III will describe DOD's acquisition environment (also known as big "A") and a literature review which examines the significant number of bureaucracy reform efforts over the past decade and looks at organizational design elements (i.e., PPBES, JCIDS, and Milestone Decisions) and risk models that drive or deter bureaucratic impacts. Chapter IV discusses our research methodology. Chapter V specifically looks at the bureaucratic processes and corresponding impacts that we observed over the past five years that have delayed a "Transition Plan" that were directed by Army leadership. We will compare and contrast timelines, organizational structures, and processes that have caused these delays and correlate those processes to one of Allison's three models of bureaucracy in Chapter VI. Chapter VII provides results and conclusions and will suggest additional research in the areas of this paper.

## **I. DEFINITION**

In its basic state, bureaucracy is a "body of non-elected government officials, an administrative policy-making group, government characterized by specialization of functions, adherence to fixed rules and a hierarchy of authority, a system of administration marked officialism, red tape and proliferation" ("Bureaucracy," n.d.). Many scholars and government leaders point to the term bureaucracy when they label reason(s) why programs overrun their budgets, fail to obtain funding, stall, or simply get cancelled. Bureaucracies have been "criticized as being inefficient, convoluted, or too inflexible to individuals" (Johnson & Libecap, 1994, p. 9). This paper moves beyond from simply trying to undo bureaucracy and instead we define bureaucracies in terms of how an Army organization behaves and, in particular, how bureaucratic processes impact a program office's cost, schedule, performance, and context. The paper acknowledges bureaucratic lethargy, and within the definition, explores how bureaucracy exists at the program office level. The paper considers large bureaucracy items like multi-level oversight, but also identifies simple built in norms that create bureaucracy, invoking

systems that, in one finding, cause key decision makers to be unavailable during critical phases of a plan (meetings, oversight, training, seminars). Our early research suggests impacts of bureaucracy can be minimized by “promoting more professionalization, higher specialization, and reduction of influences of centralization” (Rai, 1983, p. 44). Stated another way, bureaucracies grow bigger depending on organizational cultures, oversight, risk aversion, standards of procedures, and military foundation.

## **J. COMMON MODELS OF BUREAUCRACY**

At the core of our discussion is the term bureaucracy, and we want to make clear that bureaucracies exist, in order to strengthen an organization or government. They exist for good reason, to protect public trust, ensure due diligence, respect caution and safety, and help “audit” large overarching organizations and projects. Therefore, a discussion of academic models or theories of bureaucracy is important. There are three commonly accepted models that form the basis of bureaucracy; these models explain why bureaucracies exist, but do not necessarily describe the impacts on program activities and decision making that is the intent of our research. First, in the 1930s, Max Weber, a German sociologist, introduced the Weberian Model which describes six major principles 1) a formal hierarchal structure, 2) management by rules, 3) organization by functional specialty, 4) an up-focused or “in-focused” mission, 5) purposefully impersonal, and 6) employment based on technical qualifications and a predisposition to grow the staff “above the line” (Busting Bureaucracy, n.d.). Importantly Weber’s identification of the “iron cage” (Boundless, n.d.) correlated to how a bureaucracy has grown in to our government organizations and in to DOD acquisition. Specifically, Weber acknowledges that bureaucracies will evolve when:

- “Growth in the size of the population being administered; growth in the complexity; existence of a monetary policy,” (Boundless, n.d.), which succinctly describes the United States, our government, and DOD’s acquisition framework.
- “A rational legal authority in which legitimacy is seen from coming from legal order and the laws enacted within,” (Boundless, n.d.), which succinctly describes acquisition hierarchy and supports Mr. Kendall’s suppositions.

- “Rationalization, where traditional motivators of behavior, like values, beliefs, and emotions, are replaced with rational calculations,” (Boundless, n.d.), succinctly describes the excessive oversight and over-reach that paralyzes decision making.

The second model of bureaucracy, the Acquisitive Model of Bureaucracy, states that high level bureaucrats wish to acquire and grow their responsibilities and influence. This model shows that bureaucrats can be highly competitive. The model originates from Italian philosopher Niccolo Machiavelli. Machiavelli said bureaucracies exist as a form of power, and specifically in the ability to cast power; in an early treatise, “since there cannot be good laws without good arms, I will not consider laws but speak of arms” (Reference, n.d., full answer section, para. 1). Georgia Perimeter College explains the financial interests in the acquisitive models, which state that high-level (powerful) government officials are constantly trying to grow their budgets. This model, too, has a place in this project discussion, in terms of the foundation of a bureaucracy and in terms of acquisition (Reference, n.d.), and why it exists.

Third, and also discussed by Weber, is the Monopolistic Model, which asserts that bureaucracies have no competition from other bureaucracies within its own policy environment. This model is similar to a “monopoly” in that there is no competition and therefore there is no incentive to be efficient with its resources (Palomar College, n.d.). In a February 2015 GAO Report on Acquisition Reform, comparative studies between DOD and commercial programs revealed that a more streamlined approach was a natural result of operating in a market environment which incentivized efficient business practices, and competition. “DOD’s acquisitions occur in a different environment in which cycle times are long (10–15 years), management turnover is frequent, accountability is elusive, and cost and schedules are not constrained by market forces. Seen in this light, DOD must have an oversight process that substitutes discipline for commercial market incentives” (GAO, 2015, p. 28).

## **K. DECISION MAKING MODELS IN BUREAUCRACY**

In contrast to the Bureaucratic, Acquisitive, and Monopolistic Models for explaining the existence of bureaucracies in complex organizations, other models explain how decisions are made in bureaucratic organizations and how decision making in a bureaucracy can impact a timeline and an outcome. This is where a deeper level of research interest exists for this paper. For that discussion, we rely on the work of Graham Allison and Philip Zelikow, who wrote *The Essence of Decision: Explaining the Cuban Missile Crisis* (Allison & Zelikow, 1999). He followed that with “Bureaucratic Politics: A Paradigm and Some Policy Implications” (Allison & Halperin, 1972). Importantly this body of knowledge begins to hone in on the effects of bureaucratic behavior through decisions, rather than the description of types of bureaucracies posed by Weber.

In Chapter II, we explore how decision making and the constraints imposed in bureaucracies impacted the Cuban Missile Crisis and more specifically explore how actions during the Cuban Missile Crisis parallel actions taken in DOD. We also describe DOD’s structure for acquisition, how requirements are formed, funded and executed, with respect to the Joint Capabilities Integration and Development System (JCIDS), the Planning, Programming, Budgeting and Execution system (PPBE), and the Defense Acquisition Management System; and how this over-arching process, is inherently riddled with bureaucracy and how the DOD structure can be compared to Allison’s work.

## **L. COST/IMPACT OF BUREAUCRACY**

In order to address our primary research question, the impacts of bureaucracy in DOD must be measured and evaluated. The challenge in doing this is defining or accumulating the costs, because elements like schedule delays are difficult to measure. The GAO has completed studies and often reported that DOD is spending more on programs that take longer to produce fewer quantities. The Defense Business Board Report to the Secretary of Defense (Report FY12–2) referenced GAO figures stating “that DOD’s acquisition cost growth for 2011 was \$135 billion with \$31 billion of that total attributable to inefficiencies and other factors” (Defense Business Board, 2012). DOD attempts to continually measure the impacts of bureaucracy.

Furthermore, there are volumes of studies, referenced previously, and in Congressional history, which address and attempt to resolve excess program costs and inefficiencies due to the bureaucratic process through some type of acquisition reform. Table 1 provides a list of 28 acquisition reform legislation events from 1947 to 2015, all aimed at determining the impacts of bureaucracy and recommending reform.

Table 1. Acquisition Reform Legislation Events. Adapted from Stark, Roth, and Bold (2016).

TITLE	ACQUISITION EFFORT/MILESTONE
1947 National Security Act	Re-forming the War Department into the Department of Defense and Joint Staff.
1949 Hoover Commission	Recommend Administrative changes in federal govt and found military's budgeting system had broken down and urged complete overhaul
1953 DOD Reorganization Act	Designated asst secretaries for supply and logistics and for research and development.
1955 Robertson Committee	Defines roles of project and program managers
1958 Adv. Research Projects Agency est.	Formed to keepup with accelerating pace of technology
1962 1nd 1964 The Weapons Acquisition Process	Two innovative books result that analyse the economics of weapons acquisiiton process
1969 Packard Initiatives	Improve quality of info from devlpmt phase, restore contractor competition to reduce risk and establish MDAs.
1971 Fitzhugh Commission	Called for more protyping and testing: "Fly before you buy."
1972-1979 Congressional Commission on Govt Procurement	Called for fundamental improvements in the patchwork of federal procurement laws, directives and regulations.
1976 Office of Management Budget Circular A-109	Addressed acquisition reform and reducing cost overruns in executive branch agencies.
1981 Carlucci Initiatives	Responded to 1980s horror headlines: \$435 hammers, \$640 toilet seats, \$7,600 coffee makers. Recommend steps to stabilize weapons acquisition process and increaseed use of multiyear funding to gain more efficient production rates.
1982 Nunn-Mcurdy Act	Designed to curtail cost growth in American weapon procurement programs and increased oversight of programs exceeding baseline cost estimates by more than 15 percent.
1985 Packard Commission	Followed 131 separate investigations of DODs top 45 contractors and focused on defense management; evaluated DOD acquisition system, organizational decision making and congressional oversight.
1986 Goldwater-Nichols DOD Reorganization Act	Reworked military chain of command from POTUS through the secretaryof defense to combatant commanders and established the undersecretary of defense for acquisition, technology and logistics.
1989 Secretary of Defense Management Review	Presidential directive to DOD to improve the procurementprocess and management. Recommend fully implementing the Packard Commission recommendations.
1989 Army Acquisition Corps established	
1992 Defense Acquisition University founded	
1993 National Performance Review	VP Al Gore promotes using commercial standards for acquisition programs.
1994 SecDef William J. Perry's 'Acquisition Reform: A mandate for change'	Addressed shrinking industrial base and expzhised the use of commercial technologies when appropriate, reducing military specification except as necessary. Cautioned that commercial technologies were outpacing DOD.
1996 Clinger-Cohen Act	Provided guidance to ensure a fair and open competitive process for procurement of contractor support. Gave contracting officers more discretion when making competitive range determinations and permitted simplified acquisition prodecures when procuring commercial items at up to \$5M
2000 Gansler Report	USD's vision of future acquisition and logistics environment and outlined initiatives underway to accelerate DOD's progress toward achieving that vision.
2001 Rumsfeld Challenge	President Bush challenges Rumsfeld to review defense strategy, examine and reassess offensive nuclear weapons numbers and encourage a culture of creativity and intelligent risk-taking in DOD.
2005 RAND Corp Study 'Reexamining Military Acquisition Reform'	"Are we there yet?" Focused on past acquisition reform efforts.
2007 Gansler Commission report on Army expeditionary contracting	Findings: not enough people, insufficient training and antiquated contract system.
2009 Weapon Systems Acquisition Reforms Act	Reformed the way the Pentagon contracts for and purchases major weapon systems. Appointed directors of cost assessment and program evaluation, developmental test and evaluation, and systems engineering.
2010 USD(AT&L) releases Better Buyinh Power initiative	Implemented best practices to strengthen DOD's buying power, improve industry productivity and provide an affordable, value added military capability to the warfighter.
2014 'Defense Acquisition Reform: Where Do We Go From Here?' Senate Committee Report	Leading expert views on: Incentivizing acquisition workforce, Attracting and training a qualified acquisition workforce, Realism in program requirements and budgets and the role of service chiefs in acquisition process.
2015 National Defense Authorization Act for Fiscal Year 2016	Comprehensive defense acquisition reform, made permanent the Defense Acquisition Workforce Development Fund.

