

Building a Modern Defense Acquisition Workforce¹

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Advocates of acquisition reform have long sought changes in the civil service rules to make it easier to build the kind of workforce that the Department of Defense needs to efficiently execute the defense acquisition process. Despite a wide array of new programs and legislative authorities, little has changed. The author suggests that what is needed is a new mindset, not a new set of rules. Instead of managing civil service positions, the Department of Defense must start managing its people.

Introduction

Every year, the Department of Defense (DoD) acquisition workforce is responsible for negotiating prices, enforcing requirements, managing delivery, addressing interoperability and sustainability, and ensuring cyber and supply chain security for every item in the annual defense acquisition budget. And every year, Congress makes this already daunting process more complex by introducing acquisition legislation provisions that change the rules on types of contracts, contract audits, source selection criteria, commercial items acquisition, data rights, intellectual property, and more.

Model career paths show a rotation of individuals through a progression of assignments and training experiences to build needed skills and competencies.



¹ Based on P. Levine "Building a 21st Century Defense Acquisition Workforce," *War on the Rocks*, May 6, 2019, <https://warontherocks.com/2019/05/building-a-21st-century-defense-acquisition-workforce/>.

Advocates of acquisition reform have long sought changes in the civil service rules to make it easier to build the talent that the Pentagon needs to meet this challenge, but despite the wide array of legislative authorities now available, little has changed. If DoD wants to develop talented employees rather than manage them for immediate performance, they must establish a system that enables rotating future civilian leaders through a series of time-limited, career-building assignments.

Call for Civilian Personnel Reform

In 2003, the National Commission on the Public Service reported that the Federal Government was not adequately staffed to meet the demands of the 21st century (National Commission of the Public Service 2003, 1):

Those who enter the civil service often find themselves trapped in a maze of rules and regulations that thwart their personal development and stifle their creativity. The best are underpaid, the worst, overpaid. Too many of the most talented leave the public service too early, too many of the least talented stay too long.

In 2017, a panel of the National Academy of Public Administration reached a similar conclusion. Citing Government Accountability Office findings of “serious gaps between the skills agencies needed and the skills they had on board,” the panel concluded: “The country is flying blind into wicked problems, without enough pilots who know how to direct its programs onto the right routes” (Panel of the National Academy of Public Administration 2017, 14).

Almost every major study of the defense acquisition system, from the 1986 Packard Commission report² to the 2006 Defense Acquisition Performance Assessment, has similarly pointed to shortcomings in workforce training and expertise. Yet a 2016 survey found that the Federal Government continues to “suffer from a capability gap when it comes to hiring, training, and retaining acquisition workers” and that most of the workforce remains “unprepared or unwilling to take well-reasoned risks to exploit potential innovations or cost savings” (Grant Thornton and Professional Services Council 2016, 1). A 2017 MITRE paper stated that “the acquisition workforce lacks the experience, knowledge, and tools necessary” and “struggles to keep pace with the increasing complexity of the federal acquisitions.” (Murphy and Bouffard 2017, 2).

Reviews of specialized acquisition fields have likewise identified shortfalls. A congressionally mandated panel report in 2018 said that acquisition personnel “do not receive adequate, if any, training in” management of technical data and computer software rights. The report recommended additional training and use of a cadre of subject matter experts (Government-Industry Advisory Panel on Technical Data Rights 2018, 1–2). Similarly, a 2019 report of the Defense Innovation Board found

² President’s Blue Ribbon Commission on Defense Management, 1986, *A Quest for Excellence: Final Report to the President*.

³ Assessment Panel of the Defense Acquisition Performance Assessment Project, 2006, *Defense Acquisition Performance Assessment Report*.

that the defense human resource system fails to build needed software acquisition expertise and recommended “establishing software development as a high-visibility, high-priority career track with specialized recruiting, education, promotion, organization, incentives, and salary” (Defense Innovation Board 2019, 33).

Existing Authorities and Flexibilities

Over the last two decades, three very different administrations have proposed new, far-reaching personnel authorities to address perceived shortcomings in the federal civil service system with mixed results. The second Bush administration implemented an alternative civilian human capital system—a performance-based system called the National Security Personnel System—in DoD, which ran from 2006 to 2011. The Obama administration called for instituting expedited hiring and performance-based pay systems throughout the Federal Government. And the Trump administration has proposed eliminating the General Schedule system, making it easier to hire and fire federal employees, and “reskilling” employees in antiquated positions (Office of Management and Budget 2020, 74–76).

