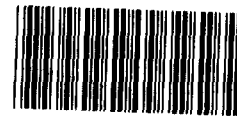


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Testimony



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Legislative Proposals to Establish
Professional Acquisition Corps

Statement of
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Before the
Subcommittee on Investigations
Committee on Armed Services
United States House of Representatives



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Mr. Chairman and Members of the Subcommittee:

I appreciate the opportunity to participate in the Subcommittee's hearings on your proposal to create a professional acquisition work force and corps within each military service.

We support the goals and objectives of the Subcommittee's proposal to develop and manage a highly trained, motivated, and professional acquisition work force. Many of your proposals parallel the recommendations in our 1986 report and we support them. We believe, as your proposal outlines, that it is important for good people to be recruited into the acquisition work force. We strongly agree that clear career paths with requirements for education, training, and experience are needed for all positions. We also support the idea that both military and civilian personnel should be considered equally when determining assignments.

Prior GAO Report

We have reported in the past on the need to provide key acquisition personnel--program managers and contracting officers --with the guidance and tools to effectively carry out their responsibilities. Our 1986 report entitled DOD ACQUISITION: Strengthening Capabilities of Key Personnel in Systems Acquisition (GAO/NSIAD-86-45), identified a number of factors affecting the effectiveness of program managers and contracting officers as well as programs for strengthening their capabilities. For example, the

report identified desired characteristics for program manager career programs. They included:

- entry into the acquisition field sufficiently early in a person's career to allow adequate time to obtain and use the desired experience;
- the same intensity in experience and training as that required for major operational commanders;
- a career path that includes promotion incentives, operational experience, multiple program office assignments, and experience through a variety of assignments in systems engineering, testing, laboratory, and logistics at headquarters level;
- training at the Defense Systems Management College (20 weeks Program Management course as a minimum), intermediate, and senior service colleges;
- selection of the best qualified program manager--civilian or military--based on performance in the acquisition career field; and
- tenure in a program based on tangible results, 4 years, or at a major milestone.

We recommended that the Secretary of Defense and the service secretaries (1) clarify the roles, responsibilities, and timing of assignments, (2) provide criteria and accountability for developing competitive strategies for acquisitions, and (3) strengthen career development and incentives for both military and civilian acquisition personnel.

Packard Commission

As you know, the Packard Commission's June 1986 report on DOD's acquisition process found that it had become an increasingly overregulated and bureaucratic system with excessive oversight and review layers. This condition diffused decision-making responsibility and accountability. The Department of Defense (DOD) is now involved in implementing the Commission's recommendations to streamline and simplify the acquisition process through the Defense Management Report initiatives. The Commission's recommendations and implementing initiatives are based on the concept of competent, well-trained people performing the tasks needed. The Subcommittee's proposal could provide goals for the services in implementing these initiatives.

Issues for Consideration

Some of your proposals for acquiring and retaining civilian acquisition personnel have far broader applications than to the DOD acquisition work force. We support the proposals of an alternative pay system based on locality and merit and an entry-

level salary that is competitive with area wages. These proposals could include adjustments that recognize area housing differences. However, we believe proposals that benefit the entire federal civilian work force should be considered on that level. To institute these concepts for only a DOD acquisition work force might create inequities that could lead to significant problems for the rest of DOD as well as the entire work force.

There are a number of other initiatives that relate to and affect these proposals that should also be considered in the context of accomplishing the Subcommittee's goals. For example, the Defense Management Report (DMR) initiatives call for the creation of a military officer acquisition corps with many of the features contained in your proposal. Each of the services is currently in the process of developing their acquisition corps. A separate product of the DMR is a set of legislative proposals to the Congress. It is our understanding that these forthcoming proposals will address a number of civilian and military personnel and pay issues. Also, the administration is developing a federal pay reform package of legislative proposals which include pay based on performance and locality, and therefore, addresses objectives similar to the Subcommittee's proposal. We believe that all of these initiatives should be considered in the Subcommittee's deliberation on guidance or legislation for the acquisition work force.

Some Proposals Require Clarification

In considering these proposals, we believe some areas require further clarification. More details are needed on the Defense Acquisition University concept. We agree that some centralized effort is needed to ensure training quality and consistency and to guard against duplication. However, the organizational structure and scope of the University's roles and mission should be clarified as well as the costs associated with this proposal.

Other proposals requiring clarification in terms of need, costs, and scope relate to incentives for recruiting and retention, such as scholarship and graduate degree programs and retention bonuses for retirement-eligible military personnel.

We agree with the idea of professionalizing the contracting officer position by establishing a career path with education, training, and experience requirements. However, more details need to be provided on the reclassification of some 1102 series positions to other job series and the effect on the people occupying those positions. We would caution that any changes in this area would require careful consideration of Office of Personnel Management regulations and standards.

We also support the need for a distinction in training and experience qualifications for acquisition personnel at various levels in the work force, however we believe that complexity

should be added to the dollar value criterion. For example, although the dollar value of contracts in the very early phases of major weapon systems acquisition are relatively low, the decisions made in these phases have the greatest effect on the eventual total program cost. Therefore, we believe that the most experienced and best qualified program managers and contracting officers should be assigned in the very early phases of program development. Our previous work showed that this is not always the case. Finally, as recommended in our 1986 report, we believe it is essential to adequately define the roles and responsibilities of the key acquisition personnel before establishing the above mentioned educational, training, and experience qualifications.

As I said in the beginning of my statement, we support the goals and objectives of your proposal and are willing to assist your Subcommittee in preparing guidance or legislation based on these hearings.

Mr. Chairman, this concludes my formal statement. I would be happy to respond to any questions you may have.