

ACQUISITION REFORM WEEK III

DEPARTMENT OF THE NAVY SURVEY RESULTS



1998



Leading and Embracing Change: Institutionalizing and Accelerating Acquisition Reform

“I challenge you to embrace AR Week 98 as a catalyst for improving the way we do business.”

John W. Douglass

ASN (RDA)

Memorandum of 23 Feb 98



Overview

- Survey Process
- Survey Demographics
- Effectiveness of Acquisition Reform Results
- AR Week and Training Results
- Comparisons of 1998 - 1997 Results
- Recommendations and Barriers
- Summary



Survey Process

- Questionnaire developed by DoD Component representatives
- Survey data collected primarily via Internet vs. data entry from paper
- Survey hosted on Navy AR web site
 - Central database
 - Linked from other Components
 - Internet-based vehicle facilitated extensive collection of demographic data
- Survey data collection, analysis and production process led by DoN
 - Analysis Team comprised of Navy / AF / Army / DLA / DSMC / OSD/Dynamic Systems, Inc.
- Survey Vehicle
 - 9 closed-ended, 4 open-ended, 4 demographic questions
 - 3,268 survey responses
 - 8,462 comments from open-ended questions

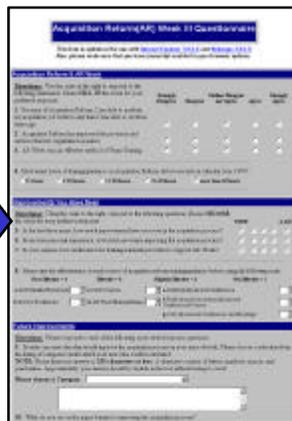


Survey Process Overview

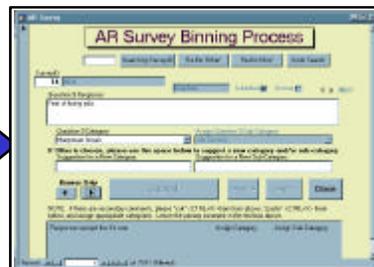
Planning and Design



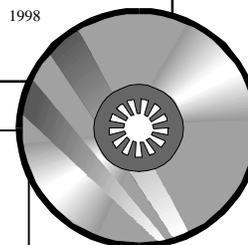
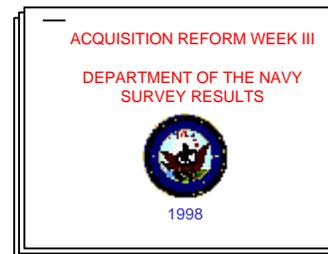
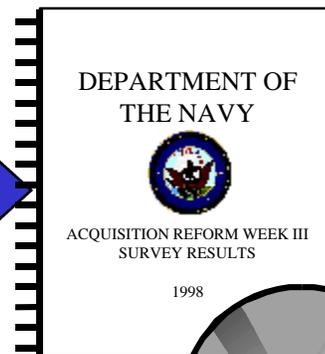
Survey Input



Data Analysis



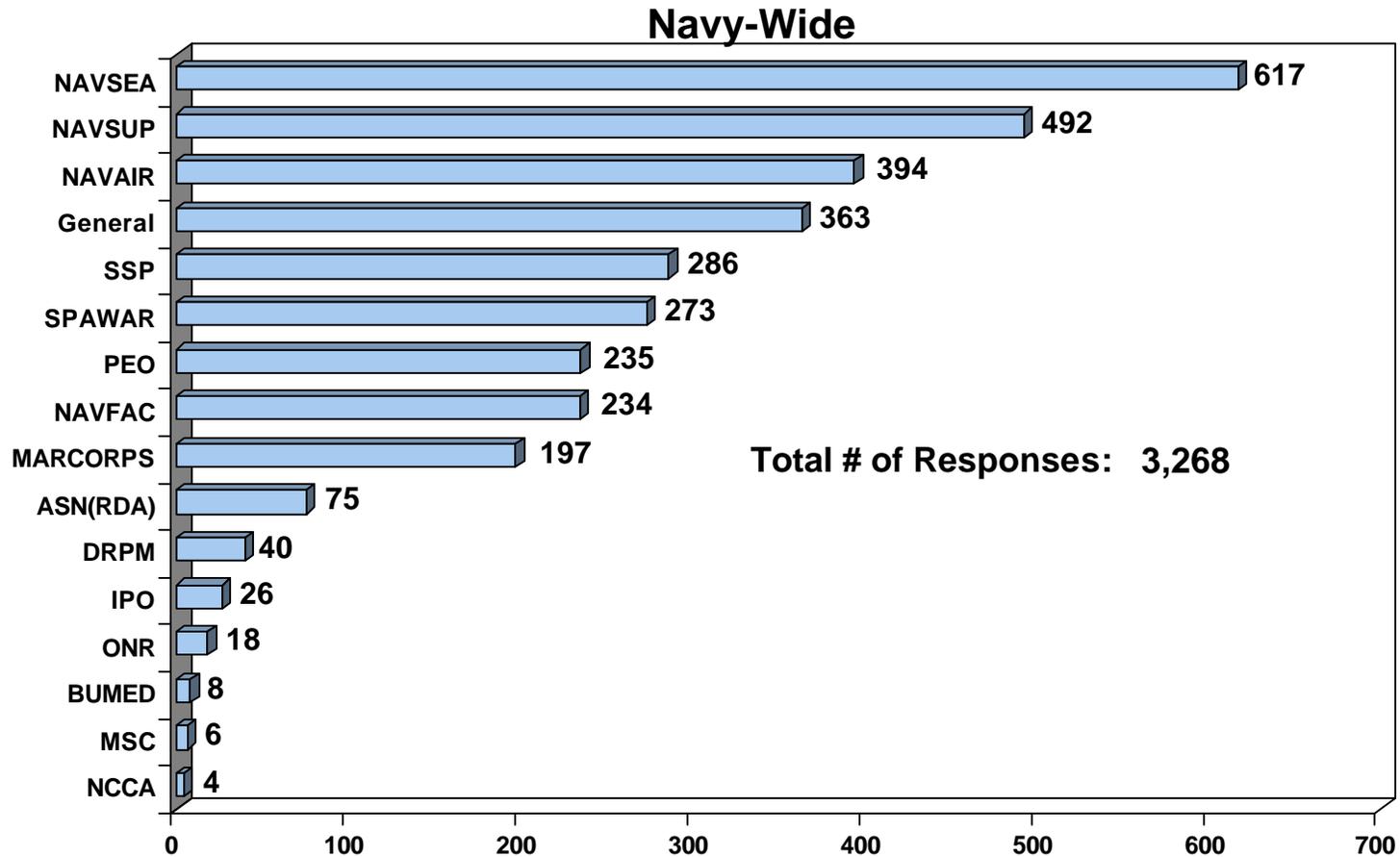
Production





Survey Demographics

Current Organization/Agency



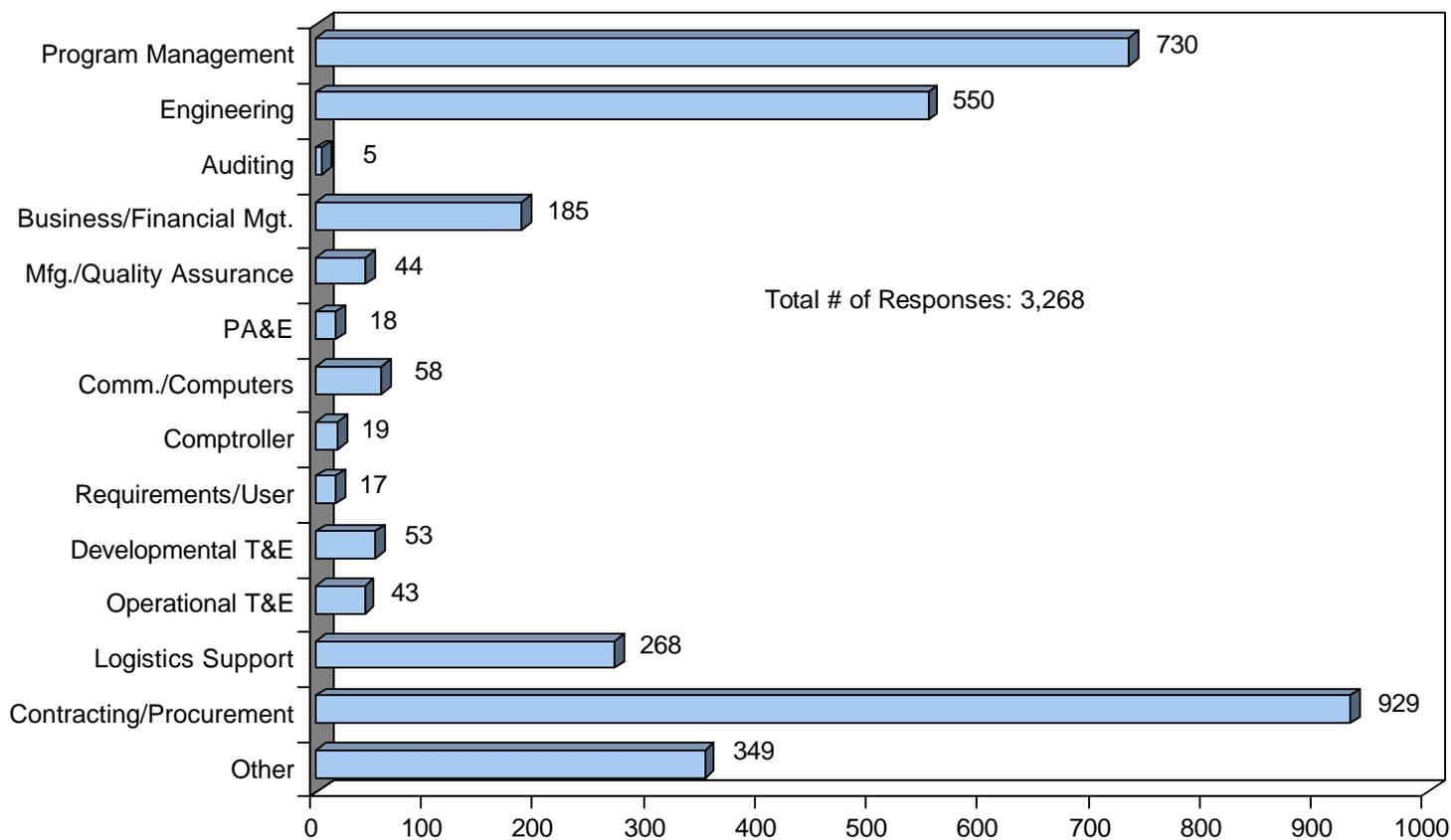
* `General` includes those who selected Navy/Marine Corps but did not select a subordinate organization.



