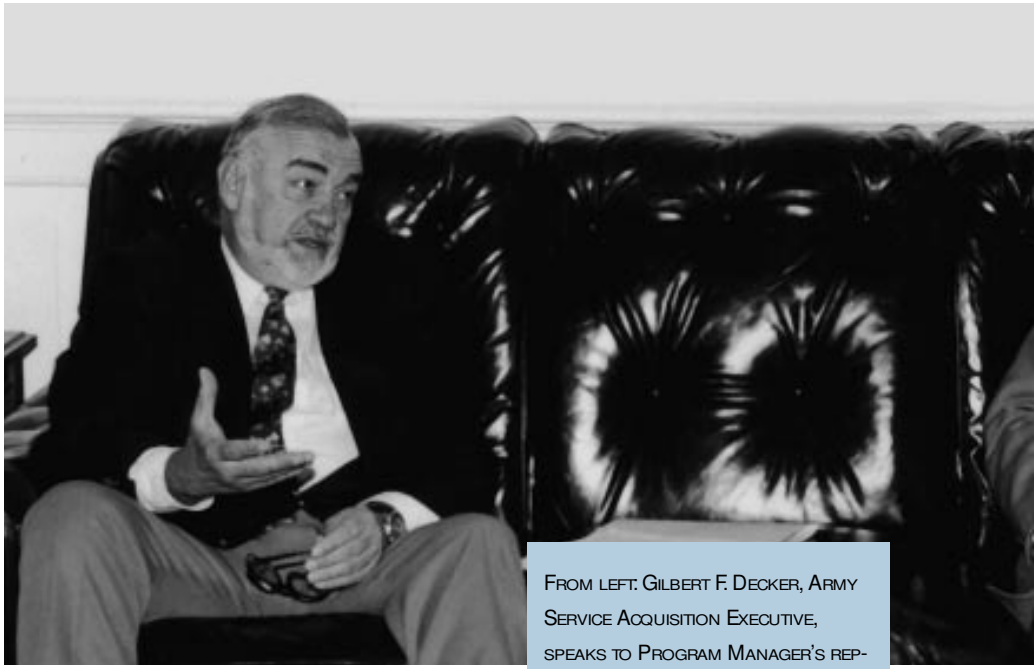
Program Manager Interviews Gil Decker, Army's Top Acquisition Executive

"Do the Important Things Without Compromise"

Never squander. Always save. Don't be wasteful. That advice from Mom, forged in the hardships of the Great Depression, steadied Gilbert F. Decker in his rise through the executive ranks of private industry and government. Now serving as the Assistant Secretary of the Army for Research, Development, and Acquisition, today Decker frequently recalls his mother's words as he goes about the business of acquiring the most effective, affordable, and supportable military materiel for U.S. soldiers.

Decker, sworn in as Assistant Secretary in April 1994, carries the additional titles of Army Acquisition Executive, Senior Procurement Executive, Science Advisor to the Secretary, and Senior Research and Development official. He is also, he will tell you, "an Army brat...my father was a grunt soldier," and is himself a retired colonel in the Army Reserve.

Decker graduated from John Hopkins University with a degree in electrical engineering in 1958. After a stint on active duty as an Army Aviator, he joined ESL, Inc., a California high-tech firm created and led by future Defense Secretary William Perry. Decker assumed the presidency of ESL on Perry's departure in 1977, subsequently moving on to executive positions with TRW, Penn Central Federal Systems, and Acurex. He also served as a member and then chairman of the Army Science Board during the 1980s.



FROM LEFT: GILBERT F. DECKER, ARMY SERVICE ACQUISITION EXECUTIVE, SPEAKS TO PROGRAM MANAGER'S REPRESENTATIVE, JAMES WITTMEYER, FROM HIS PENTAGON OFFICE.

A self-professed member of the "Perry Mafia," Decker speaks of acquisition reform frankly and with great enthusiasm. Yet underlying his satisfaction with what has been accomplished thus far, one also senses his pride in the people who—now unencumbered by much red tape—are producing results once thought unachievable. Decker spoke to *Program Manager* in his Pentagon office.

Program Manager: *If we may, why don't we begin with your background. Please give us a sense of what your goals and objectives were coming into the position, and what qualifications you brought with you that, surprisingly or not, have really helped you in this position.*

Decker: I was very fortunate. My dad was a military career officer (he was an Army officer), and so I grew up as a military brat. I went to school at John Hopkins for an E.E. degree, took an ROTC commission, spent almost six years on active duty, and then resigned though I stayed on as a reservist. I then moved out to California to go to graduate school at Stanford, and then in 1965 met a gentleman named Bill Perry. The year before, he had started a small company as a spinout of the company he had been working for—it was the company where I had gone to work while I was at Stanford.

James Wittmeyer, former editor, Acquisition Review Quarterly, *conducted the interview with Assistant Secretary Decker on behalf of the DSMC Press.*

Photos by Greg Caruth

I joined his company in 1966, which was a company devoted to reconnaissance intelligence electronics and that aspect of defense electronics. So I stayed with that company and we had some really smart people; Bill had a very good sense of where the needs of the government were in those fields. The company prospered, we grew, and went public as a stand-alone company. I had become the Operations Vice President over the years as we grew. I

had maintained my activity in the Army Reserve (weekend warrior if you will), and went through the various Army Reserve schools. So I learned a lot about the military acquisition business.

I feel compelled to say that in my previous career experience, I hadn't thought much about ever being an appointed official in government, whether it be in acquisition or anything else, so that really wasn't an end goal. A great deal of serendipity occurred along the way, which I feel, if I look back, if I had ever said to myself, "Thirty years into my career I'd like to be the Acquisition Executive of the Army in the Defense Department," I don't think I could have mapped out a better path. That wasn't a pre-ordained thing. It happened that way.

Program Manager: *So you were staying current on the military in general as well as in acquisition?*

Decker: Exactly. It also helped a lot in business. I had gone through the U.S. Army Reserve version of Command and General Staff School (C&GS). I taught C&GS in a U.S. Army Reserve School for awhile. Then when I made O-6, I became a mobilization designee (IMA), and I spent two summers out at the Troop Support and Aviation Readiness Command in St. Louis as a logistics officer. There I learned a bit about materiel management and sustainment operations. Meanwhile the company [ESL, Inc.] was growing, and we were doing business with all three of the Services as well as the intelligence community. I began to clearly see how cumbersome the defense acquisition system had become–just a huge waste of processes, for example hundreds of pages in an RFQ that you could hardly understand. So I saw it from that dimension. I was also on a few study groups to look at that from trade associations' viewpoint. From all of that, I was able to really see both sides of the system and understand the military acquisition processes–I must say I enjoyed all that.

