

# Combat Ammunition Systems



## Systems Acquisition

### Munitions Executive Summit

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- Operating Environment
- Trends
- Current Problems
- Imperatives
- Guidance
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- Benefits to Industry
- Stakeholders
- Threats
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# OPM CAS Goals and Thrusts

## Get PGM's & Smart Weapons to Warfighters

- Executing **Excalibur PGM** Advanced Development
- Executing **PGMM** Advanced Development
- Supporting the **Course-Correcting Fuze (CCF)** Technology Demonstration
- Fielding **Mortar Fire Control System Heavy (MFCS-H)** and Developing **MFCS-Light**
- Executing **Sensor-Fuzed Munition (SFM)** Compatibility Assessments

## Satisfy Customers and Achieve Excellence

- Seeking funding for the **120mm Extended Range Mortar Program**
- Equipping Units for the **Army Modularity Initiative**
- Monitoring **Lightweight Mortar** and **Non-Lethal Munitions** Science & Technology Objectives
- Developing **Systems Acquisition** Strategic Plan
- **Optimizing 155mm MACS** for 39-Caliber Guns
- Exploring Development of 105mm Modular Charges
- Harmonizing Business Practices with the Joint Munitions Command
- Developing Value Engineering and Cost Reduction Plan

## Improve and Sustain Conventional Munitions

- To meet FCS Emerging Requirements for Munitions, Working with Proponents to Develop Capabilities such as the **NLOS-M**, the **Advanced Cannon Artillery Ammunition Program (ACA<sup>2</sup>P)** and **Course Correcting Fuzes**
- Fielding the **Modular Artillery Charge System (MACS)** to the active force
- Producing Bomblet **Self-Destruct Fuzes**
- Reengineering selected Munitions, such as the **60mm Mortar (HE)** and **155mm M864 (DPICM)**
- Reengineering Pyrotechnic, Explosives, and Propellants (PEP) for Improved Effectiveness, Safety, Insensitivity and Environmental Compliance

## Grow World-Class People and Teams

- Emphasizing Improved Communications
- Disseminating the PM CAS Management Philosophy and Disciplined Processes to Partners in Industry and Government
- Reshaping and Reorganizing the Workforce
- Developing Individual and Team Training Strategies
- Launching Leadership Competency Training Program
- Hiring, Recognizing, and Promoting the Meritorious

# Systems Acquisition Vision

Provide more and better equipment



## *OBJECTIVES*

Develop and implement OPM acquisition strategy for *production and delivery of products and services* that optimizes selected variables, including cost, schedule, performance, risk, efficiency, and ease of management.

Begin implementing [where timely] and **transition to systems contracting** all OPM CAS Procurement, ending all HCI, except when specifically authorized by the EMT.

# Operating Environment I

- Government is a large and complex enterprise with cumbersome processes and procedures
- Horizontal Contract Integration (HCI) has predominated in our business area
- Multiple contracts = Fragmented responsibility and liability
- We cannot afford HCI
- Government managers not sufficiently adept at managing the vagaries of the profit business

# Operating Environment II

- Government focus is diluted by management of so many different contracts.
- Component management activities are opaque as well as they are fragmented.
- Government not sufficiently skilled at acquiring services.
- Conventional munitions are chronically under-funded.
- System Prime Vendors reluctant to invest.
- Contractors secure healthy business stature only by collecting many small contracts.

# Trends

- Aging facilities and limited reinvestment and maintenance funding.
- Facilities becoming obsolete.
- Increasingly critical that PMs be able to respond to urgent needs.
- Government organizations are under pressure to become flatter and leaner
- Aging government workforce lacks innovation, and the newer workers lack expertise.
- Government is losing expertise through routine turnover and retirements.

# Current Problems

- Customer is frustrated by late deliveries and technical problems.
- Management burden is high.
- It is difficult for government to account for the bottomline costs of products and services.
- Risk averse culture has produced unimaginative and sometimes inferior designs.
- TDPs versus Performance Specs.
- Vendors reflexively averse to capital investments.
- Pseudo-Systems Acquisition gives false sense of progress.

# Imperatives I

- Prepare to equip the Future Force.
- Cultural transformation.
- Seize opportunities.
- Shed administrative burden.
- Outsource selected functions.
- Improve production delivery performance.
- Better allocate increasingly scarce resources.

# Imperatives II

- Unify executive accountability.
- Apply the “KISS” principle.
- Dedicate best assets.
- Invest in people, processes, and facilities
- Make more efficient capital budgeting decisions.
- Achieve better leverage over price performance.
- Achieve a symbiosis.
- Expand industry’s ability to deliver engineering and other technical services.

# Guidance I

- Begin implementation immediately.
- Disseminate the intent.
- Develop Strategic Campaign Plan NLT May 2005.
- Consult industry.
- Employ disciplined processes.
- Ensure tie-ins with existing institutional processes.

# Guidance II

- Reorganize the PM Shop.
- Achieve a critical mass and economies of scale.
- Segment the business.
- Suggest rules for contractor partnerships.
- Determine annual work-share.
- Establish appropriate CRADAs.
- Introduce Request For Qualifications (RFG) process.
- Eschew bureaucracy, but find measurable metrics.