Conversely, industry measures program success beyond the normal government measures and, in doing so, begins to identify bureaucratic processes that negatively impact programs, and they generally seek to eliminate or minimize those processes. Many of the studies in Table 1 use industry as an example and suggest a more streamlined approach to acquisition is possible. A recent article in the October 2016 *Army AL&T Magazine*, “‘Groundhog Day’ All Over Again” (Stark et al., 2016), poses the question, “What does it all cost?,” referring to the oversight and overhead embedded in government programs. Although acquisition reform has been a hot topic dating all the way back to The 1947 National Security Act, there does not seem to be an appetite to measure the true cost or financial impacts of government oversight and bureaucracy. Per the authors of ‘Groundhog Day’ All Over Again, there is no way to ascertain if a program’s cost overruns are the result of regulatory compliance (i.e., bureaucracy), and if they would correlate to equivalent cost overruns in industry. But intuitively, industry is better at eliminating bureaucracy than the government.

Ultimately, DOD will have to address these impacts as a matter of National Security because, in the end, the cost of bureaucracy is carried not only by the taxpayer and DOD stakeholders, but by the soldier who needs a relevant warfighting capability. The pace of technology mandates a responsive acquisition system.

## **M. STUDIES ON BUREAUCRACY**

There are many studies on how the United States government has tried to eliminate unnecessary impacts of bureaucracy. Most recently, in September of 2014, Better Buying Power (BBP) 3.0 was initiated from the Office of the Undersecretary of Defense Acquisition, Technology and Logistics (Kendall, 2014). This was a follow on initiative from BBP 1.0 and 2.0. Among other things, BBP acknowledged the tremendous oversight involved in acquisition, suggesting there were opportunities to impact this bureaucratic process. “Left to their own devices staffs in both the Services and OSD will tend to inject them in the acquisition chain of command. Such staff ‘oversight’ has the unintended effect of removing responsibility from the chain of command—where it belongs” (Kendall, 2014, p. 7). These studies are abundant and important to this paper

because they signal the constant attempt to evaluate and reform the bureaucracy in the agencies. In Chapter V we will provide research evidence of bureaucracy where too much of it during the “Transition Plan” caused ownership, funding, and timing issues. Although DOD is highly decentralized in terms of carrying out acquisition activities, Congress and the Pentagon require highly integrated documentation and approvals throughout the program acquisition life cycle, which, by its nature, slows the process, and centralizes authority. A key point to this discussion, and one we will focus on in this project, is the parallel between the term bureaucracy and the organizational culture in DOD, underpinned by a military influence and “esprit de corps” that can be bureaucratic. Our research more fully develops this concept, that there is a strong attention to hierarchy and process which we will explore in terms of decision making. Mr. Kendall stresses this point “we need to continue to emphasize and support the acquisition chain of command and align responsibility and accountability within this chain. We need to emphasize the supporting role of staff ‘oversight’ and the central criticality and authority of the acquisition chain” (Kendall, 2014, p. 7). In addition to this formal edict from Mr. Kendall, countless studies directed by the United States Congress, academia, and government watchdogs, have been completed detailing the delays and added costs that excess bureaucracy can cause. In February, 2015, the Government Accountability Office (GAO), in its Report to Congressional Committees on Acquisition Reform stated “acquisition programs GAO surveyed spent, on average, over two years completing numerous information requirements...yet acquisition officials considered only half of the requirements to be of high value” (GAO, 2015). There is general consensus at all levels of DOD leadership that there is a part of acquisition bureaucracy that impedes program schedules and costs...and is ripe for reform.

In contrast to the norms of bureaucracy in acquisition, there are examples where acquisition programs have not allowed too much bureaucracy to negatively impact their mission. As an acknowledgement of success, in recent years, several high visibility programs bypassed normal acquisition cycles and pushed through normal bureaucratic breaks. Like other successful organizations, they were able to avoid bureaucracy, and move quickly through project milestones. The GAO study cited the F-16, some classified

programs, and program execution experiences in commercial firms, and noted the use of streamlined (often referred to as “leaned” processes), with fewer documents and reviews.

## **N. SUMMARY**

Bureaucracy is simply a word that describes a potentially necessary component of large organizations and governments. It does not necessarily describe, define, or have primary responsibility for delays or cancellations of programs. Rather, the impacts of bureaucracies, over time, stall or stymie creativity, decision making, and quality, lead to “mismanagement” of acquisition programs, and impact far beyond OSD measures of cost, schedule, execution, and performance. This section has presented the background of how bureaucracy is defined, why it exists, and begins to introduce several “influencers” and impacts of bureaucracy...and how it manifests itself in defense acquisition. DOD rules or policies generate situations where there is excess oversight and layers of “checkers checking checkers” (GAO, 2015, p. 16), and we see that in Chapter V at work; these reviews and approvals occur serially, adding to acquisition timelines. Bureaucracy is impacting the PM, who is attempting to effectively employ and assign personnel to programs. The importance of streamlining acquisition cannot be overstated in the current dynamic financial landscape with growing deficits and under-resourced programs, and the current pace of change. DOD must partner with industry and leverage lessons learned to be more efficient and lean in defense acquisition. Smaller and highly skilled teams have flourished in industry and these successes may shed light or offer insight in to where further research can be directed as DOD tackles bureaucratic inefficiencies.

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## **II. BUREAUCRATIC DECISION MAKING**

### **A. ALLISON'S DESCRIPTION OF BUREAUCRATIC DECISION MAKING**

In their 1999 book *Essence of the Decision: Explaining the Cuban Missile Crisis*, Allison and Zelikow begin to unravel how the government or organizations like the government ultimately reach decisions, when there are strong, persuadable, powerful bureaucratic input elements that influence those decisions. In order to understand how decisions are made, the author presents three alternative conceptual models in the framework of the Cuban Missile Crisis, and three alternative ways of explaining the behaviors and decisions that evolved from the events that unfolded during the crisis. The models described below may provide a parallel for how decisions are made at the DOD acquisition level and at the PM level, and provide further evidence to support that elements of bureaucratic culture and risk largely drive decisions and impact DOD programs. The following sections review Allison's three models.

### **B. MODEL I—THE RATIONAL ACTOR MODEL**

This decision model is based on “value maximization” and classical economic processing resting on an individual's value compass. This model expresses decision making much like the way an individual or a chief executive officer (CEO) might reach conclusions in the private sector; there is a sole rational actor, who can process the action alternatives, and has an expectation of the results given the action taken and that “government behavior can be most satisfactorily understood by analogy with purposive acts of individuals” (Allison & Zelikow, 1999, p. 3). Moreover, decisions among alternatives reference prior experiences or goals, and actions can reflect the agent's particular objectives. “These concepts identify phenomena as actions performed by purposeful agents” (Allison & Zelikow, 1999, p. 16). But we already know, in its simplest terms, IPTs and program offices have difficulty acting with unified focus and common interests. On the one hand, IPTs can create broader focuses and looser constraints. On the other hand, these teams can be highly productive and yield creativity, but only if the culture and the leadership is able to exploit the benefits and control the

downsides. In the days after the United States discovered Russian missiles in Cuba, President Kennedy and his advisors (an IPT) considered six alternatives, in the context of the Rational Actor Model: 1) do nothing, 2) diplomacy, 3) secret approach to Fidel Castro, 4) Invasion of Cuba, 5) Cuban air strike, and 6) blockade. The ultimate decision to initiate a blockade involved many factors and the indignation that President Kennedy, a perceived single, rationale actor as the Commander in Chief, had for Fidel Castro played a large role in the decision. The decision ultimately worked when “Chairman Khrushchev stepped down to avoid a clash of conventional forces in which he would have lost” (Allison & Zelikow, 1999, p. 122). The Rational Actor Model may not be sophisticated enough to explain complex foreign policy or program management in DOD, but it does have merits for explaining how leaders make decisions in a single actor scenario.

### **C. MODEL II—ORGANIZATIONAL BEHAVIOR MODEL**

This model parts from a Rational Actor Model and affirms that the government is a “collection of loosely allied organizations, each of which has its own particular position on issues” (Lewis, 2007, p. 118). In Defense acquisition, this is evident. To perform complex tasks and to manage a complex weapon system development effort, IPTs come together initially to rally around a problem, a mission, or a program; but eventually those IPTs slowly shift to protecting their individual interests, especially when programs cross services. The author uses the example of a football team and constructively suggests that in order to win, each player cannot perform on each play like they think they should but rather as the quarterback tells them to. This model breaks from the single actor model in that it begins to recognize tendencies for individuals to consider their own internal parameters and how they apply to situations. It moves away from decisions based on consequences and towards decisions based on a familiar relationship, or appropriateness. In addition, this model introduces reference between exchanges and bargains; “the actors must arrange exchanges and make bargains. I pay taxes, you clear snow from my streets” (Allison & Zelikow, 1999, p. 148). As part of normal decision making in organizations, the entity adopts rules, norms, and routines intended to keep the actors in their respective lanes as they “lobby” for their exchange and bargain. In *Normal Accidents*, the authors

suggest “systems with interactive complexity and tight coupling will experience accidents that cannot be foreseen or prevented. Perrow called these system accidents” (Marais, Dulac, & Leveson, 2004, p. 2). This previous sentence is what we see in the Integrated Defense AT&L Life Cycle Management Chart (shown in Figure 1). The complexity of the system, designed around DOD culture and risk aversion, will [restated] “cascade in unpredictable ways and with possibly severe consequences” magnify the consequence of small failure, which are inevitable” (Marais et al., 2004, p. 2).

