## Bottlenecks That Threaten Government Effectiveness

Until agencies speed up the process of fielding information technology products and services, they will be forced to continue relying on obsolete systems to carry out critical mission requirements. By implementing policies and procedures that reduce acquisition lead times, new agency leaders can save time, money, and—potentially—lives.

## A Case for Action

Computers double their processing power about every 18 months. But right now, federal agencies take that long simply to identify program requirements and award a contract—and that's not counting the time required to actually design, develop, test, and implement the new system. By the time computers are finally delivered to agency customers, they may already be two generations out of date.

The consequences of long lead times in acquiring the latest information technology (IT) products and services are deadly serious for agencies that rely on them to protect citizens from terrorist threats, defend networks against cyber–attacks, and ensure that veterans, the sick, and the elderly receive their checks on time. And bottlenecks in IT acquisition have ripple effects for other types of acquisitions, from sensors to satellites.

That's why aggressive streamlining of acquisition lead time is a strategic imperative for all federal agencies. By reducing acquisition lead time, agencies will be able to:

- Keep pace with advancing technology and enhance operational effectiveness
- · Become more adaptive to the needs of end users
- Become more innovative in a risk-averse environment
- Become more cost-conscious as budgets continue to shrink

As mission needs evolve and IT development cycles shrink, federal agencies cannot afford to wait for years to acquire critical mission capabilities. Actions to streamline lead times will not only decrease risks and costs, but will ensure that users and taxpayers alike benefit from significant savings.

Effective processes that identify and manage acquisition lead times are of critical importance to maintaining cost-effective inventories, budgeting, and having materiel available when it is needed.

-WILLIAM SOLIS, DIRECTOR, DEFENSE CAPABILITIES AND MANAGEMENT, GENERAL ACCOUNTING OFFICE 2007

## **Understanding the Problem**

Long lead times in federal acquisition have been the focus of increased attention in recent years:

- In 2012, the Defense Business Board warned that "cyber and IT modernization cannot succeed because the cycle times or spins within cyber and IT are far shorter than the time scale used by defense acquisition processes."
- In 2013, Federal Chief Information Officer Steven VanRoekel observed that "it is challenging to drive



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- innovation in the context of cycles that take six to nine months, a year or more ... By the time you get the procurement done, the technology will change."
- The latest edition of Better Buying Power, the DoD's guide to best practices in procurement, emphasizes reduced cycle times as crucial to eliminating unproductive processes and bureaucracy.

While these and other efforts to call attention to the problem have certainly helped raise awareness, the underlying causes must be addressed if the problem is to be resolved:

- Risk aversion from fear of failing or disregarding established procedures
- Fear of protest leading to highly conservative strategies and over-documentation
- Stovepiping that discourages the "big-picture view" and collaboration with industry

## **Areas of Opportunity**

There is no single, easy fix for long acquisition lead times. The solution requires acquisition leaders to tackle the challenge systematically through a coordinated, concerted, and cross-agency effort. Acquisition leaders could consider the following practical ideas as priorities for action within the first year of the new administration:

- Foster a culture of risk-taking and innovation.
   Agency leaders need to convey that fast, responsive acquisition lead time is part of the agency's DNA.
   One way to accomplish that is to establish a climate in which the workforce feels empowered to take a chance and experiment with innovative solutions.
- Provide meaningful incentives. To motivate the workforce to reduce acquisition lead time, agency leaders could establish specific goals and objectives and assess progress toward them in

- individual performance evaluations at all levels of the organization. Senior agency directors could publicly recognize accomplishments at ceremonies and in publications.
- Anticipate and prevent problems. Shifting
  the federal acquisition culture from reactive to
  proactive requires training the workforce to solve
  problems before they happen instead of waiting
  for them to happen. It also means overcoming the
  urge to discard innovative solutions out of fear of
  protests from industry, most of which end up being
  rejected anyway.
- Measure and track progress. Once specific goals and objectives for reducing lead time have been adopted, agencies could establish and track a set of metrics that show progress toward reaching them. These metrics could then be used to hold acquisition organizations accountable—from the contracting officer all the way up to senior leadership.
- Partner with industry. Industry is not an adversary
  in federal acquisition. An open dialogue with
  a bidder throughout the acquisition process
  minimizes the likelihood of a protest and improves
  the chance of shorter lead times. Plus, federal
  agencies can benefit from industry expertise in
  making sound acquisition decisions.
- Employ alternative acquisition strategies.
   Agencies could explore innovative contracting methods that promise to reduce the time required to conduct market research, develop RFPs, evaluate proposals, award contracts, and field solutions instead of relying on "by-the-book" methodologies that do not clarify how requirements contribute to the overall objective.

For further ideas about applying the guidance in this paper to your agency's particular needs, contact federaltransition@mitre.org.