NDIA 29th Annual Test and Evaluation Conference

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Overview

• Testing in the Acquisition Environment
  – Interim Update to DoDI 5000.02

• Better Buying Power 2.0
  – Improving the Professionalism of the T&E Workforce

• Industry Partnerships
  – ICOTE

• Budgetary Challenges
DoD Instruction 5000.02
“Operation of the Defense Acquisition System”

- Decrease emphasis on “rules” and increase emphasis on process intent and thoughtful program planning

- Shift developmental testing and evaluation left to inform Milestone B and Milestone C decisions

- Provide program structures and procedures tailored to the dominant characteristics of the product being acquired and to unique program circumstances, e.g., risk and urgency

- Enhance the discussion of program management responsibility and key supporting disciplines

- Institutionalize changes to statute and policy since the last issuance of DoD Instruction 5000.02 in 2008
Better Buying Power 2.0
A Guide to Help You Think

Achieve Affordable Programs
• Mandate affordability as a requirement
• Institute a system of investment planning to derive affordability caps
• Enforce affordability caps

Control Costs Throughout the Product Lifecycle
• Implement “should cost” based management
• Eliminate redundancy within warfighter portfolios
• Institute a system to measure the cost performance of programs and institutions and to assess the effectiveness of acquisition policies
• Build stronger partnerships with the requirements community to control costs
• Increase the incorporation of defense exportability features in initial designs

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

Promote Effective Competition
• Emphasize competition strategies and creating and maintaining competitive environments
• Enforce open system architectures and effectively manage technical data rights
• Increase small business roles and opportunities
• Use the Technology Development phase for true risk reduction

Improve Tradecraft in Acquisition of Services
• Assign senior managers for acquisition of services
• Adopt uniform services market segmentation
• Improve requirements definition/prevent requirements creep
• Increase use of market research
• Increase small business participation
• Strengthen contract management outside the normal acquisition chain – installations, etc.
• Expand use of requirements review boards and tripwires

Eliminate Unproductive Processes and Bureaucracy
• Reduce frequency of OSD level reviews
• Re-emphasize AE, PEO and PM responsibility and accountability
• Eliminate requirements imposed on industry where costs outweigh benefits
• Reduce cycle times while ensuring sound investment decisions

Improve the Professionalism of the Total Acquisition Workforce
• Establish higher standards for key leadership positions
• Establish stronger professional qualification requirements for all acquisition specialties
• Increase the recognition of excellence in acquisition management
• Continue to increase the cost consciousness of the acquisition workforce – change the culture
Budgetary Challenges

• No sequestration in FY 2015
  – DoD portion of FY2015 President’s Budget complies with Budget Control Act (sequestration)

• HOWEVER … the Department faces difficult budget challenges as part of the FY2016-2020 PBR
  – Risk of sequestration
  – Remaining effects of continuing resolutions and Government shutdown