Program Execution

It All Comes Down to Making the Hard Decisions

Collie J. Johnson

Kenneth Krieg, the Pentagon's under secretary of defense for acquisition, technology and logistics, says that the biggest challenge acquisition leaders face is a challenge as old as the acquisition business itself—finding and keeping that delicate balance among cost, schedule, and performance.

"This is especially hard in the ever-changing warfighting environment that we face," he told program executive officers and acquisition leaders on the opening day of the fall 2005 PEO/SYSCOM Commanders' Conference. This top-heavy event, attended by the acquisition movers and shakers across DoD, was held at the Defense Acquisition University, Fort Belvoir, Va., Nov. 15-16.

Krieg called the responsibility to balance among cost, schedule, and performance an "awesome" one, and also one that concerns him. "We cannot continue to operate in an atmosphere where we let people outside of our programs add cost, move our schedules, and alter performance without clearly spelling out and accepting the consequences involved in those decisions."

He urged the acquisition community's PEOs and leaders to focus on what the customer really needs and when. "What are the major cost drivers? Can we afford it? What are the life cycle costs? Are there smart tradeoffs available?" He encouraged them to ask these same questions as they move forward through their programs.

"We need to answer these questions so we can ask our customers the fundamental question, which too often I believe we don't do: 'Would you accept 80 percent of the requirement if I could build it in 60 percent of the time at 50 percent of the cost?'"

It all comes down to making the hard decisions, Krieg said, that allow for a balanced portfolio.

"You are the people responsible for making sure that our programs and projects come in on time and on budget, and that we deliver something of value to the customer—the warfighter."

Under Secretary of Defense (Acquisition, Technology and Logistics) Kenneth J. Krieg speaks at the Fall 2005 PEO SYSCOM/Commanders Conference held at Fort Belvoir, Va., Nov 15-16. Krieg outlined six specific goals for the AT&L workforce: 1) Strategic and tactical acquisition excellence (includes IT and engineering); 2) knowledge-enabled joint logistics: integrated, effective, and efficient; 3) selective technology dominance; 4) assure cost-effective capability and capacity available to meet strategic objectives; 5) improve governance and decision processes; and 6) an agile, capable, and ethical workforce.

Krieg reminded the many acquisition leaders assembled that they will ultimately be held accountable for the program's success or failure. "I see my role as giving you the tools and the environment in which to be successful," he said.

Krieg emphasized early and continuous agreement on requirements and spelled out the price for failure: "If our team fails, it is the warfighter who suffers and our nation's security is compromised."

Johnson is editor in chief, Defense AT&L *magazine.*

Moderating the Component Acquisition Executive panel of the fall 2005 PEO/SYSCOM Commanders' Conference was Assistant Secretary of the Army (Acquisition, Logistics and Technology) Claude Bolton Jr (standing). Other panel members shown from left: Jennifer Walsmith, National Security Agency CAE; Deputy Assistant Secretary of the Air Force for Acquisition Integration Blaise Durante; Dale Uhler, Special Operations Command CAE; and Delores Etter, Navy CAE.

Krieg had words of encouragement for the acquisition workforce as they continue to deliver technologically advanced systems to the nation's warfighters—a workforce he described as "thousands of ethical, conscientious professionals who have dedicated their lives to making Department of Defense a strong organization capable of sustaining our nation's security."

Component Acquisition Executive (CAE) Panel

The Component Acquisition Executive panel tied their presentations and discussion to "Program Execution–Best Practices." Panel moderator Claude Bolton, Army CAE, was joined by four other panel members: Delores Etter, Navy CAE; Dale Uhler, Special Operations Command CAE; Blaise Durante, deputy assistant secretary of the Air Force for Acquisition Integration; and Jennifer Walsmith, National Security Agency CAE.

Army CAE

Bolton kicked off discussion with a focus on requirements, and how they must be written in a manner that the collective acquisition community charged with executing the program understands.

"You can be very, very good in acquiring, development, contracting, initial testing, initial fielding—you can be absolutely perfect—but if you didn't get the requirements right, if you weren't resourced correctly, if the equipment or system does not sustain five years after you put it out there in the field, you fail.