Survey Demographics

Functional Area

Navy-Wide

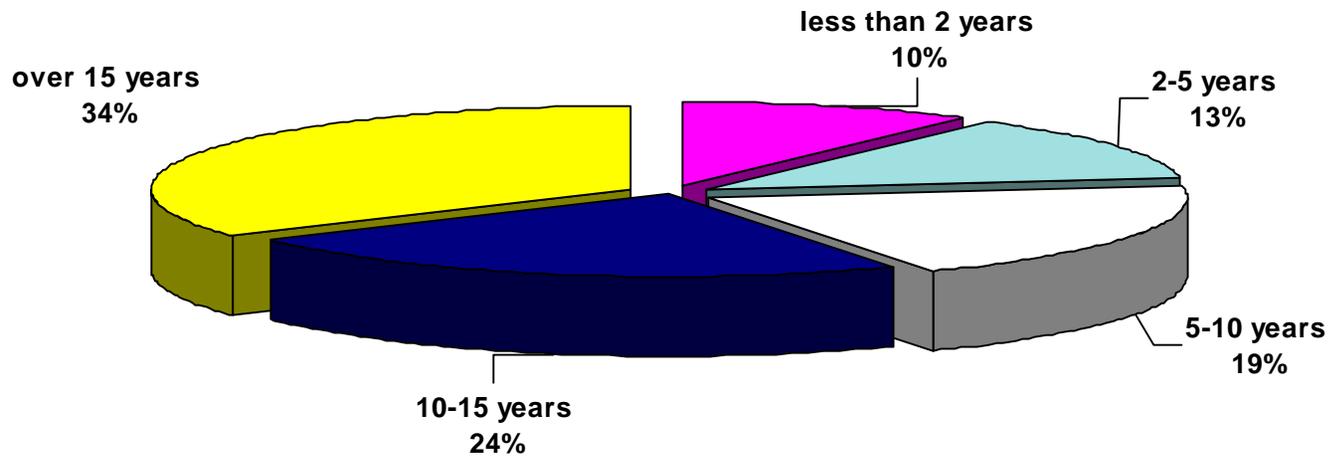




Survey Demographics

Number of Years of Acquisition Experience

Navy-Wide

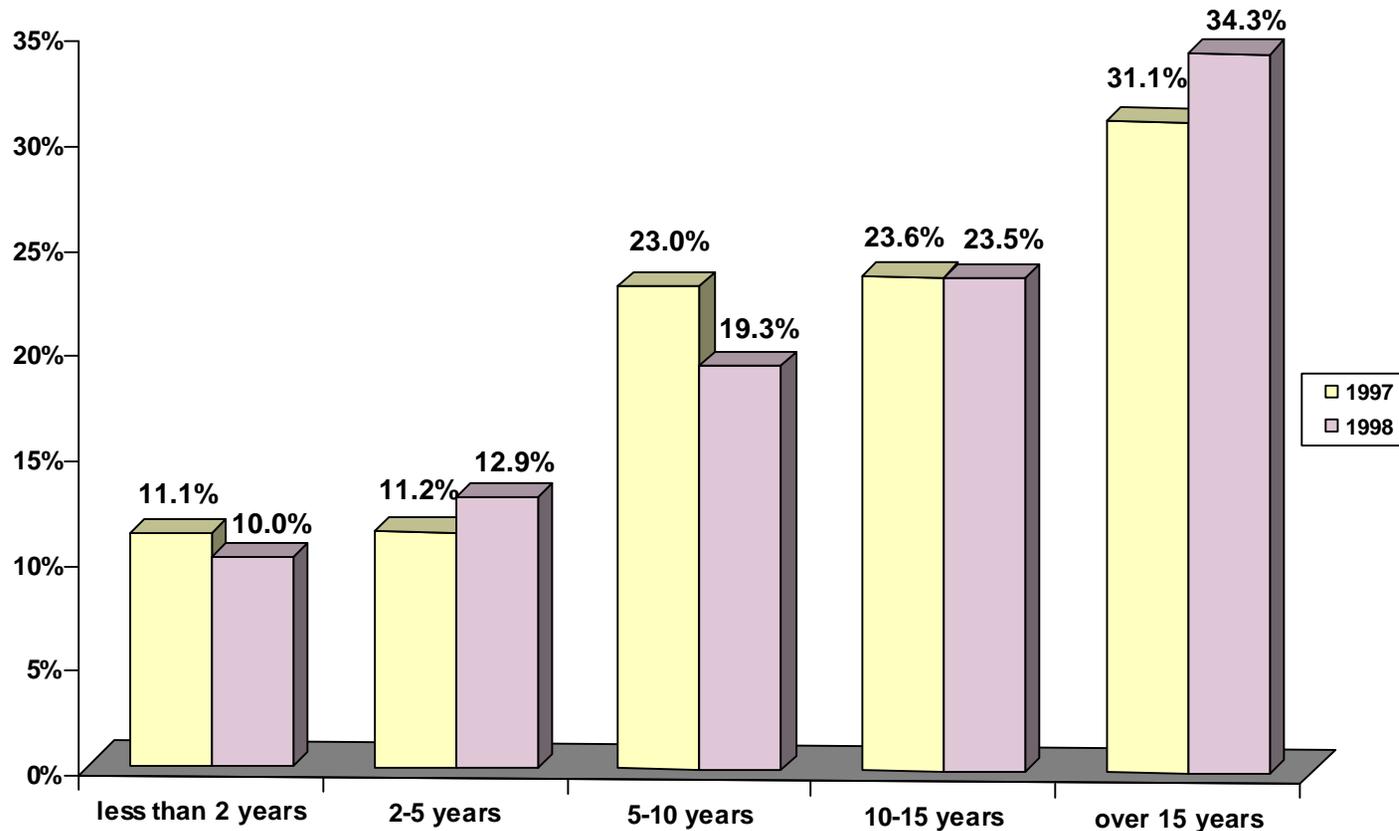


Legend

less than 2 years=	302
2-5 years=	392
5-10 years=	585
10-15 years=	714
Over 15 years=	1042



Comparison of 1997 - 1998 Results Number of Years of Acquisition Experience



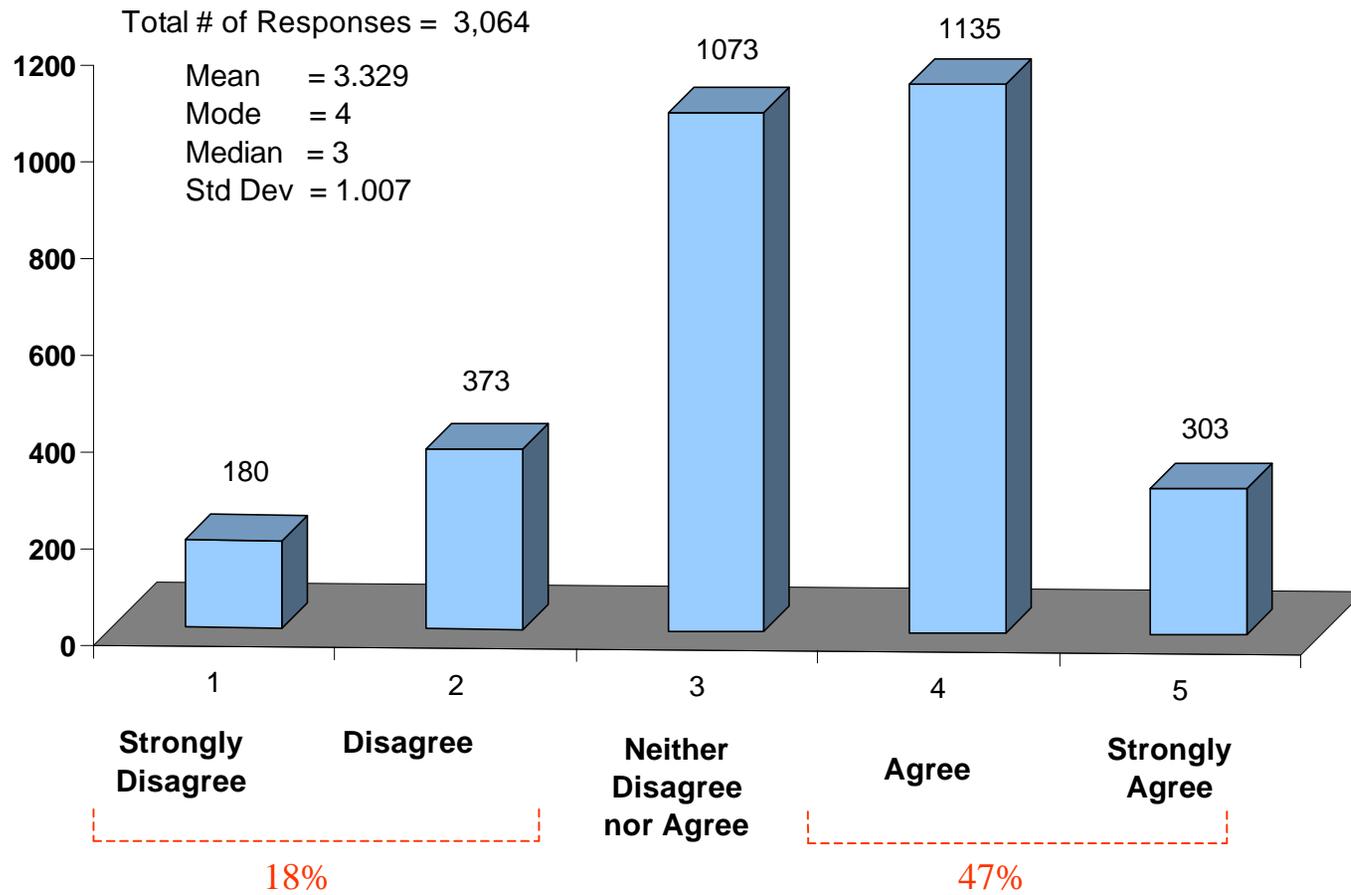
Indicative of the aging acquisition workforce



Effectiveness of AR Results

Question 1: Because of Acquisition Reform, I am able to perform my acquisition job better today than I was able to do three years ago.

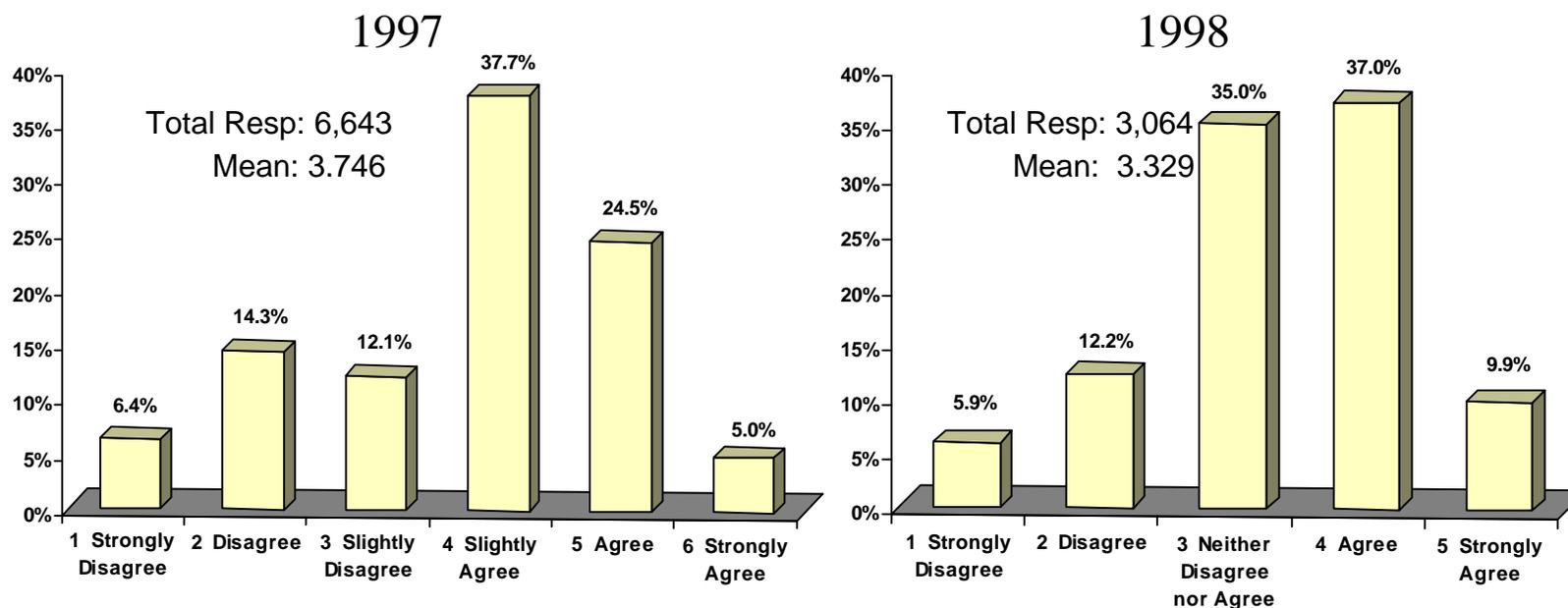
Navy - Wide





Comparison of 1997 - 1998 Results

Question 1: Because of Acquisition Reform, I am able to perform my acquisition job better today than I was able to do three years ago.



1997 Mean: 3.122 *

1998 Mean: 3.329

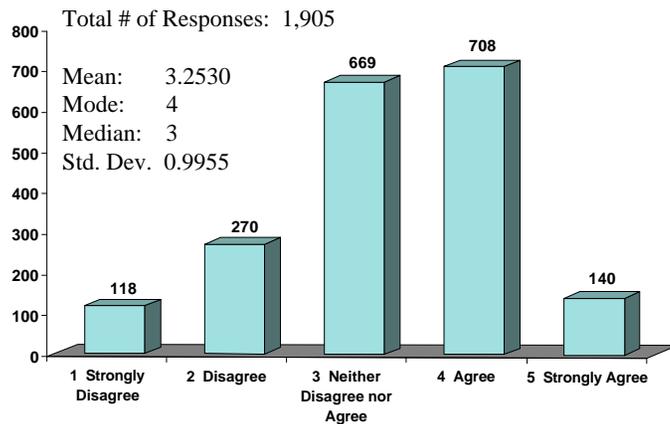
* 1997 mean normalized to a 5 point scale for comparison purposes

Distribution shift to right shows improvement

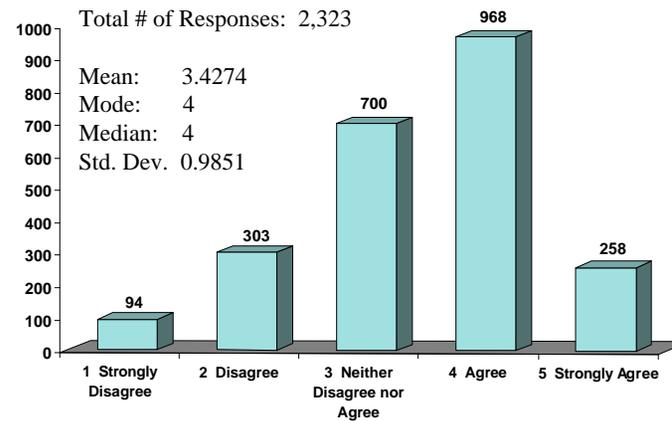


Question 1: Because of Acquisition Reform, I am able to perform my acquisition job better today than I was able to do three years ago.

