

**FINAL REPORT OF THE PROCESS ACTION TEAM ON**

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**ACQUISITION EDUCATION AND TRAINING  
STRUCTURE AND PROCESS**

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**AUGUST 1997**

**OFFICE OF THE UNDER SECRETARY OF DEFENSE FOR ACQUISITION &  
TECHNOLOGY**

**WASHINGTON, DC 20301-3140**



ACQUISITION AND  
TECHNOLOGY

OFFICE OF THE UNDER SECRETARY OF DEFENSE

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August 22, 1997

MEMORANDUM FOR DEFENSE ACQUISITION CAREER DEVELOPMENT COUNCIL

SUBJECT: Final Report, Acquisition Education and Training Process Action Team

The Deputy Under Secretary of Defense (Acquisition & Technology) chartered this Process Action Team to "...perform a comprehensive review of the department's acquisition education and training structure and processes." On behalf of the entire team I am privileged to present you our final report.

This report offers a number of recommendations for improving the quality and cost effective delivery of the acquisition education and training process in the department. While these recommendations embrace fundamental change in the organization, management, and procedures for educating the acquisition work force, they build upon the foundation established by the Defense Acquisition University consortium created by the directive issued in October 1991.

Our report also incorporates a transition plan, which includes a time-phased decision and implementation schedule, that culminates in a reengineered education and training enterprise becoming operational in early Fiscal Year 2000.

Though the transition stretches over a period of two plus years, the Process Action Team believes that the decisions taken early-on will provide the momentum to achieve the goal of major improvements in the education and training of the entire acquisition work force.

One member of the team did not agree with the final report, and I have included his dissenting opinions as Appendix F.

The remainder of the team was unanimous in their support of the report as written even after reading the dissenting comments.

The time and attention that the team members devoted to this effort reflects the importance they attach to these matters for the success of the department's education and training activities in the future. The team members appreciate the opportunity to participate in this effort and I thank you for the opportunity to lead the team.

Eric M. Levi



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## **SECTION I: EXECUTIVE SUMMARY**

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### **INTRODUCTION**

Noel Longuemare, Acting USD(A&T), on May 20, 1997, chartered a Process Action Team (PAT) to review and make recommendations regarding the management, organizational structure, and process for educating and training the acquisition workforce in the Department of Defense (DoD) (Appendix A). Mr. Longuemare directed the team to assess the current structure of the education and training function within DoD, and to create a clear vision for the future of the educational processes and structure that best meets the needs of the defense acquisition workforce and the warfighters for the year 2000 and beyond. In creating this vision, the Team was directed to consider reengineering all aspects of the DoD's acquisition education and training processes and structure. The Team was further directed to submit its final report to the Defense Acquisition Career Development Council within 45 days of the PAT's inception.

The Process Action Team began deliberations on June 11, and concluded its work on September 8, with the submission of its final report. During this period, the Team received detailed presentations from representatives of all major institutional interests involved in the defense acquisition education process as well as boards representing functional communities (Appendix B).

The findings and recommendations presented in this final report incorporate the information derived from these briefings and from team discussions. The recommendations describe a pathway to fundamentally change the way in which DoD educates its acquisition workforce; a pathway that is responsive to the changing environment in which defense acquisition occurs today and is cognizant of financial pressures under which the current system operates.

### **PRIMARY RECOMMENDATIONS**

The recommendations of the PAT are broad ranging and vital to improving all aspects of education and training of the DoD acquisition workforce. The following four areas of activity take priority and deserve the earliest favorable consideration.

First, the DoD should create a unified Defense Acquisition Institute to replace the current Defense Acquisition University and assign its leadership comprehensive responsibility for, and management authority over, development and delivery of defense acquisition education and training. The current 12-member consortium is excessively large and duplicative, with DAU funding multiple facilities, school registrars, administrative personnel, printing, publication, mailing, and supplies resulting in inefficient expenditure of education funds. Moreover, while DAU has responsibility for coordinating acquisition education and training for the DoD, there is no organizational line of authority between it and consortium members. The 12 consortium members have 11 different command chains, which creates an

## *SECTION I: EXECUTIVE SUMMARY*

ambiguity in leadership that is detrimental to the acquisition education and training functions.

Second, the leadership of the new Acquisition Institute is the single most critical element to its success. Because of this, the chief executive of the Acquisition Institute must be a very senior individual. This executive, called the chief executive officer (CEO), must have sufficient acquisition system experience in order to command the respect of the participants in the system and to successfully administer the acquisition education process. The tenure of the CEO must be of sufficient duration to ensure continuity in the operations of the Institute, particularly during those critical initial phases of operation. If the CEO is a civilian, a schedule C appointment is recommended. If the CEO is uniformed military, an individual at the three star level is recommended. The CEO should serve for a three year term, at minimum. The CEO will be supported by a Provost who possesses strong academic administrative experience.

Third, the Institute must aggressively employ technology-based learning as well as classroom teaching in order to reach a broader student body in a more timely and cost effective manner. This approach will allow for wider dissemination of educational materials while also satisfying the DoD's acquisition education requirements. The technology-based approaches will include distance learning through greater use of web communication capabilities.

Fourth, in order to more effectively utilize resources available to the DoD, the Institute must aggressively pursue outsourcing education and training functions on a best value basis. Outsourcing, in tandem with greater use of technology-based learning, will effect significant savings by cutting travel expenditures, reducing personnel, and eliminating excess infrastructure. Funds resulting from these savings must be retained to support other elements of the Institute. For example, resources will be reallocated to invest in a robust distance learning capability and to attract and retain qualified, professional faculty.

Implicit in the recommendations of the PAT is the conclusion that in order to fully realize the ultimate goals of increased productivity, effectiveness and long term cost savings, the DoD will need to make up-front resource investments to enhance programs in the new Institute.

If the organizational, management, and process recommendations detailed in this report are implemented in a timely fashion by the DoD, defense acquisition education resources will be employed in a more cost-effective manner. Most importantly, however, implementation of the PAT's recommendations will substantially improve the education process and anticipate demands that will be placed on the workforce in the future.

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**KEY FINDINGS**

The recommendations of the PAT are based on the following key findings:

- The consortium organizational structure results in inappropriately defined lines of authority and clear lack of accountability.
- The curriculum design process is not properly structured to develop and provide quality acquisition education to meet the needs of the 21<sup>st</sup> Century.
- There currently is not an adequate, centralized research plan in the DAU.
- Insufficient use of technology-based learning by the DAU consortium results in ineffective use of resources and the inability to reach the entire acquisition workforce on a continuous basis.
- The DAU has given insufficient consideration to contracting out acquisition education activities.
- The charter for the functional boards is too broad in scope and does not clearly identify authorities and responsibilities.
- Chairmanship of the Acquisition Management Functional Board by the Commandant of DSMC is a conflict of interest.
- The acquisition education and training needs of the non-DAWIA workforce are not being adequately addressed.

## CURRENT DAU CONSORTIUM STRUCTURE

The current consortium arrangement of schools reflected in the following chart does not lend itself to cost-effective, efficient, and timely development and delivery of education and training for the DoD acquisition workforce:

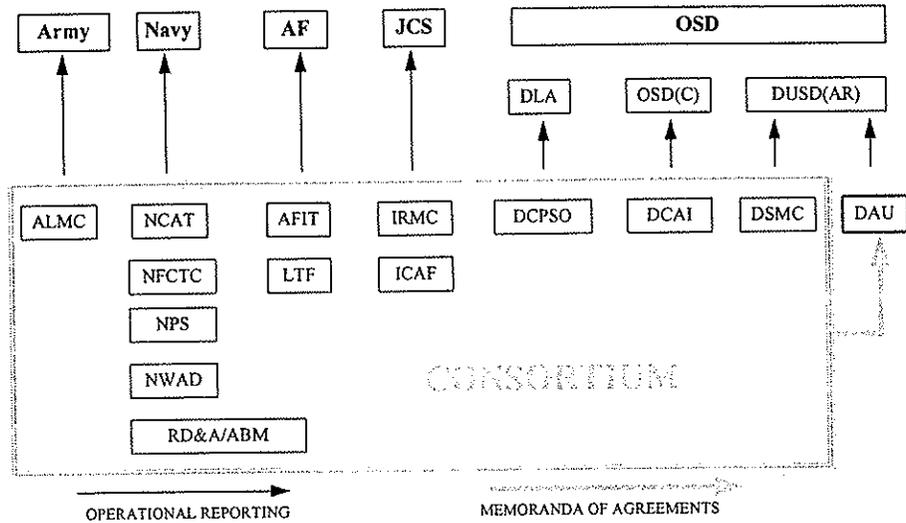


Figure A: Current DAU Consortium Organization

## PROPOSED DEFENSE ACQUISITION INSTITUTE

The proposed Acquisition Institute is designed to meet existing organizational inadequacies. The structure depicted in the following chart allows flexibility in serving the comprehensive educational and training needs of the acquisition workforce and simultaneously makes greater use of advanced technologies and best business practices.

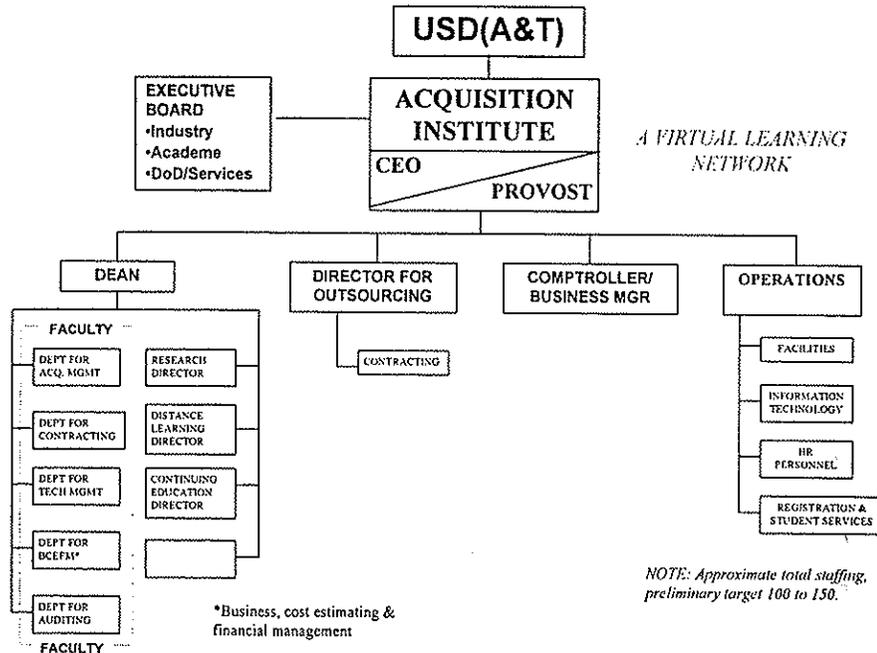


Figure B: Organizational Structure of the Defense Acquisition Institute

### Defense Acquisition Institute Organization

The principle difference between the Institute and the existing DAU consortium will be the Institute's central management and control of acquisition education and training programs and services. The Chief Executive Officer of the Institute will report directly to the Under Secretary of Defense (Acquisition and Technology). The CEO will receive advice from an Executive Board that includes representatives from the Services/acquisition leadership, industry, and academia. The Board will not have fiduciary responsibility for the Institute. Senior management of the Institute will include a Provost and four division heads including the Academic Dean, Comptroller, Outsourcing Director, and Director of Operations. The Academic Dean will oversee eight faculty departments that correspond to the five acquisition functional areas, and departments for distance learning, continuing education and research. The Institute is designed as a world-class organization with a faculty that encompasses an appropriate mix of practical and academic experience.

## SECTION I: EXECUTIVE SUMMARY

### Defense Acquisition Institute Vision

In developing recommendations to improve defense acquisition education, the PAT created the following vision for the new Defense Acquisition Institute:

*The Acquisition Institute is an educational enterprise that serves as an important partner in developing a world class professional acquisition related workforce. It is dedicated to advancing and disseminating knowledge about acquisition; fostering innovation; and recommending and facilitating reform and continuous improvements. As a center for acquisition learning, the Institute is respected for the pre-eminence of its faculty; excellence of its programs; and the value of its services to the acquisition related community.*

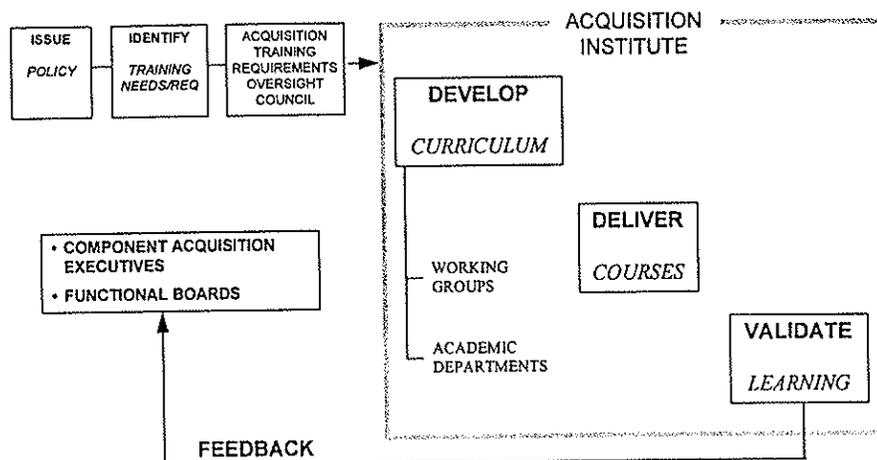
### Defense Acquisition Institute Mission

The Institute's "Mission" defines an "educational enterprise" that is dynamic, responsive to change, and committed to increasing the efficiency and productivity of the workforce. The Institute is, therefore, the heart of acquisition education, training, and research within the DoD—an evolving enterprise that centrally develops, delivers, evaluates, and manages programs and services.

