

Simplifying and Digitizing

# Transforming Federal Acquisitions for Speed and Agility

The Trump administration has the opportunity to transform the federal acquisition enterprise into a system that promotes speed and agility, while also leveraging new tools, platforms, and strategies to drive innovation and deliver results. Such a modernized enterprise could provide new capabilities to address security threats (both foreign and domestic) and retain U.S. technological superiority.

## Current Challenges to the Federal Acquisition Enterprise

From 2001–2010, the DoD alone spent \$59 billion on acquisition programs that were ultimately cancelled without delivering new capabilities. Other programs have become mired in cost and schedule overruns while failing to meet performance requirements. These problems are largely due to the failure of federal acquisitions to keep pace with rapid changes in missions, threats, technologies, and budgets. Three issues pose particular challenges to the delivery of effective capabilities on schedule and within budget:

- **Complexity:** The growing number of laws, policies, and regulations, combined with constantly evolving requirements, technologies, and mission priorities, greatly increases the difficulty of achieving timely results.
- **Time:** While speed-to-market is a highly valued metric in the commercial sector, federal programs often sacrifice schedule in favor of other factors. The acquisition enterprise does not offer incentives to shorten delivery times and reap the associated cost savings.
- **Workforce:** Half of the acquisition workforce is within 10 years of retirement, while 40–50 percent have fewer than five years' experience. Moreover, 90 percent of the acquisition workforce is in civil

service or contract services systems that struggle to recruit and retain knowledgeable professionals.

## The First 100 Days

The Trump administration can focus on a set of “quick wins” to lay the foundation for longer term flagship initiatives that will transform the acquisition enterprise. Among these early steps are adopting an Agile approach to small, frequent deliveries; being responsive to operational and technology changes; and soliciting active user involvement across the lifecycle. Delegating key program decision authorities to the lowest possible level of oversight can promote agility and ensure that timely decisions are made by those closest to program execution. A strategic investment in data is critical to long-term success. This would include hiring data experts, investing in tools, and championing the White House’s open data policy. Finally, new leadership by experts from industry could offer an infusion of fresh ideas, fix inefficiencies, and reshape agency culture to embrace a modern enterprise.

Two central themes should guide the long-term modernization of acquisitions:

- **Simplify:** Reduce the complexity of policies, processes, and initiatives to enable speed and agility.
- **Digitize:** Leverage the latest strategies and tools to redesign program and enterprise operations.

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## **Simplify**

An effective approach to navigating the complex acquisition environment would be to develop new models along the lines of “Google Maps.” Acquisition executives could proactively tailor a series of acquisition models or pathways based on the type of product or service being acquired as well as the acquisition’s size, complexity, and risk. Rather than relying on gate check reviews and cost thresholds for oversight, these new models would transition to in-process portfolio reviews and a risk-based approach that empowers mature acquisition organizations.

Executives and program managers could also establish an Agile framework for acquisition. This would require the development of new policies, roles, training, and processes to structure programs via small, iterative releases so that acquisition becomes more responsive to changing operations, technologies, threats, and budgets.

A third element in simplifying the acquisition enterprise would be to implement a “Should Schedule” initiative focused on streamlining program processes and structure to ensure the timely delivery of capabilities. This would build on the DoD’s successful “should cost management” program, in which unnecessary costs are identified and eliminated. Finally, expanding budget reprogramming authorities would enable a more dynamic allocation of resources to capitalize on innovations and respond to shifting priorities without a lengthy coordination/approval process.

## **Digitize**

Federal acquisitions require a digital transformation to be more agile, innovative, and collaborative. Creating a digital program office can leverage new enterprise platforms to improve and accelerate every

role, process, and product in a program. A digital platform designed to capture meaningful program data opens up a wealth of analytic opportunities to identify program and enterprise trends and opportunities and to fuel algorithms that optimize investments and program execution.. Executives could charter a team with developing decision-support software that would provide a “Turbo Tax for Acquisitions” to enable the workforce to formulate complex acquisition strategies that comply with current laws, regulations, and guidance while replicating exemplary strategies. By digitizing policies and guidance, acquisition experts could rapidly share insights and provide the workforce with collective knowledge for creating effective programs.

## **Looking to the Future**

Following these important steps in the first 100 days, executives will want to provide continued investment in rapid capability development, industry outreach, and innovation labs to enable acquisition enterprises that can swiftly exploit new technologies and experiment with new business models. Successful commercial companies incentivize bold ideas, risk taking, and iterative prototyping/development. The Trump administration can move assertively to simplify the heavily regulated federal acquisition environment. Leadership has an opportunity to go beyond simply fixing the entrenched system by designing new elements—from program office operations to executive oversight—for a modern, digital enterprise. The focus needs to be on initiatives that deliver capabilities faster and are agile enough to exploit the latest technology for decisive advantages.

*For further ideas about applying the guidance in this paper to your agency’s particular needs, contact [federaltransition@mitre.org](mailto:federaltransition@mitre.org).*