"Why? Because the soldier sitting out there in the foxhole or any warrior doesn't see any of that. The clock starts when the soldier puts his hand in the air and says 'I want'; and it ends when he puts his hand down and says, 'I got it.'"

Navy CAE

Etter, only six days into her new job as assistant secretary of the Navy for research, development, and acquisition, spoke of technology as the critical edge for our warfighters as they go out and execute their missions. She further defined that critical edge as "the systems, the equipment, the platforms that [warfighters] are going to have that enable them to track equipment and people, and identify good guys versus bad guys."

She also talked about technical risk. "We want to give so much capability to the men and women who are going to use our weapons systems that we try to push technology into the systems before it's really ready."

Etter advocates a closer look at how the acquisition community evaluates technology maturity and designs testing and systems to help us mature technology in time to fit into an acquisition program. "We must figure out what are the right systems to give to our men and women in uniform today," she concluded.

Special Operations Command CAE

Uhler explained SOCOM's extraordinary mission and how its programs start joint across all the Services. "Even

though one component may have requested [a system or product] within SOCOM," said Uhler, "we assume it's going to be spread across the force, or that it's going to eventually migrate into other parts of the organization. As a result, it's vital that SOCOM keep that tie back to the MILDEPs [military departments].

Uhler agrees with Bolton that requirements are critical, and said that he spends a lot of time looking at SOCOM's requirements when they come up, trying to decide whether a system or capability is something the Army, Navy, Air Force, and Marine Corps might be interested in, or whether it is something so unique that SOCOM will have to develop it with their own capabilities.

Defining stakeholder expectations and taking risks—areas that Krieg had earlier urged the conferees to fully understand and address in their projects and programs—Uhler credits as "the key that makes SOCOM programs go faster."

"We knowingly go in looking for a 50 or 60 percent solution when we've got a requirement coming in from the field. We'll use spirals after that, because our objective is to get the capability into the hands of the user as quickly as possible."

Uhler said that SOCOM has a tremendous number of systems engineering challenges "because we're taking somebody else's developed capability and then we're trying to overlay our unique capabilities on top of it. It works well, but we really are dependent upon the MILDEPs for a lot of help."

Deputy Assistant Secretary of the Air Force for Acquisition Integration

Durante spoke on the importance of mentoring and passing on program management knowledge and best practices before the impending retirement over the next three years of about half of the acquisition workforce. He emphasized the importance of setting a firm foundation early in the program to ensure that the requirements community is part of the team developing the capabilities requirements.

"A lot of the people in the user requirements community think the world can be had," he cautioned, "but they don't look at the cost, schedule, and technical capabilities."

Durante advocated a return to such basics as earned value and systems engineering. He also said that DoD needs more collaboration between the contractor and the government for the most probable costs.

"Once the winning contractor is announced, then incentivize that contractor up and down a sliding scale," he said. "DoD also needs a kill program, he added, "because once a program starts, it's the hardest thing in the world to kill."

Durante said taking care of the troops is the number one priority, and everything else is second. "So we have to do things smarter," he concluded, "because that top [budget] line will not be growing in the future."

National Security Agency CAE

Walsmith explained that NSA's mission, signal intelligence or SIGINT, is about the communications aspect of listening in the intelligence community. She spoke of the rejuvenation of an acquisition capability that hadn't been in place at NSA for over a decade—a rejuvenation she attributes to three initiatives:
- Investing and rewarding the acquisition workforce by rebuilding an NSA acquisition corps, creating a formal planning and professional development approach through partnering with the Defense Acquisition University, and earmarking funds for special bonus and retention incentives.
- Tapping into and leveraging the industrial base through the Provisional Industrial Security Approval, which vets capabilities of potential contractors so they can now visit NSA and obtain more detailed information on NSA's Requests for Proposals; outsourcing of background investigations and accelerating of the security clearance process, which has cut average days of completing an investigation from 247 to 147; and tapping into small businesses for future requirements.
- Acquisition keeping pace with technology, which encompasses maintaining control of NSA's architecture and technology roadmap; prioritizing requirements and phasing them into systems in smaller increments; and exercising discipline with taxpayers' money.

