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OVERVIEW AND METHODOLOGY

Since 2002, the Professional Services Council (PSC) and Grant Thornton Public Sector have conducted a biennial Acquisition Policy Survey. The survey captures opinions and insights from federal government acquisition leaders on the current state of the acquisition profession, the impact of policy initiatives, noteworthy trends, and future challenges and opportunities. The purpose of the survey is to present perspectives from the acquisition community to inform government leaders and industry executives about the state of federal acquisition. Broadly, we seek to determine whether the acquisition policies currently in place are yielding the intended results and, if not, how they should be changed.

Over the last six months, representatives from PSC and its member companies interviewed 65 federal officials, representing a broad cross-section of the federal government. Interviewees were primarily senior acquisition executives, but also included front-line contracting professionals, congressional staff, members of the oversight community, and others. PSC and Grant Thornton staff analyzed the results and prepared this report. Responses give insight into current perspectives, challenges, and solutions driving acquisition across the federal government. Moreover, the survey responses illuminate discernible trends when combined with results of surveys conducted over the past 16 years. Now in its ninth biennial edition, this is the only comprehensive survey of federal acquisition professionals. Taken as a larger body of work, hundreds of government acquisition leaders have provided their perspectives on issues affecting federal acquisitions over more than a decade.

This report principally covers survey findings in five areas: Workforce, Budget, Communication and Collaboration, Innovation, and Oversight and Compliance.
EXECUTIVE SUMMARY

The 9th biennial Acquisition Policy Survey reveals many of the same challenges observed over the past sixteen years, but also growing optimism about improvements in the federal acquisition arena. Compared with past years, both the importance and the current state of elements of the acquisition process were rated slightly higher by survey participants. Several recent events—including enactment of ample appropriations, the work of the Section 809 Panel, and implementation of the President’s Management Agenda—have the potential to significantly impact federal acquisition and provide opportunities for further improvement.

Survey respondents reported on an array of trends and initiatives shaping the acquisition environment across five key areas:

WORKFORCE
Workforce capability is viewed as the greatest contributor to successful acquisitions, and respondents assessed skills to be improving overall. However, certain skill areas continue to be lacking across the workforce, including developing requirements, buying “as a service,” negotiation, and critical thinking. Executing complex IT acquisitions was evaluated better than past years in both importance and current capability.

While skills are improving, hiring challenges have grown worse since 2016 and are exacerbated by budget instability, hiring freezes, and other factors. The issues facing the acquisition workforce cumulatively make it difficult to keep up with the pace and volume of change. Industry rotations, enhanced communication, and artificial intelligence were suggested as potential solutions.

BUDGET
More than 60 percent of respondents said budget conditions had deteriorated since 2016, the worst decline reported in this survey, and many did not know what to expect in the future. Continuing Resolutions (CRs), government shutdowns, and shifting spending caps have injected volatility into agency budgets, making it difficult to plan and compressing acquisition timelines. While the passage of a two-year budget deal brought much needed stability, many respondents expressed uncertainty about their ability to spend appropriated funds in a timely and effective manner.
COMMUNICATION AND COLLABORATION
Internal and external communication and collaboration were ranked highly in both importance and current capabilities, and the majority of respondents were optimistic about improvements in this area. Despite positive trends, communications shortfalls still present obstacles to achieving successful acquisition outcomes and at times even inhibit companies from entering the federal marketplace. While many view industry protests as a particular challenge, Reverse Industry Days (RIDs), enhanced debriefings, and inculcating a strong and engaged program management discipline were cited as ways to continue to improve in this area.

INNOVATION
Innovation is not well understood and is viewed as less critical to acquisition success compared with other areas. Legislative and regulatory reforms were viewed as having the greatest potential to disrupt “traditional” approaches to acquisition, while fear of oversight or protests were viewed as the greatest inhibitors, followed by gaps in agency workforce skills. Existing regulations and innovative companies choosing not to do business with the government were also cited as barriers, while innovation labs, Other Transaction Authorities (OTA), and transparency were offered as practices to emulate.