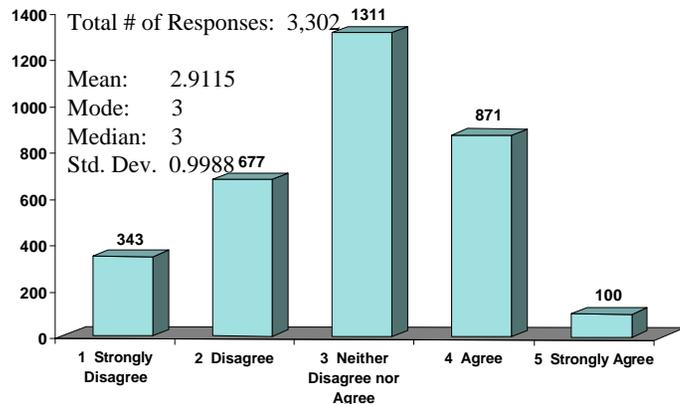
AIR FORCE



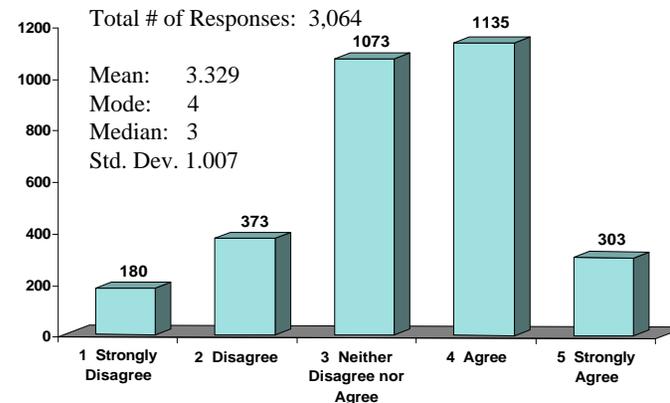
ARMY



DLA*



NAVY

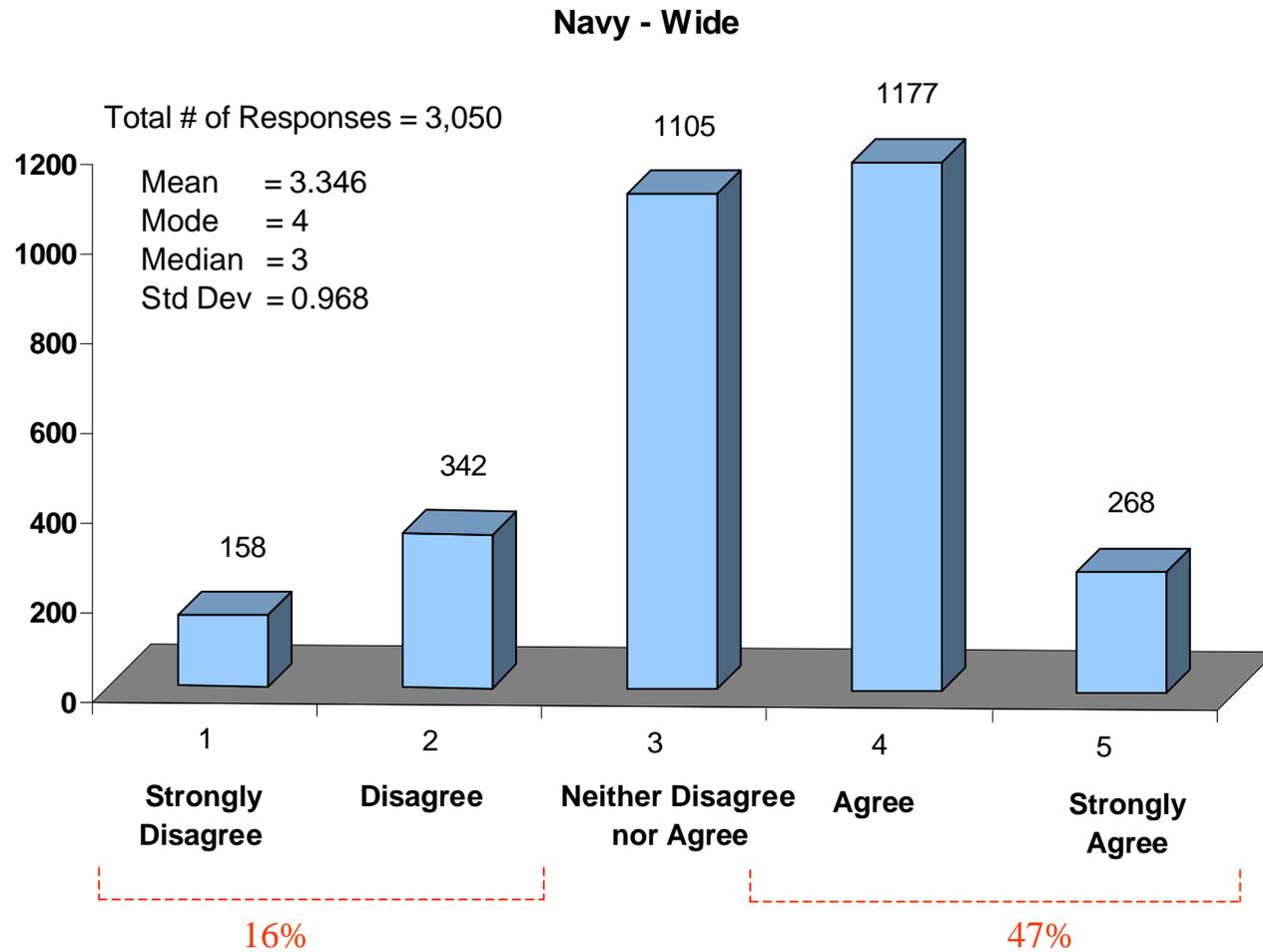


* Of the respondents, 63 were from DLSC (Pre-Award) and 2,841 were from DCMC (Post-Award)



Effectiveness of AR Results

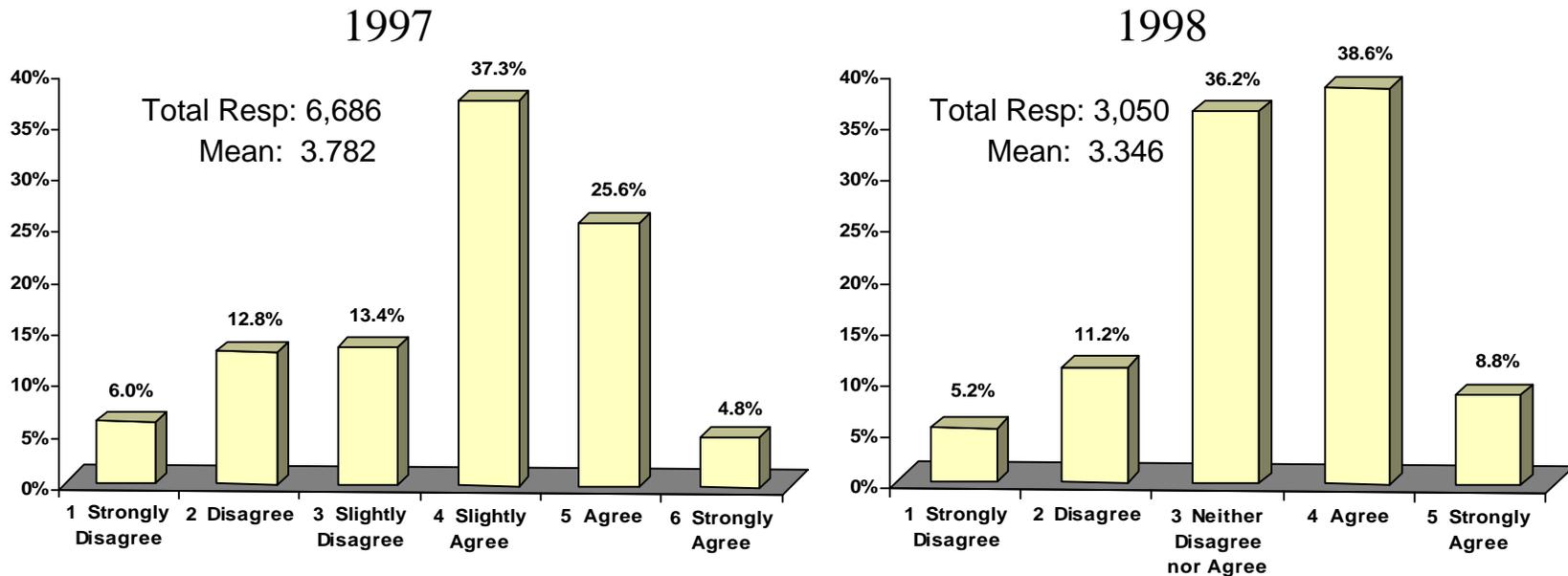
Question 2: Acquisition Reform has improved the products and services that my organization acquires.





Comparison of 1997 - 1998 Results

Question 2: Acquisition Reform has improved the products and services that my organization acquires.



1997 Mean: 3.152 *

1998 Mean: 3.346

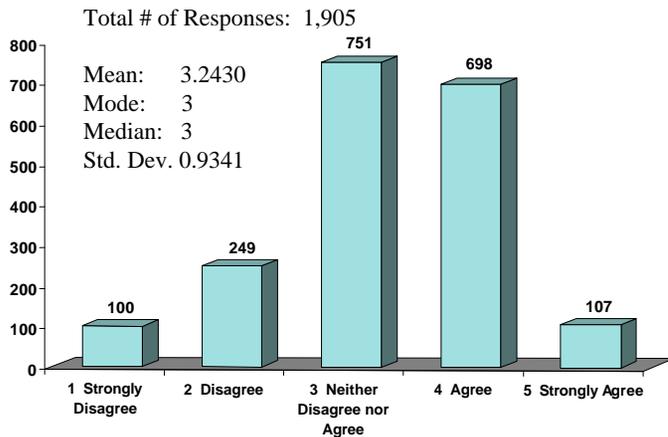
* 1997 mean normalized to a 5 point scale for comparison purposes

Distribution shift to right shows improvement

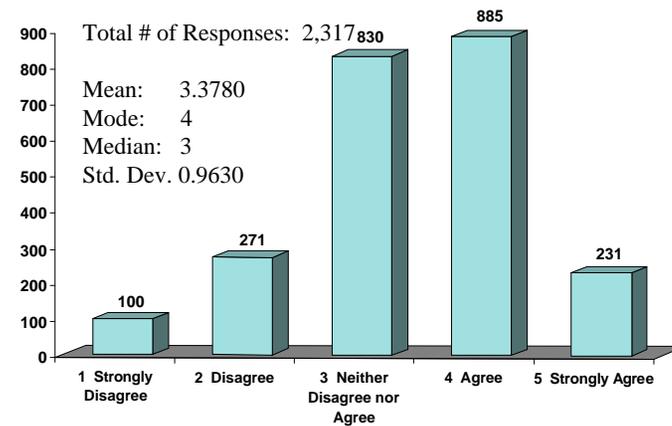


Question 2: Acquisition Reform has improved the products and services that my organization acquires.

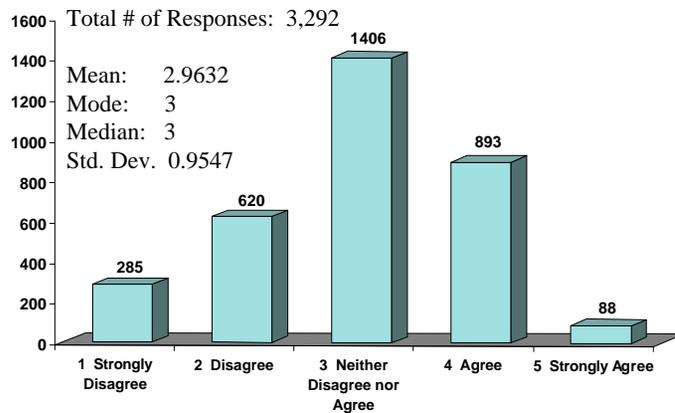
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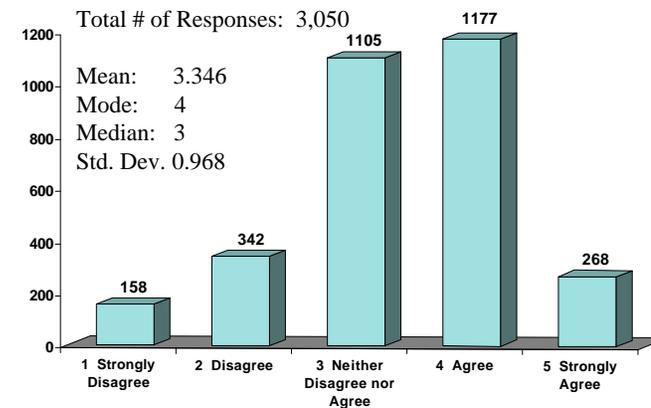
ARMY



DLA*



NAVY

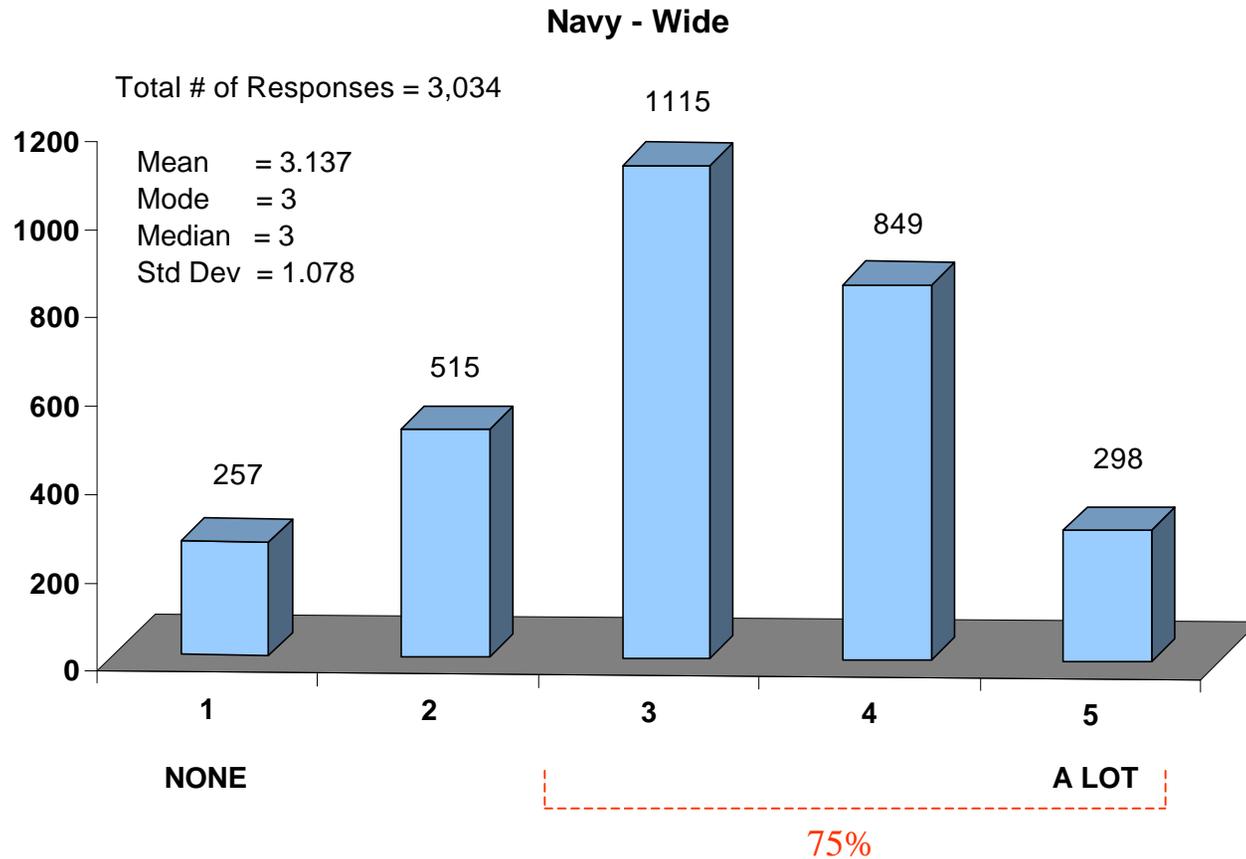


* Of the respondents, 63 were from DLSC (Pre-Award) and 2,834 were from DCMC (Post-Award)



Effectiveness of AR Results

Question 5: In the last three years, how much improvement have you seen in the acquisition process?



