**DAU**
Defense Acquisition University

The Defense Acquisition University:
Training Professionals for the
Acquisition Workforce
1992–2003

# The Defense Acquisition University: Training Professionals for the Acquisition Workforce 1992—2003

**EVELYN LAYTON**

**DISCLAIMER**

# FOREWORD

In August 1992 DAU consisted of 20 people occupying a small rented office space. They were charged with creating a university out of a 12-school consortium with each member reporting through their own chain of command. Within a decade, DAU had become a premier best-in-class corporate university winning coveted awards in competition with the best training organizations from government and industry.

I wanted the history of the events and people who propelled this extraordinary accomplishment to be captured at this time for two reasons. First, many of those involved in founding the university are still readily available to provide first-hand information and insights. Through their accounts and documents from the university's early years this history may prove useful to those who want a fuller understanding of the DAU of today. Second, the history may also be valuable to those in government considering a similar undertaking.

I appreciate the hard work of Evelyn Layton who volunteered to write DAU's story. Evelyn was one of the original staff at DAU. Through her research, she located more than 300 pertinent documents, many of which are directly linked to, and can be readily accessed from, the online version of this history. She has also compiled a readily searchable online repository of these documents that will facilitate further research.

A successful DAU was the shared vision of Congress and Department of Defense leadership since 1990. The journey from passage of the Defense Acquisition Workforce Improvement Act in that year to the fully realized Defense Acquisition University stands as a tribute to Congress, civilian and military leaders in the Department, and most important, the dedication, talent, and inspired efforts of DAU's staff and faculty, who have done a superb job developing the training institution required by our professional acquisition corps. I hope the reader will find it both informative and useful to reflect on our journey as we continue to even greater accomplishments.

*Frank J. Anderson Jr.*

Frank J. Anderson, Jr.
President, Defense Acquisition University

# ABOUT THE AUTHOR

Evelyn Layton accepted an appointment to the Defense Acquisition University in December 1993 when the university was in its first year of operation. Her duties included responsibility for developing and maintaining the contracting curricula required for certification of DoD's acquisition workforce. In 2000, Ms. Layton was assigned as the DAU Liaison Officer for Accreditation and led the effort for the university's initial accreditation in 2003.

Prior to joining the DAU staff, Ms. Layton was Director of Procurement Policy at the Naval Surface Warfare Center (Carderock, Maryland). She also served as a contracting professional at the Naval Surface Warfare Divisions located



Evelyn Layton, Author

in New London, Connecticut, and Annapolis, Maryland. In that capacity, she was principally involved in contracting for research and development support services and supplies. Ms. Layton was also directly involved as a contracting officer in the Naval Sea Systems Command's ACAT I program supporting a major submarine program.

Ms. Layton is a member of the Defense Acquisition Corps and is Level III certified in the contracting career field. She received her bachelor's degree from Connecticut College, graduating Phi Beta Kappa. She retired from government service in January 2006 after 12 years with the Defense Acquisition University.

# PREFACE

Defense historian William Gregory described the defense acquisition system of the late eighties as one that had been managed and over-reformed into impotence with volumes of oversight regulations. He observed that Congress had been pursuing an impossible dream by trying to legislate perfection when, in his opinion, "no regulation could create good management or top-notch people."[i]

Problems with military procurement were hardly a new phenomenon. Inefficiency, waste, and profiteering had been major issues in virtually every war the United States had fought. In each case, Congress reacted to the problem by increasing laws and regulations.

During World War II and into the Cold War, a fundamental change in the nature of weapons emerged, and the relationship between government and industry was redefined. The government could no longer rely on its own arsenals and shipyards to meet the needs of the warfighter because the implements of war were no longer simply weapons; they had become complex weapon systems. Each sub-system was typically developed and produced by a different defense contractor. The government's role was to put this all together. The government was now a program manager. Its new task was to manage teams of contractors, a role requiring new skills. Unfortunately, these teams were not fully prepared for their new duties.

Major cost overruns, schedule slippages, and performance shortfalls made headlines. In 1988, a scandal known as Operation Ill Wind triggered the largest investigation of federal acquisition in history. The FBI searched a number of defense contractor facilities and investigated several high-ranking DoD officials based on allegations of fraud and bribery. More than 60 convictions resulted from these investigations.

While less dramatic than the failures in managing major weapon systems, significant problems in procuring routine and less complex items garnered daily publicity. Overpriced wrenches, electrical cables, and lamp sockets made headlines. An 18-page military specification detailed exactly what ingredients constituted a DoD fruitcake.

The results were excessive costs, an inability to rapidly obtain state-of–the-art technology, and in some cases, a refusal by commercial vendors to do business with the government. The public, as a result, lost confidence in government procurement. Jacques Gansler, who served as Under Secretary of Defense for Acquisition, Technology and Logistics (1997–2000) described this distrust:[ii]

> *People somehow thought it was probably too much to pay a billion dollars each for a new bomber, but they didn't know exactly what one should cost. By contrast, they knew they could buy a hammer at the store for a few dollars and that when the government was paying $400 for a hammer something was clearly wrong.[ii]*

This was certainly not a new problem. In 1970 Deputy Defense Secretary David Packard had made the following statement to an industry group about a "real mess" in Defense procurement:[ii]

> *Frankly, gentlemen, in defense procurement, we have a real mess on our hands, and the question you and I have to face up to is what we are going to do to clean it up. The most serious deficiencies create damaging newspaper headlines and demands for investigation.[iii]*

A period of acquisition reform extended through the decade of the nineties. Virtually every aspect of the defense acquisition process was studied and major changes made. One of the most fundamental changes was in the professional development of the workforce charged with managing the acquisition programs.

There were over 100,000 government employees dedicated to acquisition management, and it had become evident that they were not being adequately prepared for their task. Their career paths were ill-defined, with the standard civil service classification system, rather than their organizational mission, identifying their jobs. Training and career management were largely inadequate.

To address this issue, acquisition reformers called for the creation of a professional acquisition corps. As with other professions, this corps would have specific standards for education, training, and experience. The education-standard requirement would be met by requiring undergraduate degrees combined with a specific number of credits in business-related subjects. The experience requirement would be met by an improved personnel management system that would carefully track career assignments and their relevancy to acquisition.

But the training requirement was particularly challenging. Government training was decentralized, fragmented, and often of poor quality. An institution was needed to focus on preparing acquisition professionals. A Defense Acquisition University would be established.

# ENDNOTES

i.   William H. Gregory, *The Defense Procurement Mess* (Lexington, Mass.: D.C. Health and Co., 1989): p. xii.

ii.  Jacques S. Gansler, "A Vision of the Government as a World-Class Buyer: Major Procurement Issues for the Coming Decade," The PricewaterhouseCoopers Endowment for *The Business of Government*, *New Ways to Manage Series* (January 2002): p. 14. <http://www.businessofgovernment.org/pdfs/GanslerReport.pdf>

iii. Addressing an industry group at the Defense Systems Management College in 1970.

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# The Movement to Create a Professional Acquisition Community: A Brief History

*The single most likely way to produce further waste in DoD—and further procurement scandals—was to continue the pattern of failing to improve the quality of the career civilian managers and appointing to important positions those who had little knowledge of acquisition."*

*—Jimmy Carter, Gerald Ford American Agenda: Report to the Forty-First President of the United States of America, 1989, p. 115*

**CHAPTER I OVERVIEW**

*This Chapter offers a brief background of events leading to the formation of the Defense Acquisition University, including DoD's recognition of a need to improve the acquisition workforce, authorization of a vast array of government studies, implementation of workforce reform, and the creation of experience and training requirements for various acquisition management positions.*

# INTRODUCTION

A properly functioning acquisition system requires an appropriate balance of three distinct but interrelated elements: (1) the policy, procedures, and processes that govern the system; (2) the organization that executes the policies and procedures; and (3) the personnel that make the system work.[1]

The vast majority of efforts to improve the acquisition system during the Cold War focused on the first element. The result was a staggering array of laws and regulations that hampered rather than improved the acquisition process.

Other efforts were made to improve the organizational structure—the second element of the acquisition system. Responding to allegations that internal government conflicts tended to benefit industry, DoD made a significant organizational change in 1986 when it established the position of Under Secretary for Acquisition, or USD(A), to oversee the acquisition process.

The USD(A), sometimes referred to as the acquisition czar, was the third-highest ranking civilian in DoD. The position was established to bring discipline to the acquisition process. Besides being given broad authority to execute acquisition system policy, the new position was responsible for centralizing and executing policy for the training and career development of acquisition personnel. The Department had finally recognized a leader was needed for this important role. Appendix A is a history of the position and the eight officials who held it from 1986 to 2003.[2]

The third element of the acquisition system—the people who manage acquisition—initially drew the least attention. Although some efforts to improve their ability to manage in a new environment had been made, these proved largely ineffective. The reasons for this are complex and involve the relative autonomy of each Service, the lack of support by military organizations for training a primarily civilian business corps, the competition for resources between military requirements and training, and congressional reluctance to write legislation creating a professional acquisition community.

Another factor that contributed to the lack of progress was the failure to clearly differentiate between acquisition and procurement. During the years of the Cold War, the term acquisition was used interchangeably with procurement. But a general recognition that acquisition was a much broader process than procurement was developing, and the functional components of this process had not been clearly defined. As a result, with the exception of a few occupations such as the contracting career field, no professional community, trained and dedicated to acquisition, had ever been formed.

# EARLY EFFORTS AT CAREER MANAGEMENT

Beginning after World War II, six important studies were commissioned by Congress or the President to resolve acquisition problems. Five of these recognized the need for competent, trained, and educated civilian and military acquisition personnel.

For the most part, these studies focused on procurement because the concept of acquisition as an integrated process of many disciplines was not appreciated and, therefore, not adequately addressed. Professionalizing the workforce was always discussed although the emphasis and purpose changed with each study.

The report of the first Hoover Commission in 1949 did not address acquisition or procurement personnel, but a second Hoover Commission published its report in 1955 urging that career paths be established in procurement. The third report made by the Fitzhugh Commission was issued in 1970. Although a key determinant of a responsive and effective defense procurement process was procurement personnel, the Commission found this had not been appropriately reflected in the recruitment, career development, training, and management of the procurement workforce.

Two years later, the fourth report by the Commission on Government Procurement was issued. The report called attention to the problems facing procurement officials stating, "A typical contracting officer in DoD had to consult over five linear feet of procurement regulations to guide and constrict daily activities." Importantly, the report also recognized a university structure was needed to oversee the acquisition career management program.

By the early eighties the political pressure from the acquisition scandals intensified, and the issue of inadequate training of the procurement workforce came to the fore. Congress and the President moved deliberately to regain public confidence.

On the executive side, a first in the history of workforce improvement came in 1982 when President Reagan issued an Executive Order focusing solely on reforming federal procurement workers by mandating that each department establish a career management program. The Reagan administration believed the root cause of costly procurement deficiencies was inadequate training of procurement personnel.

The fifth of the studies, the Grace Commission Report, was issued during the Reagan Administration. The DoD section of the report examined the regulatory environment in which the procurement process took place. The Grace Commission, like the Commission on Government Procurement a decade earlier, strongly criticized the excessively complex set of regulations that had sprung up around the acquisition process.

In the mid-eighties, the Reagan Administration established the Packard Commission to provide answers to an irritated Congress and a skeptical public about the continuing acquisition horror stories. This led to the sixth in the series of reports. Led by David Packard, the co-founder of the electronics firm Hewlett-Packard and a former Deputy Secretary of Defense, the report found that DoD's acquisition workforce was under-trained, underpaid, and inexperienced, stating that their training was incomplete, leading to an adverse impact on their performance.



David Packard, former Deputy Secretary of Defense and founder of the Defense Systems Management School

This high-powered group's research, conclusions, and findings issued in 1986 recommended changes that influenced reform efforts for the next decade. Packard's philosophy for the acquisition workforce focused on small, high-quality staffs consisting of well-trained and highly motivated professionals. This philosophy became the lynchpin for workforce reform legislation in 1990.

As a result of these studies and investigations, Congress passed several laws from 1984 through 1986 to address workforce reform. In general, these laws attempted to establish experience and training requirements for various acquisition management positions. Unfortunately, there was no effective mechanism for implementing them and they remained dormant. These laws are summarized at Appendix B.[3]

Former Presidents Carter and Ford also recognized that the quality of the workforce needed to be improved. In their publication, *American Agenda: Report to the Forty-First President of the United States of America*, they told the first Bush administration:

> *The single most likely way to produce further waste in DoD—and further procurement scandals—was to continue the pattern of failing to improve the quality of the career civilian managers and appointing to important positions those who had little knowledge of acquisition.[4]*

While Congress and the Executive Branch were commissioning studies that looked at workforce reform, DoD was also taking action. Between 1952 and 1990 the Department issued several directives addressing the training of acquisition personnel as shown at Appendix C.[5]

The first directive, issued in 1952, required each Service to establish a recruiting and training program for civilian and military contracting personnel. Ten years later, a new directive identified 13 contracting courses to be offered. Then in 1966 a manual described the minimum skills and knowledge required by civilian contracting personnel through mandatory courses, passing an equivalency test, or demonstrating required competencies through qualifying experience.

After the career program for contracting was issued in 1966 and one for program management in 1974, no further directives were issued for acquisition training until 1986. The 1986 directive added two new occupations—quality assurance, and business and financial management personnel—to the existing contracting and program management areas.[6]



President Lyndon Johnson (right) greets Roswell L. Gilpatric, who served as Deputy Secretary of Defense 1961–1964.

Program management had been recognized as a critical skill for some time, but mandatory training was slow in coming. In the early sixties, the discipline of program management was beginning to show promise as an effective way of concentrating resources and management attention to solve complex technological problems and integrate the planning and execution of systems' development efforts. But it was an area in which training was virtually nonexistent.

In April 1963, Secretary of Defense Robert S. McNamara prepared guidance recognizing that the skills necessary for successful project management were identical regardless of Service affiliation. Deputy Secretary of Defense Roswell L. Gilpatric directed that the Defense Weapons Systems Management Center (DWSMC) be established as a project management educational and training institution.[7] This Center reported directly to the Office of the Secretary of Defense to ensure it was independent of parochial Service influences.

James N. Davis, Deputy Assistant Secretary of Weapons Acquisition and Industrial Readiness, assumed leadership for organizing DWSMC to meet McNamara and Gilpatric's initiative. The Center was officially established on October 26, 1964, and located



**THREE DWSMC GOALS**

(1) Standardize vocabulary, practices, problems, and solutions so graduates could ask the right questions to make good decisions and learn to communicate effectively in the acquisition community.

(2) Orient students to the philosophy of complex systems acquisition by focusing on the interrelationship of the many elements of a system.

(3) Stay current with practices in the military services and industry so the center could be a clearinghouse for identifying and explaining new practices.

Entrance to the Defense Weapons Systems Management Center, located in Dayton, Ohio (1964)

at the Air Force Institute of Technology (AFIT) in Dayton, Ohio. Students from each Service were nominated from officers and civilians appearing to be promising candidates for senior positions in program management. A 10-week Project Management Course was developed using case material from applied research in the weapon systems acquisition process. This course would prove to be the foundation of program management education that continues to this day.



James N. Davis, Deputy Assistant Secretary of Weapons Acquisition and Industrial Readiness

After 22 offerings of the Project Management Course, Deputy Secretary of Defense David Packard disestablished DWSMC on June 30, 1971. Concurrently, the Defense Systems Management School (DSMS) was established at Fort Belvoir, Virginia. The first DSMS Commandant, BG Winfield S. Scott III, USA, presided at opening ceremonies on August 3, 1971. At the ceremony Packard spoke about an Academy of Management of "high distinction" where the best of modern management practices would be taught.

The mission of the new school was formed from three major elements: (1) conduct advanced courses of study to prepare selected military officers and civilians for assignments in program management, (2) perform research in the defense acquisition process,



Deputy Secretary of Defense David Packard announces the selection of BG Winfield S. Scott III, USA, as the first Defense Systems Management School Commandant effective February 1, 1971.

and (3) assemble and disseminate information about new program management concepts. The new school of high distinction, as Packard saw it, would differ sharply from its predecessor.

The differing philosophies of Davis and Packard were most evident in the mission of the school that each had founded. In founding DWSMC, Davis believed that graduates should not be considered professional practitioners. In his view, students should only be provided a familiarity with acquisition issues and terms so they could have informed discussions with others in the acquisition community. In contrast, DSMS reflected Packard's belief that program managers required an in-depth knowledge of acquisition processes and required training to support this.

Defense Systems Management School staff and faculty photo taken in front of Building 202 at the Fort Belvoir, Virginia, campus (1974)

Their contrasting views were also evident in their beliefs about the leadership roles of program managers. Davis believed DWSMC's role should focus on general practitioners rather than leaders. Packard believed they should be leaders capable of directing programs. As a result, Packard recommended the 10-week course at DWSMC be replaced at DSMS with a 5-month graduate-level course. Subsequently, the Defense Procurement Improvement Act (DPIA) required managers of major programs to complete this course.[8]

Six years after the founding of DSMS, Deputy Secretary of Defense William P. Clements, Jr., recognizing the high level of instruction, the student and instructor quality, and the demonstrated excellence of DSMS graduates, decided the school should be a college. Therefore, on July 16, 1976, the Defense Systems Management College (DSMC) was founded.

While establishing a college and issuing directives made significant improvements to acquisition workforce training and career development, much still remained to be done. In December 1985, Deputy Secretary of Defense William H. Taft IV, recognizing the continuing need to improve DoD-wide training of the entire acquisition workforce, established the Acquisition Career Enhancement (ACE) program office at DSMC. This office was to study the current state of the acquisition workforce and make recommendations for improvement. The ACE Report was completed in December 1986.[9]

Defense Systems Management College buildings as they appeared in 1976

The report presented an alarming statistic. DoD had mandated training throughout the acquisition community but had failed to provide the resources to support it. As a result, if all the training that DoD mandated was to be delivered, there would be a deficit of 2 million student-days by 1987.

The report also found that the current training programs were fragmented among DoD Components resulting in a segmented and ineffective training management structure. To remedy this problem, the report proposed a university structure to manage current and future acquisition education and training activities throughout DoD. The ACE proposal for a DoD university was not adopted by the USD(A), but it sowed the seeds for the founding of the Defense Acquisition University 6 years later.
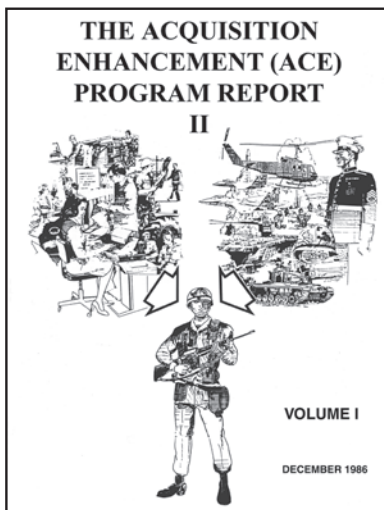
ACE Program Report, Volume 1, December 1986

In parallel with the efforts within DoD, Congress adopted the Defense Acquisition Improvement Act (DAIA) in November 1986. This Act required the Secretary of Defense to submit a plan to Congress for coordinating DoD's education programs for acquisition personnel.[10]

On March 2, 1988, DoD submitted the plan expanding DSMC's mission to direct, support, and coordinate the education and training of all career fields in the acquisition workforce.[11] Prior to this, DSMC provided training and education only for program managers. The ACE Program Action Group at the college was now designated as the executive agent to manage the training for acquisition personnel outside the program management functional area.

The plan further called for streamlining and consolidating existing directives, instructions, and manuals on acquisition education and training. Congress approved the recommendations in the plan to expand DSMC's mission, and the consolidation of regulations resulted in two DoD directives issued in August 1988.

First, DoD Directive 5160.55 expanded the college's mission to manage the career training for the acquisition workforce.[12] Second, 5000.52 consolidated all directives, instructions, and manuals on acquisition education and training into a single manual (5000.52M).

The manual identified a total of 12 career fields for inclusion in the acquisition workforce. This was a significant expansion over previous definitions. It also set standards for entry, intermediate, and senior levels in each career field. At this point, virtually all career fields that comprised the acquisition workforce had been recognized.

But in spite of these efforts by Congress and DoD, the quality of the acquisition workforce still fell short of the professional standards necessary to effectively manage the increasingly complex acquisition process. A large portion of the acquisition workforce continued to be undertrained, and career management remained minimal. As a result, both Congress and DoD called for further action.

## REPORTS LEAD TO LANDMARK LEGISLATION

In 1989 two studies were published that had far-reaching significance for the future of the acquisition workforce. The first, the Defense Management Report (DMR), was issued in July 1989 by the Department.[13] The second, the Quality and Professionalism of the Acquisition Workforce, was issued in May 1990 by the House Armed Services Committee.[14]

The DMR was part of the Defense Management Review initiated by the first President Bush to improve the procurement process. In the opinion of John Betti, who came to office as the third USD(A) in August 1989, previous reform efforts were unsuccessful because most were imposed by Congress responding to recommendations from commissions and studies outside DoD. He believed that although some changes would require congressional action, the DMR would be successful because the Department would be implementing its own improvements and be accountable for their success.

The DMR was implemented through Service task forces chartered to make recommendations in a number of areas. One focused on professionalizing the acquisition workforce. The resulting individual Service recommendations, while presenting well-structured plans for career development of their acquisition employees, still differed significantly

from each other. For example, the required training and experience continued to vary greatly among the Services.

Simultaneously with the DMR, Congress was conducting a study of its own. Unconvinced that DoD had done enough, it tasked the House Committee on Armed Services to study the acquisition workforce and analyze the training, education, and experience qualifications of acquisition personnel. A 776-page report, *The Quality and Professionalism of the Acquisition Workforce*, resulted.

John Betti, Under Secretary of Defense (Acquisition), August 11, 1989 – December 31, 1990

Among the key contributors to the report were DSMC personnel who had been involved in managing the training of the acquisition workforce under the ACE Program Office. The House Committee's report determined that DoD had been deficient in developing a high-quality, professional workforce. Statistics presented in the House Committee Report supported this conclusion.
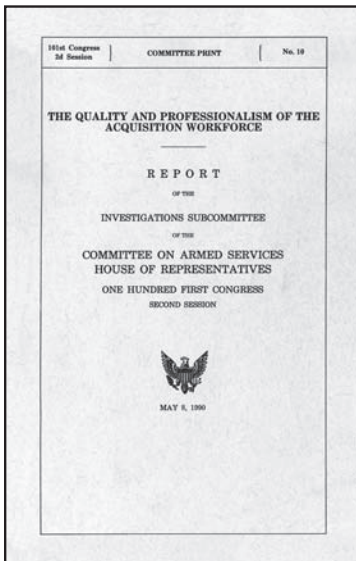
*The Quality and Professionalism of the Acquisition Workforce*, 101st Congress, 2nd session, No. 10, May 8, 1990

Only 29 percent of Navy program managers and 48 percent from Air Force were in compliance with the 1984 DPIA legislation that required attendance at the DSMC Program Management Course.[15] Additionally, despite adoption of a mandatory 4-year minimum assignment for program managers, tenure rates had actually declined from an average of 24.5 months to 21.

The record for contracting personnel was also problematic. The House Committee Report stated that the educational requirement for DoD contracting personnel had no requirement for college degrees.

Requiring college degrees for contracting personnel had been a contentious issue beginning in the fifties. Opposition came from two directions. First, government unions saw this recommendation as limiting career opportunities for its employees. Second, OPM regulations classified contracting officers as "administrative" rather than "professional." College degrees were not required for administrative personnel.[16]

But the lack of a college degree was not the only problem the committee found. DoD's contracting community, it determined, was not meeting mandatory training requirements. Like college degrees, this too had been a concern for some time.

As early as 1984, a DoD Inspector General (IG) report, *Audit of Department of Defense Procurement Training,* cited the weaknesses in contract training. The IG evaluated 24 DoD activities to determine if intermediate- and senior-level civilian contracting personnel were receiving mandatory training. In reviewing 1,551 individual training records of four occupational series, 67 percent had not completed their mandatory training.

The deficiencies of DoD acquisition training found by the House Committee were compounded when they reported that DSMC—previously appointed executive agent for the education and training of the acquisition workforce by statute and implemented by a DoD directive—was unsuccessful in meeting the needs of DoD acquisition personnel because the college lacked the authority, resources, and support of the Defense Components. BG Edward Hirsch, USA (Ret.), who chaired the ACE Program Office, retrospectively wrote about the problems:



Retired BG Edward Hirsch, USA, Chair, ACE Program Office

> *It became clear that despite the cooperative environment prevailing among centers of learning, the DSMC Commandant had no directive authority and little leverage to accomplish anything, absent total consensus among the parties. Elimination of classes or courses, or reallocation of responsibility for conducting or sponsoring courses was action that could not be accomplished if turf issues were perceived paramount.*[17]

The House Committee understood that acquisition is a complex process, and professional skills and attributes were essential for people performing acquisition functions. Finding that DoD Components were inconsistent in following the laws and directives passed in the eighties, they were adamant that a comprehensive program, based in statute, was essential.

Representative Nicholas Mavroules, Chairman of the Investigations Subcommittee of the House Armed Services Committee, introduced the Defense Acquisition Workforce Improvement Act (DAWIA). Initially Betti asked that the DMR recommendations be given a chance before Congress went forward with its own legislation. In his testimony before the House Armed Services Committee, Mavroules responded:

> *I know that there is a little reluctance perhaps for any additional legislation, but I think that you need legislation, and let me tell you why. Because tomorrow you and I may not be here. All I am trying to do is set up a process for the future and work with you on legislation, perhaps not total legislation, but in areas where I can force your hand to do your job, and then all of your successors down the line and my successors down the line.*[18]

The bill passed the House by a vote of 413 to 1.The Senate passed a similar version, and the compromise bill was signed into law on November 5, 1990, in the Defense Authorization Act of FY 1991.[19] The requirement to establish a Defense Acquisition University was one of the most important provisions of this Act.

The legislation that had directed the establishment of the university also provided guidance about its structure and mission. But this guidance was general and a more detailed framework would be required. Creating this framework was the next step toward making the university operational.

# ENDNOTES

1. House Armed Services Committee's Print No. 10, *The Quality and Professionalism of the Acquisition Workforce* (May 8, 1990), p. 61.

2. Appendix A: Under Secretaries of Defense (Acquisition), a history of those holding the position from 1986–2003.

3. Appendix B: Acquisition Workforce Training Laws Issued From 1984–1986.

4. Jimmy Carter and Gerald Ford, *American Agenda: Report to the Forty-First President of the United States of America* (Camp Hill, PA: Book of the Month Club; 1st Edition, 1989), p. 115.

