

Statement of

**Michael J. Bayer
Chairman, Defense Business Board**

before the

House Oversight and Government Reform Committee

On

“\$125 Billion in Savings Ignored: Review of DoD’s Efficiency Study”

March 21, 2017

Good morning Chairman Chaffetz, Ranking Member Cummings, and members of the committee.

I appear before you today as the fifth chairman of the Defense Business Board.

As are all the members of the Defense Business Board, I am a private citizen; not a paid government employee. We volunteer our time to serve the Department of Defense by offering our collective advice on how to manage the Department more efficiently, in order to enable the Secretary and Deputy Secretary to maximize the allocation of resources to the warfighter. The men and women of the Business Board, and its sister boards, Policy and Science, who donate their time and energy to helping the department, consider it a tremendous honor and responsibility.

As I have communicated to you and your staff, I have no direct knowledge about the study at hand. My first meeting after returning as chairman was in July 2015, more than six months after this study was completed and presented publicly, in January of 2015. As this study was under the direction of the previous chairman, and long before I became the chair, I have no particular insight or access into the actions and decisions made about how this study was conducted and delivered.

I can say that in the almost two years since I became chairman, the Board has completed eight studies. Our most recent effort – Focusing a Transition - was a product of every member of the Board and was very well received by the Department's leadership and the policy community. There is more work to be done in the months and years ahead as we strive to support each of Secretary Mattis' priorities – particularly bringing business reforms to the Department of Defense.

I will close with saying that this hearing appears, from its title, to be focused on what the Department did or did not do with a study. Speaking for the Department is an “inherently governmental” function. As a private citizen, I am strictly prohibited from assuming that role, which makes appearing before you to discuss a study that I was not part of, particularly challenging. My duties as chairman include speaking for the Defense Business Board TO the Department of Defense. It does not include speaking FOR the Department of Defense; ever. This concludes my opening statement.