The problem, however, may not be a lack of authority. DoD workforce authorities now include:

- Pay-for-performance programs and increased pay caps for the acquisition workforce, the science and technology workforce, the intelligence workforce, and the cyber workforce;
- Employment authorities for highly qualified experts, science professionals, temporary and term appointments, and rotational Intergovernmental Personnel Act Program employees; and
- Expedited hiring authorities for the acquisition workforce, the scientific and engineering workforce, the financial management workforce, the weapons testing workforce, the intelligence workforce, the cybersecurity workforce, the business management workforce, and the depot maintenance workforce.

DoD has multiple programs to educate, train, and advance the civilian workforce, including leadership programs like the Defense Civilian Emerging Leader Program, the Executive Leadership Development Program, and the Defense Senior Leader Development Program. DoD also has requirements for mentoring and coaching civilian employees as well as a strategic workforce planning guide and detailed regulations for civilian career management, including competency management frameworks, career ladders, and career maps.

These broad authorities are augmented by a series of special provisions applicable to the acquisition workforce. The Defense Acquisition Workforce Improvement Act, first enacted in 1990, establishes a separate acquisition corps with its own accession, education, training, and career development requirements. Six years later, the acquisition demonstration project authorized the use of direct hiring, pay-for-performance, performance management, and other flexible management tools

(Title 10 U.S.C. § 1762). From 2008 through 2016, about \$4.5 billion was deposited into the Defense Acquisition Workforce Development Fund for workforce hiring, training and development, and retention and recognition (Government Accountability Office 2017, 5).

Career Development Approaches

Why haven't these new authorities been sufficient to build the specialized skills and expertise that DoD says it needs? The final report of the Section 809 panel on streamlining and codifying acquisition laws and regulations contains a hint of an answer, arguing that DoD has taken an "unbalanced approach to professionalizing the workforce by focusing primarily on training to meet certification requirements." Instead, the report suggests the focus should be on long-range career paths that include "jobs of increasing variety, complexity, responsibility, and accountability, leading to management and leadership opportunities." To address this shortcoming, the panel recommended a new "competency model" for career development that would include qualifications gained through "a combination of education, training, and practice" (Section 809 Panel 2019, 285–286).

The panel fell short, however, when it came to explaining how its career planning vision would be implemented in practice. Congress and DoD have provided similar career planning direction on multiple occasions over the last 25 years. In fact, as a member of the staff of the Senate Armed Services Committee in 2010, I helped draft a legislative mandate for the development of a "deliberate workforce development strategy that increases attainment of key experiences that contribute to a highly qualified acquisition workforce" (10 U.S.C. § 1722[b][2]). And 6 years later, as Acting Under Secretary of Defense for Personnel and Readiness, I signed Department of Defense Instruction 1400.25, Volume 250, which provides, among other things, "a competency-based road map for employees to aid in their career planning and development" (Department of Defense 2016, 8).

Unfortunately, none of these past career-planning efforts has achieved the desired objectives. Careers in the civilian acquisition workforce continue to be largely haphazard and unplanned, and the results continue to be unsatisfactory. As the Section 809 panel acknowledged, "Creating a policy that simply publishes career paths and implements a competency model, without recognizing the heavy lifting needed to change culture" is inadequate (Section 809 Panel 2019, 286).

In fact, the panel's recommendations suffer from the same problem as existing policies: they establish expectations for the acquisition workforce, but fail to provide a mechanism by which those expectations can be met. Model career paths show a rotation of individuals through a progression of assignments and training experiences to build needed skills and competencies. Unfortunately, DoD does not currently have a mechanism for such rotation.

The military personnel system provides a mechanism for concerted career planning because military tours of duty have a limited duration—generally 1–3 years. This

means that multiple tours can be used to provide successive experiences needed to build skills and competencies. As a result, young officers who choose a career in acquisition can expect to begin a designed sequence of assignments that includes a progression of developmental acquisition positions, training and education, broadening experiences, staff jobs, and command assignments. This system has been criticized for rotations that are not long enough to build real expertise in specialized fields, but at least it provides a mechanism for long-term career planning.

