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# DoD Acquisition Reform Pushing Change in People

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As the U.S. Defense Department digs deeper in its efforts to trim the fat in lean fiscal times, acquisition reform is confronting a structural problem that cannot be addressed by sequestration: an inexperienced acquisition workforce confronting increasing demands for complex decision-making that champions the bottom line.

The need for careful judgment, and desperate need for a workforce that can exercise that judgment, was on full display Nov. 13 when the Pentagon's draft of Better Buying Power 2.0 was revealed. The original Better Buying Power memorandum contained a series of reforms, including the application of lowest price technically acceptable and increased use of fixed-price contracting attitudes when it was released in 2010.

The new version replicated nearly every concept in the original, except for the addition of a section on professionalism, a nod to the need to improve the ability of the acquisition workforce to apply the concepts espoused in the first.

Excessive use of fixed-price contracts, especially for development, has been a repeated talking point of

Frank Kendall, undersecretary for acquisition, technology and logistics, in recent months. After years of reducing the workforce in the 1990s, the Pentagon has greatly swelled the ranks of its acquisition staff. But those people need experience, which takes time, Kendall said at the rollout of the new memorandum.

"My view is that, at the end of the day, the professionalism and the capability of the workforce and how it's supported, more than anything else, affects acquisition outcomes," he said. "We grow our own people. We grow our program managers. We grow our logistic specialists, our private support people. We grow our contracting people. And if we have a shortfall on that, then we have a very long recovery time to correct it."

The fact that the new version of Better Buying Power, which has become one of the most critical documents for acquisition policy, included few new points but emphasized professionalism indicates that many did not understand the original, said Steven Grundman, the Lund Fellow at the Atlantic Council.

"I think Better Buying Power 1.0 went over a lot of people's heads," Grundman said. "I think it went over the heads of the workforce, I

think it went over the heads of people in industry."

But in addition, Kendall's emphasis on Better Buying Power was critical to prove its staying power, Grundman said.

"There was no way that this was going to outlast [Ashton] Carter [deputy secretary of defense] if his successor did not stand up and say, 'I'm associated with this too,'" he said.

The focus on the longevity of the reform was on display through the planning of the new release. The rollout was scheduled for a week after the presidential election, well before the outcome was known. The current administration was going to promote Better Buying Power whether or not it had a chance to see it through the next four years.

And part of what the new version demonstrates is the lessons learned from the past two years, said David Berteau, director of the International Security Program and senior vice president at the Center for Strategic and International Studies.

"Rather than trying to clarify what went before, it's really trying to analyze what's gone on in the last two years," Berteau said. "It's based on the belief that we're headed in the right direction, but I also

think it's based on the belief that as we go, we'll get smarter and make changes. If it's not the right direction, we'll modify the direction."

One of the modifications that has been made is based on analysis showing that issues with technology aren't the primary problem with cost growth.

"He did say that in almost every case, the root causes of cost and schedule overruns were not that we were reaching too far technically," Berteau said. "That's pretty powerful, because usually we say it costs so much because we're trying to do something that's never been done before."

But it's the change in the workforce that Kendall emphasized, and has been discussing repeatedly in preparation for the new memorandum. It's a change in professionalism and a change in culture.

"Dr. Carter, shortly after he rolled out Better Buying Power 1.0, was asked a question if he was doing a culture change," Kendall said at a breakfast with the Aerospace Industries Association this fall. "I think he said glibly that he didn't do culture change. I kind of wish that he had because I think we need one." □

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