



# Book Leading a Learning Revolution

## The Story Behind Defense Acquisition University's Reinvention of Training (J-B US non-Franchise Leadership)

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### Recommendation

The Defense Acquisition University (DAU), the educational institution that trains procurement professionals for the US Department of Defense, had a rocky start. Its original inefficient structure did not adapt well to technology or policy demands. Its client service was inadequate and slow. That was then and this is now: DAU is a superb, award-winning corporate university – some say the world’s best. How did it make this dramatic transition? DAU President Frank J. Anderson and strategic planner Christopher R. Hardy work with writer Jeffrey Leeson to explain its remarkable transformation in their primer on the “reinvention of training.” Anderson and Hardy were hands-on at the institution’s rebirth. *BooksInShort* recommends this inside view to chief learning officers, human resources executives and trainers. It explains the steps DAU’s team followed (and continue to follow) to build and maintain a world-class corporate university. Alas, the book also features a barrage of military acronyms and an excess of praise for DAU’s overall greatness. Still, the authors have a great deal of experience to offer training and education professionals who want to set up or improve their corporate universities – and they share their knowledge generously.

### Take-Aways

- The Defense Acquisition University (DAU), which trains US Department of Defense procurement professionals, has won awards as the best corporate university.
- It follows three main principles: operate like a business, improve constantly and “get in the foxhole with the customer.”
- Becoming a corporate university was a revolutionary concept for a government agency.
- Aligning with senior leadership’s goals is the single most important thing a corporate university or learning enterprise could do.
- Effective alignment requires clear, steady communication. Assign a liaison to stay in close contact with top leaders.
- Deliver prompt and timely learning solutions in the classroom and on the web.
- For an optimal learning environment, create learning architecture that integrates your formal and informal learning assets and uses the best processes and technology.
- A good corporate university acts as a change agent in the quest for high performance.
- To advance, benchmark your corporate university against other educational institutions.
- Regularly measure and evaluate its performance.

### Summary

#### Not Your Average Alma Mater: The Defense Acquisition University

The US government’s Defense Acquisition University trains the 128,000 professionals in the Department of Defense Acquisition, Technology and Logistics (DoD AT&L) workforce. Its mission is to teach staff members the correct way to procure “supplies, services, support equipment and military systems” for the military of the United States. DoD AT&L makes more purchases than any other organization in the world – in excess of \$270 billion annually. It doesn’t buy only bombs, bullets and other weaponry. It also purchases clothing, food and office supplies – everything needed to operate and sustain the vast US military establishment.

“The learning solutions and innovative strategies the DAU have delivered are ones every organization could learn from and should model after.”

Given its many peer-group awards, DAU now is a clear leader among learning institutions, but that was not always the case. During the 1980s, negative news reports about inflated military spending blasted the need for “serious acquisition reform” into public view. In 1990, Congress passed the Defense Acquisition Workforce Improvement Act, establishing the DAU. It began as 12 different Defense Department training institutions nationwide, each reporting to separate military branches or government agencies. This inefficient arrangement lacked standardization. Supervisors found it hard to secure training for their employees and, when they got it, it wasn’t of sufficient quality and they didn’t like it – and neither did the trainees.

“Anybody who has worked in large bureaucracies like the Department of Defense knows how hard it is to get things done, especially innovative practices.”

Numerous government commissions criticized the program. Their reports recommended reorganizing DAU into a single entity: a corporate university with a top-notch faculty and one leader with direct overarching authority. The recommendations included increasing “strategic partnerships,” as well as using “technology-based” and “case-based” learning. None of these changes were easy to execute. Like any giant bureaucracy, DoD had deeply ingrained practices and customs. Changing procurement training was a daunting task, but DAU’s leaders had no choice. In 1999, then-Deputy Secretary of Defense John Hamre instructed the leaders of the training program to reconstitute it according to the government’s recommendations. His successor, Michael Wynne, also fostered this mission. When the re-engineering job began in 2000, no one in the government had any experience in setting up and running a corporate university. DAU’s leaders developed three principles to guide its six-year transformation:

1. **“Do business more like a business”** – Even though DAU is a government agency, it should operate with the efficiency, purpose and values of the US business sector.
2. **“Create a culture of continual transformation”** – Revolutionize Department of Defense acquisition processes and become an agent of change.
3. **“Get in the foxhole with the customer”** – Locate campuses in “major buying centers.” DAU now has headquarters and a campus in Fort Belvoir, Virginia, and campuses in Alabama, California, Maryland and Ohio, plus online courses.