OVERSIGHT AND COMPLIANCE
Oversight and compliance were rated lowest in terms of importance to acquisition outcomes, but among the highest in current performance. GAO audits and OMB guidance were generally viewed as valuable, and respondents were divided on whether past performance is useful, while congressional oversight was viewed as less valuable. Many cited labor-related requirements as particularly burdensome, and congressional respondents identified problems related to audits and Cost Accounting Standards (CAS) compliance. Many agreed the cumulative impact of frequently changing policies places pressure on the workforce and is detrimental to acquisition outcomes.
INTRODUCTION

Federal agency acquisitions do not take place in a vacuum. We call it the acquisition system for a reason: in order for it to function as intended, many disparate but interconnected elements must come together through coordinated effort. In recognition of this interconnection, in this report we refer to acquisition, and to the acquisition workforce, broadly to encompass the many processes and participants that contribute throughout the lifecycle of an acquisition. To this end, we organized the survey report around five key elements of the acquisition process: workforce, budget, communication and collaboration, innovation, and oversight and compliance.

In this year’s survey, respondents were asked to assess the importance of each of these key elements to achieving successful acquisition outcomes, and their current state, on a scale of one to four, with four indicating the highest level of importance or current performance, and one representing the lowest. Figure 1 shows the average responses in each area; notably, both importance and current state were rated slightly higher on average than in past years. We also asked respondents about trends in each area over time; similarly, they observed and expected more improvement overall compared with past surveys. We then asked a series of questions to further probe each of these topics in order to evaluate the overall state of federal acquisition.

FIGURE 1
Elements of Acquisition: Importance to Acquisition Outcomes and Current State

[Diagram showing ratings for key elements of acquisition, with the y-axis labeled 'Rating Scale: 4=Excellent 3=Good 2=Fair 1=Poor']
This year’s survey participants ranked acquisition workforce capability as the most important factor impacting acquisition outcomes, with nearly all respondents giving it the highest score (see figure 1). One respondent stated succinctly, “Let smart acquisition professionals use their industry best practices to buy goods and services. Stop shackling them and you’ll see better results.”

CURRENT STATE AND TRENDS
As shown in figure 1, not only did respondents view workforce as the most important contributor to successful acquisition outcomes, but they also assessed the current state of overall workforce capability highest among the elements surveyed. Figure 2 shows the distribution of respondents’ ratings of the importance and current state of overall acquisition workforce capability. We asked them whether this capability has improved, stayed the same, or gotten worse over the past two years, and which way these trends will progress over the next two to three years. As shown in figure 3, more than half of those surveyed reported improvement in the past two years, and more than one-third responded skills had remained stable. Looking ahead, nearly two-thirds expressed optimism for continued improvement over the next few years—more than four times as many as predicted stable capability levels.

Notably, the progress reported since our last survey in 2016 exceeded the expectations of respondents that year, slightly less than half of whom anticipated improvements to the acquisition workforce over this period, and more than a quarter of whom expected capabilities to remain relatively static. These results provide some grounds for optimism that years of concerted effort and investment to improve the acquisition workforce may finally be gaining traction.

To more thoroughly evaluate acquisition workforce capabilities, we asked respondents to assess the importance and current state of specific skill areas, and trends in these areas over time.
**SPECIFIC SKILLS**

Selecting appropriate contract types and evaluation strategies was deemed important by respondents, with more than 60 percent assigning it the highest importance. By contrast, participants assessed current workforce capabilities somewhat less highly in this area, with equal numbers of respondents rating it as good or fair (see figure 4). More than a third reported improvement over the past two years, and over half said these skills had remained stable. Looking ahead, more than 60 percent expect to see improvement in the years ahead, and just over a quarter of participants predicted skill levels to remain stable (see figure 5). Compared with 2016, respondents did not report as much improvement as they had expected, but they appear slightly more optimistic for the years ahead.

One possible interpretation of these results is that directives in legislation and agency guidance over the past few years have had the intended effect of limiting the inappropriate application of Lowest-Price Technically Acceptable (LPTA) evaluation strategies. As a result, acquisition personnel may feel less pressure to base decisions primarily on price or to justify their choice to use other evaluation methods in the face of intense scrutiny. This is consistent with 2018 survey results, as respondents placed less emphasis on issues related to LPTA.