Ethics Panel

In light of procurement scandals that made the news in 2005 and a renewed focus on business ethics and integrity by the secretary of defense and the USD(AT&L), this year's conference featured an Ethics Panel moderated by Pete Geren, special assistant to the secretary of defense. Other panel members were Stephen Epstein, director of standards and conduct, AT&L Office of General Counsel; Maryanne Lavan, vice president for ethics and business conduct, Lockheed Martin Corp.; Richard "Dick" Bednar, head of Defense Industry Initiative (DII) on Business and Ethics; and Pierre Chao, senior fellow and director of Defense Industrial Initiatives, International Security Program, Center for Strategic and International Studies.

Geren opened the panel discussion with a quotation from Albert Einstein that resonated with the audience: "Relativity applies to physics, not ethics." He urged the audience to "think about how you make business decisions, try to identify the factors that go into your decision-making process." In addition to identifying the basics of cost, schedule, and performance, Geren said that leaders must factor in compliance with laws and regulations. "Your con-

The fall 2005 PEO/SYSCOM Commanders' Conference featured an Ethics Panel moderated by Pete Geren (right), special assistant to the Secretary of Defense. Other panel members from left: Pierre Chao, senior fellow and director of Defense Industrial Initiatives, International Security Program, Center for Strategic and International Studies; Richard "Dick" Bednar, head of the Defense Industry Initiative (DII) on Business and Ethics; Maryanne Lavan, vice president for Ethics and Business Conduct, Lockheed Martin Corp.; and Stephen Epstein, director of Standards and Conduct, AT&L Office of General Counsel.

sideration cannot stop with just what is legal," he said. "The laws and regulations set the outside boundaries of your conduct; the ethics tell you where you operate within those outside boundaries."

Epstein talked about the importance of an ethics program within every organization, and ethical conduct as a performance standard against which every leader should be evaluated. He emphasized cultivation of a corporate ethical culture ("corporate" in this context meaning "united").

"If you want cohesion, if you want people who are dedicated to your mission and what you're doing, part of it is what they see going on around them," Epstein said. "And if they see that the rest of the employees—their counterparts, their shipmates—are being held to accountable standards, then they feel much more satisfied with how [leaders] are doing their jobs."

Lavan discussed how Lockheed Martin, as well as the entire defense industry and their government partners, are moving towards a better ethics dialogue.

"It's important to include everyone in the room here," she emphasized, "because really what impacts Lockheed Martin, or impacts Boeing, or impacts Northrop Grumman impacts the whole industry and impacts the Defense Department as well; because the public doesn't distinguish between the contractors, and so whatever hurts one contractor, hurts other contractors and hurts our government partners as well."

Bednar explained that DII comprises 67 companies and is run by defense industry CEOs who "own" the ethics program just as PEOs in defense "own" the ethics program. He noted a startling conclusion from the DII's recent mini National Business Ethics Survey. "The greater [the extent] that the CEO is deeply involved in ethics ... and the greater [the] extent [to which] the CEO controls those pressure points in industry that result in ethical failures—like pressures to make budget, pressures to make delivery, pressures to make schedule—in those companies where we had that deep involvement by the CEO, the perception of ethics and the perception that employees were working in an ethical organization was very high."

Chao said that deeds matter more than words. The type of ethical misconduct recently in the news, he observed, is readily understood as unethical. But the ethical lapses that occur in the gray zones are the ones that are the most insidious. He cautioned that they usually start small.

"[Ethics] start being sacrificed for another goal or something else that you're trying to achieve. And you begin the rationalization process: 'Well, those rules were stupid anyway,' 'it doesn't apply to me,' or 'the boss wants this done so therefore his wants are more important.' That's where the issue of leadership becomes absolutely critical."

Senior Industry Panel
The Senior Industry Panel chose "Program Execution in Collaboration with our Industry Partners" as the focus of

2005 DAVID PACKARD EXCELLENCE
Three Teams Honored

40mm Team

The 40mm Team used new statutory authority to joint venture small businesses, executing a dramatically successful systems contracting business model and awarding the largest small business contract ($1.3B) in Army history to two small business teams. This first-in-class munitions business success applied innovative joint venture teams to small businesses, resulting in increased small business participation of greater than $70M per year in support of congressional small business goals.