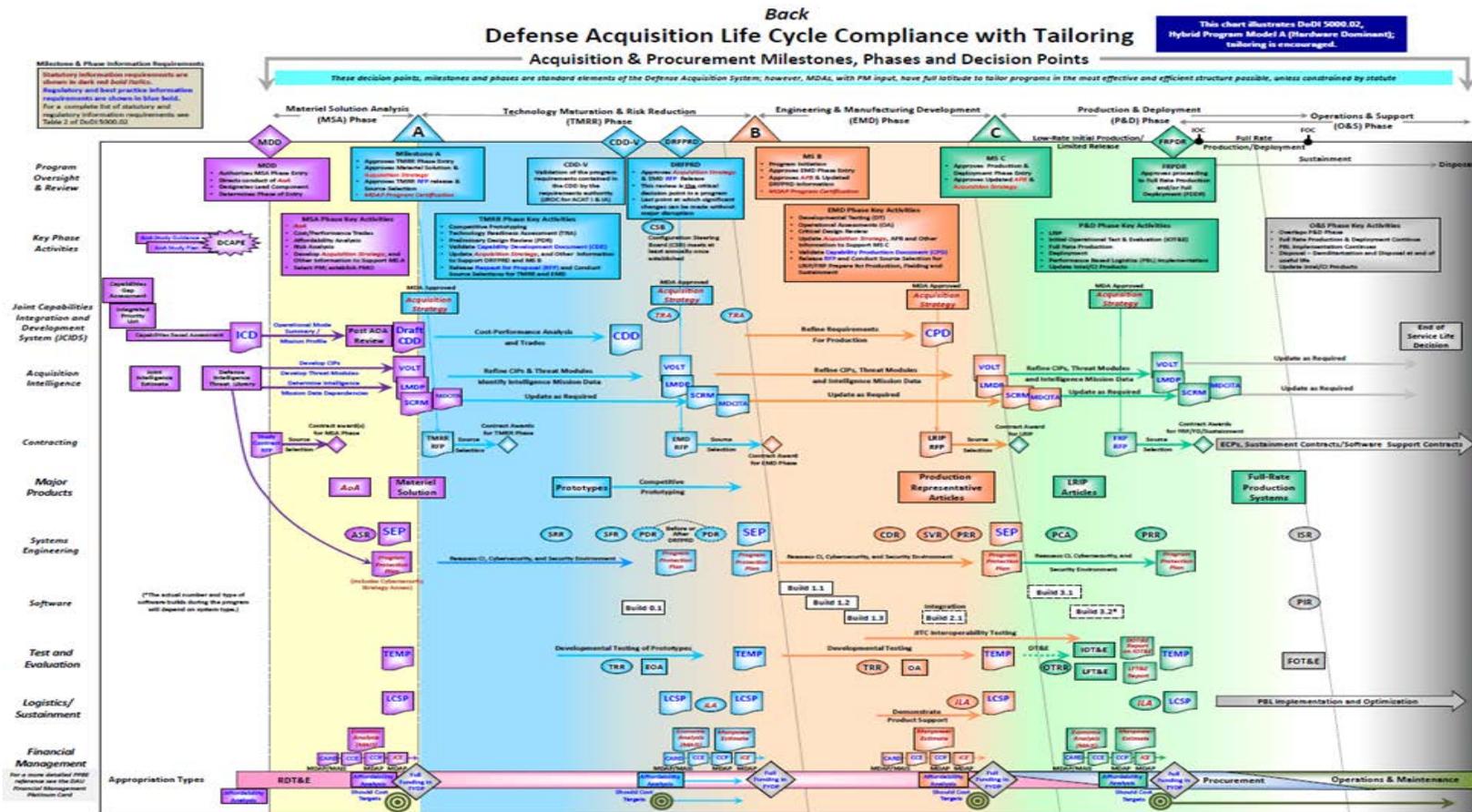


Figure 1. Integrated Defense Acquisition, Technology, and Logistics Life Cycle Management Framework.  
 Source: Defense Acquisition University (2017).

The Organizational Behavior Model also explores conformity, and rigid adherence to standard operating procedures (SOP), rank, and authority. The organizations culture, according to Allison are accentuated by 1) how the organization had defined success in operational terms, 2) selective information available to the organization, 3) special systems or technologies operated by the organization in performing its task, 4) professional norms for recruitment and tenure of personnel in the organization, 5) the experience of making “street-level” decisions, and 6) distribution of rewards by the organization” (Allison & Zelikow, 1999, p. 167). Finally, this model supports our other previous premise—that the government actors have to attempt to insulate themselves from risk—“rather organizations avoid uncertainty and by arranging a negotiated environment, organizations try to maximize autonomy and regularize the reactions of others” (Allison & Zelikow, 1999, p. 170). Allison’s second model explains how bureaucratic systems make decisions when multiple parties are involved and negotiation becomes necessary.

#### **D. MODEL III—GOVERNMENT POLITICS MODEL**

This model acknowledges that the government cannot behave as a unified actor nor as organizational actors, but instead the model asserts that “players are in positions and actions are resultant of bargaining” (Allison & Zelikow, 1999, p. 391). The author makes it clear that the essence of bargaining becomes even more critical in the decision making process, and that makes sense in complex decisions and complex organizations. It is difficult to reach solidarity on a purpose and an outcome, so players (employees) begin to look out in the best interest of their respective parties. The game is politics and it involves a higher level of bargaining in a much more fierce and competitive environment. In contrast to Model 1, there is no single unitary actor but many unitary actors “who act in terms of no consistent set of strategic objectives but rather according to various conceptions of national, organizational, and personal goals” (Allison & Zelikow, 1999, p. 255). This is no more obvious than the military design for revolving program office managers in and out of assignments to conform to rank expectations and promotions. This bureaucratic process breaks the strategic continuity of the program and the team.

Richard E. Neustadt, in *Presidential Power*, writes “the Constitutional Convention of 1787 is supposed to have created a government of separated powers. It did nothing of the sort. Rather it created a government of separated institutions sharing powers” (Neustadt, 1990, p. 29). Decision making, in any complex organization is a multi-participant, multi-goal process. But like most things, avoiding or eliminating unnecessary movements provides some insurance for a desirable outcome.

In the previous pages, we have defined bureaucracy and we have explained Allison’s three models so that decision-making can be better explained in a federal government or in a program office. In terms of DOD acquisition, our next chapter explains the components of bureaucracy and identifies the continuous cycle of acquisition reforms that have ensued, in an effort to streamline the process, reduce costs/timelines and get a relevant capability in the hands of the warfighter.

### **III. ACQUISITION—EXPLAINING WHY DOD’S ORGANIZATION DESIGN FOR ACQUISITION LEADS TO BUREAUCRACY**

#### **A. THE CURRENT DEFENSE ACQUISITION SUPPORT SYSTEMS**

As we stated earlier, from a structural standpoint, the DOD acquisition community has specifically built in processes that lend themselves to bureaucratic outcomes and, in some cases, this is done intentionally. Specific to our research is the environment or context in which defense acquisition takes place. The environment is a microcosm of overall government bureaucracy and it demonstrates how DOD operates and makes decisions that balance service objectives and ensure the right equipment is procured, through a process that is cumbersome and lengthy. The description of this environment, and its resultant impacts, flows down to the program office level, as we will see in our “Transition Plan” case study analysis (Chapter V).

Defense acquisition begins with the identification of a capability gap or emerging warfighter requirement. These requirements stem from National Defense Strategies, and are then vetted through the Joint Capabilities Integration & Development System (JCIDS) to identify needs. The JCIDS process is overseen by the Chairman of the Joint Chiefs of Staff. Defense Acquisition University describes the JCIDS role as follows: “[JCIDS](#) plays a key role in identifying the capabilities needed by warfighters to support the National Security Strategy ([NSS](#)), the National Defense Strategy ([NDS](#)), and the National Military Strategy ([NMS](#)). Successful delivery of those capabilities relies on the JCIDS working in concert with the resourcing and acquisition decision support systems” (Department of Defense [DOD], 2017).

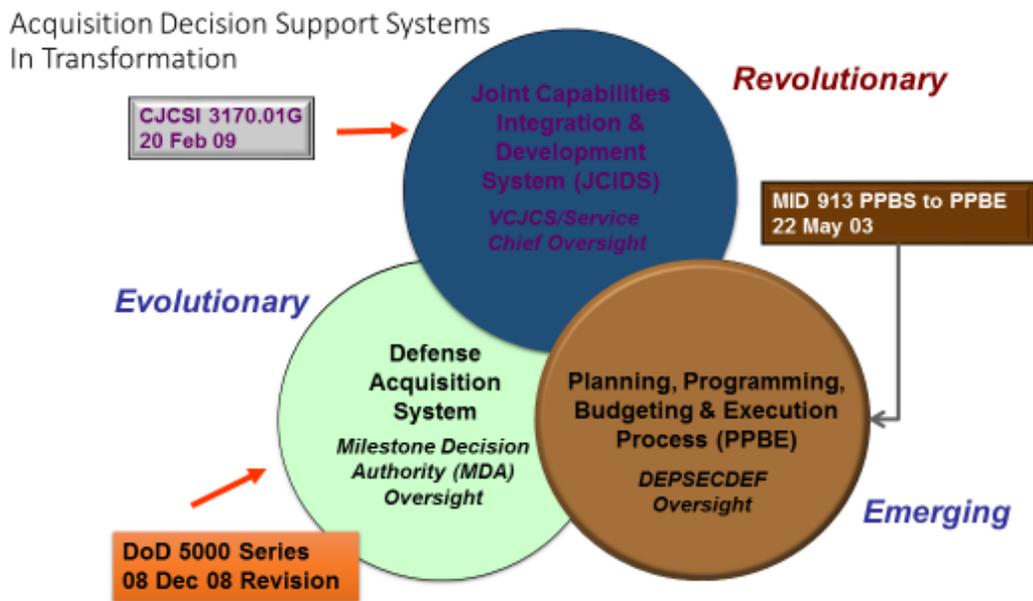
JCIDS is the first piece of the acquisition trifecta (referred to as big “A” heavily on other DOD agencies and their decision processes. JCIDS works with the two other parts of big “A” acquisition: the DOD acquisition management system and the Planning, Programming, and Budget Execution (PPBE) process.

The second piece of big “A” acquisition is the Defense Acquisition System (DAS) (based on the DOD 5000 Series), which manages the acquisition of weapons systems and

major automated information systems (MAIS). It provides oversight throughout the evolution of a program and has the Milestone Decision Authority (MDA) to progress programs through the acquisition process, once there is a validated requirements (JCIDS) document. DAS is a milestone driven process.

The third piece of big “A” acquisition is the resourcing arm for manpower and funding—specifically the PPBE which resides under the authority of the Deputy Secretary of Defense. This process resources programs based on current fiscal constraints and in light of the national security strategies. This is a calendar driven process linked to the submission of the President’s Budget and is the component of big “A” that will be highlighted in our case study.

The three major components for defense acquisition, referred to as big “A” are illustrated in Figure 2.



2

Figure 2. The Big “A”—The Three Major Components of Acquisition. Source: Jones (2017).