Bill Perry left ESL to become the Defense Acquisition Executive (the same job that Paul Kaminski has now) in the Carter Administration. So he had to sever all official ties with industry. I then became president of ESL, and the company was later acquired by TRW. All of that–aerospace and defense, some investment banking work, staying active in the military – was just a good pattern to really see how things worked, and in my opinion how they should work and weren't working. In early 1983, I was appointed to the Army Science Board so I had a chance to do studies for the Army, a great deal of them in technology and acquisition.

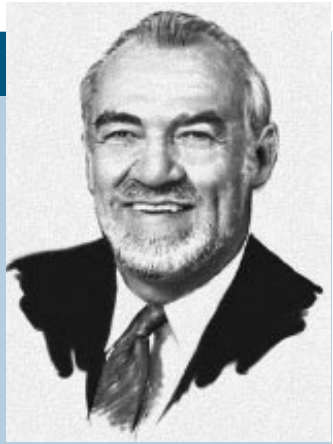
Then in 1988-89, I spent two years as Chairman of the Science Board. And that was a pretty exciting experience; that's kind of the whole rubric of my career. Then in 1985 I had moved away from California and was back here [Northern Virginia] for about five years with the Penn Central Federal System Company, restructuring all of their government business operations. Then I went back to California in early 1990 and took over a diversified high-tech company named Acurex to restructure it and sell it. At the time, the owners really wanted to get out of the business. Bill Perry was on the board of that company, so I was continuing my association with Bill long after he had left the government.

I completed that restructuring in '92, and we then sold the company; the shareholders seemed really happy with the results. In the interim of course, Bill Perry had always been very active in national security matters even though he was out of the government. He was on the Defense Science Board; he was on the President's Foreign Intelligence Advisory Board; he did a lot of studies; he was a part-time, tenured professor at Stanford, mainly in things relating to international security and international economics. He's a very smart and capable man. He and a number of us that were friends, acquaintances, and business associates were of an opinion that we really needed to streamline the acquisition system in the government. But at the time that was mere idle chatter, because nobody ever streamlined anything in the government.

Then when he was asked to be Deputy Secretary of Defense, after Les Aspin had been named the Secretary of Defense by President Clinton, he accepted that. As Deputy Secretary of Defense that first year, his No. 1 bullet was acquisition. Right after he was confirmed in early '93, he called me (I had gone to his confirmation) and said, "Look, you're in a good position in life, and it's time for you to consider giving something back. I'm trying to pull an acquisition team together that has been in business and knows business, and knows how to fix the system." To make a long story short, I thought about it–that whole tortuous

GILBERT F. DECKER

Assistant Secretary of the Army for Research, Development, and Acquisition



Sworn in as the Assistant Secretary of the Army for Research, Development, and Acquisition on April 21, 1994, Gilbert F. Decker serves as the Army Acquisition Executive, the Senior Procurement Executive, the Science Advisor to the Secretary, and the Senior Research and Development official for Department of the Army.

As the Assistant Secretary for Research, Development, and Acquisition, Decker is committed to acquiring the most effective, affordable, and supportable weapons and materiel for U.S. soldiers. He is leading the Army's acquisition and procurement reform efforts, with emphasis on eliminating non-value added government requirements throughout the acquisition process. By initiating ways to reduce government decision cycle times and administrative costs, Decker is making every defense dollar count. He actively seeks innovative ways to acquire the latest technologies from commercial sources using normal industry business practices, where possible, and through the use of performance specifications. He manages all Army acquisition programs, reviewing and approving the Army position at each decision milestone.

Formulating technology base strategy, policy, guidance, and planning, Decker provides direction for the development of new weapon systems. In the pursuit of advanced, high pay-off technologies, his intent is to leverage resources by cooperating in every way possible with academia, industry, national laboratories, and allies.

As the Army Acquisition Executive, Decker establishes and maintains the Army Acquisition Corps, acting as final authority on all matters affecting the Army's acquisition workforce. In addition, he provides testimony to Congress in support of the President's budget. Decker serves as spokesperson for assigned portions of the Army's budget requests; identifies programs for funding adjustments; and prepares congressional appeals and correspondence of a programmatic or technical nature.

From 1966 to 1982, Decker was employed by ESL, Incorporated, rising to the Presidency of that firm in 1977. Since then, he has headed the New Ventures Department of TRW, served as President and CEO of Penn Central Federal Systems Company, and as President and CEO of Acurex Corporation.

From March 1983 to November 1989, Decker served on the Army Science Board. He also served as Chairman from March 1987 until the end of his appointment on the Board.

Photo courtesy Gil Decker

IRENE DECKER ON MANAGING WITHIN YOUR BUDGET: "YOU OUGHT TO NEVER SQUANDER YOUR RESOURCES. ALWAYS SAVE SOMETHING. YOU DO NEED SOMETHING TUCKED IN THE SOCK FOR A RAINY DAY. THINK AHEAD, AND DON'T BE WASTEFUL."

DECKER IS A SELF-DESCRIBED "..ARMY BRAT. MY FATHER WAS A GRUNT SOLDIER." HE HIMSELF IS A RETIRED COLONEL IN THE ARMY RESERVE.

Decker graduated from John Hopkins University in 1958, with a degree in Electrical Engineering and a commission in the U.S. Army as an armor lieutenant. Subsequently he attended flight school and served on active duty as an Army aviator until 1964. Upon leaving the active duty Army, he attended Stanford University earning a Master of Science Degree in Operations Research in 1966. He retained his commission and remained active in the Army Reserve until 1988, at which time he retired from the Reserve as a colonel. Decker is a graduate of the Industrial College of the Armed Forces.

Decker and his wife, Sandy, have three sons and two daughters. His permanent residence is in Los Gatos, Calif.

trail of the background I've had plus being associated with him—that was the kernel or the seed that got me into a position where I could be nominated by the White House. So there's a little bit of serendipity there; if John Doe had become the Deputy Secretary of Defense I probably wouldn't have this job.

Program Manager: *For the most part, it sounds as though the selection was depoliticized. In the press at the time there was quite a bit of comment about that anomaly; when Mr. Perry went up to the position of Secretary of Defense and Mr. Deutch filled in behind him, that was the first time apparently in a long number of years that you had basically two non-political types.*

Decker: Yes, generally one of those folks really comes out of the politics, be it elected politics or whatever. It usually works fairly well if you get one of the guys as an operator and one of the guys as a politician.

