Better Buying Power 3.0
Achieving Dominant Capabilities through Technical Excellence and Innovation

Achieve Affordable Programs
• Continue to set and enforce affordability caps

Achieve Dominant Capabilities While Controlling Lifecycle Costs
• Strengthen and expand “should cost” based cost management
• Anticipate and plan for responsive and emerging threats by building stronger partnerships of acquisition, requirements, and intelligence communities
• Institutionalize stronger DoD level Long Range R&D Program Plans
• Strengthen cybersecurity throughout the product lifecycle

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

Incentivize Innovation in Industry and Government
• Increase the use of prototyping and experimentation
• Emphasize technology insertion and refresh in program planning
• Use Modular Open Systems Architecture to stimulate innovation
• Increase the return on and access to small business research and development
• Provide draft technical requirements to industry early and involve industry in funded concept definition
• Provide clear and objective “best value” definitions to industry

Eliminate Unproductive Processes and Bureaucracy
• Emphasize acquisition chain of command responsibility, authority, and accountability
• Reduce cycle times while ensuring sound investments
• Streamline documentation requirements and staff reviews
• Remove unproductive requirements imposed on industry

Promote Effective Competition
• Create and maintain competitive environments
• Improve DoD outreach for technology and products from global markets
• Increase small business participation, including through more effective use of market research

Improve Tradecraft in Acquisition of Services
• Strengthen contract management outside the normal acquisition chain – installations, etc.
• Improve requirements definition for services
• Improve the effectiveness and productivity of contracted engineering and technical services

Improve the Professionalism of the Total Acquisition Workforce
• Establish higher standards for key leadership positions
• Establish stronger professional qualification requirements for all acquisition specialties
• Strengthen organic engineering capabilities
• Ensure development program leadership is technically qualified to manage R&D activities
• Improve our leaders’ ability to understand and mitigate technical risk
• Increase DoD support for STEM education

Continue Strengthening Our Culture of:
Cost Consciousness, Professionalism, and Technical Excellence
Better Buying Power Principles

Principle 1: People matter most; we can never be too professional or too competent

Principle 2: Data should drive policy

Principle 3: Critical thinking is necessary for success; fixed rules are too constraining

Principle 4: Controlling life cycle cost is one of our jobs; staying on budget isn't enough

Principle 5: Continuous improvement will be more effective than radical change

Principle 6: Incentives work – we get what we reward

Principle 7: Competition, and the threat of competition, is the most effective incentive

Principle 8: Defense acquisition is a team sport

Principle 9: Our technological superiority is at risk and we must respond

Principle 10: We should have the courage to challenge bad policy
Questions?