While it seems like a sensible collection of authorities to ensure the correct capabilities are defined, developed and resourced to ensure our nation’s defense, the layers of approval and reporting required within each individual process and the subsequent coordination is expansive and bureaucratic. In addition to big “A,” the acquisition process operates in a dynamic environment at the program level, where the PM decisions are influenced by stakeholders that include Congress, Industry, and the Executive Branch, further adding oversight layers and duplicative interests. See Figure 3 to gain additional context of the Acquisition Environment.

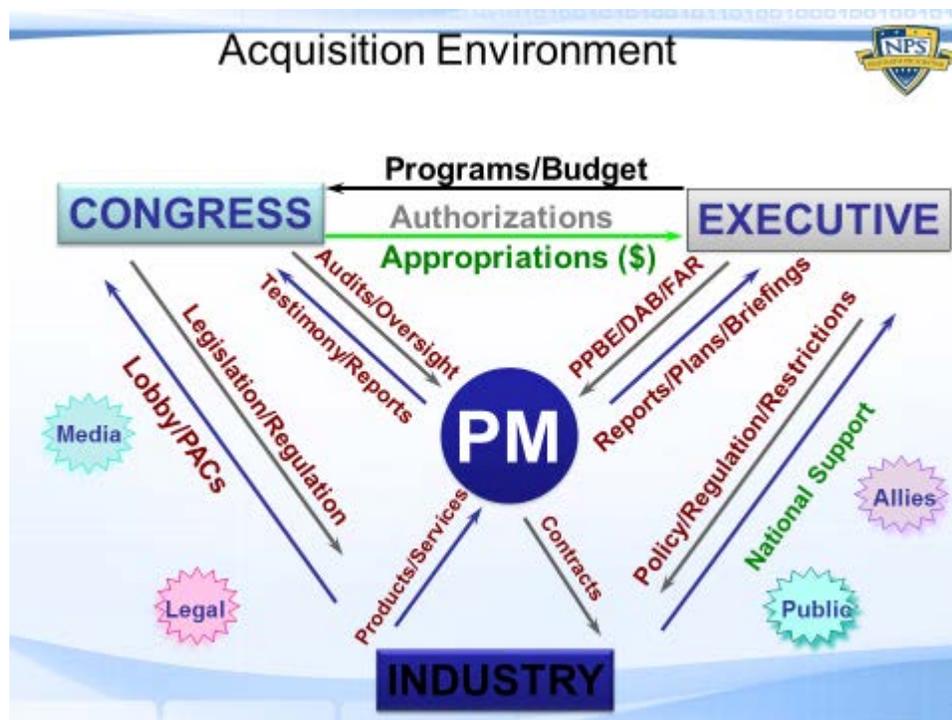


Figure 3. Acquisition Environment. Source: Jones (2017).

The elements in Figure 3 can stall the program acquisition by delaying, altering or reversing funding decisions to appeal to congressional interest. This illustrates the three main constraints that defense programs operate within; the prerequisite for an approved and documented requirement, negotiating the defense acquisition milestones and approval wickets, and then timing the funds availability (amount and type) to match program phasing (research and development, procurement or sustainment). Defense

acquisition professionals negotiate within a complex environment of players and leaders are constantly trying to figure out how to reform and streamline the process to remove some of the bureaucracy that elongates the process. Next we complete a literature review that validates Figure 2 and Figure 3, as study after study is performed in an effort to reform bureaucracy.

## **B. LITERATURE REVIEW OF REFORM INITIATIVES**

A simple search in Barnes and Noble’s website, using the word “bureaucracy” yields hundreds of books on the topic. Adding “government” or “federal” to the search provides a multi-page listing of books that have been authored. Similarly our research on this topic during our work has exposed thousands of articles on the same subject. The span of time for this literature encompasses over 200 years, an acknowledgement that bureaucracy is nothing new and it is not perishable. There were 78 references between 1800 and 1850 and the most recent that we noted was last week, 2017. A casual search in the Dudley Knox Library, for the terms “acquisition” and “reform,” yields 597 documents on the topics. This information shows that anyone studying the concept of bureaucracy in acquisition must expect the same results as the previous studies conducted aimed at identifying and providing solutions about excess costs caused by a bureaucratic DOD acquisition—the causes are the same, the effects are the same, and the recommendations are the same, all generated through various study groups, countless interviews and audits, and massive volumes of paper on the subject. Importantly, the studies and their subsequent results have been the same for centuries, which leads to a conclusion that whatever the recommendations tend to fix, they only fix temporarily and the system reverts back to its bureaucratic ways. Therefore, it would be appropriate to conclude that if the same searches are conducted five or ten years from now, more studies and research topics, more recommendations, and an aggressive-as-ever focus to find out what causes government bureaucracies and how can we eliminate waste and other impacts resulting from these bureaucracies will ensue. Again, in Figure 4, we highlight the numerous reform efforts attempting to reel in bureaucratic impacts, but the real importance in Figure 4 is the distinction between how commercial entities have reduced bureaucratic timelines while the governments have swelled.



# Contrasted with other industries

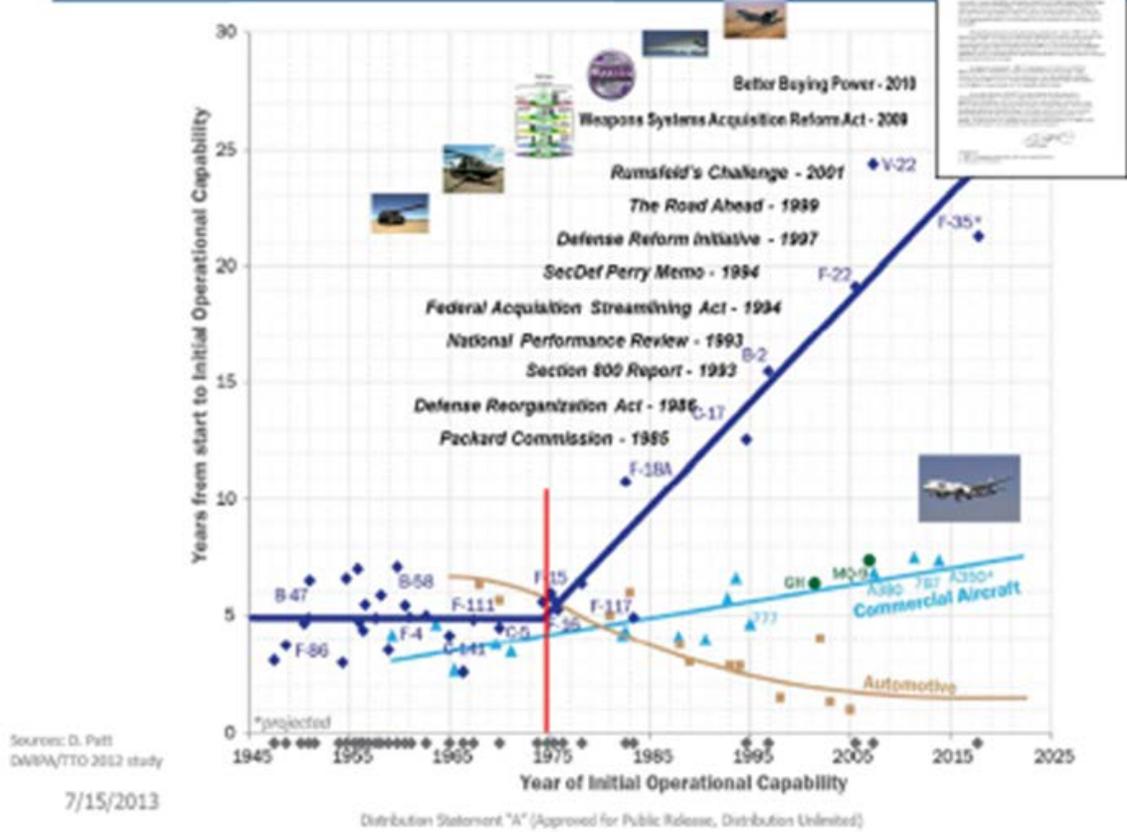


Figure 4. Comparison of Government and Industry Timelines for Acquisition.  
Source: Jones (2017).

Unfortunately, DOD’s acquisition culture and rigor results in elements of bureaucracy; that same rigor does not normally encourage incentives to take down those cultural and structural elements. To the opposite, an inherent military culture and aversion to risk underpin how “we do business” as a government DOD organization, in order to produce highly complex systems and services, protect the taxpayers money, and protect the people of the nation. It is the government bureaucratic “course of business” and one that most leaders of influence are reluctant to change, because of the models for decision making previously expressed.

In addition to professionalization, specialization, decentralized organizational structures, personal “turf” protection, all features described in Allison’s models of

bureaucracy, research and evidence suggests that DOD culture, rank, hierarchy, built-in norms and risk aversion are significant results of bureaucracy.

We discovered in our research, DOD acquisition is still stymied after decades of acquisition reform. According to a GAO Letter to Congressional Committees on February 2, 2015, “The Department of Defense (DOD) has repeatedly delivered the most capable weapon systems in the world, but with consistent schedule delays and at significant cost to taxpayers. The process used to manage the acquisition of these systems has been characterized by organizations both internal and external to DOD as one that is inefficient, cumbersome, and bureaucratic” (GAO, 2015, p. 1). A closer look will reveal how leadership and culture play a part of the context within which organizations behave and make decisions and how the DOD is in dire need of an upgrade.

A prime reform example we studied to improve the effectiveness and productiveness of our military was the enactment of the Goldwater–Nichols Defense Reform Act which sought to address the dominance of the individual services that were occurring within DOD, at the expense of joint requirements. The services were marching to their own interests and not with common goal of national defense. Goldwater-Nichols sought to address DOD structural deficiencies and improve interoperability.

As history begins to repeat itself, the Congressional Research Service (CRS) has recently issued a report: Goldwater-Nichols at 30: Defense Reform and Issues for Congress (McInnis, 2016). After 30 years of being enacted, the Goldwater–Nichols Defense Reform Act is being reviewed again by Congress. Congress believes that further reform is needed in order for defense to become more agile, and in order to meet critical emerging threats to National Security. The article impresses that the “variety of views reflects the complexity of the organizations” and “without a common understanding of the root causes of these organizational frictions, solutions to the national security organization challenge differ considerably. The complex nature of the Pentagon and national security bureaucracies adds to the many challenges of DOD management reform” (McInnis, 2016 p. 2).

The CRS Report references Former Secretary of Defense, Robert Gates, in his book, *Duty: Memoirs of a Secretary at War*, where he highlighted the structural bureaucratic issues he experienced with DOD such as:

- The size and structure of the Pentagon’s bureaucracy, which requires a large number of organizations be involved in “even the smallest decisions” leading to paralysis when it came to decision making;
- The large number of “filters” between the field commanders and the Secretary of Defense, which could delay or altogether halt the acquisition of urgently required equipment or other capabilities;
- The necessity to work outside the Pentagon’s formal staffing structures to accomplish key tasks, such as fielding Mine Resistant Ambush Protected (MRAP) Vehicles (McInnis, 2016 p. 14).