5. Appendix C: DoD Regulations Issued Before Implementation of the 1990 Defense Acquisition Workforce Improvement Act. <http://www.dau.mil/about-dau/DAU_History/Appendix2.pdf>

6. Department of Defense Directive 5000.48, *Experience, Education, and Training Requirements for Personnel Assigned to Acquisition*, August 22, 1986, established experience, education, and training requirements for military and civilian personnel assigned to contracting, quality assurance, and business and financial management positions. Prior to this directive, there had been no DoD mandatory training for military contracting personnel since the early sixties. Instead, each Service was allowed to train its military within Service guidelines.

7. The term *project* management changed to *program* management by 1976.

8. P.L. 99-145, Sec. 924, *Defense Procurement Improvement Act*, 1985, required a person appointed as Program Manager of a major defense acquisition program have specific experience and complete the Program Management Course at the Defense Systems Management College or a "comparable course."

9. Edward Hirsch, *The Acquisition Enhancement (ACE) Program Report II* (December 1986). <http://www.dau.mil/about-dau/DAU_History/APPENDIX%20B.pdf>

10. P.L. 99-661, Title IX, Sec. 932 and 934, *Defense Acquisition Improvement Act*, November 1986, required the Secretary of Defense to develop a plan to enhance the professionalism and career opportunities available to acquisition personnel in terms of examination, appointments, classification, training, and assignments, and examine the feasibility of designating professional positions.

11. Grant S. Green, Jr., Assistant Secretary of Defense (Force Management and Personnel) to Congress (March 2, 1988) as required by P.L. 99-661, Title IX, Sec. 932 and 934, *Defense Acquisition Workforce Improvement Act*, 1996. <http://www.dau.mil/about-dau/DAU_History/APPENDIX%20D.pdf>

12. Department of Defense Directive 5160.55, *Defense Systems Management College* (August 22, 1988). <http://www.dau.mil/about-dau/DAU_History/d516055p.pdf>

13. Dick Cheney, *Defense Management: Report to the President* (July 1989) (Washington, D.C.: U.S. Department of Defense).

14. Department of Defense Directive 5000.52, "Defense Acquisition Education Program" (August 22, 1988), and 5000.52-M, "Career Development Program for Acquisition Personnel Manual" (April 1989) are contained in House Armed Services Committee Report, *The Quality and Professionalism of the Acquisition Workforce* (May 8, 1990), Appendix I-3.

15. House Armed Services Committee's Print No. 10, *The Quality and Professionalism of the Acquisition Workforce* (May 8, 1990).

16. P.L. 99-661, Title IX, Sec. 932 and 934, *Defense Acquisition Workforce Improvement Act*, 1996, required the Secretary of Defense to develop a plan to enhance the professionalism and career opportunities available to acquisition personnel in terms of examination, appointments, classification, training, and assignments, and examine the feasibility of designating professional positions.

17. Edward Hirsch, "Defense Systems Management College—A DoD Agent for Change," *Program Manager* (July-August 1992): p. 48.

18. Acquisition Workforce: Hearing Before the Subcommittee on Investigations of the Senate Committee on Commerce, 101st Congress: p. 53 (1990) (testimony of Rep. Nicholas Mavroules, Subcommittee Chairman) : pp. 52-53. < http://www.dau.mil/about-dau/DAU_History/Endnote%2016%20%20Betti%20and%20Mavroules.pdf>

19. P.L. 101-510, Ch. 87, Title XII, *Defense Acquisition Workforce Improvement Act*, 1990.

# 2

# Congress Directs Establishing a Defense Acquisition University Structure

# CHAPTER 2 OVERVIEW

*This Chapter focuses on the redesign of the defense acquisition community. It discusses the transition from programs that are centered on processes and management-structure redesign to those designed to properly train and align the acquisition workforce into professional career paths. In addition, it describes how this new focus led to acquisition career development programs, certification standards, and research and publication capabilities.*

# INTRODUCTION

Representative Mavroules' support of DAWIA came from his belief that the time had come to address the needs of the people behind the acquisition process. He had confidence that qualified people would reduce the volume of acquisition scandals and improve the defense acquisition system.

For over half a century, Congress had called for profound change but focused mainly on the process and the structure. A career management program, Mavroules claimed, was the essential framework needed to pay attention to acquisition people: "We need to train them better. We need to pay more attention to their career paths. We need to prepare them as professionals."[1]

To meet his objective, Mavroules was mindful that three essential elements were critical for the career development program: (1) a management structure and regulations for implementing the act's provisions; (2) a career development program with certification standards leading to an elite acquisition corps; and (3) an acquisition university to be the training center for the acquisition community.

# MANAGEMENT STRUCTURE AND REGULATIONS

The Secretary of Defense was given overall authority for implementing DAWIA, a role delegated to the USD(A). While certain organizational changes were set in the act, the overarching architecture for acquisition management remained unchanged. For example, the Acquisition Executives for the Military Departments and the DoD Agencies—referred to as the Component Acquisition Executives (CAEs)—already existed and had management responsibility for the acquisition workforce.

To assist the CAEs, DAWIA created Directors of Acquisition Career Management (DACMs) in each Military Department. DACMs were responsible for ensuring that workforce personnel were trained to qualify for their current assignments, prepared for more responsible jobs, and cross-trained for assignments in other acquisition fields. They were also responsible for identifying individuals at a specific career level in a career field.

The most difficult problem for DACMs was estimating workforce members. A September 1990 *Wall Street Journal* article announcing DAWIA reported: "Rep. Mavroules (D., Mass.), the principal sponsor of the amendment, said it would affect as many as 240,000 Pentagon civilians and uniformed personnel engaged in various aspects of defense procurement."[2] Identifying the workforce was a monumental undertaking, but other equally challenging issues surfaced. Documenting personnel records was especially troublesome since, in the past, the Components had no uniform standard for maintaining records of civilian training.

THE WALL STREET JOURNAL.
**Bill to Boost Level of Pentagon Buyers Approved by House**
*Wall Street Journal*; New York; Sep 12, 1990;

Edition:     Eastern edition
Start Page: PAGE A4
ISSN:       00999660
Abstract:
*The provision would create a career-oriented "acquisition corps" in each of the service branches and establish higher standards in education and experience for the managers of major weapons programs. No Pentagon aide can step into that kind of job, for instance, unless he or she has first attended a Pentagon management-training course and has had eight years of experience in defense acquisition, according to the proposed rules.*

A Director of Acquisition Education, Training, and Career Development (AET&CD) was established to set policy and coordinate the overall management of the Department's career development programs. The Director, AET&CD, was dual-hatted as the DACM for the Components outside the Military Departments. DAWIA's collaborative framework is shown at Appendix D.[3]

As the focal point within DoD for providing guidance on workforce issues, the Director, AET&CD, was responsible for establishing courses required for certification as well as the education, training, and experience standards for each acquisition position based on the level of complexity of duties carried out in that position. These standards were issued in DoD Manual 5000.52-M, *Career Development Program for Acquisition Personnel*—a companion document to the DoD Directive 5000.52 that implemented the Department's training and education program published in 1991.[4] The manual and its implementing directive were to be the sole regulatory authority for mandatory DoD acquisition training. While certification in at least one career field was required, individuals could be certified in other fields as well.

The 5000.52M specified the education, training, and experience standards for each career field, expanded the number of career fields prescribed in DAWIA, and grouped them into seven functional areas. This integrated all the elements of a previously fragmented, scattered, and diffused training system. Appendix E[5] compares the career fields mandated by DAWIA with those in the 5000.52M and illustrates how the Department implemented the legislation.

## CAREER DEVELOPMENT PROGRAM

DAWIA directed the USD(A) to ensure that comprehensive career programs were established for civilian and military members of the acquisition workforce. The career programs were to include the elements of accession, education, training, experience, assignment, promotion, and retention.

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### CERTIFICATION ELEMENTS

1. Training: three levels progressing from basic through intermediate to senior were set.

2. Education: gained importance and DAWIA provided for educational assistance programs to include scholarship, tuition assistance, internship, cooperative education, and student loan repayment. For employees who went to school on their own time, their expenses would be reimbursed.

3. Experience: standards were set to address the problem that too many people, especially in the senior ranks, lacked sufficient acquisition experience to be effective stewards of the billions being spent for defense.

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Certification was a key element of career development, and standards were set for training, education, and experience that would be approved annually by the USD(A). At the more senior levels of the acquisition workforce, GS-13 for civilians and O-4 level for military, an elite "acquisition corps" comprising both military and civilian personnel was required for the new professionalism. This corps represented the highest level of achievement, and members were eligible to fill the most senior acquisition management positions.

Each of the Services had its own corps, and there was one for the Defense Components. Standards for membership were the same for all four. For example an individual was required to have at least 4 years' experience in an acquisition position, a bachelor's degree (or be certified to have significant potential for advancement to levels of greater responsibility), and have at least 24 semester credit hours (or their equivalent) in business-related disciplines.



From left: James S. McMichael, DoD; RADM William Hauenstein, USN (Ret.); Blaise Durante, Air Force; Bennie Pinckley, Director, Acquisition Career Management, Army; and Herbert Cowles, OSD and DoD Agencies.

Under these rules, entry into the corps could be problematic for some because only three career fields—Test and Evaluation; Systems Planning, Research, Development,

and Engineering; and Auditing—had required a bachelor's degree when the law passed. So as not to penalize individuals who lacked college degrees, DAWIA included "grandfathering" provisions. For example, employees who on October 1, 1991, had at least 10 years' experience in an acquisition position were not required to meet the education standards for admission to the corps.

At the apex of the pyramid, the most important positions were designated as critical acquisition positions that, by 1993, were to be filled only by members of the corps. These senior positions carried significant supervisory or management duties and were designated by the Secretary of Defense based on the recommendations of the CAEs.[6]

DAWIA laid the groundwork for professionalizing the acquisition workforce though its full effect would not be realized for years. The initial reaction of the acquisition workforce was "extremely positive" according to the House Armed Services Committee report attached to the Defense Authorization Act of FY 1993:

> *Workforce personnel were encouraged by the recognition that they are professionals; there was a renewed interest in obtaining college degrees and additional training; they like the assurance that acquisition positions would not be open to unqualified people; and the fact that career programs will be developed for civilians.[7]*

## DEFENSE ACQUISITION UNIVERSITY

An acquisition university legislated by DAWIA was a clear victory for reformers. For more than 20 years, a university to centrally manage acquisition training had been repeatedly recommended. But all efforts failed, and perhaps lack of funding was a key reason.

As a result of DAWIA, however, funding for training the acquisition workforce was specifically identified in each organization's budget. Individual course assignments and student travel remained with the DoD Components, but these projections were incorporated into DAU's budget.

Donald Yockey, Principal Deputy USD(A), was given responsibility for implementing DAWIA and the new university. Confirmed as the fourth USD(A) in June 1991, Yockey came to that office with two DAWIA mandates. First, an implementation plan for the new university's structure was to be submitted to Congress no later than October 1, 1991. Second, the university had to be fully operational by August 1, 1992.[8]

## *Groundwork*

Yockey formed an implementation board and two subcommittees to develop the implementation plan. The Board's Defense Acquisition University Planning Subcommittee was tasked to address the six elements required by Congress: (1) charter, (2) mission, (3) lines of authority, (4) framework for education, (5) creation of a policy guidance council, and (6) a mechanism for resource allocation and control.[9] To comply with DAWIA, the Department issued authorizing regulations for each element summarized at Appendix F.[10]

Chartering the university, DoD Directive 5000.57 established the broad outlines of how it would function and the responsibilities of DoD principals involved.[11] The directive's mission stated the university was to provide for "the professional educational development and training of the acquisition work-

Donald Yockey, Principal Deputy Under Secretary of Defense (Acquisition) (1991–1994)

force and perform research and publication capabilities in the area of acquisition."

In structuring the new university, Congress set two conditions—that it be centrally managed and the Defense Systems Management College (DSMC) be part of the organization. Virtually everything else was open to discussion. Between February and June 1991 the subcommittee's working group met 18 times and examined 13 options for structuring the university and 18 options for the senior capstone course required by DAWIA. By July, the subcommittee was ready to present its plan to Yockey.

After weighing the pros and cons of many structures, the subcommittee recommended forming a consortium among existing DoD institutions. The consortium structure, in line with an academic philosophy, would be comparable to that of a typical state university with a number of campuses and a variety of colleges specializing in certain disciplines.

The Industrial College of the Armed Forces (ICAF), part of National Defense University, was selected to offer the senior course. Although the Chairman of the Joint Chiefs of Staff had responsibility for ICAF, the Chairman granted the USD(A) oversight of the acquisition content of this curriculum.

On October 1, 1991, the Department sent Congress its implementation plan for DAU.[12] Before the university could open its doors on August 1, 1992, and meet a second congressional deadline, more remained to be done.

## *Staff*

After submitting the implementation plan to Congress in October, Yockey issued a memorandum setting additional policy for DAU in July.[13] Key decisions, such as criteria for the university's leadership, the size of its staff, and the location of its headquarters, were addressed. The university was to be under the direction, authority, and control of the USD(A) to whom the chief executive officer or president would report.



James S. McMichael, Director, Acquisition Education, Training and Career Development

According to Yockey's memorandum: "The president would be a civilian like most of the acquisition workforce, serve in a Senior Executive Service position, and have a small staff." DSMC offered Fort Belvoir, Virginia, as the facility for DAU, but Yockey's decision memorandum stated that the office of the university president should not be collocated in any of the providing member institutions.

James S. McMichael was appointed as the Director, Acquisition Education, Training, and Career Development in April 1990 and was subsequently given the additional duty of President, DAU, by Yockey. In July 1992, a small staff moved into the new DAU facility—a 6,000-square-foot office leased from the Institute for Defense Analyses on North Beauregard Street in Alexandria, Virginia.

By August 1, 1992, Yockey met his second deadline when consortium members signed Memoranda of Agreement to work together as the DAU. A ceremony was held at the Beauregard facility to mark this event. For the first time all consortium members were brought together. In his welcoming speech, Yockey announced:

> *Each DAU consortium member will perform a distinctive role and contribute a special expertise to the university mission, thereby resulting in an organization that is far greater than the sum of its parts.*



Donald Yockey, Principal Deputy USD(A) (1991–1994)

Yockey was successful in meeting the two congressionally mandated deadlines largely because of his extensive experience with military and Defense acquisition. His predecessors, Richard Godwin, Robert Costello, and John Betti had, in varying degrees, relied on consensus and cooperation among the Services. However, in matters that required a joint rather than individual Service approach, meaningful consensus was hard to achieve.

Despite the magnitude of the tasks and short timeframe, all projected milestones to create the university were met.[14] In the foreword of DAU's first catalog, Yockey expressed his pride:



Richard Goodwin, Under Secretary of Defense (Acquisition), 1986-1987

> *I am proud to have played a leadership role in establishing the Defense Acquisition University and am proud to introduce the first catalog of the DAU's acquisition education and training courses. The DAU is a unique organization, one that has no equivalent in the Department of Defense.*

The new Defense Acquisition University had met the milestones for its first year. It was a great accomplishment but only the first step on the journey. Its success would depend on its relationship with a host of others players in the world of acquisition. Senior officials in DoD, leaders of the functional areas that comprised acquisition, the schools in the consortium, the acquisition managers in the military departments, representatives of the defense industries, and most important, the members of the acquisition workforce—all of these and more had a stake in improving acquisition management. DAU would have to manage these relationships with great skill.



Robert Costello, Under Secretary of Defense (Acquisition), 1987-1989

# ENDNOTES

1. Nicholas Mavroules, "Creating a Professional Acquisition Workforce," *National Contract Management Journal*, Vol. 24, No. 2 (1991): p. 15.

2. *Wall Street Journal*, "Bill to Boost Level of Pentagon Buyers Approved by House" (September 12, 1990).

3. Appendix D: DAWIA Collaborative Organizational Framework. <http://www.dau.mil/about-dau/DAU_History/Appendix3.pdf>

4. Department of Defense Directive 5000.52, *Defense Acquisition Education, Training, and Career Development Program* (October 21, 1991). <http://www.dau.mil/about-dau/DAU_History/d500052p.pdf>

5. Appendix E: Comparison Between Position Categories in DAWIA and DoDM 5000.52-M (1991). <http://www.dau.mil/about-dau/DAU_History/Appendix5.pdf>

6. For civilians GS/GM-14 level or above; military grade 05 or above. Additionally, all Program Executive Officers, Deputy Program Executive Officers, Program Managers, and Deputy Program Managers for major defense acquisition programs, as well as Program Managers of significant non-major programs, were designated as critical acquisition positions.

7. House Armed Services Committee Report No. 102-52 (1992), p. 2.

8. Defense Authorization Act of FY 1991, Section 1205 (a) and (b). <http://www.dau.mil/about-dau/DAU_History/ENDNOTE%2019-20.pdf>

9. Ibid., Section 1205 (a)(1)-(6). <http://www.dau.mil/about-dau/DAU_History/ENDNOTE%2019 20.pdf>

10. Appendix F: Summary of Regulations Implementing Six Elements Required by DAWIA. <http://www.dau.mil/about-dau/DAU_History/appendix6%20and%207.pdf>

11. DoD Directive 5000.57, *Defense Acquisition University* (October 21, 1991). <http://www.dau.mil/about-dau/DAU_History/d500057p.pdf>

12. *Department of Defense Implementation Plan to Congress for or the Defense Acquisition University* (1991), prepearead for the Committees of Armed Services, United States Congress (October 1991).<http://www.dau.mil/about-dau/DAU_History/APPENDIX%207.pdf>

13. Memorandum, Donald Yockey, Under Secretary of Defense (Acquisition), to Secretaries of the Military Departments et al., *Decision for Defense Acquisition University and Senior Course* (July 1, 1991). <http://www.dau.mil/about-dau/DAU_History/Layton%2056.pdf>

14. *Department of Defense Implementation Plan to Congress for the Defense Acquisition University* (1991): Appendix C, "Implementation Milestones," prepearead for the Committees of Armed Services, United States Congress (October 1991). <http://www.dau.mil/about-dau/DAU_History/APPENDIX%207.pdf>

# 3

**The University's Internal and External Relationships**

*A consortium would capitalize upon the strengths of existing schools and provide both strong central control as well as the flexibility necessary to accommodate changes to meet new or specialized needs of acquisition professionals as requirements changed.*

*—Donald Yockey, Principal Under Secretary of Defense (Acquisition), July 1, 1991*

# CHAPTER 3 OVERVIEW

*This Chapter describes DAU's internal and external relationships with Defense offices; and recounts the university's subsequent efforts to cultivate the management strategies, organizational oversight, cooperation, and support that would be essential to delivering training courses quickly to the acquisition community*

# INTRODUCTION

When DAU opened in 1992, the outline of its internal and external relationships had been generally defined. Internal relationships that included the roles and responsibilities of a consortium and headquarters staff had been addressed in Department policy.

External relationships with Defense offices were established in DAWIA. Nonetheless, a considerable amount of cooperation and support was essential to deliver the training courses quickly to the acquisition community. Under the improved acquisition career management program, four key players emerged:

1. The Director, Acquisition Education, Training, and Career Development (AET&CD) established the policy standards regarding the education, training, and experience requirements for each career field.
2. Functional boards with expertise in each functional area determined the knowledge and competencies to be taught.
3. The Directors of Acquisition Career Management (DACMs) in each Service determined who received training and when they received it.
4. DAU developed the curricula and delivered the courses.

Advisory Boards were also required by DAWIA, specifying that a Board of Visitors and a Policy Council be formed.

# INTERNAL RELATIONSHIPS

In implementing DAWIA, Under Secretary of Defense (Acquisition) Yockey made the decision that DAU would (1) be a consortium and (2) be led by a civilian executive.

## *CONSORTIUM*

The DAU Planning Subcommittee formed by Yockey in 1991 was tasked to recommend the most effective structure for the new university. After lengthy deliberations, it made a unanimous recommendation for a consortium and Yockey agreed:

> *A consortium would capitalize upon the strengths of existing schools and provide both strong central control as well as the flexibility necessary to accommodate changes to meet new or specialized needs of acquisition professionals as requirements changed.[1]*

The obvious advantage of the consortium was its ability to use DoD's existing training programs managed by the Acquisition Career Enhancement (ACE) Program Office created in 1985 and subsequently named as the executive agent for managing and delivering

training for acquisition personnel. This office had created a program that incorporated many features of the new university structure.

Under the ACE Program, Components of 12 Army, Navy, Air Force, and Defense Agency schools delivered 24 mandatory courses for personnel performing acquisition functions limited to procurement and program management. Principal among these schools was the Defense Systems Management School (DSMC), which delivered the 20-week Program Management Course required by statute.[2] The 15 training organizations shown below joined DAU when it opened:

| **DAU Consortium Members 1992** | |
|---|---|
| 1. Air Force Institute of Technology<br>2. Army Logistics Management College<br>3. Army Management Engineering College<br>4. Defense Contract Audit Institute<br>5. Defense Logistics Civilian Personnel Support Office<br>6. Defense Systems Management College<br>7. European Command Contracting Training Office<br>8. Information Resources Management College | 9. Lowry Technical Training Center<br>10. Naval Postgraduate School<br>11. Naval Supply Systems Command Regional Contracting Centers<br>12. Naval Facilities Contracts Training Center<br>13. Naval Warfare Assessment Center<br>14. Navy Acquisition Management Training Office<br>15. Assistant Secretary of the Navy (Research, Development and Acquisition) |

Figure 1. DAU Consortium Members in 1992

The formal relationships between DAU and consortium members were established by Memoranda of Agreement.[3] Broad in scope, the agreements required consortium members to support DAU's President in the full range of university responsibilities. These included processes such as programming and budgeting, managing quotas, developing and delivering curricula, setting quality and performance standards for courses and instructors, conducting research, and issuing publications.

Initially the number of acquisition students taught by the consortium members varied widely. For example, only 3 percent of the students at the Naval Postgraduate School were training for the acquisition workforce while the comparable number at DSMC was 99 percent. This disparity directly affected the budget allocated to the consortium members—some received a very small portion of their budget while DSMC received its entire budget from DAU.

Given the large number of schools in the consortium and each school's natural desire to maximize the funds they received from DAU headquarters, a carefully structured process was necessary to ensure equitable treatment. The collegial nature of DAU required that every participant clearly understood the process for assigning course responsibilities since these assignments could have a major impact on a school's future.

The management structure selected in assigning the responsibilities for developing, maintaining, and delivering courses designated a consortium member as a course sponsor, a course offeror, or both.

- A sponsor, who could be one or more consortium members, had overall responsibility for developing and delivering a specific course or academic program, maintaining and updating courses, conducting course reviews, and assessing learning objectives.
- An offeror was a consortium school, or team of schools, that DAU determined had sufficient certified instructors to teach a particular course. The sponsor conducted training to offeror instructors and recommended to DAU whether they be certified.

The process of selecting a school as course sponsor was similar to awarding a contract. Each school proposed the courses for which it felt qualified to have sponsorship, presenting in its proposal course materials a record of past performance and proposed cost. After discussions and reviewing submissions, DAU's President made a decision and assigned each course to a sponsor.

The consortium structure was unquestionably an efficient solution to establish DAU within the time frame mandated by Congress while meeting its most urgent mission—training the acquisition workforce. In both regards it was successful and continued for 7 years without fundamental change. But the very structure that proved effective in the short run was inherently limited from the start.

Although the consortium structure enabled a quick start and avoided potentially divisive issues of control, it severely limited the authority of DAU's President. The "power of the purse" provided enormous control, but in the long run even that was not sufficient to create the university envisioned by Congress and demanded by the acquisition community.

Perhaps the single most limiting factor was the lack of an organizational line of authority between DAU and consortium members as each continued to report through its Service or Defense Agency chain of command.
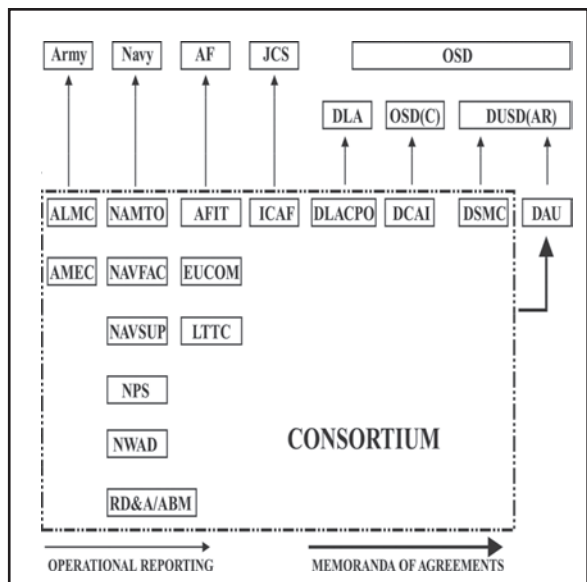


Figure 2. Command Chart for Consortium Schools

These different chains of command and the very strong Service identity of the schools caused a multitude of problems. DAU was unable to set standards for faculty members since each Service had its own. Schools had little incentive to shorten courses or find more efficient delivery methods since this would reduce their funding. The course development process was layered, time-consuming, and caused courses to lag far behind policy changes. Moreover, ill-defined lines of authority contributed to a lack of standardized formats for evaluation, no central repository of assessment information, and little feedback to the customer.[4]

## OFFICE OF THE PRESIDENT

In setting up DAU's headquarters, Yockey directed that the new university president be a civilian, unrelated to any existing institution within the consortium, and report directly to him. Furthermore, he stated, "The president will have the authority to act decisively on my behalf in the best interests of all elements of the acquisition education and training community."[5]

Knowing it might take a year or longer to select a president, Yockey appointed Gerald E. Keightley as DAU's Executive Director at the beginning of 1992. Keightley was a Senior Executive in the Department of the Navy with extensive experience in acquisition management. During the Defense Management Review, he led the acquisition workforce task force for the Navy. Prior to DAWIA, he had been appointed as the Navy's Director of Acquisition Workforce Policy, a position that became the DACM under DAWIA. By May 1992, Keightley had been assigned the tasks necessary to meet the target for beginning operations.[6]



Gerald Keightley, DAU Executive Director, 1992

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**Tasks Assigned to DAU**

- Selecting course providers and certifying curricula
- Establishing performance standards for curriculum content and delivery
- Managing scholarship program
- Publishing an annual catalog
- Maintaining student records
- Encouraging research, including symposia and conferences, and developing and maintaining publication capabilities
- Developing and recommending to the USD(A) resourcing for the Future Years Defense Plan

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        ┌─────────────────────────┐
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│ Oversight Boards:│  │                  │  │  15 Consortium Members│
│ • Board of       │──│  President, DAU   │──│  (Reporting to DoD    │
│   Visitors       │  │                  │  │  Commands)           │
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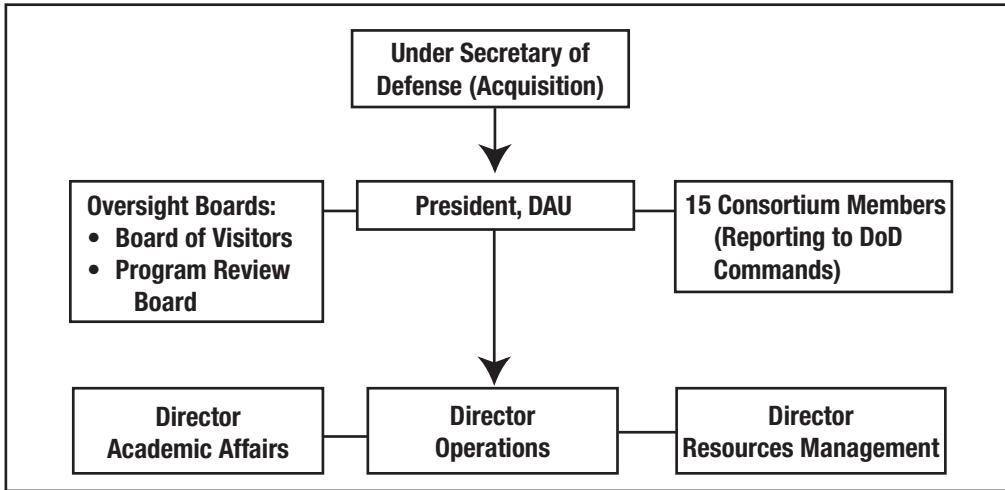
Figure 3. DAU Organization Chart, 1992

To accomplish these tasks, Keightley established three directorates: Academic Affairs, Operations, and Resource Management. The total staff numbered about 20, consistent with Yockey's direction that the number of DAU staff members be small. The organization structure of the new university is shown above.