75% of respondents indicate more than just a little improvement

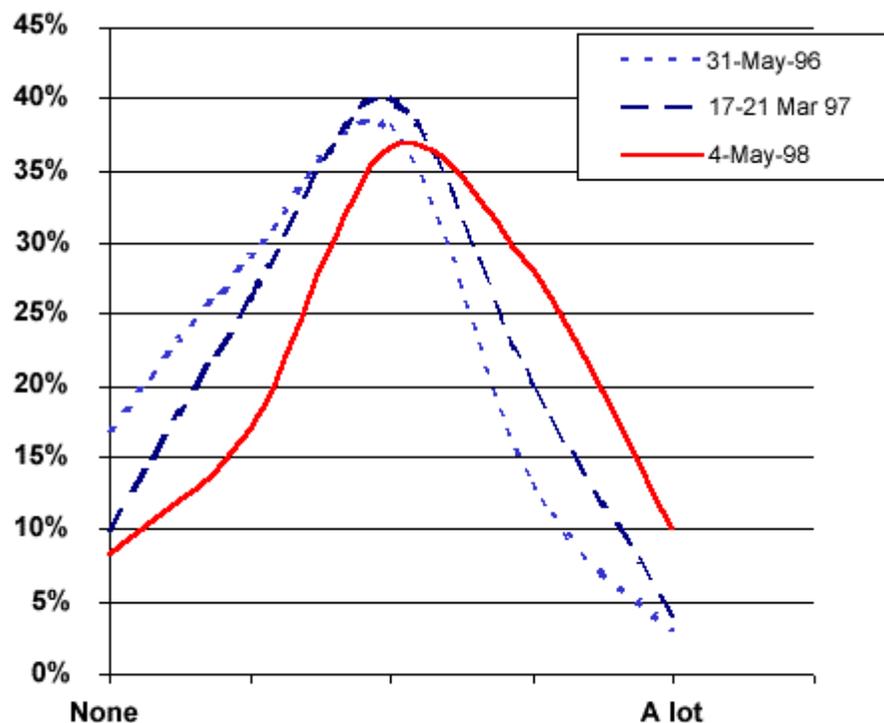


Comparison of 1996 - 1997 - 1998 Results

Question 5: In the last three years, how much improvement have you seen in the acquisition process?

May 96, Mar 97, and May 98 Comparison

The 1998 mean is 3.137.
This represents a 6.4% increase from the 1997 survey mean of 2.817 and 11.76% increase from the 1996 survey mean of 2.549.

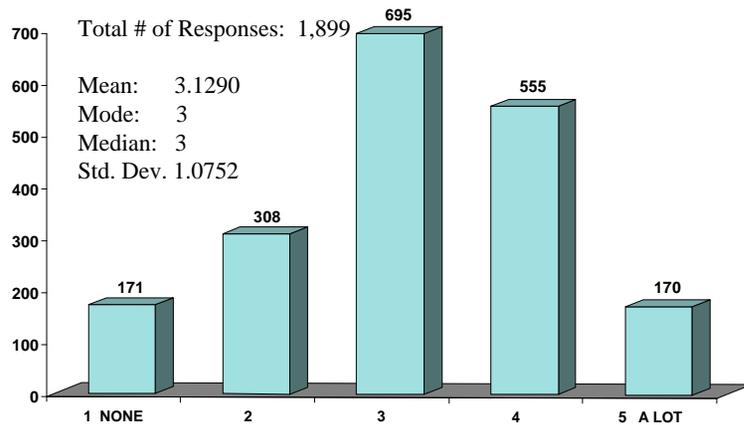


IMPROVEMENT IN MEAN AND AGREEMENT

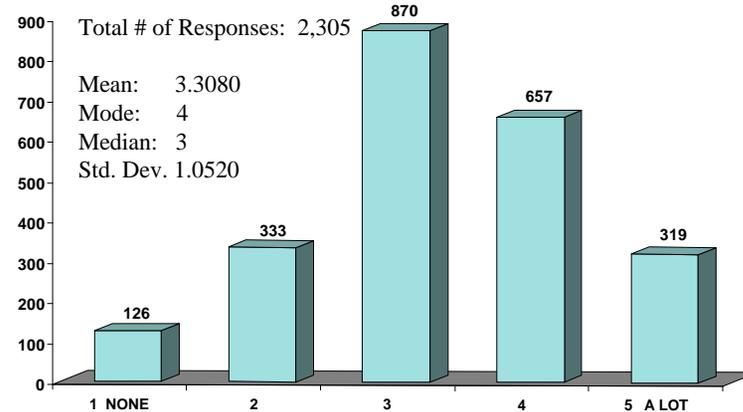


Question 5: In the last three years, how much improvement have you seen in the acquisition process?

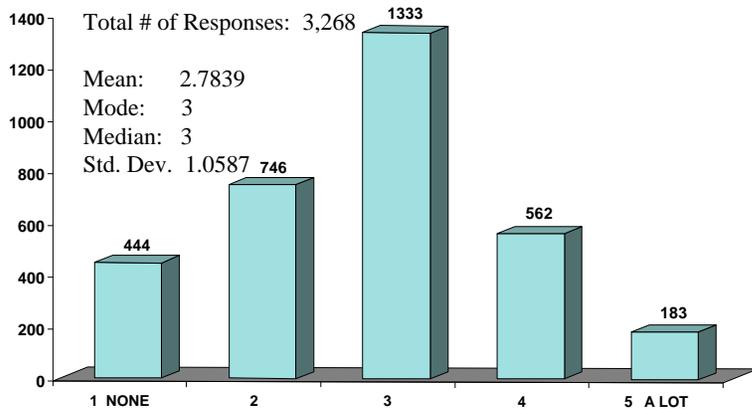
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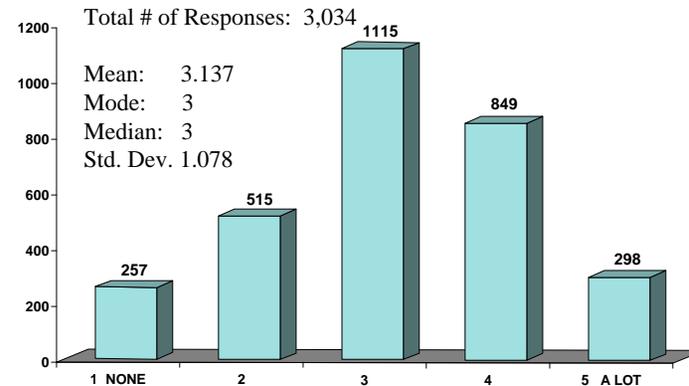
ARMY



DLA*



NAVY



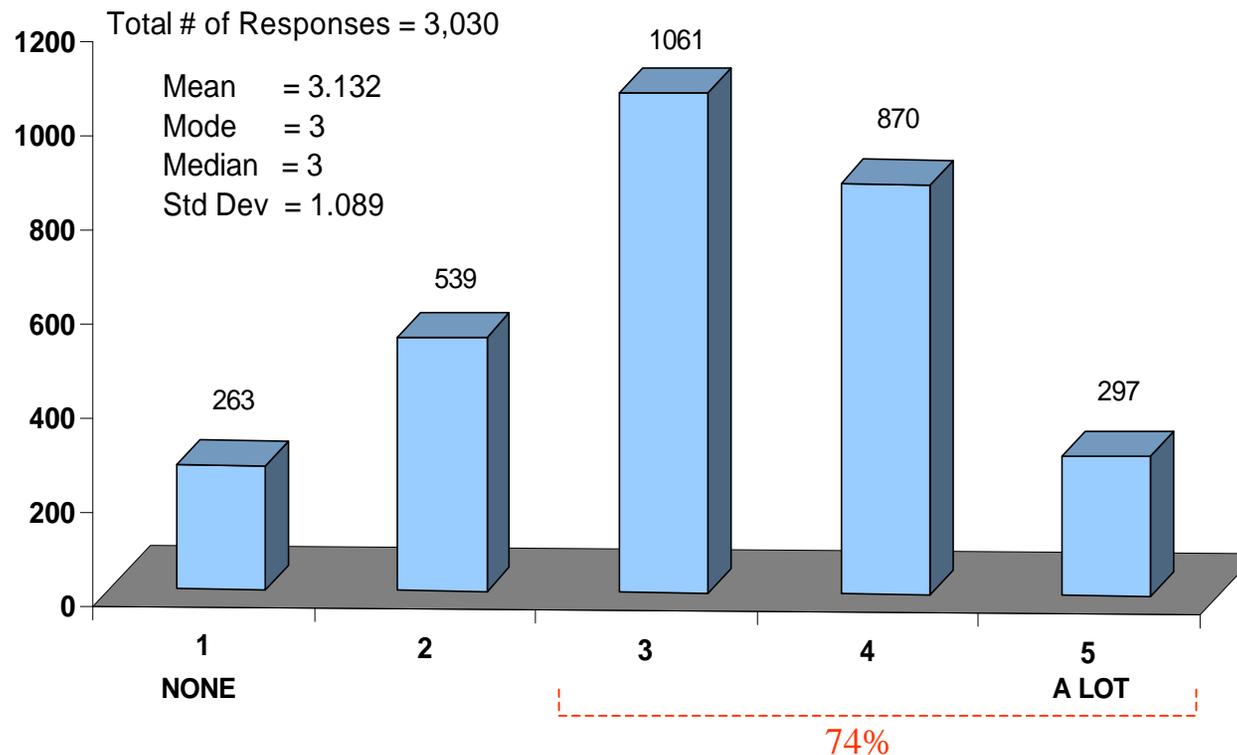
* Of the respondents, 64 were from DLSC (Pre-Award) and 2,813 were from DCMC (Post-Award)



Effectiveness of AR Results

Question 6: From your personal experience, how much are teams improving the acquisition process?

Navy - Wide



74% of respondents indicate that teams provide more than little improvement in the acquisition process

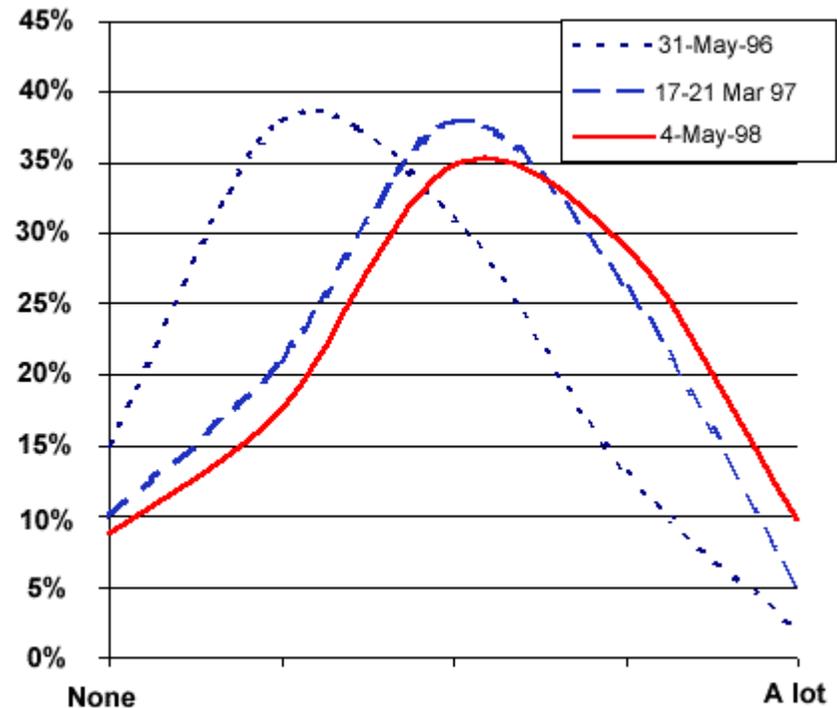


Comparison of 1996 - 1997 - 1998 Results

Question 6: From your personal experience, how much are teams improving the acquisition process?

May 96, Mar 97, and May 98 Comparison

The 1998 survey mean is 3.131. This represents a 3.64% increase from the 1997 survey mean of 2.949 and a 11.2% increase from the 1996 survey mean of 2.573.