Joint Standoff Weapons (JSOW) Integrated Product Team

The JSOW Integrated Product Team led an innovative best-practices acquisition strategy that reduced the JSOW-C weapon unit cost by 25 percent, saving the Navy $133.5 million in the Future Years Defense Plan and an additional estimated $421M over the life of the program. They also implemented value engineering changes that will extend the shelf life of the weapon by 10 years, avoiding the need to refurbish the weapon, and reducing its operating and support costs by $61M.

Photographs by SPC. Michael Lindell, USA

IN ACQUISITION AWARD WINNERS
at Nov. 16 Ceremony

The DJC2 Joint Program Office delivered its first production system to the joint warfighter for operational test less than 18 months from program initiation. Simultaneously, it successfully deployed a developmental system in support of the real-world Joint Task Force operations. This rapid acquisition effort will soon give the Joint Force commander an urgently needed reconfigurable and deployable command center that can be set up and operational in theater in under 24 hours.

On Nov. 16, at the fall Program Executive Officer/Systems Command Commanders' Conference luncheon held at Fort Belvoir, Va., Director of Defense Research and Engineering John Young presented the David Packard Award for Acquisition Excellence to three program teams. Young presented the awards on behalf of Under Secretary of Defense for Acquisition, Technology and Logistics Kenneth Krieg, who was unable to attend. The Packard Award is given to Department of Defense civilian and/or military organizations, groups, and teams who have demonstrated exemplary innovations and best practices in the defense acquisition process.

Young paid homage to the "warfighters out there on the line, protecting this nation every day," and thanked the acquisition community for conducting their mission in a manner that supports that vital effort. Noting that 25 teams were nominated for the Packard this year, he said it was difficult to pick just a handful of winners. The selection process, he acknowledged, was arduous. Young reiterated the comments of Under Secretary Krieg at the start of the conference: "Our acquisition workforce comprises thousands of ethical, conscientious professionals who have dedicated their lives to make acquisition a strong organization capable of sustaining our national security."

"I'm particularly proud of the efforts of these winning teams," Young said. "Each used new and innovative ways to expand the talents of their people, to extend the life of our materiel, to work with our industry partners, and most important, to stretch the purchasing power of scarce tax dollars."

GOLD WINNER

U.S. Army Armament Research, Development & Engineering Center
Research, Development & Engineering Command

The U.S. Army Armament Research, Development & Engineering Center established the Armament University (AU), offering 425 credit and short courses with an annual attendance of over 5,000; and also implemented Lean/Six Sigma initiatives (a first for any government agency), representing profound cost savings and change in the way they do business.

SILVER WINNER

Naval Facilities Engineering Command (NAVFAC)

The NAVFAC Acquisition Directorate redirected the focus of the Naval Facilities Acquisition Center for Training (NFACT) from a training center to managing the content of the contracting processes in the NAVFAC Business Management System; and also developed the Engineering Network (E-NET), a group of practitioners who are forming the knowledge base to support NAVFAC managers throughout the installation life cycle.

On Nov. 15, during the fall 2005 Program Executive Officer/Systems Command Commanders' Conference luncheon held at Fort Belvoir, Va., Director of Defense Research and Engineering John Young presented the DoD AT&L Workforce Development Awards to four organizations. Young presented the awards on behalf of Under Secretary of Defense for Acquisition, Technology and Logistics Kenneth Krieg, who was unable to attend. Acting Under Secretary of Defense (Acquisition, Technology and Logistics) Michael Wynne authorized the award in May 2004 as an annual event designed to recognize field organizations that have made a profound and lasting contribution to career-long learning and development of their employees. The award program also serves to capture best practices for other organizations to adopt.

Young noted that 21 field organizations submitted applications for the 2005 USD(AT&L) Work-

FORCE DEVELOPMENT AWARDS
ent & Engineering Center Takes the Gold

force Development Awards. He called them all winners and "engines for success" in supporting the workforce through initiatives such as mentoring, job shadowing, peer-to-peer learning, on-the-job training, and rotations.