Developing requirements and scopes of work for services was given the highest level of importance by 70 percent of respondents. As with contract types and evaluation strategies, current workforce capabilities were assessed somewhat less favorably, with most respondents giving it mid-range scores, and the plurality rating skill levels as fair (see figure 6). About a third of those surveyed reported improvement in this area since 2016, while 60 percent said skills had remained stable. Seventy percent expect positive trends going forward, with just over 20 percent anticipating stability (see figure 7). In terms of trends, these results track very closely with the 2016 survey, wherein 38 percent reported improvement and 71 percent anticipated more, indicating that the expected improvements in requirements development may have yet to be fully realized.

As we will see, issues relating to defining requirements are widespread in the results.
of this year’s survey, as many respondents cited interrelated topics such as developing a program management culture, building productive relationships between contracting and requirements functions, and enhancing the use of outcomes-focused contracting methods as ongoing challenges.

**Evaluating technical and price proposals** was considered at least moderately important by over 90 percent of survey respondents, with more than half assigning it the highest score. More than 60 percent assessed current workforce capabilities positively, with most rating them good [see figure 8]. These results represent a slight decline in respondents’ assessment of both importance and competency compared with 2016. Despite these findings, 40 percent reported improvement over the past two years, with just over half saying skills had remained stable. Over the next two to three years, about 60 percent anticipate further improvements, while just over a quarter expect stable skill levels [see figure 9]. As with contract type and evaluation strategy selection, it is possible that these results stem in some part from the de-emphasis on LPTA.

Executing complex Information Technology (IT) acquisitions has been an area of growing emphasis over the past several surveys, and this trend is reflected by the more than 80 percent of respondents who assigned it the highest importance—the most of any skill area, and a slight increase from the 2016 survey. Respondents’ assessment of current workforce capabilities also showed moderate improvement; while just over 40 percent of respondents rated these skills as fair, nearly as many graded them positively, with over a quarter giving IT acquisition skills the highest mark [see figure 10].

Consistent with these results, more than half of respondents reported skills relating to complex IT acquisition as having improved, while a third said they remained stable [see figure 11]. Looking ahead, very similar percentages of respondents expected improvement or stability compared to what they reported since 2016. As one respondent reported, “We have been at this for a long time and we are still improving. The size and scale are growing compared to past years.”
As with other areas of growth, IT has been an area targeted for improvement by Congress and presidential administrations for several years. The implementation of the Federal Information Technology Acquisition Reform Act (FITARA), passage of the Modernizing Government Technology (MGT) Act, the establishment and funding of the federal Technology Modernization Fund (TMF) authorized by the MGT Act, and related initiatives at both the government-wide and agency levels have likely contributed to this growing optimism, as attested to by several respondents.

As with IT acquisition, consumption-based buying, or buying “as a service” (XaaS)—among the most common examples being software as a service and cloud-based solutions—has seen growing emphasis over the past several surveys. However, this year’s results indicated some regression in this area. Slightly more than 70 percent of respondents deemed XaaS important, and nearly as many gave current workforce capabilities low marks—both slight declines from 2016 (see figure 12). One respondent summarized these challenges, saying, “Agencies do not leverage funds well. When we buy as a service, we act like a ‘mom and pop’ store instead of a Fortune 500 company; we should leverage IT funds across agencies and show commitment across multiple years.”

Nevertheless, over 40 percent of participants reported improvement, and half said skills had remained stable. Looking ahead to the next several years, those surveyed were less optimistic, with just over half expecting improvement, and nearly a quarter predicting stable skill levels. Notably, nearly 20 percent said they did not know how skills would progress in the years ahead (see figure 13). Taken together, these findings seem to indicate the government has yet to gain a handle on this buying technique despite its growing prevalence.

