



The 8th International Scientific Conference
**“DEFENSE RESOURCES MANAGEMENT
IN THE 21st CENTURY”**
Braşov, November 14th 2013



**DEFENSE ACQUISITION TRANSFORMATION: THE
TURKISH CASE**

Ebru CAYMAZ*

Muzaffer ÜNSALDI**

Fahri ERENEL***

* Marmara University, Department of Organization and Management, İstanbul, Turkey

** Strategic Research Institute (SAREN), Department of Defense Resources Management,
İstanbul, Turkey

*** Asst. Prof., (R) Brig.Gen. TU A, İstanbul Kemerburgaz University, Department of
International Logistics, İstanbul, Turkey

Abstract

As it is pointed out in a previous document published by Shaffer [1] technology growth is a non-linear process whereas acquisition path remains linear. Therefore, a need for defense acquisition transformation is emphasized in many current reports and studies in order to avoid problems related to acquisition process [2, 3, 4]. Within that scope, major efforts such as the Act No. 3238 have led to improvements in the defense acquisition in Turkey. However, it is also seen that many of the key reforms have not been sufficiently implemented. In order to implement acquisition reforms successfully, addressing the properly trained and qualified workforce gains significance. This study aims to present both current and envisioned defense acquisition process in Turkey in a comparative manner and to discuss necessary methods and precautions to improve this process. In order to present that, current legal procurement documents of Turkish Defense Industry and academic publishing related to this field have been examined. Obtained data is analyzed by using the methods of document and discourse analyses. Concrete suggestions aiming to improve acquisition process is tried to be put forth in conclusion part.

Key Words: Acquisition, Acquisition Transformation, Defense, Defense Acquisition.

1. Introduction

Acquisition in defense management is a critical process which includes multi-disciplinary study and management study. An acquisition program is a directed, funded effort that provides a new, improved, or continuing material, weapon or information system, or service capability in response to an approved need [5]. An acquisition strategy is a high-level business and technical management approach designed to achieve program objectives within specified resource constraints [5]. It is the framework for planning, organizing, staffing, controlling, and leading a program. It provides a master schedule for research, development, test, production, fielding and other activities essential for program success, and for formulating functional strategies and plans [6].

Furthermore, acquisition includes design, engineering, test and evaluation, production, operations and support of defense systems. National, authentic and high technology is needed while providing defense systems. However, most of defense products are produced according to foreign designs and manufacturing technologies [7, 8] As a result, a successful defense

DEFENSE ACQUISITION TRANSFORMATION: THE TURKISH CASE

acquisition process should be implemented in order to have these systems at a reasonable price and achieve program objectives in acquisition transformation. In this study, after pointing out the difference between the terms of acquisition and procurement, current situation in Turkey and necessary precautions to be taken in order to achieve acquisition transformation are presented.

2. Defense Acquisition and Procurement

Defense acquisition term generally applies only to weapons and related items and information technology systems, processes, procedures, services and end products. Procurement is used for act of buying goods and services for the government, is often and mistakenly considered synonymous with acquisition. It is only one of the many functions performed as part of the acquisition process [9].

Defense acquisition process is a very complicated task and should have a management program to work. A successful defense acquisition program should be a capable and supportable process and also have an affordable price. The ideal outcome necessary for successful long term relationships among the participants in defense acquisition is “win-win,” wherein each participant gains something of value. Every entrepreneur has different tasks in the process. Program manager should make system works on time, within right cost, and meeting the war fighter’s requirements. At bureaucratic perspective, success means a program that satisfies national security objectives, provides a balanced force structure, and does not attract undue congressional scrutiny. According to legislators, success means a system that strikes a balance between defense and social needs and provides a fair distribution of defense. For industry, success means a program that provides a positive cash flow, offers a satisfactory return on investment, and preserves the contractor’s competitive position in the industry. Finally war fighter’s perspective of success; system needs to be effective in combat and easy to operate and maintain [9]. Similar to every governmental process, policies should be made in compliance with the law. Research and practices are shown for defense acquisition management, they need to be; flexible for lack of time, responsiveness for continuous process, innovative for technological development, discipline to stay on the program and finally streamlined and effective management for development, production, and sustainment [5].

3. Defense Acquisition in Turkey

Defense acquisition is important for all the countries and needs to be developed for a more effective defense management and to sustain a more secure environment. Ensuring the development and modernization projects of Turkish Armed Forces (TSK) and Turkish Defense Industry within the direction of the main goals of the Strategic Plan 2007-2011 which Undersecretary of Defense stated, put forward the principles of this process, the participation of the domestic defense industry, the sector skills development of original solutions to the domestic and international market competitiveness is obtained. By the end of 2010 the average rate of meeting the domestic needs of the defense system increased to 50% and defense industry exports of goods and services increased at least 1 billion U.S. dollars in 2011. Through domestic supply has a major contractor involved in development projects and defense industry firms, Small and Medium-Sized Enterprises (SMEs), and its relations with industry requires the regulation [10].