The mission of the Acquisition Institute is:

1. To meet the acquisition education and training needs of the Department of Defense;
2. To provide a centralized learning network which uses cost effective state-of-the-art technologies to deliver acquisition education, training, and services worldwide; and
3. To provide for research and analysis on defense acquisition policy issues and practices.

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*Figure C: End State Process*

The current process for defining acquisition education requirements and developing curricula is unsatisfactory. The process takes too long and often the end product does not meet current educational needs. This process will be improved by clarifying the respective roles of those who generate requirements and those who deliver education and training products. The functional boards define requirements. The Institute's faculty develop and deliver curricula. The faculty work closely with the working groups of the functional boards to ensure that requirements are accurately incorporated into curricula. The Institute is responsible for validating student learning and assessing faculty performance.

## PLANNING AND ACCOUNTABILITY

As indicated, a major finding of the PAT is that there is currently inadequate accountability within the present 12-member consortium. The infrastructure is excessively large, with varying degrees of involvement among the schools, and the DAU lacks authority to ensure that the schools accommodate changing requirements of the acquisition workforce.

The Institute's centralized structure and clearly defined areas of authority and reporting will support accountability and planning based on performance. Figure C, "End State Process", provides an overview of the coordination needed to expand acquisition education, research, and service activities. Dissemination of policies and

## SECTION I: EXECUTIVE SUMMARY

identifying and prioritizing training needs are clearly the responsibility of the DoD acquisition leadership. The Institute will be held accountable for the quality and success of the education and training programs: first, to work with functional groups to ensure a competency-based curriculum; second to provide for cost-effective delivery of the courses; and, third, to validate that students have mastered the material and, where appropriate, apply it to their jobs. The innovation lies in the high degree of accountability, which places an inherent value upon students' achievements.

### TECHNOLOGY ENHANCED LEARNING AND DISTANCE EDUCATION

The recommendation that the Institute become a "Virtual Learning Network" and convert traditional, labor intensive curricula to distance education modes places it in the vanguard of higher education and professional training. Today courses delivered through technology are interactive among students and faculty and can take place for all participants at the same time or at different times at the convenience of the user. Providing technology enhanced or fully on-line courses is critical to expanding the mission of the Institute. Advantages are: ability to reach large numbers of students in a more cost-effective manner; customized training and flexibility in developing and updating courses; and focus upon validating learning and performance.

The DoD has initiated an effort to modernize the acquisition curriculum through the DAU, which has developed a technology-based education and training plan to effect a smooth transition from classroom to distance delivery. A number of courses are in various stages of development. It is critical, therefore, that the Institute continue to introduce technology enhanced curricula at all levels for all students. Thus, the Institute has the potential to provide a state-of-the-art education and training system for use throughout the DoD.

### SUMMARY OF END STATE IMPROVEMENTS

The Defense Acquisition Institute will:

- Be accountable as a provider of acquisition education, not a coordinator of education;
- Design and develop the curriculum and course content;
- Feature a preeminent faculty with an appropriate mix of academicians and practitioners;
- Reach beyond the current DAWIA workforce;

## SECTION I: EXECUTIVE SUMMARY

- Be smaller than the consortium and will employ best value principles in assigning education and training functions to the private sector and organic providers;
- Use technology-based learning and distance learning more extensively; and
- Provide continuing acquisition education for professional development.

### TRANSITION PLAN

In order to ensure an orderly transition from the consortium structure to the Defense Acquisition Institute, it is imperative that a transition plan be developed. A proposed framework for such a transition plan appears as Appendix C, "Transition Plan," in the report. It is important to note that the PAT deemed it necessary that the Institute be fully operational by the year 2000. This operational target date underpins all milestones for the transition activity. Key attributes include the following:

- There should be no interruption of current training; students must be permitted to continue their education in an unimpeded manner while the Institute is established;
- An empowered transition team must be identified, selected, and begin to lay the foundation for the Institute;
- The search for the CEO and Provost of the Institute must be completed in a timely fashion; it is important that this leadership team work with the transition team members to avoid disruption in the ongoing acquisition education process and provide guidance in the creation and design of the Institute;
- The existing DAU University organization should report to the Institute's leadership team as soon as it is selected.

Further, given the complexity of changing the way in which acquisition education and training are currently carried out, the PAT did not think that it had sufficient information on the scope of such change to recommend a cost plan in the condensed time allowed for completion of this report. An attempt was made by the PAT to quantify potential savings, but it did not have sufficient time to gather the required data and complete a satisfactory analysis. It is the sense of the PAT, however, that as a centralized operation, the Defense Acquisition Institute will be significantly smaller than the present DAU Consortium, and there will be substantial savings in personnel costs. Savings will also accrue from having to support fewer facilities and accompanying overhead. Finally, savings will be evident over time as courses are converted from labor-intensive classroom methods of delivery to distance delivery, thereby increasing the productivity of the Institute and reducing travel costs for faculty and students. Savings from these initiatives will be re-invested in technology based deliveries. The PAT identified a number of critical issues that

## SECTION I: EXECUTIVE SUMMARY

will guide development of a cost plan to implement the Defense Acquisition Institute, which are included in the body of the report.

The transition plan designed by the PAT includes a schedule, narrative, and a timeline. The transition team will revise and update the plan as proposed by the new Institute leadership. The PAT provides a framework to the transition team, which can be used as a baseline for the creation of the Institute.

## MAJOR MILESTONES

Major milestones for implementation of PAT recommendations are:

- Defense Acquisition Institute concept approved..... Sep 97
- The USD(A&T) selects the leadership of a transition team..... Sep 97
- The USD(A&T) initiates the search for the CEO and Provost of the Defense Acquisition Institute ..... Sep 97
- USD(A&T) staff assesses current budget and requirements; drafts a program budget decision (PBD) if necessary ..... Oct 97
- To facilitate transition:
  - The USD(A&T) requires Commandant of DSMC to report solely to President of DAU ..... Oct 97
  - The USD(A&T) stipulates that no head of a consortium school should be permitted to chair a functional board..... Oct 97
- Team in place ..... Jan 98
- Appointments..... Jan 98
- The DAU reports to the CEO, Defense Acquisition Institute..... Jan 98
- The Defense Acquisition Institute is operational..... Nov 99

## CONCLUSION

The acquisition education and training system at the DoD must undergo fundamental change if it is to meet current and future needs of the user community. Sweeping changes that have occurred in recent years in the laws and regulations that govern defense acquisition and the budget constraints under which the system is currently laboring necessitate change. The Defense Acquisition Institute proposed by the Process Action Team is the most desirable approach for actualizing new goals. Its organizational structure demands a new focus and administrative efficiencies needed to improve acquisition education and training development and

*SECTION I: EXECUTIVE SUMMARY*

delivery. It significantly expands the use of technology-based learning in order to reach a broader student population in a more cost-effective manner. And it relies to a greater degree on competitively contracted delivery of the education and training function as a means of creating even greater cost efficiencies. Appropriately implemented, the Acquisition Institute can serve as a cost-effective model for education and training throughout the DoD.

## **SECTION II: BACKGROUND**

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### **INTRODUCTION**

For nearly fifty years the importance of an educated professional DoD acquisition workforce has been emphasized by government leaders and reflected in the work of key studies and reform commissions. The First and Second Hoover Commissions, (1949 and 1955), the Fitzhugh Commission (1970), and the Commission on Government Procurement (1972) all recognized the importance of high quality, well-educated acquisition professionals to the successful operation of the DoD and made recommendations for acquisition education improvements.

On August 19, 1985, the Deputy Secretary of Defense called for a comprehensive review of the education and training functions within the DoD including the effectiveness and efficiency of the government's procurement and program management schools and education centers. The Acquisition Career Enhancement Program Working Group was created in September 1985 to address these issues. It called for the establishment of a Defense University of Acquisition Management. The Defense Systems Management College (DSMC) was envisioned as the central element of the proposed Acquisition University.

At the same time that the Acquisition Career Enhancement Program was under development, the President's Blue Ribbon Commission on Defense Management (The Packard Commission) was undertaking a broad examination of DoD management practices and procedures. In its June 1986 final report, The Packard Commission described the DoD acquisition workforce as "undertrained, underpaid, and inexperienced." Its report underscored the importance of a highly qualified and professional workforce, stating, "Whatever other changes may be made, it is vitally important to enhance the quality of the defense acquisition workforce—both by attracting qualified new personnel and by improving the training and motivation of current personnel." Among its recommendations, the Commission called for the improvement in the education and training of the acquisition workforce for the purpose of enhancing both the efficiency and effectiveness of the defense acquisition process.

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### CONGRESSIONAL MANDATE, CHAPTER 87 OF TITLE 10, UNITED STATES CODE

Fueled in part by the recommendations of The Packard Commission, the Investigations Subcommittee of the House Armed Services Committee concluded in mid-1990 that the quality and professionalism of the acquisition workforce should be improved, and it drafted the Defense Acquisition Workforce Improvement Act (DAWIA). The Senate Armed Services Committee proposed language to improve the management of the acquisition workforce and to provide certain benefits. In the conference committee these were merged and enacted into law as part of the FY 1991 Defense Authorization.

DAWIA assigned responsibility for managing the acquisition workforce to the Under Secretary of Defense for Acquisition and Technology (USD(A&T)) and the Component Acquisition Executives (CAEs). The statute had numerous provisions that formed the basis for the Defense Acquisition Career Development Program. Of particular relevance are those that authorized and/or required that acquisition positions be identified and that education, training, and experience standards be established either by category of position, e.g. contracting, program management, engineering, or by specific job, e.g. program manager, program executive officer. Positions identified as acquisition positions, the education and training standards associated with these positions either by law or regulation, the body of knowledge that comprises acquisition, and the mandate to provide for career progression of the workforce together generated the requirement for educating and training the workforce.

DAWIA addressed how to meet the education and training requirement by mandating that the DoD establish a Defense Acquisition University (DAU) to coordinate education and training programs and support the career development of the DoD acquisition workforce. Congressional intent was also to create an acquisition center of excellence for research and scholarly activities, to achieve more efficient and effective use of resources, to establish relationships among existing schools, to exercise centralized control over resources, and to direct courses centrally for the workforce. A specific intent and requirement in statute was to establish a senior level course that was specifically designed for acquisition corps members, i.e. people serving in acquisition positions at grades GS-14, Lieutenant Colonel, Commander, and above. The senior course was required to be equivalent to existing senior PME courses.

DAWIA gave DoD considerable latitude in structuring the DAU and in providing for the senior course but required a plan within 6 months of enactment and implementation within a year.

## DOD'S IMPLEMENTATION OF DAWIA

The DoD issued several regulations to implement the provisions of DAWIA. Pursuant to those regulations, Components identified positions and people who comprise the acquisition workforce, often referred to as the "DAWIA workforce," which now numbers just over 100,000 people, about 85% of whom are civilians.

Each career field has certification standards at three levels, entry, intermediate, and advanced (I, II, & III). The largest share of the requirement for DAU-sponsored training comes from these certification standards for the DAWIA workforce.

Present DoD policy permits the Components to send DAWIA or non-DAWIA students to DAU courses. Components establish the priorities for students to receive DAU courses and in the past have selected some non-DAWIA members for DAU courses. While the bulk of the requirement each year is for training DAWIA personnel, a substantial number of seats in DAU classes go to other DoD employees (on the order of 20%).

The creation of the University was approved in the July 1, 1991 decision memorandum of the Under Secretary of Defense for Acquisition, which called for a consortium of DoD education and training institutions and activities to comprise the University structure. The DAU was officially chartered by DoD Directive 5000.57, Defense Acquisition University, October 22, 1991 and began its operation on August 1, 1992.

## STRUCTURE AND AUTHORITIES OF THE EDUCATION AND TRAINING PROGRAM

The Under Secretary of Defense for Acquisition and Technology has the statutory authority and responsibility for managing the acquisition workforce, has control over all resources for the Defense Acquisition University, and has supervisory/command/reporting authority over three elements of the education and training structure as follows:

The Director of Acquisition Education, Training and Career Development (AET&CD) is a member of the Senior Executive Service (SES) and directs a staff element of the office of the Under Secretary which was established in 1990. Initially reporting to the Under Secretary through the Principal Deputy Under Secretary for Acquisition and Technology, the Director now reports to the Deputy Under Secretary of Defense for Acquisition Reform.