The Academic Affairs Directorate was at the heart of the university as it had overall responsibility for DAU's product—designing, developing, maintaining, and evaluating courses and certifying they were educationally sound.

The Operations Directorate managed strategic planning and maintained the management information system used to analyze workforce composition. It was also responsible for the scholarship program established under DAWIA to qualify personnel for acquisition positions.[7]



DAU Senior Staff (from left): James McMichael, Interim President; Lenore Sack, Director for Academic Affairs; Linda Furiga, Director for Resources Management; and Frank Sobiezczyk, Director for University Operations

The Resources Management Directorate had responsibility for developing the DAU financial plan, and managing it from the approval process through execution. It was also responsible for management and distribution of the resource most valuable to the acquisition workforce—seats in the classrooms.

# EXTERNAL RELATIONSHIPS

DAU was established to meet the needs of the DoD Components. Recognizing the importance for continuous communications between DAU and these customers, Congress defined certain relationships in DAWIA and others evolved. The illustration below shows DAU's collaborative relationship with DACMs and Functional Boards:



**DACMs** provided students for DAU

**Functional Boards** certified DAU courses as functionally sound

**DAU** negotiated quotas with DACMs and worked with Functional Boards to develop curricula
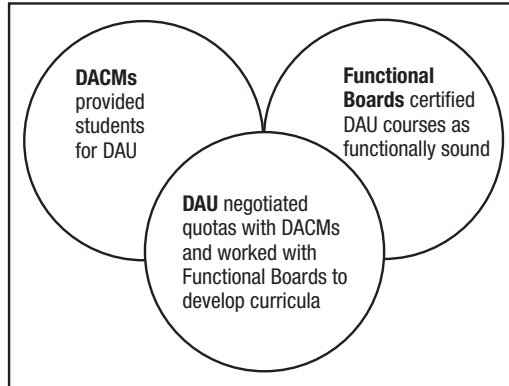
Figure 4. DAU's Collaborative Relationship with DACMs and Functional Boards

## CHAIN OF COMMAND

Congress delegated the responsibility for the new university to the USD(A) through the Secretary of Defense, underscoring the importance placed on this institution. Since the USD(A) had responsibility for the Department's acquisition programs and the resources associated with them, there was no more important resource than the people who made the acquisition system work.

In the ensuing years, the titles of the Under Secretaries were modified to reflect global and military influences. For example, John M. Deutch replaced Yockey in April 1994 and came to office with a new title prescribed by the Defense Authorization Act of FY 1994 adding "technology" to the position title—USD(A&T). Jacques S. Gansler was given a new title prescribed by the Defense Authorization Act of FY 2000, which added "logistics" to the position title— USD(AT&L).

The President of DAU—as did the Commandant of DSMC and the Director, AET&CD—reported directly to the USD(A) when the university was first established. However, as the momentum of reforming acquisition grew, a new position—Deputy Under Secretary of Defense for Acquisition Reform, DUSD(AR)—was created.[8] In June 1993, Colleen Preston was appointed to lead the new reform office; and the President of DAU, the

John M. Deutch, USD(A&T), (1993-1994)

Commandant of DSMC, and the Director, AET&CD, were realigned to report directly to Preston instead of the USD(A).

A lingering issue in the new structure was the reporting alignment of DAU and DSMC. Although DSMC was a DAU consortium member, both DSMC and DAU reported directly to the Acquisition Reform Office. The result was confusion in roles and tension between the two organizations. In February 1997, USD(A&T) Paul G. Kaminski issued a memorandum stating that lack of cooperation between the two was a critical factor affecting the acquisition education and training program.[9] Six months later, the Commandant of DSMC was officially realigned to report to DAU's President.[10]

## FUNCTIONAL EXPERTS

At DAU's founding in 1992, there were 12 acquisition career fields. To provide the functional expertise necessary to develop the courses for functional areas, functional boards were formed for each field. These functional boards represented the students and acquisition organizations, or the customer, and were composed of senior officials appointed by the secretaries of each Service and heads of DoD agencies.

According to DoDI 5000.58,[11] each board was to be chartered, headed by a functional advisor, and meet at least annually before the training budget for the fiscal year was submitted. Board responsibilities included:

- Ensuring each career field was properly developed and implemented
- Establishing the education, training, and experience standards for career paths
- Making recommendations to establish or disestablish mandatory courses
- Certifying annually to the USD(A) that the curriculum content and quality of each training course were current and complete

The Functional Advisors formed working groups to work directly with DAU in course development. Typically, each group had an executive secretary to oversee coordination. The working groups worked with course directors in establishing course learning objectives, providing functional course content, and ensuring courses were current for annual certification to the USD(A). DAU was responsible for the development and delivery of curricula and certifying that each course was educationally sound. This relationship is shown in Figure 5.

Prior to DAWIA, functional communities were not well developed. The exception was the Contracting Career Management Board that had published the *Contract Specialist Workbook* with the Federal Acquisition Institute in 1991. The workbook was a matrix that identified the levels of learning to be attained for over 80 duties. These duties became the learning objectives for the DAWIA mandatory contracting courses.
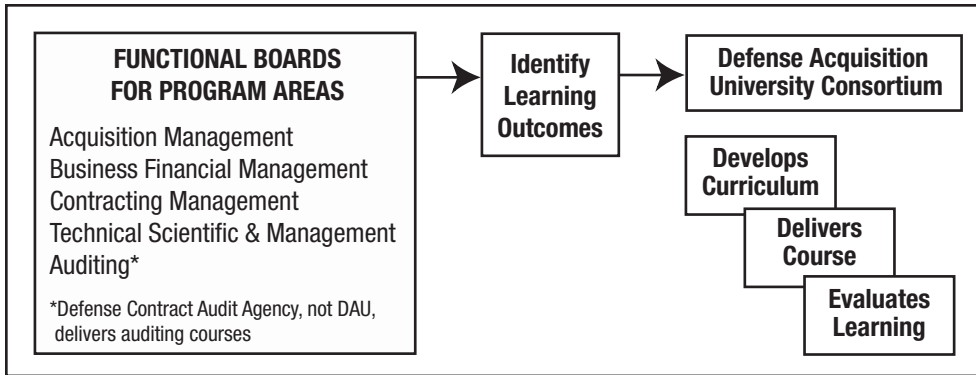
Figure 5. Functional Boards' Collaborative Relationship with DAU

For the other functional boards, developing competencies and learning the instructional design process took time. It was not uncommon for a board to take several months to identify competencies that could number a hundred or more. Completed in October 1994, the Advanced Systems Planning, Research, Development and Engineering Course, for example, was based on over 400 competencies that took the board almost a year to develop.

## DIRECTORS OF ACQUISITION CAREER MANAGEMENT (DACMs)

The USD(A) had passed responsibility for developing and managing the acquisition workforce to Component Acquisition Executives. However, the management of the careers of tens of thousands of people required a dedicated office with the authority to make the detailed decisions such a task entailed. This was the role of the DACM.

The DACMs were the career managers for the acquisition workforce. They tracked and maintained the records of professional qualifications, obtained the quotas for the required courses, managed the distribution of the quotas to the various commands, ensured that only qualified individuals were assigned to acquisition positions, and participated in the selection of senior members of the acquisition corps for major program assignments. Appendix G provides DAWIA workforce statistics from FY 1993–2003.[12]

Since the DACMs worked closely with DAU's Resource Directorate, identifying the roles and responsibilities of each was critical. In 1995, the Directorate issued a 66-page *Resource Management Guide* that established processes including identifying training capacity of consortium members; developing the annual schedule and loading it into the Army Training Requirements and Resources System (ATRRS); tracking changes and utilization rates for reporting requirements; and analyzing finances and resources. The guide also provided essential information for DACMs in assisting DAU to compile its Program Objective Memorandum (POM) submission as required by DoD, and the preparation and presentation of justification materials for the President's Budget.[13]

DACMs were the voice of the customer. They were quick to press for and adopt more efficient methods of course delivery. This close relationship between provider and user made a major contribution to DAU's success.

# ADVISORY BOARDS

Primary responsibility for oversight was vested in a Board of Visitors (BoV). The BoV's composition and responsibility were prescribed by DAWIA. Members were to be selected for their preeminence in academia, business, or industry and were to serve as advisors to the USD(A) and DAU's President on matters relating to organizational management, curricula, methods of instruction, and facilities.

The BoV was chartered in February 1994 and held its first meeting in November 1995.[14] The first Chair was Dr. Jacques Gansler. This nomination brought together a serious student of DoD acquisition with strong academic credentials and a newly formed university that needed a vision for its future. Under his leadership the Board helped to form the academic foundation of a new profession. Gansler became USD(A&T) in 1997 and was a strong advocate for DAU.

DAWIA also required that the university have a policy council composed of senior Department officials. In setting up the new university, DAU had been working closely with the most senior officials in DoD as policy was being established. For this reason, the formation of a separate policy council was deferred. But as the university became established and was functioning with relative independence, a Defense Acquisition University Program Review Board consisting of senior Department executives was chartered in 1997.[15] Its task was to review DAU plans, operations, budgets, and program initiatives.

DAU had proven very effective in organizing its internal structure and establishing close working relationships with external stakeholders. These were critical steps in building the university. But the value of these relationships would ultimately depend on the ability of DAU to fulfill its primary mission: the development of DAWIA certification courses and their delivery to a large and diverse acquisition workforce. This was certainly its most challenging and important task.

# ENDNOTES

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2.  P.L. 99-145, Sec 924, *Defense Procurement Improvement Act*, 1985, required a person appointed as Program Manager of a major defense acquisition program have specific experience and complete the Program Management Course at the Defense Systems Management College or a "comparable course."

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10. Memorandum, R. Noel Longuemare, Principal Deputy Under Secretary of Defense (Acquisition & Technology), *Realignment of the Defense Systems Management College* (August 28, 1997).

11. DoD Instruction 5000.58, Defense Acquisition Workforce, p. 14 (January 1992). <http://www.dau.mil/about-dau/DAU_History/i500058p.pdf>

12. Appendix G: DAWIA Personnel Data from 1993–2003.

13. Defense Acquisition University, *Resource Management Guide*, ADS-95-01-GD (1995). <http://www.dau.mil/about-dau/DAU_History/Layton%2024.pdf>

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    Memorandum, Paul Kaminski, Under Secretary of Defense (Acquisition and Technology) to Director of Administration and Management, *Renewal of the Defense Acquisition University Board of Visitors Charter* (March 4, 1996).

15. Defense Acquisition Career Development Council Charter (March 19, 1997). Section 1746 of DAWIA mandated a policy council be instituted to formulate policy for the education, training, and career development of the acquisition workforce. DoD Instruction 5000.58, *Defense Acquisition Workforce* (January 14, 1992), authorized the Council. <http://www.dau.mil/about-dau/DAU_History/Layton%2011.pdf>

# 4

# Early Challenges for the University

# CHAPTER 4 OVERVIEW

*This Chapter offers a brief background of DAU's efforts to develop policies, processes, courses, and a coherent strategic plan; explains how DAU developed and implemented Information Age course-delivery techniques to meet the accelerating demand for acquisition education and training; and relates how DAU's role in acquisition-related research evolved from faculty-initiated to customer-initiated.*

# INTRODUCTION

When the Defense Acquisition University was formally established in August 1992, it existed primarily on paper. There were offices, a small staff, and general direction on the mission and structure of the new school. But the policies and processes necessary to create an operational university had yet to be established. In forming the new university, there were numerous challenges. Four were critical to its success:

1. Policies and a strategic plan needed to be issued.
2. Courses and curriculum had to be designed.
3. The capability to meet the accelerating demand for training had to be developed.
4. DAU's role in research had to be defined.

# POLICIES AND A STRATEGIC PLAN

As DAU evolved, policies were issued and strategic plans developed to serve many purposes.

Between 1994 and 2000, 11 policies (listed at Appendix H) were issued.[1] Some show routine operating procedures to ensure the consortium functioned seamlessly. Furthermore, since each member school operated autonomously, the standardization they brought served to quell the frustration among various functional board members, students, and the organizations to which the students belonged. Issues such as differing course development processes, dismissing students who missed too many classes or did not meet prerequisites, and grading were some of the issues that needed to be addressed.

Prerequisites became problematic, and according to the Board of Visitors (BoV) an astounding 66 percent of students came unprepared for classes. With pressures on the Services to fill courses without considering qualification, the BoV concluded the faculty had two choices: fail students or lower standards.[2] This problem was solved by the unprecedented intervention of the USD(A&T) in 1999:

> *To maximize the value of limited DAU class time and resources, the President, DAU is delegated the authority to establish and enforce academic prerequisites for DAU courses ... including denying enrollment to a student who lacks courses that are prerequisites or is unable, through testing, to demonstrate the required knowledge and skills in the prerequisite.[3]*

Later policies show the university responding to the needs of the workforce for an ever-increasing demand for training. These included equivalency procedures; qualifying private, public, and academic institutions to deliver DAU-equivalent courses; processes for awarding continuing education units to DAU courses; and technology delivery to reach more students.

Concerned that no formal vision for the university had been published by 1995, the BoV encouraged the creation of a strategic plan. The University's Enterprise Strategy was subsequently issued, and it set a mission and vision that the consortium would follow to achieve four goals.[4] These goals, according to the strategy, would position DAU to be the benchmark acquisition educational system for the 21st century, providing state-of-the-art content, methods, and research to the defense acquisition community.

**Goal l:**
**Educate and train DoD acquisition professionals and other participants in the DoD acquisition process**

**Goal 2:**
**Use available acquisition education and training resources efficiently and effectively**

**Goal 3:**
**Develop acquisition education, training, research, and publication capabilities**

**Goal 4:**
**Use technology and innovative teaching methods**
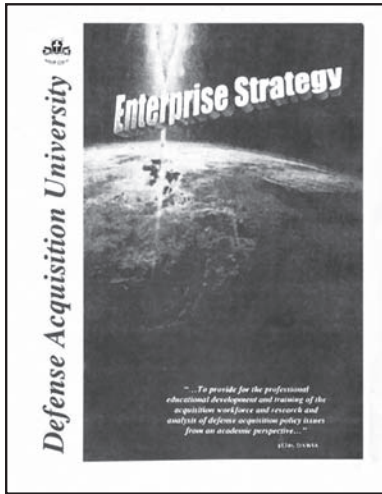
*Enterprise Strategy*, 1995 DAU Strategic Plan

The mission in the Enterprise Strategy stated DAU was to provide, as an academic enterprise, effective and efficient acquisition education, training, research, and associated academic activities as an integral part of acquisition support to DoD.

The mission in this early strategy emphasizes an academic direction for DAU contrasting with DAU's strategic plan, *Smart Business 20/20*, published 5 years later. The framers of DAWIA intended that the new university be modeled as an "academic" institution. Representative Mavroules explained his philosophy for the new university in 1991 as an "intellectual centerpiece":

> *The university could be the intellectual centerpiece of the entire acquisition system; a place where seminars and thought-provoking meetings—intellectual ferment—can help to change the mindset, to bring about a lasting cultural change throughout the acquisition system.[5]*

A decade later, the acquisition community knew it wanted not "academic training" but "practitioner training" to make smart business decisions and deliver timely and affordable capabilities to the warfighter:

> *They want learning offered in ways that are distributed, low cost, low impact on current infrastructure, readily available, adaptable, and easy to use. Finally they want training, consulting, and research that is* [sic] *tailored to their precise needs and delivered where and when it is* [sic] *needed.*[6]

# COURSES AND CURRICULA

Reporting to Congress on DAU's first fully operational year, the Department reported that dramatic strides had been made toward enhancing the quality of acquisition professionals. More than 24,000 had graduated from 60 mandatory courses and 37 from the Senior Acquisition Course sponsored by the Industrial College of the Armed Forces. The net result of this achievement, according to the report, "is a much more qualified, higher quality, professional workforce."[7] The 60 courses are listed at Appendix I.[8]

But in the interests of establishing curricula quickly, DAU had been forced to adopt courses that already existed at the consortium schools. These met many immediate needs but fell short of the permanent curricula necessary for a professional acquisition corps.

The existing courses retained the particular Service focus of the school offering the course. In most cases their design failed to meet current standards for effective adult education, and their structure lacked the discipline of instructional system design. Redesigning this curriculum was an immediate task for the Academic Affairs Directorate, and its program directors were assigned to manage the course development process for each functional area.

While the 5000.52M[9] contained the only standards that were to be used for certification and specified what courses had to be developed, DAU's responsibility was to determine how they would be designed to ensure maximum educational effectiveness. Professor Robert L. Hawkins, Director of Curriculum Development at DAU, summarized the situation:

> *The pure-and-simple politics of acquisition education is that many have viewed it as a deficient system that has failed to make clear what all students need to learn and whether, in fact, they have learned it ….The most fundamental problem is our schools are accountable only for educational processes, not educational outcomes.*[10]

Finally, guidance published by the Office of Federal Procurement Policy provided direction to DAU curricula developers with Policy Letter 92-3. Issued on June 24, 1992, the policy required federal departments to establish competency-based mandatory training.

Competency-based training requires that learners master the knowledge, skills, and abilities that emphasize application and use of what has been learned. It clearly defines what students are expected to know and be able to demonstrate in applying that knowledge. Mastery is determined through testing. Three levels of certification were established by 5000.52M with mandatory courses required for each level. For DAU, the competency solution was an ideal match as a structure for developing certification courses.

Supplementing the certification courses, assignment-specific courses were developed to support employees performing functions specific to their particular positions.[11]

Under the competency-based learning model, the curriculum provides progressive learning as the student advances through the three certification levels. DAU chose Bloom's taxonomy to provide a framework for the course development.

The taxonomy shown below describes, from simplest to complex, six degrees to which content is taught and can be learned: knowledge, comprehension, application, analysis, synthesis, and evaluation. The relationship of the taxonomy to the various course levels is also shown.

## DAWIA COURSE LEVELS

- **Level I** courses establish fundamental knowledge.
- **Level II** courses build on the knowledge gained at Level I through practical applications and are amenable to small group problem-solving and application scenarios.
- **Level III** courses represent the pinnacle of achievement in the curricula. Students learn to synthesize knowledge and apply it critically in practical situations preparing them to make sound judgments in unpredictable situations. For this reason, Level III courses move the specialist to the generalist and develop creative problem solvers.
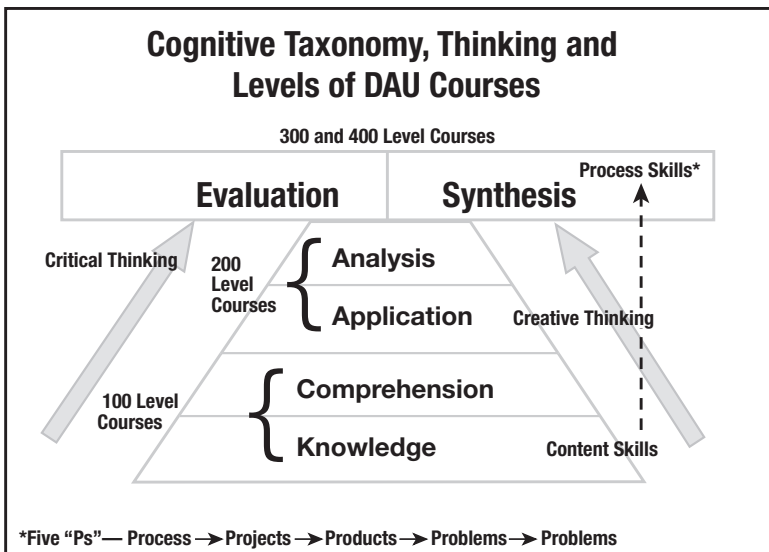


Figure 6. Bloom's Taxonomy and DAWIA Courses

Shown below is an overview of the instructional systems design at the core of DAU's course development process structured around Bloom's taxonomy.

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### DAU'S FOUR-STEP COURSE DESIGN PROCESS

#### *Analysis*

Competencies are created in this phase and converted to learning outcomes according to the six levels of Bloom's Taxonomy. This is a collaborative effort by the functional community and DAU. Once developed, the competencies are used to develop new courses, new curricula, or matrixed against existing course materials to determine gaps or repetition.

#### *Design*

A blueprint of the training program is developed in this phase. Design determines the instructional strategies as well as delivery methods. Strategies for delivery include lecture, demonstration, discussion, independent study, computer-based training, simulation, case studies, practical exercises, reading assignments, and combinations thereof.

#### *Development*

This phase is highly dependent upon strategies selected during the design phase. For example, in classroom instruction, the Lesson Plans, which ultimately result in the Instructor Guide, are the essential products for effective instructional delivery.

#### *Evaluation*

Curriculum under DAU must have criterion-referenced assessment, and each test or assessment item must be directly referenced to a specific performance or competency created in the analysis phase. Strategies for evaluating achievement are: multiple-choice, true-false, matching, essay, case study, critical incident, practical exercise, simulation, and role play. Because a case study can be either complex or simple, it has potential for the full range of Bloom's cognitive levels.

---

Before DAWIA, most courses were lecture-based. Now DAU began to employ interactive processes of discovery through experiential exercises, case studies, and simulations. One course was almost 80 percent computer-based, and "universities were taking note of DAU as a leader in providing hands-on learning."[12] The following excerpts from *Program Manager* magazine articles report how DAU was successfully carrying out DAWIA in 1994 and 1995:

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## COMPETENCY-BASED DESIGN FOR DAWIA TRAINING

### Test and Evaluation

Before DAWIA, only a 1-week course existed. By FY 1995 DAU was ready with three new T&E courses for Levels I, II, and III certification. The Level I course was developed as a one-week introduction to the fundamentals of DoD test and evaluation management. The Level II course was a 2-week intensive look at the technical and management tools required to plan, conduct, and report on a T&E program. The Level III course covered top-level T&E management issues in a 2-week workshop of lectures and case studies.[13]

### Systems Planning, Research, Development and Engineering

Added a 2-week Level III course for senior personnel in the Systems Engineering field for personnel who completed the 3-week intermediate course. Based on over 400 competencies, the instruction used simulation exercises and case studies to ensure that students do integrated technical decision making and problem solving through the course.[14]

### Business Cost and Financial Management

Developed new Level I and II courses. Level I began with a lecture-exercise approach. Level II, which was developed as a 2-week simulation of a real world program, moved to case studies and simulations in a program office environment.[15]

### Advanced Product and Quality Management

Developed a new Level III course using statistical planning tools and hands-on learning. Students launched catapults to learn about Design of Experiments and moved poker chips to understand Theory of Constraints. Lessons on capturing customer requirements required building a "House of Quality" and a "World Class Cup of Coffee" to get hands-on experience with Quality Function Deployment. Building "Little Red Wagons" helped students learn about bottlenecks as they modeled their factory floor in a simulation exercise.[16]

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The competency-based approach also placed demands on the faculty. Instructors had to be preeminent in their field with demonstrated competency in both subject-matter expertise and teaching capability. In addition they had to possess the practical experience to bring the real world into the classroom. This was particularly true at the higher levels of learning, in which the teacher is a facilitator enabling a learner-centered environment. In this environment, the teacher serves as a coach leading students through practical exercises followed by immediate analysis and feedback.

Although DAU published an annual catalog listing the courses it offered, confusion regarding certification requirements was common among the more than 100,000 military and civilian workforce members spread across hundreds of DoD organizations. Since it was impractical to update the 5000.52 annually, DAU began publishing certification checklists in its annual catalog in 1994 so that acquisition workforce members would clearly understand what was expected in terms of training, education, and experience. The checklist shown below appeared in the *DAU 1994 Catalog* and applied to a workforce member in the program management career field. Given the wide distribution of the catalog, these guides were invaluable in assisting personnel to manage their career development.

| LEVEL 1 | LEVEL 2 | LEVEL 3 |
|---|---|---|
| **EDUCATION:**<br>☐ (Desired) Baccalaureate degree, preferably with a major in engineering, systems management, or business administration | **EDUCATION:**<br>☐ (Desired) Master's degree, preferably with a major in engineering, systems management, business administration, or a related field | **EDUCATION:**<br>☐ (Desired) Master's degree in engineering, systems acquisition management, business administration, or related field |
| **EXPERIENCE:**<br>☐ One year of program management experience | **EXPERIENCE:**<br>☐ Two years of acquisition experience, at least one in program management<br><br>☐ (Desired) An additional 2 years of acquisition experience, preferably in a systems program office or similar organization | **EXPERIENCE:**<br>☐ Four years of acquisition experience with at least 2 years in a systems program office or PEO, DCMC program integrator, Army System Coordinator, or Supervisor of Shipbuilding offices.<br><br>☐ (Desired) Two additional years of acquisition experience |
| **TRAINING:**<br>☐ ACQ 101 Fundamentals of Acquisition<br><br>○ (Desired)<br><br>One additional DAU level 100 course in another acquisition field | **TRAINING:**<br>☐ ACQ 201, Intermediate Systems Acquisition<br><br>○ (Desired)<br><br>One DAU level 200 course in another acquisition career field<br><br>Intermediate-level management and leadership training (Not currently provided by DAU) | **TRAINING:**<br>☐ Complete ONE of:<br><br>PMT 301 Program Management Course<br><br>PMT302 Advanced Program Management |

Figure 7. DAWIA Checklist in 1994 DAU Catalog

# TRAINING DEMAND

A major challenge in implementing DAWIA was the overwhelming backlog of training requirements it had created. The number of people attempting to sign up for required courses and for newly created courses threatened to overwhelm DAU's capability. It was a question of too many students and too few seats.