Program Manager: *This seemed then to work very well?*

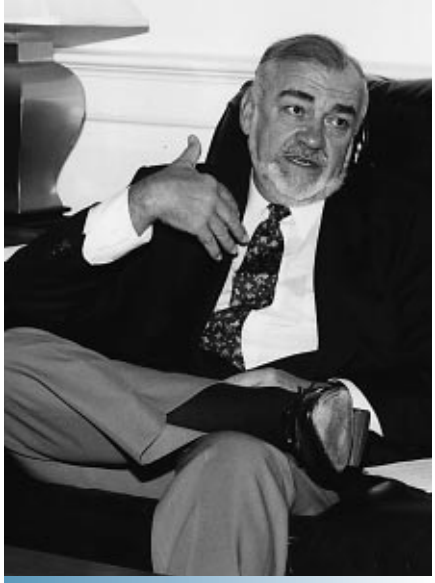
Decker: Bill very much had the full support of Mr. Aspin, and he had the full support of Vice President Gore on reinventing government. Bill felt that we really needed to de-politicize the acquisition and procurement positions in particular. In terms of political connections, Bill really convinced people that he should at least recommend the folks for these acquisition jobs. Neither John [Deutch] or Bill are politicians in the classic sense of the word.

Program Manager: *Nor does Dr. Kaminski appear to be. That's what interests us about your background as well. All of you gentlemen appear to be cut from the same cloth. It's something that's a little different for government. This certainly leads us to believe that this may have something to do with the progress in acquisition reform.*

Decker: Bill [Perry], as the Secretary of Defense is not going to try to handle acquisition reform efforts in a hands-on way; he's got too much to do in the broader arena of national security. But it sure makes a difference when the Secretary of Defense says, "I've got a bunch of bullets on my screen, and I've got to handle them all. Acquisition reform and streamlining the procurement system is still a major bullet. I want it to happen." And he periodically does conduct reviews. He'll have us all in, and we'll go through what's happening on each of the different initiatives. As busy as he is, he lends it his personal attention. Even if it's an important project, if he doesn't like the way it's going, it doesn't progress. To a great degree, his academic, his business, and his national security background has made a great difference.

Program Manager: *You're all comfortable then with systems and systems engineering and that sort of thing. All of you have had business experience, and you've been on the other side of those cumbersome government acquisition processes. You all come from that experience. That strikes us as being somewhat unusual in this Administration.*

Decker: Yes, we have people in all these key positions that come out of a high-tech, business background—Art Money, myself. John Douglass, however, was never in business in the classic sense. But if you go back and look at his record, he was a staffer, and a pretty good one. Back in his pre-staff career, he was a senior Air Force officer involved in acquisition, and ran programs. So he knew the business from that vantage. So I would say that he is not the standard political appointee either. Kaminski, Art Money, Noel Longuemare, myself...yes, you could say we're cut from the same cloth. Most of us worked together and knew each other. A lot of this is a Bill Perry "Mafia"—a Mafia's OK if it's used for the right purposes. Bill really wanted to get people that he felt were known performers and understood the system, so he tried to do some "hand selects." To President Clinton's credit, he supported that fully. A lot of the White House staff didn't like that, so there were some hassles getting through the staff part. But President Clinton backed Perry all the way on this.



"…if I look back, if I had ever said to myself, 'Thirty years into my career I'd like to be the Acquisition Executive of the Army in the Defense Department,' I don't think I could have mapped out a better path. That wasn't a pre-ordained thing. It happened that way."

The main thing is end results. I think we have made a lot of progress in streamlining the acquisition system. That was the main job we had.

Program Manager: *One of the items that is of particular interest to our readers at the College is a comment you made last year at AUSA in which you said, "Acquisition reform depends on education and training." Tying in with that, could you comment on the Acquisition Roadshow? We understand that you hoped this year to make about 15 presentations to 4500-5000 workers. Have you been able to get out to some of these and get a sense of how they're going? What type of feedback are you getting?*

Decker: Let me start by going back. This is Roadshow 5; Roadshows 1 and 2 started before my time. And I think there's a message there that people within the Army deserve some credit for. The thinking going on with people like Bud Forester, the former MILDEP that was here, and toward the latter phases of Steve Convers' tenure here, was that there were some things they could do. They believed we didn't need big proclamations of new ways of doing things to streamline things where we can streamline things. And certainly you can use commercial specs when you're buying commercial items. We had been doing dumb things, especially in the area of MIL-SPECs. So they started Roadshows 1 and 2 dealing with some of those issues, and saying, "Let's streamline our specs." I wasn't around for those two Roadshows, but I understand they were reasonably successful.

They got the vehicle established, put some funding in it, and created the agenda for a series of two and one-half day training courses. They then hit the major systems commands where the PEOs and PMs reside, as well as the systems commanders. And they made some progress. In fact, under the tenure of those guys, a big example of an acquisition reform success that I think was driven somewhat by the knowledge imparted by the Roadshows was the new training helicopter.

That was under contract when I got here. That's fundamentally a commercial machine that has some adaptation to be used for training pilots. It trains the raw pilots that have never flown before. It's not a warmaking machine. They essentially took a commercial system and added some minor mods to it. All the commercial specs, the entire RFU package—everything was less than 90 pages. And it worked. The first one was delivered 14 months after contract award.

Program Manager: *Then it can be done?*

Decker: It can be done. The training is quicker. The first year that I got here for Roadshow 3 was the year that, finally the big Process Action Team (PAT) chartered by Perry's administration, led to the revamping of MILSPECs, and in doing so struck the first major blow for freedom. It was an Army-led PAT team. Instead of MILSPECs, we used performance specs. To use performance specs, you have to use "best value" evaluation of your procurements. You can't just use lowest qualified bidder. So the theme of Roadshow 3, going out to 12 or 14 various places, as you pointed out, was not only having some discussions and panels, but conducting small group workshops. I got very involved in that, and I said that this was probably the best vehicle we have to teach something specific. I don't view that at all as competitive with what we're trying to do at DSMC. DSMC is fundamental underpinnings to get somebody equipped; to me it's sort of the difference between getting a college degree and learning the "how to" on the job. These were things that we needed to impart to the workforce. I figured one of the best ways that you can ever help change a culture is to get out and work with the people who are doing the work.