Negotiation is another area where the federal acquisition workforce faces challenges. Just under half of respondents gave it the highest rating for importance, the least of any skill area, though more than 90 percent did afford it at least moderate significance. With respect to current workforce capabilities, more than 40 percent rated negotiation skills as fair, with slightly fewer giving it higher marks (see figure 14). Perhaps most strikingly, 75 percent said skill levels had not changed in the preceding two years, with only 13 percent citing improvement. Similarly, while 39 percent anticipate growth in the skill area in coming years, 43 percent expect skill levels to be stagnant (see figure 15).
At least one participant attributed this to workload issues, saying, “Negotiation takes time, [and is] not getting done. We need to make sure people have [the] time and capacity to do a proper job.” Another lamented, “Acquisition professionals have lost the talent for negotiation, and are focused mostly on price, not the solution.” Despite this relatively poor outlook, respondents’ assessment of negotiation’s importance and current state reflects only modest declines from the previous survey.

2018 survey respondents agreed critical thinking and the ability to understand contractors’ approach to an acquisition are highly important, with more than 75 percent giving it the highest possible marks. In terms of workforce capabilities, participants were less enthusiastic, with just over half rating current skills as fair, and none assigning it the highest rating (see figure 16). Interestingly, respondents were closely split between whether these skills had improved or remained stable over the last two years, with both over 40 percent (see figure 17). As one respondent told us, “the workforce does not have the skills and capabilities needed [and] they are not using critical thinking to determine the best ways to acquire services. They need to do better market research and better prepare for acquisitions before the solicitation, such as conducting industry days and issuing draft RFPs.”

However, participants overwhelmingly believed skills in this area would improve, with over 75 percent anticipating critical thinking skills to trend in a positive direction. While these results represent a modest regression from 2016, respondents seemed somewhat more optimistic about the likelihood of improvements being made. Participants indicated this specific skill area has suffered in particular as a result of attrition, retirements, hiring freezes, and competition for talent, and is among the most difficult to find and replenish.

WORKFORCE DEVELOPMENT AND HIRING CHALLENGES

In view of these ongoing skills shortfalls, participants were asked how difficult it has been for them to hire employees with the needed capabilities, what challenges they anticipate for their workforce in the coming years, and how they are preparing for these challenges.

Survey respondents have reported significant hiring challenges in the past few editions of
this survey, and this year’s responses provide little reason for optimism on this front. More than three-quarters of participants describe the hiring process as difficult (48 percent) or extremely difficult (28 percent). These results indicate hiring challenges have grown since 2016 (although a slightly higher percentage of respondents characterized hiring as “very easy” in 2018; see figure 18).

Drilling down, survey respondents indicated that, while they are able to hire competent workers, the process simply takes too long. This problem is exacerbated by hiring freezes, budget instability, the federal security clearance backlog, workforce attrition (including retirements), and competition with other agencies and the private sector.

One respondent summed up many of these issues, saying, “The demand for well-trained acquisition professionals with the required skills and forward-thinking mindset far exceeds the supply. We need to get more people interested in the field and recruit at colleges and universities, then train them to think critically.” Another echoed many respondents’ funding concerns with respect to workforce development, saying “I don’t have the money to invest in hiring a workforce. How do you hire a workforce without consistency in budget?”

Beyond just the numbers, respondents recognized the importance of developing a workforce with the capability—both in terms of ability and capacity—to build the skills they need to succeed. “From a process perspective, we’ve gone through hiring freezes, it’s harder to build a pipeline. With folks retiring, we need to make sure we have a stable workforce with time to think about innovation,” one participant told us. Similarly, another asserted, “The issue is not that we have difficulty hiring the right skills. We always know we have difficulty hiring the right skills. We always know we have difficulty hiring the right skills. We always know we have difficulty hiring the right skills. We always know we have difficulty hiring the right skills. We always know we have difficulty hiring the right skills.” Another agreed, “Critical thinking skills become the most important characteristic for a new hire to have. In the acquisition staff hiring process, you have to carefully assess whether someone is likely to be able to grow into the needed role.”