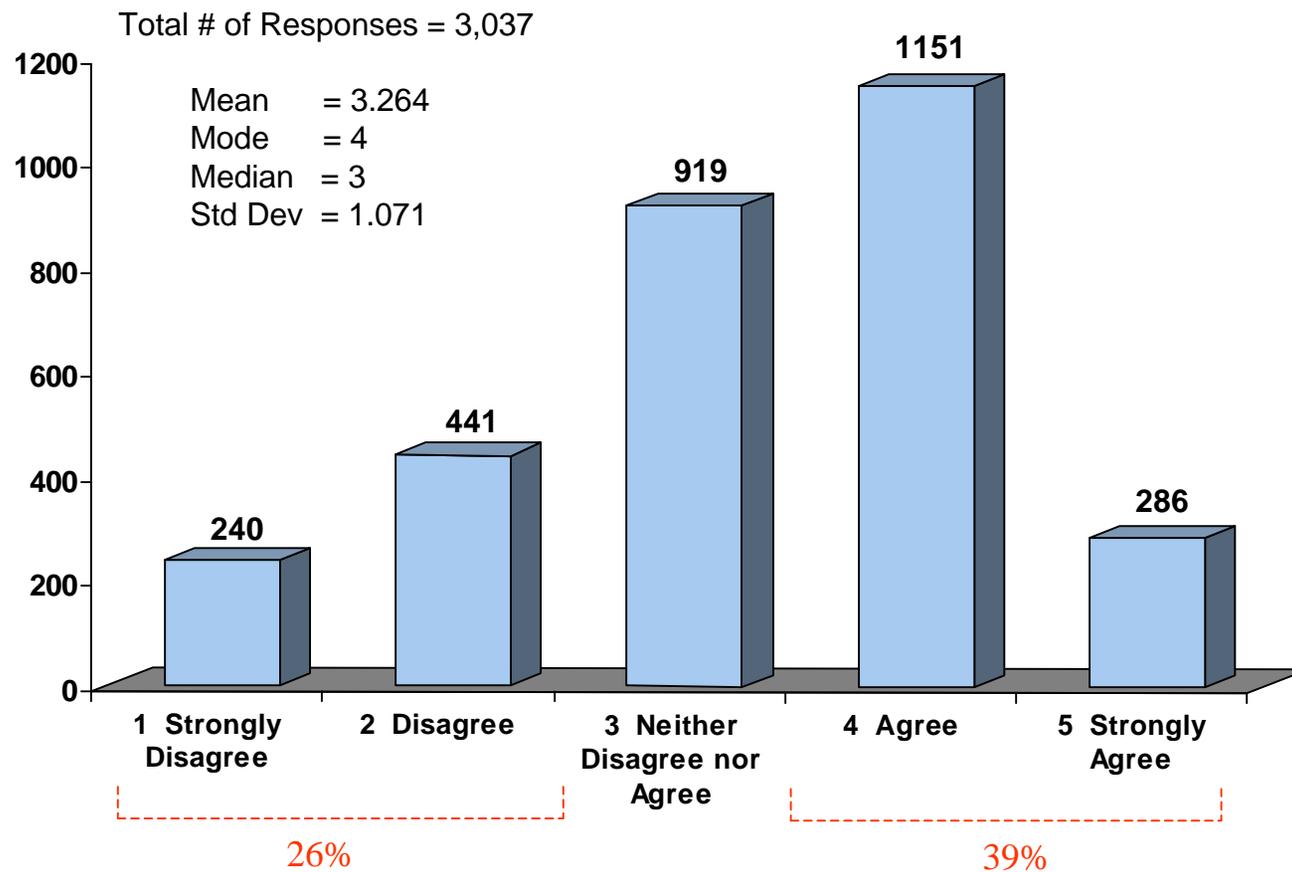


IMPROVEMENT IN MEAN AND AGREEMENT



AR Week and Training Results

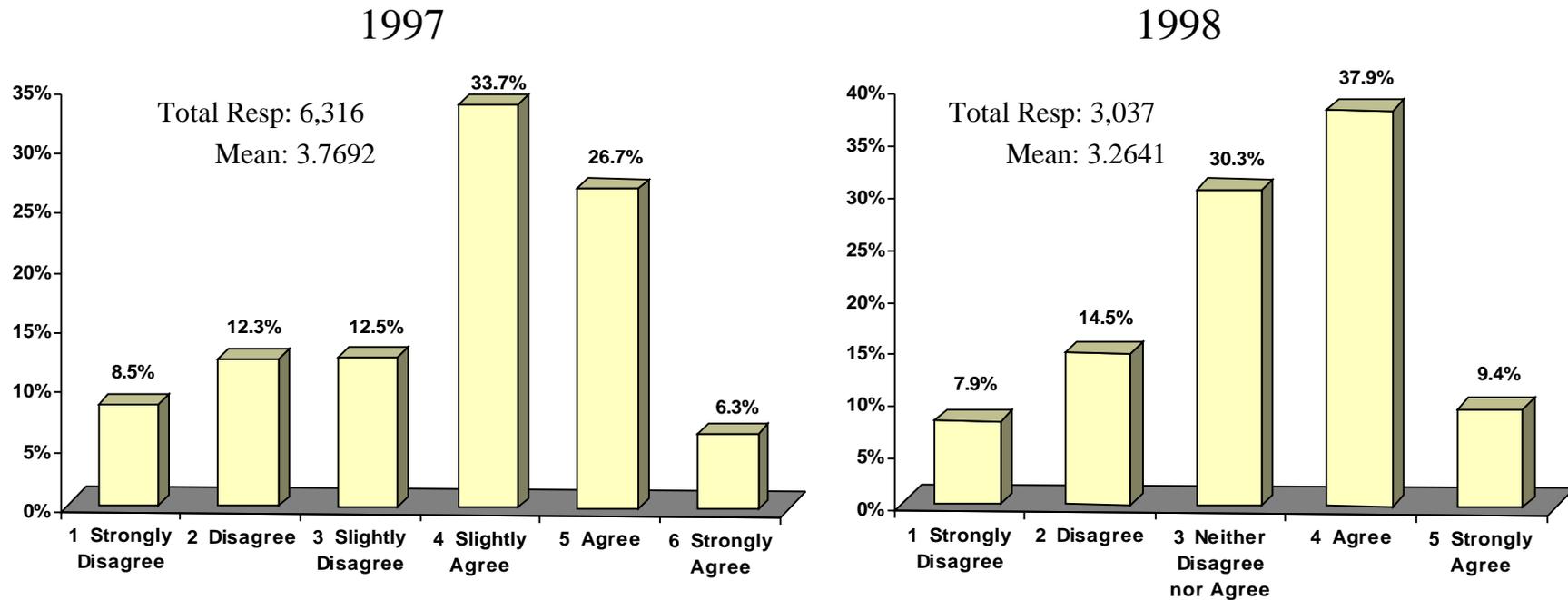
Question 3: AR Week was an effective method of Team Training.





Comparison of 1997 - 1998 Results

Question 3: AR Week was an effective method of Team Training.



1997 Mean: 3.141 *

1998 Mean: 3.264

* 1997 mean normalized to a 5 pt scale for comparison purposes

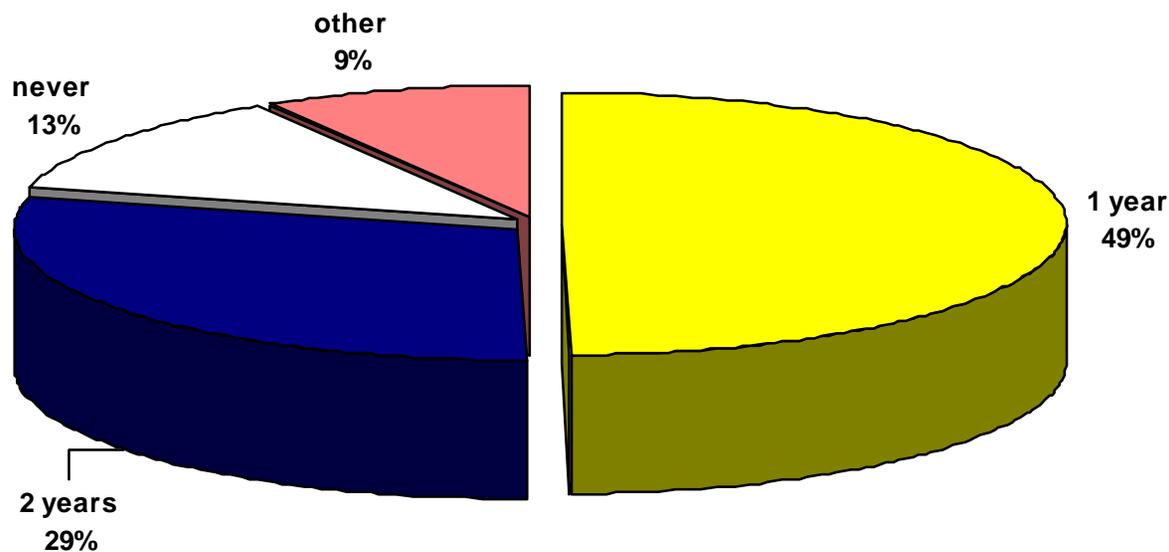
Distribution shift to right shows improvement



AR Week and Training Results

Question 11 : We should have another AR Week in:

Navy-Wide



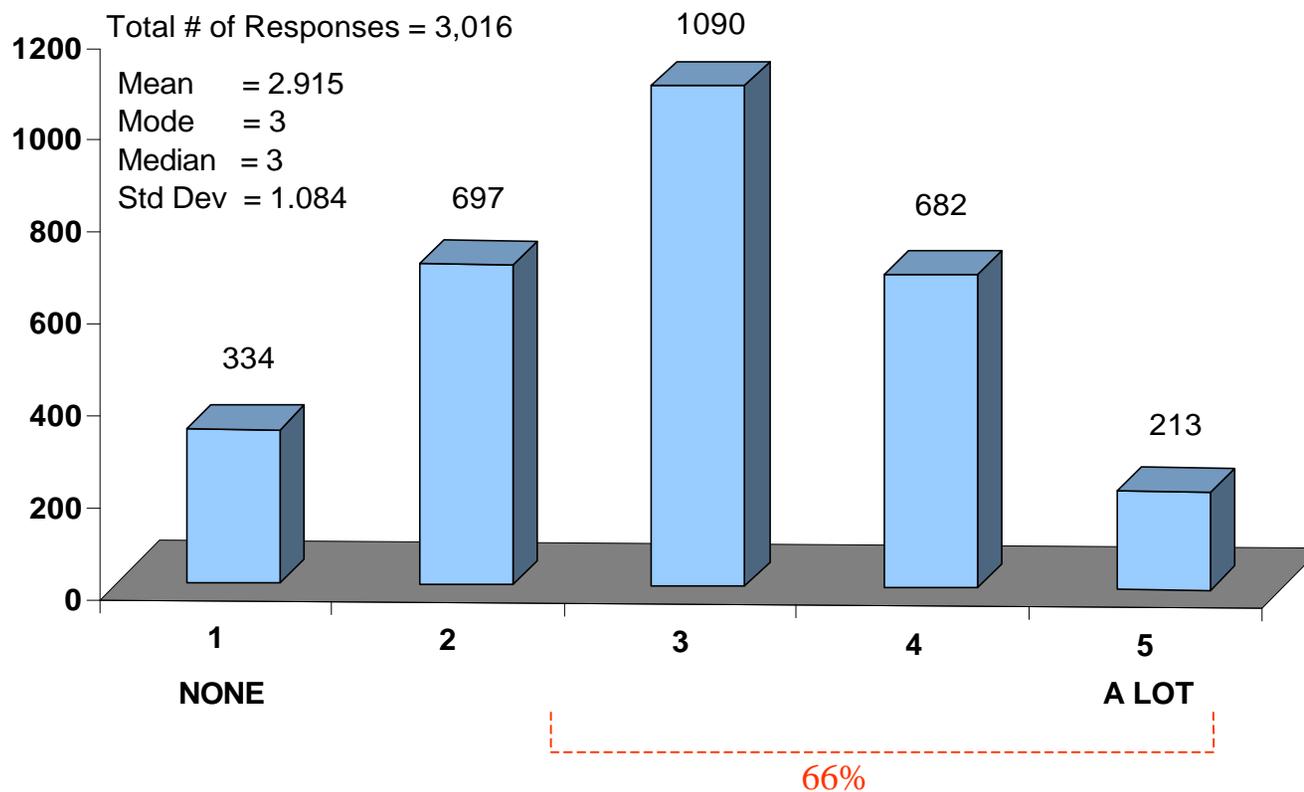
Majority of respondents agree we should have another AR Week in 1 - 2 years



AR Week and Training Results

Question 7 : In your opinion, how useful were the training materials provided to support AR Week?