In answer to these recent congressional studies, and in an effort to create a strategically integrated force for the 21<sup>st</sup> century, “on December 23, 2016, President Obama signed the long-awaited National Defense Authorization Act (NDAA) for fiscal year 2017. The act makes more changes to national security organizations and processes than any legislation since the landmark Goldwater–Nichols act of 1986” (Cancian & Hunter, 2017, p. 1).

Only time will tell how the new legislation makes a dent in the negative impacts from the current bureaucratic structure. Certain sections of the legislation specifically addresses acquisition, for instance, Section 1703-Cost, Schedule, and Performance of Major Defense Acquisition Programs, attempts to hold service leads more accountable and reinforce their involvement in the acquisition decisions, but it does not eliminate the Big “A” operating environment for defense acquisition programs. Next we will discuss our methodology for examining an organizational event currently taking place within a DOD organization that operates within the Big “A” environment, and compare it to a previously researched and chosen model of bureaucracy.

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## IV. RESEARCH METHODOLOGY

In this chapter we will explain how we will bring the concepts presented previously together and how we will use them to correlate to actual research data collected during our review of the “Transition Plan.”

The model chosen for our comparative analysis is the Organizational Behavior Model, mainly because the information presented in “Bureaucratic Politics: A Paradigm and Some Policy Implications” (Allison & Halperin, 1972) coincides directly with our initial observations of our particular case study—“The Army’s Transition of the Head of Contracting Activity to AMC”—the Transition Plan. After comparison, a determination will be made as to the extent of similarities and differences between the model and how it plays out in an actual acquisition scenario. We will be able to attest to the validity of the model in this particular situation. Next, in order to address our secondary research question, the impact of project decisions or lack thereof, we will show how the bureaucracy impacts the acquisition timeline for the project completion. Finally, identified impacts will be categorized and that data will be analyzed to determine the extent the Organizational Behavior model can predict impacts to cost, schedule and performance based on bureaucratic processes.

The data used for this research is based on the Transition Plan events that describe the decisions made within the context of a bureaucratic model and the resulting impact on the project. By analyzing the current acquisition situation from the lens of the Organizational Behavior Model, we can understand the impacts and suggest areas in which to conduct further research in order to successfully draft any type of acquisition reform that reduces wait time in defense acquisition.

This research coincides with “oversight” and bureaucracy language in the FY17 NDAA legislation and by the 114th Congress. While acquisition reform can take on many facets, this research will focus on the extended timelines and “wait” built in to defense acquisition as witnessed in the Transition Plan. Further research is required to

determine remedies which may reduce or eliminate acquisition wait time associated with the Army's formal bureaucracy.

## **V. STUDY—BUREAUCRATIC IMPACTS AND DELAYS FOR LARGE ARMY INITIATIVE TO CONSOLIDATE HEAD OF CONTRACTING ACTIVITY (HCA)**

The purpose of this chapter is to identify the impacts of bureaucracy in a “live” scenario. In Chapter VI we validate these impacts against the Organizational Behavior Model as depicted by Allison, to either prove or disprove the models efficacy. Importantly, our research does not measure the success or failure of the “Transition Plan” milestones or achievements.

Our live scenario involves the transitioning of the Head of Contracting Activities (HCA) and the workforce from an Army Program Executive Office (PEO) to its parent organization, the Army Contracting Center (ACC). Strategically, in 2012, senior Army leadership determined that all the HCA’s must report directly to the Army Contracting Command, headquartered at Redstone Arsenal in Huntsville, Alabama rather than the current formation, where the HCA resides with the PEO or Command. Our review of this “Transition Plan” identifies various “bureaucratic chokepoints” that occurred, impacting the funding and manpower resourcing timeline and delaying the transition.

### **A. “TRANSITION PLAN” BACKGROUND**

In 2012, the Army Acquisition Executive (AAE), commissioned a study of the Army Contracting Enterprise in an effort to optimize Army Contracting efforts and strategic goals through standardization, efficiencies, and new alignments. In October, 2013, the AAE presented a summary of the study findings and documented several challenges preventing optimal performance of both oversight and execution. Among the findings were: (1) unclear and overlapping contracting authority within AMC, (2) lack of a cohesive framework for oversight and execution of weapon systems contracting, and (3) lack of a common operating picture. A phased approach was recommended to consolidate the Army HCA’s to a single responsible official under AMC, for the execution and oversight of its contracting authority (Shyu, 2013). At the time, AMC had a total of nine HCA designations that were responsible for its contracting efforts. The transfer of the resident PEO Contracting Office to ACC was staged as part of the

implementation plan and would be contingent upon the successful demonstration of earlier HCA activities. Among various important processes that needed to happen during the transition, two critical items drove a successful Transition Plan. First the documented Transition Plan had to be signed by Army and Command leaders. Second, key data and information had to be input into eProbe, which is the formal Army system that recognizes manpower and resource shifts.

## **B. TRANSITION PLAN IMPACT #1—LEADERSHIP TURNOVER**

As indicated previously, the Transition Plan timeline relied on two critical things occurring which served as leadership “approvals” for moving forward with the changeover; a formally documented and signed Transition Plan and the documented movement of resources (manpower and funding) in Army systems of record. Those did not happen expediently because of several bureaucratic processes.

The first impact on the transition resulted from the turnover of key leadership. The movement of an organization from one Army agency to another involves multiple sequenced actions and considerations as detailed in Section 2-3 of Army Regulation (AR) 5-10 on Stationing (Department of the Army [DA], 2010). This section of the AR highlights the extensive coordination required and details twenty eight planning factors to assess in stationing scenarios. AR 5-10 indicates that many functional areas are affected which span layers of personnel and require key leadership approvals in various chains of command. Unfortunately, for various reasons, bureaucratic environments foster leadership turnover, similar to what is seen in politically appointed positions where “high turnover among politically appointed leaders in federal agencies can make it difficult to follow through with organizational transformation because of the length of time often needed to provide meaningful and sustainable results” (Rosenbloom, Malone, & Valdez, 2017, p. 62). In defense organizations, military leaders, such as PEOs, are rotated to new assignments every two to three years and sometimes more frequently if deployed. According to former Secretary of Defense, Robert Gates, in his book *A Passion for Leadership*, “There is usually no job security at or near the top of public bureaucracies. Cabinet Officers and all political appointees serve at the pleasure of the President and this

set-up does not promote risk taking and difficult decision making, required for change” (Gates, 2015, p. 13). A key takeaway from Gates’ book related to this leadership turnover, is that uncertainty about how long one will be in a position is an impediment to reform and change, and in this example observation, turnover created critical vacancies in ACC, the PEO, and at ASA(ALT) that delayed the “Transition Plan.” Gates goes on to explain in his book that short term stewards too often think short term and primarily in terms of how personal performance will be perceived. Thus, “they avoid controversial moves, fail to prioritize, and underinvest, especially in areas that only matter in the longer term” (Gates, 2015, p. 12).

In addition to considerations within AR 5-10 (Department of Army, 2010), the Transition Plan must be crafted so that both commands are in agreement to the terms and both commands approve, sign and document their interests. In our example an IPT was established in order to facilitate that process and document the Transition Plan. A major challenge to getting terms agreed upon within the IPT and then concurred at all levels was the leadership turnover. Turnover impacted the ability to formalize a plan and delayed the schedule. The PEO in our example changed three times since the original 2013 directive to develop a plan for realignment of the PEO’s HCA and contracting workforce. The PEO retirements or change-overs can be followed in the Figure 5, Timeline of Events. This timeline places significant transition events on a time continuum and seeks to highlight those events that are bureaucratic in nature and result in delay.

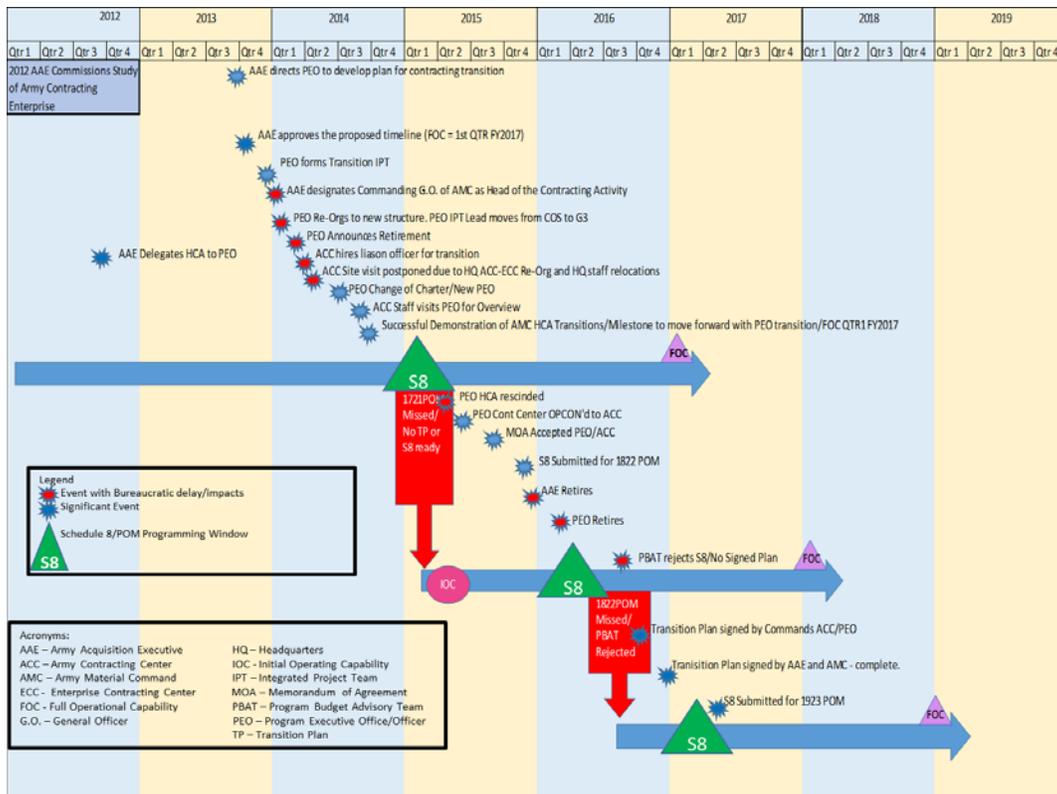


Figure 5. Timeline of Events for Transition Plan

Administrative activities halted temporarily on May 1, 2014 for the first PEO’s retirement until the Change of Responsibility ceremony was held. On May 13, 2014, a change of guard/change of charter ceremony was hosted locally for a new PEO and this represented the second PEO to lead the Transition Plan. The PEO would continue in that position until June of 2016, but because of the timeline delays, the PEO would not remain at the agency to see it come to fruition.

