

## **Better Buying Power 2.0**

### A Guide to Help You Think

#### **Achieve Affordable Programs**

- · Mandate affordability as a requirement
- Institute a system of investment planning to derive affordability caps
- Enforce affordability caps

#### **Control Costs Throughout the Product Lifecycle**

- · Implement "should cost" based management
- Eliminate redundancy within warfighter portfolios
- Institute a system to measure the cost performance of programs and institutions and to assess the effectiveness of acquisition policies
- Build stronger partnerships with the requirements community to control costs
- Increase the incorporation of defense exportability features in initial designs

#### **Incentivize Productivity & Innovation in Industry and Government**

- · Align profitability more tightly with Department goals
- Employ appropriate contract types
- Increase use of Fixed Price Incentive contracts in Low Rate Initial Production
- · Better define value in "best value" competitions
- When Lowest Price Technically Acceptable is used, define Technically Acceptable to ensure needed quality
- Institute a superior supplier incentive program
- Increase effective use of Performance-Based Logistics
- Reduce backlog of DCAA Audits without compromising effectiveness
- Expand programs to leverage industry's IR&D

#### **Eliminate Unproductive Processes and Bureaucracy**

- · Reduce frequency of higher headquarters level reviews
- Re-emphasize AE, PEO and PM responsibility, authority, and accountability
- Reduce cycle times while ensuring sound investment decisions

#### **Promote Effective Competition**

- Emphasize competition strategies and create and maintain competitive environments
- Enforce open system architectures and effectively manage technical data rights
- Increase small business roles and opportunities
- Use the Technology Development phase for true risk reduction

#### **Improve Tradecraft in Acquisition of Services**

- Assign senior managers for acquisition of services
- Measure productivity using the uniformed services market segmentation
- Improve requirements definition/prevent requirements creep
- Increase small business participation, including through more effective use of market research
- Strengthen contract management outside the normal acquisition chain installations, etc.
- Expand use of requirements review boards and tripwires

#### Improve the Professionalism of the Total Acquisition Workforce

- · Establish higher standards for key leadership positions
- Establish increased professional qualification requirements for all acquisition specialties
- Increase the recognition of excellence in acquisition management
- Continue to increase the cost consciousness of the acquisition workforce – change the culture



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For additional information: http://bbp.dau.mil



## **Better Buying Power 3.0 DRAFT**

**Achieving Dominant Capabilities through Technical Excellence and Innovation** 

#### **Achieve Affordable Programs**

Continue to set and enforce affordability caps

#### **Achieve Dominant Capabilities While Controlling Lifecycle Costs**

- · Strengthen and expand "should cost" based cost management
- Build stronger partnerships between the acquisition, requirements, and intelligence communities
- Anticipate and plan for responsive and emerging threats
- Institutionalize stronger DoD level Long Range R&D Planning

#### **Incentivize Productivity in Industry and Government**

- Align profitability more tightly with Department goals
- Employ appropriate contract types, but increase the use of incentive type contracts
- Expand the superior supplier incentive program across DoD
- Increase effective use of Performance-Based Logistics
- Remove barriers to commercial technology utilization
- Improve the return on investment in DoD laboratories
- Increase the productivity of IRAD and CR&D

#### **Incentivize Innovation in Industry and Government**

- Increase the use of prototyping and experimentation
- Emphasize technology insertion and refresh in program planning
- Use Modular Open Systems Architecture to stimulate innovation
- Increase the return on Small Business Innovation Research (SBIR)
- Provide draft technical requirements to industry early and involve industry in funded concept definition to support requirements definition
- Provide clear "best value" definitions so industry can propose and DoD can choose wisely

#### **Eliminate Unproductive Processes and Bureaucracy**

- Emphasize Acquisition Executive, Program Executive
  Officer and Program Manager responsibility, authority, and
  accountability
- Reduce cycle times while ensuring sound investments
- Streamline documentation requirements and staff reviews

#### **Promote Effective Competition**

- Create and maintain competitive environments
- Improve technology search and outreach in global markets

#### Improve Tradecraft in Acquisition of Services

- Increase small business participation, including more effective use of market research
- Strengthen contract management outside the normal acquisition chain
- Improve requirements definition
- Improve the effectiveness and productivity of contracted engineering and technical services

#### Improve the Professionalism of the Total Acquisition Workforce

- Establish higher standards for key leadership positions
- Establish stronger professional qualification requirements for all acquisition specialties
- Strengthen organic engineering capabilities
- Ensure the DOD leadership for development programs is technically qualified to manage R&D activities
- Improve our leaders' ability to understand and mitigate technical risk
- Increase DoD support for Science, Technology, Engineering and Mathematics (STEM) education

Continue Strengthening Our Culture of: Cost Consciousness, Professionalism, and Technical Excellence

# THE STATES OF MINE

## Resources

BBP 3.0: Achieving Dominant Capabilities through Technical Excellence and Innovation

## We Want Your Feedback!

## Reference The Better Buying Power Website for past and current BBP resource materials

bbp.dau.mil

Join our conversation:

OSD.ATL.BBP@mail.mil