I also felt that it was critical that I and other senior acquisition leaders participate the full first day of each Roadshow, including giving a talk in the morning. We always had a senior executive speaker from industry; we had General Coburn coming to all of them; we had all the senior people. We also conducted question-and-answer panels, and stayed for some of the workshops in the afternoon to see how they were going over with the acquisition workforce. It was a good Roadshow that year.

If we fast forward to '96, the same pattern is there. (I had to miss three, I've made seven of them, we've conducted 10 so far, and I'm scheduled to go to the last two.) I've made almost all of them, and I've enjoyed each one. There are about 200 to 250 people at each one. This year we have had great support from Defense Contract Management Command and from Defense Contract Audit Agency. The head guys, General Drewes and Mr. Reed, have personally attended and talked about the new auditing processes, how they're working on an IPT basis, and how they're there to provide audit data to you, the acquisition people. They've been there; they're getting their message across; they sit on the panels with us. The case studies have been excellent. There's a mandatory case study the first afternoon and first morning of the second day that is really interesting, and it illustrates source selection strategy and how to set up your criteria for source selection. It's really interesting to sit in on these sessions and hear the debates that go on.

Program Manager: *You mentioned performance standards. People have been at some pains to define the difference between performance standards and commercial standards. What is it you want your people to understand about the difference?*

Decker: Performance specifications (let me put the word "standards" aside) is laying out a description of the purpose of the system and the few pages of fundamental performance requirements of that system. Now if there are any standards by which the system must be addressed, it's OK to put those in there. Ideally, you'd like to use commercial standards; I'll give you an example. Say that you're going to put out a performance specification—and this is a real-world example—for the Single Channel Anti-jam Manportable (SCAMP) terminal for the MILSTAR satellite (that's the terminal for light infantry forces and special operations). You can get down to describing all the nitty gritty and all the MILSPECs and the kind of parts you have to use and all of that. Then you get an RFQ back saying that it will cost you a fortune. Or you can state that here are the basic communications performance requirements this system must meet. It's got to be able to be carried by three people in its broken down configuration. It's got to have a certain amount of transmit power because the MILSTAR satellites are designed such that if they don't get enough power, then you won't be able to communicate. So it's got to have a stated power minimum. It's got to handle the required data rate; that's a performance spec—you don't say how to do it.

After you go through those kind of specifications, you end up with about two to two and one-half pages of performance specs. And that's it. And what you say to the bidders is, "You describe to us in the proposal how you plan to design this thing, what your proposed reliability standards are." That's a performance spec, whereas in the old days, you would pull out all the MILSPECs related to ground communications terminals, and would have already specified the kind of circuit boards you're going to use and the kind of metal you're allowed to use. The contractors are still welcome to bid that, by the way, if that's their solution—but it usually won't be very imaginative nor cost effective in my opinion.

Program Manager: *Mr. Decker, you're an engineer. Is it hard to get engineers to move away from MILSPECs to performance specs?*

Decker: Very hard. A good engineer, if you ever get him thinking, discovers it's a lot bigger challenge working in

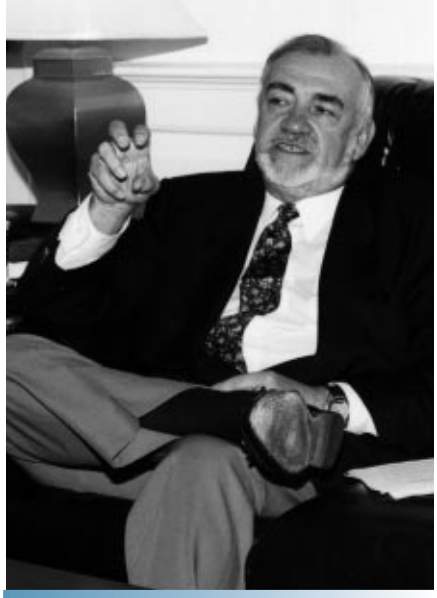
an RD&E Center or in the government developing a spec package, to really think through a performance spec, and leave be all the "how to's" to the bidders. They've been so conditioned for so long; it's a recipe thing, and you say no. If you want to get involved in the nitty gritty of design and actually implementing the design, you really ought to go to work for the contractors. That's their job. Our job is to tell them what we want. Slowly but surely–and our Roadshows have all emphasized performance specs and "best value" procurement–we're starting to see the people get better and better at that. And it's working

Program Manager: *It seems that that kind of close communication, i.e., the IPTs, may relieve some of those concerns that, "I have to tell them [contractors] precisely how to do it because you can't count on them to know without extensive guidance."*

Decker: First of all, that statement is a completely incorrect statement. Let's say you form an IPT, and it develops a good, hard-hitting performance spec that has the salient things that must be described. The IPT gives reasons why, but doesn't say, "Here's precisely how we want you to do it." It's a "what," not a "how." If you believe that any of the contractors that bid are so incompetent in their role as engineering design and manufacturing contractor that they can't handle that kind of spec, I don't think you want them on the job anyway. That's a fundamental thing. How can you imagine (and I don't say this to be pejorative) that you–whether you are in a government program or a government lab, and these are bright people–are necessarily any brighter at how to implement something than the contractor who builds communications systems day in and day out? You probably are both very good.

Program Manager: *But that strikes us as extraordinarily revolutionary!*

Decker: Well it is. But it works! Now the IPT thing is critical because there are some differences in things you have to do in procuring for the military. You can't just say, let's treat it like the open market. The consequences of a company not satisfying its customers when it designs an automobile–and I'm over-simplifying–are that if it's a shoddy product, nobody will buy it after the first year, so you suffer in the marketplace. With the exception of certain safety standards (if you don't design those type standards in the product, you can run into legal and liability troubles, and people will lose lives), commercial companies fail or succeed on open market acceptance.



"DSMC is fundamental underpinnings to getting somebody equipped; to me it's sort of the difference between getting a college degree and learning the 'how to' on the job."

But in our military equipment, we do have to have some type of assurance that the product really will do what it needs to do or you'll have a big hole in the battlefield. I don't care if it's a water supply truck or if it's a tank or a radio. If you've got the requirement for that system well established and you know why you need it on the battlefield, and it's been reasoned through that the whole system is vital to put on the battlefield, then the thing really does have to work to a fairly high degree of reliability.