DAU is structured as a consortium of 13 schools with an office of the President, who is a member of the SES. Consortium members are as follows: Air Force Institute of Technology; Army Logistics Management College; Defense Contract Audit Institute; Defense Logistics Agency Civilian Personnel Support Office; Defense Systems Management College; Industrial College of the Armed Forces; Information Resources Management College; Lackland [Air Force] Training Facility; Naval Center for Acquisition Training; Naval Facilities Contracts Training Center; Naval

## SECTION II: BACKGROUND

Postgraduate School; Naval Warfare Assessment Division; and Office of the Assistant Secretary of the Navy for Research, Development and Acquisition.

Taken as a whole, the DAU consortium has 676 full-time people (including both military and civilians), calculated to include all those in the Office of the President, all those in DSMC, and a share of those in the other schools according to their participation in the DAU program and their financial support from DAU. Memoranda of Agreement specify the relationship between DAU and the Schools.

There is a Board of Visitors, comprising non-federal members drawn from the academic and industrial communities, which advises the Under Secretary, the President of DAU, and the Commandant of DSMC. There is a Defense Acquisition Career Development Council, comprising senior acquisition and other officials within DoD, which is chaired by the Under Secretary.

### THE DAU PROGRAM

Currently the mission and operation of the DAU falls into the areas of certification training, assignment-specific training, and cross-functional training to members of the DAWIA workforce. DAU is also involved in communication and training to support acquisition reform, and provides satellite broadcasts, video tapes, brochures, and other forms of educational products to the broad DoD community and outside DoD.

For a number of reasons, this is an appropriate time to review and reassess the structure, management and processes of the DAU. Clearly all aspects of the roles and missions of the DoD have undergone significant change since the end of the Cold War and the dissolution of the Soviet Union. The dramatic change in the nature of the threats to national security resulting from these events has resulted in significant reductions in defense force structure, spending for R&D and procurement, and defense infrastructure. The post-Cold War downsizing of our national defense program in tandem with the political consensus to reduce the level of national debt has placed great pressure on the defense budget, the largest single element of discretionary spending in the overall federal budget. No aspect of the defense program, including the education and training function, is immune to this budget pressure. In the future the DoD must find ways to carry out its education and training responsibilities more cost effectively and in a more timely fashion as it continually seeks to improve the quality and professionalism of its acquisition workforce.

A second attribute of the post-Cold War environment is the revolution in business practices that has accompanied the revolution in military affairs triggered by the end of hostilities with Russia and its satellite states. This revolution in business practices is reflected in movement toward civil/military integration and increased use of commercial buying practices by the government, congressional enactments such as the Federal Acquisition Streamlining Act and the Clinger/Cohen Act, military specification and standard reform, the single process initiative and related changes.

## *SECTION II: BACKGROUND*

This rapid fire pace of change in the way that the DoD carries out its acquisition responsibilities has placed great strain on not only the acquisition professionals in the system, but on the institutions and individuals responsible for training and educating these acquisition professionals as well. The rapidity and breadth of the changes that have occurred in acquisition law, regulation and procedure in the last five years have stressed the acquisition education system, challenging its ability to attain currency and accuracy in its teaching program. The pace and extent of this change in acquisition procedure in DoD provide another important reason for reassessing and reconsidering the appropriateness of the DAU structure and processes.

It is in this context that the Process Action Team carried out its deliberations and crafted its recommendations for change. The Team's approach will structure a DoD education and training program that anticipates the acquisition workforce needs for the new century. It will accomplish this by using available mainstream technologies and relying on private as well as public sector providers in order to realize maximum efficiency in the expenditure of public funds.

# SECTION III: FINDINGS & RECOMMENDATIONS

## FINDING 1: ACCOUNTABILITY AND CREATION OF THE DEFENSE ACQUISITION INSTITUTE (DAI)

The DAU consortium's organizational structure results in inappropriately defined lines of authority and clear lack of accountability.

### RECOMMENDATION

The DoD should create a unified Defense Acquisition Institute to replace the current Defense Acquisition University consortium and assign its leadership comprehensive responsibility for, and management authority over, the development and delivery of defense acquisition education and training.

### RATIONALE

Deficiencies of Present DAU Consortium Structure (See Figure A - Current DAU Consortium Organization)

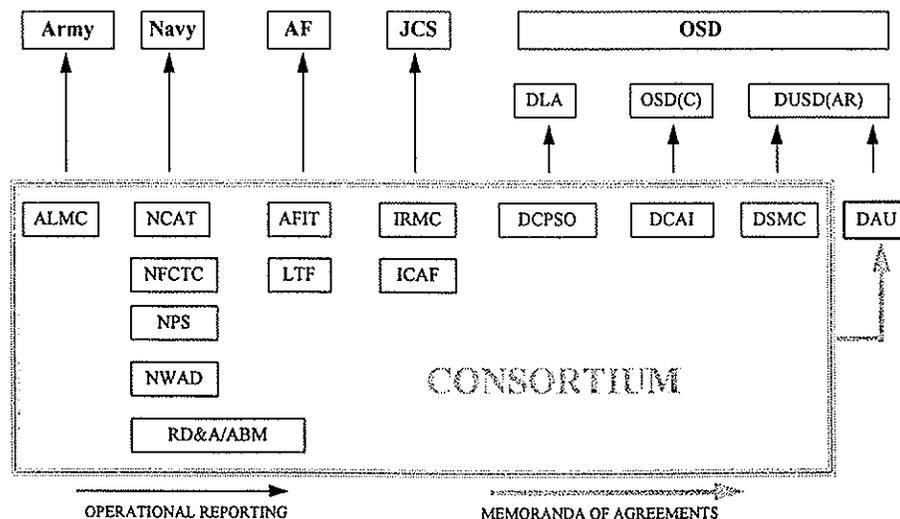


Figure A: Current DAU Consortium Organization

### *SECTION III: FINDINGS AND RECOMMENDATIONS, 1*

The Consortium is essentially structured to deliver training in a classroom setting, preferably at the consortium school's resident facility, although most courses in the curriculum can be taught "on-site" at a host location. The schools are: Defense Systems Management College (DSMC), Industrial College of the Armed Forces (ICAF), Information Resources College (IRMC), Defense Civilian Personnel Support Office (DCPSO), Army Logistics Management College (ALMC), Air Force Institute of Technology (AFIT), the Naval Warfare Assessment Division (NWAD), The Naval Facilities Contracts Training Center (NFCTC), the Naval Center for Acquisition Training (NCAT), Naval Postgraduate School (NPS), the Defense Contract Audit Institute, and Lackland Training Facility (LTC). In addition, the Assistant Secretary of the Navy (Research, Development and Acquisition) provides a course under contract; the COTR for the contract functions as a consortium member.

The current consortium of schools does not lend itself to cost-effective, efficient, and timely development and delivery of programs and services. The infrastructure associated with a 12-member consortium is excessively large and duplicative, with DAU funding multiple facilities, school registrars, administrative personnel, printing, publication, mailing, and supplies, resulting in inefficient expenditure of funds.

Consortium involvement in the mission of DAU is varied; for some, acquisition education and training is a primary mission, and for others, it is a secondary activity. The extent of involvement by these organizations in DAU's mission is reflected in the proportion of their budget provided by DAU, from a low of 3% (Naval Postgraduate School), to a high of 99% (DSMC). Five consortium members (ICAF, NPS, LTF, and NWAD) rely on DAU for less than 30% of their budget, while 4 members (DSMC, NCAT, NFCTC and ALMC) rely on DAU for more than 70%.

While DAU is responsible for coordinating the DoD's acquisition education and training programs, there is no organizational line of authority between DAU and Consortium members. The 12 members have 11 different command chains, none of which reports to DAU. This creates an ambiguity in leadership that is detrimental to the success of the program.

Curriculum development is tedious, time consuming, and lags far behind policy changes. For the most part, existing faculties are not highly skilled in incorporating instructional technology into curricula.

There is minimal incentive to reduce overall cost. The current system, i.e., the schools decide "how it should be taught," combined with the fee for service provided by DAU are disincentives for shortening courses and/or finding more efficient means of delivering training.

DAU has not explored educational and financial benefits of outsourcing. Only one course in the curriculum is delivered by the private sector. Pressure on DAU, real or perceived, to continue supporting the consortium schools at their current levels is a disincentive to competition both within and outside the consortium.

Existing faculty and staff of the Consortium appear ill-equipped to accommodate rapidly changing requirements of the acquisition workforce. The chairs of several

### SECTION III: FINDINGS AND RECOMMENDATIONS, 1

functional boards described faculty as uninformed about current acquisition policies and out of touch with policy-makers at DoD. Moreover, because they lack relevant experience in the fields of acquisition, the faculty are unable to develop courses without extensive intervention on the part of the functional board.

While for some courses students' evaluations are used, there is no validation of student learning. Ill-defined lines of authority have resulted in a lack of standardized formats for evaluation, no central repository of assessment information, and little feedback to the customer.

The current DAU Consortium is neither organized nor resourced to execute its emerging missions to educate and train a larger acquisition-related workforce and to implement the continuing education requirement, which is a National Performance Review (NPR) goal.

Research, analysis, consulting, and other scholarly activities are valid and important elements of the education and training program; however, there is no centralized plan for accomplishing these activities.

#### **Proposed Defense Acquisition Institute: Vision & Mission**

To rectify deficiencies apparent in the present consortium organization, the PAT recommends that the DoD create the Defense Acquisition Institute. The proposed Institute structure is dynamic, responsive to change, and committed to increasing the efficiency and productivity of the workforce. The Institute, therefore, will be the heart of acquisition education, training, and research within the DoD an evolving enterprise that centrally develops, delivers, evaluates, and manages programs and services.

#### **The Vision For The Defense Acquisition Institute**

*The Defense Acquisition Institute is an educational enterprise that serves as an important partner in developing a world class professional acquisition-related workforce. It is dedicated to advancing and disseminating knowledge about acquisition; fostering innovation; and recommending and facilitating reform and continuous improvements. As a center for acquisition learning, the Institute is respected for the pre-eminence of its faculty; excellence of its programs; and the value of its services to the acquisition-related community.*

To fulfill the "Vision," the proposed Institute is positioned at the apex of the acquisition education and training activities of the DoD. It has a mission that moves far beyond what presently occurs within the DAU Consortium

#### **The Mission Of The Defense Acquisition Institute:**

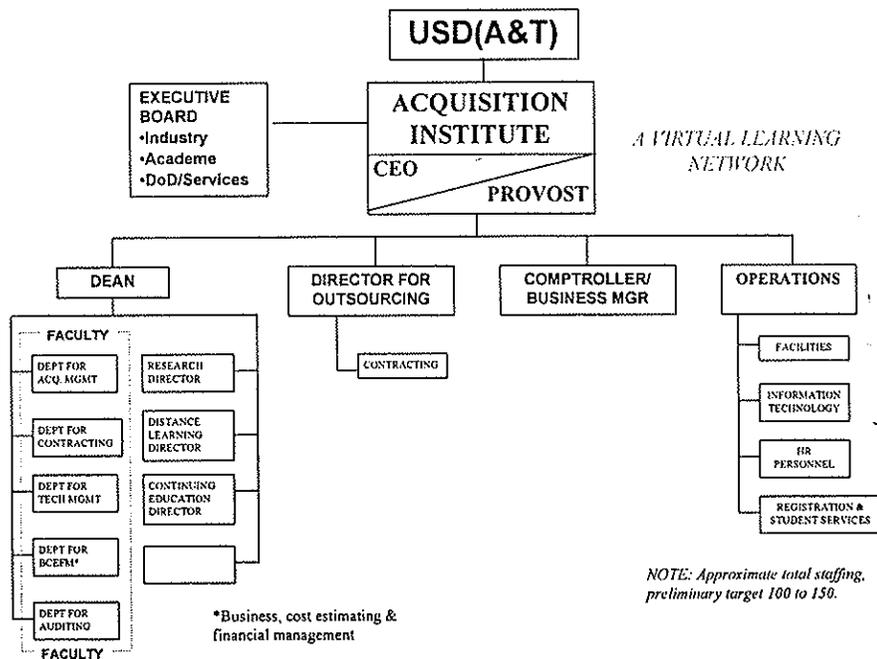
1. To meet the acquisition education and training needs of the DoD;

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2. To provide a centralized learning network which uses state-of-the-art technologies to deliver acquisition education, training, and services worldwide; and
3. To provide for research and analysis on defense acquisition policy issues and practices.

**Defense Acquisition Institute Structure**

The overarching difference between the Institute and the present consortium is the Institute's central management and control of acquisition education and training programs and services. The proposed organization is shown below in Figure B, Proposed Defense Acquisition Institute. The chief executive officer (CEO) of the Defense Acquisition Institute (DAI) will report to the USD(A&T).



**Figure B: Organizational Structure of the Defense Acquisition Institute**

The Institute's centralized structure and clearly defined areas of authority and reporting, shown above, support accountability and planning based on performance. Dissemination of policies and identifying and prioritizing training needs are clearly the responsibility of the DoD acquisition leadership. The Institute is held accountable for the quality and success of the education and training programs: first, to work with functional groups to ensure a competency-based curriculum; second to provide for cost-effective delivery of the courses; and, third, to validate that students have mastered the material and, where appropriate, apply it to their jobs. The

## SECTION III: FINDINGS AND RECOMMENDATIONS, 1

innovation lies in the high degree of accountability; which places an inherent value upon students' achievements.