Young described the efforts of the four winning field organizations as innovative human capital initiatives "that I hope each of you will look at and consider emulating because they've been judged to be successful —and they have been successful ... ."

Young said he and the judges saw common threads amongst the four winners: leadership commitment; a strategic approach to career-long learning; strong leadership development program; an allocation of resources—both time and dollars—to the success of the program; and training and development initiatives that people embraced and can make use of.

BRONZE WINNER
Defense Information Systems Agency (DISA)

DISA developed a career management program for its employees, using such developmental activities as job shadowing and peer-to-peer learning; an automated tool called the DISA Talent Management System that employee and supervisor jointly use to select appropriate learning and performance support elements; and a course evaluation process to ensure training, development, and educational opportunities meet the needs of learners.

BRONZE WINNER
Defense Logistics Agency Training Center (DTC)

DLA instituted an "Understanding the Big Picture" initiative to ensure its workforce understands the mission, values, functions, and logistics across the agency to better streamline processes and move from a geographic focus to a customer and supply chain focus; and also provided developmental activities that satisfy the needs of employees at all levels through its Enterprise Leader Development Program, New Supervisor Certification Program, and Executive Succession Planning Program.

The fall 2005 PEO/SYSCOM Commanders' Conference featured a Senior Industry Panel moderated by John Young (right), director, Defense Research and Engineering. Other panel members from left: (not shown) Joanne Maguire, vice president, Lockheed Martin Space Systems; Scott Seymour, president, Integrated Systems Sector, Northrop Grumman; George Muellner, senior vice president and general manager, Air Force Systems, Boeing; and Ed Franklin, vice president, Raytheon.

their discussions. Moderated by John Young, director, defense research and engineering, the panel was composed of Young and four senior members from the defense industry: Ed Franklin, vice president, Raytheon; George Muellner, senior vice president and general manager, Air Force Systems, Boeing; Scott Seymour, president, Integrated Systems Sector, Northrop Grumman; and Joanne Maguire, vice president, Lockheed Martin Space Systems.

Franklin said the top two challenges in program execution at Raytheon from his perspective were requirements stability and realism, and the source selection process. "There's a constant push for everybody to position themselves so they can write the best proposals and come in with the lowest costs ... but neither the government nor industry really understands as well as they should what the risks are, so real matching of risk and cost does not occur." And since no one wants to give away competitive advantage, Franklin observed, communication is often poor.

Franklin advocates managing risk by managing your talent; get high-quality, experienced people and go back to basic disciplines. Find problems early and fix them early, aided by strong metrics.

Muellner highlighted three areas he viewed as troublesome to program execution: instability, i.e., requirements creep or failure to rebaseline programs; inadequate risk-mitigation funding/time; and supplier management/partnerships. His recommended remedies were addressing problem areas through program management best practices, strengthening "functionals," i.e., engineers, supplier management, and cost estimators; and continuing to fa-

cilitate government-industry partnerships with actions such as equal access to data, on-site personnel, or schoolhouse opportunities. "The people on both sides of the program have to be able to trust each other," Muellner said, "not only in what they say, but they need to have confidence that that person on the other side of the aisle in some cases, is competent to do their job."

Seymour talked about how Northrop Grumman is fostering an environment that promotes collaboration with its industry partners. He said that not everything is broken, and there are a lot of good things to look at and learn from on both sides of government-industry. Northrop Grumman, he said, is making a strong push to invest in education and learning, cultivating partnerships, and conducting program management seminars and leadership forums with acquisition agencies and commands, as well as the Defense Acquisition University. Another part of that effort, he added, is bringing back a number of retirees and getting them involved in job shadowing and mentoring of junior workers, and developing case studies oriented around a business approach.

On best practices, Seymour said, "At Northrop Grumman, we're learning that nothing transitions a best practice from area to area better than moving the key people with the technical credibility and customer domain insight to really establish the credibility in that new area with this best product or best practice that somebody has sort of lobbed over the fence into some new part of the country."

Maguire stated that the overarching contextual challenge faced by Lockheed Martin Space Systems and the gov-

ernment-industry acquisition workforce today is the pursuit of effective relationships and true partnerships.

