





The International Defense System After-Action Review

An Industry Perspective

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This is the fourth in a series of articles by the author on international defense sales. The previous three articles appeared in the September-October 2014, March-April 2015 and September-October 2015 issues of Defense AT&L magazine.

The defense industry spends significant financial resources and manpower executing international pursuits. An international defense systems pursuit or capture normally spans several years—therefore, the investment is considerable. Once a contract is signed or a competition lost, the company quickly transitions to the next opportunity. This article discusses ways to record and analyze both successes and failures during a pursuit by using an After-Action Review (AAR). The article is based on the author's experience in international arms sales, and the methodology discussed is intended to provide industry (and, to some degree, the U.S. Government) an approach for conducting AARs to increase the probability of success in future pursuits.

It has been my experience that industry AARs usually focus on the competitive loss. This may be explained by management's eagerness to learn why there was no return on the company's investment. On the other hand, capturing what went right during the execution of a successful international pursuit is equally informative and valuable.

The AAR is a powerful tool, and there are multiple published processes and methods for conducting reviews. But regardless of approach, the objective remains the same: Accomplish a thorough investigation of what did and did not work and why; derive conclusions; and make recommendations to improve upon identified shortcomings and sustain positive actions/processes.

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An AAR should produce a report that is thorough and comprehensive, yet simple to reference. The more complex the report, the less likely it will be read. The report should result in “nuggets” that program or business development managers can use to develop strategy and tactics. Remember that an After-Action report should not be viewed as a document to close out a past pursuit but rather the basis for developing a winning strategy for future campaigns.

Timing is critical, and an AAR needs to be conducted as soon as practical after the pursuit is complete—preferably before the capture team is dismantled and while the information is fresh and the participants are still available.

Ideally, the AAR encompasses all the key participants in the pursuit—capture and proposal teams, functional staff, forward deployed personnel, international representatives and consultants, domestic field offices and Washington D.C. staff. But sheer geographic dispersion usually eliminates this option. Completion of the AAR is more likely to be accomplished by a single individual tasked by management to conduct a review. If

normally span a number of years. This may involve reviewing actions by people no longer affiliated with the program or company.

Ensure any information recorded is factual and not made up of opinions or speculation. It is important to limit data to specifics that define the outcome of the pursuit—what went right, what went wrong and why.

Step 1: Request a debriefing from the customer. An acquisition program debriefing frequently is offered by the customer after a procurement decision, but if not a request should be initiated. The debriefing will provide the customer’s perspective but must be received with some skepticism as the briefing will have been vetted carefully through the customer’s acquisition and legal staffs.

Step 2: List sources. Next, identify and list the information sources. These might be capture-team members, functional staff, company domestic and overseas offices, the program’s in-country representative or consultant,



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lucky, that person may be able to assemble a few participants. But more often than not, the effort and execution falls to the AAR lead. It is with that individual in mind that the AAR approach discussed in this article was developed.

The AAR lead should be respected and senior enough to command attention and obtain honest answers. At the same time, if the manager is too senior or if the participants fear retaliation, the leader will be told what people think he or she wants to hear.

If the AAR is guided by a group facilitator or defaults to an individual review, the best results are attained if the person is familiar with the international pursuit process but not close enough to the capture activity to be biased. Regardless of how robust or lean the AAR effort is resourced, the idea is to capture and build upon lessons learned.

After-Action Review Steps

Unlike an AAR for a course of instruction, exercise or event, an international defense systems pursuit AAR examines activities of multiple organizations (both civilian and government) that

company and government documents, emails, briefings, internal correspondence (e.g., memos, white papers) and interviews. Additionally, major proposals normally undergo a formal documented review process (e.g., Bid/No-Bid briefings, Black Hats, Blue Teams, Red Teams). Reviewing real-time documentation often is more reliable than what people remember—but, in any case, the key is to leave no stone unturned.

Step 3: Determine organizational resources available to the capture team. This listing of organizations, agencies and offices might include the company’s functional and Washington D.C. staff, suppliers’ staffs, the U.S. Government Washington team (e.g., agencies in the Department of Commerce, the Department of Defense and the State Department), U.S. Government program office, U.S. Government country team, in-country consultants and representatives, and host-nation industrial partners. When complete, it should encapsulate the magnitude of the effort and the diverse organizations that contributed. More importantly, it aids in identifying organizations absent from the pursuit or underutilized.

Step 4: Identify key personnel. These are personalities sprinkled throughout the pursuit who were crucial to its outcome—from U.S. Government and company staff to customer decision makers and indigenous industry partners. They may be as prominent as a minister of defense or as obscure as an assistant program manager for contracts. In any case, these are the people who shaped the pursuit, supported or impeded the effort, made decisions or provided critical inputs. Examples might be members of a Parliamentary Defense Committee, an industry partner's manager, U.S. Government desk officer or the Director for the Office of Defense Cooperation. If the personalities are separated from the organizations, a better picture emerges of the role each played in the pursuit's outcome.