# New Way of Doing Business

- SKrs have greater control over projects.
- SKrs determine “make-or-buy” schemes.
- SKrs seek preferred customer pricing.
- Shorter lead times for strategic materials.
- Longer more stable budget horizons.
- Government becomes leaner.
- Government incentivizes and penalizes.
- PM determines systems contracts work-share
- Government and industry fund long-term investments.
- Small business goals are determined holistically, by business segment.
- Industry delivers more engineering services.
- Government still performs selected technical services.

# Ingredients for Success

- Balanced perspectives: Duty, Service, and Profit.
- Clear and suitable strategy.
- Scalable and sustainable business segments.
- Regulatory and policy changes and waivers.
- Collaborative environment of creativity, transparency, and shared knowledge and responsibility.
- Practice patience to make Systems Acquisition a success.
- Open lines of communication and transparent culture..
- Fair-minded dealings with Subcontractors and Small Businesses.
- Government and Industry balance War Fighter's and Industry's interests at apex of Taxpayers bottom line.
- High Performing culture.

# Industry Attributes

- Values: Duty, Honor, and Country.
- Features: Capital, Capacity, and Expertise.
- Top talent and solid managers.
- World-class Qualifications.
- Modern business practices.
- Track record.
- Broad and Long term perspectives.
- Tolerance for complexity.
- Ability to articulate and market valuable ideas.
- Network Connections.

# Benefits to Industry

- Stability
- Profit growth
- Economies of scale
- Expanded services skill set
- Clarity in contracting and bids
- Potential to grow product suite
- Greater control over performance

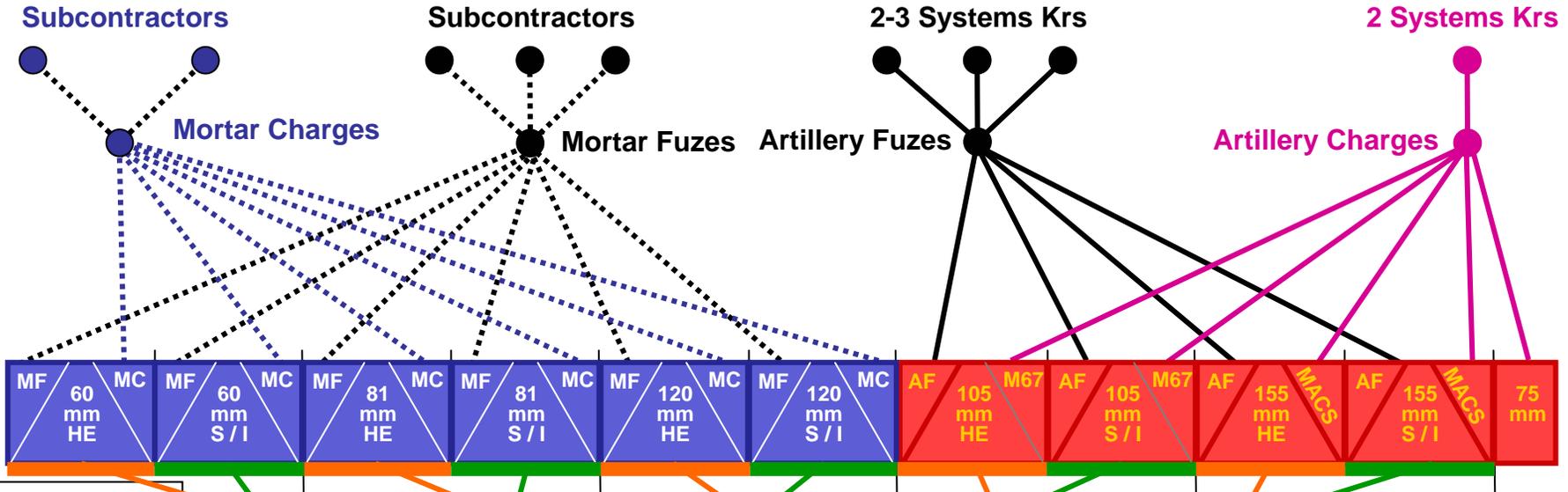
# Stakeholders

- PEO Ammunition
- OPM CAS
- JMC and AFSC
- ARDEC
- Acquisition Centers
- Combat Developers
- Warfighters
- DA G3
- DA G4
- DA G8 (FDS, FDM, FDX)
- Other Services
- ASAALT
- ASAFM
- OSD
- Government Employees
- GOGO Plants
- GOCO Plants
- Systems Contractors (SKrs)
- Sub-Contractors (SubKrs)
- Small Businesses
- Labs and Arsenals
- ATEC
- DAU
- OGAs (SBA, EPA, DOE, DOS Etc.)
- Other OPMs

# Threats

- Funding Levels
- Funding Instability
- Cultural Resistance
- Poor Performance
- Impatience
- Leader Turnover
- Incremental Dilution