“The news media reported some perceived mistakes within the system, such as the now infamous \$800 toilet seat and \$400 hammer.”

Defense Acquisition University’s transformation team, including DAU President Frank J. Anderson and strategic planner Christopher R. Hardy, accomplished its mission. It developed an “overarching learning strategy” and modernized the curricula. It centralized management and set up partnerships with local colleges. It now has a full-time faculty of 540 instructors and support personnel, including experts in “program management, contracting, life-cycle logistics, business, cost estimating, financial management, information technology, test and evaluation, facilities engineering, purchasing, production, quality and manufacturing.” DAU changed from a traditional “classroom-only” institution to a modern integrated learning environment.

## The Importance of Alignment

A corporate university must align its activities with senior management’s organizational goals. At DAU, alignment means determining what Department of Defense leaders want DAU to accomplish and then achieving it. To mesh your training with your firm’s goals, cover three types of alignment:

1. **“Aligning upward”** – Coordinate with upper management and become fully knowledgeable about company objectives and requirements. Identify “influence brokers” and stakeholders, determine what matters to them and develop their firm support. Think of this as “topcover.” Meet periodically with senior managers for “heading checks” to ensure that you are on the right path to accomplishing what they want you to achieve. To ensure clear communication, DAU assigns a liaison to work with the top brass in the Pentagon.
2. **“Aligning down”** – Organize your university to meet senior management’s goals. Select the right executives to assure that everyone enthusiastically supports the company’s mission and moves in unison to attain its objectives. As part of its alignment process, DAU advertised positions that were already filled to ensure that it had hired the right people. Jobholders had the opportunity to reapply for their positions.
3. **“Aligning horizontally”** – Establish effective links to customers via the classroom.

“Whatever other changes may be made, it is vitally important to enhance the quality of the defense acquisition workforce.” (Packard Commission)

The Department of Defense requires DAU to deliver learning on time. When the secretary of defense instructed DAU to train contracting officers to do more business with small companies owned by disabled veterans, DAU’s leaders already knew the order was coming. The learning institution was prepared, so it began to deliver the training that day. Compliance was part of a significant, planned deployment that included “web-enabled resources and online modules.”

## Learning to Become the Best

DAU’s superiority did not happen by accident. Its leaders studied all the information they could find on corporate universities and attended numerous management conferences. They spent time developing relationships with corporate learning consultants so that the professionals could make practical, affordable suggestions and provide real-life solutions to DAU’s concerns.

“If Sisyphus had a job in the Pentagon, it would be acquisition reform.” (“Beyond Goldwater-Nichols” report)

Benchmarking proved to be particularly helpful as an improvement tool. DAU’s leaders used it to plan and measure their program against established educational institutions and organizations, including the Masie Center and the University of Phoenix (e-learning), Toyota (“lean processes”) and Harvard Business School (case-based learning). The school’s leaders compared DAU with other corporate universities, including the Accenture Learning Forum, Tennessee River Valley Authority, Caterpillar and IBM, which also features “enterprise learning.”

“Very few organizations start the alignment process with the President of the United States.”

DAU established strategic partnerships with governmental, industrial and academic organizations to enable its graduates to enhance their professional abilities and credentials. It has become a leader in corporate university best practices and has received two BEST Awards from the American Society of Training and Development.

Other organizations have formally recognized its strategic planning expertise.