The civilian personnel system, by contrast, is centered on positions of potentially unlimited duration. An individual is hired for a particular position and can expect to remain in that position indefinitely. The next developmental position will become available only when it is vacated by the individual occupying it. This position-based system provides little opportunity for systematic career planning and progressive assignment along the lines common to the military's rotational system. The stability of the civilian personnel system enables long-serving senior civilians to achieve levels of specialized expertise and institutional memory that are difficult to match in the military, but it is not readily susceptible to systematic career planning.

In the civilian system, individual employees must build their own careers by identifying the next job opportunities and seeking to fill them. Training opportunities and broadening assignments may be available, but are not used to build careers in an organized manner. Supervisory assistance and mentorship are not a sufficient basis for building a workforce because the goals of a local supervisor may not be fully aligned with DoD's goals for the acquisition workforce as a whole.

The Section 809 panel identified this problem when it recommended a public-private exchange program to broaden the experience of defense acquisition professionals. The panel found that multiple exchange programs already exist, but the civilian personnel system discourages their use. Employing offices that participate in exchange programs face the risk of losing talented employees with no prospect for replacement. Employees who participate fear that they could lose their current positions without assurance that an equal or better position will be available upon their return. As a result, these potentially beneficial opportunities remain underutilized (Section 809 Panel 2019, 305–310).

In short, the desire to build a highly-trained and capable career acquisition workforce is in conflict with the civilian employment system as it exists today.

Stepping Away from Position-Based Employment

Existing authorities and requirements could be more effective if employment status were separated from position status. A mechanism is missing that would empower future civilian leaders to build their careers through a series of rotational assignments without fear of losing their jobs. The Federal Government typically hires new employees for specific positions and then treats every promotion or transfer as a new hiring action, subject to a fresh competition. Many private sector employers hire the best talent available and then assign them to a series of positions over time. DoD could do the same.

A cautious first step away from position-based employment would not have to apply to all positions. Rather, employees could opt into specific positions designated as career-building slots, agreeing to a series of rotational, term-limited assignments that would not affect employment status. Ideally, the new program would be administered by functional community managers pursuant to existing guidance (Department of Defense 2016, 2).

In the case of new employees, DoD should take the extra step of separating hiring from placement, using a process referred to as “hiring talent pools” (Panel of the National Academy of Public Administration 2018, 20). Instead of hiring new employees exclusively on a position-by-position basis, as is done now, the Department should hire annual cohorts for an acquisition career track, bringing them into a program that incorporates blocks of training and education along with rotational, career-building assignments. DoD should hire the strongest candidates it can find, train them as a team, and offer them the prospect of steady advancement and new responsibilities.

Cohort hiring would streamline and expedite hiring by establishing a single process to evaluate and make decisions on multiple candidates. It should also make it easier for DoD to access needed talent by offering a career of varied and challenging work from the outset. The greatest competitive advantage the Federal Government has in the job market is the promise of significant responsibility for an important mission. This advantage may be lost on recent graduates who are hired for relatively low-challenge, entry-level positions and left to find their own way to advancement.

To make the new system work, DoD would have to designate developmental positions that would be available for rotation at all levels of the organization so that a wide variety of challenging future assignments would be visible to early-career employees. One option might be having initial assignments of 1 or 2 years followed by longer rotations of up to 5 or 7 years. Assignment terms would not have to be absolute: high-performing employees could be afforded the possibility of moving to new assignments on an expedited basis after developing required skills and competencies. Other options are possible that would not replicate the rigidity of the military rotation system.

New Mindset

The key to this change would be a new mindset: instead of managing positions, DoD would be managing people. Succession planning would no longer be solely about hiring a new person for a particular position. Instead, the objective would be to match individuals who are already in the workforce with the assignments they need to turn them into innovative, productive acquisition leaders. Hiring managers might initially resist losing control over the pool of candidates eligible to fill specific positions, but would ultimately benefit from a streamlined process and better qualified, more productive employees.

The result would be a rotational system for civilian employees that enables career-building opportunities, career-broadening experiences, a constructive mix of training

and practical experience, and even public-private exchanges. If DoD gets the rotational system right, the modern acquisition workforce talked about for decades could become a reality.

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