

## Cost Consciousness is about Value of Money and Stewardship

Change is difficult even when it is recognized that some past practices may not be the best practices.

Many of our behaviors, such as end-of-year obligations and expenditures, or how we conduct contract negotiations can be improved to maximize buying power.

“If we allow ourselves to think of spending the budget as a goal, or fixate on meeting obligation rates over value receive, or worry more about protecting ‘our funding’ whether we can spend it efficiently or not, then we will not succeed.”

—USD(AT&L) Frank Kendall

### How to Implement:

- **People:** Train and empower the acquisition workforce to create experienced professionals
- **Think:** Apply training and experience to inform professional judgment
- **Start with the basics:** The acquisition fundamentals work; apply them effectively
- **Streamline decisions:** Time is a precious resource, processes and oversight must be value added

## Be part of the solution!

Building a consistent cost conscious culture into the acquisition workforce is not as simple as merely emphasizing cost consciousness at milestone decisions.

Even when we think we’re doing all we can to act with the right cost conscious behaviors, we can learn new ways from each other to make sure we wring out every drop of Warfighting capability from the dollars we invest.

Share your experiences with all of us. To provide input to the Cost Consciousness Team, acquisition workforce members with suggestions, concerns, or questions should contact:  
[osd.atl.bbp@mail.mil](mailto:osd.atl.bbp@mail.mil)



## Cost Consciousness

### Building a cost conscious culture across the Acquisition Workforce



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USD AT&L Better Buying Power 2.0

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“There is good recognition in the Department that cost matters a great deal now that budgets have stopped growing, but this is an area in which we must continue to raise the consciousness of the workforce if we are to permanently change the Department’s culture.”

—Better Buying Power 2.0 Memo,  
November 13, 2012

## Strategic imperative

### Preserve warfighter readiness

- Urgent to act now on a culture of cost consciousness to build more capability per dollar and maintain strategic advantage
- Ensure every dollar is spent responsibly and with business integrity
- Warfighter needs it
- Taxpayers expect it

## Realistic execution strategy

### Requires collective commitment

- Efforts from entire workforce to control costs, increase productivity, and provide greater value to the Warfighter
- Continuous commitment required to make substantive progress towards improving acquisition performance
- Leadership will practice and reward behaviors that create best-value for the Warfighter

## Change across the workforce

### Keys to Success

- Achieve Affordable Programs
- Control Costs through out the product lifecycle
- Incentivize productivity and innovation in industry and Government
- Eliminate unproductive processes and bureaucracy
- Promote effective competition
- Improve tradecraft in acquisition of services
- Improve the professionalism of the total acquisition workforce

