

Governing DoD's Procurement and Acquisition Process:

An Interview With the Honorable James I. Finley, Deputy Under Secretary of Defense (Acquisition and Technology)

In February 2006, the Honorable James I. Finley was confirmed by the U.S. Senate as the new Deputy Under Secretary of Defense for Acquisition and Technology (A&T). Mr. Finley is responsible for advising the Secretary of Defense and the Under Secretary of Defense for Acquisition, Technology and Logistics (AT&L) on matters relating to acquisition and the integration and protection of technology. He is responsible for policies and procedures governing Department of Defense (DoD) procurement and acquisition processes, including overseeing the Defense Contract Management Agency (DCMA).

Prior to joining DoD, Mr. Finley spent over 30 years in the private sector. With a Bachelor of Science in electrical engineering and a Master of Business Administration, he has held a variety of operational and management positions with General Electric, Singer, Lear Siegler, United Technologies and General Dynamics, where he was a corporate officer, president of Information Systems and chair of the Business Development Council. His business experience spans air, land, sea and space programs for DoD, and he has been recognized for his leadership skills with numerous performance awards, including the Boeing Gold Certification Award, Honeywell Preferred Supplier Award, Northrop Grumman Blue Achievement, Lockheed Martin Best In Class Rating, Defense Security Service "Outstanding" Achievement Award and the George Westinghouse Award.

Communicator (C): Please provide our readers with a brief overview of your duties and responsibilities as Deputy Under Secretary of Defense (A&T).

James Finley: I am responsible for advising our Secretary of Defense, Mr. Donald Rumsfeld, and our Under Secretary of Defense (AT&L), Mr. Ken Krieg, on a wide range of matters related to acquisition and technology. Under my purview are Defense Systems, Defense Procurement, Industrial Policy, Small Business Programs, the Defense Acquisition University and, of course, DCMA. Coming

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from industry, I am very impressed with the quality of people we have in [DoD] and A&T in particular.

C: You have held a wide range of senior positions in the private sector — in what ways do these experiences impact and shape your current role?

JF: My experience in industry provided me with the opportunity to develop my leadership skills and effect change. What I see in [DoD] is no different from my industry experience — just on a grander scale. My private sector experience, therefore, coupled with the level of talent that our people have, gives me great confidence that we will be able to make lasting improvements to [DoD]’s acquisition process.

C: What do you hope to accomplish in your new position — what are your goals?

JF: I am still learning about our organization. I have a 90-Day Plan and am on track, formulating my goals as part of that plan. In general, I fully support Mr. Krieg’s six goals — strategic and tactical acquisition excellence; knowledge-enabled Joint logistics; selective technology dominance; cost-effective capability/capacity available to meet strategic objectives; improved governance and decision processes; an agile, capable and ethical workforce — and plan to take our organization to the next level, improve our acquisition processes, develop our people and ensure our staff provides value-added oversight.

C: As a Deputy Under Secretary of Defense, what steps are you taking to develop and retain

a high-caliber workforce capable of achieving mission success?

JF: I am listening and learning about the many ongoing initiatives to develop and retain our workforce. DCMA has moved to performance-based management systems for personnel and will be learning more about that initiative. Also, Mr. Frank Anderson is developing a Human Capital Strategic Plan for the acquisition workforce in support of Mr. Krieg’s highest priority, a Human Capital Strategic Plan. I fully support all of these efforts, including [DoD]’s efforts to implement the new National Security Personnel System. My steps will be outlined in my goals as a product of my 90-Day Plan.

C: Several members of Congress have claimed that the Defense acquisition process is broken and must be reformed. What changes do you foresee in the process DoD uses to procure products and services?

JF: The acquisition process has undergone significant transformation initiatives for over two decades, including the Packard Commission in 1986.¹ The results of these transformations have been mixed, at best. Today we are uniquely positioned to make lasting change because of the alignment between the DoD, military and Congress in an open and transparent debate. We are joined at the hip — integrating the requirements, budgeting and acquisition stovepipes — and are motivated. Experiments and [pilot programs] are being conducted to consider acquisition decisions much earlier in the process, with more hardened [concepts of operations] requirements and technology maturity. We are striving to provide alternatives for decision making that present options

(Background) Aerial photograph of the Pentagon with the River Parade Field in Arlington, Va. (DoD photo by Air Force Tech. Sgt. Andy Dunaway)

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from within a portfolio of possible solutions to meet the needs of DoD — warfighters first. In addition, Science and Technology, Business Systems and Logistics are representative of DoD products and services that are also in the midst of these process improvements.

Equally important, we must address our roles and responsibilities to facilitate accountability. And to that extent, Mr. Krieg's initiative for a Human Capital Strategic Plan will be a cornerstone toward building our organization with the right people in the right place with the right support.

C: Many acquisition leaders have expressed concern about the age of the Defense acquisition workforce. How does DoD plan to respond to the near-term retirement of so many experienced acquisition professionals?

JF: The age of the Defense acquisition workforce is being addressed by Mr. Krieg as part of the AT&L Human Capital Strategic Plan. I expect that the Strategic Plan will be utilized to generate action plans to address near-term retirements as well as other critical areas.

C: Have you worked with DCMA in the past? If so, what were your experiences?

JF: Yes, I have worked with DCMA in the past. My most recent experience, prior to [working in] the government, was as president of General Dynamics Information Systems, based in Bloomington, Minn. We had an excellent rapport and team partnership with DCMA. We worked together, measured performance and shared our respective business practices to achieve best-of-best results. I was impressed with DCMA's professionalism, proactive tendencies and willingness to work together.

C: What are your goals and expectations for DCMA?

JF: I expect DCMA to remain and grow as a valuable member of our acquisition team as our DoD business enterprise continues to transform.

C: How do you define good customer service? In what ways can DCMA best and most effectively support its primary customers, the military services?

JF: Books are written on this subject, and the customer ultimately decides good from not-so-good. My short version: customer service is providing solutions with a sense of urgency. DCMA's roles and responsibilities are being accomplished with proactive, team-oriented participation in a dramatically changing landscape of requirements. I believe DCMA is doing a great job for the military services, realizing that we have limited resources from which to service our customers.

(Above) Deputy Under Secretary of Defense for Acquisition and Technology James I. Finley

¹ In Executive Order 12526, issued July 15, 1985, President Ronald Reagan charged the "Blue Ribbon Commission on Defense Management" to study the issue surrounding defense management and organization and to report its findings and recommendations. Caspar Weinberger was the Secretary of Defense when the final report was issued in June 1986. The Chairman of the Commission was David Packard, thus the Commission is often called "The Packard Commission."

Source: *The Packard Commission — A Bibliography*, 2004, Defense Acquisition University, 16 May 2006, <http://www.dau.mil/library/blue_ribbon.asp>.