### **DAI Senior Management**

The Institute will be a world-class organization, consisting of a small, highly skilled staff with an appropriate mix of practical acquisition experience and academic qualifications. The infrastructure will be significantly reduced from the existing Consortium, ranging from 100-150 people—a substantial reduction from the approximately 700 now employed. It is envisioned that the Institute will have an appropriate mix of military and civilian personnel.

The senior management structure of the institute consists of the CEO, the Provost, and four division heads - an academic dean, a director of outsourcing, a comptroller, and a director of operations. The Academic Dean manages eight faculty departments, corresponding to the five acquisition functional areas, and departments for distance learning, continuing education, and research.

General descriptions and qualification requirements of senior positions within the Institute are shown below:

#### **Chief Executive Officer**

Requirements: A senior, Schedule C appointee or 3 Star Military, who has 10 years experience in the field of acquisition, leads the Institute.

Responsibilities: The Chief Executive Officer has comprehensive responsibility and authority over the development and delivery of the DoD acquisition education and training programs. The CEO is responsible for developing an overall strategic plan to implement the mission of the Institute. The CEO functions as the primary liaison with the CAEs and functions as the principal advisor to A&T on acquisition education and training.

The CEO reports directly to the USD (A&T), which is important. Currently, both DAU and DSMC report to the DUSD (AR), while policy formulation for education and training resides in the staff function of the DAET&CD, who also reports to DUSD (AR). When the Institute is formed, strong consideration should be given by USD (A&T) to eliminating unnecessary layers of management.

#### **Provost:**

Requirements: Earned Doctorate and significant experience in a high level academic position within an accredited institution of higher education. Might also be a Schedule C appointee.

Responsibilities: The Provost of the Defense Acquisition Institute reports directly to the Chief Executive Officer. The Provost manages all operations of the Institute, including education and training programs, outsourcing activities,

### *SECTION III: FINDINGS AND RECOMMENDATIONS, 1*

comptroller's functions, and operation of facilities, publication services, and human resources. The Provost ensures that the educational, training and research programs are efficient, cost-effective, and responsive to the needs of the DoD and of the acquisition workforce. The Provost works closely with the DoD acquisition leadership to ensure that the education and training needs of the acquisition workforce are met.

#### **Academic Dean:**

Requirements: Earned Doctorate in a field relevant to the mission of the Defense Acquisition Institute; must have at least 10 years academic administrative experience in an accredited institution of higher education; must have held faculty position at the rank of associate professor or above and demonstrate successful record of teaching and research.

Responsibilities: The Academic Dean serves as the Chief Academic Officer of the Defense Acquisition Institute. The Dean reports directly to the Provost. The Dean oversees five academic departments (Acquisition Management; Contracting; Technology Management; Business, Cost Estimating, and Financial Management; and Auditing). The Dean also is responsible for the areas of research, continuing education, and distance learning. The Dean coordinates the education, training, and research programs among the academic departments, including necessary cross-functional training curriculum, with other units of the Institute, and with working groups assigned by the DoD acquisition leadership.

#### **Director of Outsourcing:**

Requirements: A minimum of four years contracting experience, with a least 3-5 years experience in outsourcing/privatization activities. Recommend GS-15/0-6 with a baccalaureate degree in Business Administration.

Responsibilities: The Director of Outsourcing reports to the Provost and is responsible for all decisions regarding outsourcing of institute responsibilities. The Director coordinates decisions with the Academic Dean to ensure that appropriate weight is given to educational issues.

#### **Comptroller:**

Requirements: Minimum of Baccalaureate Degree in financial management or a related field. GS-15/0-6 level, with 3-5 years experience in senior level comptroller positions within the DoD.

Responsibilities: The Comptroller is responsible for the PPBS process and budget execution at the Institute. Responsible for formulating budgetary requirements, justification of budget and budget execution.

## SECTION III: FINDINGS AND RECOMMENDATIONS, I

### **Director of Operations:**

Requirements: Minimum of 4 years experience in general management, with a degree in management or a related field. GS-14/0-5

Responsibilities: Responsible for all facilities management, administrative services, publication and printing services, and human resource services within the Institute.

### **Department Chair**

(A departmental chair is appointed for those programmatic areas that have a significant number of students and faculty)

### **Acquisition Management; Contracting; Technology Management; Business, Cost Estimating, and Financial Management; and Auditing:**

Requirements: Master's Degree in appropriate discipline; doctorate preferred; 5-7 years successful teaching experience in that discipline; 5-7 years significant management experience.

Responsibilities: The department chair assumes responsibility for recruitment, hiring, and evaluation of faculty; curriculum development and evaluation; student advising and other required services.

### **Director of Research**

Requirements: Earned doctorate in a field central to the mission of the Institute; must have held tenured position within an accredited institution of higher education; demonstrated excellence in research

Responsibilities: In conjunction with the academic departments, policy makers with the DoD, and representatives of the acquisition user community identifies key areas related to acquisition policies and practices and develops a research agenda that focuses upon achieving the best value through outsourcing.

### **Faculty Roles And Responsibilities**

The "Vision" of the DoD Defense Acquisition Institute speaks to the goal of hiring a world class faculty. Within the context of workforce education and training, what does this mean? Traditionally a "world class" faculty has been known by its participation in widely acclaimed research. Recently, however, other forces within society have required colleges and universities to reformulate criteria to judge excellence. A major contributor to changing practices for the hiring and evaluation of faculty has been an external demand for more relevant educational programs that assess competencies and support economic development. Another factor supporting change has been the rapid incorporation of technology into the learning process,

### SECTION III: FINDINGS AND RECOMMENDATIONS, 1

which has shifted the focus from the teacher to the learner. Performance—by faculty, by students, and by the institution—is the overarching yardstick against which all educational organizations are increasingly being measured.

The PAT heard presentations by the Components to the effect that decentralization and poor accountability have resulted in disagreements among faculty and functional boards with regard to course content and establishment of standards to evaluate and validate student learning. It is recommended, therefore, that the Institute's faculty be comprised of a balanced combination of academicians and practitioners, which will facilitate cooperation with functional working groups. The PAT further concluded that the goal of creating a coherent and focused educational experience for students so that standards can be developed to validate learning is best done by a faculty who are knowledgeable about both the field of acquisition and pedagogy.

Requirements: Faculty members must have a Master's Degree in the appropriate discipline, with 3-5 years recent experience in teaching or curriculum development. Must have a minimum of five years of recent experience in the relevant acquisition field.

Responsibilities: Responsible for curriculum development, delivery, and maintenance. In consultation with various DoD working groups, translate training needs into curricula. Responsible for ensuring that courseware are current, accurate, and meet stated user's needs. Ensures that contractor products, i.e., course development or delivery is high quality and meets requirements. Develop learning assessment instruments and validate student learning.

It is important that functional boards not view the new roles of faculty as diminishing their own participation in the education and training of the acquisition workforce; rather, it is an opportunity to progress toward the shared goal of producing a highly productive workforce. One final point is that the recruitment of highly qualified faculty must be accompanied by a clear message from the DoD acquisition leadership that education is the key to meeting the goals of the DoD.

#### Research And Dissemination

It is recommended that the Defense Acquisition Institute establish a broad plan to develop, carry out, and disseminate research on areas related to improving training of the acquisition workforce and to strengthening DoD acquisition policies and practices. An educational enterprise designed to train an acquisition workforce whose purview reaches into every aspect of the DoD and affects, as well, many functional areas within other public and private sectors should employ a two tiered approach that includes teaching and research. While upgrading the knowledge and skills of the acquisition workforce is the Institute's primary mission, integration of applied research into the instructional program is particularly important in a field that experiences rapid change. A meaningful synergy between instruction and research has proved to be and remains today the hallmark of excellence throughout higher education in America.

### SECTION III: FINDINGS AND RECOMMENDATIONS, 1

Research within the Defense Acquisition Institute may be carried out in several ways. The first is a mandatory responsibility of full-time faculty to develop course materials, case studies, and accompanying pedagogies. A second focus identifies areas critical to improving DoD acquisition policies and practices. Such applied research may be conducted by faculty or outsourced through contracts, grants, and other transactions. A third area of faculty effort subsumed under the rubric of "research" is consulting within the external community that does business with the DoD. Finally, the dissemination of research requires that the Institute serve as a clearinghouse for knowledge about DoD acquisition policies and procedures. Because of the importance of the research activities within the Institute, a Director of Research will be hired whose qualifications and responsibilities are discussed in the previous section.

Charging the Institute to conduct research will centralize the fragmented current approach to upgrading the knowledge and skills of the acquisition workforce and, thereby, strengthen the organization. Research often involves students and, consequently, expands learning opportunities for the workforce. Finally, an external research program will extend the national acquisition network and increase the prestige of the Institute.

#### Funding Issues

Educational organizations worldwide face the challenge of adapting to rapid change. Infrastructures must change and respond to broader constituencies; programs must be phased in; students' education and training needs must be reassessed; delivery systems must change; and, most important, the leadership must prepare the way for and effect change in customary ways of doing business.

As indicated previously, it is the sense of the PAT that as a centralized operation, the DAI will be significantly smaller than the current DAU Consortium, and there will be significant savings in personnel costs. (Reductions are estimated from approximately 700 people to a target of 100-150 personnel.) Savings will also accrue from having to support fewer facilities and accompanying overhead. Finally savings will be evident over time as courses are converted from labor-intensive, classroom-based delivery, thereby increasing the productivity of the Institute and reducing travel costs for faculty and students.

Given the complexity of acquisition education and training within the DoD, the PAT did not believe that it had sufficient information or time to develop a complete cost plan. Finalization of a cost plan to establish the Defense Acquisition Institute will be a major task of the transition team to be appointed by the USD (A&T). (See later section on "Transition Plan.") During its deliberations the PAT identified a number of critical issues that must guide development of a cost plan for implementing the DAI.

- How many programs and services will be outsourced?
- How many courses will require classroom delivery and how many will be delivered at a distance?

### *SECTION III: FINDINGS AND RECOMMENDATIONS, 1*

- How much will the infrastructure be downsized?
- What is the time frame for converting courses to distance delivery?
- Does the workforce have access to the world wide web (WWW), to other technologies?
- How large is the non-DAWIA workforce, and how much training do they need?
- How available is contractor support?
- How much travel is required?
- What facilities are needed and where?

As it addresses these issues, the transition team will develop a plan to support the following PAT recommendations:

- To achieve the longer term goals of increased productivity, effectiveness, and cost savings, it is necessary that DoD commit up-front resource investments.
- Expanding the education and training of the acquisition workforce for continued professionalization and to meet the needs of the non-DAWIA workforce will require increased funding.

## **FINDING 2: QUALITY ACQUISITION EDUCATION AND THE CURRICULUM DESIGN PROCESS**

The DAU consortium curriculum design process is not properly structured to develop and provide quality acquisition education to meet the needs of the 21st century.

### **RECOMMENDATION**

It is recommended that the DoD education process be streamlined to provide for expanded requirements identification and prioritization, to clearly delineate the roles and functions of the requiring agents and the providers, and to develop, deliver and validate curriculum in a timely, cost efficient, and effective manner.

### **RATIONALE**

#### **Deficiencies in DAU Consortium Curriculum Design Process**

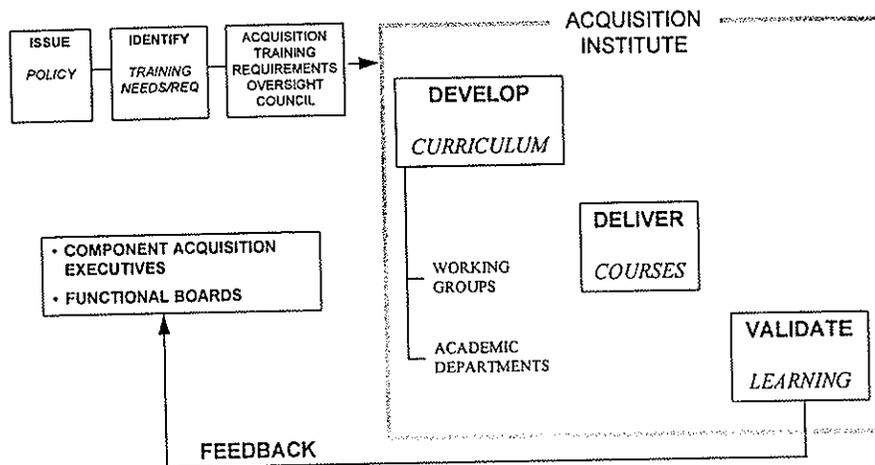
The process currently used by DoD to identify and prioritize acquisition education and training requirements, to design, develop, and deliver curriculum, and to validate learning is inefficient, ineffective, costly, and lacks consistency and accountability. Respective roles of the DoD functional boards and consortium members in the existing process are unclear, resulting in confusion over such basic issues as responsibility for requirements generation, course development, and accountability for course quality, accuracy and student learning.