# Systems Acquisition By Function

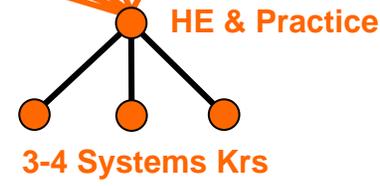
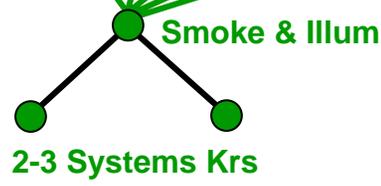


- Legend**
- S/I – Smoke & Illum
  - HE – High Explosives
  - MF – Mortar Fuzes
  - AF – Artillery Fuzes
  - MC – Mortar Charges
  - MACS – MACS
  - M67 – M67 Arty Charge

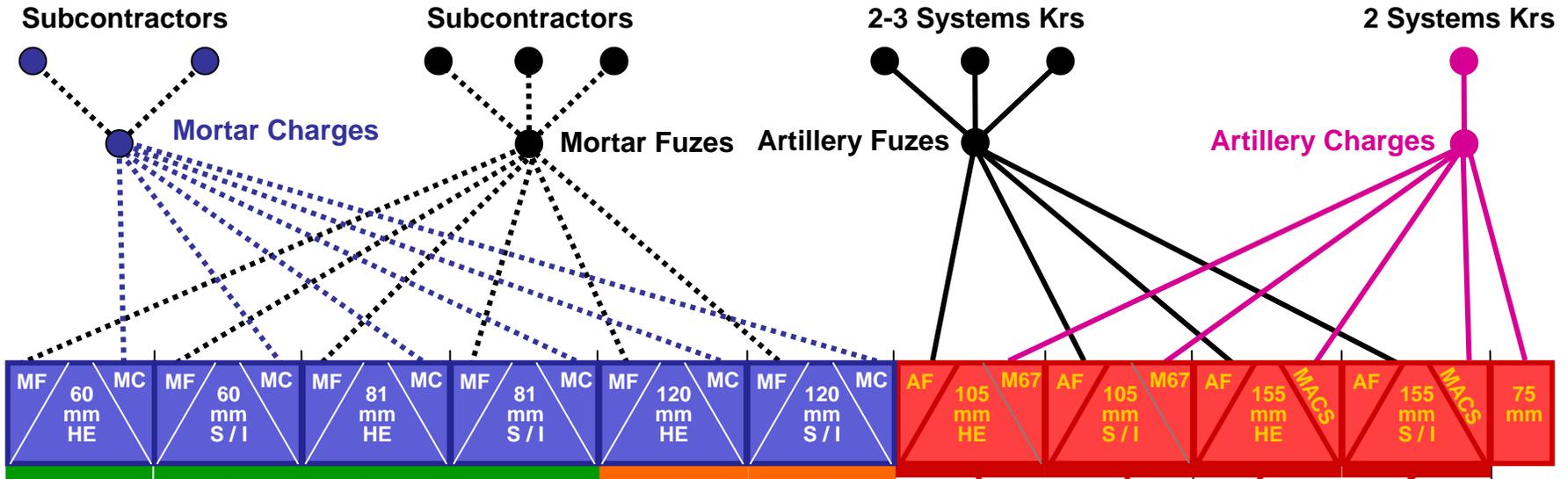
- Other Sys Kr**
- MFCS w/GFE
  - Excalibur
  - PGMM
  - CCF/PGK
  - ER Mortar
  - Common Submunition
  - Artillery PIK
  - MAPAM
  - ACAAP
  - EPIAFS / PIAFS

- Sub Kr**
- Shell Bodies
  - Packaging / Plugs
  - Parachutes
  - Candles
  - Canisters
  - Fins
  - Casings
  - Ignition Cartridges
  - Handheld Devices
  - Monitors
  - Base Plates
  - Etc.

- Gov't**
- Fire Control S/W
  - Mortar Weapons



# Systems Acquisition By Caliber



**Legend**

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**Gov't**

- Fire Control S/W
- Mortar Weapons

# OPM CAS Management Imperatives

- Establish, Instill, and Maintain Values – High Standards Matter Greatly
- Meet Customer Requirements and Pursue Promising Technologies
- Promote Competition to achieve Best Value and Drive Down Costs
- Leverage Investments and Reinforce Successful Partnerships
- Recruit, Train, and Retain Only the Most Talented People
- Endorse Teamwork and Employee Empowerment
- Promote and Employ Disciplined Processes
- Promote Commonality and Interoperability
- Plan Aggressive and Non-Traditional T&E
- Conduct Peer Reviews and Benchmark Excellence
- Take Calculated Risks, but Manage and Mitigate Them
- Be passionate and committed, but objective and adaptable
- Leverage Information Technology and Knowledge Management Systems
- Employ Evolutionary Development and Continuous Process Improvement
- Market the Organization and Its Projects to Educate Stakeholders and to Build Advocacy
- “Trust, but Verify” – Scrutinize Commensurate with Loyalty, Track Record, and Risk Criticality

Balance is  
Essential!



*Leadership Makes The Difference*

# Fidite Autem Visite