The Department addressed the backlog with a two-pronged approach. First, it issued policy that allowed some students to meet their training requirements by receiving credit for previous experience through "fulfillment." Second, DAU was directed to develop technology-based course delivery as the longer-term solution. Technology would allow students to receive training at reduced cost and with minimum interference with their work schedules.

## FULFILLMENT

DAWIA made no distinction between newly hired or promoted employees and those with years of experience. It was a one-size-fits-all approach. As a result, a large number of the most senior personnel were applying for training when their prior work experience made such training superfluous.

To remedy the problem, Congress required the Department to develop a "fulfillment plan."[17] Fulfillment would enable senior acquisition workforce members to fulfill their mandatory training requirements based on previous experience and education, thus alleviating the training backlog problem. DAU instituted alternatives for the workforce to achieve certification and save valuable classroom seats. The process was comparatively simple. A supervisor would review an individual's experience and training, compare them with the learning objectives for a particular course, and grant "fulfillment" if the objectives had been covered.

This presumed that the learning objectives for the courses had already been identified. In fact, at the time the fulfillment policy was instituted, these objectives were still in the process of development for the 60 courses that DAU offered. Although this added to the pressure for course development, DAU met the challenge, and the fulfillment program proceeded on schedule. As a result, the backlog for courses was significantly reduced. A description of the alternatives to classroom training follows.

## FULFILLMENT AND ALTERNATIVE TRAINING AND EDUCATION

### Fulfillment

DoD Manual 5000.52, *Career Development Program for Acquisition Personnel*, issued November 1991, allowed a supervisor to certify that the individual had obtained the skills and knowledge provided by a mandatory course through experience, education, an equivalency test, or alternate training.

### The Defense Activity for Non-Traditional Education Support (DANTES)

DoD Instruction 5000.58, *Defense Acquisition Workforce*, issued January 1992, established the DANTES policy. By passing college course equivalency examinations considered to demonstrate knowledge comparable to accredited courses in required subjects, employees could meet the new educational standards required by DAWIA.

### College Equivalency Courses

DAU certified courses offered by private and public institutions of higher education as equivalent to its mandatory acquisition courses. DAU's catalog listed the courses and institutions.

### DAU Equivalency Test Program (Course Credit by Examination)

The DAU Equivalency Test Program (Course Credit by Examination) provided an opportunity for employees to take a comprehensive test in lieu of attending a mandatory course. The tests were designed and administered by the consortium member responsible for sponsoring the mandatory course.

## TECHNOLOGY

A survey of graduates and their supervisors conducted by DAU in 1995 made the need for computer-based training very clear.[18] This feedback rated the classroom courses as outstanding but asked that they be made more readily available. Responding to the survey, students said they encountered difficulties in finding seats in classrooms at times compatible with their work schedules; supervisors identified excessive workloads, course scheduling, and the travel requirements as major obstacles.

Adopting technology-based course delivery as a major component of DAU's training program seemed a logical solution. Technologically the time was right. Accelerating technological change, especially in information technology, was transforming the lives and activities of civilians, warfighters, and the acquisition workforce alike. Emerging

technology was at a point where the delivery of courses over the Internet or in a stand-alone mode using a CD-ROM was readily available

In April 1995, the Department completed a study reviewing the benefit of an automated system that would enable the acquisition workforce to share information and receive training. The concept was to organize information into an Acquisition Deskbook that would segregate mandatory and discretionary practices, sending a clear message that the use of judgment was a mainstream element of business processes.[19] It would also have an "Ask the Professor" component where practitioners could contact DAU faculty about their questions electronically.
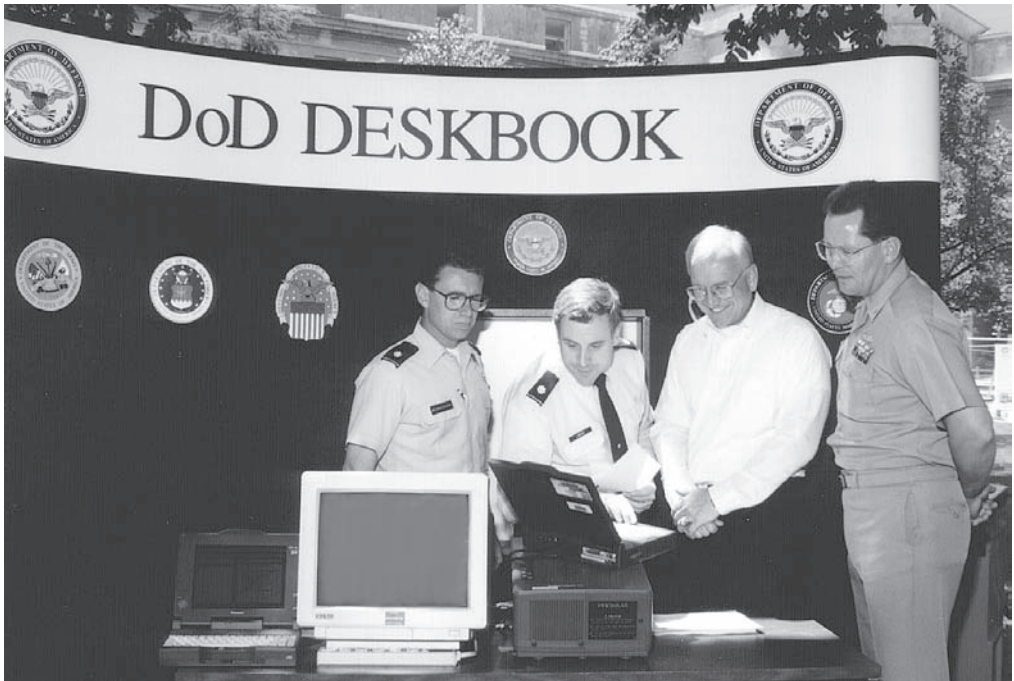


Dr. Paul G. Kaminski (second from right), Under Secretary of Defense (Acquisition & Technology), reviews a prototype of the Acquisition Deskbook, which was on display in the Pentagon Courtyard as part of Acquisition Reform Acceleration Day activities, May 31, 1996. From left: LTC Michael B. Monaghan, USA, Office of the Assistant Secretary of the Army for Research, Development and Acquisition; Maj Randy Hildebrandt, USAF, Air Systems Command; Kaminski; and CMDR Eric C. Smith, USN, Commander, Computer Engineering Center, Naval Facilities Engineering Command.

The Deskbook was to be more than a source of information that could be accessed quickly. It was the key to the most important part of acquisition reform—cultural change. One of the barriers to changing the acquisition process had been difficulty in getting the message of acquisition reform to the workforce. By being an impetus for a reexamination of the current regulations, by allowing insight across the acquisition community, and providing direct, unfiltered information to the entire workforce at the same time, the Deskbook contributed to the cultural change. It was to do this by giving each member
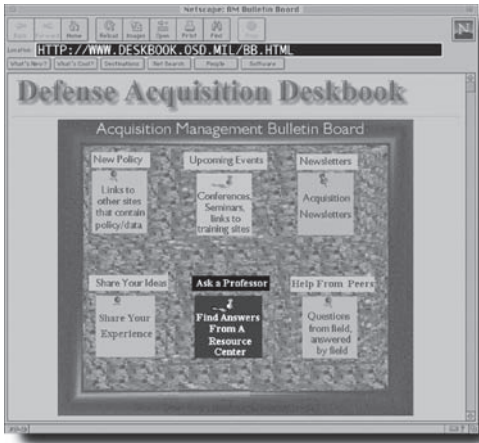
The Defense Acquisition Deskbook "Ask a Professor" Program was instituted in 1996 as part of the Defense Acquisition Deskbook Web site.

of the acquisition workforce the knowledge to do a better job and the freedom to ask questions and challenge assumptions.[20]

But two issues would have to be addressed before technology-based training could make a major contribution. First, a significant portion of the workforce did not have the technology to use such training. Second, the university had not yet developed technology-based capabilities to deliver courses.

The first issue was of concern to far more than DAU. The lack of DoD-wide availability of the technology essential to communications affected the entire Department. When the Department released the first part of the Deskbook in 1995, this issue struck home—it was not accessible to the community at large. For example, in managing the "Ask the Professor" portion of the Deskbook that connected practitioners to DAU faculty, it became evident that while DAU could transmit, a large number of its audience could not receive. They simply did not have the electronic tools required.

Recognizing this, USD(A&T) Kaminski issued a memorandum in early 1996 to the Component Acquisition Executives directing them to bring the acquisition workforce online immediately as success in acquisition depended heavily on a well-informed and fully trained workforce. The memorandum stipulated the minimum hardware requirements for installing the Deskbook.[21]

The second issue regarding DAU's need to deliver courses using technology was addressed when Kaminski issued another memorandum in 1997. He directed DAU's President to transition from traditional classroom delivery to information-age technologies for course delivery. Furthermore, the memorandum stated that information-age technologies were to be used whenever possible and directed DAU to create an implementation plan.[22]

In May 1997, DAU published a Technology-Based Education and Training Concept Plan to expand its distance learning capabilities with the goal of incorporating information technology in all courses by the end of FY 2000.[23]

According to the plan, from the outset, new courses were to be designed for delivery using technology unless there were compelling reasons for using the classroom approach.

DAU delivered its first interactive Web-based course, Simplified Acquisition Process, in 1997. The infrastructure to support the course included student self-registration, online testing, faculty administration through e-mail, and online conference rooms with course resources that linked to other electronic documents. By 1998 DAU offered eight distance learning courses with 15,750 hours of e-learning.

# RESEARCH

Although DAWIA also prescribed a research mission for DAU, as the university examined its research role there was much discussion as to what research should encompass.

Minutes covering several years of Board of Visitors meetings report members debating the form research should take. For example, some of the BoV thought it should be focused on the "internal," that is, ensuring that faculty were proficient in research and had the time to carry it out; others thought it should be "extramural," ensuring DAU was involved in developing regulations and laws through a formal process.

Another dilemma was the source of research topics. Should they originate with the faculty, functional boards, senior Department policy makers, or academia? Perhaps the most frequent point of discussion was who should perform research.

In reality, research was constrained by the effects of decreasing budgets. Since DAU's primary responsibility was for developing and delivering DAWIA courses, the research mission was regarded as an additional activity. Consequently, research was not widely done, nor did the Department or industry place much demand that DAU do it. Furthermore, there was no central mechanism to fund or manage a consortium-wide research program until 1997.

Some research capability did exist within the consortium.[24] For example, the Naval Postgraduate School had a well-developed research program, and Defense Systems Management College (DSMC) sponsored and DAU funded a Research, Consulting and Information Division (RCID) that was responsible for managing the program of applied acquisition research at the College. Conducted by faculty, students, and occasionally outside professionals, the research generated was primarily focused on reducing and controlling acquisition costs. DSMC also sponsored a Fellowship Program that produced research reports upon completion of the fellowship. But this existing research program fell short of the broader vision of DAWIA.

The first DAU efforts toward expanding their research mission came in 1994 when the Acquisition Research Coordinating Committee (ARCC) was established. The committee was composed of deans, administrators, and faculty from the consortium who decided

its initial task was publication of a scholarly, peer-reviewed journal to bridge the gap between those who studied acquisition management and those who practiced it. The first edition of *Acquisition Review Quarterly* was issued in 1994.[25]

In 1997, the External Acquisition Research Program (EARP), managed at the Naval Postgraduate School, was formed to replace the ARCC and received $400,000 for fiscal years 1999 and 2000 (individual recipients were awarded $50,000). The EARP was created to build a community of scholars at universities and other institutions actively engaged in research related to the challenges of acquisition. A summary of topics for 2000[26] and 2001[27] shows the nature of the research performed under the EARP.

By 2000, DAU discontinued this program, reversing the decision that research be performed by academia. The new direction was that faculty should be pivotal in defining best practices in fields of acquisition.[28] At the same time, a Research Core Team with a Director of Research was established as part of DAU to support a variety of research-related activities.

In 2002, DAU took a transformational step to revitalize its research program making it more responsive to customers. Historically, faculty interest, not customer needs, drove DAU's research efforts. In keeping with DAU's goal to better serve the customer, it established a Research Planning Board. The membership consisted of DoD, industry, academia, the Services, and DAU senior representatives. The Board would seek out job-relevant research areas from the acquisition community, prioritize the topics, and present them to DAU faculty interested in conducting research. Through this process, DAU faculty could provide job-targeted and usable research on problems, issues, and concerns identified by the acquisition workforce itself.

DAWIA was a significant event shaping the changing horizons of acquisition, and the new training was having a desired impact on the workforce. The improvements in program management, for example, became evident when an increasing number of program offices were staffed and supported by program managers achieving at least Level I certification:

> *Program offices have increased their effectiveness and eased the issue of train-ing. Subsequently, PMs can leave many of the less-significant issues behind and move forward and upward to new, higher planes of achievement.*[29]

DAU had fully implemented the provisions of DAWIA and institutionalized programs to guarantee the continued development of a highly qualified pool of acquisition professionals. DAWIA courses using sound instructional design principles had been developed for each career field; student backlog was addressed; strategic plans were published; academic policies were developed; a research program was defined; financial procedures were established; an online registration system was in place; a management informa-

tion system was formed; and the flow of information among stakeholders was moving smoothly.

The university was positioned and prepared to spearhead the message of acquisition reform, which would have a profound effect on the institution.

# ENDNOTES

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# 5

# Acquisition Reform Gains Momentum

*The world in which DoD must operate has changed beyond the limits of the existing acquisition system's ability to adjust or evolve, and it must be totally reengineered.*

*—William Perry
Secretary of Defense
"Acquisition Reform: A
Mandate for Change,"
February 1994*

# CHAPTER 5 OVERVIEW

*This Chapter explains the events that led to the acquisition reform movement throughout DoD, which gained momentum in 1996 and sought to make the acquisition process more effective, efficient, productive, and less bureaucratic. It aimed to reduce overhead costs, streamline requirements, accelerate processes, cut paperwork, and move the Department of Defense toward leveraging defense industry best business practices and management concepts.*

# INTRODUCTION

While DAU was in its formative stages, the movement for acquisition reform was gathering momentum. Moving from a general concept to practical actions, acquisition reformers were overhauling the acquisition system. Rules and regulations that restricted professional judgment, organizational structures that impeded rapid decision making, selection of senior leaders committed to reform, and lessons to be learned from the private sector had all been identified as areas for action. In the words of Colleen Preston, Deputy Under Secretary of Defense for Acquisition Reform: "The revolution has truly begun."[1]

# REFORM PRINCIPLES

The acquisition reform movement sought to make the acquisition process more effective, efficient, and productive. To lessen bureaucracy, it aimed to reduce overhead costs, streamline requirements, accelerate processes, and cut paperwork. It moved toward introducing commercial practices in the public sector and borrowing management concepts from them.

Interagency groups of experts and practitioners called Process Action Teams (PATs) were chartered to identify problems, recommend solutions, and develop implementation plans. The concept of an acquisition system that capitalizes on the strengths of the participants to develop programs with the highest opportunity of success was essential to showing that the Department was committed to change.[2] DoD working hand-in-hand with its industry counterparts to satisfy mutual interests was a first.

The Clinton Administration was fully committed to reforming the defense acquisition system. He had been elected on a pledge to reduce Bush's last budget for DoD by $60 billion, a budget that had already been in decline for several years. Overall, procurement had fallen almost 70 percent since the eighties.

On March 3, 1993, the President tasked Vice President Al Gore to recommend the best way to reinvent government. In response, Gore completed a National Performance Review (NPR) in 6 months. One chapter of the NPR dealt with the way the government's acquisition system responded to its internal customers. Targeting bureaucracy and a costly, antiquated procurement system, the report found DoD's acquisition system to be a rules-laden system that stifles, rather than encourages, risk management. Not only was the cost of the bureaucracy itself excessive, but manufacturers built the

U.S. Vice President Al Gore (1993–2001)

cost of dealing with this bureaucracy into their prices. "Our goal," President Bill Clinton said, "is to make the entire Federal Government less expensive and more efficient, and to change the culture of our national bureaucracy away from complacency and entitlement toward initiative and empowerment."



*Creating a Government that Works Better & Costs Less*, DoD, Accompanying Report of the NPR, Vice President Gore

One of reinvention's immediate initiatives was to make maximum use of technology to enable reengineering of the acquisition process. In August 1993, a PAT was chartered to develop a plan for implementing the use of Electronic Commerce (EC)/Electronic Data Interchange (EDI) in acquiring small purchases. The initiative was to provide "one face to industry," using commercially available software for processing contract actions under the small-purchase threshold. Vendors would be able to connect to commercial networks capable of accessing the entire DoD system and receive data on all planned purchases. The vendor would then be able to provide a quote electronically and the government to make an award electronically.[3]



John M. Deutch, first Under Secretary of Defense for Acquisition and Technology

The "reinventing government" philosophy was based not only on embracing information technology but also on empowering the federal workforce through deregulation, decentralization, and the encouragement of innovation. This second objective was a decided change to the congressionally driven reform movement of the 1980s, which emphasized heavy regulation of the workforce on the theory that it could not be trusted.[4]

John M. Deutch, who succeeded Donald Yockey as the fifth USD(A), came to office in April 1993 when Gore's reinvention was just gaining momentum. As DoD pursued advanced technologies, the Defense Authorization Act of FY 1994 added the word "technology" to the title, and Deutch became the first USD(A&T).

Deutch's successors, Paul G. Kaminski and Jacques S. Gansler, continued the drive for workforce reform. Gansler folded logistics into acquisition reform, and the Defense Authorization Act of FY 2000 added the word "logistics" to the position title. Gansler became the first USD(AT&L).

In 1990, after Desert Storm, the lessons of that conflict led to a new military strategy: the Revolution in Military Affairs (RMA).[5] Mobilization of mass armies was to be replaced with small, light, lethal forces using new technologies for greater speed and effectiveness.

Another reversal in culture would be influenced by the high prices paid for defense-specific technologies. The Department would have to reverse its past arms-length practice of dealing with private industry. Now industry would be considered a partner, and collaborative relationships between government and industry would prevail.

Gore's reinvention strategy targeted the size of the civilian workforce with a goal to reduce it by 12 percent over 5 years. The reduction was aimed at eliminating over-control and micromanagement. Cuts were to be accomplished through attrition, early retirement, and cash incentives.

Between 1989 and 2000, the number of civilians in DoD dropped by 37 percent. The civilian acquisition workforce declined even further creating what observers called a "ticking human capital time bomb." A DoD report published in 2000, *Shaping the Civilian Acquisition Workforce of the Future*, disclosed an alarming statistic that losses approaching 50 percent would be realized in some key acquisition occupations primarily due to retirement.[6]

For many years, DoD suggested that congressionally imposed government-unique requirements made it impossible for DoD to make any significant headway in stream-lining the acquisition system. Congress responded in the Defense Authorization Act of FY 1991 by directing DoD to organize a panel from government, industry, and academia to study the laws impacting acquisitions and make recommendations about those statutes. The Section 800 Panel, as it was called, reviewed almost 600 laws pertaining to acquisition and procurement, and half were recommended for repeal or amendment.[7] DoD submitted the panel's report to Congress in January 1993.



*Streamlining Defense Acquisition Laws*, Executive Summary, Report of the DoD Acquisition Law Advisory Panel

Based on the recommendations of the Section 800 Panel and the NPR, DoD developed a strategic plan to ensure reform measures were institutionalized and would last beyond the tenure of the Clinton Administration. The recommendations
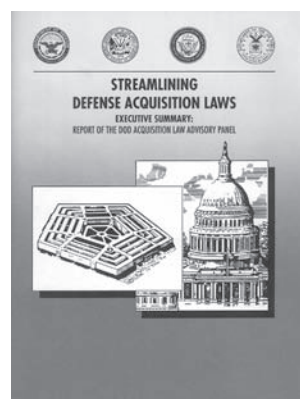
of the Section 800 Panel and the Secretary's Bottom-Up Review were converted into a DoD legislative proposal that was codified under the Federal Acquisition Streamlining Act.[8]

# ACQUISITION REFORMERS

In March 1994, immediately after taking office, Deutch announced a major restructuring of DoD's acquisition management organization and changed its mission to strengthen acquisition reform, environmental security, advanced technology demonstration management, logistics, and economic security.

The organizational change that most directly affected DAU was creation of a full-time, senior executive presidential appointee position. This position would serve as the focal point for developing a practical step-by-step plan for reengineering the acquisition process. Colleen Preston was named the new Deputy Under Secretary of Defense (Acquisition Reform), or DUSD(AR).

A lawyer and long-time congressional staff member, Preston had worked on the major procurement reform legislation of the eighties and then on DAWIA and the Section 800 legislation that followed. She saw the new university with a purpose beyond delivering certification training. Convinced that training was a driving force in communicating her reform initiatives, she turned to DAU to carry her reform message and change the workforce culture.

The President of DAU, the Director of Acquisition Education, Training and Career Development, and the Commandant of the Defense Systems Management College would now report directly to Preston. She began working immediately with Deputy Secretary of Defense William Perry to develop a vision for acquisition reform.

Deputy Under Secretary of Defense for Acquisition Reform Colleen A. Preston presides at the dedication of the David Packard Executive Conference Center. The Packard Conference Center is located at the DAU main campus at Fort Belvoir, Virginia. The ceremony was timed to coincide with DSMC's 25th Anniversary Celebration, held on June 25, 1996.

In February 1994 Perry, who succeeded Les Aspin as Secretary of Defense, issued a paper, *Acquisition Reform: A Mandate for Change*. This 18-page paper stated why DoD had to reform as it faced unprecedented challenges in preserving force effectiveness in light of a radically changed threat, substantially declining defense budgets, and rapidly changing technology:

> *The world in which DoD must operate has changed beyond the limits of the existing acquisition system's ability to adjust or evolve, and it must be totally reengineered. The problem is DoD's acquisition system is a complex web of laws, regulations, and policies adopted for good reasons over many years. While each rule individually has (or had) a purpose for its adoption, and may be important to the process as a whole, it often adds no value to the product itself, and when combined, contributes to an overloaded system that is often paralyzed and ineffectual, and at best cumbersome and complex.[9]*

In October 1994, when Deutch left, Secretary Perry selected Paul G. Kaminski who came to office the same month. Together, their leadership proved formidable in establishing goals to implement the Department's strategic plan to fulfill its acquisition reform vision.

Kaminski had learned first-hand in his own extensive career as a program manager in the Air Force about the risk aversion that stymied innovative thinking on the part of acquisition officials.

Aware that the Department was plagued with tremendous budgetary pressures, he knew DoD had to change the way it operated to become a smart buyer. Kaminski said the Department, "needed to do business more like commercial indus-



Secretary of Defense William Perry (left) is introduced by Dr. Paul G. Kaminiski, Under Secretary of Defense (Acquisition & Technology), at the Pentagon DoD 5000 Series Roll-Out on May 3, 1996.

try—and do more business with commercial industry." Kaminski strongly believed that commercial business, not the government, was becoming the driver behind many of DoD's high-technology industries. Statistics proved his point. In the sixties DoD bought two-thirds of all domestic computers; by the time Kaminski took office, DoD bought less than 5 percent.

Key to every reform initiative was the Department's adoption of the best practices of world-class customers and suppliers. Maximizing technology, streamlining processes, and acquiring items commercially were crucial initiatives.

Military specifications (MILSPECs) were identified as a major hindrance between Defense and industry. The detailed manner in which DoD specified its requirement for production often forced companies to create separate production lines for Defense work when commercial facilities already existed with equivalent capabilities. This discouraged many potential suppliers, especially small businesses, from vying for government contracts, thus preventing the government full access to the cost savings derived from an openly competing marketplace. The process was estimated to add 30 to 40 percent to DoD acquisition costs.

In 1994 when Perry signed his memorandum, *Specifications and Standards—A New Way of Doing Business,* a major reengineering of the way DoD would communicate its requirements was under way.[10] In executing Perry's vision, the Department reviewed over 28,000 military specifications, enlisting the help of the private sector to decide whether to cancel a military specification or standard, retain it, or convert it to a commercially acceptable requirement.
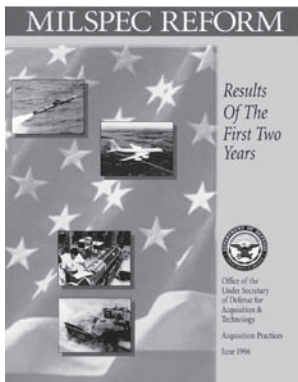
MILSPEC REFORM—Results of the First Two Years, DoD, OUSD(A&T), Acquisition Practices, June 1996

Perhaps core to the reform movement was lifting the regulatory burden that had been levied on acquisition and procurement officials. The 1994 Federal Acquisition Streamlining Act (FASA) substantially overhauled federal procurement law and alerted acquisition officials that they now had the full support of Congress in making independent decisions.

Procurement officials were permitted to use different parts of the Federal Acquisition Regulation (FAR) to construct the best business deal rather than be restricted to a process or procedure due to dollar values or other factors. The FAR implementation team took a clean-slate approach to contracting with new sections addressing market research, describing agency needs, and the acquisition of commercial items. The FAR also implemented the FASA provision that created the simplified acquisition threshold. This meant that all purchases of a value of $100,000 or less could be accomplished with less regulatory bureaucracy.

The FASA also minimized mandatory direction for program managers "freeing" them to exercise sound judgment. This approach was achieved by revising the 5000 series documents (DoD Directive 5000.1 and its companion Instruction, 5000.2).[11]

The rewrite of the 5000 series documents to implement FASA represented a dramatic change in almost every major aspect of the way DoD had done business for 20 years, encouraging innovative, non-traditional approaches. The previous 1,000-page version promoted a centralization of policy control and procedural specificity; the new 160-page version separated mandatory policies from guiding principles.

Contracting officers and program managers were the main targets of this new empowerment. The rules-laden acquisition system was to be replaced by an entrepreneurial spirit. The reformers recognized, however, that cultural change was essential to their effort.

President Bill Clinton signs the FY96 National Defense Authorization Act into law on February 10, 1996.

In the program management arena, program managers had been given full congressional support to manage programs to the best of their abilities within approved resources. The conclusions of an 8-month study requested by the Department to examine problems pertaining to roles and responsibilities of program managers found this was not happening. The report published in 1995 revealed that program managers were strongly dissatisfied:

> *There is a mismatch between the requirements placed on program managers to report realistic program status, on the one hand, and doing whatever is necessary to keep a program funded and moving through the acquisition process on the other.[12]*

When performance specifications became the preferred method for identifying requirements, signaling a complete reversal of the current practice that gave a contractor detailed design and production specifications, some voiced their opinion that the judgment of the program manager should be carefully weighed:

> *The DoD policy change to reprioritize using commercial standards, procedures, and specifications ahead of military standards and specifications is wise.*

> *However, those responsible for implementing this policy must ensure the program manager is given maximum flexibility to trade off the type of specifications and standards used to optimize the program.[13]*

At a conference in July 1995, Kaminski emphasized the Department's leadership responsibility to create a climate for reasoned risk-taking by program managers. He insisted that a "Program Manager's Bill of Rights and Responsibilities" certificate be issued to every program manager. Contents of the certificate explicitly laid out what program managers could expect from their acquisition chain, not so much for the benefit of the individual program manager—but for the benefit of the functional staff and other oversight agencies.[14]

After FASA other major victories in the acquisition reform movement took hold on Capitol Hill. Recognizing the importance of information technology for effective government, Congress enacted the Information Technology Management Reform Act (ITMRA) and the Federal Acquisition Reform Act (FARA). These two acts, together known as the Clinger-Cohen Act, required heads of federal agencies to link Information Technology (IT) investments to agency accomplishments. The Clinger-



### The Program Manager's Bill of Rights and Responsibilities

**Program Managers have the RIGHT to:**
- A single, clear line of authority from the Defense Acquisition Executive.
- Authority commensurate with their responsibilities.
- Timely decisions by senior leadership.
- Be candid and forthcoming without fear of personal consequences.
- Speak for their program and have their judgments respected.
- The best available training and experience for the job.
- Adequate financial and personnel resources.