The PAT heard presentations that criticized faculty for a serious failure to incorporate up-to-date case studies in the curriculum. Widely used in professional education as a method for teaching independent thinking, a case study "is a record of a ... situation that actually has been faced by ... executives, together with surrounding facts, opinions, and prejudices upon which executive decisions had to depend" (Charles Gregg, "Because Wisdom Can't be Told," Harvard Alumni Bulletin, October 19, 1940). What was true then is equally true today.

The current process to evaluate faculty and students' performance focuses on student satisfaction with a particular course, rather than a validation of learning. Further, the DAU consortium schools as they are currently structured and managed have insufficient procedures for measuring whether the user community's acquisition education requirements are being met.

Finally, the existing curriculum design process is functionally driven and does not address the needs of personnel outside the functional career fields designated under DAWIA, nor does it lend itself to successful development of cross-functional curricula.

**DAI CURRICULUM DESIGN PROCESS (See Figure C)**



**Figure C: End State Process**

Figure C distinguishes between the requirements generation function and activities related to curriculum design, development, delivery and validation.

Identify training requirements: Training needs of DoD personnel involved in acquisition are generated by a variety of sources (requiring agents) outside the Institute. DoD functional boards retain responsibility for identifying the needs of their respective communities; however, acquisition training needs which cross functional areas, or which are multi-functional in nature are identified by the OUSD (A&T), based on input from the institute. Component Acquisition Executives are responsible for identifying acquisition training needs for personnel outside the cognizance of the acquisition functional board (DAWIA) structure. Training needs are transmitted to the Institute in broad, performance-based terms.

Requirements Validation and Prioritization: Because requirements are identified by a variety of sources, and resources are limited, a mechanism is needed to validate and prioritize requirements before their submission to the Institute. The Acquisition Education and Training Requirements Oversight Council (AETROC), consisting of representatives of the Component Acquisition Executives and the functional boards and chartered and chaired by the USD (A&T), reviews and prioritizes requirements identified during the requirements generation phase. In general, this will occur annually, based on recommendations from the Institute, although the AETROC charter should be flexible enough to address urgent emerging requirements on an as-needed basis.

### SECTION III: FINDINGS AND RECOMMENDATIONS, 2

Curriculum Development: Responsibility for course content and curriculum development rests solely with the department chair and faculty of the applicable functional area; however, requiring agents are responsible for chartering working groups to provide functional expertise to the department chair in the development of performance objectives. Curriculum that is multi-functional or cross functional in nature is coordinated among the departments by the Academic Dean. The relationship between and among the Institute, requiring agents, and their designated working groups is illustrated in the process chart, shown previously in this section. This is in contrast to the existing process, which involves requiring agents and functional working groups in every aspect of the curriculum development process. Once performance objectives are developed, the Institute faculty is responsible for translating them into curriculum.

Course Delivery: In the future, a significantly larger portion of acquisition training and education will be delivered through the use of technology; in addition, much of it will be outsourced. Decisions regarding course delivery methodology are made during the curriculum development phase of the process, and are the responsibility of the Institute. Institute departmental chairs, in concert with the Distance Learning Director, who promotes the use of technology wherever feasible, will determine delivery methodology. In making these determinations, they will consider the availability of technology, needs of the various functional communities, and needs of the learner. The decision to use organic or private capacity to deliver courses is made jointly with the Director of Outsourcing.

Validation of Curriculum: Of primary importance to the education and training process is the validation of student learning. The recommended process (see Validating Learning shown on the next page) extends the current validation process beyond simple measurement of student satisfaction; it assesses student learning through observation by the supervisor, and instructors. Further, the recommended validation process measures effectiveness of both the instructor and the course itself. Results of these assessments, in effect, become the metric by which requiring agents can measure the effectiveness of the education and training provided by the Institute, and are an important part of the feedback loop between those two parties.

In addition as part of the charge to validate learning and to assess program quality, the Institute will ensure that courses utilizing a case study approach document the relevance of the content to the present DoD acquisition work environment.

SECTION III: FINDINGS AND RECOMMENDATIONS, 2

VALIDATING LEARNING			
ACTION BY	HOW	WHO	WHAT
Institute	Assessment <ul style="list-style-type: none"> <li>• Faculty</li> <li>• Supervisor</li> </ul> End of certification period. i.e., level I, II, III of student	Student	Applicability <ul style="list-style-type: none"> <li>• Learning objectives</li> </ul>
Institute	Assessment <ul style="list-style-type: none"> <li>• Observation</li> <li>• Survey-student</li> <li>• Survey-supervisor</li> </ul>	Faculty/Deliverer	Delivery effectiveness <ul style="list-style-type: none"> <li>• Course material</li> <li>• Faculty delivery</li> <li>• Course content</li> <li>• Learning environment</li> <li>• Delivery medium</li> <li>• Applicability</li> </ul>
Faculty/Deliverer	End of course evaluation; either test, project, or paper or combination	Student	Learning objective(s)
Student	Assessment <ul style="list-style-type: none"> <li>• Critique</li> </ul>	Faculty/Deliverer	Course <ul style="list-style-type: none"> <li>• Course material</li> <li>• Faculty delivery</li> <li>• Course content</li> <li>• Learning environment</li> <li>• Delivery medium</li> <li>• Applicability</li> </ul>
Supervisor	Assessment <ul style="list-style-type: none"> <li>• Observation</li> </ul>	Student	Performance

### **FINDING 3: ACCESS, TECHNOLOGY-ENHANCED LEARNING AND THE DAI "VIRTUAL LEARNING NETWORK"**

Insufficient use of technology-based learning by the DAU consortium is causing ineffective use of resources and the inability to reach the entire acquisition workforce.

### **RECOMMENDATION**

The Institute should aggressively employ technology-based learning as well as classroom teaching. Building on the DAU technology-based plan, the Institute will create a "Virtual Learning Network" to reach a broader student body in a more timely and cost-effective way.

### **RATIONALE**

#### **Deficiencies of DAU Consortium**

Use of advanced technologies by the DAU, including distance learning techniques, is lagging behind their use by leading civilian education institutions throughout the nation, resulting in less productivity within the consortium schools.

Further, the existing system does not contain a viable process for quick and continuous update of courseware; nor does it identify a single responsible agent for this process.

#### **DAI Technology-Based Curricula and Distance Education**

Distance education today is in the mainstream of higher education and in many ways defines the future of learning within educational institutions and organizations nationwide. While earlier applications of distance learning were delivered through print and broadcast media, today's delivery systems demand interaction among students and faculty. Further, research into the pedagogy of both classroom-based courses and those delivered through technology (CD ROM, WWW, for example) reveals no differences in the achievements of students. The performance of adult students in settings that promote independent learning is often superior. Technology-based programs provide many more opportunities for continuous learning, allowing students to monitor their progress and more readily update their knowledge and skills. The DoD has already begun efforts to change from costly labor intensive classroom modes of delivering education and training to the use of technology through the DAU; it is important, therefore, that the Institute continue to introduce technology enhanced curricula at all programmatic levels and for all students.

### *SECTION III: FINDINGS AND RECOMMENDATIONS, 3*

Providing technology enhanced and/or fully on-line courses is critical to expanding the mission of the Institute to offer continued professional development and to train the non-DAWIA workforce. Advantages are: ability to reach large numbers of students in a more cost-effective manner; customized training and flexibility in developing and updating courses; and focus upon validating learning and performance.

As a "Virtual Learning Network, dedicated to delivering quality education and training through distance education, the Institute ascribes to the following premises:

- Faculty does not, nor should they, reside in one place but can conduct courses from anywhere within the Institute—or in the world.
- Distance education shifts the focus from the teacher to the learner and, therefore, the curricula and delivery systems must account for the capabilities and particular pedagogical needs of the workforce.
- Distance learning courses must meet the same standards in instruction, interaction, and assessment as courses delivered through traditional means.
- The Institute will have to put resources into faculty development to ensure that they are prepared to adapt newer technologies to the education and training needs of the workforce.
- A traditional classroom/learning facility is not required.
- A single site that houses strong, centralized management teams is necessary.

Investing in distance learning courseware will result in longer-term savings, through, reduced travel expenses, many fewer course duplications, smaller faculty, and reduced brick and mortar infrastructure, to name a few benefits. Other benefits are:

- Distance learning accommodates different learning styles and allows students to master material at their own pace;
- On-line courseware fosters widespread input into and review of content by functional working groups;
- On-line courses build in a mechanism to adapt to rapid change; and
- Time away from the job is minimized, and employees can learn on their own time to advance more quickly.

Introducing technology into the educational process is never easy. To carry out its mission and goals, the Institute must have flexibility in managing personnel resources, which may require a change in present policies. In addition, allowing employees to partake of education and training made available at the work site will require a cultural change on the part of supervisors; flexible scheduling—now commonplace within the corporate world—is desirable. Finally, a virtual learning

*SECTION III: FINDINGS AND RECOMMENDATIONS, 3*

network for the acquisition workforce is key to educating an expanding workforce in a cost-effective manner and can be implemented in a timely fashion only if the DoD budgeting process allows for significant up-front investments.

## **FINDING 4: OUTSOURCING AND BEST VALUE IN RESOURCE ALLOCATION**

The DAU has given insufficient consideration to contracting out acquisition education activities as a means of obtaining best value in the allocation of education and training resources.

### **RECOMMENDATION**

The Institute must aggressively pursue outsourcing education and training functions on a best value basis.

### **RATIONALE**

#### **Deficiencies of Current DAU/Consortium**

DAU has not developed a plan for determining which activities are best outsourced or delivered organically.

The DAU has not utilized outsourcing of defense acquisition education activities on a best value basis as a means of freeing resources for reallocation to other acquisition education priorities.

#### **DAI Outsourcing Initiatives**

There is a drive within the DoD to review support operations to determine where competition can improve overall performance at a lower cost. Outsourcing offers an excellent way to achieve both. Accordingly, DoD has embarked on a systematic and vigorous effort to outsource activities where cost-effective. The term "outsourcing" for the purpose of this document means the transfer of a support function, in part or totally, traditionally performed by an in-house organization to an outside public or private provider.

Only functions that are not inherently governmental will be reviewed for possible outsourcing. The Defense Acquisition Institute will maintain an in-house capability of specialized and technical employees to ensure that the necessary expertise exists to efficiently and effectively oversee the Institute's operations. Faculty will engage in the delivery of programs to ensure cognizance of the acquisition community's interests and to determine unmet training needs. The CEO of the Institute will establish overall strategies for outsourcing. The Director of Outsourcing will create relevant policy and structure to implement activities on the basis of a best value determination.

*SECTION III: FINDINGS AND RECOMMENDATIONS, 4*

The goal is to ensure that commercial interests are used to the appropriate extent and are supported and enforced by the new Defense Acquisition Institute. In the transition, current DAU staff will continue to define functions that can be outsourced and proceed to develop plans accordingly. These outsourcing functions will be transferred to the Acquisition Institute and executed within the new framework.

While the intent is to use commercial firms as much as possible to perform functions, the current Defense Acquisition University and the new Defense Acquisition Institute that replaces it will allow current consortium schools to compete for contracts. The desired end-state is to achieve the best products at the most reasonable prices, while allowing the Acquisition Institute flexibility to meet the changing training needs and demands of the acquisition workforce.

It is anticipated that outsourcing will reduce government infrastructure while simultaneously accommodating substantial increases in the number of acquisition employees who receive training. Outsourcing also should improve the quality of service to students and to the DoD and support more efficient business practices. Two caveats: There are start-up costs associated with developing a vendor base, and disruption of present training activities must be kept at a minimum as the Institute is implemented.

## FINDING 5: AUTHORITIES AND RESPONSIBILITIES OF FUNCTIONAL BOARDS

The charters for the functional boards are too broad in scope and do not clearly identify authorities and responsibilities.

## RECOMMENDATION

USD (A&T) should revise the functional board charters to distinguish the responsibility for training requirements (functional board) from the responsibility for curriculum development (Defense Acquisition Institute).

## RATIONALE

### Deficiencies in Current Structure of Functional Boards

The functional boards serve a valid and essential role and generally are effective. In certain respects, however, their charters are too broad.

There are unclear lines of communication on workforce training needs between the functional representatives and the schools.

Unclear authority of the functional boards has resulted in a lack of consistency in setting training requirements.

Intrusion of the functional boards into the classroom teaching process in order to ensure the satisfaction of the user community's educational requirements has impinged on the necessary responsibility of faculty for the instructional program.

### Proposed Charter for Functional Boards

#### (SAMPLE DoD FUNCTIONAL BOARD CHARTER)

#### DEFENSE \_\_\_\_\_ CAREER MANAGEMENT BOARD CHARTER

##### A. PURPOSE

This charter prescribes the mission, composition, and responsibilities of the \_\_\_\_\_ Functional Board (\_\_\_FB) and is issued under DoD Directive 5105.18, DoD Directive 5000.52, and DoD 5000.52-M. The \_\_\_FB is established by the Under Secretary of Defense for Acquisition and Technology (USD(A&T)).