While the changeovers in PEO’s were occurring, the AAE who directed the initial development of this Transition Plan left office in January, 2016. Both the second PEO and AAE’s retirements occurred just before a signed Transition Plan was required to meet a critical milestone event that would allow for the procurement of resources in the upcoming POM cycle. New leaders now had to be brought up to speed and documents re-routed for approvals, which resulted in a delayed timeline.

Several other leadership changes were occurring at the PEO during the transition timeline. The Deputy PEO, who was also a key member of the Transition Plan team, changed, after two temporary acting deputies rotated in and out for six months each. The PEO Chief of Staff, who was the original lead for the PEO's transition IPT team, turned over five times between the time of the AAE directive and the final signatures in the Transition Plan. These are all essential players in the transition event and all were required to review and approve the transition plan agreement before sending forward to the PEO, ACC, and AMC for concurrence, and the AAE for review and final signature. The stability and expediency of the transition effort was impacted as leaders and IPT members shifted and approval chains adjusted.

Bureaucracy caused discontinuity in executing the mission, in this case, the Transition Plan. These changes also challenge the resilience of a shared vision and continued momentum between stakeholders. With these changes in leadership at both ASA(ALT) and at the PEO, there were multiple shifts in direction, focus and priorities. In addition to the challenge of transitioning the PEO Contracting Office to AMC, the new PEO was also re-organizing the Program Offices within the PEO to better coincide with the ASA(ALT) and Army organizational structures. Finally, as the new PEO emphasized in his comments to industry, the PEO was also planning to re-focus on its core strategies for supporting the Army. The incoming PEO had new focus, priorities and initiatives which impacted the Transition Plan by changing some of the key players and impacting the future contracting mission of the PEO, which by default impacted the level of contract support required and transition negotiations.

### **C. TRANSITION PLAN BUREAUCRACY IMPACT #2—MISSED POM RESOURCING TIMELINES**

In order for the Transition Plan to be formalized, it must be recognized in eProbe, the Army system of record for all Operating Agencies. This is the second critical component of the Transition Plan. eProbe is a programming system which tracks the manpower and funding resources for every Army agency throughout the current year, budget year and five programming years. In order to upload the transfer of resources in eProbe, the Transition Plan had to be signed. As noted earlier, the delays that occurred in

obtaining a signed Transition Plan impacted how expediently information could be entered into eProbe.

Input and acceptance in eProbe is a mandatory function of the Army's programming cycle, one of the elements of the PPBE process. We previously described the cycle as part of the triple constraint in defense acquisition, or big "A." According to the Defense Acquisition Guidebook, PPBE serves as an annual resource allocation process and can be defined as "the Department's strategic planning, program development, and resource determination process. The PPBE process is used to craft plans and programs that satisfy the demands of the National Security Strategy within resource constraints" (DOD, 2017). Once a year, a window opens for programming adjustments into the official system of record. To initiate the transfer of authorized manpower and funding resources in eProbe a transaction called a "Schedule 8" (S8) must be prepared. The S8 details the losing and gaining sides (in our example the separate organizations) of the transaction and crosswalks the manpower and funding that will move to and from specific command funding lines. The S8 submission is a key activity during the POM cycles and the window for input opens only once per year. If a S8 is not submitted and approved, the cycle is missed, and the organization has to wait another year and submit again into the next subsequent POM.

Furthermore, there is another approval layer that a submitted S8 has to pass in order to be accepted and approved by the Army. S8 requirements have to be met and approved by the Headquarter Army, Program Budget Advisory Team (PBAT) before acceptance into eProbe. This team does an intense review of the Transition Plan and Army resource adjustments during the POM and is made up of several HQ Army Staff Offices.

The signed Transition Plan must be provided to the PBAT. This ensures that before official moves are made in eProbe, the Army knows all parties are in agreement with the transfer of assets and can review the transaction in its entirety. In our example, the original target for FOC was fiscal year 2017. The directive to start development planning came in January 2014, which gave time to the organizations to develop and document a plan as well as submit S8s. The S8 window would open on or about

December, 2014—the timeframe to impact the upcoming fiscal year 2017–2021 POM (see timeline of events at Figure 5). If properly executed, these S8 actions would transition the assets and funding starting in fiscal year 2017. Meeting the December, 2014 POM window for S8 submission was the only opportunity to successfully reach the 2017 target FOC date.

However, as indicated earlier, the PEO resigned in early 2014, right after the AAE directive to transition, and implementation plans were suspended. In addition to delaying the transition schedule, the turnover created discontinuity. There was also uncertainty surrounding the HCA designation and how, when, or if the AAE would nominate the new PEO after transition, since the process had already started re-aligning all other HCA designations back to AMC. While the transfer of HCA designation does not constitute a transition of the PEO contracting office, it stalled the process by creating ambiguity with regard to the timeline for implementation.

Because of various bureaucratic factors, there was not enough information available or agreed upon, to complete the Transition Plan and prepare a S8 for the December 2014 submission in order to impact the fiscal year 2017–2021 POM. Thus, the POM window for the fiscal year 2017–2021 POM was missed. This was a major schedule slip for FOC as the Transition Plan leaders were forced to wait another year for the next fiscal year 2018–2022 POM window.

The following year there was enough information for the S8 to be prepared, based on the joint IPT discussions and information known and decided upon at that time. The S8 was submitted with a draft Transition Plan. The necessary signatures were not obtained and the “Transition Plan” was subsequently rejected during the PBAT Reviews. The Transition Plan now missed the fiscal year 2018–2022 POM programming window and suffered another years’ delay toward obtaining FOC. Currently, the fiscal year 2019–2023 POM S8 can be submitted, with a signed transition plan, and will enter the Army review and approval process for acceptance into the Army’s FY19-23 POM. The rigid, inflexible and bureaucratic process for the technical transfer of resources and manpower within the Army exacerbated the stakeholders’ inability to expediently negotiate, document and gain key leadership approval for the formalized Transition Plan.

#### **D. TRANSITION PLAN BUREAUCRATIC IMPACT #3—OWNERSHIP**

The most cumbersome and time consuming process for the Transition Plan was gaining PEO and ACC concurrence at all of the administrative checkpoints and deciding early on, as an IPT, what needed to be documented in the Transition Plan. The formal bureaucracy caused impacts to schedule by delaying decision-making, guidance, and direction from the beginning of this transition initiative. In October, 2013, the AAE directed the development of a Transition Plan, but there was marked hesitancy in moving forward too quickly based on the memorandums requirement for demonstrated success in FY14 of other HCA consolidations. As a result, there was not a clear “owner” of the Transition Plan. ASA(ALT) was determined to be the oversight agency by the AAE, but they lacked detailed guidance and information on how to complete the technical transfer for both agencies. Army Regulation (AR) 5-10 (Department of Army, 2010) was utilized as a guideline in absence of any other formal guidance, but it lacked the specifics necessary to execute per the AAE’s expectations.

ASA(ALT) POCs formed an integration IPT, but only a handful of meetings were held that were applicable to the PEO transition. Much of the information was geared toward other transfer activities, and did not apply. This uncertainty caused the ACC HQ, the PEO Contracting Office and the PEO Staff to create their own forum to develop strategies for the Transition Plan. The PEO was transitioning a significant portion of their civilian workforce and ACC would require assistance in setting up a remote contracting office, now reporting directly to a geographically removed ACC. The lack of specific guidance and direction created uncertainty and confusion. Aggressive timelines were given for the transfer, but the standard Army requirements and approvals for transfer, (the S8 rules) were not relaxed. The agencies could not afford to wait and continue to miss programming deadlines if IOC and FOC were going to be reached. Higher headquarters did not provide focused engagement until the PEO HCA was officially rescinded in February of 2015. Essentially, the lack of ownership for this project prevented correct information/instruction from flowing down to impacted organizations that were attempting to meet an AAE directive and develop the implementation plan. The lack of a specific leading organization caused misdirection from October, 2013 until February,

2015, again, impacting the ability to correctly frame the implementation and produce a Transition Plan, which ultimately impacted schedule.

In addition to key leader turnover, S8 issues, and oversight/ownership challenges described, two other bureaucratic impacts surfaced in our research. A graphical representation of all the bureaucratic events that were identified in the Transition Plan can be seen Figure 6.

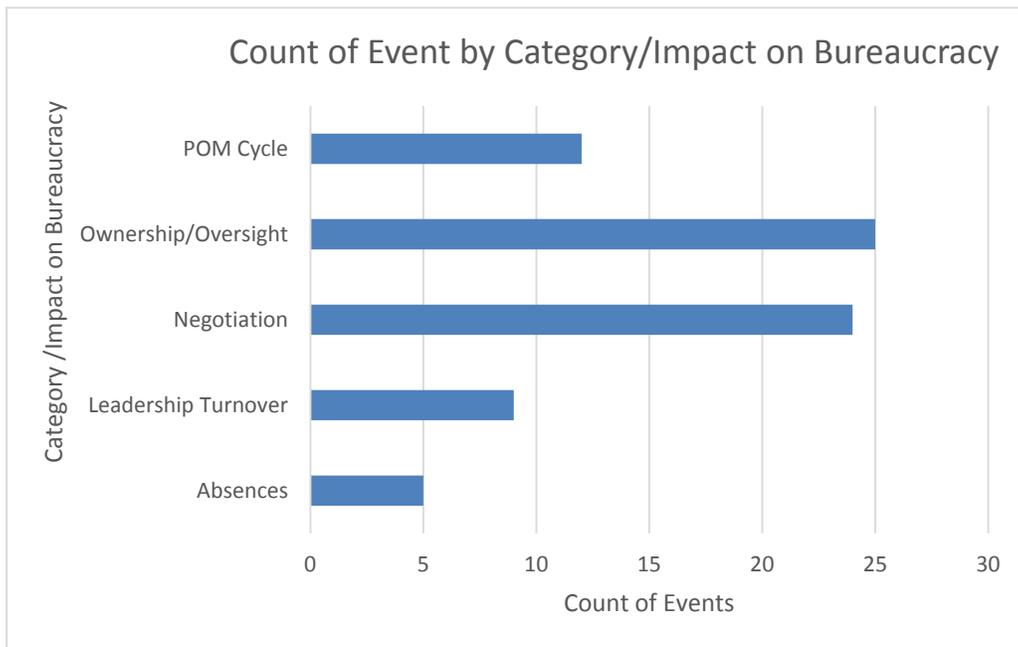


Figure 6. Bureaucratic Impacts in the Transition Plan

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## VI. ALLISON'S MODEL VALIDATION