"I, too, worship at the altar of process," she said, "but as I think about the problems that we're confronting and the complexity and the multi-dimensionality of them, I must take a slant that focuses less on process and more on a contextual framework for thinking about problem solving."

She named three areas that pave the way for an effective, mutual partnership: mutual respect, alignment of interests, and communication. She called these three areas the "lubricant that can get government-industry through the friction that exists in the very complex environment in which they both must operate today."

It's all about credibility, she noted, that is rooted in "demonstrated competence and trust—confidence that when you're told something, you can rely on that person."

Navy Adm Edmund B. Giambastiani, Vice Chairman, Joint Chiefs of Staff

Adm. Giambastiani spoke on "Program Views from the Warfighter." He said that we are a nation at war, and from that perspective he named three simple ideas from which he works with Kenneth Krieg, USD(AT&L), and the nation's acquisition professionals: adapting processes to support the warfighter; making sure the acquisition workforce does the right thing in establishing requirements; and "more, deeper, and better conversations [between warfighters and acquisition professionals] to deliver those

capabilities that we can afford in a time frame that makes a difference."

On better dialogue and communication, he emphasized that program managers need to feel empowered to come to the requirements community both when they need relief on realistic requirements, and when they can deliver more capability than expected. "It's a two-way street and it's a two-way dialogue," he said. He observed that the only programs that come before the Joint Requirements Oversight Council are those that incur a Nunn-McCurdy breach. "It's a bit late in the process," he said. "Why aren't we having a dialogue earlier in the process?"

Speaking of customer expectations, Giambastiani said, "An 80 percent solution today at reasonable cost beats a 100 percent solution with unlimited time and cost as the alternative any day of the week." Emphasizing complete program transparency as essential, he said that acquisition professionals and warfighters need to understand resource pressures and needed to be able to work together as a team, day in and day out, right up through the senior acquisition executive level to the Defense Acquisition Board.

Program Execution: OIPT Leader Feedback

John Landon, deputy to the assistant secretary of defense for C4ISR and IT acquisition programs, and Dr. Glenn Lamartin, director, defense systems, presented an annual update from their perspective as OSD-level Overarching Integrated Product Team (OIPT) leaders. They spoke of what's happening in relation to the budget deficit; what the impact is on the acquisition community; and what program managers, PEOs, and commanders can do to address it.

"If you know something's coming," said Landon, "then you can do something about it." He noted that the Department of Defense is in a period right now where they're overly reliant on budget supplementals to the point where supplementals are beginning to be thought of as a nor-

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> —Adm. Edmund B. Giambastiani, USN
> Vice Chairman, Joint Chiefs of Staff

mal way of doing business. "But believe me," he cautioned, "when they dry up, the bills don't necessarily go away ... so what you see is big changes in procurement in order to address the total top line for the DoD."

From his perspective, Landon said, he sees that "we are really moving into a period where we need to become better providers, we need to deliver on schedule, we need to push back on requirements growth, and we need to make sure technologies are mature as we enter into the SDD [system design and development] phase." He also advocates incremental increases in capabilities throughout a program. "We can continue to do business the way we have," Landon noted, "or we can think about it and start to confront reality and react to the numbers that are there."

Following Landon's remarks, Lamartin spoke of DoD's grim funding outlook and the importance of smart program execution. "The environment is such that our senior leaders are not going to show great patience with programs that don't seem to fit, that don't seem to have particular value ... . Program execution is something that we all play a part in, and I think that if we do a better job of execution—efficient, effective, economic—than we can help do our share."

He recommended that to succeed in this austere environment, PMs must (1) know their neighborhood and where their system fits; (2) "just say no" to requirements creep and use evolutionary acquisition to time-phase and manage expectations; (3) pay attention to documentation because it is the foundation of any program, promotes transparency, and reduces the burden of admin-istrative oversight and review; (4) identify risks early and use metrics to gauge progress and mitigate risk; and (5) ensure programs have a rigorous systems engineering approach, as well as a robust developmental test and evaluation program.

"Keep it real, "Lamartin advised. "Architecture, systems engineering, spiral engineering, transformation, capability-based, net-centric—I challenge you to *not* let these very important concept constructs become just buzzwords ... and in so doing, keep these concepts alive."