So you do have to do some added assurance that you might not do in the open market. But that doesn't say that you will gain that by going to a hundred pages of technical and MIL-SPECs. That won't get you there anyway. Particularly in the area of information technology, information processing, computers and communications, the commercial-industrial marketplace is way ahead of us anyway. That stuff rolls over in new product generations about every two years. So you really need to get the contractors in the mode of bringing their thoughts on how to design this. And we have two great examples, and a third one on the way already. One was the single channel terminal for MILSTAR that I already mentioned, and the other was the multiple channel HMMWV-mounted MILSTAR terminal–highly streamlined performance specs. Before we made the final award, we wanted demo's of breadboard systems with test data just to see if the performance was being met, made a "best value" evaluation, and awarded the contract on both of those, saving enormous amounts of money compared to the original POM estimate. They are hard contracts. In both cases, because we worked the terms and conditions of the contract under conditions of normal usage, we got four-year, bumper-to-bumper warranty...a fine system, great technology!

Program Manager: *As the commercial market moves on in technology, then is it easier to replace the guts of these high-tech systems?*

Decker: Absolutely. Certainly that's true in the information, computer, and display part of the game because the software doesn't roll over that fast. We use streamlined specifications for the JSTARS ground station module. If you go inside that shelter on that truck, about two-thirds of the equipment in there is all commercial computers and commercial displays. The van has to be air conditioned anyway or the troops couldn't live in there. Once you do that, you eliminate any temperature requirements. Secondly, you shock mount it–that's fairly easy. You have a computer that looks somewhat like the one on my desk except it's shock mounted. Why should we MILSPEC it to death–it'll weigh five times as much and cost 30 times as much. So it just works. Is it as easy and Pollyanna-ish as I'm making it? No. There are some legitimate cases where you need, on occasion, to specify in a little more detail. But those in my mind are the exception rather than the rule.

Program Manager: *Staying on the subject of automation, would you comment on the Standard Army Automated Contracting Systems (SAACS) and Procurement Automated Data and Documentation Systems (PADS). Are your goals still to bring those online around the beginning of FY 97?*

Decker: That's still the goal. I must confess to you in all honesty I haven't looked at those in recent times. Those are critical support systems for us, as opposed to systems for the warfighter. I tend, probably incorrectly, to spend most of my program review time on the warfighter systems. But I know the last time I talked to Keith Charles and some of our folks, they're still pushing to get the first releases of those systems early next year. And I hope they make it.

Program Manager: *We understand that you're hoping to reduce contract award and delivery times by as much as 50 percent. Can you give us a sense of how that is coming?*

Decker: I can give you several specific examples where we have done it. Therefore we have an existence theorem. Across the board, my guess is that we're batting about 50-50 in terms of actually seeing measurable reduction. A big help in reducing delivery times is the complete revamping of the DoD 5000 series. The basic message in DoD 5000.1 and 5000.2 is, "Streamline wherever you go; simplify the milestones, and eliminate milestones that aren't needed."

The reason I bring that up is that when you start into the first step of acquisition after approval to fund the system in the budget process, you may not go through all five milestones the normal way. At that point in time, what we're saying is that the system has been approved; now let's get the RFQ ready, get it cleaned up, make sure it's right, and get it released. We're big believers in acquisition reform as part of sort of a broader IPT process, big believers in getting draft RFQs out to all interested bidders, and big believers in soliciting their detailed feedback. Now that builds in a little extra time up-front, but we think that's a big time-saver downstream. We really want to have comments back from industry where they indicate we've got too many specs in here or whatever. We're really pushing our people to listen to those comments and adjudicate them, and truly simplify the final RFQ. It doesn't mean we'll always agree with those comments, but at least we'll think it through. And so we're trying to take a little more time up front to get industry involvement in the draft RFQ.

I think we're finding that if you get the first draft RFQ together fairly rapidly, even if it's got some warts on it, get it out in industry and get their comments back, it really improves the quality and clarity of the final RFQ. It's worth the extra 30-60 days for the draft RFQ feedback cycle. So, we've inserted an almost mandatory procedure of getting the draft RFQ out and getting the feedback necessary to submit to industry a really good RFQ. We are finding they respond faster, so the overall time is shorter.

Turning to another aspect of RFQs, "best value" procurement, I'm a believer that every single thing we buy ought to be "best value." That means Section M in the RFQ, which includes the evaluation criteria, must be carefully thought out. Section M was a big emphasis on the current Roadshow. Really think through both the legalities and what is really important in the different factors. Lowest qualified bidder is no longer a useful way of doing things in my mind. It's looking at the totality of the criteria, evaluating it, and picking the guy that scores the best, not the guy that has the minimum qualifications and is the low bidder. If you do that, then you really ought to be able to award the contract to the true "best value" bidder.

The old process caused formal written questions to be sent to all bidders, and then formal written answers. It used to be you would send out questions; you would then get answers back. You had to disseminate everything to everybody. You now don't have to do that. If you're a bidder, I can now legally have you in with my team for orals and discussion. As long as we don't swap information among bidders and don't tell bidders proprietary information or other aspects of other bidders' proposals, bidders can tell us anything we want to know about their individual proposal. We can ask you questions face to face; it used to be you couldn't do that. We can say that we don't understand how you've designed this thing; it's not much better. Through these discussions, we will clearly understand the proposals. So we're really encouraging those kind of communications. When you go through that process, my belief is that, at most you only have one best and final offer (BAFO) from the bidders, and often you don't even need the one best and final. We've had several instances where we told the bidders up-front not to play games; you give this proposal your best shot because we don't intend to do a BAFO. We intend to do "best value" on the original proposal. When you put all those things together, you can cut the total time from

approval, to solicit, to contract award dramatically.

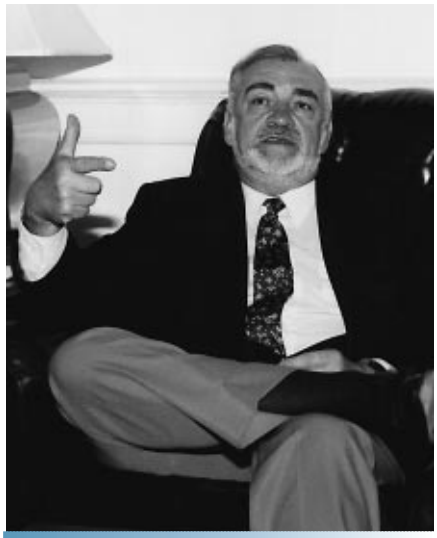
There is one issue in "best value" that we are emphasizing in our training, and that is "Don't try to level the competition. As an example, let's suppose there are three different companies competitively proposing on an RFQ. We, the government, have done all the things right; we've had industry comments on the RFQ, and the RFQ goes out. It's performance spec. Each of the three companies submits a proposal. You look at all three companies as a source selection team, and you say: Company A has far and away the best Seeker design, but the rest of the missile is only OK. Company B has got the best propulsion design, but is not quite as good as A's Seeker; Company C then has the best guidance link. So all three companies have no fatal flaws. The natural tendency is to consider marrying Company A's Seeker with Company B's propulsion design and Company C's telemetry link to attain the optimum missile. You can't do that. "Best value" is not leveling the competition; you've got to optimize. This is the hardest thing to get across. I'm convinced that in the past, one of the reasons we went through three, four, and five BAFOs was to try to merge designs and level the competition. You've got to select the overall "best value" among the three. In the long run, you'll have an overall satisfactory system at a more affordable cost.