## Setting Strategy

DAU's six-year strategic plan encompasses four important steps: focusing on "strategic goal alignment," "developing strategic challenges," establishing "strategic goals" to meet those challenges and dissecting its goals into "enabling strategies." DAU breaks this plan down into discrete steps, including "performance tasks" to accomplish annually and "performance targets" to meet in order to measure its achievements. DAU has five strategic goals and enabling strategies:

1. **"Mission"** – Provide an optimal learning environment. Strategies: Adopt the best educational tools and processes, and use technology effectively.
2. **"Infrastructure"** – Improve all "business systems." Strategies: Control costs, modernize IT and "enhance data-driven decision making."
3. **"Transformation"** – Act as a change agent for Department of Defense Acquisition, Technology and Logistics. Strategies: Use research to achieve excellent performance, and provide professional certification for the workforce.
4. **"People"** – Establish DAU as a desirable place to work so that it will attract the best faculty members and employees. Strategies: Employ superior staff and set up a "professional development program."
5. **"Customer"** – Develop meaningful relationships with customers. Strategy: Make sure that everyone who becomes involved benefits from the "DAU experience."

"Always 'fly before you buy,' and 'fix it before you deploy it'."

DAU's leaders did not limit it to classroom instruction. They set out to develop a "learning architecture" that would encompass e-learning, "continuous learning and communities of practice." This "performance learning model" has four components:

1. **"Training courses"** – Faculty conduct these courses in classrooms, online and in a blend of "resident and web-based training." All training is organized to simulate the way DoD AT&L professionals actually work.
2. **"Performance support"** – Educational assistance goes beyond the classroom and online learning. Instructors continue to help students when they go back to their jobs.
3. **"Continuous learning"** – The Defense Acquisition University's Continuous Learning Center provides ongoing training so that employees can complete their mandatory "80 hours of learning every two years." To date, in excess of 500,000 people have used the online system.
4. **"Knowledge sharing"** – The most advantageous way to spread best practices is to share knowledge broadly.

## Performance Review

Each year, DAU conducts four Enterprise Performance Review and Analysis meetings to assess its progress. The "regional deans, directors and senior leaders" who attend examine the results of important DAU evaluation measures. These include the web-enabled "Data Mart," which pulls together reports from DAU's information systems covering "course quality and measurement, cost accounting, time accounting and budgeting." The Data Mart uses "dashboards, graphs [and] charts." With it, DAU can mesh its measurements for comparative purposes and help it remain an "adaptive, dynamic organization" that constantly improves.

"At DAU, there's no such thing as good enough. This belief is part of our language and organizational culture."

The chief learning officer dashboard monitors strategic initiatives. It enables DAU's leaders to sort 105 separate "targets and tasks" according to various critical measures, including meeting objectives. Monitoring and measurement are vital. DAU's leaders assert, "We track everything, we see everything and our process is transparent." DAU publishes an "Annual Performance Report" about its achievements and progress.

## Always Strive to Improve

The Defense Acquisition University employs the "Microsoft model" of striving to "make [its] own products obsolete" through continual upgrades and enhancements. DAU actualizes this philosophy by constantly improving its operations, usually long before its workforce senses a need for change.

"If...someone were to tell us there's a better corporate university than DAU...we would listen courteously, but we wouldn't believe it."

DAU's exceptional performance each year becomes something to surpass the next year. For example, the first year that DAU received the Best Overall Corporate University designation, it graduated 60,000 students and made 2.2 million hours of learning available to its trainees. In its most recent year, it planned to graduate more than 113,000 students, having offered more than six million hours of instruction.

"Excellence is not a position, it's a path."

DAU competes in many "sector leadership" contests each year to benchmark itself against other strong learning organizations. Competition exposes DAU to various best practices and increases its employees' sense of ownership and pride. Of course, the university competes in its areas of strength, but its leaders also enter competitions in fields where they want DAU to improve. Besides competitions, they place great stock in "leadership visioning," that is, inviting constant exposure to new ideas, discerning which ideas will work best and implementing them to keep moving into the future.

## About the Authors

**Frank J. Anderson** is president of Defense Acquisition University, which won Best Overall Corporate University from the Corporate University Best-in-Class (CUBIC) organization. The US Department of Defense gave him its Distinguished Civilian Service Award in 2004. **Christopher R. Hardy**, Ph.D., DAU's strategic planner, worked with Anderson in re-creating DAU. **Jeffrey Leeson** is a professional editor and writer.