PREPARING FOR THE FUTURE
Participants shared a wide range of responses when asked what the biggest challenges facing the acquisition workforce over the next several years will be, including inundation with data, accumulating regulations, increasingly complex acquisitions, the changing IT landscape, budget instability, bid protests, oversight and compliance requirements, and more. All of the issues identified contribute to
an ever-growing workload, and diminish the ability to undertake long-term, strategic planning. Despite the diversity of these issues, the common denominator is that cumulatively, they make it extremely difficult for the workforce to keep up with the pace and volume of change. “We’re dealing with an intense pace of change due to a number of directed reform initiatives—it’s death by a thousand cuts,” one participant told us.

Building on previous comments, participants cited the importance of critical thinking to meeting these challenges, with one stating, “[it] needs to be a primary capability, understanding the regulations is a secondary capability. We need to allow people to think, take risks, and make mistakes.” Many respondents shared the view that leadership support and tolerance for well-reasoned risk is crucial. As another respondent added, “The workforce needs to feel empowered to take risks. They need leadership backing, and to not be afraid of being audited.”

Another recurring concern since the advent of this survey relates to the demographics of the federal workforce. According to at least one 2018 participant, as many as one in three federal workers is currently eligible to retire. Even under ideal circumstances, these workers cannot be replaced overnight—once hired, respondents estimated it takes anywhere from five to fifteen years to fully develop a contracting officer. This makes current hiring challenges all the more troubling, and further intensifies the burden placed on the existing workforce. As a result, participants told us that the workforce is being asked to take on more responsibility earlier in their careers, and many are being hired away by other agencies with the promise of higher paygrades, reduced workloads, or other enticements. “Due to the current hiring freeze, the oversight and compliance of acquisitions has become much more difficult. The inability to hire additional staff or fill vacant positions places an increased burden on what staff we do still have. Additionally, when people leave, they take a lot of institutional knowledge with them and that knowledge is hard to replace,” said one respondent.

As in 2016, a number of interviewees expressed interest in rotations with industry to help build empathy and understanding for contractors’ side of the acquisition equation, citing the “need to facilitate crossover and personnel sharing with industry.” In addition to better communication with industry, respondents expressed the need for greater coordination between procurement and programs, with one asserting, “Understanding the regulations and […] the industry they are buying from are both important. This has gotten lost. We still need subject matter experts in procurement, but we also need to get procurement into the programs, as active program managers so that they have a better understanding of how programs operate.” This perspective conforms with recommendations espoused by the Government Accountability Office,1 in the 2018 President’s Management Agenda,2 and elsewhere, indicating growing consensus across government that more needs to be done to develop the program management workforce. For perhaps the first time, several respondents suggested using artificial intelligence to automate more routine functions of the acquisition process to help alleviate the burden on acquisition personnel. As one respondent asserted, “We need to research and understand how we can use IT [and AI] and the industry to assist
us…There is a need for industry to help develop systems for acquisition staff to prepare acquisition documents automatically.”

One respondent summed up many of the challenges facing the acquisition workforce, and what they are doing to address them:

Our biggest challenge is that we’re getting ready to go into a big cycle of change in terms of how we’re buying [due to legislative and other changes]. What does that mean for us? How do we execute and leverage new flexibilities? For rising acquisition professionals, and seasoned professionals who haven’t used these tools, it will be a challenge and an opportunity. We’re starting training, trying to change culture to look at innovation we can bring to this space, leverage flexibility in the regulations to deliver capabilities…adopting innovation early, taking advantage of flexibility as soon as it’s available, [and] educating our workforce in order to deliver more quickly and cost effectively to our customers.

OBSTACLES TO SUCCESSFUL ACQUISITIONS

Perhaps most telling, when we asked interviewees to identify the greatest obstacles to successful acquisitions, workforce skills and loss of experienced staff were cited most frequently, accounting for a quarter of responses. The hiring process was the third most frequent response with about 18 percent. Regulatory or statutory constraints, and oversight challenges, were the next most frequent responses, comprising 20 and 16 percent, respectively (see figure 19). As respondents made clear, these challenges contribute to workforce issues, and vice versa.

In sum, while acquisition workforce capabilities scored most highly in terms of their importance and current state, and respondents were generally positive about how these capabilities will progress, certain important skillsets are lagging behind overall competency, and hiring challenges appear to have worsened in the past two years. In combination with external pressures acting on the workforce and hiring process, rather than being a key enabler of success, the less than ideal state of the workforce is seen by many as inhibiting optimal acquisition outcomes.