Navy - Wide

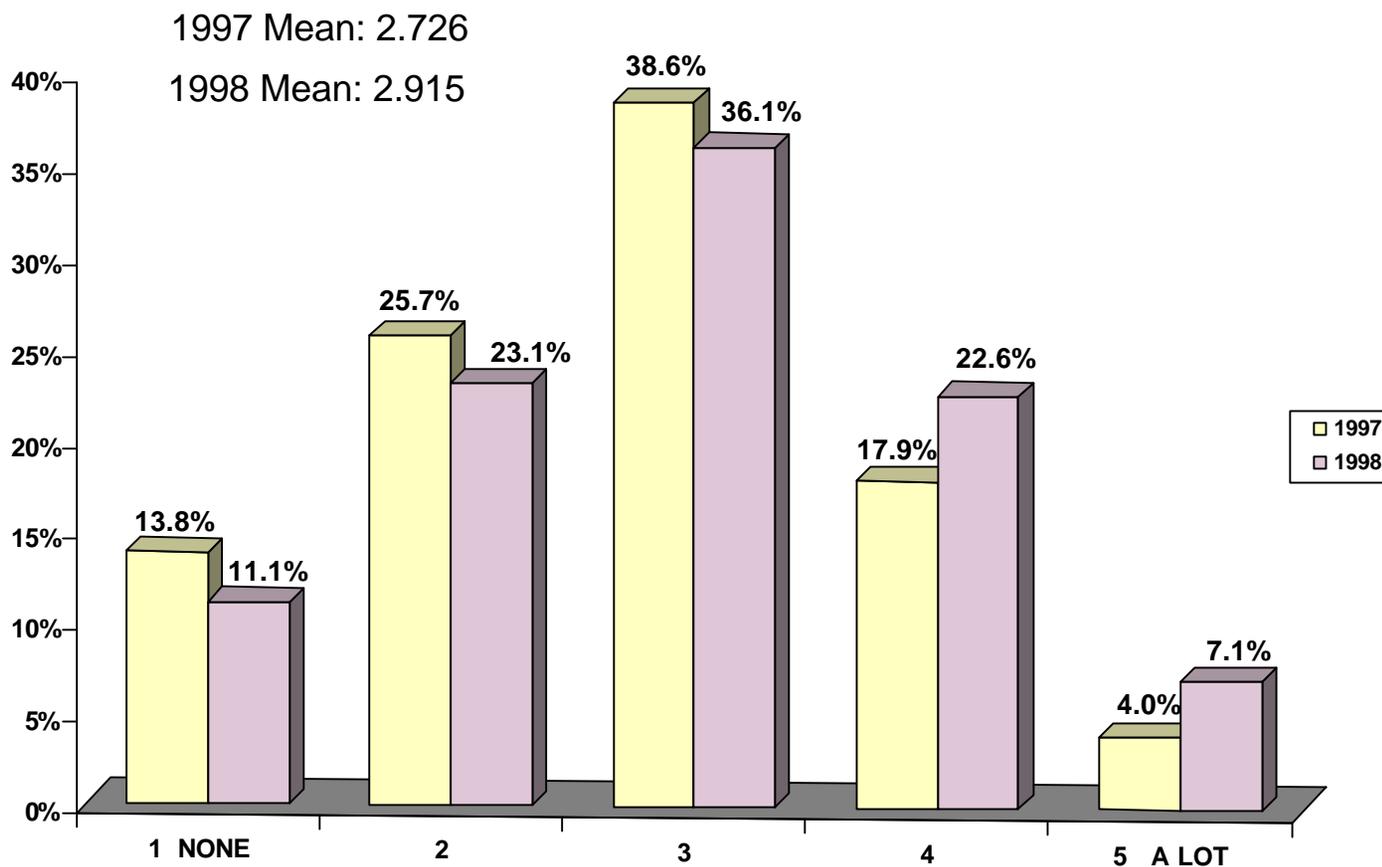


66% of respondents indicate materials were more than just a little useful



Comparison of 1997 - 1998 Results

Question 7: In your opinion, how useful were the training materials provided to support AR Week?



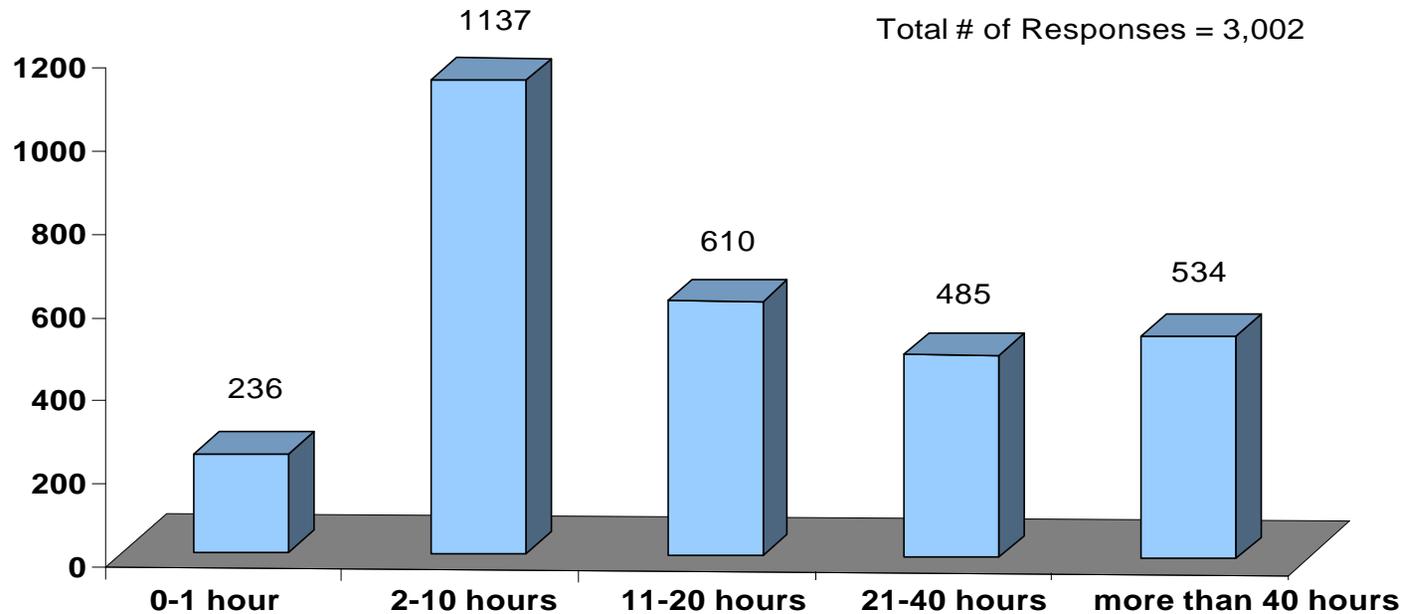
Shows increased usefulness of training materials



AR Week and Training Results

Question 4 : How many hours of training/guidance on Acquisition Reform did you receive in calendar year 1997?

Navy - Wide

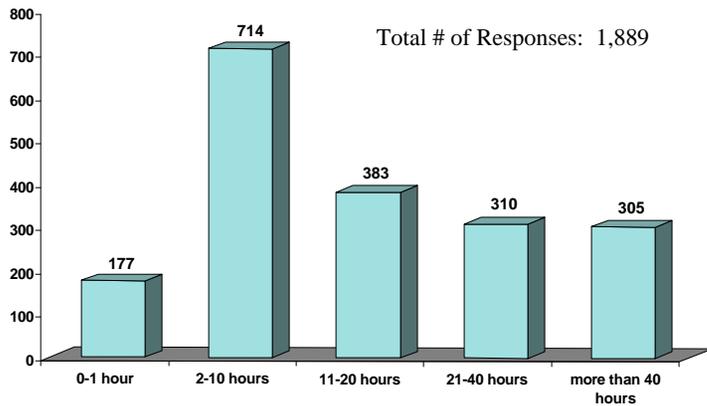


The majority of respondents receive a minimal amount of AR training/guidance

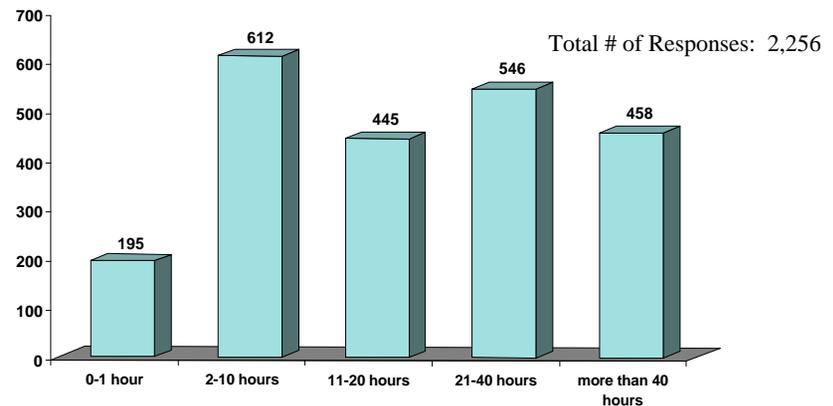


Question 4 : How many hours of training/guidance on Acquisition Reform did you receive in calendar year 1997?

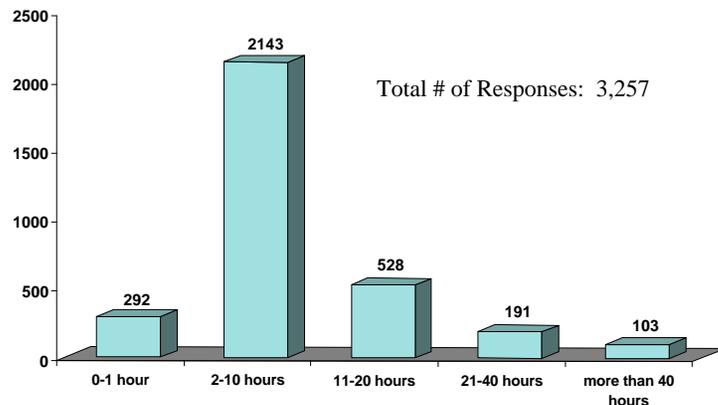
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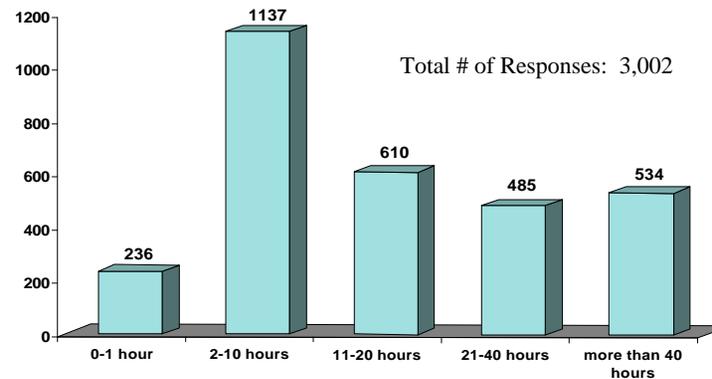
ARMY



DLA*



NAVY



* Of the respondents, 60 were from DLSC (Pre-Award) and 2,804 were from DCMC (Post-Award)

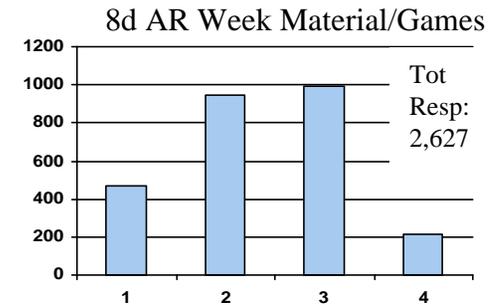
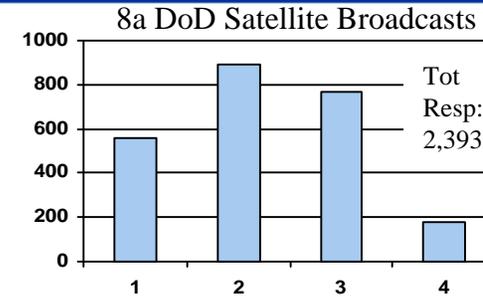
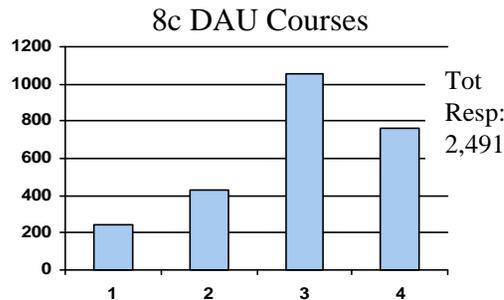
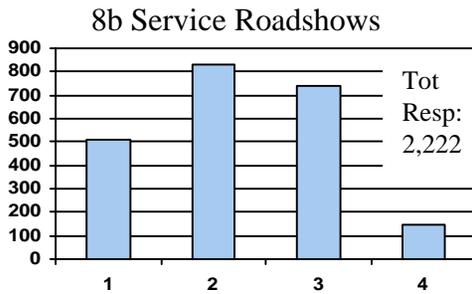


AR Week and Training Results

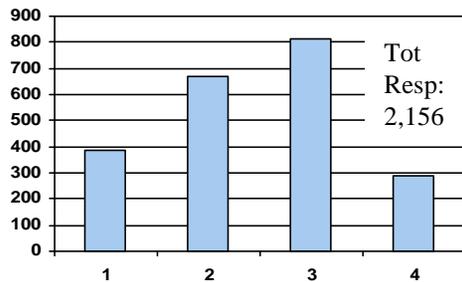
Question 8 : Rate the effectiveness of each source of acquisition reform training/guidance.