The Value of Enterprise Behavior

Enterprise behaviors, as defined by DoD, are the behaviors that drive the providing of goods and services for the warfighter, including financial, commercial, and industrial aspects. Navy Vice Adm. Walter B. Massenburg views enterprise behaviors as vitally important to program execution and carrying out the full range of his responsibilities as commander, Naval Air Systems Command. Speaking on "The Value of Enterprise Behavior," Massenburg repeatedly returned to the concept of a single process owner as the real power behind a successful enterprise behavior.

"Until you put your warfighter at the head of everything that you do, until you establish the warfighter as a single process owner, then money is spent and bad behaviors are exhibited because we all get to live in our stovepipes of activity."

A stovepipe of activity, he explained, means that program and project managers have been given responsibility and

The fall 2005 PEO/SYSCOM Commanders' Conference featured an annual update from the OSD-level Overarching Integrated Product Team (OIPT) leaders. Pictured are John Landon, deputy to the assistant secretary of defense for C4ISR and IT Acquisition Programs (standing), and Dr. Glenn Lamartin, director, Defense Systems.

on crisis without any rhyme or reason, and what results is instability in the program." He cautioned against incentivizing behaviors that grow infrastructure at the expense of requirements. "Put somebody in charge," he added, "and hold your subordinates responsible."

Trust and transparency, he said, are absolute requirements for enterprise behavior. "Everything must be on the table ... understand cost and make choices to get the best bang for the buck." Lean must be understood, he added, because it is "the key to continuous improvement."

> "Trust and transparency are absolute requirements for enterprise behavior. Everything must be on the table ...."
>
> —Vice Adm. Walter B. Massenburg, USN
> Commander, Naval Air Systems Command

accountability in a stovepipe, and they try to optimize that stovepipe of activity. "And that," he maintained, "is done at the expense of everybody else." If leaders of organizations, charged with protecting the greater good of the organization, allow themselves to live in their stovepipes of activity, then they will perpetuate bad behaviors, Massenburg said, because resources are being expended in the stovepipe of activity rather than for the greater good of the warfighter.

He talked about the "me" attitude that permeates some organizations. "If we're really serious about this DoD business enterprise, we have got to understand the greater good ... we're not taught to understand or care about the greater good. We're taught to perform in, and optimize our stovepipe, and if you optimize that, you're doing the best for DoD. I'd say that's bad leadership," he observed, "because what it does is allow corporate ego to creep into decision making, which is inefficient and ineffective behavior."

Massenburg said that when an organization starts to mature enterprise behavior beneath the top layer of leadership, "what you find is striking new ways to do business." He highlighted four metrics for optimal enterprise behavior: inventory of people and "stuff"; reliability; cycle time; and cost. "If you don't have metrics on those four," he emphasized, "you will be inefficient and ineffective."

DoD tends to take the money from future readiness to finance the present, he said. "That's what we do in this business. ... We swing the pendulum back and forth based

Massenburg outlined NAVAIR's enterprise behavior model and explained how its application could relate across the Services. "You have to account for every person, and every dollar, and every piece of stuff," he said. "And one person, and one dollar, and one piece of stuff can only be owned by one person. There can't be dual owners, or 'I don't really know where that money is,' because what you're doing is abdicating responsibility and accountability for people, dollars, and stuff. And if you don't know from whence you're departing," he cautioned, "you'll never get to where we [DoD] need to go, which is less people, less stuff, and more dollars to provide for our future to buy new stuff."

Concluding the conference, Massenburg said "The warfighting enterprises are the ones that have to drive this enterprise behavior. Until you put responsibility and accountability with a single process owner of whom you have an expectation to drive behavior, you can't get to people, dollars, and stuff."

> *To view and listen to videostreaming of each panel or speaker discussed in this article, go to the DAU Visual Services Web site at <http://view.dau.mil/dauvideo/view/channel.jhtml?stationID = 1628970137>. David Walker, Comptroller General of the United States, also spoke at the fall 2005 PEO/SYSCOM Commanders' Conference. A feature article based on his presentation appears on page 10 of this issue.*