## B. MISSION

The mission of the \_\_FB is to advise and support the USD(A&T) in developing policies and procedures for civilian and military personnel in Defense \_\_\_\_\_ functions. As such, the \_\_FB shall act as the subject matter expert on the qualifications and career development requirements for the \_\_\_\_\_ career field(s). It shall recommend goals and policies for maintaining a viable Acquisition Corps in the framework of DoD 5000.52-M; under Pub.L.No. 101-510, (references (g) and (b)).

## C. ORGANIZATION AND MEMBERSHIP

1. In advising the USD(A&T), the \_\_FB shall work with the Director, Acquisition Education, Training and Career Development, who serves as the focal point for all matters affecting the performance and proficiency of the acquisition workforce.

2. The \_\_FB shall consist of senior \_\_\_\_\_ officials, either Senior Executive Service or General and/or Flag officer level, from the DoD Components as follows:

a. The \_\_\_\_\_ shall serve as Chair of the \_\_FB . In the Chair absence, an alternate may be designated from among one of the representatives of the Military Departments.

b. The Service Acquisition Executives of the Army, the Navy, and the Air Force shall each designate a senior representative who can effectively represent the functional career field. In addition to representation from the functional area, each Service Director of Acquisition Career Management, or alternate, shall also be a member.

c. (The Directors of Defense Agencies that have \_\_\_\_\_ responsibility shall also be represented on the \_\_FB ).

d. A representative from the Office of the Under Secretary of Defense (Personnel and Readiness), ex-officio and non-voting.

e. The Director, Acquisition Education, Training, and Career Development Policy; ex-officio and non-voting.

f. An Executive Secretary, as designated by the Chair.

3. The Chair may appoint a Working Group comprising representatives of each member and such others as the Chair may deem appropriate.

## D. RESPONSIBILITIES

As the principal advisor to the USD(A&T) on \_\_\_\_\_ career program matters, the Board shall provide functional advice and recommendations in support of the overall Defense Acquisition Education and Training Program to the USD(A&T). It shall:

1. Certify annually to the USD(A&T) the experience, education, and training standards, and career paths specified in DoD 5000.52-M, and that the position category descriptions are current, complete, and accurate.

*SECTION III: FINDINGS AND RECOMMENDATIONS, 5*

2. Provide field-level experts to the Defense Acquisition Institute to serve in working groups as subject matter experts to aid in developing course curriculum.

3. Make recommendations on the establishment or disestablishment of mandatory \_\_\_\_\_ courses in support of the Acquisition Education and Training Program.

4. Identify required functional workforce competencies, which will be used as objectives to educate and train the workforce.

5. Recommend initiatives for enhancing the technical competence in the \_\_\_\_\_ functional area to include crosstraining, internships, and career development and rotational assignments between various DoD Components as well as other Government Agencies.

6. Establish and review periodically the DoD criteria for designating \_\_\_\_\_ acquisition positions.

7. Monitor and evaluate the status of the \_\_\_\_\_ functional area in the Acquisition Corps of the respective DoD Components.

8. Assist in periodic monitoring and evaluation of the effective implementation of DoD 5000.52M within the \_\_\_\_\_ functional area.

E. OPERATIONS

1. The \_\_FB shall establish liaison and coordinate with various offices involved in promoting the professionalism of the acquisition workforce to include Defense Systems Management College, Curriculum Advisory Council, and other appropriate Board, Agencies, and professional organizations.

2. The Board shall meet at least annually. Additional meetings shall be at the discretion of the Chair.

3. Issues requiring the Board's attention that arise between meetings shall either be added to the agenda for the next meeting, or, at the direction of the Chair, shall be coordinated with each Board member by the Executive Secretary.

4. The Executive Secretary shall prepare minutes of meetings for approval of the Chair. Minutes of meetings shall be distributed to all members.

5. The recommendations of the \_\_FB shall be approved by the Chair and appropriately forwarded for decision or implementation.

## **FINDING 6: APPOINTMENT AND ROLE OF CHAIR AND MEMBERSHIP OF ACQUISITION MANAGEMENT FUNCTIONAL BOARD**

The current Chair of the Acquisition Management Functional Board (AMFB) is the Commandant of the Defense Systems Management College (DSMC). This results in a conflict of interest between the needs of the acquisition management community and the needs of the DSMC.

## **RECOMMENDATION**

Board Chairs should be in senior acquisition positions and not hold DAI or other affiliated academic institution positions.

## **RATIONALE**

### Deficiencies in Current Organization of AMFB

The Acquisition Management Functional Board is hampered in its own operation and in its relationship to other functional boards and elements of the program because the chair is currently the Commandant of a School.

Briefings received by the Process Action Team indicated that present membership and organizational structure of the AMFB have resulted in problems between DSMC, DAU, and many of the functional boards. This conflict has made it difficult to determine required courses for the various career fields, and to integrate "common course content" suggested by other functional boards. The PAT recommends, therefore, that the AMFB be restructured using the following "strawman" as a guide.

### Proposed Acquisition Management Functional Board Organization

**Chair:** The Chairperson of the Acquisition Management Functional Board should be an SES or Flag Officer who has broad experience in senior-level program management positions. The position of Chair should be a two-year revolving assignment among DoD Components.

**Membership:** Each DoD CAE should appoint a senior program manager to represent the Service and DoD Component program management career community. Each DoD CAE should also identify workgroup members to support and participate in activities necessary to satisfy specific responsibilities of the AMFB. As is the case with other functional boards, the Service and Agency Directors of Acquisition Career Management (DACM's) or designated representatives should also be members of the AMFB.

*SECTION III: FINDINGS AND RECOMMENDATIONS, 6*

Responsibilities: Overall responsibility of the AMFB is to provide oversight of the career management and professionalization of the program management career field. Specific Responsibilities Include:

- Annual certification to the USD(A&T) of:
  - Education, training, & experience standards
  - Currency of position category descriptions
- Recommendation of career development, common functional competencies, and related initiatives.

The structure outlined above ensures that the interests and needs of the program management career field, as a requirements generator, are free of potential conflicts from those who must satisfy the requirements. In working with other functional boards, the AMFB will also be responsible to identify common acquisition functional requirements.

## **FINDING 7: EDUCATION AND TRAINING FOR THE NON-DAWIA WORKFORCE**

Acquisition education and training needs of the non-DAWIA workforce are not being adequately addressed.

### **RECOMMENDATION**

Component Acquisition Executives (CAE) should identify the occupations and employees outside of the DAWIA workforce who require acquisition education and training, and their education and training needs using the Defense Acquisition Institute course offerings, as appropriate.

### **RATIONALE**

#### **Current Inadequate Training for Non-DAWIA Personnel**

To date, most education and training provided by the DAU Consortium has been conducted to satisfy mandatory course requirements for certification and assignment specific courses required by the DAWIA workforce. All funding and associated activities have been focused primarily on satisfying the needs of the DAWIA workforce to the exclusion of others who may also require acquisition education. While there is a recognized need for acquisition education and training for some employees not in the DAWIA workforce, there is no process in place to define their education and training needs. For example, a materiel manager, not in an acquisition position, may require instruction on recent simplified acquisition procedures or in using the latest cost-estimating tool.

#### **Expanded Responsibilities of Component Acquisition Executives**

While there may be others who influence the determination of education and training for the non-DAWIA workforce, Component Acquisition Executives are in the best position to assess unique training needs of their workforce. To carry out this recommendation CAE's will have to set up a process to identify individuals and occupations that require acquisition education and training. In addition, it should be understood that extending acquisition education and training to the non-DAWIA workforce, without increasing the training budget, will reduce the Institute's capability to provide certification and continuing acquisition education and training to the DAWIA workforce.

## **SECTION IV: SUMMARY OF END STATE IMPROVEMENTS**

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Thus, the Defense Acquisition Institute is positioned to develop a model education and training program for the DoD. Its *raison d'être* is to work cooperatively with functional boards to ensure that the DoD needs are met and that the acquisition workforce engages in high quality programs that increase their knowledge and productivity. To summarize the end state, the Institute will:

- Be accountable as a provider of acquisition education not a coordinator of education;
- Design and develop curriculum and course content;
- Feature a preeminent faculty with an appropriate mix of academicians and practitioners;
- Reach beyond the present DAWIA workforce;
- Be smaller than the consortium and employ best value principles in assigning education and training functions between the private sector and organic providers;
- Use technology-based learning more extensively; and
- Provide continuing acquisition education for professional development.

## ***SECTION V: TRANSITION PLAN***

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To develop and implement a detailed implementation plan for the Defense Acquisition Institute, the PAT recommends that the USD (A&T) immediately appoint a transition team. It is further recommended that the transition team not include personnel from DAU, DSMC, or the consortium schools. Key strategies to maximize a smooth are enumerated below.

### **KEY TRANSITION STRATEGIES**

- Approve end-state;
- Appoint senior level transition team;
- Existing education and training operations continue until the DAI becomes operational;
- Development of technology-based education and training process is increased;
- Funding is properly aligned to successfully implement the transition plan;
- Initiate search for CEO and provost;
- Lines of authority are restructured to have DSMC report to the DAU.

*SECTION V: TRANSITION PLAN*

**MAJOR MILESTONES FROM SEPTEMBER 1997 TO NOVEMBER 1999 (See Appendix C, Acquisition Institute Transition Plan)**

Although the transition schedule is aggressive, it is the consensus of the PAT that key decisions early on will provide the momentum to carry the process to the desired end-state.

The PERT charts, figure D and appendix C, detail all the milestones of the transition process. Major milestones from September 1997 to November 1999 are shown below.

- Defense Acquisition Institute concept approved ..... Sep 97
- The USD(A&T) selects the leadership of a transition team ..... Sep 97
- The USD(A&T) initiates the search for the CEO and Provost of the Defense Acquisition Institute..... Sep 97
- USD(A&T) staff assess current budget and requirements; and drafts a program budget decision (PBD), if necessary ..... Oct 97
- Functional boards given new charters, structure, and responsibilities..... Oct 97
- To facilitate transition:
  - The USD(A&T) requires Commandant of DSMC to report solely to President of DAU ..... Oct 97
  - The USD(A&T) stipulates that no head of a consortium school should be permitted to chair a functional board..... Oct 97
- Transition team in place..... Jan 98
- USD (A&T) appoints CEO and provost of Institute, who report to USD (A&T)..... Jan 98
- The DAU reports to the CEO, Defense Acquisition Institute ..... Jan 98
- Development of detailed implementation plan ..... Aug 98
- The Defense Acquisition Institute is operational ..... Nov 99
- Executive Board for the DAI established..... Nov 99