Program Manager: *That's sort of the germ of gold-plating we would suppose. For example, "Hey, I just heard about this, and let's bring them in."*

Decker: You say no. You've gone to industry with a performance spec; you've received competitive bids; you pick the one that scores the best.

Program Manager: *Let's talk about the big success stories that you see in terms of projects, if you would be willing to identify a few for us and why they're doing so well.*

Decker: I can name a few off the top of my head. I'll start with one that I think is one of the best weapon systems that we're dealing with in this decade. That's the Javelin missile. Javelin is an anti-tank, anti-armored missile for light infantry and early entry forces. It is one fine weapon system. It was pushing the envelope of technology. When it had gotten through all its pain and had completed initial operational test and evaluation (IOTE), and we were getting ready to go into low rate initial production,



"A big help in reducing delivery times is the complete re-vamping of the DoD 5000 series. The basic message in DoD 5000.1 and 5000.2 is 'Streamline wherever you go; simplify the milestones; and eliminate milestones that aren't needed.'"

Noel Longuemare said, "You now have gotten all the hurdles of technology solved; the missile has been approved for IOTE; you know precisely every part in it and how it's designed. Step back, and without messing anything up, can you do a cost reduction study to see if all the things that you can now do with that missile can still be done by reducing costs during production and sustainment?"

We put an IPPT together consisting of the government PM teams, the user, a government engineering team, and the two co-contractors–Lockheed Martin and Texas Instruments. They jointly looked at all the component parts and all the specific designs within the missile, and found they could redesign some of the circuit boards with far fewer parts because of new technology. They also found they could use dozens of commercial parts instead of MILSTD parts; they tested the commercial parts to validate reliability. They simplified the structure of number of parts of that missile without taking any risks whatsoever. It took about four or five months to do that. It would not have been done well without the IPPT process–everybody sharing with everybody, all seeking an optimal solution.

The net result is that we were able to shorten the production time of the missile quantities we intend to buy by two years. We also saved the cost per missile on an absolute basis, and we will save about a billion dollars over this eight-year period. But we could never have done that cost reduction study without acquisition reform. So Javelin is a real success story in terms of using acquisition reform methods to streamline the missile before it went into production.

Program Manager: *Was this a special team on the Army side? Is it critical, the people that are assigned there?*

Decker: Yes, quality of the people on the IPT is absolutely vital. In this particular case, George Williams, our TAC Missile PEO (who just retired recently)

and Colonel Roddy, the Javelin PM, were two guys that I personally felt were incredibly competent. They have pushed the system hard all along to produce a great and affordable missile. And they were two of the first ones to stand up and say, "We've really needed this acquisition reform for a long time." So they were already two of the best in the business. There's no question about it. Their performance on getting the missile to where it was, was a really tough technical challenge, plus the contractor team. So we didn't really have to say, "OK, I've got these stodgy old guys." Here were a couple of guys who were just waiting for somebody to say, "It is now legal and OK, and not only do I want to say it's OK to do it, I want you to go do this."

If you had people who were still molded to the old MILSPEC way of thinking, they'd probably say, "Oh no! I just got this missile through IOTE. Don't mess with it!" Their view was, "Now we know exactly what we've got in this missile, and we know where we can make tradeoffs. So sure, let's go do this." That attitude is absolutely vital. I believe that in the Army, managers on the program executive officer/program management side of the equation have this attitude. Now, it's really starting to move into the functional side. Do the important things without compromise whatsoever and get rid of the superfluous garbage.

Acquisition reform is not just one single thing. It's a total leadership and management philosophy whose code is: "Do things smart, and use good business practices. Don't spell out everything in great detail; have broad guidelines, and put qualified people on the job." One aspect of business practice that is outside the specific domain of acquisition management is our budget system (PPBS) and the OMB process which approves it, and the Congress which appropriates it. This process tends to change budgets within many specific programs, sometimes through reprogramming in a given year, and often on a year-to-year basis. This leads to big turbulence and instability within programs. All the savings on a program that can be achieved through acquisition reform can be wiped out by one major budget change in midstream. Program stability (or more accurately, lack thereof) is 100 percent rated by PEOs, PMs, Systems Command Commanders, and the three Service Acquisition Executives as the biggest single problem we have that kills all our acquisition reform savings.

In this respect, Congress has been willing to authorize more multi-year funded programs than has been elements of Army and DoD leadership. We are working the stability issue along with streamlining of the PPBS system, but progress is slow. You know, if you go to a contractor and say, "I'm going to buy 100 of these a year, guaranteed for the next four years," then that contractor will invest and take advantage of pricing 400 rather than pricing 100 four different times. So multi-year contracts, which sort of give the contractor a guarantee (and you need a congressional OK to do that) are one of the big contributors to Javelin and the M1A2 tank cost reductions. We streamlined the acquisition procedures and the contracts, and we sold Congress on a four-year multi-year–all of this is part of acquisition reform. It's the awareness of stability of programs and pushing hard to make that happen. I, for one, would be in favor of having all of our major procurements be multi-year programs, and "fencing" them in defense budget guidance each year.

Program Manager: *So the feedback that you're able to give Congress on the multi-years that you have in place has been good?*

Decker: Excellent. I think we're good enough to know when the contractor is gaming us and when he isn't. We've had comparisons of what it would take to buy 100 tanks a year and do that for four years rather than a contract for four-year multi-year, and it's 10- or 15-percent savings at the bottom line. That's a $100-, $120-, or $130-million savings over a four-year period–in some cases more. We have that kind of data. It's not rocket science. Once you've taken all the non-value added processes out of a program and you have it down to its streamlined estimates, then if you can say, "Let's go buy the next four years' worth now," you'll get a far better price.

