

Acquisition reform has been a hot topic almost since the founding of the republic some 240 years ago. It was an issue during World War I and it was an issue again during World War II, and has been an almost constant issue since 1960's. Politicians campaign on the promise that they can balance the Federal budget through reductions in unspecified "fraud, waste, and abuse"—and study after study is funded in order to figure out where the acquisition system can be streamlined in order to achieve those promised savings.

It doesn't work, though, does it?

The status remains *quo*, in terms of acquisition durations and cost growth and system failures. The early problems with the F/A-18 program are similar to the early problems of the F-35 program. The shipbuilding overruns of the 1980's are similar to the shipbuilding overruns of the 2010's. And let's not even get started on satellite programs.

Even with the best intentions and the strongest backing, there's not much new in acquisition reform. The most that can be said about current Administration efforts is that they are characterized by a return to previous theories, as we recently [pointed out](#).

In its nine years of existence, this little blog has documented some of those acquisition system reform efforts. It has also documented recommendations for system reform that were not adopted, or [fundamentally changed](#), or even [sabotaged](#). The Palantir story has become the poster child for the notion that entrenched program offices fight innovation that will challenge the status quo, aided and abetted by the contractors who spent millions of dollars to win their contracts and who don't want to see their ROI threatened by newcomers.

Right now the Section 809 Panel is discussing acquisition reform efforts. Its first report contained many recommendations for reform, most (if not all) of which we heartily endorsed. The second report will be coming soon. But so what? All recommendations need to go through a gauntlet of attacks from the bureaucracy, contractors (with lobbyists), and political give-and-take. The chance that *any* of the Section 809 Panel's recommendations will be implemented is small; the probability that all of them will be implemented is effectively zero.

Similarly, there is another group tasked with studying how to reduce DFARS rules. Any reform recommendations will need to survive challenges from entrenched interests within DoD—including (for example) DCAA and DPAP.

And speaking of similar efforts, we already devoted [an article](#) to the [Defense Innovation Board](#), an entity comprised of 15 innovators and academics, sponsored by the Secretary of Defense, intended to “enhance the department’s culture, organization, and processes.” In eighteen months of activity, the DIB made 12 official recommendations that generated zero action. Reports said that DoD officials were “reviewing” the recommendations. As the Board itself notes (on its website): “The DIB provides specific recommendations, but does not implement change itself. It can however help identify and work with ‘sponsors’ inside DoD to take action, creating a sustainable foundation on which to generate successful ideas in the long run.” Meanwhile, the DIB continues to meet; it’s most recent public meeting was held in January, 2018.

Over at WIFCON, senior folks are bandying about ideas for how to speed up FAR Part 15 source selections. You should note right away that this is a focused discussion, not a general “boil the ocean” discussion. FAR Part 15 source selection. It’s a known thing and, if it can be streamlined, everybody would win. There are some good ideas in that discussion thread, but it’s easy to have ideas; implementation is the hard thing.

The point is, lots of effort is being made without much of a result. Even the best recommendations have a tendency to get lost in the DoD bureaucracy.

Meanwhile, Frank Kendall is telling people the problem is not as urgent as “myths” make it out to be. Over at DefenseOne, there is [an article](#) under Mr. Kendall’s byline entitled “Five Myths About Pentagon Weapons Programs,” in which he schools “service secretaries” and the rest of us about “sorting fact from fiction” with respect to the defense acquisition environment.

Myth 1: The defense acquisition system is broken

Myth 2: Excessive bureaucracy is the core problem with defense acquisition

Myth 3: Innovation is stifled by the acquisition system

Myth 4: Stronger “punishments” for cost overruns and schedule slips will lead to better performance

Myth 5: There is some new form of undiscovered “acquisition magic” that will fundamentally improve results

Now, we agree with some of those observations. We agree that punishments for program failure won't keep other programs from failing. We agree that there is no “acquisition magic” that will fix the broken system.

But we don't agree with the notion that the system isn't broken, or that it can't be improved through targeted evaluation and action. The WIFCON discussion thread referenced above is a good example of targeted reform. It's not “acquisition magic,” but it is an effort at *incremental* acquisition improvement. Continuous incremental improvement is the right way to go, as Toyota has shown the world.

Further, we don't agree that innovation isn't stifled and we think we've proved that assertion with reference to the Palantir story. In addition, while excessive bureaucracy may not be the “core problem” it is certainly one of the problems with the acquisition system. When that bureaucracy is coupled to excessive power within the acquisition system, problems result. (Google Darlene Druyun for a classic example of what happens when an acquisition bureaucrat gains too much power.)

Finally, we must note the irony of Frank Kendall talking down acquisition reform. For years, Mr. Kendall was the poster child for wasted acquisition reform efforts, from the foolish “S2T2” industrial base mapping plan to the required IR&D technical interchanges to creation of mythical “awards” for DoD's best-performing contractors. And then there was the series of “Better Buying Power” memos, which was a whole lot of sound and fury without signifying much if any lost-lasting change to the acquisition system. In 2011, Mr. Kendall told the U.S. Senate Armed Services Committee, Subcommittee on Emerging Threats and Capabilities, “the Department will replace intuitive judgments about the impacts of changing domestic demand, globalization, commercial-military integration, emerging sources of innovation, and other issues with

data-driven industrial base evaluations. By continuously assessing the industrial base on a sector-by-sector, tier-by-tier basis, the Department will develop a reservoir of critical and actionable information.” Seven years later, it's widely acknowledged that the U.S. is rapidly losing its technological edge to its adversaries. *The erosion took place under Frank Kendall's watch, despite his promises to the Senate to prevent it.*

In the past seven years—as we’ve documented on this blog—the “partnership” between the Pentagon and its contractors has deteriorated. Mr. Kendall publicly stated in 2012 that DoD was not in partnership with industry and that became the policy of the Obama Administration. As a result of Mr. Kendall’s policy, negotiations that used to take days or weeks are now measured in months. The pipeline of new DoD suppliers has dwindled and established non-defense suppliers now treat the Pentagon as a pariah—because of barriers to entry and onerous contract terms, among other reasons. The Pentagon is a bad customer and many of its traits were created (or endorsed) by Frank Kendall.

Thus, it seems ironic that Mr. Kendall would school us all on acquisition reform myths. Throughout his Pentagon tenure, he was the proponent of many acquisition-related myths. Some of the problems acquisition reformers are trying to solve were created under his watch. As for the rest of the problems, they certainly pre-date his tenure; but his efforts to address them were (at best) ineffectual. Some of his actions were, in fact, counterproductive. He created an acquisition culture that was so widely reviled that Congress eliminated his position within the DoD bureaucracy.

In conclusion, *he is just about the last person on the planet who should be talking about acquisition reform* .