Speeding Acquisition Reform in the U.S. Air Force

The U.S. Air Force uses contractors to carry out logistics support services such as repairing major weapons systems. Recently the Air Force began to reform its methods of acquiring such services by implementing best practices from the commercial sector. To complement its other acquisition reform programs, the Air Force launched the Contract Repair and Enhancement Program (CREP) in 1996 to reduce costs and to shorten the time required for purchasing repair services to support major weapons systems. However, Air Force leaders were concerned that reforms were not being implemented as quickly as originally hoped. RAND Project AIR FORCE (PAF) was asked to identify the organizational levers that could motivate acquisition personnel to adopt CREP reforms more quickly. Analyses of recent Air Force contracts yielded the following conclusions:

- **Training, positive attitudes toward acquisition reform, close partnering with contractors, and consistent leadership appear to encourage reform implementation.** Air Force personnel who received greater training in new acquisition practices implemented more CREP reforms than their counterparts with less training. Similarly, contract teams that viewed reform positively and agreed with the goals of the initiative implemented more reforms in their contracts, as did teams that viewed their contractors as collaborative business partners. Teams that believed management was committed to improving acquisition incorporated more CREP reforms in their contracts.

- **Contrary to expectations, effective teaming and performance evaluation appear to discourage reform implementation.** Contracting teams that brought all key members together early in the contracting process and made decisions by consensus implemented fewer reforms than their counterparts with problematic team interactions. Teams that believed they would be evaluated on their reform implementation performance were also less likely to pursue contract innovations. The researchers hypothesize that smoothly functioning teams may tend to agree on less aggressive goals, and that the existing performance evaluation criteria may not have been aligned with the service's acquisition reform plans.

PAF recommends that the Air Force continue to use the organizational levers that encourage reform and modify its practices for those that discourage it. Specifically, the Air Force should

- clearly communicate to personnel that senior leadership is committed to contract reform,
- learn how to create effective teams through training in group problem-solving, and
- align performance evaluation criteria more explicitly with reform goals.

The Air Force may use the insights from this study to promote related reforms—such as purchasing and supply chain management, corporate contracting, and performance-based contracting—where behavioral changes are needed to accomplish larger transformational goals.