

# **Acquisition Cycle Time Reduction**

**Defense Systems Affordability  
Council (DSAC)**

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(Acquisition & Technology)**

**1 April 1999**

# Briefing Outline

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- **Baseline**
- **Status**
- **Action Issues**

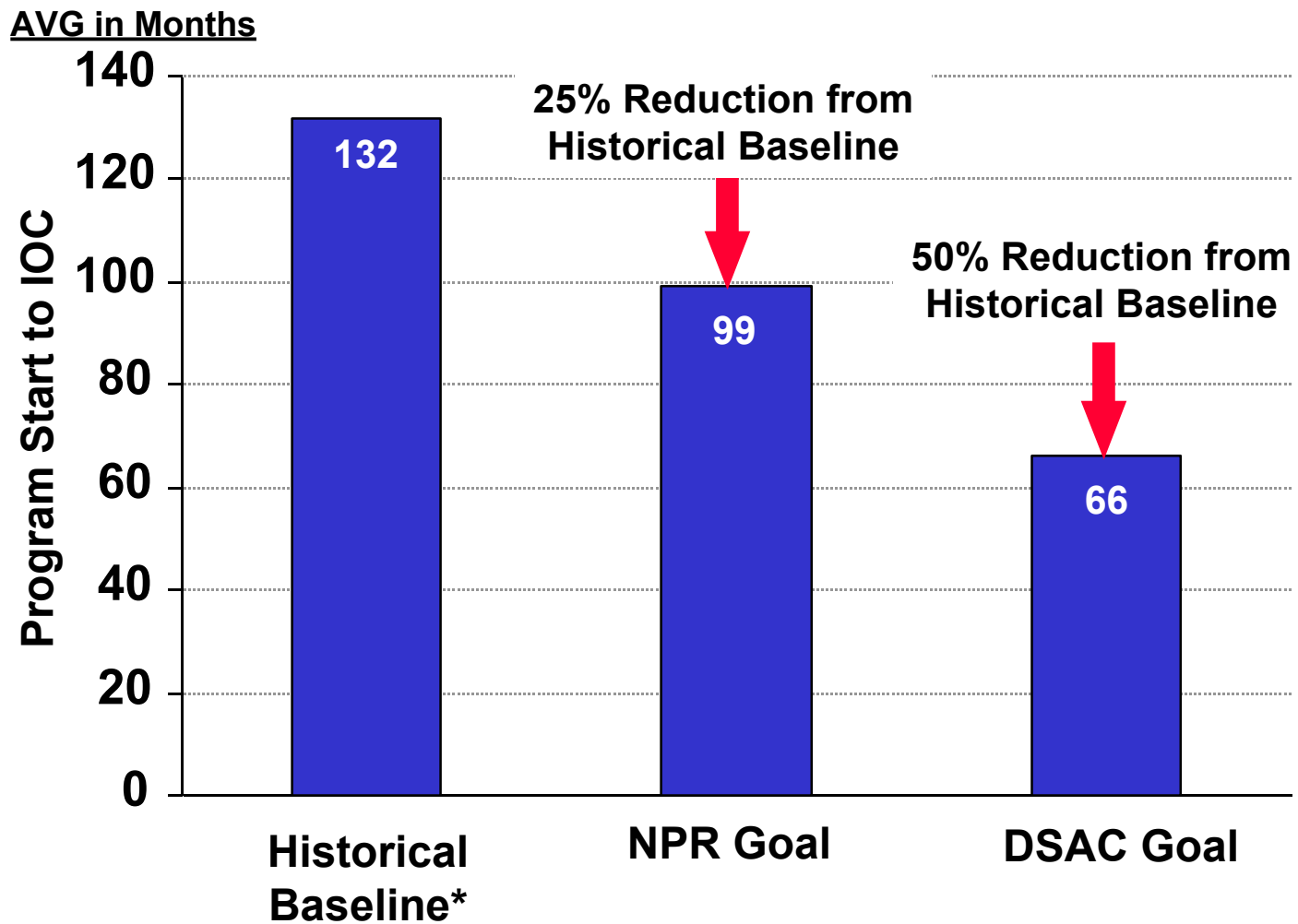
# BASELINE

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***Acquisition Cycle Time =***