We have completed negotiations for a multi-year contract for the Army Apache D helicopter. That will be a four-year, multi-year for the initial LRIP. We will buy about 60 a year four straight years, at a savings of 20-25 percent of what it would cost one year at a time. I call all of this part of acquisition reform because of the emphasis and the way we've got people thinking now. And I mentioned the single-channel terminal for MILSTAR–that's just a model of acquisition efficiency, including warranty (we've got some real good experience on warranty provisions). There's a whole plethora that are really starting to show results.

Program Manager: *As they show results, then you build credibility with contractors who believe you really are going for "best value," and you build credibility with Congress? In other words, "This is OK, but take a little easier hand; don't make us come back every year."*

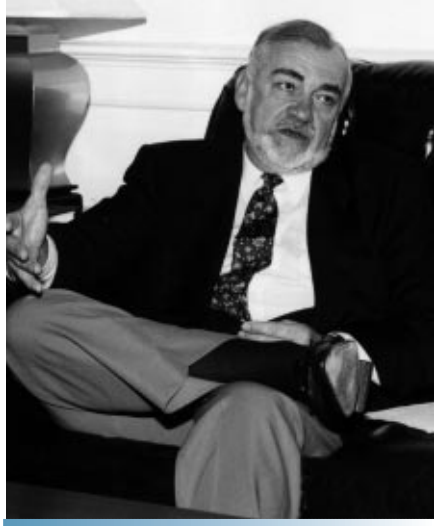
Decker: They won't do that across the board, so you have to really pick the high-leverage items and convince them. So far on the Javelin missile, on the Apache D model helicopter, on the M1A2 tank as three examples, we've had good success in demonstrating what we would save.

Program Manager: *Can we move you over to the personnel side and talk about, specifically, the acquisition workforce. They've been nailed about as hard as anybody in the government over the last three or four years or longer. Obviously, you're committed to training. The Roadshow shows that, in other words, "I want to get these people trained up; the better educated they are, the better they do." What's the morale like out there?*

What's your perception of these people? Has the downsizing, rightsizing, whatever we want to call it–has that had an effect on the people that you're losing? Are you losing the wrong ones? Please give us a sense of where you feel you're at right now.

Decker: That's a fair question. Some of this is perception. We've got some data, but I think the straightforward answer on the aspect of downsizing is, of course it has had a negative effect. However, people that come into the acquisition corps, particularly to get into program management as opposed to more general jobs, are very specifically goal-oriented. It's just the nature of these people to say, "Give me the training I need, give me the goals for my program, remove useless barriers, and I will deliver my program." So, the best thing for their leaders to say is, "I trust you to do a good job. My management reviews are going to be to check status and see where we can work together rather than play 'gotcha's'. You can make your own decisions." They like that environment and they, in turn, say, "The best thing I can do is to try to get this next milestone finished, tested, and delivered, and meet budget and have a good product." They take a lot of personal pride in doing that. So you get a cadre of high-caliber people in the PEO/PM business.

I really believe that's true of all the Services. And they're smart. So they clearly intellectually know that if our modernization budget for the Army in Research, Development, and Acquisition Procurement is down from $15 or $16 billion to $10 billion now in terms of annual expenditure rate of programs, it's obvious that you're going to have to downsize. If you don't, then by definition you become inefficient. You've got too much overhead. So intellectually they accept that. And they help make it happen. Downsizing is not a happy environment, even though it's a necessary environment. So it has to be a morale depressant. But this depressant can be offset considerably by the kind of trust, leadership guidance, and goal orientation that I described earlier. All in all, I think morale is reasonably good, in spite of the cutbacks and downsizing.



"We really want to have comments back from industry where they indicate we've got too many specs… We're really pushing our people to listen to those comments and adjudicate them, and truly simplify the final RFQ. It doesn't mean we'll always agree with those comments, but at least we'll think it through."

Program Manager: *In other words, it's not only the people directly in your shop that are affected…*

Decker: It's those that you depend on to support you, and you get them on your team. Sometimes they'll work full time on your program. Obviously you don't like to see that side of the matrix reduced, but it's necessary. And so I think if that was all that was happening and it was "business as usual," without IPTs and more delegation and more trust, which I think we have brought to the party in this Administration with Bill Perry, I think it would really be bad news. So, we end up with two counter-balancing forces here: the unpalatable problem of having to live with seeing associates laid off or moved or whatever; at the same time a great deal of success in acquisition reform with support from the very top, including willingness of Bill Perry, Paul Kaminski on down, to delegate trust.

When you look at training, I don't think any person, male or female, would have become a GM-15 or an SES or an O-6 and certainly couldn't be a program manager without the requisite experience and schools. Once they reach that par, some are better than others, but nobody is an abject loser. So, the training and education activities for maintaining a hyper-performing acquisition corps are indispensable. So, we take as a given that people who become key acquisition professionals at the senior levels are all at or above a par.

Once you've decided that this person is completely competent and motivated to do this job at a par or greater level (and you can measure that), then you just ought to get out of the way and say, "You know the ground rules; you know the size of the box you can't move outside of. Run your program." And I think the major thing that senior management has to do is to support those folks. Adding up all the decisions they make, they'll probably bat about 800. Some won't work out. But the bottom line of the program will work out fine.

In the past, we've had a tendency to try to measure them on every individual decision they make, whereas it's the overall program success that counts. I really think we are getting away from that in the Army, not just me but the senior leadership, including General Hite and the people that rule the careers of our professional acquisition workforce–I think we've really gotten across to them that we really trust you to do your job, and we'll try to help. If you make a mistake, a mistake is a lot different than fraud and abuse. Don't mix those up. I think we tended to do that too much. A mistake is a mistake. I think this changing management attitude has been a morale booster, whereas the downsizing and the fact that budgets have caused us to kill or delete some programs through no fault of the program managers or PEOs, has naturally been a morale depressant. But in spite of all that, it's my honest assessment that at the bottom line, the morale's pretty good.

Program Manager: *That's the tricky part–to lay people off and keep the morale high of the people that are left.*

Decker: Yes, and it's exacerbated when you have a low-morale environment and continue to go around and nit pick the workforce while they're in a layoff mode.

Program Manager: *We talked before about your background and how that led up to giving you the confidence and competence to do this job, and how well all of you work together. In terms of dealing with a big people organization, what has prepared you for that? How do you deal with people? How do you get things done?*

Decker: Part of that's a little bit of an art, and I may not practice it perfectly. I learned a lot from Bill Perry because I worked for him for so many years in a small company, which later grew quite large. Bill's a great visionary and a great strategist, and he has the total mental capacity and the fortitude to get involved in a lot of nitty gritty operating problems, but he never really liked that. Because of that, he was very prone at ESL to really delegate and trust, and depend on us to bring forth problems where we really had to have his support. But in the main, he was more inclined to say, "OK, you know the boundaries; you know the goals of your job; you know the problems; just do it."

