

YOUR READING LIST



Prioritize Speed At The Department Of Defense



Gear That Will Delight Guests And Make You The Best Party Host On Game Day

Active on Twitter

Last Week Donald Trump Raised Taxes on Every Single American



Active on Facebook



Stonyfield Calls Critics 'Trolls' With 'Fake Names' After Backlash Against Ad Featuring Young Girls

SHARE

Active on Facebook



New Alabama Bill Would Abolish Civil Forfeiture, Require Convictions To Confiscate Property

+152 views in the last hour

APR 13, 2016 @ 11:56 AM 935

2 Free Issues of Forbes

Prioritize Speed At The Department Of Defense



Capital Flows CONTRIBUTOR

Guest commentary curated by Forbes Opinion. Avik Roy, Opinion Editor. [JILL BIO](#)

Opinions expressed by Forbes Contributors are their own.

GUEST POST WRITTEN BY

General Norton A. Schwartz, USAF (ret.) and Maurice R. Greenberg

Mr. Schwartz is president & CEO of Business Executives for National Security. Mr. Greenberg is chairman & CEO of C.V. Starr.



The Department of Defense has failed to efficiently manage time, to the potential detriment of our [+]

Remember that time is money. In his oft repeated aphorism Benjamin Franklin reminds his reader that the proper management of time is directly related to success. Two centuries later, consulting guru George Stalk further refined Franklin's axiom, observing "...as a strategic weapon, time is the equivalent of money, productivity, quality, even innovation."

The Department of Defense would be wise to embrace the strategic potential of speed. Proper time management can enable rapid adaptation and innovation, thereby allowing the U.S. to maintain its strategic edge over its peers. Unfortunately, the Department has failed to efficiently manage time, to the potential detriment of our military readiness.



[Gallery](#)

The Top 10 Military Friendly Employers For 2016

[Launch Gallery](#)

11 images

Readiness is generally defined as the ability to project and employ the right forces, with the right capability, at the right time. However, even as the private sector continues to innovate at a breakneck pace, the Department's current testing, development and acquisition bureaucracy is proving too slow to deliver advanced capability appropriate for warfare in the 21st century. What is true of operational planning – the imperative to out-cycle one's enemy – is just as true in areas of management and organization.

Successful segments of the private sector understand that time is a resource to be capitalized. The goal of delivering "in-time" capability to the market is to gain an advantage over competitors. The Department understands this concept in principle as evidenced by the Defense Innovation Initiative and Third Offset Strategy. However, the mechanisms are not in place to achieve desired outcomes.

Three critical requirements are necessary

Companies that have thrived in the modern age have done so because they understand the need for strong leadership to implement three critical requirements necessary to achieve the speed and effectiveness required to compete successfully: efficient processes; properly aligned incentives; and a culture that accepts failure.

The first requirement is a process that allows for rapid acquisition and fielding. Private industry maintains agility in large part by creating governance structures that are event-based and designed with a bias for action. The Defense Acquisition Management System is event-based, but

those events are punctuated by a byzantine series of milestone reviews and decision points. Efficient processes also require enabling authorities and policies. Oversight is important, but so is a process that is engineered for speed and iterative decision-making. Complexity is to be avoided while consistency is to be maximized. In government today, Continuing Resolutions and the application of year-to-year accounts such as Overseas Contingency Operations do nothing to encourage timely adaption.

Properly aligned incentives

The second requirement is properly aligned incentives. Whether a defense acquisition professional, staff member or political leader, the incentives are to say no. In the private sector, incentives are applied at both the individual and programmatic level; helping to build an overall culture in which calculated risk is tolerated and even encouraged. Incentives are promoted through a reward system that allows for an enterprising and exceptional individual to be promoted. This is a culture with a streak of venture capitalism.

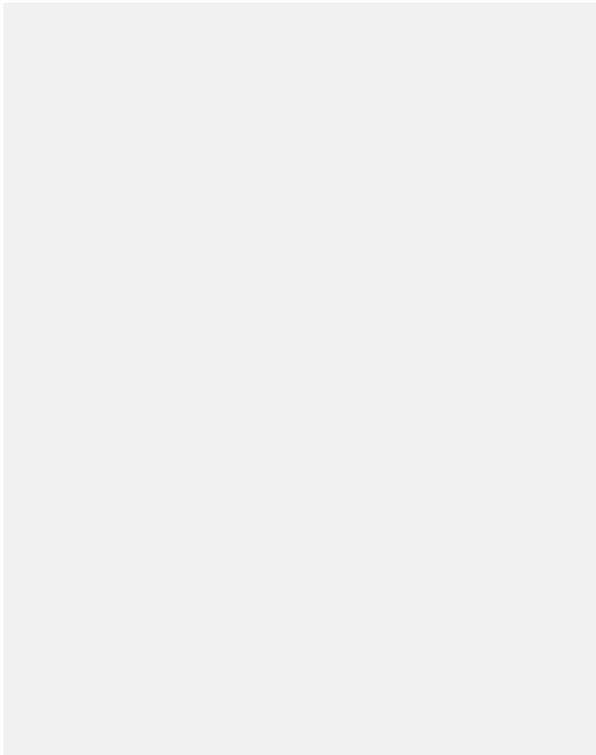
In early 2013, Netflix responded to an increasingly crowded streaming marketplace by shifting its business model from content curator to content creator. In undertaking such a fundamental shift, Netflix assumed the additional risk associated with a large entertainment studio. As fellow high-tech entrepreneur Mark Zuckerberg has stated, "in a world that is changing really quickly, the only strategy that is guaranteed to fail is not taking risks."

Failing forward

Related to the incentive structure is the third requirement of an ability to fail forward. The great technological disruptions of our time did not come to be on the first attempt. Nuclear fusion, rockets capable of escaping the earth's atmosphere and the internet were the result of much trial and error. The gains of experimentation are exponentially great. Open architectures allow capability to be fielded quickly and provides flexibility for systems and platforms to evolve over time as technology advances. In the software industry, it's often said that if one is comfortable with the product at first public release, then you have waited too long. The same attitude would be well served in government acquisition circles so long as lives are not needlessly endangered.

Our nation currently enjoys an asymmetric advantage over our adversaries. While our competitors may possess quantities of capabilities, our spirit of innovation has provided us superior quality. This advantage is eroding, however, as technology in all its forms proliferates. Two hundred years ago, Benjamin Franklin counseled to "waste neither time nor money, but make the best use of both." The Defense bureaucracy today is dense and possesses few of the traits successful companies have embraced; thereby succeeding in wasting those two resources Franklin so valued.

As the United States continues to strive in maintaining its competitive advantage over its adversaries, it must not forget the strategic potential of



properly-managed speed.

Mr. Schwartz is also the former Chief of Staff of the U.S. Air Force.

Mr. Greenberg is former chairman and CEO of AIG.

[Print](#) [Website Feedback](#) [News Tip](#) [Report Corrections](#) [Reprints & Permissions](#)

[Investing](#) [RetireWell](#)

[What is this?](#)

DEC 21, 2017 @ 03:00 PM 26,210

Wealth Transfer: Are You Sure Your Beneficiaries Are Prepared?



SunTrust Private Wealth Voice
Confidence for whatever life brings. [FULL BIO](#)

[Print](#) [Website Feedback](#) [News Tip](#) [Report Corrections](#) [Reprints & Permissions](#)