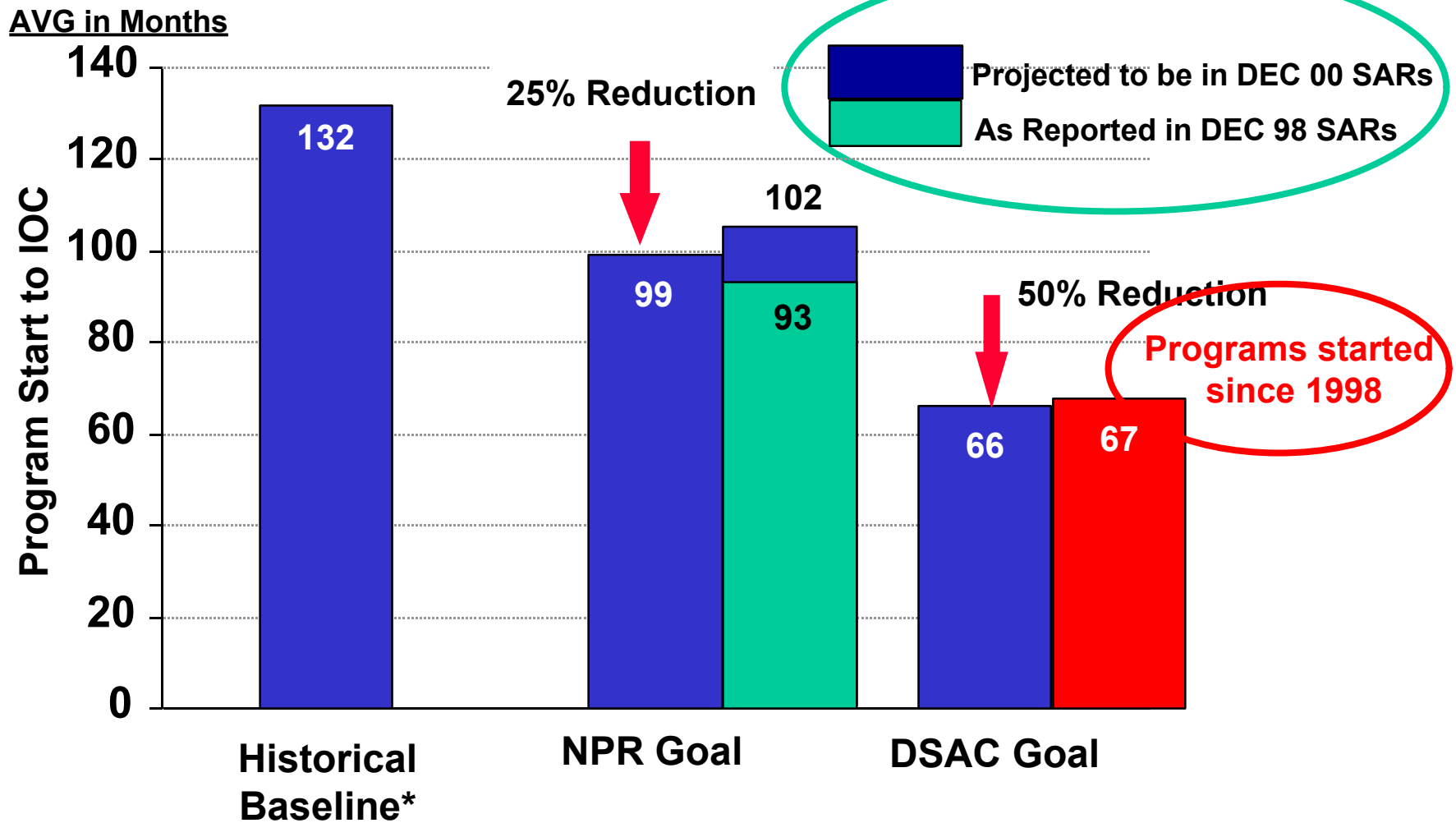
***Program Initiation to IOC***

# BASELINE



\* Pre-1992 programs reflected in Dec 96 SARs

# Status



\* Pre-1992 programs reflected in Dec 96 SARs

# ACTIONS

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- **Developed a cycle time database for MDAPs  
-- A&T(SA)**
- **Developed Business Case for cycle time reduction and conducted missionary work -- A&T(AS&C)**
- **Developed a draft framework for cycle time reduction  
-- A&T(SA)**
- **Made cycle time reduction an integral part of 912C initiatives (in coordination) -- A&T(S&TS)**
- **Revised POM Preparation Instruction for POM-01, requesting cycle time information for all new start candidates -- PA&E, A&T(AR&A)**