**Program Managers have the RESPONSIBILITY to:**
- Accept program direction from acquisition executives and implement it expeditiously and conscientiously.
- Manage their programs to the best of their abilities within approved resources.
- Be customer focused and provide the user with the best, most cost-effective system or capability.
- Innovate, strive for optimal solutions, seek better ways to manage, and provide lessons learned to those who follow.
- Be candid about program status, including risks and problems as well as potential solutions and likely outcomes.
- Prepare thorough estimates of financial and personnel resources that will be required to manage the program.
- Identify weaknesses in the acquisition process and propose solutions.

To signify our support for the Program Manager and our commitment to the Program Manager's Bill of Rights and Responsibilities, we affix our signatures below.

As the Program Manager, I have full program responsibility and accountability. I pledge to do everything in my power to warrant the rights granted to me and to fulfill these responsibilities.

Program Executive Officer

Program Manager

Acquisition Executive

Defense Acquisition Executive

In July 1995, Dr. Paul G. Kaminski, then Under Secretary of Defense (Acquisition & Technology), directed that all program managers receive the *Program Managers Bill of Rights and Responsibilities* certificate.

Cohen Act, which took effect in 1996, also required that agency heads establish a process to select, manage, and control IT investments.

Clinger-Cohen replaced a cumbersome bureaucracy that often impeded the quick, efficient purchase of IT, and meant that many DoD computers were obsolete by the time they were delivered. The act also provided a number of significant opportunities for DoD to further streamline and reduce nonvalue-added steps in the acquisition process. Among the most significant changes was a test of the use of the simplified acquisition procedures for commercial items between the threshold of $100,000 and $5 million. With an increased threshold, the government would be able to buy most commercial items just like any other customer without imposing government-unique specifications and standards.
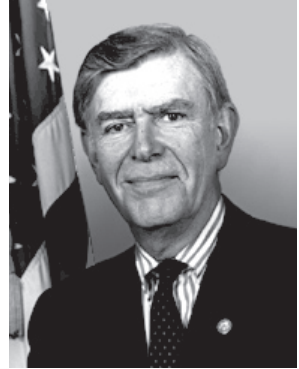


Representative William Clinger, Jr. (R-PA), Ranking Minority Member of the Government Operations Committee of the House of Representatives

Reform of the acquisition process was making itself felt throughout DoD. Strong leadership, a clear vision, and targeted changes were having their effect. But, in the words of Colleen Preston, "the most critical factor that faces us is completing the process of cultural change."[15]

DAU was uniquely qualified for an important role in meeting this challenge. The university touched virtually everyone in the acquisition community.



Deputy Under Secretary of Defense for Acquisition Reform Colleen Preston is interviewed for *Program Manager* magazine on August 22, 1996, by DSMC Commandant, BG Richard Black, USA.

DEFENSE SECRETARY AND HEROES OF REINVENTION

Secretary Perry, in one of his concluding actions as Secretary of Defense, gave the National Performance Review Hero of Reinvention Hammer Awards to more than 500 federal employees and military personnel. Perry said the award "recognizes outstanding, ground-breaking work on an issue of vital importance: our future ability to supply the best value goods and services to our forces with the most efficient use of our resources."

The Secretary offered this assessment on September 20, 1996, at an awards ceremony at Fort Myer, Virginia, where DAU staff and faculty were recognized.

The awards presented were established under the National Performance Review in early 1993, headed by Vice President Al Gore. (The author of this history, Evelyn Layton, appears in the front row, second from left.)

# ENDNOTES

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# 6



# The University— a Leader in Acquisition Reform

*DAU must continue its significant role in changing the way the Department does business as it becomes a world-class customer, reduces acquisition costs, fosters the development of a national industrial base to compete in a global marketplace, and maintains its technological superiority.*

*—DoD Annual Defense Report September 1995*

# CHAPTER 6 OVERVIEW

*This chapter discusses the Pentagon acquisition reformers and their attempts to overhaul the policy, procedures, directives, and laws governing the defense systems acquisition process. A history behind the establishment of the Office of the Deputy Under Secretary of Defense (Acquisition Reform) is also included, along with the communications and outreach efforts that proved vital to changing the acquisition culture itself.*

# INTRODUCTION

The strategy of Pentagon reformers was to overhaul every process involved in the system's acquisition processes. Without a change in the culture of the acquisition workforce, however, there would be little chance for the reform edicts to take hold. Leaders such as Secretary of Defense William Perry; Under Secretary of Defense for Acquisition and Technology Paul Kaminski; and Deputy Under Secretary of Defense of the newly established Acquisition Reform Office, Colleen Preston, tirelessly promoted reform.



Key DoD Administrative Reformers: Paul Kaminski, William Perry, and Colleen Preston.

The reformers issued memoranda, letters, and directives; gave frequent speeches and interviews; held symposia and conferences devoted to reform; conducted press conferences; published reform newsletters and reform-oriented articles; and held acquisition reform days and weeks reaching out to the entire acquisition workforce. They believed training was essential to promote acquisition reform, and DAU—now aligned under the new Acquisition Reform Office—was to play a pivotal role.

# REFORM MESSAGE

Senior Pentagon officials met with DAU faculty to reinforce the importance of the university's role to carry the message. In his keynote address at a DAU conference 10 days after taking the position of USD(A&T), Kaminski acknowledged that overcoming long-held, widespread practices through the large and disparate acquisition community would be a serious undertaking. In his address he asked DAU's faculty and staff to ensure the acquisition workforce received the training needed so that acquisition reform could be realized.

At the same conference, Preston, in her capstone speech, discussed her major goals for making acquisition reform a success. While discussing a key goal, Change the Culture, she stated that her office had given over 200 speeches or seminars on the vision and goals of acquisition reform. Preston challenged DAU's faculty to accept the responsibility for changing the culture by conducting acquisition reform seminars, establishing new courses, and revising curricula. In that challenge she said:

> *You are in the forefront and are going to have to bring the Acquisition Reform message to the workforce, and we have to find innovative ways to communicate this message because we are on a fast race—the revolution has truly begun![1]*

One of DAU's first efforts was to organize a group of faculty who became knowledgeable about reform initiatives and kept other faculty members informed of changes. By integrating the acquisition reform message into their existing courses, 30,000 students each year would become part of the reform movement, spread the word, and perhaps fulfill the key objective of the reformers: change the culture.



Thomas M. Crean,
First full-time DAU President,
November 21, 1994

On November 21, 1994, Kaminski who had just become USD(A&T) a month before, appointed Thomas Crean as DAU's first, full-time President. Crean had previously served as Commandant of the Army Judge Advocate School and Dean for Administrative and Civil Law, and had experience as a military lawyer involved with the legal issues of procurement.[2] He would report directly to the new Acquisition Reform Office under Preston.

Acquisition reform was an effort with an ambitious goal of reengineering every acquisition process. The ability to disseminate information to the rank and file about the changes being implemented was a major concern. The acquisition workforce needed just-in-time training about the new

The Acquisition Reform Communications Center (ARCC) broadcasts its first program via satellite on June 28, 1995, from the Army Logistics Management College at Fort Lee, Virginia.

changes. To remedy the situation Kaminski issued a memorandum in May 1995 authorizing the establishment of the Acquisition Reform Communications Center (ARCC) to be part of DAU.[3] The ARCC was tasked with coordinating the development and delivery of reform training. Each Component Acquisition Executive was asked to assign a representative to the ARCC to support its mission.

Within two weeks of Kaminski's memorandum, DAU's President appointed a director to oversee the ARCC. The ARCC took immediate action to disseminate information to the workforce as reforms were implemented. A toll free hotline was activated to provide assistance, and training materials were made available.

Reforms were coming at such a rapid pace that a fast and efficient information delivery method was critical. By 1996, the ARCC had hosted nine satellite broadcasts addressing a variety of reform topics. The broadcasts provided real-time opportunities for the workforce to ask specific questions of senior DoD officials on implementing new legislation, policy, and procedures. Videotapes of these broadcasts were also made available to the workforce for use in local training programs. Using the most current computer technology, the ARCC made training available on CD-ROM and information was posted on the Internet. The ARCC's home page offered reference materials, points of contact, links to other sources of reform information, availability of training opportunities, and announcements of upcoming events.[4]

ARCC was a success story. An article in the *Acquisition Reform Today* Newsletter described one member's reaction to a satellite broadcast:

> *The faces in the Naval Sea Systems Command auditorium were both curious and expectant as they peered towards the large television screen. These people were not disappointed. Produced and acted by professionals, the broadcast proved both informative and entertaining. It was really an effective training program. Not only did the critical information get well communicated, but the broadcasts forced us to think through the acquisition process with case studies as we absorbed the impact of these changes. The follow-on discussion with critical members of the FASA implementation team gave a face to these gigantic changes … it made the whole experience so real.*[5]

# REVISING THE CURRICULA

Although the ARCC was effective in familiarizing the workforce with reform initiatives, a complete overhaul of DAU's curricula was necessary to incorporate the changes. The functional boards would have to develop new learning objectives. DAU had just completed redesigning the curricula to meet the DAWIA standards and now would start the process again for the second time in 2 years.

The 1994 Federal Acquisition Streamlining Act had changed almost 70 percent of the Federal Acquisition Regulation affecting the entire contracting curricula. The Military Standards/Military Specifications (MILSTD/MILSPEC) reform, along with the rewrite of the DoD 5000 series, brought far-reaching changes to almost every aspect of DoD's traditional business processes. Nearly all of DAU's curricula needed revising.

Innovation, creativity, and empowerment of the acquisition workforce were key to reform, but the overwhelming majority of the workforce had long labored under a system of strict rules and oversight. To teach and encourage workers to use their own judgment in devising plans and making decisions would be difficult after the long years of frequent audits, persistent investigations, and well-publicized scandals. In an effort to reinforce this notion, Kaminski issued a memorandum, *Good Judgment in the Competitive Procurement Process.*[6]

In his role as DAU's Board of Visitors Chair, Gansler consistently pressed for learner-centered training where he insisted there must be a culture change, and DAU must meet its responsibility in creating quality education by delivering case studies. As a result, DAU course developers accelerated efforts to incorporate case studies and simulation exercises into the new courses allowing students to develop decision-making skills.

In the contracting career fields, courses that had previously been designed around tasks were now to be designed around key decision points. Making the courses current also

meant reinforcing cultural change. Words and terms like "innovation," "sound business judgment," and "professional" were emphasized. The contracting person who was once told, "Here is the requirement, here is the FAR," now needed skills in breaking down complex information, applying sound business principles, and developing original solutions.

Preston personally interceded in reengineering the 20-week Program Management Course, the flagship course for program managers. By reducing it to 14 weeks, she demonstrated that streamlining, a hallmark of acquisition reform, should be considered in DAU's new course design process. Downsizing had significantly reduced the size of the acquisition workforce, and reducing the hours of training in the classroom meant fewer hours away from the job.

Cross training was another key goal of acquisition reform. By training a person in a variety of functions, reassigning an existing workforce member rather than hiring a new one made good sense. Breaking down the "stovepipes" inherent in the civil service personnel system could help mitigate the effects of the ongoing workforce downsizing.

Flexibility was an important characteristic of the acquisition manager of the future. For example, the newly designed program management curriculum had an entry and intermediate acquisition course that integrated learning objectives from every acquisition functional area. In an unprecedented effort, functional boards representing each functional area joined to create competencies for these prerequisite courses—Fundamentals of Acquisition and Intermediate Systems Acquisition.

In May 1995, Perry issued a memorandum addressing the use of Integrated Product and Process Development (IPPD).[7] Integrated Product Teams (IPTs) consisting of all acquisition process stakeholders were to develop affordable program plans and identify and resolve problems early. This direction was a fundamental shift in practice from conducting after-the-fact reviews and considered a giant leap in changing DoD's acquisition culture.

Responding to the emphasis on IPPDs and IPTs, functioning as a team became integral to DAU's instructional methodology. In the classroom, students would assume various functional roles to better perform in the complex acquisition environment. By using the team-based approach to learning, the concept was that students could carry this skill back to their jobs.

In redesigning its courses, DAU recognized the need for a broader base of skills and knowledge for acquisition managers especially as downsizing escalated. For example, the contracting career field had separate curricula for three areas: base operations, major weapon systems, and facilities engineering. Acquisition reform generated a "generalist" concept so that graduates could perform a fuller range of duties. Similarly, topics that

*I direct an **immediate and fundamental change** in the role of the OSD and Component staff organizations currently performing oversight and review of acquisition programs. In the future these staff organizations shall participate as members of **integrated product team or teams**, which are committed to program success. Rather than checking the work of the program office beginning 6 months prior to a milestone decision point, as is often the case today, the OSD and Component staffs shall **participate early and on an on-going basis** with the program office teams, resolving **issues as they arise**, rather than during the final decision review …*

*—Hon. Paul G. Kaminski, USD(A&T)*
*"Reengineering the Acquisition Oversight and Review Process"*
*April 28, 1995*

### DR. KAMINSKI ON THE IPT CONCEPT…

"We've convened this offsite to develop a common understanding within the Department on how we will implement the IPT concept."

"…being part of an IPT does not compromise a functional member's independent assessment role. I will continue to hold team members accountable of ensuring each program has a workable approach—we are not getting rid of the independent assessment function."

"The two most important characteristics of IPTs are empowerment and cooperation—trust and teamwork by another name."

"As we institutionalize IPTs, we should remember that we're implementing a process to secure early insight—not event-driven oversight."

### DR. KAMINSKI ON THE PROGRAM MANAGER'S BILL OF RIGHTS AND RESPONSIBILITIES…

"…explicitly lays out what program managers can expect from their acquisition chain of command as well as what we expect from them."

"Actions speak louder than words—each program manager can expect that my actions will track the words in the bill of rights."

"I believe it's important to put this in writing—not so much for the benefit of the individual program manager—but for the benefit of the functional staffs and other oversight agencies."

once warranted separate courses, such as cost and price analysis, were integrated into the basic curricula.

To support Kaminski's belief that "DoD needs to do business more like business," management topics became as important as technical ones in the newly designed courses. Commercial practices, once omitted from course instruction, were strongly emphasized. Additionally, industry students who had not been permitted to take DAU courses in the past were welcomed. An article in *Program Manager* describes the new mix of government and industry involved in learner-centered education:

> *Walking into a class at DSMC to see Pentagon acquisition professionals and industry managers building toy pup tents makes one wonder how effectively public money is being spent. Seeing acquisition managers sitting around a table rolling dice and moving poker chips from one place to another also may raise eyebrows. There is a method to this madness. Professors blend hands-on activities with lessons on manufacturing principles and management philosophies.[8]*

Just as Representative Mavroules believed that people were at the core of acquisition reform when he crafted DAWIA, future reformers embraced this conviction. Preston said that both she and Perry had a clear understanding that people were not the problem. They believed that the Department had one of the best acquisition workforces in the world, but the system of rules and regulations precluded them from doing their best. Perry said, "What we need to do is to unshackle people, to let them do their jobs in a way that makes the most sense."[9] DAU's new courses set about doing just that.

In May 1997, after serving as USD(A&T) for 2-½ years, Kaminski stepped down. At a press conference before leaving, Kaminski praised DAU for its contribution to improving the acquisition process saying, "I believe DAU is now really making fundamental changes to the environment and the culture." Kaminski also singled out the people in the acquisition workforce that he affirmed "were the strength of our organization."[10] The new courses DAU was designing for these people allowed them to perform to their potential.

The Kaminski years brought technological advances, the requirement for different forms of training, i.e., continuous learning, and a need to reach a broader acquisition workforce than originally envisioned. Between 1994 and 1997, DAU developed 15 courses applying competency-based education principles and, by 1997, offered 57 certification and 23 assignment-specific courses to an average of 33,000 students annually. Eight of these courses were technology-based. The courses not only used sound instructional design principles but also learner-centered teaching methods such as case studies, experiential learning, and simulation. They aggressively promoted teaming.

The Department reported DAU's accomplishments during these early years to Congress stating:

> *DAU must continue its significant role in changing the way the Department does business as it becomes a world-class customer, reduces acquisition costs, fosters the development of a national industrial base to compete in a global marketplace, and maintains its technological superiority.*[11]

Acquisition reform maintained momentum as the second Clinton Administration began, and officials such as Secretary of Defense William Cohen and USD(A&T) Jacques Gansler turned to DAU to play an active role in the movement.

# ENDNOTES

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3.  Memorandum, Paul Kaminski, Under Secretary of Defense (Acquisition and Technology), Acquisition Reform Communications Center, May 4, 1995.

4.  Further information on ARCC accomplishments is found in *Defense Annual Report for FY 1996* and *Defense Annual Report for 1997*.

5.  Office of the Deputy Under Secretary of Defense for Acquisition Reform, *Acquisition Reform Today*, Vol. 1, No. 2 (1996).

6.  Memorandum, Paul Kaminski, Under Secretary of Defense (Acquisition and Technology), *Good Judgment in the Competitive Procurement Process* (June 28, 1995).

7.  Memorandum, William Perry, Secretary of Defense, *Use of Integrated Product and Process Development and Integrated Product Teams in DoD* (May 10, 1995).

8.  Vincent P. Grimes, "Us Versus Them Spirit Changes After Course," *Program Manager* (January-February 1995): p. 25. <http://www.dau.mil/pubs/pm/pmpdf95/grimes.pdf>

9.  BG Richard A. Black, USA, "Colleen Preston on Acquisition Reform: The Most Critical Factor That Faces Us–Completing that Process of Cultural Change," *Program Manager* (January-February 1997): p. 24. <http://www.dau.mil/pubs/pm/pmpdf97/preston.pdf>

10. Department of Defense Press Conference, "Program Management" (May-June 1997).

11. Department of Defense, *Defense Annual Report*, September 1995.

# 7

**DoD Initiatives
Lead to Changes
in Learning
and DAU's
Organization**

*We have to commit
more time and more
resources for train-
ing in order to build
a very solid cadre
of people who know
and understand the
new systems we're
building.*

*—William S. Cohen
Secretary of Defense*

## CHAPTER 7 OVERVIEW

*This Chapter recounts the dismantling of DAU's consortium structure and reemergence as a corporate enterprise. It also relates DAU's efforts to establish a solid foundation of learning with well-defined administrative procedures; well-developed curricula; and measurable progress toward meeting DAWIA-directed certification and accreditation standards in support of the DoD acquisition workforce.*

# INTRODUCTION

In its first 5 years, DAU established a solid foundation. By 1997 its administrative procedures were well-defined, its curriculum well-developed, and it was providing the certification training to support the professional acquisition workforce envisioned by the framers of DAWIA. The Department reported to Congress that in 1997 DAU had established 81 courses with over 1,200 offerings and was training approximately 35,000 workforce members per year.

Reforming acquisition management continued to be a priority over the next 3 years. Dissatisfaction with the Department's ability to respond to rapid change and the unpredictability of the current world situation led Congress to direct the Department to streamline acquisition organizations, the workforce, and infrastructure.

This direction was included in Section 912c of the Defense Authorization Act of FY 1998. Secretary of Defense William Cohen responded to Section 912c with an implementation plan, *Actions to Accelerate the Movement to the New Workforce Vision*.[1]



William S. Cohen
Secretary of Defense
1997 – 2001

While Cohen's Workforce Vision was being drafted, he announced the Defense Reform Initiative (DRI) in November 1997.[2] This initiative sought to accomplish a Revolution of Business Affairs fundamentally changing the way the Pentagon operated by streamlining DoD functions, adopting the best business practices of the private sector, consolidating redundant organizations, outsourcing as many activities as possible, allowing industry to compete with government, and eliminating excess infrastructure.

The DRI's focus on organizational structures directly affected DAU. For example, the Director, Acquisition Education, Training, and Career Development, who had previously reported to the Acquisition Reform Office, was now to report to DAU.[3] More dramatically, DAU's consortium structure would be dissolved and replaced with a more effective organization.

In addition to the *Workforce Vision* and the DRI, other studies and reports addressed the issue of defense readiness and came to similar conclusions that impacted DAU. On the subject of professional development, there was general consensus that greater emphasis needed to be placed on training to reflect the issues of the real world, on continuous learning, and improving DAU's overall effectiveness. The Department took action in May 1997 by chartering a Process Action Team (PAT) on Acquisition Education and Training

Structure and Process to review its process for educating and training the acquisition workforce. The final report of this PAT had far-reaching effects on the University.
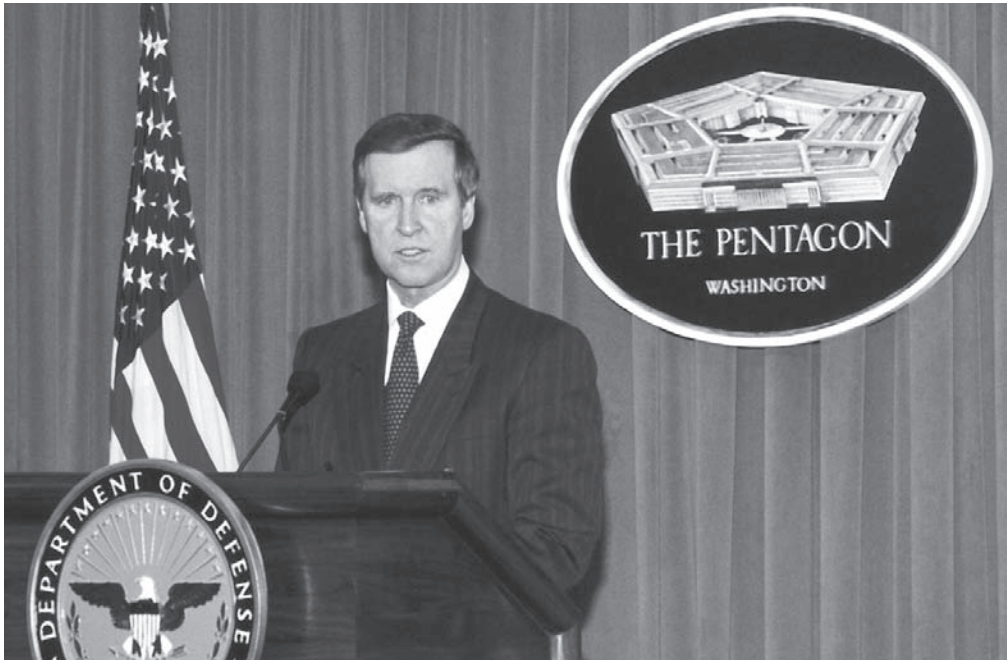


"I am firmly convinced this [acquisition reform] is absolutely critical to our maintaining a strong military into the 21st Century. We have an obligation to pursue it aggressively because the public deserves it. When the public sees how much is being wasted in our acquisition system, they become justifiably outraged. So the public demands it, so we have an obligation to provide it."

—William S. Cohen, Secretary of Defense

Yet no assessment of the Department's training was more revealing than the General Accounting Office (GAO) investigation requested by Congress to assess DoD's training of the acquisition workforce. While the 1999 report, *DoD Can Do More To Help Weapon System Programs Implement Best Practices*, acknowledged the extensive efforts of the Department in reviewing its acquisition training processes, the report's message was clear: "DoD training either did not reach the right people when it was needed or did not reach them at all." [4]

Jacques S. Gansler became the seventh USD(AT&L) in November 1997. His new Deputy for Acquisition Reform, to whom DAU's President reported, would be Stan Soloway, a consultant and lobbyist who had been an active member of the Acquisition Reform Working Group, an industry organization.

Gansler, a well-known defense intellectual and one of the leading practitioners in the field of defense acquisition, had participated in several acquisition reform studies and brought to the job a distinguished background as a businessman, academic, and published

author. Having served as the Chair of DAU's Board of Visitors since it was established in 1995, Gansler understood first hand the challenges the university faced in building a professional workforce with quality education. His leadership proved invaluable as the Department focused on improving workforce training.

# SECTION 912C—WORKFORCE VISION

Among the actions in his Section 912c *Workforce Vision*, Cohen specifically identified three that directly affected DAU: improving the continuous learning program for acquisition professionals, developing training for issuing service contracts, and developing training for operating in the commercial business environment.

## *CONTINUOUS LEARNING*

In a period of rapid change, the limitations of the traditional methods of communicating with the acquisition workforce became evident. The Department's new military strategy, the Revolution in Military Affairs (RMA), was making major changes in the approach to warfighting that had repercussions for acquisition management.[5] In his 2000 report, *The Road Ahead: Accelerating the Transformation of Department of Defense Acquisition Logistics Process and Practices*, Gansler wrote of the Department's need for a parallel revolution to the RMA—a Revolution in Business Affairs.[6]

Redirecting funds from support of aging weapon systems to modernization was a core concept in the business revolution. As the existing equipment—much procured during the 1970s—aged, the cost of keeping it operating rose dramatically, especially when it received heavy use. A program that kept the acquisition community informed of the most recent developments in acquisition policy, that allowed them to share experiences, and provided them with real-time support was essential to maintain the momentum of modernization. In a time of accelerating change, there was an acute need for continuous learning throughout the acquisition community.

This need had long been recognized. As early as the passage of DAWIA in 1990, continuous learning had been identified as one of the defining characteristics of a professional. In 1993, Vice President Gore, in his National Performance Review, emphasized that a world-class workforce requires continuous education, rotational assignments, and cross training at a minimum.

In August 1996, the Acquisition Reform Office issued an interim policy on continuing education and training.[7] The purpose of the memorandum was to test the feasibility of adding a new dimension of continuing acquisition education and training to the existing standards in the 5000.52M.[8] Conflicting differences among the Services about the details of this expansion, however, prevented a final policy from being issued.

In 1996 and 1997, in an effort to get the word out, Gansler's predecessor, Kaminski, had initiated action memoranda, a series of road shows, and special acquisition events for the entire workforce. He had also established the Acquisition Reform Communications Center (ARCC) under DAU to develop and deliver reform training using a variety of media such as videos, periodic satellite broadcasts, and publications. While these initiatives were valuable, they were initial solutions to a larger problem—the lack of a well-defined continuous learning program.