- 1 - Not Effective
- 2 - Slightly Effective
- 3 - Effective
- 4 - Very Effective

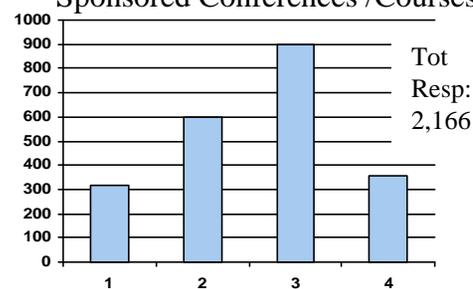
Navy-Wide



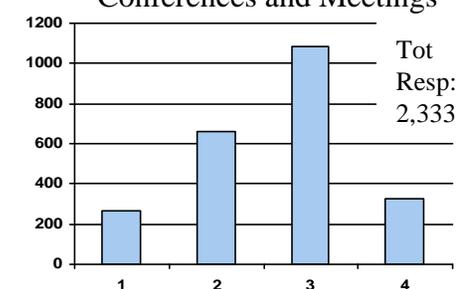
8e Industry-Sponsored Conferences



8f Professional Association-Sponsored Conferences /Courses



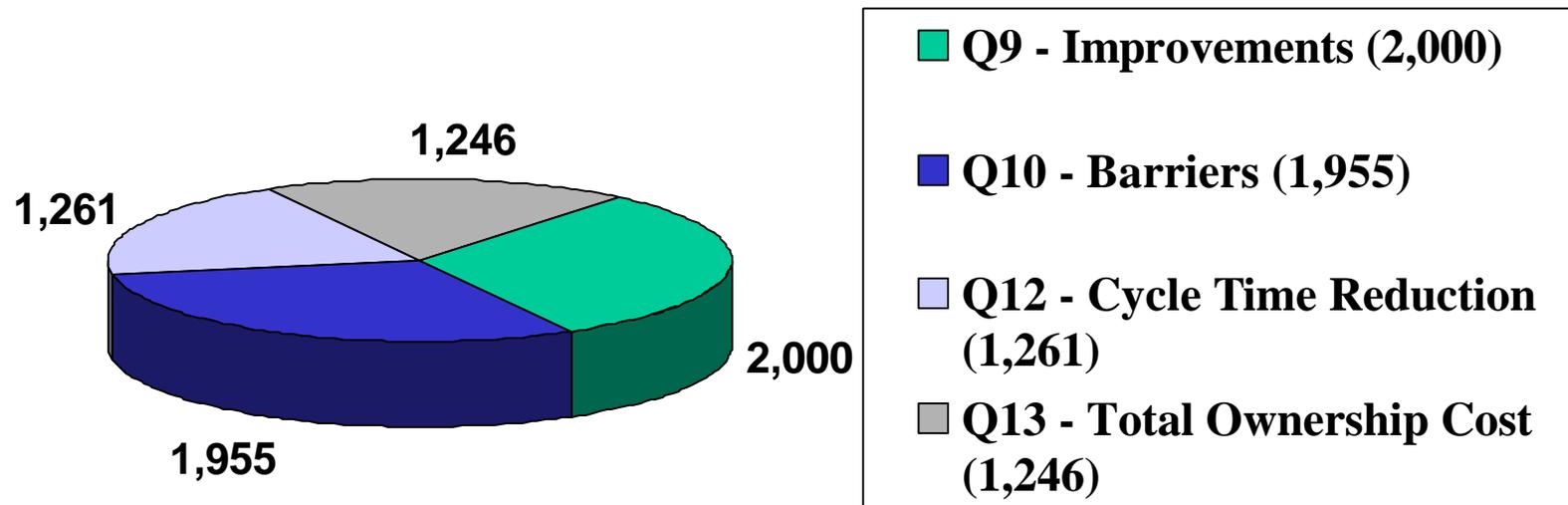
8g DoD-Sponsored Conferences and Meetings



All elements of AR training / guidance are achieving some level of effectiveness



Navy/Marine Corps Recommendations and Barriers

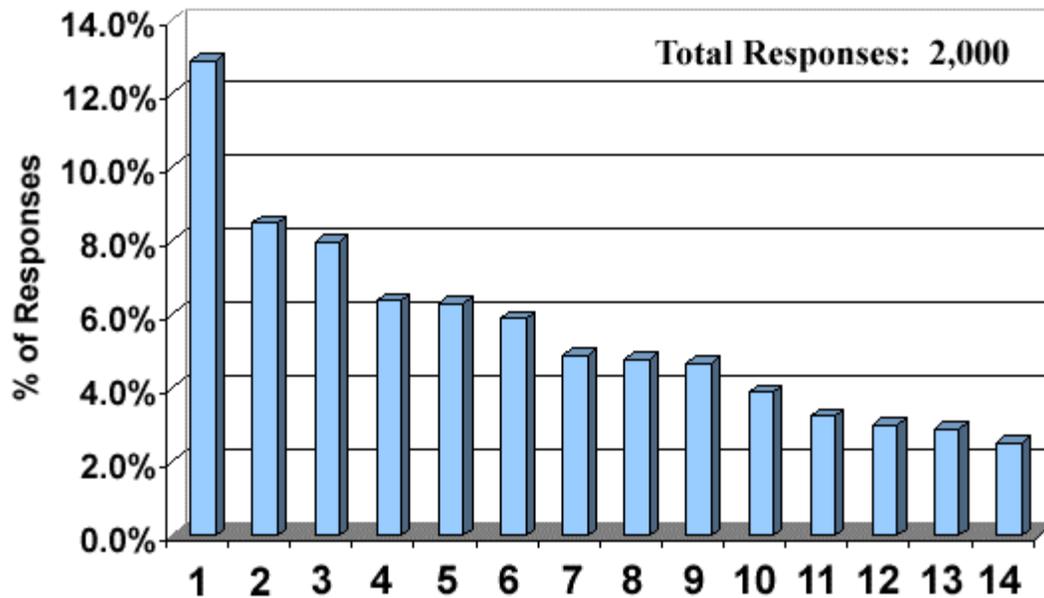


Over 6,000 ideas and thoughts submitted.



Question 9: Provide one new idea that would improve the acquisition process in your area of work.

Pareto Analysis



	Number	%Total
1. Education and Training	257	12.9%
2. Funding Issues	170	8.5%
3. Information Technology	160	8.0%
4. Credit Card Purchases	128	6.4%
5. Acquisition Processes	125	6.3%
6. Contracting Process	118	5.9%
7. Communications	97	4.9%
8. Red Tape and Amount of Paperwork	95	4.8%
9. Empowerment	93	4.7%
10. Policy, Legislation, Regulations, Direction	78	3.9%
11. Miscellaneous Comments	65	3.3%
12. Manpower Issues	63	3.2%
13. Management	60	3.0%
14. Teams	59	2.9%



Question 9: Provide one new idea that would improve the acquisition process in your area of work.

Education and Training

Provide training on the development of effective government and contractor teams to maximize the effectiveness and capability of these teams as the program or project evolves.

Need to provide training to the engineers regarding the acquisition process

We should have training on new processes prior to the implementation of the process.

Funding Issues

Increase the budgeting process for an annual basis to every two years to reduce time and effort.

I don't think wholesale AR can be fully achieved until DoN/DoD/Congress join together to reform the PPBS process

Lack of funding stability due to taxes disrupts program execution

Stable funding, reduce or eliminate contract program reviews due to potential funding reductions.

+ 254 MORE

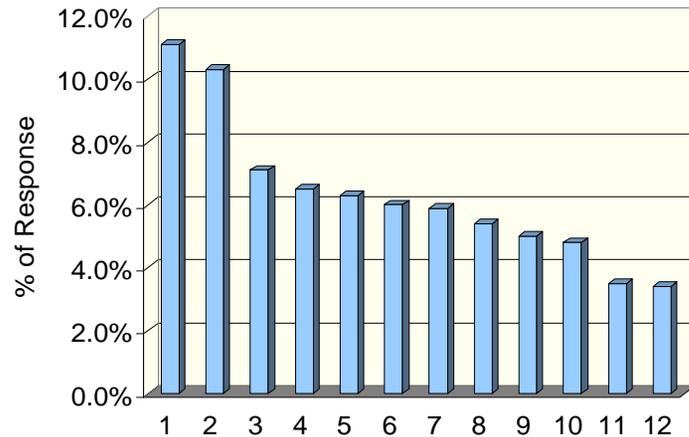
+ 166 MORE



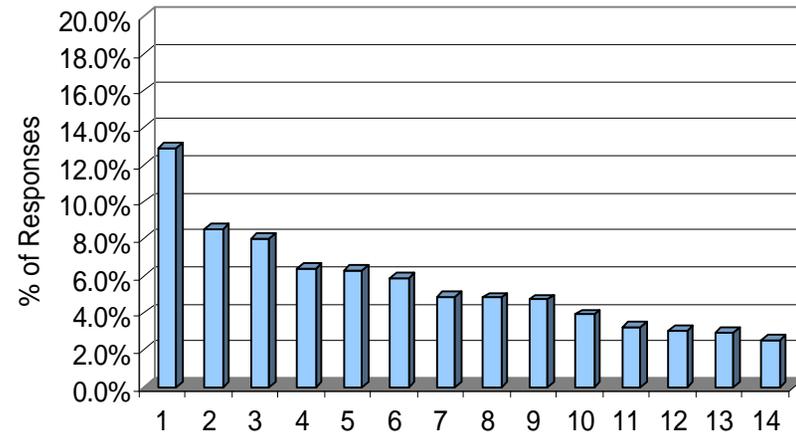
Comparison of 1996 - 1998 Data

Question 9: Provide one new idea that would improve the acquisition process in your area of work.

1996



1998



KEY

- | | |
|--------------------------|------------------------------------|
| 1 Education and Training | 7 Empowerment |
| 2 Contracting Process | 8 Funding Issues |
| 3 Credit Card Purchases | 9 Teams |
| 4 Acquisition Processes | 10 Policy, Legislation, Regulation |
| 5 Information Technology | 11 Government |
| 6 Manpower Issues | 12 Communications |

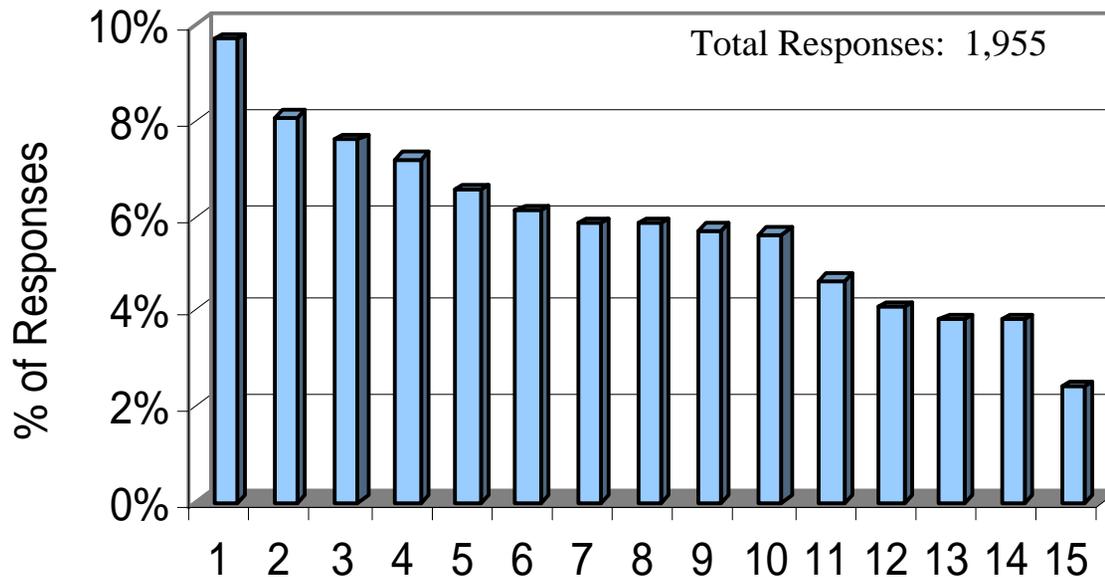
KEY

- | | |
|------------------------------------|---|
| 1 Education and Training | 9 Empowerment |
| 2 Funding Issues | 10 Policy, Legislation, Regulation, Direction |
| 3 Information Technology | 11 Miscellaneous Comments |
| 4 Credit Card Purchases | 12 Manpower Issues |
| 5 Acquisition Processes | 13 Management |
| 6 Contracting Process | 14 Teams |
| 7 Communications | |
| 8 Red Tape and Amount of Paperwork | |



Question 10: What do you see as the major barrier to improving the acquisition process?

Pareto Analysis



	Number	% Total
1. Resistance to Change	262	13.4%
2. Funding Issues	186	10.0%
3. Policy, Legislation, Regulations, Direction	149	8.0%
4. Education and Training	118	6.0%
5. Manpower Issues	117	6.0%
6. Management	102	5.2%
7. Acquisition Processes	97	4.9%
8. Communications	88	4.5%
9. Contracting Process	88	4.5%
10. Organizational Politics	82	4.2%
11. Empowerment	77	3.9%
12. Information Technology	77	3.9%
13. Government	76	3.9%
14. Red Tape and Amount of Paperwork	63	3.2%
15. Miscellaneous Comments	45	2.3%



Question 10: What do you see as the major barrier to improving the acquisition process?

Resistance to Change

Contracts and Legal still follow old rules and have not initiated the same changes the rest of the Navy has.

Program Managers are too protective of their projects to permit successful consolidation under joint programs.

True reform will require vast cultural changes which are extremely hard to implement.

Funding Issues

Funding instability and arbitrary funding wedges placed in out year budgets to reflect expected savings due to downsizing and outsourcing.

Inadequate funding often results in a sub-optimal program acquisition decision.

Not enough funds and people to manage projects effectively.

+ 259 MORE

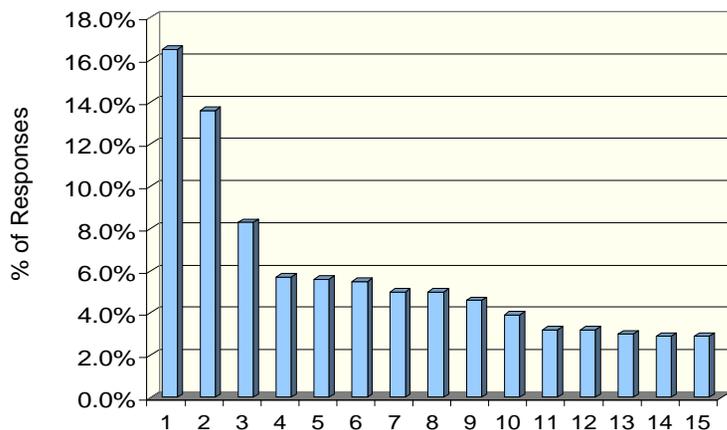
+ 183 MORE



Comparison of 1996 - 1998 Data

Question 10: What do you see as the major barrier to improving the acquisition process?