In the strategic plan, priority will be given to R&D of domestic models. Thus, in case of the production technology, instead of purchasing it and necessary improvements on the supply systems will be able to be unrestricted. Identifying all types of platform, the system hardware and software which need for testing, the establishment of infrastructure and facilities that will meet the needs of the test, qualified personnel to perform specialized tests to evaluate them

DEFENSE ACQUISITION TRANSFORMATION: THE TURKISH CASE

and finally to an accredited testing methods carried out the task of supplying a necessary result [10].

4. Conclusion And Suggestions

Acquisition has become one of the most significant subjects in defense industry and requires a specific training program. In order to ensure and sustain a successful acquisition process, having a proper acquisition training program for acquisition experts becomes obligatory. In Turkey we have three different training programs given by the Ministry of Defense but these programs focus on procurement in general and their contents are limited. Establishing a Defense Acquisition University like the U.S. sample may not be feasible for all countries but at least two years of higher education on acquisition would definitely have concrete outcomes. Defense Acquisition University in the U.S. offers those lectures below and these lectures could be included in that higher education program as well:

- Fundamentals of Systems Acquisition Management
- Fundamentals of International Acquisition
- Fundamentals of Technology Security/Transfer
- Intermediate Systems Acquisition
- Mission-Focused Services Acquisition
- Understanding Industry
- Acquisition Law
- Senior Acquisition Course
- Defense Acquisition Executive Overview Workshop
- Systems Acquisition Management Course
- Leading in Acquisition Environment
- Integrated Acquisition for Decision Makers
- Forging Stakeholder Relationships
- Leader as Coach [11].

In addition to these lectures, “Integrated Acquisition for Decisions Makers” lecture might be restructured as Integrated Acquisition and Development. Also Contract Management can be given as a separate lecture. As well as classroom lectures, distance and/or online learning courses become prominent as the time is precious and limited.

However, relying solely on distance learning would not meet the training requirements of acquisition personnel. Although fundamentals like educational achievement, aptitude, previous job performance serve as initial career screening mechanisms innovative experience producing methodologies which would accelerate experience or shrink the time has gained equal importance as well. We think the best way to implement these methodologies is to encourage the knowledge management methods within the organization. Especially revealing and sharing the tacit knowledge of experienced personnel becomes highly significant. These people are defined as “experience catalysts” in a previous study and are seen as a solution to fill the experience gap [12]

Also ensuring the coordination between the organizations involved in acquisition has utmost importance. In Turkey, to ensure coordination among the organizations, a new system has been established by the Act No.3238. However, it could be clearly understood from the previous experiences that cooperation between the suppliers and buyers should be strengthened in Turkey. In addition, a proper Defense Acquisition Act, which ensures a dynamic and flexible acquisition process and meet the requirements, should be implemented to achieve acquisition objectives. Last but not least, procurement process requires a flexible

DEFENSE ACQUISITION TRANSFORMATION: THE TURKISH CASE

organizational setting and tacit knowledge sharing should be provided in that setting for a successful acquisition process.

References

- [1] Shaffer, A.R., (2004), *Joint Capabilities Development Process: Impact on PBBS*, <http://www.dtic.mil/cgi-bin/GetTRDoc?AD=ADA526027> [Access Date: 10.09.2013].
- [2] Joseph, R. G., (2013), *Acquisition Reform: How Training Can Help*, Defense At&L, July-August, 2013.
- [3] Müslüm, S., Topcu, M. K., Mala, M. (2013), *Savunma Tedarikinde Güncel Yaklaşımlar: Evrimsel Tedarik Stratejisi ve Türkiye Açısından Bir Değerlendirme*, Savunma Bilimleri Dergisi, Cilt 9, Sayı, 2, pp. 91-115.
- [4] U.S. Secretary of Defense (2007), *Defense Acquisition Transformation: Report to Congress, John Warner National Defense Authorization Act, Fiscal Year 2007*, Section 804.
- [5] U.S. Department of Defense (2003), *Directive 5000.01*, May 12, p.2.
- [6] McDaniel, N. A., Cooper, C. R. (1999), *Acquisition Strategy Guide.*, Defense Systems Management College, Virginia, Fourth Edition, p. 1.
- [7] Ziylan, A., (2001), *AR-GE'ye Dayalı Tedarik, Evrimsel Tedarik, Millî Ana Yüklenicilik [Procurement Dependent on Research&Development, National Prime Contractor]*, Proje Yönetim Derneği Kongresi, İstanbul.
- [8] Caymaz, E., Erenel, F., (2012), *Minimizing the Deviations in Defense Projects: the Turkish Case*, Defense Resources Management in the 21st Century, 15th November, Brasov, Romania.
- [9] Brown, B., (2010), *Introduction to Defense Acquisition Management*. Defense Acquisition University Press, Virginia, Tenth Edition, pp. 1-6.
- [10] Undersecretary of Defense (2009-2016), *Defense Industry Sector Strategy Document*, pp. 3-6.
- [11] U.S. Defense Acquisition University, Acquisition Program Lecture List: <http://icatalog.dau.mil/onlinecatalog/tabnav.aspx?tab=ACQ> [Access Date: 10.09.2013].
- [12] Tremaine, R. L., (2012), *Experience Catalysts: How They Fill the Acquisition Experience Gap for the DoD*, ARJ, Vol. 19, No. 1, pp. 53-74.