In this chapter, we compare Allison's Organizational Behavior Model (Model II) to the empirical evidence we collected in Chapter V, detailing the impacts of bureaucracy during the implementation of the PEO's Transition Plan. The purpose of the comparison is to determine whether the model accurately depicts the effect of bureaucracy on the speed of action and the shape of decisions that were made during this Transition Plan. Although Model II is explained in the context of the Cuban Missile Crisis, and foreign policy, the over-arching conclusions in all of Allison's models are designed to provide insight into decision making in a bureaucratic environment. In this case, the Transition Plan is an administrative tasking as opposed to a strategic action; Model II will, perhaps, align closely with the actual data that was collected. We chose to analyze the Organizational Behavior Model because that model attempts to explain how complex issues or projects are managed in a bureaucratic environment, where several stakeholders are present and where negotiation is necessary. The model also brings to light the concept of behavior and decision making when various stakeholder are involved in the decision making. This scenario is mostly prevalent in government organizations: complex tasks with multiple agencies or program offices involved, with multiple expectations of outcomes. Second, we chose this model because most attention is generally given to Allison's third model (Governmental Politics Model) when evaluating bureaucratic decision-making. However, as Welch cites and we agree, "it is unfortunate that Allison's successors have focused overwhelmingly on Model III, all but ignoring Model II" (Welch, 1992, p. 118). This provided the incentive to use this model to analyze the Transition Plan. Note, it is clear that Model II and Model III are very similar. In fact Wagner argues "it is not entirely clear whether Model III is independent of Model II, or an extension of it; certainly bureaucratic bargaining seems to be constrained by many of the factors discussed under Model II, and many of Allison's readers seem to mingle the two together in speaking of the lessons in his book" (Wagner, 1974, p. 448). It is important that we understand the slightly subtle difference between Model II and Model III, recognizing the attributes and decision making characteristics that form the models,

combining the elements of a single actor process with the largely visible bureaucratic fiefdoms that exist, and then incorporating the element of bargaining and deal-making. The “bargaining” that exists in Model II causes us to expand our research to examine other elements of decision making, like those elements cited in Malcolm Gladwell’s books *Blink* and *The Tipping Point*. Once we have evaluated Model II in the context of the Transition Plan, we expect to provide conclusions and recommendations that would encourage additional studies that potentially add to the value and thoroughness of the models. The books by Gladwell (Gladwell, 2005; Gladwell, 2000), as well as the book by Gates (Gates, 2015) support the notion that government decision making may require an enhancement to Model II, picking up more subtle elements of decisions like culture, risk aversion, and historical perspectives or history. A brief recap of the Allison’s models follows:

1) Model I—The Rational Actor—looks at the government as a unified actor and assumes the unified actor has access to necessary data to make decisions. In the private world, this model would be similar to a company owner or a corporate president scenario.

2) Model III—Government Politics—looks at the government actors as being in key roles or positions within the government, bargaining (politicking) to get what is best for fulfilling their perceptions on what is important; it is a notion of “where you sit is where you stand.”

3) Model II—Organizational Behavior—looks at government actors as intent on making decisions within the construct of their own internal organizations SOP’s, knowing however that these SOP’s have a tendency to limit and constrain behavior. Rules and processes in SOP’s generate predictable behaviors within the organization. To reiterate, the “government consists of a conglomerate of semi-feudal, loosely allied organizations, each with a substantial life of its own” (Welch, 1992, p. 116). In the book, Allison goes so far as to suggest that Model II decision making can be a way for organizations to “execute[ing] SOP’s and fulfilling role expectations, duties or earlier commitments; an occasion to define virtue and truth...an occasion for glory or blame, and for discovering self and group interest” (Allison & Zelikow, 1999, p. 154). These end

states may be unintentional, but they happen, and when they occur, the true results of the mission can be negatively impacted.

In large organizations, like the government and like a PEO, primary responsibilities for particular tasks is divided, and as described in Model II, “government behavior relevant to any important problem reflects the independent output of several organizations, partially coordinated by government leaders” (Allison & Zelikow, 1999, p. 143). Further, the model adds that each independent unit has its own set of “standard operating procedures,” which may or may not be consistent among the groups involved. With respect to the Transition Plan, ACC, AMC, ASA(ALT), and the PEO have internal procedures that develop and change over time, and most likely these procedures change to match the “identity” and direction of each entity. As previously mentioned, using the analogy of a football team, players (government bureaucrats) take action and make decisions based on previously established norms or experiences. These actions are a result of historical performance and perception and it is expected that when multiple organizations are involved, the potential organizational and actor differences create bureaucratic delays. “Existing programs and routines constrain behavior” (Allison & Zelikow, 1999, p. 145), and limit innovation and efficiency. Model II parallels the decisions and actions noted when we evaluated the “Transition Plan.” Finally, there is an organizational culture that presides, similarly in both the model and in the Transition Plan; it is a culture that fosters hierarchy and command (military) with preset outcomes and biases.

Organizational logic, as described in Model II, can be frustrating, wasteful, and disconcerting; but, as the model suggests, this bureaucratic organizational logic is important if the ultimate goal is to maintain order, provide adequate representation and methodically deliver desired outcomes. These goals, however, come with bureaucratic impacts.

Among other inferences that can be drawn in Figure 5, our research focuses on three compelling arguments that evolve when comparing the Transition Plan outcomes to the Organizational Behavior Model (Allison & Zelikow, 1999). First, bureaucratic rules, processes, and systems drive leadership turnover and changes in direction. Second,

bureaucratic processes that assign significance to many topics cause leaders to be unavailable (excessively), which impacts their ability to devote energy and discipline to particular tasks, postponing necessary decisions, directions, and guidance. Third, bureaucratic processes, as explained by the model (Allison & Zelikow, 1999) and witnessed in the Transition Plan, innately expand the timeline for certain decisions and actions in the PPBE resourcing environment, and that environment has rigid procedures governed by Congress and tightly constrained timelines. If a program misses the cutoff dates for resource submission, in essence the request has to be queued up for the following year PPBE cycle; in other words, there are very little “fixes” available to obtain the necessary funding, and to stay on schedule, when key PPBE actions are missed. In the Transition Plan, certain processes, coordination, and approvals caused misalignments between the timing that funding was needed and when it was available. In other words, key POM submission dates were missed, as approval documents made their way through the various organizational structures (Model II).

In the following pages of this chapter, we explain how Allison’s Model II and the actual results from the data obtained in Chapter V analysis of the Transition Plan both show evidence of these bureaucratic impacts, proving that the model does, to a large extent, explain government performance and decision making.

#### **A. LEADERSHIP TURNOVER AND NEW ACTORS**

In the Transition Plan, turnover, resulting at least in part from bureaucratic processes proved to delay timelines and critical milestones. Revisiting Max Weber from the earlier chapters, Allison reminds us that “behavior of [how] many individuals is influenced by the controlling purposes of the organization to which they belong” (Allison & Zelikow, 1999, p. 147). Bureaucratic processes that require employees to change and turn over, either through developmental programs, rotations, Army systems, and a culture of constantly providing other “experiences,” are visible in the Transition Plan and in the model, and they occur at all levels of management. Higher level turnover causes more impact than turnover at lower ranks, and in the Transition Plan, not only was turnover evident at lower ranks, simply as a result of time and process, but more importantly,

several senior leaders from all four key organizations changed, multiple times. As we uncovered during our study of the Transition Plan, these changes routinely altered the plan that was being executed. To intensify the bureaucratic impacts, turnover occurred during each major phase of the Transition Plan. For instance, within six months of the AAE announcing the mandatory cutover to ACC, a new PEO was assigned responsibility for carrying out the transition; at the beginning and midway through the Transition Plan the Deputy PEO and the Chief of Staff were moved, and finally the senior executive sponsor of the Transition Plan, the AAE, retired, and an acting senior executive officer was temporarily assigned until the current AAE could be named. Each change subdued momentum and dampened the criticality of the important tasks simply as a result of learning curves and job familiarity; changes in leadership typically even call to question the appropriateness of current and future courses of action. Questions that have already been answered resurface. To support this, Martin Schulz and others like him (James March, Herbert Simon) describe how a typical “actor,” a government employee in this case, arrives at decisions and take action. They describe the action being the result of “a logic of consequence,” a “logic of appropriateness,” and a “logic of action” (Schulz, 2014, p. 2). Each different player may have their own description of consequence and appropriateness. One example from the Transition Plan where this was evident involved access to particular accounting ledger systems.

Two months after the AAE directive to begin the development of a Transition Plan (October 30, 2013), ACC requested full access to Army systems of records for accounting, after much negotiation, it was determined that there was not enough justification for full and open access until adequate training could be obtained. This was just the beginning of ongoing negotiations requiring top leadership input and consistent guidance, which we already discussed as lacking, and which would continue to take place as the new contracting cell pursued independence from the PEO. Instances like this led to further negotiations (June 13, 2015) on what headquarter functions the new ACC Contracting Office would require; what their parent organizations, ACC HQ and AMC, would provide; and what the PEO could provide while in transition, as well as functions required after FOC (based on remaining in a shared location). It would also require a

shared costing methodology and reimbursable funding model. Furthermore, the Transition Plan would not be signed until both gaining and losing Commanders were in agreement on equities to be maintained by the new ACC office and the level of contracting support provided the PEO.

Third, there is disruption and discontinuity caused by bureaucratic systems that require employee changes, especially when the changes occur not because of performance or skillset, but rather because of semi-formal guidelines and cultural norms. For example, as a general practice, Program Executive Officers are moved every two to three years from a PEO for developmental reasons and to ensure fresh perspectives permeate the PEO mission. This is based on historical precedence and a military footprint, which encourages civilians and non-civilians continually move to different assignments, taking on broader missions, voluntarily and involuntarily. According to Allison (1999), Model II suggests that organizations create various processes and policies that align with previous experience. This implies that military leaders will give the sort of advice that they have given before, just like athletic coaches might draw up plays that have been successful in prior matches. This policy and culture of continuous study, continuous movement, and continuous rotations, disrupts execution and performance and introduces new actors with new perceptions and opinions.

Another impact to bureaucratic turnover deals with the ultimate effectiveness of leadership and control. In efforts like the Transition Plan, there has to be an in-charge leader. But as we see in Figure 5, the turnover and an IPT-type approach clouds the ability to succinctly identify who that was and when that was. The Organizational Behavior model admits that “to avoid paralysis, primary power must accompany primary responsibility” (Allison & Zelikow, 1999, p. 166). Further, “a dominant political group that can impose its will on everyone may have a strategy for action but almost surely lacks the knowledge to do it well. It does not know what to tell people to do; in part this is an expertise problem. These knowledge problems are compounded by uncertainty about the future” (Allison & Zelikow, 1999, p. 150). In bureaucracies, there are definite dominant political groups and uncertainty about the future. In the Chapter V “Transition Plan” description, the theory in the model is realized specifically after the AAE provided

the command to divest contracting agencies from the PEO's. In reality, although the command was given, control and direction appears to be distributed, and as the model suggests, each interested party began developing their strategies and processes for achieving the planned goal, perhaps not ensuring that the plans were in concert with each other and the AAE. Eventually, re-work ensued, completed work was undone, new plans were formulated, and timelines were pushed. "Organizations interpret mandates into their own terms. This is especially true when the broad goals conflict or offer little operational guidance" (Allison & Zelikow, 1999, p. 167). To further the point, Brook's Law, with respect to software project management, states there is ramp up time for new additions to teams; they need to become educated about the work that is being completed and they need to understand the team member roles. Brooks suggests new workers can slow processes down and generate more delays; that theory is exacerbated when a project is already late, and new employees are added. In the "Transition Plan" both elements existed; constantly new employees and a behind schedule transition.