Gansler had long been an advocate of a strong continuous learning program and brought this commitment with him when he assumed his position as Under Secretary. As a member of DAU's Board of Visitors since its creation in 1995, he spoke often of the gap in DAU training. Addressing the Board of Visitors 2 months before he became the Under Secretary, Gansler related a meeting he held with senators interested in whether the acquisition workforce was current and whether the knowledge of senior-level acquisition professionals was being updated.

Gansler told the senators that by building continuous learning options—with flexibility for needs to be identified at the individual, supervisory, and team levels—a continuous learning policy would allow for a variety of just-in-time training tools. These would include acquisition reform courses, cross training in other career fields, rotational assignments, team-based training, and tuition assistance to assure currency in technical disciplines. The policy would also feature annual Individual Development Plans to promote professionalism by allowing workforce members to take charge of their own career development.[9]

In its *Best Practices* report, GAO pointed out that DAU was originally set up to deliver DAWIA training—not to deliver best practices quickly to program staff. Furthermore, critical of earlier ARCC efforts, GAO found attendees were not tracked and there was no assurance that the workforce received the training. For those who did attend, there was no evidence that the introductory nature of the training provided the depth or specificity to implement the practices at the workplace or in a time frame that would be helpful.

These GAO concerns about workforce training mirrored those of Gansler, and in January 1998 he issued *Reform through Learning: Policy on Continuous Learning*.[10] That the acquisition environment is dynamic, challenging, and changing was the message the policy conveyed. To keep pace, Gansler insisted the acquisition workforce must operate as a continuous learning community always striving to improve their professional knowledge and performance. To impose discipline he required that 80 continuous learning points of continuing education were to be earned every 2 years for acquisition personnel already certified for their positions.

The continuous learning policy was the first of its kind in the federal sector. At the time only a few federal occupations required continuing education, and those that did, typically limited activities to maintaining functional currency through traditional classroom coursework.

DoD's new policy on continuous learning stressed more than functional competencies and recognized that learning occurs outside the classroom. By combining academic course work, functional and leadership training, experience, and professional activities, a full range of developmental opportunities became available through the new policy. Expanding training beyond developing technical skills by emphasizing 27 leadership competencies identified by the Office of Personnel Management, the policy broke new ground.

Combined with a disciplined approach to enforcement, the new policy became a major contributor to creating a professional acquisition community. Furthermore, acquisition professionals were provided with the tools to deal with this change. Continuous learning for the acquisition workforce had finally become a reality.

While the 1998 policy was oriented towards keeping current in a discipline, workforce members still needed to remain current with the Department's acquisition processes and best practices changes. To ensure they had the opportunity to keep up with latest initiatives, DAU's Acquisition Reform Communications Center (ARCC) produced distance learning modules.[11]

## SERVICES CONTRACTING

A second initiative in Cohen's *Workforce Vision* addressed the ability of the workforce to effectively manage contracts for services as opposed to the more traditional contracts for goods or products. The rule-bound system that governed procurement was modeled on an earlier time when most procurement was of "things" rather than "services." As a result, those who had grown up in the system were not prepared by experience or training to deal with the increased emphasis on obtaining services from the private sector. DoD needed to adopt the use of commercial practices to make these purchases.

Gansler insisted that the old approach, where the user would write requirements and then "throw them over the transom" to the people who issued the contracts, was hopelessly outdated and inappropriate. He was convinced that acquisition personnel would have to develop close working relationships and negotiate tradeoffs between the people who needed the item and the contracting officers. Put more simply, it would require teamwork.

To implement this change, Cohen directed that a senior team assemble to develop training focusing on acquiring services. Gansler chartered the Acquisition Workforce Training for Service Contracts Group in October 1998 to evaluate and make recommendations regarding this training.[12] The Group, led by BGen Frank Anderson, USAF, Deputy Assistant Secretary of the Air Force (Contracting), initiated several actions to support this initiative including increased competitive sourcing, migration to paperless contracting, and expanded use of performance-based service contracts in their final report.[13] DAU made substantial changes to its courses to incorporate these recommendations resulting in more current and useful training.

### COMMERCIAL ENVIRONMENT

Introducing practices and techniques commonplace in the commercial environment to government was the third area addressed in Cohen's Workforce Vision. To prepare the workforce to adopt these practices, training was critical. Courses in commercial practices were readily available from the private sector, and the Department took advantage of this by giving the acquisition workforce access to courses at top business and other academic institutions—some made available through partnerships with the private sector.

These courses were of great value but did not necessarily address the unique circumstances peculiar to government acquisition. For this reason, the Commercial Business Environment Training Study Group was chartered in November 1998 to make recommendations on developing courses that addressed the application of commercial practices in DoD.[14] The Group made significant strides in incorporating commercial practices into training. Market research, commercial pricing, and commercial financing became part of DAU's curricula.

# DEFENSE REFORM INITIATIVE

The Defense Reform Initiative (DRI) was wide ranging in its proposed improvements to Defense acquisition. It resulted in 52 directives to streamline organizations for agility, to invest in people, and to exploit information technology.[15]

The DRI goal to streamline organizations had a direct effect on DAU. First, a Chancellor for Education and Professional Development was created to administer a coordinated program of civilian professional education and training throughout the Department. Secondly, DAU was to transform from its consortium structure to a unified structure under the leadership of DAU's President.

## *CHANCELLOR*

The newly created position of Chancellor was to focus on academic quality across all DoD educational institutions. The DRI had found that "DoD is a world-class organization despite rendering second-rate education, training, and professional development to its civilian employees."

The cause of the second-rate status, according to the report, was the mixed quality of the Department's educational programs and institutions that had no requirement for accreditation. The report stated that only one-fifth of its educational institutions were accredited by a recognized accreditation association. To remedy this, the Chancellor issued a directive requiring that all schools seek accreditation as soon as possible.

On September 27, 1999, Deputy Secretary of Defense John Hamre signed the Chancellor's Charter mandating that every civilian professional education and training institution throughout the Department be accredited or be actively pursuing accreditation by January 1, 2000.[16]

Following this direction, DAU achieved accreditation for a 6-year period from the Council on Occupational Education in February 2003.[17] With accreditation DAU took another step toward achieving recognition as a premier institution of professional education.

## *UNIFIED STRUCTURE*

It had been recognized for some time that the consortium structure seriously limited DAU's ability to meet its potential. As early as January 1993, Congress tasked GAO to report on DAU's progress in implementing DAWIA and questioned the effectiveness of a consortium.[18] As concerns about the consortium grew, other studies were conducted that led to a 1997 Process Action Team (PAT) on Acquisition Education and Training Structure and Process that examined the effectiveness of the Department's training.[19] The team recommended in its final report that DAU's organization be streamlined to make it more effective.[20]

The 12-member consortium, the PAT reported, was excessively large, duplicative, and costly. Its members reported to several different command chains. There was leadership ambiguity and a cumbersome decision-making process. The President of DAU lacked the authority to direct compliance with his policies. Where these policies were seen by the various leaders of the consortium schools to be in conflict with their particular interests, the policies could be ignored. As a result, faculty qualifications among the consortium members were inconsistent, and the lack of accountability was especially problematic in ensuring that all schools accommodated acquisition reform and cross training.

In July 1999, responding to the PAT's recommendations, DAU issued its *Transition Strategy* outlining the actions it would take to transition to a unified structure.21 Deputy Secretary Hamre formally endorsed this strategy in November 1999 when he issued a DRI Directive requiring a unified structure commenting:

> *The unified structure will enable DAU to achieve economies, improve quality, and establish the preeminent faculty required to meet the academic standards established by the Chancellor for Education and Professional Development.*[22]

The unified structure made two major changes to DAU and both addressed resource control. First, all facilities of the university were to be an integral part of DAU and no longer part of the individual Services. Secondly, all personnel, including faculty, administrators, and staff, were to be direct employees of the university and report to its President. Reducing the personnel count from about 700 to 556, this action reinforced DRI's tenet of eliminating waste and duplication.

Four campuses were established to replace the consortium. They were: Fort Belvoir, Virginia; Fort Lee, Virginia; Norfolk Naval Base, Virginia; and Wright-Patterson Air Force Base, Ohio.[23] The campuses were placed under the direct authority of DAU's President whom the PAT recommended be a senior acquisition official.

On October 31, 2000, former DAU Vice President and DSMC Commandant, Frank J. Anderson, Jr., was appointed as DAU's President. Before retiring from the Air Force, Anderson had served in significant high-level acquisition positions including Director of Contracting, Aeronautical Systems Center, Wright-Patterson Air Force Base, Ohio;
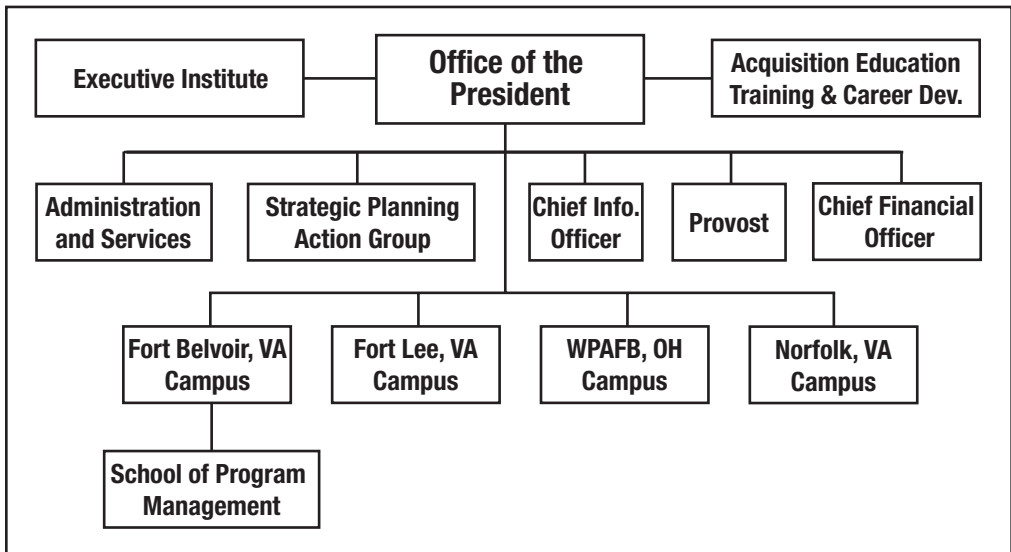


Figure 8. DAU Unified Organization 2000

Deputy Assistant Secretary for Contracting, Office of the Assistant Secretary for Acquisition; and Air Force Competition Advocate General, Headquarters U.S. Air Force.[24]

Another recommendation the PAT made was to improve the organization and staffing of the Office of the President. The new organization, as shown in Figure 8, reflects this recommendation, which significantly expanded the 1992 infrastructure of a president supported by three directorates.

In June 2000, Gansler approved the relocation of DAU's headquarters staff from Alexandria, Virginia, to Fort Belvoir, Virginia. This collocation of DAU headquarters with the Defense Systems Management College was completed in September 2000 and resulted in further cost savings. The personnel who were employees of the various Services were reassigned to DAU.



DAU's New Fort Belvoir, Virginia, Campus

# DOD'S EDUCATION AND TRAINING PAT

Besides recommending that DAU be restructured under one leader, the PAT reviewing the Department's education and training made other recommendations to improve the effectiveness of DAU. Two recommendations—refining customer relationships and recruiting and retaining preeminent faculty—were top priorities.

## *CUSTOMER RELATIONSHIPS*

The PAT found the relationship between functional boards and DAU needed improvement. In February 2001, the Under Secretary issued a memorandum outlining the roles and responsibilities of those involved in DAU's career development functions.[25] According to the memorandum, DAU's President and the Director for Acquisition Education, Training, and Career Development (AET&CD) were responsible for training the acquisition workforce. Specifically, DAU's President was to develop the training to meet the career paths and educational standards established by the Director, AET&CD.

A new structure emerged where existing functional boards were to be replaced with Functional Advisors who retained the responsibilities of the previous functional boards. Functional Integrated Process Teams (FIPTs) were to conduct many of the activities that had previously been performed by informal working groups under the former functional boards. Each Functional Advisor appointed an executive secretary as chair of the team.

DAU established program directors for each functional area. They were to work with the FIPTs and course managers to structure the content for courses and integrate content across the curriculum within their functional career paths. The roles and responsibilities of Functional Advisors and the FIPTs are shown below:

| Functional Advisor | Functional Integrated Process Team |
|---|---|
| **Functional Advisors** were to be subject-matter experts on the qualifications and career development requirements for their assigned career field(s) and promote multifunctional career paths. Their responsibilities included:<br><br>• Establish and oversee FIPTs<br>• Designate the FIPT leader<br>• Annually certify that DAU courses are current, technically accurate, and consistent with standards in 5000.52-M<br>• Identify competencies, recommend modifications, establish or disestablish certification courses, and periodically review requirements<br>• Consider continuous learning needs | **Functional Integrated Process Teams** supported the Functional Advisors in carrying out their responsibilities; membership included:<br><br>• A leader appointed by the FA<br>• A DACM representative from each Service<br>• A functional expert from each Service selected by the Component Acquisition Executive<br>• Functional experts for the DoD Components as determined by the FA<br>• DAU Program Directors to function as the focal point for all curriculum issues concerning courses under their purview |

Figure 9. DAWIA Checklist in 1994 DAU Catalog

An Overarching Integrated Process Team (OIPT) was formed to serve as a decision-making body. Besides making recommendations to the USD(AT&L), it was to address unresolved issues forwarded by an FIPT and set priorities for new learning requirements.

## *PREEMINENT FACULTY*

The PAT found that existing faculty appeared ill-prepared to present timely information to their students. Acquisition policies and procedures were changing at an accelerating pace and far outpacing the knowledge of the instructors:

> *Chairs of several functional boards described faculty as uninformed about current acquisition policies. Moreover, because they lacked relevant experience in the fields of acquisition, the faculty were unable to develop courses without extensive intervention on the part of the functional board. Curricula development was another problem. It was found to be a tedious, time-consuming process and the courses lagged far behind policy changes. Furthermore, for the most part, existing faculty were not highly skilled in incorporating instructional technology into curricula.*

GAO's *Best Practices* report supported the opinion that faculty capabilities needed improvement stating, "For the most part, faculty are evaluated on the basis of hours of training provided in the classroom and do not incorporate up-to-date case studies or exercises." GAO was clear that the field perception of DAU needed to be improved from the current emphasis on student throughput to making direct connections with program offices and providing targeted training and performing as consultants.

To address these issues the PAT recommended DAU be staffed with preeminent faculty defined as "practitioners who possess the experience, right knowledge in their field(s), and communication skills to reach the DoD acquisition workforce and to assist workforce members in developing skills required to perform competently." They were to serve as consultants to assist workforce members in reforming DoD's acquisition system. The following hiring qualifications were required for future faculty members:

- Possess a graduate-level degree
- Be certified at DAWIA Level II to instruct Level I courses; for all other courses, faculty members must be certified at DAWIA Level III
- Have previous teaching experience in an acquisition-related area in a DoD Service School or college-level environment in the private sector (or prior to development or delivery of DAU curriculum) and successfully complete DAU instructor certification training.

In 2000, Gansler issued a Civilian Faculty Plan that addressed qualifications for faculty.[26] All new professors were to be appointed for an initial term of 4 years under the provisions of Title X of the Excepted Service. Title X allows the flexibility to draw from the widest population of qualified personnel. Under the new policy, metrics for assessing faculty performance were to be established, and annual recommendations for pay increases were to be based on value-added factors such as increased capabilities and sustained contributions.

The plan provided four levels of faculty rank with advancement approved by the Faculty Evaluation Board chaired by the Provost. A Faculty Development Program was created that afforded faculty members the opportunity to tailor their professional development yearly. BGen Frank Anderson, Jr., USAF, DAU's Vice President, expressed what he expected from the faculty:

> *A truly world-class faculty will be teaching practitioners, renewing contacts outside academe, dealing with real-life acquisition problems, finding out what works and what doesn't, collecting lessons learned, and bringing these lessons back to be incorporated into their courses.[27]*

When 2000 came to a close, DAU had transitioned from a consortium to a unified organization; had redefined collaborative relationships; had established standards for a preeminent faculty, and had taken action to improve the products it delivered. Concurrent with these changes, many of the study groups initiated under Section 912c were beginning to publish results of their reviews.

The most influential for DAU was the October 1999 report *Commercial Business Environment: Accelerating Change through Enterprise Teaming* that reviewed commercial best practices to achieve the Revolution in Business Affairs. Gansler responded to the report by issuing a memorandum the following month directing that DAU adopt key attributes of the corporate university approach to incorporate cross-functional teaming across the defense business enterprise to accelerate organizational goals and manage change.[28]

Under Anderson's leadership, DAU soon structured a business plan, *Smart Business 20/20*, to accomplish this goal. DAU, Anderson realized, had a unique opportunity to structure itself for the 21st century, recognizing that without a revolution in acquisition training, there could be no Revolution in Business Affairs:

> *By allowing the delivery of the right education and training to the right people in the right place and at the right time …The university must remain cognizant that without a revolution in acquisition training, there can be no revolution in business affairs.[29]*

*Smart Business 20/20* set a clear vision for the new corporate university that prepared for a different training environment that had qualities valued by the workforce: adaptability, speed, customer focus, and targeted training

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# 8

# From Unified Structure to Corporate University

*DAU must adapt and prepare for a different training environment and the continuous changing needs of the acquisition workforce. Adaptability, speed, customer focused, and targeted training are qualities valued by the workforce.*

*—Frank Anderson*
*DAU Vice President*
*Board of Visitors Minutes*
*December 1, 1999*

# CHAPTER 8 OVERVIEW

*This Chapter discusses DAU's transition from a traditional university, offering a broad range of classroom courses of limited duration for a highly diverse population, to a corporate university focused on achieving the goals of a particular organization—the Department of Defense—and the members or clients of that organization, the AT&L community.*

# INTRODUCTION

In the 1980s and 1990s, American industry and government were faced with the challenges of rapid change and a geographically dispersed workforce. How could leadership provide this workforce with the current information they needed and at the time they needed it? How could large organizations effectively manage the changes necessary for their success? In both cases, shared knowledge and immediate dissemination of information were the answers.

Industry attempted to address these questions by developing corporate universities. In some ways the word "university" can be misleading. The traditional university calls up images of a broad range of classroom courses during a period of limited duration teaching a highly diverse population. Alternatively, the corporate university is focused on achieving the goals of a particular organization, and its students are members of that organization.

Fostering a learning culture that inculcates the values, traditions, and goals of the organization is key to a corporate university that acts as a "change agent" to implement and manage corporate-wide changes. The corporate university provides a "continuous learning capability that enables organizations to identify, distill, and harness the cutting-edge trends, practices, and technologies to achieve organizational objectives."[1]

A 1999 report, *Commercial Business Environment: Accelerating Change through Enterprise Teaming*, reviewed commercial best practices in the Department. The report advised the Department to adopt a corporate university model within the AT&L community as a philosophical and structured approach that senior leaders could use to implement and manage DoD-wide change initiatives. This model would provide a training program that would meet the needs of the various functional organizations (e.g., requirements, acquisition, logistics, and financial) while bringing them together under the DoD enterprise-teaming concept—i.e., *Team Acquisition*.

In adopting the corporate university model, the report recommended that DAU faculty skills be realigned from their current focus of providing job certification to providing consulting and performance support to the workforce. Such a strategy, the study suggested, might change the current field perception that DAU emphasized student throughput instead of performance support.

A new organizational structure and different processes were now needed to provide solution-based teaming to support the customer. In this context, DAU's mission would serve an additional purpose: nourishing key change initiatives and enterprise teaming with the acquisition community. To define the steps necessary for DAU to become a corporate university, the Department chartered a Commercial Business Environment Study Group to explore options and make recommendations

The Group issued a *Corporate University Strategy* for recasting DAU to a corporate university in November 2000.[2] Frank Anderson, who had become DAU's President a month before the strategy was issued, recognized that to be successful, the university would need to prepare the acquisition workforce to think differently, develop better business practices, and shape smart business deals. "DAU," he said. "must adapt and prepare for a different training environment and the continuously changing needs of the acquisition workforce. Adaptability, speed, customer focus, and targeted training are qualities valued by the workforce." [3]

The *Corporate University Strategy* contained "a road map" for the new DAU, which would provide online business and performance support in addition to certification training. The road map is shown here:
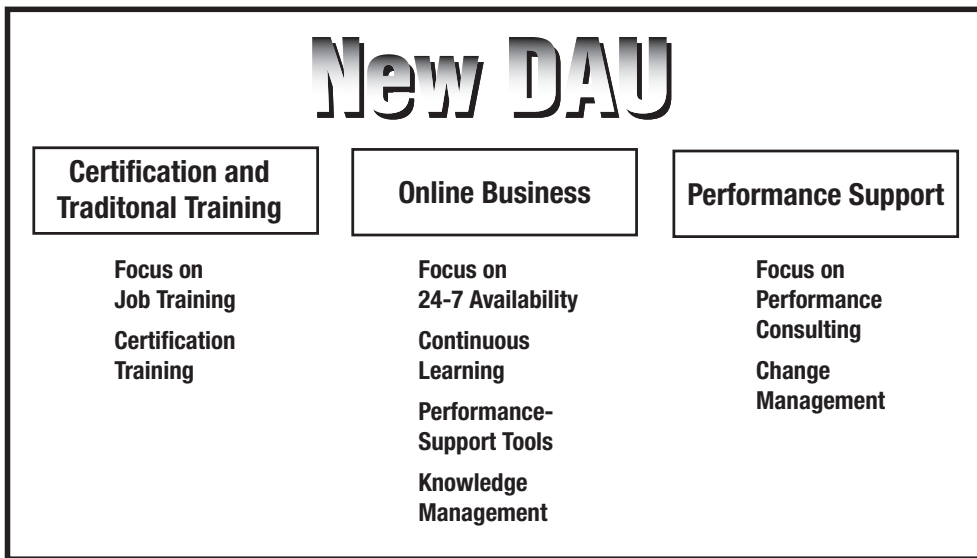


Figure 10. DAU Corporate University Road Map

At the end of 1999, DAU had begun to transform its organization, culture, infrastructure, and processes to be more responsive to the changing needs of the acquisition workforce. But acquisition organizations also wanted to minimize the cost of learning and make the best investment possible in education and training. They wanted learning that included insights and solutions; lessons learned; mistake avoidance; and the latest legal, regulatory, and acquisition reform information. Finally, they wanted training, consulting, and research tailored to their precise needs and delivered where and when they needed it. In other words, they wanted a corporate university.

The next step for DAU was to prepare a strategic plan to provide the university with a clear vision moving it beyond resident training to a broader role for managing and accelerating change as a corporate university. Part of the plan would include a Knowledge

Management system to enable the acquisition community to share common knowledge, experiences, and lessons learned. The university also began to form partnerships with industry, academic institutions, and other government agencies to leverage resources.

# CORPORATE PLAN

The plan setting DAU's new vision was *Smart Business 20/20*.[4] Originally chartered to provide acquisition education, training, and research, the new vision was that the university must be a leader in such areas as problem-based learning and knowledge management.

*Smart Business 20/20* presented five corporate goals to achieve DAU's new vision. The goals shown below focus on technology, customer relations, performance support by faculty, better performance measurements for faculty, hands-on training techniques using case studies, and better integration of learning products across functional areas:

| Corporate Goals | Supporting Elements |
|---|---|
| 1. Provide Our Customers with What They Need, When and Where They Need It | • Employ distributed learning where appropriate and cost effective.<br>• Implement actions to make the FIPTs effective and ensure integration of learning products across functional areas.<br>• Enhance job performance by promoting performance-targeted learning through hands-on curricula (e.g., case studies, gaming, and simulation).<br>• Promote critical thinking by requiring learners to analyze, synthesize, and evaluate challenging problem-based scenarios to make smart decisions. |
| 2. Operate a Premier Learning Enterprise | • Establish an information technology management plan and deploy an electronic administrative backbone to support the Knowledge Management architecture. |
| 3. Advance Excellence in Acquisition Business Practices | • Aggressively pursue early involvement in acquisition–policy working groups to develop or revise learning materials concurrent with emerging acquisition initiatives.<br>• Participate as team members, consultants, and advisors in our customers' acquisition processes. |
| 4. Employ Knowledge Management to Enhance Learning and Productivity | • Establish, maintain, and promote a means to facilitate the sharing of common knowledge, experiences, and lessons learned among faculty and staff and the acquisition community to use in the virtual Communities of Practice. |
| 5. Provide Our Stakeholders and Customers with a Preeminent Faculty and Staff | • Develop and implement a recruiting, compensation, and incentive program that will provide and retain highly qualified faculty and staff. |

Figure 11. Goals from *Smart Business 20/20*

# KNOWLEDGE MANAGEMENT

A cornerstone of the new corporate university architecture would be Knowledge Management. Gansler chartered a Knowledge Management Study Group to recommend the feasibility of evolving the Deskbook (described in Chapter 4) into a Knowledge Management system.

The Deskbook, the group reported, was a centralized database to which subject matter experts only reluctantly contributed their expertise. The policy information was static and needed modernizing to focus on managing the information side of learning and establish links to other knowledge management systems. At the same time, the Services and subject matter experts were voluntarily forming their own Web-based communities where knowledge was shared freely. But there was no coherent system for knowledge generation, organization, development, and distribution.

By November 1999 the Knowledge Management Group issued its report, *Developing an Acquisition Knowledge Management System*, finding that to bring sources together, "a systematic process for acquiring, creating, integrating, sharing, and using information including insights and experiences was needed."[5] Knowledge Management became the process.

One of the primary elements of Knowledge Management is the sharing of knowledge among the members of a specific community. The task requires both the formation of communities with shared requirements and delivery of the required knowledge in a timely fashion. DAU used the four-step model shown below to launch and sustain knowledge communities:

**STEP 1:  KNOWLEDGE COMMUNITY CREATION**

Specifications for getting knowledge communities launched in a just-in-time approach providing a high probability of success.

**STEP 2:  INFORMATION ACCESS AND DISTRIBUTION**

Specifications for ensuring fast, user friendly access to databases that place information in context for users and facilitate rapid learning and decision making.

**DEFENSE ACQUISITION KNOWLEDGE COMMUNITIES**

**STEP 4:  KNOWLEDGE COMMUNITY RENEWAL**

Specifications for sustaining membership in the knowledge community and for continually improving the quality of knowledge sharing and value of knowledge created.

**STEP 3:  KNOWLEDGE SHARING AND EXPANSION**

Specifications for tools, protocols, and guidelines that encourage and facilitate information sharing and dialogue that promotes growth in the body of knowledge available to the community.