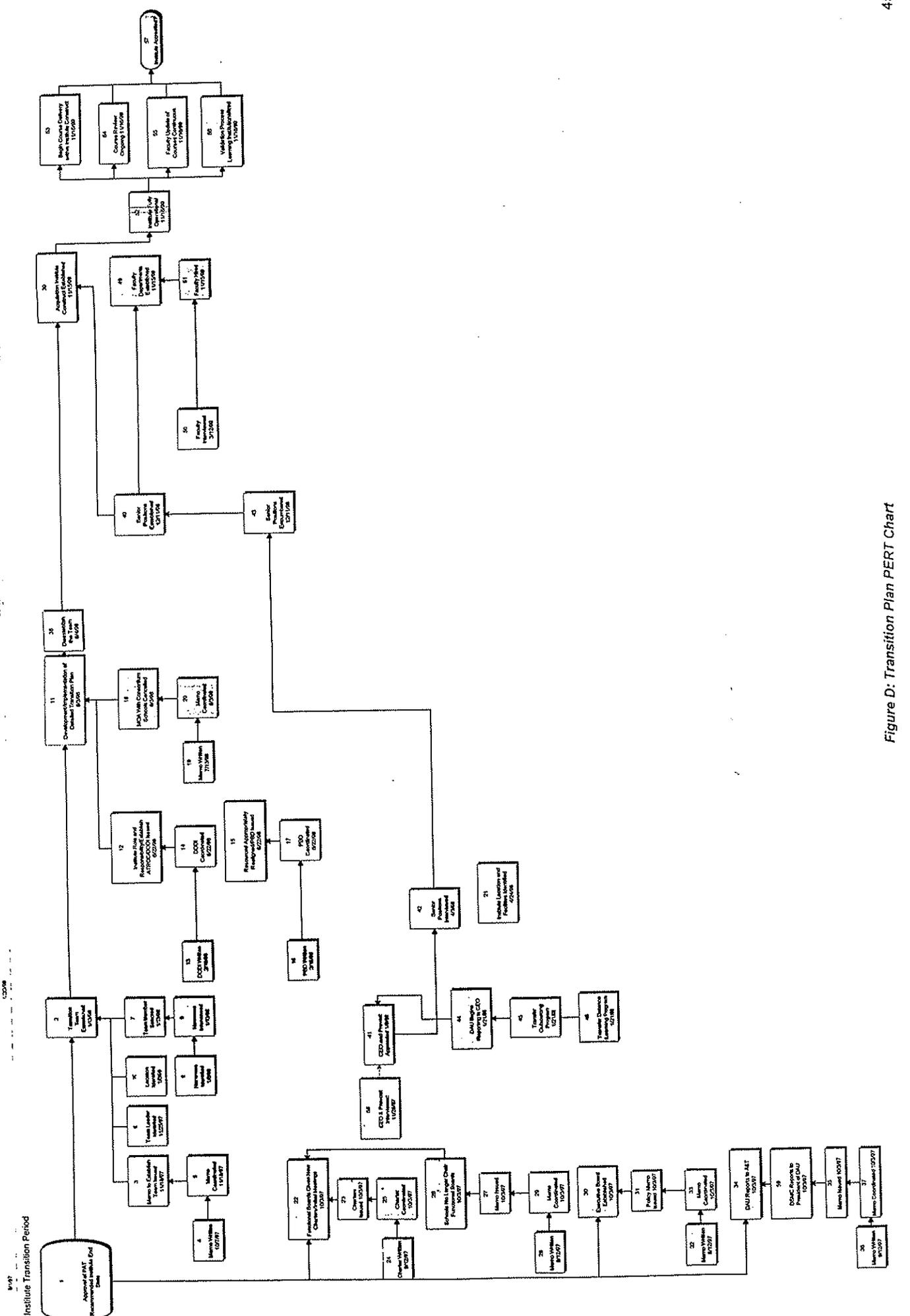


Figure D: Transition Plan PERT Chart

## APPENDIX A

### PROCESS ACTION TEAM MEMBERS

- **BG Dick Black** (Advisor), Commandant, Defense Systems Management College
- **Keith Charles** (alternate: **Marlu Vance**), Deputy Director Acquisition Career Management, Department of Army
- **Tom Crean** (Advisor), President, Defense Acquisition University
- **Peter DeMayo** (alternate: **Mike Mitchell**), Vice President, Contract Policy, Lockheed Martin
- **Ollie Donelan**, Chief Manpower Operations Division, SOCOM Acquisition Executive
- **Dr. Gertrude Eaton**, Associate Vice Chancellor, University of Maryland
- **Ken Hansen** (alternate: **Bob Stuff**), Vice President and Assistant Director, Motorola University
- **Bill Hauenstein** (alternate: **Anne Ryan**), Director Acquisition Career Management, ASN(RD&A)
- **Katherine Hollis** (alternate: **Al Smith**), DIIOSS Project Manager, DISA
- **Eric Levi**, Team Leader, Consultant, Raytheon Corporation
- **Dr. Jim McMichael**, Coordinator/Advisor, Director, Acquisition Education, Training and Career Development
- **Dr. Margaret Myers** (alternate: **Joyce France**), Acting Deputy Assistant Secretary of Defense (C3I Acquisition)
- **Donna Richbourg**, Executive Director, DUSD (Acquisition Reform)
- **Mark Schaeffer** (alternate: **George Desiderio**), Deputy Director Systems Engineering, OSD
- **Harry Schulte** (alternate: **Joe Diamond**), Air Force Program Executive Officer for Weapons, SAF/AQ
- **Caral Spangler** (alternate: **Robert Rodriguez**), Assistant Director, Personnel and Resources, OUSD.
- **Ed Swiatek**, Western District Deputy, Defense Contract Management Command

## APPENDIX B

### BRIEFINGS

#### *Senior Leaders*

- **Hon. John Hamre**, Under Secretary of Defense (Comptroller/Chief Financial Officer)
- **Hon. Noel Longuemare**, Acting Under Secretary of Defense (Acquisition and Technology)
- **Dr. Kenneth Oscar**, Deputy Assistant Secretary of the Army (Procurement)
- **Mr. Keith Charles**, Deputy Director Acquisition Career Management
- **Rear Admiral Michael Sullivan**, Principal Deputy Assistant Secretary of the Navy (Research, Development and Acquisition)
- **Hon. Arthur Money**, Assistant Secretary of the Air Force (Acquisition)
- **Ms. Donna Richbourg**, Acting Deputy Under Secretary of Defense (Acquisition Reform)
- **Mr. Mark Schaffer**, Deputy Director Systems Engineering, OSD
- **Dr. Patrica A. Sanders**, Deputy Director Test Facilities Resources/Director Defense Test Systems Engineering and Evaluation/Office Under Secretary of Defense (Acquisition & Technology)
- **MG Robert Drewes**, Deputy Director Acquisition, DLA and Commander, Defense Contract Management Command

#### *Functional Boards*

- Acquisition Management Functional Board, BG Richard Black
- Defense Contract Audit Functional Board, Mr. Earl Newman
- Defense Contracting Career Management Board, Ms. Eleanor Spector
- Business, Cost Estimating and Financial Management Functional Board, Mr. Dan Czelusniak
- Technical Management Functional Board, Dr. Patricia Sanders and Mr. Mark Schaeffer.

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### ***Law and Policy***

- Defense Acquisition Workforce Improvement Act (Dr. Jim McMichael)
- Defense Acquisition Education, Training and Career Development Policy and Programs (Dr. Jim McMichael)

### ***Schools***

- Defense Acquisition University (Mr. Tom Crean)
- Motorola University (Mr. Ken Hansen)
- Defense Systems Management College (BG Dick Black)
- Army Logistics Management College (Dr. John Methurne)
- Air Force Institute of Technology (Lt Col Bill Harry)
- Information Resources Management College (Dr. Jerry Smith)
- Industrial College of the Armed Forces (Senior Course) (Dr. Jerome Galloway and Dr. Linda Brandt)
- Naval Center for Acquisition Training (Mr. Dick Graham)
- Naval Post Graduate School (Mr. Dave Lamm)
- Naval Facilities Contracts Training Center (Ms. Shari Durand)
- Lackland Training Facility (Maj Gary Sparrow)
- Defense Contract Audit Institute (Mr. Ken Kischishita)

### ***Other***

- ODUSD Acquisition Reform Role in Acquisition Education and Training (Mr. David Drabkin and Mr. Ric Sylvester)
- Quadrennial Defense Review Summary, (Dr. Jim McMichael)
- Distance Learning (Dr. Lenore Sack)
- Continuing Education, (Ms. Jeanne Carney)
- DAU Core Requirements and Faculty Structure Study, (Dr. Molnar & Mr. Durgala)
- Acquisition Deskbook, (Lt. Col. London)

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- Integration of Information Technology and Weapons Systems Training (CDR Bill Vaughan and Ms. Mary Polydys)
- Executive Institute, DSMC, (Mr. Tony Kausal, Air Force Chair)
- Acquisition Work Force, (Dr. Al Burman)
- OASD(C3I) Views on Information Technology for Acquisition Education and Training, (Dr. Margaret Myers)

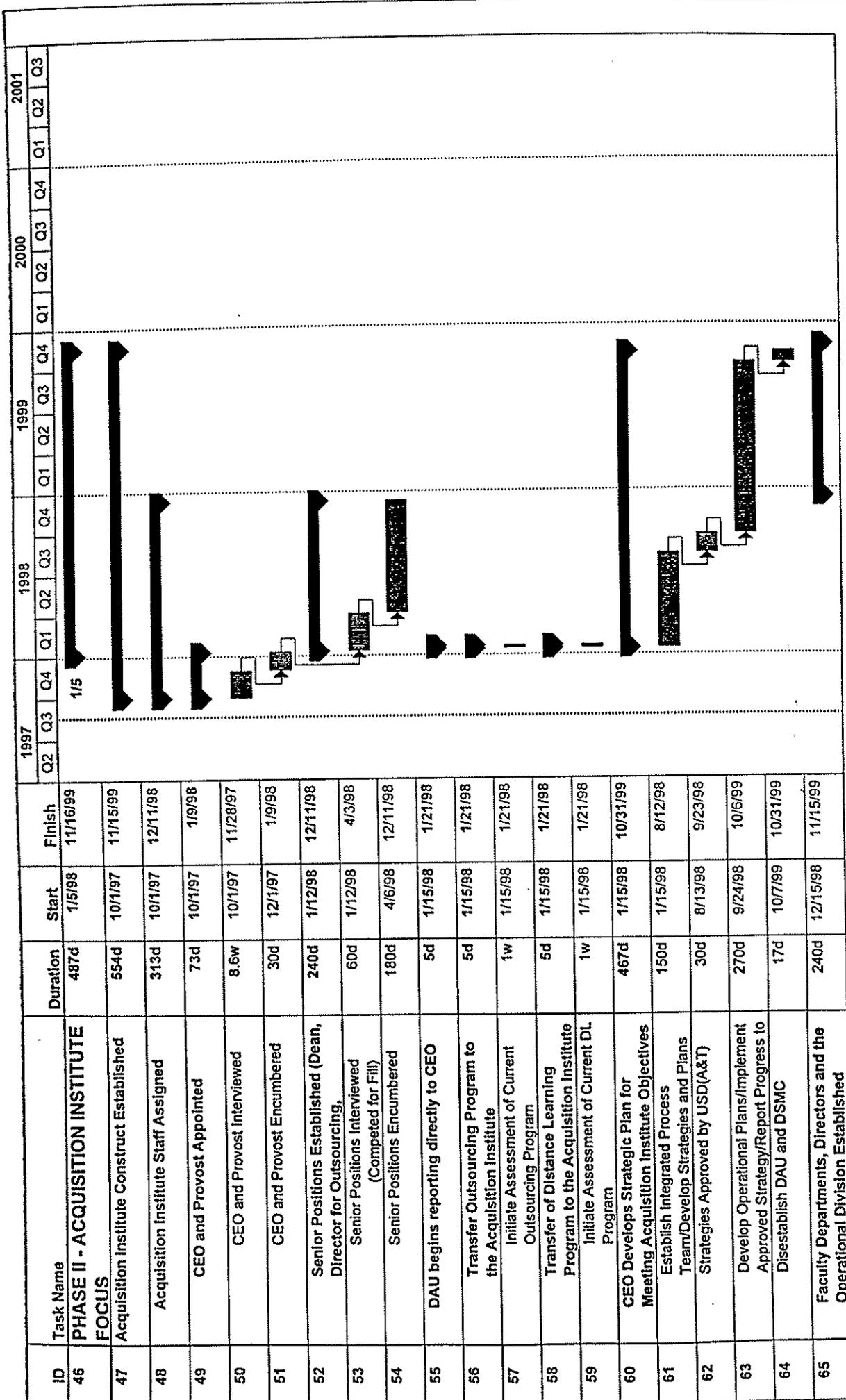
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**APPENDIX C**  
**ACQUISITION INSTITUTE TRANSITION PLAN**









ID	Task Name	Duration	Start	Finish
46	PHASE II - ACQUISITION INSTITUTE FOCUS	487d	1/5/98	11/16/99
47	Acquisition Institute Construct Established	554d	10/1/97	11/15/99
48	Acquisition Institute Staff Assigned	313d	10/1/97	12/11/98
49	CEO and Provost Appointed	73d	10/1/97	1/9/98
50	CEO and Provost Interviewed	8.6w	10/1/97	11/28/97
51	CEO and Provost Encumbered	30d	12/1/97	1/9/98
52	Senior Positions Established (Dean, Director for Outsourcing,	240d	1/12/98	12/11/98
53	Senior Positions Interviewed (Competed for Fill)	60d	1/12/98	4/3/98
54	Senior Positions Encumbered	180d	4/6/98	12/11/98
55	DAU begins reporting directly to CEO	5d	1/15/98	1/21/98
56	Transfer Outsourcing Program to the Acquisition Institute	5d	1/15/98	1/21/98
57	Initiate Assessment of Current Outsourcing Program	1w	1/15/98	1/21/98
58	Transfer of Distance Learning Program to the Acquisition Institute	5d	1/15/98	1/21/98
59	Initiate Assessment of Current DL Program	1w	1/15/98	1/21/98
60	CEO Develops Strategic Plan for Meeting Acquisition Institute Objectives	467d	1/15/98	10/31/99
61	Establish Integrated Process Team/Develop Strategies and Plans	150d	1/15/98	8/12/98
62	Strategies Approved by USD(A&T)	30d	8/13/98	9/23/98
63	Develop Operational Plans/Implement Approved Strategy/Report Progress to	270d	9/24/98	10/6/99
64	Disestablish DAU and DSMC	17d	10/7/99	10/31/99
65	Faculty Departments, Directors and the Operational Division Established	240d	12/15/98	11/15/99

- Task
- Rolled Up Progress
- Milestone
- Summary
- Rolled Up Task
- Rolled Up Milestone

INSTITUTE ENVIRONMENT IMPLEMENTATION PLAN 07/23/97





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**APPENDIX D**  
**CHARTER FOR THE PROCESS ACTION TEAM**  
**FOR**  
**THE DOD ACQUISITION EDUCATION AND TRAINING**  
**STRUCTURE AND PROCESS**

CHARTER FOR THE PROCESS ACTION TEAM  
FOR  
THE DOD ACQUISITION EDUCATION AND TRAINING  
STRUCTURE AND PROCESS

I. Background

Public Law 101-510, "National Defense Authorization Act for Fiscal Year 1991", also known as the "Defense Acquisition Workforce Improvement Act" (DAWIA), was enacted on 5 November 1990. The primary purpose of DAWIA is to enhance the professionalism of the acquisition workforce (AWF). The Department has diligently pursued this purpose. As a result, the structure and processes governing the Department's acquisition education and training were dramatically changed. These changes, in the main, have been in place for approximately five years.