#### **B. INTEROPERABILITY, TRAINING, MEETING ATTENDANCE, LEAVE, SYMPOSIUMS, TRAVEL**

In the book *Implementation*, Pressman and Wildavsky (1984) describe an inter-agency program designed to create jobs in the Oakland, California area. This required a significant amount of coordination across state and county bureaucratic lines and across government agencies. What they found was this phenomenal "complexity of joint action" (Allison & Zelikow, 1999, p. 159) that is "common to most modern endeavors in government" (Allison & Zelikow, 1999, p. 159). As we cited earlier in chapter five, there were significant portions of the work-year where key members of the Transition Plan team(s) were unavailable because they were meeting with constituents on necessary non-Transition Plan activities. For instance, an analysis of travel records in the Defense Travel System and through internal reports in 2016 revealed that at least one of the key players in the Transition Plan was away from the PEO, participating in other important activities, the majority of the workdays in the year. That is in addition to mandatory required training days and normal government leave days. It is the interdependency, inter-mission, and interoperability, that causes many managers in bureaucratic

environments to simply be pulled in too many directions. This is not intended to challenge whether leader availability is/was appropriate or not, but rather the purpose is to engage data that simply identifies why tasks get stuck or delayed when leaders are not available. In many instances, the decision-maker is simply away. Furthermore, throughout the Organizational Behavior model, there is recognition for decentralization, but all too often, centralized meetings and briefings are required. There was clear decentralization of tasks in the Transition Plan, with ASA(ALT), AMC, the PEO, and ACC performing their respective roles. However, the “necessity for decentralization runs headlong into the requirement for coordination” (Allison & Zelikow, 1999) perhaps at a more central location, like the Pentagon. Moreover, “if conflicting goals both accord with the organization’s capacities and culture, the incompatible constraints tend to be addressed sequentially, the organization satisfying one while deferring or neglecting others” (Allison & Zelikow, 1999, p. 177). Simply put, and beyond just being cliché, the leaders in the Transition Plan, may have had too many balls in the air to support the AAE’s timeline. In the Essence of Decision model, this is referred to as Interactive Complexity. “In every case, analysts, managers, and political leaders should be acutely aware of the gravitational pull exerted by organizational propensities. Success in policy management requires leaders’ extraordinary efforts to create a balance between their purpose and the accumulated weight of the organizations dispositions” (Allison & Zelikow, 1999, p. 159). As the model suggests, given time and historical precedence, “as some economists began to note, and warn, bureaucrats will produce more of it (whatever it is), and seek more resources to do it, than society may really need or can afford” (Allison & Zelikow, 1999, p. 148). In other words, meetings, training, participation on special projects, group exercises, informational sessions, and personal requirements disjoints a project’s momentum. In many of these instances, a central theme of risk aversion, as mentioned in previous chapters, creates a “rule or policy” that every scenario must be considered and every outcome screened, when in reality, those built in processes are unnecessary and detract from the real mission. They are bureaucratic and they cause inefficiencies and delays. Although risk and risk aversion are never specifically detailed in the Organizational Behavior model, our research indicates it is an important factor

when formulating decisions for Allison. Bureaucracies cause risk aversion and that aversion may have a larger impact on decisions beyond what the Allison models provide. In Charles Perrow's book, *Normal Accidents*, the "ever-increasing numbers of routines interact as large organizations are entrusted with ever more complex and risky operations. High risk spawns many new routines designed to guarantee reliable, safe performance, but the new routines also interact" (Allison & Zelikow, 1999, p. 159). In many cases, government actors push for more meetings, excessive oversight, and higher endorsements in order to avoid the risk of doing something that could be perceived as wrong or incorrect. Whether those risk mitigation strategies are necessary is outside the scope of this paper, but fundamentally, bureaucracies are more risk averse, and more aversion causes many of the impacts seen in Exhibit 5.

### **C. MISALIGNMENT WITH RESOURCES**

A lot of what is described in the preceding pages of this chapter ultimately causes a discontinuity in the timing of resources and a disconnect between when funds are needed and when they are available. The tenets of Model II and the events from the Transition Plan tell similar stories, and, in particular, with respect to the Transition Plan the system of bureaucracy caused the stakeholders to be unprepared to budget and POM for the necessary resources in the required fiscal years. In the bureaucracy, if a program (i.e., "Transition Plan") is unable to enter the cycle, in this case the POM cycle, there is very little recourse other than waiting for the next cycle. The snowball effect ensues compounding the issues; and although programs are able to obtain stop-gap resources, as described earlier, there is a detrimental impact to momentum. Additionally, the inability to plan and the absence of funding almost guarantees that certain key trigger points (milestones) will be delayed.

### **D. CONCLUSION**

The purpose of the comparison is to determine if the model accurately depicts the effect of bureaucracy on the speed of action and the shape of decisions that were made during this Transition Plan. We believe the actions and decisions in the Transition Plan do correlate to the actions and decisions described by the Organizational Behavior model.

In Chapter VII, we discuss smaller aspects of the model that did not seem to explain elements of the Transition Plan, and provide our conclusions and recommend additional research.

## **VII. CONCLUSIONS, RECOMMENDATIONS, SUMMARY, AND AREAS FOR FURTHER RESEARCH**

### **A. CONCLUSION**

First, as described in this paper, bureaucracies that exist in governments and large organizations for good reason(s) can create negative impacts to program execution. Bureaucracies are not original or unique to the United States. They existed in feudal times (source) and they exist today in countries and organizations across the globe. “Four former CIA officials spoke to the paper, telling it that information from sources deep inside the Chinese government bureaucracy started to dry up in 2010. Informants began to disappear in early 2011” (“China Crippled,” 2017). The intent of this paper is to help leaders and government official in bureaucracies understand the impacts that occur as a result of operating in a bureaucratic environment. Among others, we have presented data to conclude that bureaucratic systems create employee turnover and transition, they promote too much oversight and too little ownership, and they make it difficult to request and manage manpower and funding in a complex working environment. These outputs from bureaucracy lead to delays, cost overruns, and other negative measureable consequences. In the case of the Transition Plan, the initial timeline from Army headquarters was unattainable because the initial timeline did not consider the embedded elements of the DOD bureaucracy.

Second, Allison’s Organizational Behavior model fairly represents how events unfolded during the Transition Plan and how decisions were made for an Army program. The model describes where various leaders have individual and organizational goals and how representatives behave or negotiate in order to satisfy their needs. This was evident in the Transition Plan events, and that study helped to reinforce literary review concepts presented in earlier chapters in terms of impacts of bureaucracies.

Third, research suggests that when leaders are part of a bureaucracy, they find it difficult to see outside of it; and if they do see outside, the tentacles of bureaucracy pull them back inside. That is the nature of a bureaucracy, a self-fulfilling prophecy and constant do-loop that resists radical changes to the establishment. It is why in the

previous chapters, research has identified so many studies and so many bureaucratic reform movements that gain mild to moderate traction at reform and reducing bureaucratic impacts. Reform recommendations fall upon bureaucratic ears, for one. In addition, the reform suggestions seem so significant that a bureaucratic system cannot fathom the broadness and pace of the change.

## **B. AREAS FOR FURTHER RESEARCH**

The development of this paper and the observations recorded from the Transition Plan bring to light several other areas for further investigation into the impacts of bureaucracy and whether further reform initiatives should commence.

First, in private industry and in non-bureaucratic systems there are other contexts that drive decision making, beyond cost, schedule and performance. Most notably they are profit pursuit, market growth, and shareholder maximization. A context beyond cost, schedule, or performance measures might ultimately clear the bureaucratic barriers that exist in the DOD. As importantly, a few other thoughts permeate.

Second, there is data to suggest that bureaucracies do not encourage or promote freedoms in decision making that non-bureaucratic organizations enjoy. In bureaucracies the leadership and creative decision making that Gladwell describes as “thin-slicing” and “adaptive unconscious” (Gladwell, 2005, p. 11; p. 23) cannot be practiced. The terms are too abstract and vague that they don’t fit into one of the persistent element of bureaucracy—standard operating procedures. Yet many of the best decisions are made outside of the lines or outside of the boundaries imposed by bureaucratic organizations. In his book *Blink*, Gladwell acknowledges that “when experts make decisions, they don’t logically and systematically compare all available options. That is the way people are taught to make decisions but in real life it is much too slow” (Gladwell, 2005, p. 107). He then continues on to describe how brilliantly New York Mercantile Exchange traders performed on Governor’s island as they played war games on computers that required them to make “decisive, rapid-fire decisions under conditions of high pressure and with limited information” (Gladwell, 2005, p. 108). They traders were also taken to Quantico for live fire exercises and the conclusion from the head of the Marine Corps University

was “these overweight, unkempt, long-haired guys and the Marine Corps Brass were fundamentally engaged in the same business, the only difference being that one group bet on money and the other bet on lives” (Gladwell, 2005, p. 108). The other thing that was missing was bureaucracy. In risk-averse bureaucracies, there is the tendency to “gather and consider far more information than is truly necessary because it makes them feel more confident—and with someone’s life in the balance, they need to feel more confident” (Gladwell, 2005, p. 140).

Third, lean six sigma, or “leaning” principles are designed to streamline manufacturing and administrative efforts. We suggest that lean studies be considered with the big “A” acquisition community to begin to separate out those items that are important and those items that are not. From there, lean principles can be applied that encourage value streams and value added thinking, which would hopefully reduce the negative impacts that the current bureaucracy fosters.

Additionally, our research of the Transition Plan outlines the intended importance of the IPT in executing the plan. Yet it could be suggested that IPTs are not always required or provide the best leadership. The Transition Plan, when boiled down, was a fairly straight-forward administrative exercise, and transitioning of a charter and a group of employees. “Psychologists tell us much the same thing: that when people are asked to consider evidence or make decisions in a group, they come to very different conclusions than when they are asked the same questions themselves” (Gladwell, 2000, p. 171). Bureaucratic IPTs, although initially set up to streamline processes, may ultimately hinder the efforts and disrupt direction.

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