Figure 12. Knowledge Management Road Map

Knowledge Management was at the core of the Revolution in Business Affairs from an educational perspective since shared knowledge is critical for the workforce to successfully attain higher performance. In June 2000, Gansler signed a memorandum directing the Defense Acquisition Policy Steering Group to develop a DoD Knowledge Management System:

> *The goal of the system is to offer knowledge sharing opportunities, problem-solving capabilities, and a source for continuous learning to the acquisition professional by providing a mechanism for creating, accessing, and applying acquisition knowledge that should be made available to the acquisition workforce when and where they need it.*[6]

Gansler's memorandum emphasized to Department stakeholders the need to adopt a corporate university model within the acquisition community. Such a university was required to create a learning culture that embraces change and continuously adapts to new challenges—a key factor in achieving streamlined organizations and a professional acquisition workforce.

At the core of Knowledge Management are "knowledge assets" that include communities of practice and other acquisition resources that can be accessed from one public site providing ready access to peers, expert help, and lessons learned. The creation of these communities fosters continuous learning, a critical function of the corporate university.

To support existing knowledge communities, create new ones, and develop a framework from which DoD as a whole could benefit, an "electronic gateway" through which free-flowing information could be accessed was required. The new Knowledge Management framework would be a portal, i.e., a single, unified site that brings together a wide range of learning resources for the use of learners. Examples of knowledge assets featured:

- Mandatory Policies and Procedures
- Best Practices
- Lessons Learned
- Electronic Discussions
- Links to Communities of Practice
- Links to Other Relevant, Useful Sites
- Leadership Messages
- Computer-Based Training
- Models and Simulations
- Profiled, Customized Information
- Question-Based Reasoning

## PARTNERSHIPS

The report *Accelerating Change through Enterprise Teaming* explored all facets of a corporate university and emphasized partnerships to leverage resources. Traditional universities had been the model for DAU during the years of its evolution. It had remained

fairly insular with little contact with those outside the Defense establishment. But the transition to a corporate university required a broader vision.

Anderson had recognized this fact when DAU officially began to operate as a unified structure in September 2000. In his corporate plan, *Smart Business 20/20*, he said, "To be successful we must establish a collaborative implementation process that involves all of our stakeholders and customers." For Anderson, these stakeholders and customers went well beyond the bounds of government organizations.

Gansler saw government-industry partnerships as necessary for the Revolution in Business Affairs advocating that DoD needed an expanded partnership with a prospering commercial industry. DAU's new corporate university aimed to foster partnerships allowing the university to harness capabilities not available internally, including access to industry expertise and industry exchange.



Signing of DAU, FTI Letter of Intent, Feb. 16, 2001. Seated from left: Spiros G. Pallas, Principal Deputy to the Director, Strategic and Tactical Systems, OUSD(AT&L); Frank Anderson Jr., DAU President; and Lavon Jordan, CEO Frontier Technology, Inc. Standing from left: Scoop Cooper; Paul McMahon, Director of Strategic Partnerships, DAU; and Ron Schroder, Vice President, Frontier Technology, Inc.

In addition to partnerships with industry, the corporate university model also required partnerships with academic institutions. While industry relationships would provide the real-world perspective, relations with other universities would link DAU with the scholarly examination of acquisition issues including research. These universities could also supplement DAU's educational capability integrating DAU training into programs leading to degrees, which the early framers of DAWIA had emphasized as crucial for building a professional acquisition corps.

By the end of 2003, DAU had formed 65 partnerships with universities, defense contractors, and a number of professional and government organizations. With these partnerships, DAU was standing at the intersection of industry, academia, and government, and was uniquely positioned to provide the knowledge and information to continue the transformation of acquisition management.

DAU, like corporate America and the Department, had to downsize, restructure, reengineer, and reorganize to reduce costs. This was particularly relevant since DAU was supporting a workforce that had increased 46 percent since 1998. According to Anderson, DAU's new business model required training to be different in five ways to accommodate the new changes:

> *(1) More people must be reached, (2) knowledge management must become integral to capture and maintain intellectual capital, especially with an aging workforce, (3) technology must be used to expand training allowing individuals and supervisors more control over training, (4) changes in training should address deficiencies and improve overall quality of learning, and (5) a robust continuous learning program must be an integral part of our initial strategic planning.*[7]

As the Bush Administration came to office and the eighth USD(AT&L) was appointed, DAU was maturing to a best-in-class premier corporate university to support a growing and diversified acquisition workforce.



DAU Headquarters staff and faculty photo, Fort Belvoir, Virginia (2000)

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**9**



# The Corporate University Matures

*What matters in the end is Completion. Performance. Results. Not just making promises, but making good on promises.*

*—President George W. Bush*
*President's Management*
*Agenda, Fiscal Year 2002*

# CHAPTER 9 OVERVIEW

*This Chapter describes the tremendous strides DAU made toward maturity as a corporate university supporting the nation's warfighters in five key areas: (1) Performance Learning Model; (2) curriculum content and delivery methods; (3) customer outreach and appointment of individual leaders responsible for key learning products; (4) focused business processes; and (5) revitalization of the quality and morale of the DoD acquisition workforce.*

# INTRODUCTION

In January 2001, President George W. Bush was inaugurated. The President's Management Agenda for FY 2002 provided a message to Congress about the new administration's strategy for improving the management and performance of the Federal Government. "What matters in the end," the President told Congress, "is Completion. Performance. Results. Not just making promises, but making good on promises."[1] In other words, rather than launching new initiatives, follow-up would be emphasized.

Bush appointed Edward C. "Pete" Aldridge, Jr., as USD(AT&L) in May 2001. Aldridge served as Secretary of the Air Force during the first Bush Administration, and prior to his second appointment, he was Chief Executive Officer of the Aerospace Corporation.

Aldridge shared Bush's sentiment about acquisition reform saying: "I don't particularly like the term Reform … and since I don't like the term, I've decided to move into something called Acquisition and Logistics Excellence." For Aldridge, the Department's limited resources could be much better spent identifying, re-tailoring, and institutionalizing the system's initiatives arising from the reform movement.

Considering Aldridge's thoughts on the term "acquisition reform," it was appropriate that soon after his confirmation, he changed the name of the Acquisition Reform Office (to which DAU's President reported) to Acquisition Initiatives. In December 2000, upon the departure of Stan Soloway, Donna S. Richbourg was designated the Acting Deputy Under Secretary of Defense for Acquisition Reform.

Donna S. Richbourg
Director, Acquisition Initiatives, OUSD(AT&L)

In July 2001, Aldridge selected Richbourg as the Director, Acquisition Initiatives. Her prior experience included a number of senior positions with responsibility for leading acquisition reform. Training the acquisition workforce was immensely important to Richbourg—particularly alternative training that allowed workers to receive training without leaving their home offices.

Aldridge's tenure was short, just 2 years, as he left in May 2003. His tenure, however, was deeply marked by the events of 9/11 and the post-9/11 emphasis on transformation. Education of the acquisition workforce, particularly just-in-time training, became ever more critical and necessary to the nation's effort to support warfighters deployed to Afghanistan and Iraq. During this time, significant strides were made by the university

USD(AT&L) Edward Aldridge addresses the graduates of APMC 01-3, December 14, 2001, at Scott Hall, Fort Belvoir, Virginia. This was Aldridge's first address to a DAU graduating class—delivered during a wartime setting shortly after the events of 9/11. Aldridge told the graduates that people were DoD's most important asset, and they should take care of their people.

to establish and maintain a premier university in support of the nation's warfighters in five key areas:

- First, DAU began to modernize acquisition training creating a conceptual foundation for the new learning environment with a Performance Learning Model.
- Second, curriculum content and delivery methods were reengineered to extend learning beyond the course itself.
- Third, DAU reorganized to reach out more effectively to its customers and established key leadership positions with responsibility for its learning products.
- Fourth, business processes that focused on performance, results, and accountability were developed.
- Fifth, DAU used its learning assets to support Aldridge's' goal to Revitalize the Quality and Morale of the Acquisition Workforce.

# PERFORMANCE LEARNING MODEL

Changes moving DAU toward its corporate university goal had already begun when Aldridge took the Under Secretary position. A Performance Learning Model (PML), shown below, became the structural foundation for the new learning environment.
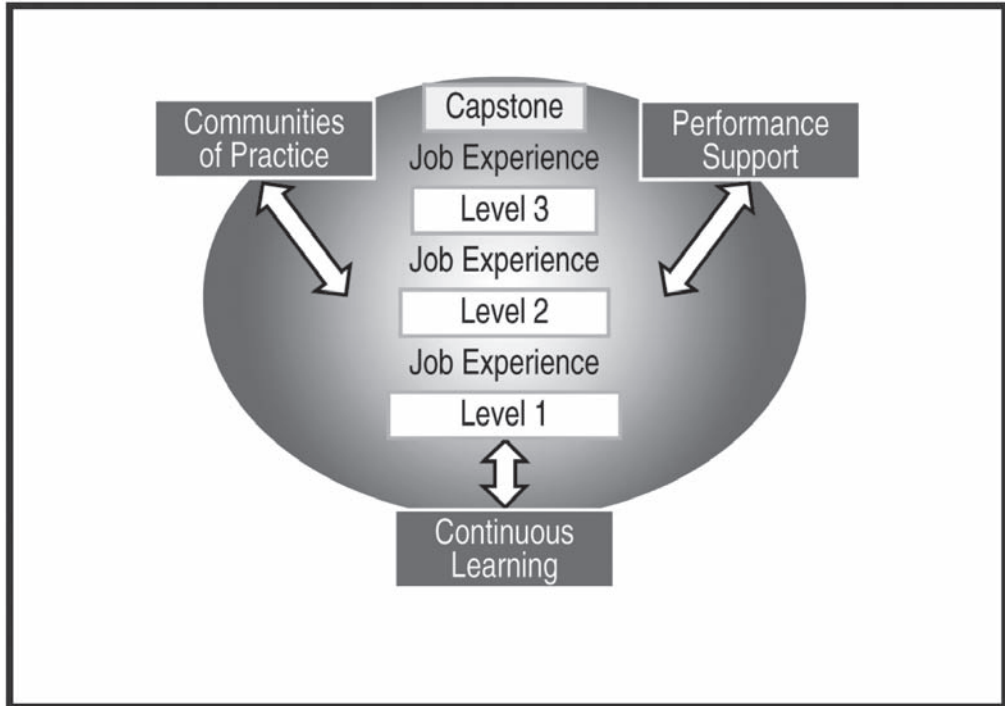


Figure 13. DAU Learning Construct: Modernizing Acquisition Training—Performance Learning Model (PLM) (2001)

The PLM demonstrates how the three key knowledge assets critical to a corporate university would be supported. These assets, Communities of Practice, Continuous Learning, and Performance Support, expanded DAU's primary mission of developing and delivering DAWIA training by linking experts and practitioners in virtual communities 24 hours a day, 7 days a week.

The PLM was a revolutionary concept and, in 2003, won the coveted Brandon Hall Gold Medal Award for Excellence in e-Learning Best Practices. The Model did more than symbolize the modernization of acquisition training. It was the cornerstone for building a mature and successful corporate university.

For DAU, a new way of doing business was heavily dependent on leveraging information technology, and 2001 served as a foundation year when a digital repository

of knowledge objects and products was started. The repository was essential for identifying, collecting, organizing, analyzing, and distributing acquisition-related knowledge to support certification courses, continuous learning, communities of practice, and performance support. Importantly, DAU issued an e-learning strategy, *Technology Road Map for e-Learning and Performance Support.*[2] Its 21 goals focused on learner-centered services, the development of digital knowledge repositories, and the technical infrastructure to support students, faculty, and other stakeholders

DAU was using the power of the Internet and computer-based instruction to make learning accessible anytime, anywhere. DAU delivered its first interactive Web-based course, Simplified Acquisition Process, in 1997. In 1998 DAU offered eight distance learning courses with 15,750 hours of e-learning. By 2001, the new corporate university offered 18 online courses. Comparing 1998 and 2003, the number of students using e-learning each year had increased from 627 to 40,846. DAU's reputation as a leader in e-learning was also growing as the university, and its President won prestigious awards from distance learning from 1999 to 2003.

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### DAU E-LEARNING AWARDS

- 1999: Honorable Mention at the first annual Corporate University Awards ceremony
- 2001: E-Learning Industry Award ELLI given by the U.S. Distance Learning Association (USDLA).
- 2002: *E-Learning Magazine* awarded Anderson Innovator of the Year recognizing him as one of the top 10 e-Learning Leaders in the United States.
- 2002: USDLA Excellence in Distance Learning Programming (for Government).
- 2002: Best Virtual Corporate University/Best Use of Technology at the Best in Class (CUBIC) awards conference.
- 2003: Corporate University Xchange Excellence Award for Measurement.

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## LEARNING BEYOND THE COURSE

DAU began reengineering its program management, contracting, and logistics curricula in 2001. The reengineering helped students carry the lessons they had learned in the classroom back to their workplace and enabled them to apply their knowledge to make better business decisions.

The restructuring of the flagship Program Management Office Course, which was once 14 weeks long, was redesigned to a hybrid course requiring only 6 weeks in residence.

| Level I certification | Level II certification | | Level III certification | Meets statutory requirement for PEO/ACAT I/II PM & Deputy PM (10 U.S.C. 1735) | |
|---|---|---|---|---|---|
| **ACQ-101 Fundamentals of Systems Acquisition Management** | **ACQ-201 Intermediate Systems Acquisition Course** | **PMT-250 Program Management Tools Course** | **PMT-352 Program Management Office Course** | **PMT-401 Program Manager's Course** | **PMT-402 Executive Program Manager's Course** |
| • Knowledge based <br> • 11 functional areas <br> • Internet <br> • GS 5–9 <br> • 01–03 | • Application/ knowledge based (cost/ sched /perf) <br> • Tracks DoDI 5000.2 <br> • Internet/ classroom <br> • GS 9–12 <br> • 03–04 | • Tools-based <br> • Modules <br> • Business areas <br> • Tracks DoDI 5000.2 <br> • Internet <br> • GS 12–13 <br> • 03–04 | • Case-/scenario-based <br> • Critical thinking/ problem solving <br> • Application of knowledge (cost/sched/perf) <br> • Tracks DoDI 5000.2 <br> • Internet/ classroom <br> • GS 13–14 <br> • 04–05 | • Critical Thinking/ Problem Solving (cost, sched/perf) <br> • Business acumen <br> • Case-based <br> • Classroom <br> • Potential ACAT I, IA, II, & III PMs, Dep PMs & other senior acq mgrs | • PEOs & ACAT I, IA, II PMs & Deputy PMs |
| 25 hours, online | 35 hours, online + 1 week classroom | 80 hours, online | 50 hours, online + 6 weeks classroom | 10 weeks classroom | 4 weeks classroom |

Figure 14. Program Management Career Track

Prior to attending classes, role-playing scenarios and background information were delivered first via 50 hours of Internet training. Case-based teaching, emphasizing critical thinking and problem-solving skills, comprised most of the 6 weeks in class. Case-based training had been recognized and used in portions of DAU courses since the early nineties. However, this program management course was unique because case-based learning became the dominant form of classroom learning.

DAU also moved toward increased distributed learning, which uses the power of the Internet and computer-based instruction to make learning accessible anytime, anywhere. Instructors and students could take advantage of technology to create an interactive and individually responsive learning community regardless of physical location. Online courses, continuous learning modules, knowledge sharing, communities of practice, and performance support—all of which are the centerpieces of the corporate university—are accelerated by distributed learning; by 2003 significant strides were made in every one of these areas.

# CUSTOMER FOCUS

To promote a more customer-centered approach and build speed and agility into delivering training, DAU implemented a complete realignment of its organization in 2001. Five regional campuses were established near major customers and significant student populations:

1. Capital & Northeast—Fort Belvoir, Virginia (includes DSMC)
2. Mid-Atlantic—Patuxent River, Maryland
3. Midwest—Wright-Patterson AFB, Ohio
4. South—Huntsville, Alabama
5. West—San Diego, California
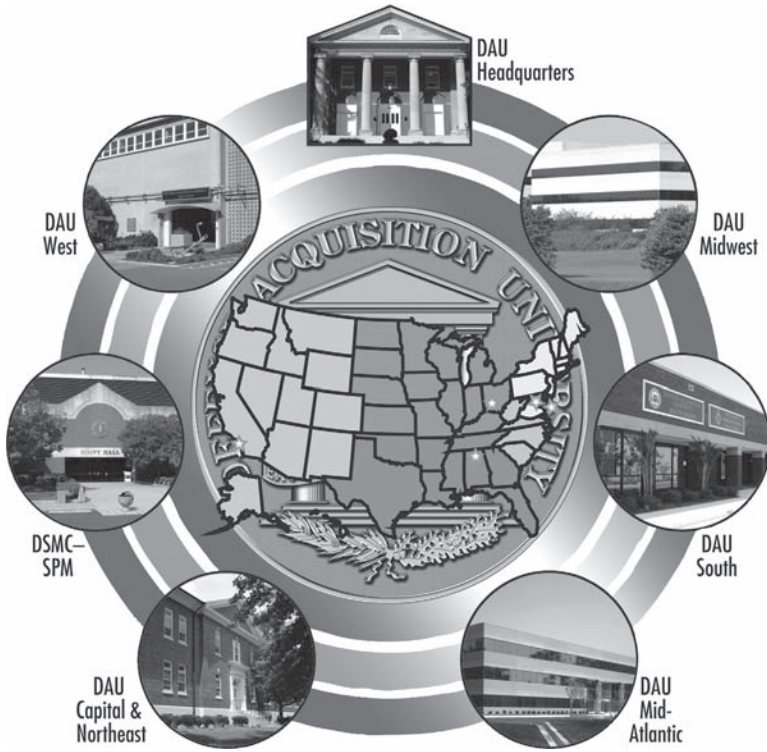


DAU Regions

Collocating served three important purposes: reducing student travel costs and time away from the job, significantly improving DAU's ability to deliver business solutions by working directly with program teams, and increasing continuous learning opportunities. All of these supported Aldridge's goal to revitalize the morale and quality of the acquisition workforce.

Internal organizations were also created to support DAU's new customer-centered focus. Prior to DAU becoming a unified structure in 2000, courses were developed by member schools. A Curricula Development and Support Center (CDSC) was established at Fort Belvoir in 2002 to centralize the process. The Center was staffed with five directors representing key functional areas: (1) Program Management; (2) Contracting; (3) Logistics and Sustainment; (4) Business, Cost Estimating, and Financial Management; and (5) Engineering and Technology. The program directors were responsible for developing course content, determining delivery methods, preparing course materials, and ensuring courses across the entire curricula were sequenced. Importantly, they served as critical liaisons with the functional community as they were members of the Functional Integrated Process Teams led by Functional Advisors.

The Center also coordinated the university's performance support to the workforce including consulting, targeted training, research, and rapid deployment. A Director, Rapid Deployment Training (RDT) was created to respond to the accelerated changes in acquisition. It was a reincarnation of the Acquisition Reform Communications Center that had been formed in 1995 for rapid transmittal of acquisition reform information. The RDT Center would release essential information about a limited number of highly important initiatives within days of the policy and in parallel with changing the curricula.

As DAU was organizing to focus on the customer, the corporate university was maturing. By 2003, an e-Learning and Technologies Center, including Knowledge Management, was created. DAU's new customer-centered organization is shown below:
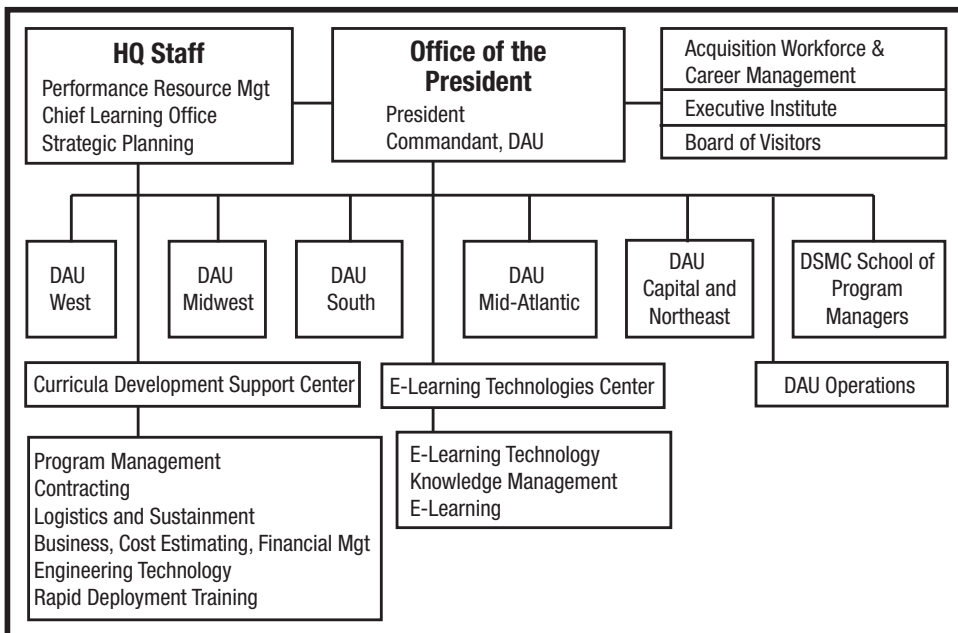


Figure 15. DAU Organization Chart 2003

# BUSINESS PROCESSES FOR RESULTS

In defining leadership, most authors distinguish between leadership and management. Leadership is creating a vision, setting direction, aligning people, and leading change; while management is planning, budgeting, organizing, staffing, controlling, and problem solving. DAU's President Frank Anderson was convinced that his was a leadership role, and a clear vision was critical to shape the organization's future. Testifying before Congress in July 2002, he shared his philosophy about the importance of "deliberate strategic planning":

> *The leader must provide a clear vision and long-term perspective to shape the organization's future. This provides the mission, vision, strategic goals, and strategies to attain them. A deliberate strategic planning process links performance, and accountability for results is essential to guide the organization. All too often, strategic plans are drafted and approved and then become dust collectors that never influence organizational results. To avoid this very common outcome, the strategic plan must be constantly managed and reviewed.[3]*
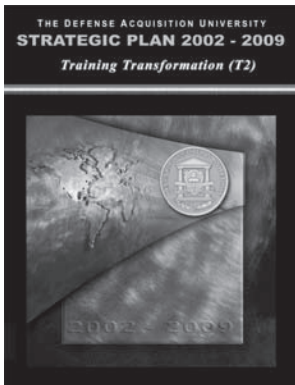


*The DAU Strategic Plan 2002–2003, Training Transformation (T2)*

Complying with the DAU President's determination to implement smart business practices and the provisions of the Government Performance and Results Act of 1993, the Chief Financial Officer Act of 1990, and the *President's Management Agenda*, DAU implemented a performance-driven strategic planning system in 2002, *The DAU 2002–2009 Strategic Plan—Training Transformation (T2)*.

The plan integrated total customer requirements, strategic planning, budgeting, cost accounting, faculty workload, and other key processes into an enterprise-wide business system that leveraged modern information technologies. Furthermore, it provided a highly integrated approach to budget and performance management that began with the notion of end-to-end alignment. The *T2 Strategic Plan* provided for:

- Better management information
- Setting strategic goals
- Measuring performance
- Clear linkage of budget/costs/planning/products/priorities
- Financial/accounting system to report costs information
- Early warning of developing problems (cost trends)
- Monitoring and reporting goal achievement
- Accountability

Nourishing key change initiatives, DAU refocused its mission in 2000: t*o provide practitioner training and services to enable the AT&L community to make smart business decisions and deliver timely and affordable capabilities to the warfighter.* This mission captured the need for DAU to quickly adapt and disseminate new business approaches. It also recast DAU as a corporate
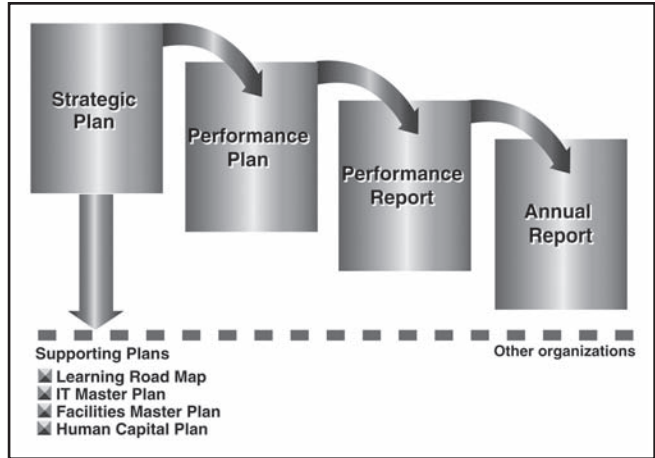


Figure 16. The DAU Strategic Planning Process Relationship

university where promoting performance improvement from the customer's perspective was vital. To support the corporate university model, DAU implemented a performance-driven strategic planning process, which included four planning and evaluation products:

1. *Strategic Plan* covers a 7-year period updated annually.
2. *Annual Performance Plan* has tasks and performance measures for the current year.
3. *Annual Performance Report* evaluates and assesses the actual versus planned accomplishments for the year.
4. *Annual Report* provides DAU's customers and stakeholders a report of achievements for the preceding year.

Management decisions based on real-time data through newly designed internal systems provided leadership real-time visibility to better manage. These systems included tools for cost accounting, time accounting, and budgeting. The seamless linkage of these systems and a performance-driven strategy allowed DAU to efficiently operate using best-in-class commercial business practices.

## REVITALIZE QUALITY AND MORALE

Aldridge set five goals for the acquisition, technology and logistics workforce. One, *Revitalize the Quality and Morale of the Acquisition Workforce,* was particularly relevant to DAU. To provide further opportunities for the acquisition workforce, Aldridge added new career fields for training in Facilities Engineering and Science and Technology. This decision would engage DAU in a new curriculum design effort for the two new career fields.

To get the right people in the right place at the right time, Aldridge turned to human capital strategic planning. He embraced the Acquisition Workforce Demonstration

Project (AcqDemo) because of the personnel management flexibility it provided. AcqDemo added the element of right pay with a contribution-based compensation and appraisal system that provides salary increases based on performance.

DAU's 7-year strategic plan set up critical business processes to reward people based on specific measurable contributions whereupon Anderson commented: "We enhance our service to the DoD Acquisition, Technology and Logistics community and help them add value in their vital support to the warfighter."[4] General Schedule (GS) employees at DAU were converted to the AcqDemo project in 2001.

Aldridge, like his predecessors Gansler and Kaminski, strongly believed that continuous learning was essential to enhance professional knowledge and performance. Toward that end, he signed a memorandum in May 2002 revising the 1998 continuous learning policy issued by Gansler.

"All members of the acquisition workforce," he directed, "must participate in meaningful continuous learning activities to stay current and proficient in functional disciplines."[5] Aldridge's memo emphasized that Components should give priority to certification training over other continuous learning activities.

Another important step he took to achieve his goal was creating a Director of Defense Procurement and Acquisition Policy in November 2002.[6] This Director was to serve as his principal advisor for acquisition workforce career development training. Deidre Lee was appointed to fill the new position. DAU's President would report directly to Lee under this reorganization.