# Action Issues

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- **Recent Reviews**

- Acquisition Cycle Time Reduction Task Force
- Section 912 Requirement & Acquisition Interface Working Group

- **Findings -- Cycle times are long because:**

- Programs are often based on revolutionary leap-ahead requirements
- Programs often start with technical risk and uncertainty
- Programs not optimally funded for short cycle times (more programs are approved than budgets can support)
- There is no incentive to have short cycle times

# Action Issues and Approaches

## ISSUE

## APPROACH

Programs often based on revolutionary, leap-ahead requirements



- Revise CJCSI-3170.01 to adopt time-phased, evolutionary requirements, matched to technology & threats -- (J-8)
- Adopt evolutionary acquisition strategy as the preferred way rather than exception - A&T(SA)

Programs often start with technical risk and uncertainty



- Begin annual S&T Mature & Emerging Technology Conference -- A&T(S&T)
- Broad use of demonstration for technology maturity and military utility before starting acquisition -- A&T(AS&C) & (SA)

Programs not optimally funded for short cycle times (*more programs are approved than budgets can support*)



- Review cycle times of new start candidates through POM process -- A&T(SA)
- Perform affordability assessment through POM process -- A&T(AR&A)

No incentive for short cycle times



- Establish 6-year cycle time baseline for new systems and increase management scrutiny of potential IOC slippage -- A&T(SA)
- Reduce funding lead times during transition to acquisition -- A&T(AS&C)



# Section 912 Recommendations

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# Today s Discussion Topics

## ISSUE

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# Evolutionary Acquisition

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## Issue:

- Current policy treats Evolutionary Acquisition as a non-traditional alternative approach

## Action:

- Revise DoD Directive 5000.1 to make evolutionary acquisition the **preferred** approach -- A&T(SA)
- Revise DoD 5000.2-R to document details of what constitutes an evolutionary acquisition strategy -- A&T(SA)
- Develop guidelines and training modules to get the word out -- A&T(AR) & (SA)
- Ensure evolution acquisition principles become a cornerstone in acquisition training and education -- A&T(AR) & (SA)

# Evolutionary Acquisition

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## **Characteristics of evolutionary acquisition:**

- Focus on near-term capability matched to validated threat
- Capitalize on available technologies with demonstrated military utility
- Use a flexible open system architecture that allows capability growth
- Manage each block separately in order to foster continuous improvement and competition for subsequent blocks
- Maintain continuous communications with users, developers, supporters, and testers
- Address longer-term, less-defined requirements through demonstrations, exercises, and experiments
- Perform technology development and risk reduction prior to acquisition initiation

# Transition Funding

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## Issue:

- **Projects that have demonstrated military utility in ATDs, ACTDs, exercises, and warfighting experiments need to wait for POM cycle for acquisition funding**

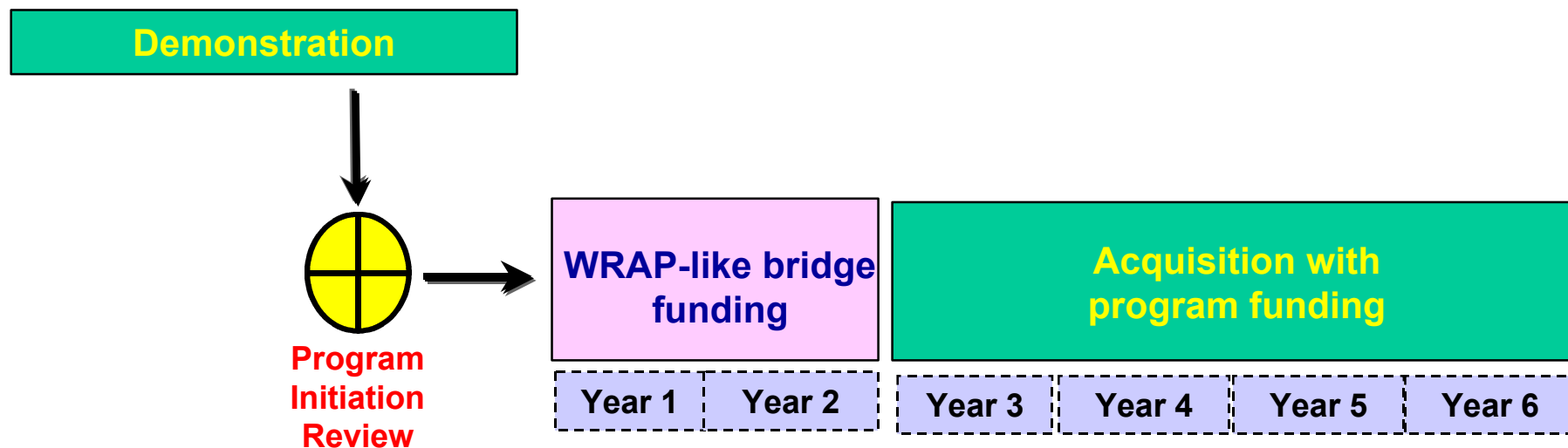
## Action:

- **Encourage and support Navy and Air Force creation of WRAP-like funds**

# Transition Funding

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- Based on Army WRAP Approach
- Funds used to complete evaluation & development
- Intent is to provide two years of procurement funding (RDTE may be provided in some cases)
- Services establish funding levels and internal process beginning in FY 01 (\$25M - \$150M per year per service)
- CINCs participate in candidate selection process



# Summary

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- **Progress to Date:**

- Developed a cycle time database and the baseline for cycle time reduction goals
- Have tracked the programs to the goals
- Developed a “Business Case” for missionary work
- Developed a draft framework for cycle time reduction

- **Near-Term Focus:**

- Implement the Section 912 recommendations and coordinate the draft framework
- Establish and support transition-funding to acquisition
- Review new starts through POM-01 process

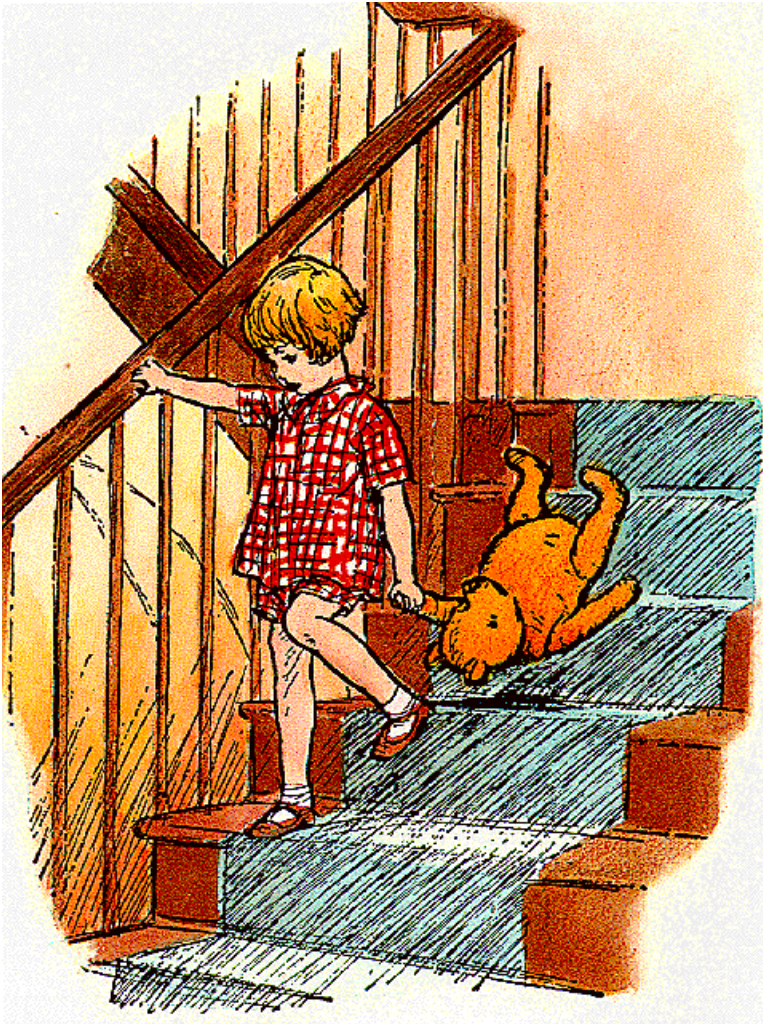
- **Other Actions:**

- Foster broader use of demonstration
- Continue to measure against the NPR & DSAC goals



# A Final Thought from Winnie-the-Pooh

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*It is, as far as he knows,  
the only way of coming  
downstairs,  
but sometimes he feels  
there really is another way,  
if only  
he could stop  
bumping for a moment  
and think of it.*