Step 5: Construct a chronology of key events, decisions and milestones, from pursuit inception to contract decision. This consequential compilation, when overlaid on the customer's procurement process and timeline, often reveals missed opportunities, poor (or good) decisions and resource shortfalls. The more detailed the listing, the easier it is to capture an accurate portrait from start to finish. This is when a picture begins to emerge of why actions and events occurred.

Step 6: Organize the facts, events and milestones. This should be done along with U.S. Government/customer/contractor actions and outcomes into one of three pursuit imperatives—political/industrial, price and performance (The three Ps). Grouping information into these three competitive discriminators focuses the collection effort and facilitates conducting analysis and reaching conclusions. Examples under the three categories might be listed as follows:

Political/industrial:

- Competitor's government was engaged at highest levels; U.S. Government was not.
- Competitor's in-country industrial partner aggressively lobbied customer.
- Customer's Army Chief of Staff publicly favored the least-expensive solution.

Price:

- Price-to-win was based on flawed assumptions.
- The competition never lost its price advantage.
- The U.S. Government and the company were unable to provide a pricing level that was not to be exceeded.

Performance:

- The U.S. system outperformed competition in the majority of required tasks.
- The customer did not publish criteria for a technical schedule, cost risk or past performance.
- The capture effort sometimes was disjointed and uncoordinated.

Step 7: Develop conclusions. Once the information is grouped into one of the three Ps, the next step is to extrapolate AAR

conclusions. The conclusions should be succinct and easily understood and focus on issues that had the greatest impact. Examples could be as follows:

Political/industrial:

- It was considered a "must win" program by competitor's government.
- The competitor teamed with the country's largest and most influential defense company.
- The customer favored the least-expensive solution so long as baseline performance was met.

Price:

- Faulty intelligence led to price-to-win miscalculation.
- The importance of life-cycle cost was underestimated.
- Pricing was impeded by the U.S. Government's and the company's protracted multiyear contract negotiations for the system offered.

Performance:

- From the customer's perspective, both systems met the prescribed performance criterion.
- Although the customer did not publish a comprehensive evaluation criterion, it did possess one.
- There was no dedicated company capture lead. Capture lead was responsible for multiple international pursuits, which caused a convoluted effort.

From the conclusions, recommendations are derived.

Step 8: Propose recommendations. If a thorough and disciplined approach was used for the first seven steps, then the last step will result in useful recommendations that can provide the basis for developing campaign tactics and the pursuit strategy. Recommendations should be within the company's sphere of influence—in other words, within the company's ability to improve upon or reinforce a conclusion. Examples of recommendations might be as follows:

- The U.S. Government and industry must operate as one. Therefore, seek joint strategy sessions early in the pursuit.
- Select an in-country industrial partner early. The partner must provide "value added" both politically and technically with a tertiary benefit of denying the competition.
- Validate assumptions and supporting intelligence when determining price-to-win.
- Seek U.S. Government approval for Direct Commercial Sale or hybrid Foreign Military Case in order to gain pricing flexibility.
- Ensure a complete understanding of customer selection criteria and who evaluates performance.
- Assign a dedicated capture lead and ensure adequate resourcing.

Remember that a recommendation is useful only if it improves upon past performance or sustains a desired action or outcome.

Conclusion

To a seasoned capture manager, much of what has been presented may appear obvious or commonsensical, but experience has proven otherwise. I have seen knowledgeable international capture managers and their staffs make mistakes that easily could have been prevented by reading an After-Action report.

In order to ensure a comprehensive and valid AAR, enough discipline is needed during the pursuit to document what is occurring throughout the capture process.

If the pursuit was a “win,” there is a good opportunity to develop a close relationship with the customer. Over time, this affiliation may provide insight into what the customer was thinking and what the competition was really doing. The result could verify or revise the AAR findings.

Whether the AAR was done for a win or a loss, the competitor likely will be faced again in future pursuits. Therefore, it is important, using the three Ps framework, to assess and record what was learned about the competition’s strategy and tactics.

Conducting an AAR, writing a report and developing a management briefing are major undertakings. A lack of time always is the culprit for not doing a review. It takes a combination of company policy, senior management insistence, and program and business development discipline to routinely complete an AAR. Likewise, experience has shown it takes the same commitment to get program and business development management and staff to read and act upon an After-Action report.

Finally, the value of an AAR is its report, and the value of the report is found in its conclusions and recommendations. But the best AAR in the world is useless unless this beneficial corporate memory is easily accessible.

By performing a thorough and comprehensive AAR assessment, recording the findings, drawing conclusions and developing recommendations, the company and the program are certain to avoid the many pitfalls of an international pursuit, prevent the tendency to repeat past mistakes and build upon proven successes. &

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