Bill is a great salesman, and I don't mean that in any derogatory manner whatsoever. He understood what we were doing in the company; he stayed on the road a lot; but he was the strategic guy, which is what senior guys ought to be as the president of the company, in my opinion. So you just got used to saying, "OK, I'll just do what I think is right; I know the rules–I know what's legal and illegal, and I know certain things that I've got to work with." Not only did I not feel like somebody was nit picking me to death, in some cases it was almost to a fault. I'd say, "I really think I ought to go talk to Bill, but I know this bores him, so I'll slug my way through it." And then I began to see, "You know, this works." Bill had put a team together in those days of the company that worked well together. And I think he felt like we were above the minimum threshold of competence, and still below the Peter Principle level of incompetence. Unless we were malfeasant, we'd get the job done. Well we did, and the company prospered.

And I started looking at that and I realized I was not anywhere near as smart on any given topic as the program managers or the engineering managers or the marketing guys. I try to be an innovator, and sometimes I've got to make value judgments when these different folks are at odds with each other. But on the specifics of given activities, if I am smarter than the project manager, we're in deep trouble, and I had better get a new project manager. It's just that simple.

I worked for TRW for several years, and I ran a group with about $800 million in sales. There was no possible way you could do anything except drive yourself to an early grave if you worried about all the details. So you had to get in the mode of goal setting, and defining constraints, and working with the managers who worked for you, and just delegate them to do the job, and depend a lot on their integrity and straightforwardness to come forth and say, "I've really got a problem; we're overrunning this program, and I've done this, and this, and this, and I'm going to need some help working with the customer." That process worked very well for me.

Now does that apply in government? Well, in spite of bureaucracy and a tendency to micromanage, I think it does. In fact, it's the management philosophy that is desperately needed by the government. For myself, I'm in acquisition, and I can define the boundaries of what I do. And I feel free to practice the management philosophy I espouse. As soon as I'm told I can't do it that way anymore, my usefulness will be at an end, and I'll leave. So far, I don't think I've had any insurmountable restraints.

Program Manager: *It strikes us that what you're telling us here is that you've found, just in your personal circumstance, that this principle led to a lot of personal growth for you.*

Decker: Well it certainly did!

Program Manager: *Our sense is that you assume that's exactly how it works for your people.*

Decker: In my opinion, it absolutely works well for our people. I can say for sure that, at least within the field of acquisition and the responsibilities I have here, I haven't had any colossal disasters. One example is the Crusader Advanced Field Artillery System. We made a major change on the Crusader that we had to sell all through Congress. We got to a point where the liquid propellant design was not maturing the way people thought it would. And we had a backup design of a new

technology solid propellant. That's a tough call because you've got politics involved and everything. During the homework that led to the decision, I never, ever found that the PEO or the PM were shading the truth, or were exaggerating the problem. I got good steady, solid data, and they said, "Here's where we are." They needed some guidance in the final decision.

But I must tell you that the program team and one of the contractors had very different views of the risk associated with the liquid propellant design–honest views I might add. So, in this case, I brought in an Army Science Board team and I told our program team and the contractor, "Look, I want to get somebody that isn't wedded to the problem to give an assessment. They swallowed hard, but said, "We're probably too close to the problem." Well, we made the decision; the program is alive and well. It was all done in the spirit of openness, honesty, and integrity.

There's a cardinal rule that goes with that. If somebody knowingly and consciously distorts the truth, that's a matter of character, not a matter of competence, and you just can't tolerate those kinds of people. But you've got to set up a climate–you don't shoot the messenger. If you've got bad news, bring it in. I would go crazy if I worried about all the details in a $14 billion program. I sleep well at night and I don't worry about it.

Program Manager: *Well tell us then, what is the philosophy behind your oft quoted statement, "I'll waive anything not required by law."*

Decker: The philosophy behind that is, "Look, there may be a bunch of rules. If they're laws, I can't waive the law. There may be some rules I can't waive, and I'll try to get them waived." The philosophy is that if you see something in your program that you can do better, I want you to do it. If there's a rule that is getting in the way, I'm happy to waive it or try to get it waived. That's not a license to steal.

If somebody knowingly and consciously distorts the truth, that's a matter of character, not a matter of competence, and you just can't tolerate those kinds of people.

Nobody's taken advantage of it. Most of the people that have come in asking for waivers have had good, sound reasons, and I've granted most of them. I've gone up to Paul Kaminski where I don't have the waiver authority, and he's granted most of them. It's a statement of encouragement that says, "If this rule, as opposed to law, is in your way of being efficient, I'm going to get it out of the way." I'm glad that statement is being quoted; it makes people think. Interestingly enough, when I stated that I will waive anything if it makes sense that I'm entitled to waive, I didn't get floods of requests for waivers. I think what people are basically saying is that, "It may be a minor nuisance, but I'll get through it. But if it really is a barrier, I've got supporters to eliminate it."

Program Manager: *What is the best advice that you ever received to prepare you for the job you have now, be it from a parent, friend, colleague, or mentor?*

Decker: That's a good question. There's probably two or three points in life that you get philosophy and advice transmitted to you. I think in terms of practice about what you ought to do with your life, the wisest counsel probably came from my mother. She was a Depression baby. My folks come from Georgia, and that was a pretty poor state during the Depression. She was born in 1916, so she was a teenager in the worst part of that. But somewhere in there–I think people that came out of that era, and watched their parents struggle, get laid off and have to find jobs doing just about anything–she really developed a philosophy that said, "You ought to never squander your resources. Always save something. You do need something tucked in the sock for a rainy day. Think ahead, and don't be wasteful." And she was hard over on that, almost to a fault. You talk about a woman who could find bargains–she just felt like you had to be responsible for yourself, and you really had to manage within the resources you had.

Now that transmits beyond just your personal finances. I kind of subliminally use that across the board. I take a look at what budget we do get from Congress and say, "OK, we've got to prioritize, work with the Secretary and the Chief of Staff, and package a program that will fit what we've got. We're not likely to get any more." Now we'll yell and scream and beat on them, and ask for more, but when the budget's finally settled, we've got to live with it. So we adopt an attitude of, "Let's just figure out a way, and we'll optimize. That means that we won't get everything we want." And I believe that, and I've always tried to run my own personal finances that way. But that was just the way she was.