It is now appropriate to assess where we are, how we got there, create a clear vision for the future, apply the lessons learned from the past, and create the model, processes, organizational alignment and infrastructure that will facilitate reaching the required state to best serve the AWF and ultimately the warfighters in the year 2000 and beyond. This assessment should not be narrowly limited to marginal modifications to the current state; it should be broad enough to encompass a re-engineering approach to the entire spectrum of the Department's acquisition education and training structure and process.

II. Authority

The Under Secretary of Defense (Acquisition & Technology) (USD(A&T)) directed that a cross-functional Process Action Team (PAT) be established, comprised of and limited to the following members:

Team Leader: Mr. Eric Levi  
OSD, DUSD(AR) Coordinator/Advisor: Dr. James McMichael  
OSD, USD(A&T): Mr. Mark Schaeffer  
OSD, ASD(C3I)  
JCS(J7)  
Army PEO or DCG(Acq)  
Navy PEO or DAC  
Air Force PEO or DAC  
SOCOM  
DCMC  
DISA

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BMDO  
OSD, USD(C)  
Academia and BOV: Dr. Lionel Baldwin

BOV: TBD

Industry: From Motorola University

Student

Advisors may be used as necessary (e.g. President, DAU; Commandant, DSMC).

The PAT will report to the Defense Acquisition Career Development Council (DACDC) whose membership comprises of the following:

USD(A&T)  
PDUSD(A&T)  
VCJCS  
USD(C)  
ASD(C31)  
ASD(FMP)  
ASA(RDA)  
ASN(RDA)  
ASAF(A)  
DUSD(AR)

III. Purpose

The team will, within 45 working days, perform a comprehensive review of the Department's acquisition education and training structure and processes. Included as part of this review will be a plan to modify or re-engineer any portion of the education and training structure and process needing revision. The plan will be sufficiently precise and detailed to answer questions relating to Who, What, Where, When, Why and How. It will identify: the current structure and processes; and review the process that created that structure and processes; lessons learned and apply those lessons as it creates the model, processes, organizational alignment and infrastructure appropriate for the future. The team will address the following issues, areas and relationships:

REQUIRED TASKS

1. Review DoD (separately address OSD) organization, infrastructure., and command and coordination relationships directly involved in acquisition education and training. The team will recommend any changes to the organization, infrastructure and command and coordination relationships between and among OSD; the Services; Office of the President, DAU (OPDAU); DAU Consortium members; Director, Acquisition Career

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Management (DACM); and the Functional Boards that will best serve the AWF and ultimately the warfighters.

- a. Review the Service General/Flag Officer/SES representation in DoD leadership of acquisition education, training and career development and provide an appropriate recommendation.
  - b. Examine the dual role of Functional Board Chair and Commandant, DSMC.
2. Ensure that the application of Information Technology (i.e. distance learning) is addressed in the delivery of all acquisition courses.
  3. Examine the continuing education needs of the AWF during an acquisition career; provide an appropriate recommendation on executing this mission.
  4. Examine and provide a recommendation that will lead to the appropriate level of integration of Information Technology and Weapons Systems training to meet the needs of the AWF.

### DESIRED TASKS

1. Review and recommend-if appropriate-downsizing/consolidation/merger of functions, schools and facilities.
2. Identify the size, demographics, organizational affiliation and training needs of the non-DAWIA AWF---what training should they receive and how should it be provided. Identify the appropriate MIS required to support them.
3. Examine and recommend how acquisition education and training can support the QDR, the National Defense Panel and the Reform Panel.

#### IV. PAT Products

The team's report shall include the results of the assessments noted above; recommendations and alternatives with supporting rationale for structures, alignments, command/cooperation relationships between and among the OSD staff, Service staffs Acquisition Executives, DACMs, Agency staffs, and DoD educational entities -- specifically the Defense Acquisition

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University's Consortium members and the Office of the President, DAU. The report shall include a time-phased plan to implement the recommendations.

V. Roles And Responsibilities

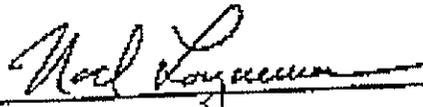
The team leader will be responsible for task accomplishment, management of team activities, and reporting. The team leader will provide a status report to the DACDC at a mutually agreeable time. The OSD staff, Military Departments, the joint staff, and Agencies will provide representatives knowledgeable, experienced and capable of participating actively and contributing to the team effort and its final report. DUSD(AR) will provide administrative support to the team.

Representative's names will be provided to the DUSD(AR) prior to COB 28 May

97. Personnel will be expected to devote full time to this effort effective 0800 on 4 Jun 97 and meet three days a week (Wednesday to Friday).

Participants parent organization will provide the funds to support all costs (e.g., travel, personnel, administrative) of their members to this team. DUSD(AR) will provide funds required to support team travel (other than TDY).

The team will start this effort on 4 Jun 97. The team leader will deliver the final report to the DACDC within 45 working days of the above date.



R. Noel Longuemare  
Acting Under Secretary of Defense  
(Acquisition and Technology)

5/20/97

## APPENDIX E

### GLOSSARY OF ACRONYMS

<b>AET&amp;CD</b>	Acquisition Education, Training and Career Development
<b>AETROC</b>	Acquisition Education and Training Requirements Oversight Council
<b>AFIT</b>	Air Force Institute of Technology
<b>ALMC</b>	Army Logistics Management College
<b>AMEC</b>	Army Management Engineering College
<b>AMFB</b>	Acquisition Management Functional Board
<b>BCEFM</b>	Business, Cost Estimating, and Financial Management
<b>CAE</b>	Component Acquisition Executive
<b>CD ROM</b>	Compact Disk Read Only Memory
<b>COTR</b>	Contracting Officer's Technical Representative
<b>DACI</b>	Defense Contract Audit Institute
<b>DACM</b>	Director Acquisition Career Management
<b>DAET&amp;CD</b>	Director, Acquisition Education, Training & Career Development
<b>DAI</b>	Defense Acquisition Institute
<b>DAI</b>	Defense Acquisition Institute
<b>DAU</b>	Defense Acquisition University
<b>DAWIA</b>	Defense Acquisition Workforce Improvement Act
<b>DCCMB</b>	Defense Contracting Career Management Board
<b>DCPSO</b>	Defense Civilian Personnel Support Office
<b>DDP</b>	Director of Defense Procurement
<b>DoD</b>	Department of Defense
<b>DOD/IG</b>	Department of Defense Inspector General

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<b>DoDI</b>	Department of Defense Instruction
<b>DSMC</b>	Defense Systems Management College
<b>FTE</b>	Full Time Equivalent
<b>ICAF</b>	Industrial College of the Armed Forces
<b>IRMC</b>	Information Resources Management
<b>LTF</b>	Lackland Training Facility
<b>MAM</b>	Material Acquisition Management
<b>MOA</b>	Memorandum of Agreement
<b>NCAT</b>	Naval Center for Acquisition Training
<b>NFCTC</b>	Naval Facilities Contract Training Center
<b>NPR</b>	National Performance Review
<b>NPS</b>	Naval Postgraduate School
<b>NWAD</b>	Naval Warfare Assessment Division
<b>OUSD(A&amp;T)</b>	Office of the Undersecretary of Defense (Acquisition and Technology)
<b>PBD</b>	Program Budget Decision
<b>PM</b>	Program Manager
<b>PME</b>	Professional Military Education
<b>PPBS</b>	Planning, Programming and Budget System
<b>PRB</b>	Program Review Board
<b>QDR</b>	Quadrennial Defense Review
<b>SAE</b>	Service Acquisition Executive
<b>SES</b>	Senior Executive Service
<b>TDY</b>	Temporary Duty
<b>TMFB</b>	Technical Management Functional Board
<b>USD(A&amp;T)</b>	Under Secretary of Defense (Acquisition and Technology)

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<b>WSAM</b>	Weapon System Acquisition Management
<b>WWW</b>	World Wide Web

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**APPENDIX F**  
MEMORANDUM FROM PAT MEMBER

MEMORANDUM FOR Mr. Eric Levi

15 August 1997

SUBJECT: FINAL REPORT OF THE PROCESS ACTION TEAM ON ACQUISITION  
EDUCATION AND TRAINING MANAGEMENT ORGANIZATIONAL STRUCTURE  
AND PROCESS

As the USD(A&T) representative to the DoD Training and Education PAT, I have reviewed the draft PAT report and I can not concur with it as written. The report needs to be changed in several areas before it is released outside the PAT membership.

Overall, I am in agreement with the described "end state" vision, mission, and the Summary of End State Improvements described in Section 4. I object, however, to the report's proposed approach for getting to the "end state". I believe we can achieve the desired "end state" by evolving our current Defense Acquisition University organizational structure through a series of near term and long term actions. As a minimum, the following near term actions need to occur:

- The President, DAU should be directed by USD(A&T) to develop a detailed transition plan with both near term and long term actions directed towards evolving to the desired "end state".
- The Acquisition Management Functional Board should no longer be chaired by the Commandant, Defense Systems Management College (DSMC).
- DSMC should report directly to the President, DAU.
- The functional board charters should be reviewed and revised, if required, to ensure that functional areas are appropriately assigned and to eliminate responsibilities and authorities inappropriate or impractical for the boards to exercise.

Following this approach would allow us to achieve the same end point in a much more timely manner with much less turmoil and disruption of our personnel. Included at the attachment are additional comments geared to specific areas of the report. If you have any questions or would like to discuss this further please call me at (703) 697-6329.

Mark D. Schaeffer  
Deputy Director  
Systems Engineering

Attachment

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- (1) The detailed transition plan should be eliminated from the draft PAT report

Rationale: I do not concur with including a detailed transition plan within the final report nor do I concur with the details of the Transition Plan as described in Section 1 pages 8-9 and Section 5. Specifically, I do not agree that a separate Transition Team needs to be established in order to migrate from our existing Defense Acquisition University (DAU) structure to that described as the "end state". Rather, I believe the desired "end state" should evolve from our existing DAU organizational structure, using existing resources to effect this change with the least amount of confusion and personnel turmoil. The detailed transition plan from the existing DAU Consortium structure to the desired "end state" should be developed by the President, DAU subject to approval by the USD(A&T)

- (2) The PAT report should not specify that the leadership should be a military or Sched C appointee.

Rationale: While I agree that the leadership of the "end state" Institute needs to have sufficient leadership abilities, stature and experience in both DoD acquisition and academia, I do not agree that these qualifications are unique to either the military or a Schedule C political appointee.

- (3) Pg. 3. Revise bullet #3 to read as follows: "The DAU Consortium has not made sufficient use of commercial outsourcing to meet training requirements"

Rationale: The wording of bullet# 3 has a pointed and negative connotation. The DAU was established as a Consortium. Contracting out training was not a priority at the time the DAU was established. It is my understanding that DAU has recently been given direction to explore this avenue further.

- (4) Pg. 3. Eliminate bullet # 4 which discusses the charter for the functional boards.

Rationale: The current functional board charters do clearly identify authorities and responsibilities. There is an issue with some over whether these authorities and responsibilities are appropriate for the boards. I believe the functional boards are the "user representative" in the course development process and as such are a customer of the schools. In my opinion, the existing responsibilities and authorities vested in the boards reflect a proper "customer-provider" relationship with the schools and are appropriate.

- (5) Pg. 4 . The proposed Defense Acquisition Institute Organization should only be described in terms of the functions that need to be performed rather than in terms of the specific departments and numbers of faculty.

Rationale: The proposed structure is not based upon a detailed analysis. Describing the Institute in terms of the functions that need to be performed i.e. performance requirements allows greater flexibility in designing an Institute that meets the DoD's

needs. This approach is also more consistent with our current DoD Acquisition philosophy.

- (6) Pg. 6. Do not concur with the diagram (Fig C) describing the "End State Process" or the discussion below it. This diagram and discussion needs to be revised to indicate that the functional boards identify the training requirements which are then validated by the Acquisition Training Requirements Oversight Council before they are input to the Institute. In addition, there needs to be a feedback loop from the Institute to the functional boards to allow the boards to determine whether the Institute met the requirement.

Rationale: Functional boards are the principal "user representative" in the training development process and as such are the "customer" of these courses until they are approved for delivery to the "user community". Normal "customer-provider" relationships would allow the customer to accept or reject the product.

- (7) Pg. 7. Revise the second bullet under "Summary of End State Improvements to read as follows: "Design and develop the curriculum and course content based upon requirements provided by the functional board. The final product will be subject to approval by the functional boards"

Rationale: Establishes the proper "customer-provider" relationship.

- (8) Pg. 20. The discussion under the second paragraph under the title Faculty Roles and Responsibilities needs to be revised to accurately portray what was presented to the PAT

Rationale: I disagree that the PAT heard that the disagreements between boards and schools were due to decentralization and poor accountability. What the PAT heard was that the schools were not able to satisfactorily meet the functional boards requirements in a timely manner without extensive intervention by the functional boards. Major areas of disagreement were over the interpretation of policy and how to best implement these policies in the field.