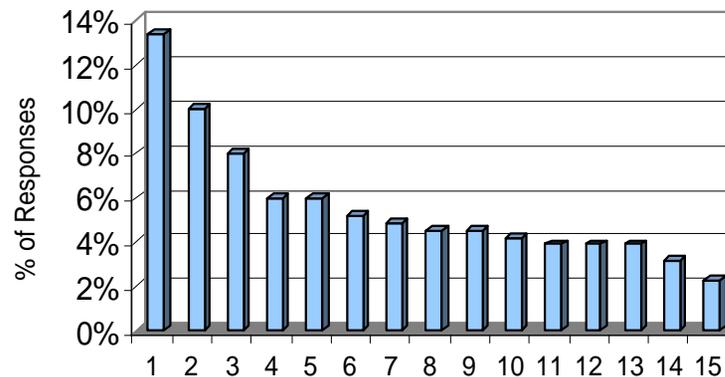
1996



KEY

- | | |
|-----------------------------------|----------------------------|
| 1 Resistance to Change | 9 Government/Congress |
| 2 Policy, Legislation, Regulation | 10 Amount of Red Tape |
| 3 Education and Training | 11 Teams |
| 4 Funding Issues | 12 Communications |
| 5 Management | 13 Time |
| 6 Contracting Process | 14 Organizational Politics |
| 7 Acquisition Processes | 15 Empowerment |
| 8 Manpower Issues | |

1998



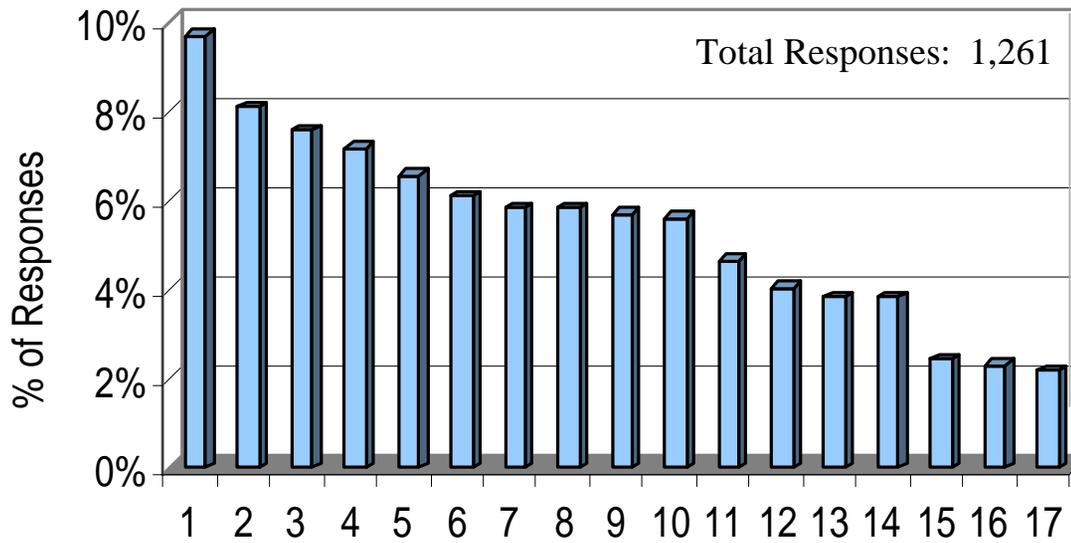
KEY

- | | |
|--------------------------|-------------------------------------|
| 1 Resistance to Change | 10 Contracting Process |
| 2 Funding Issues | 11 Organizational Politics |
| 3 Policy, Legislation, | 12 Empowerment |
| 4 Regulations, Direction | 13 Information Technology |
| 5 Education and Training | 14 Government |
| 6 Manpower Issues | 15 Red Tape and Amount of Paperwork |
| 7 Management | |
| 8 Acquisition Processes | |
| 9 Communications | |



Question 12: What is your single most important recommendation to reduce cycle time in the acquisition process?

Pareto Analysis

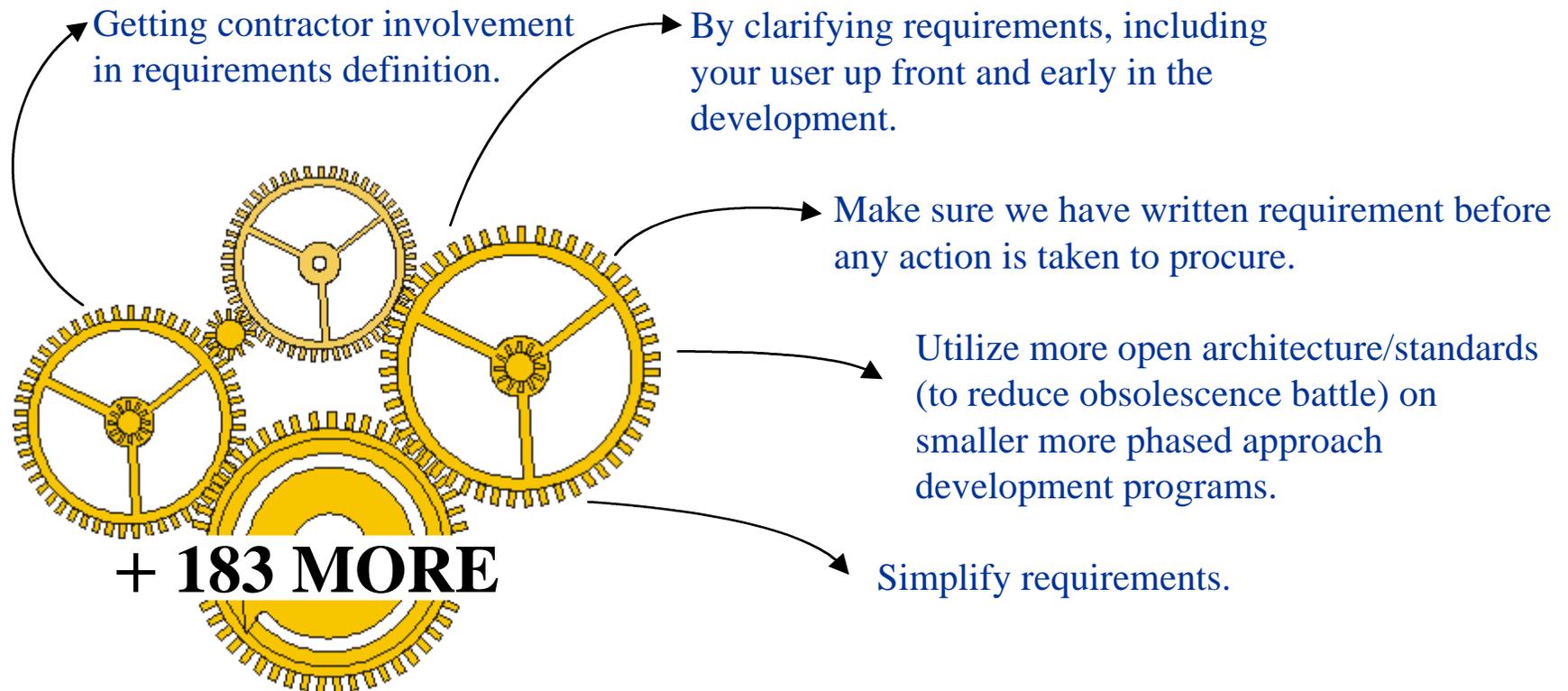


	Number	%Total
1. Requirements	188	9.7%
2. Funding Issues	157	8.1%
3. Management	147	7.58%
4. Contracting Process	139	7.17%
5. Acquisition Processes	127	6.55%
6. Miscellaneous Comments	118	6.09%
7. Policy, Legislation, Regulations, Direction	113	5.83%
8. Time Issues	113	5.83%
9. Information Technology	111	5.72%
10. Teams	109	5.62%
11. Red Tape and Amount of Paperwork	90	4.64%
12. Commercial	79	4.07%
13. Empowerment	74	3.82%
14. Manpower Issues	74	3.82%
15. Communications	47	2.42%
16. Education and Training	45	2.32%
17. Streamlining	42	2.17%



Question 12: What is your single most important recommendation to reduce cycle time in the acquisition process?

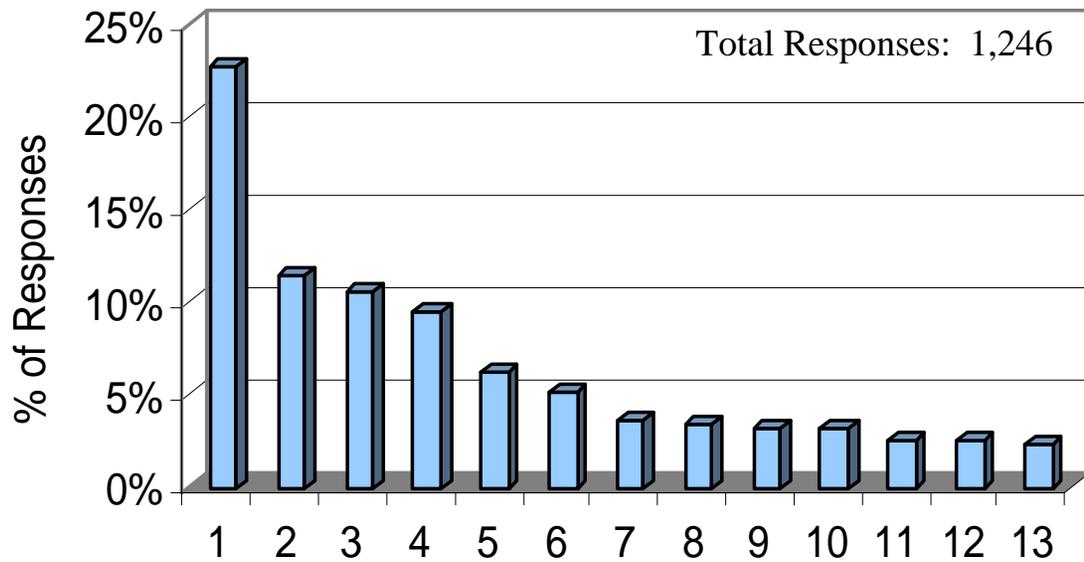
Requirements





Question 13: What is your single most important recommendation to reduce total ownership cost?

Pareto Analysis



	Number	%Total
1. Acquisition Processes	357	22.74%
2. Contracting Process	178	11.34%
3. Commercial	164	10.45%
4. Total Ownership Cost	147	9.36%
5. Funding Issues	98	6.24%
6. Manpower Issues	79	5.03%
7. Requirements	55	3.5%
8. Miscellaneous Comments	53	3.38%
9. Teams	51	3.25%
10. Information Technology	49	3.12%
11. Management	41	2.61%
12. Organizational Structure	41	2.61%
13. Education and Training	36	2.29%



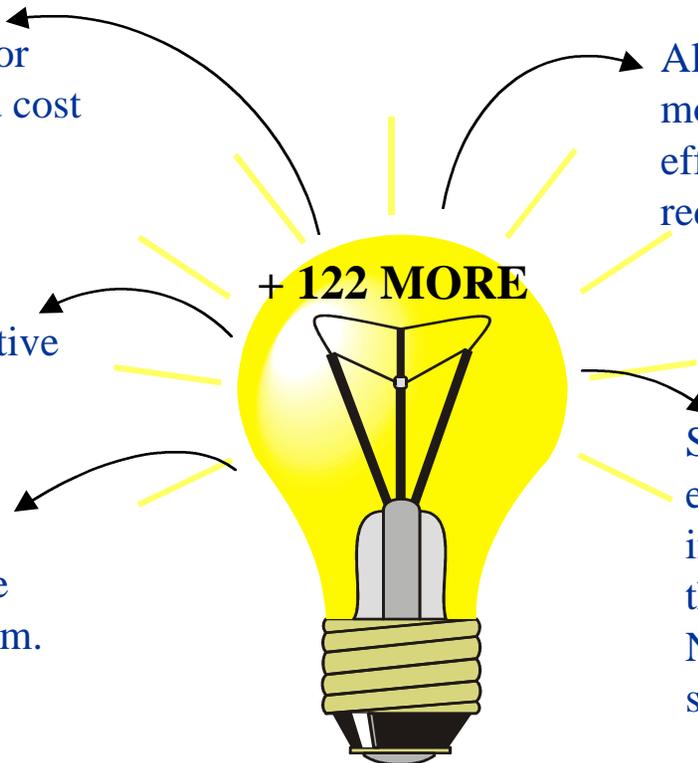
Question 13: What is your single most important recommendation to reduce total ownership cost?

Acquisition Processes

Evaluate each component of the system for contractor support, lease to own, and cost sharing arrangements.

Ensure logistics has an active role during development.

Make a single point of contact responsible for the total life cycle of a program.



Allow the expenditure of O&M money for modeling and development efforts that are geared toward reducing total life cycle cost.

Strategically establish and encourage enterprise wide initiatives to take advantage of the large buying power of the Navy/Marine Corps in standardization.



Summary

- Acquisition Reform is improving the acquisition process.
- Teams continue to improve the acquisition process
- AR Week is effective and should be repeated in 1 - 2 years.
- Continued emphasis needed on Education and Training.
- Number one barrier - Resistance to Change
- Survey data provide info, trends and insights for improved decision making.

The true value of this survey data will be determined by its use



Next Steps

- Mining of gold nuggets
 - Organizational, functional, AD HOC teams
- Feedback to ASN(RDA) by 15 Jan 99
- ASN(RDA) feedback to Dr. Gansler in Feb 99
- Additional follow up (?)