

# Why Was Alexander So Great?

BY MARK WERFEL

"Speaking Out" is an opportunity for you to express your opinion—perhaps in the form of a challenge to the federal acquisition system, a criticism, a pat on the back, whatever. Send your manuscript to the editor. Views expressed in this column are those of the contributor and do not necessarily reflect the position of NCMA. Articles may be edited for brevity and clarity.

—Editor

At the 1998 NCMA East Coast National Educational Conference\* there was great concern about the government and in particular the Department of Defense gaining access to the commercial technology base. Apparently there are many fine firms that possess significant capabilities, and government customers that want access to them. So, from the simplistic perspective, what's the problem? The articulated response: the *Federal Acquisition Regulation (FAR)* and "culture."

I for one do not believe it. From a contract perspective, when the parties are willing and legally competent, agreements are reached and results are obtained. Why is solving this very important problem still a topic of discussion and not a practice?

Is it too different? There's a lot said about the need for flexibility in these very different times, and a preference for commercial contract formats and practices—and many courses, expensive ones, promising "how to" and luncheon speakers espousing "Do, do."

As you'll recall, Alexander confronted his first and only knot in a context that was clear: a very public, essential leadership challenge. He was great in vision, charisma, action, accomplishments, and then in name.

While a "different" problem, and as knotty as the many before him, he realized it was one he had to solve promptly or lose the mind and soul of his army. Nothing like it was discussed at the Delphic Systems Management Collegium but, while more than one oracle was out there offering help, Alexander solved his own problem. He did so because he knew how to win, was committed to doing so, and was willing to actually take action—decisive action. Let's look at what he didn't do: no study groups, training courses, regulations, priestly/satellite benedictions—he simply knew and did what was needed to be done. Commercial research contracts exist, so they're not that different.

Is relinquishing *FAR* clauses/procedures a dumb move? Are we clearly balancing the business case? What, after all, do we lose? (A chance to disallow a meal? Ensuring we orchestrate pristine arrangements of cost accounts, like deck chairs on the Titanic?) How about looking at what we need and get (I hear we have a need for national security, and commercial R&D to secure it), and what we don't ("data rights" and cost audits)? The right leader looking at the scale will see the balance favoring a course of action and simply take it.

Unless the government expects to produce commercial products, it doesn't

need more than government use, and not always that. I don't get microchip drawings when I buy my PC, but I do get user manuals/now CDs and warranties. A wise buyer in a competitive commercial marketplace can tell what he's paying for, when he does or doesn't get it, and what to do about it. If custom work is desired, there's no qualm about paying more, but there's always a need to justify doing so in relation to the common commercial product/price benchmark. After all, you can buy a Rolls Royce or a Volkswagen, both from the same company.

If the government can't secure proprietary data, it's probably better off without it. If the government thinks it must do so, then written agreements, carefully orchestrated safeguards, and individual accountability, as well as deep pockets, are absolutely required.

Commercial units' business practices should be respected by the government. Commercial accounting firms could certify to Generally Accepted Accounting Principles those billed costs incurred by nongovernment units.

Is it too hard? Only if it can't be done, in the mind of the leadership. Alexander used a sword. Any Alexanders out there? I'd love to craft the sword, or swing it.

*\*(In all fairness, the basic, detail-level, specific issues were not identified during the conference session, so the preceding assumes what the speakers probably meant by those terms. I have made an attempt to secure the thoughts of individuals more familiar with I with these matters, before finalizing this article, but have had no response. Further, based on the speakers' statements, conventional contracting solutions, such as using price-based level of effort contracts, do not resolve the unformed cost contract issues. Finally, if contracting for R&D is unworkable due to proprietary concerns, generally, commercial license agreements are used, and no comment was made about why this approach would not serve. If those more familiar with these matters provided the specifics to me, I would be glad to respond personally or in this forum.) ●*

---

## ABOUT THE AUTHOR

Mark Werfel is an employee of the U.S. Army. This article represents his personal view and does not in any way constitute an official position. © 1999 Mark Werfel all rights reserved