In December 2002, Aldridge sent DAU President Frank Anderson a letter congratulating DAU for their recent selection as *Best Virtual Corporate University and Best Use of Technology.*[7] The Corporate University Best-in-Class (CUBIC) Awards honor and recognize corporate universities that apply best practices. Over 50 competed for the awards, and receiving the award demonstrated DAU's progress toward attaining its vision to be "a premier corporate university serving DoD acquisition, technology and logistics."

The award also demonstrated DAU could be competitive with the best from the private sector given aggressive leadership. Anderson received the *Corporate University Leader of the Year* proving this point. Aldridge's letter commended Anderson saying: "This is a real testimony to you as a strategic visionary and a transformational leader."

Aldridge applauded DAU's accomplishments over the 2 years he had served as USD(AT&L), which he expressed in his testimony before U.S. Senate Committee on Armed Services on March 9, 2003.

*The most important element in acquisition is the human element, and all the high-tech weapons in the world will not transform U.S. Armed Forces unless we also transform the way we think and the way we train. DAU has embraced a new performance learning model for training, upgrading their certification courses to include critical thinking and case studies, adding Web-based continuous learning, providing on-site support to our workforce from regional campuses, and offering Web-based practitioner sharing of best practices and lessons learned. DAU has done so well they have been recognized by their peers as being the "best in class" premier corporate university.*

DAU's recognition as a "best in class" premier corporate university was an extraordinary achievement. A successful DAU had been the shared vision of Congress and Department leadership since 1990. The journey from passage of DAWIA in that year to the fully realized Defense Acquisition University of 2003 stands as a great accomplishment. As DAU's President, Anderson transitioned this success by setting a clear vision for the future, using technology to transform the organization, and reorganizing as often as necessary with a focus on selecting, aligning, and empowering the right leadership team.

Convinced that people are an organization's most important element, Anderson inspired, influenced, and empowered the DAU team to excel. Through their efforts, the 134,431 members of the acquisition workforce in 2003 were superbly prepared to acquire the right materiel and support for the warfighter.

# ENDNOTES

1.  Executive Office of the President, Office of Management and Budget, *The President's Management Agenda* (Fiscal Year 2002): p. 1. <http://www.whitehouse.gov/omb/budget/fy2002/mgmt.pdf >

2.  Defense Acquisition University, *The DAU Technology Road Map for e-Learning and Performance Support* (June 2001). <http://www.dau.mil/about-dau/DAU_History/Layton%2023.pdf>

3.  Frank J. Anderson, Jr., testimony regarding leadership principles before the U.S. House of Representatives Subcommittee on Workforce, Empowerment, and Government Programs (July 16, 2002): p. 2. <http://www.dau.mil/about-dau/DAU_History/020711%20Anderson%20Congressional%20Testimony.pdf>

4.  Defense Acquisition University, *FY 04 Performance Report* (President's Message): p. 2.

5.  Memorandum, Edward Aldridge, Jr., Under Secretary of Defense (Acquisition, Technology and Logistics) to Secretaries of the Military Departments et al., *Continuous Learning Policy for the Department of Defense Acquisition, Technology and Logistics Workforce* (September 13, 2002). <http://www.acq.osd.mil/dpap/Docs/CLMEMO.pdf>

6.  Memorandum, Edward Aldridge, Jr., Under Secretary of Defense (Acquisition, Technology and Logistics) to Principal Staff Assistants, *Defense Planning Guidance Flow-Down Implementation Plan* (August 6, 2002).

7.  Letter, Edward Aldridge, Jr., Under Secretary of Defense (Acquisition, Technology and Logistics) to President Defense Acquisition University (December 17, 2002). <http://www.dau.mil/about-dau/DAU_History/021217%20E%20C%20Aldridge%20Jr.pdf>

# A

## APPENDIX

# Under Secretaries of Defense (Acquisition)

# UNDER SECRETARIES OF DEFENSE

PL 95-140, October 21, 1977, established the position of Under Secretary of Defense, at a level immediately below the Deputy Secretary of Defense. The two initial appointees to this rank were the Under Secretary for Policy and the Under Secretary for Research and Engineering, the latter replacing the Director of Defense Research and Engineering. The Military Retirement Reform Act of 1986 established the position of Under Secretary for Acquisition as the successor to the Under Secretary for Research and Engineering. The title changed to Under Secretary (Acquisition and Technology) in the Defense Authorization Act of 1994, PL 103-160, November 19, 1993. The Defense Authorization Act for Fiscal Year 2000 (PL 106-65) redesignated the Under Secretary of Defense (Acquisition and Technology) as the Under Secretary of Defense (Acquisition, Technology and Logistics (USD[AT&L]).

**RICHARD P. GODWIN**—Served with the Atomic Energy Commission. Bechtel, Inc., 1961–1986. Member of the Defense Science Board. Under Secretary of Defense (Acquisition), September 30, 1986–September 30, 1987.

**ROBERT. B. COSTELLO**—Served with the U.S. Navy in World War II. General Motors Corporation, 1960–1986. Assistant Secretary of Defense (Production and Logistics) in 1987. Under Secretary of Defense (Acquisition), December 18, 1987–May 12, 1989.

**JOHN A. BETTI**—Served with Chrysler Corporation, 1952–1962. Ford Motor Company, 1962–1989. Under Secretary of Defense (Acquisition), August 11, 1989–December 31, 1990.

**DONALD J. YOCKEY**—Served with U.S. Army and U.S. Air Force, 1944–1966. Rockwell International Corporation, 1966–1986. Principal Deputy Under Secretary of Defense (Acquisition), March–December 1990. Acting Under Secretary of Defense (Acquisition), January 1, 1991–June 20, 1991. Under Secretary of Defense (Acquisition), June 20, 1991–January 20, 1993.

**JOHN M. DEUTCH**—Served with Office Secretary of Defense as Systems Analyst 1961–1965. Under Secretary, Department of Energy, 1979–1980. Under Secretary (Acquisition) and Under Secretary of Defense (Acquisition and Technology), April 2, 1993–March 11, 1994.

**PAUL G. KAMINSKI**—Served as U.S. Air Force Special Assistant to the Under Secretary of Defense for Research and Engineering. Under Secretary (Acquisition and Technology), October 3, 1994–May 16, 1997.

**JACQUES S. GANSLER**—Served as Deputy Assistant Secretary of Defense (Materiel Acquisition). Assistant Director, Defense Research and Engineering (Electronics). Singer Corporation, ITT Raytheon Corporation, and TASC, Inc. Under Secretary (Acquisition and Technology) and Under Secretary (Acquisition, Technology and Logistics), November 10, 1997–January 2001.

**EDWARD C. "PETE" ALDRIDGE, JR.**— Served as 16th Secretary of the Air Force, 1986–1988. President of McDonnell Douglas Electronic Systems Company, 1988–1992. CEO of The Aerospace Corporation. Under Secretary (Acquisition, Technology and Logistics,) May 8, 2001–May 30, 2003.

# B

## APPENDIX

# Acquisition Workforce Training Laws Issued from 1984-1986

# ACQUISITION WORKFORCE TRAINING LAWS ISSUED FROM 1984–1986

1. **1984**: The Deficit Reduction Act (P.L. 98-369, Title VII, Sec. 2721) required the head of each executive agency develop and maintain a procurement career management program in the executive agency to assure an adequate professional workforce.

2. **1984**: The Defense Procurement Reform Act (P.L. 98-525, Sec. 1243) established a minimum assignment for Program Managers of 4 years or until completion of a major program milestone.

3. **1985**: The Defense Procurement Improvement Act (P.L. 99-145, Sec.924)* required a person appointed as Program Manager of a major defense acquisition program have specific experience and complete the Program Management Course at the Defense Systems Management College or a "comparable course," and have at least 8 years of experience in acquisition support and maintenance of weapons systems, at least 2 of which were performed while assigned to a procurement command.

4. **1986**: The Defense Acquisition Improvement Act (P.L. 99-661, Title IX, Sec. 932) required the Secretary of Defense to develop a plan to enhance the professionalism and career opportunities available to acquisition personnel in terms of examination, appointments, classification, training, and assignments, and examine the feasibility of designating professional positions.

*Section 934 of the Act required the Secretary of Defense to submit a plan to Congress for coordinating DoD's education programs for acquisition personnel. The plan, sent to Congress in March 1988, expanded the mission of the Defense Systems Management College to direct, support, and coordinate the education and training of the acquisition workforce. Specifically, it institutionalized the Acquisition Career Enhancement (ACE) Program Action Group as the ACE Program Office at DSMC, designating it executive agent for the education and training of the Acquisition workforce. The plan further called for streamlining and consolidating the myriad of existing directives, instructions, and manuals on acquisition education and training.

# C

## APPENDIX

**DoD Regulations Issued Before Implementation of the 1990 Defense Acquisition Workforce Improvement Act (DAWIA)**

# DoD REGULATIONS ISSUED BEFORE IMPLEMENTATION OF THE 1990 DEFENSE ACQUISITION WORKFORCE IMPROVEMENT ACT (DAWIA)

| DoD Policy | Year Issued | Description |
|---|---|---|
| 4000.8<br>Establishment of Basic Military Supply System Regulations | 1952 | Called for a definitive program for recruitment and training of military and civilian contracting workforce personnel |
| 1430.6<br>Armed Services Procurement Training Program | 1961 | Set forth training requirements for both civilian and military contracting personnel and identified 13 different contracting courses that would be provided |
| 1430.7<br>Armed Services Procurement Training Register | 1961 | Established requirements for the training of military and civilian contracting personnel listing all joint general and specialized contracting courses as well as Service-unique contracting courses |
| 1430.10-M-1<br>DoD Civilian Career Program for Contracting and Acquisition Personnel | 1966 | Prescribed the minimum skill level and knowledge to be attained by procurement personnel through mandatory courses, passing an equivalent test, or demonstrating requisite skills and knowledge through qualifying experience |
| 5000.23<br>Systems Acquisition Management Careers | 1974 | Changed the minimum experience for Program Managers and required completion of the Program Management Course or the Executive Refresher Course at the Defense Systems Management College. It placed program management on equal footing with operational, line, and command positions |
|  | Revised 1987 | Public Law 99-145, November 8, 1985, required Program Managers of major programs to complete the Program Management Course at the Defense Systems Management College, effective July 1, 1987 |
| 5000.1<br>Major/Non-Major Defense Systems | 1971* | Cornerstone of DoD's efforts to improve acquisition management raising the stature and authority of Program Managers |
|  | Revised 1987 | Established streamlined acquisition organization (3-tiered management structure) of Service Acquisition Executive, Program Executive Officers, and Program Managers |
| 5000.48<br>Experience, Education, and Training Requirements for Personnel Assigned to Acquisition | 1986 | Established experience, education, and training requirements for military and civilian personnel assigned to contracting, quality assurance, and business and financial management positions in DoD. Prior to this Directive, there had been no DoD mandatory training for military contracting personnel since the early sixties. Instead, each Service was allowed to train its military personnel within Service guidelines |
| 5160.55<br>Defense Weapons Systems Management Center | 1964 | Chartered the Defense Weapons Systems Management Center as the first school for Program Managers |
| 5160.55<br>Defense Systems Management School | 1971 | Chartered the Defense Systems Management School (DSMS) |
| 5160.55<br>Defense Systems Management College | 1977 | Chartered the Defense Systems Management College, which replaced the Defense Systems Management School |
|  | 1988* | Expanded the role of the Defense Systems Management College to manage career training for the acquisition workforce |
| 5000.52<br>Defense Acquisition Education and Training Program | 1988* | Eliminated DoD 5000.23, 5000.48, 5100.58, DoD 1430.10-M-1. The USD(A) was responsible for establishing education, training, and experience standards for each acquisition position and establishing functional boards |
| 5000.52M<br>Career Development Program for Acquisition Personnel | 1989* | The Manual complemented DoD 5000.52 and established the mandatory career development program for military and civilian personnel establishing experience, education, and training standards at entry, intermediate, and senior levels for certification in: general business; contracting; industrial property administrator; purchasing; procurement clerk; manufacturing and production function; quality and reliability assurance; business and financial manager; program management; logisticians; and systems engineers |
| *Directives in effect when DAWIA passed in 1990 | | |

# D

**APPENDIX**

**Defense Acquisition Workforce Improvement Act (DAWIA) Collaborative Organizational Framework**

# Defense Acquisition Workforce Improvement Act (DAWIA) Collaborative Organizational Framework

**Secretary of Defense (SECDEF)**

Establishes policies and procedures for the effective management of acquisition workforce careers.

**Section 1701**

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**Military Department and DoD Agency Heads**

Have primary responsibility to develop and implement procedures that set education, training, and career development opportunities for the acquisition workforce.

**Under Secretary of Defense for Acquisition (USD(A))**

SECDEF designee for managing and executing acquisition education and training program.

**Section 1702**

---

**Component Acquisition Executives (CAE)**

DoD Components shall have management responsibilities for the acquisition workforce (includes the Service Acquisition Executives (SAEs) for the Military Departments and the Acquisition Executives in DoD Agencies)

**Section 1704**

**Directors of Acquisition Career Management (DACM)**

Shall assist the CAEs in implementing the Acquisition Career Development Program. There is a DACM for each Service and the Director, AET&CD, serves as the DACM for the DoD Agencies

**Section 1705**

**Director, Acquisition Education, Training, and Career Development (AET&CD)**

Formulates policy and coordinates the overall management of the training, education, and career development programs.

**Section 1703**

**Defense Acquisition University Structure**

A proposed university structure shall provide for the professional educational development and training of the acquisition workforce and research and analysis of defense acquisition policy issues from an academic perspective. The structure will include the Defense Systems Management College.

**Section 1746**

# E

**APPENDIX**

**Comparison
Between Position
Categories
in Defense
Acquisition
Workforce
Improvement Act
(DAWIA)
and DODM
5000.52-M
(1991)**

# COMPARISON BETWEEN POSITION CATEGORIES IN DEFENSE ACQUISITION WORKFORCE IMPROVEMENT ACT (DAWIA) AND DoDM 5000.52-M (1991)

Eleven career positions were listed in Section 1721 of DAWIA. In 1991, the Manual 5000.52-M, Career Development Program for Acquisition Personnel, implemented DAWIA and listed the education, training, and experience requirements for 12 career fields and 13 career positions. The same "acquisition functions" appeared in both DAWIA and 5000.52-M. The chart below compares the two.

| DAWIA (1990) | 5000.52-M (1991) | |
|---|---|---|
| Position Categories | Position Categories/ Career Fields | Acquisition Functions |
| (1) Program Management | (1) Program Management/Oversight (2) Communication-Computer Systems | (1) Acquisition Management |
| (2) Systems Planning, Research, Development, Engineering, and Testing | (3) Systems Planning, Research, Development, and Engineering (4) Test and Evaluation | (2) Science and Engineering |
| (3) Procurement, including Contracting | (5) Contracting (includes Construction) (6) Purchasing | (3) Procurement and Contracting |
| (4) Industrial Property Management | (7) Industrial Property Management | |
| (5) Logistics | (8) Acquisition Logistics | (4) Acquisition Logistics |
| (6) Quality Control and Assurance | (9) Quality Assurance | (5) Production |
| (7) Manufacturing and Production | (10) Manufacturing and Production | |
| (8) Business, Cost Estimating, Financial Management, and Auditing | (11) Business, Cost Estimating, and Financial Management | (6) Business, Cost Estimating, and Financial Management |
| (9) Education, Training, and Career Development | | |
| (10) Construction | | |
| (11) Joint Development and Production with Other Government Agencies and Foreign Countries | | |
| | (12) Auditing | (7) Auditing[*] |
| | (13) Education, Training, and Career Development is considered the 13th position category. Unlike the other 12 position categories, however, it is not also a career field itself. Personnel performing these duties may come from acquisition or other related career fields. | |

[*]The Defense Contract Audit Agency manages the Auditing Function.

# F

**Summary of Regulations Implementing Six Elements Required by the 1990 Defense Acquisition Workforce Improvement**

**APPENDIX**

# APPENDIX F—PART I

# SUMMARY OF REGULATIONS IMPLEMENTING SIX ELEMENTS REQUIRED BY THE 1990 DEFENSE ACQUISITION WORKFORCE IMPROVEMENT ACT (DAWIA)

## A Charter

DoD Directive 5000.57, Defense Acquisition University, issued October 21, 1991, published the charter for the university structure. The charter established a collaborative relationship between DAU, Directors of Acquisition Career Management (DACMs), functional boards, and the Director Acquisition, Education, Training and Career Development (AET&CD).

## A Mission (to include developing education, training, research, and publications capabilities in the area of acquisition)

DoD Directive 5000.57, Defense Acquisition University, issued October 21, 1991, published DAU's mission to (1) train professionals for effective service in the Defense Acquisition System, (2) achieve more efficient and effective use of available acquisition resources by coordinating DoD acquisition education and training programs and tailoring them to support the careers of personnel in acquisition positions, and (3) develop education, training, research, and publications capabilities in the area of acquisition.

## Lines of Authority

DoD Directive 5000.57, Defense Acquisition University, issued October 21, 1991, established DAU's organization and management. A consortium structure was established to serve under a President who reported to the Under Secretary of Defense (Acquisition). Consortium members remained part of their existing commands.

# APPENDIX F—PART II

**A framework that shall cover courses from the basic through intermediate and senior levels. At the senior level, the framework shall provide for a senior course**

DoD Directive 5000.52, Defense Acquisition Education and Training Program, issued October 15, 1991, was revised to update policy and responsibilities for a career development program. The 1990 Manual 5000.52-M, Career Development Program for Acquisition Personnel was a companion to DoDD 5000.52. Responsibility for career development of the acquisition workforce was assigned through DAWIA to the Director Acquisition Education, Training, and Career Development (AET&CD).

DoD Directive 5000.57, Defense Acquisition University, issued October 21, 1991, established a senior acquisition course at the Industrial College of the Armed Forces (ICAF), National Defense University. While not mandatory for certification, it was to be the capstone course for all members of the acquisition corps, regardless of career field.

**A framework for a policy guidance council composed of senior DoD officials and a Board of Visitors**

DoD Instruction 5000.58, Defense Acquisition Workforce, issued January 14, 1991, established the Defense Acquisition Career Development Council (DACDC). Chaired by the USD(A), its members were senior Department officials who had oversight of acquisition career development.

DoD Directive 5000.57, Defense Acquisition University, issued October 21, 1991, required a Board of Visitors (BoV) be chartered. Persons were selected for their pre-eminence in the fields of academia, business, and the defense industry to advise on organization management, curricula, methods of instruction, facilities, and other matters of interest to the university.

**A centralized mechanism to control the allocation of resources including funding for students to attend courses, funding to conduct the courses, and funding to pay instructor salaries**

DoD Directive 5000.57, Defense Acquisition University, issued October 21, 1991, required DAU to establish a centralized mechanism to allocate resources whereby each Component's training was to be centrally funded by the university—including the cost of courses and associated travel and per diem. The Army Training Requirements and Resources System (ATRRS) was selected as the centralized mechanism.

# G

# Defense Acquisition Workforce Improvement Act (DAWIA) Personnel Data from FY 1993–2003

APPENDIX

# DEFENSE ACQUISITION WORKFORCE IMPROVEMENT ACT (DAWIA) PERSONNEL DATA FROM FY 1993–2003

| Sept 30 of Each FY | Civilian | Military | Total |
|---|---|---|---|
| 93 | 98,496 | 15,812 | 114,308 |
| 94 | 94,348 | 15,768 | 110,116 |
| 95 | 97,892 | 16,488 | 114,380 |
| 96 | 91,715 | 16,292 | 108,007 |
| 97 | 89,789 | 15,755 | 105,544 |
| 98 | 81,992 | 14,332 | 96,324 |
| 99 | 77,917 | 13,816 | 91,733 |
| 00 | 79,162 | 13,749 | 92,911 |
| 01 | 96,212 | 13,461 | 109,673 |
| 02 | 105,087 | 15,051 | 120,138 |
| 03 | 134,431 | 16,167 | 118,264 |

NOTE: The six civilian occupation series, which always count as acquisition regardless of what organization a person is assigned to, are:

| | |
|---|---|
| 0246 | Contractor Industrial Relations |
| 0340 | Program Management |
| 1102 | Contracting |
| 1103 | Industrial Property Management |
| 1105 | Purchasing |
| 1150 | Industrial Specialist |

# H
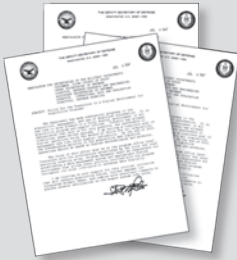
# APPENDIX

**Defense Acquisition University Policy Memoranda (Issued Before September 2000)**

# DEFENSE ACQUISITION UNIVERSITY POLICY MEMORANDA
## (Issued before September 2000)

## INDEX

| No. | Date | Title | Supersedes |
|---|---|---|---|
| 1 | 1997, March | New Course Development, Revision, and Maintenance Process http://www.dau.mil/about-dau/ DAU_History/Policy%20Memo%201.pdf | #1, Course Content and Administration, 1994 #4, Course Development: In-Process Reviews, 1995 |
| 2 | 1997, March | Course Sponsor and Offerer Requirements http://www.dau.mil/about-dau/ DAU_History/Policy%20Memo%202.pdf | #2, Course Sponsor and Course Offerer Relationship Responsibilities, 1994 |
| 3 | 1997, March | Student Attendance http://www.dau.mil/about-dau/ DAU_History/Policy%20Memo%203.pdf | #3, Course Administration: Student Assessment and Missed Student Contact Hours, 1994 |
| 4 | 1997, March | Academic Program Review http://www.dau.mil/about-dau/ DAU_History/Policy%20Memo%204.pdf | #4, Course Development: In-Process Reviews, 1995 |
| 5 | 2000, March | Course Equivalency http://www.dau.mil/about-dau/ DAU_History/Policy%20Memo%205.pdf | #5, Course Equivalency, 1997 |
| 6 | Blank | | |
| 7 | 1997, June | Continuing Education Units http://www.dau.mil/about-dau/ DAU_History/Policy%20Memo%207.pdf | |
| 8 | 1999, July | Course Prerequisites http://www.dau.mil/about-dau/ DAU_History/Policy%20Memo%208.pdf | |
| 9 | 2000, January | Registration for Hybrid Courses with Online and Classroom Sections http://www.dau.mil/about-dau/ DAU_History/Policy%20Memo%209.pdf | |
| 10 | 2000, February | Course Equivalency: General Services Administration (GSA) Contract http://www.dau.mil/about-dau/ DAU_History/Policy%20Memo%2010.pdf | |
| 11 | 2000, February | Grading Policy | |

# DAU Courses Offered by Career Field in 1991

# DAU COURSES OFFERED BY CAREER FIELD IN 1991

| | | **Program Management** |
|---|---|---|
| 1 | PMT 101 | Systems Acquisition Fundamentals |
| 2. | PMT 201 | Intermediate Systems Acquisition |
| 3. | PMT 301 | Program Management Course |
| 4. | PMT 341 | Systems Acquisition Contracting |

| | | **Communications-Computer Systems** |
|---|---|---|
| 5. | IRM 101 | Automated Information Systems (AIS) Fundamentals |
| 6. | IRM 201 | Intermediate AIS |
| 7. | IRM 301 | AIS Procurement Strategies |
| 8. | IRM 302 | AIS Advanced Management Program |

| | | **Contracting** |
|---|---|---|
| 9. | CON 101 | Contracting Fundamentals |
| 10. | CON 102 | Organizational Level Contracting |
| 11. | CON 103 | Construction Contracting Fundamentals |
| 12. | CON 104 | Contract Pricing |
| 13. | CON 105 | Organizational Level Contract Pricing |
| 14. | CON 106 | Construction Contract Pricing |
| 15. | CON 201 | Government Contract Law |
| 16. | CON 211 | Intermediate Pre-Award Contracting |
| 17. | CON 221 | Intermediate Post-Award Contract Administration |
| 18. | CON 222 | Organizational Level Contract Administration |
| 19. | CON 231 | Intermediate Cost and Price Analysis |
| 20. | CON 241 | Automated Information Systems |
| 21. | CON 301 | Executive Contracting |
| 22. | CON 311 | Executive Pre-Award Contracting |
| 23. | CON 321 | Executive Post-Award Contract Administration |
| 24. | CON 331 | Executive Cost and Price Analysis |
| 25. | CON 351 | Contract Management |

| | | **Purchasing** |
|---|---|---|
| 26. | PUR 101 | Small Purchase Fundamentals |
| 27. | PUR 102 | Organizational Level Small Purchase |
| 28. | PUR 301 | Executive Small Purchase |

| | | **Industrial Property Management** |
|---|---|---|
| 29. | IND 101 | Contract Property Administration Fundamentals |
| 30. | IND 102 | Contract Property Disposition |
| 31. | IND 103 | Contract Property Systems Analysis |
| 32. | IND 201 | Intermediate Contract Property Administration |
| 33. | IND 202 | Contract Property Management Seminar |

| | | **Systems Planning, Research, Development and Engineering** |
|---|---|---|
| 34. | SYS 201 | Systems Engineering Management |

| | | **Test and Evaluation** |
|---|---|---|
| 35. | TST 101 | Introduction to Acquisition Workforce Test and Evaluation |
| 36. | TST 201 | Test and Evaluation Management |
| 37. | TST 202 | Intermediate Test and Evaluation |
| 38. | TST 301 | Executive Test and Evaluation |

| Manufacturing and Production | | |
|---|---|---|
| 39. | PRD 101 | Production Management Fundamentals |
| 40. | PRD 201 | Intermediate Production Management |
| 41. | PRD 202 | Defense Manufacturing Management |
| 42. | PRD 301 | Manufacturing and Quality Assurance |

| Quality Assurance | | |
|---|---|---|
| 43. | QUA 101 | Quality Assurance Fundamentals |
| 44. | QUA 201 | Intermediate Quality Assurance |
| 45. | QUA 301 | Executive Quality Assurance |

| Acquisition Logistics | | |
|---|---|---|
| 46. | LOG 101 | Basic Integrated Logistics Support |
| 47. | LOG 102 | Fundamentals of Integrated Logistics Support |
| 48. | LOG 103 | Integrated Logistics Support Overview |
| 49. | LOG 201 | Integrated Logistics Support Management |
| 50. | LOG 202 | Logistics Support Analysis |
| 51. | LOG 301 | Reliability and Maintainability |
| 52. | LOG 302 | Configuration Management |
| 53. | LOG 303 | Provisioning |

| Business, Cost Estimating and Financial Management | | |
|---|---|---|
| 54. | BCF 201 | Financial Management |
| 55. | BCF 202 | Contractor Performance Measurement |

| Auditing | | |
|---|---|---|
| 56. | AUD 1130 | Technical Indoctrination |
| 57. | AUD 4120 | Statistical Sampling |
| 58. | AUD 4230 | Graphic, Computational and Improvement Curve |
| 59. | AUD 1320 | Intermediate Contract Auditing |
| 60. | AUD 8560 | DCAA Supervisory Skills Workshop |