FIGURE 19

Which of the following are the greatest obstacles to achieving successful acquisition outcomes?

TAKEAWAYS

- Workforce capability is overwhelmingly viewed as the greatest contributor to successful acquisitions among the elements we assessed in the survey.
- More than half of respondents reported improvements in overall acquisition workforce capability over the past two years, and nearly two-thirds expect continued improvement. These results exceed expectations of respondents to our 2016 survey.
- Despite this overall improvement, certain specific skill areas continue to reveal challenges.
  - Selecting appropriate contract types and evaluation strategies was viewed as less important this year than in past surveys. This may be attributable to policy limiting the inappropriate use of Lowest-Price Technically Acceptable (LPTA) evaluations.
  - Developing requirements and scopes of work for services is an ongoing challenge with ramifications across the acquisition system.
  - Evaluating technical and price proposals declined in importance and capability compared with 2016, also possibly attributable to the move away from LPTA.
  - Executing complex IT acquisitions was assessed highly in importance and current capability. Respondents reported that sustained legislative and administration attention has contributed to this improvement.
  - Buying “as a service,” while an area of ongoing emphasis, showed some regression from past surveys in terms of both importance and skill levels. More than any other skill area, respondents reported not knowing how these skills would progress.
  - Negotiation was deemed to be a moderately important skill for the acquisition workforce, down from 2016, and survey participants were somewhat doubtful about both current skills and the outlook for improvement.
  - Critical thinking and the ability to understand contractors’ approach to acquisitions was assessed as highly important but relatively stable in terms of skill levels. Participants indicated that this skill area is among the most difficult to develop, but expressed optimism for the future.
- More than three-quarters of participants described the hiring process as difficult or extremely difficult, indicating that long-reported hiring challenges have grown worse since 2016.
- Respondents indicated that while they can hire competent workers, the process takes too long, a problem exacerbated by hiring freezes, budget instability, security clearance issues, attrition and retirements, and competition with other agencies and the private sector.
- Participants identified many challenges facing the acquisition workforce that cumulatively make it harder for the workforce to undertake long-term, strategic planning and to keep up with the pace and volume of change.
- Among the solutions proposed to help prepare the workforce are industry rotations, enhanced communication, and use of artificial intelligence to automate “low value” work.
As much as any part of the acquisition environment, the state of federal budgets has been a focal point of this survey from the beginning. The timing and quantity of funds that agencies receive strongly affect their ability to plan and execute. Since our first survey in 2002, Continuing Resolutions (CRs) have been a near constant, and federal acquisition has been roiled by sequestration, government shutdowns, and contentious budget debates.

This year introduced a new wrinkle on the federal budget front. When we began this year’s survey early in 2018, agencies were once again operating under a series of CRs, and endured two brief government shutdowns. By the time we concluded interviews in the spring, an agreement on increased budget caps and appropriations for the remainder of Fiscal Year 2018 was enacted and significantly increased funding for nearly all federal agencies. However, rather than acting as a panacea, this budget bump introduced a new set of dynamics and challenges for acquisition.

CURRENT STATE AND TRENDS
As noted previously (see figure 1), budget scored in the middle of the pack among elements of the acquisition equation in terms of both importance and current state. As shown in figure 20, nearly all respondents acknowledged its importance, though they were somewhat divided in their evaluation of its current state. However, when we asked them to assess whether budget conditions had improved, stayed the same, or gotten worse over the past two years, their responses were far more dire (see figure 21). More than 60 percent said that budget conditions had declined since 2016, with less than 15 percent citing improvement, and just over a fifth saying they had remained stable. Each of these figures is well worse than estimates provided by survey participants two years ago, representing the worst decline reported in this survey for any area of the acquisition process.
Similarly, when looking to the future, respondents were split on whether the budget environment would improve (19 percent), remain stable (35 percent), or decline (27 percent). Interestingly, nearly 20 percent said that they did not know what to expect in future budgets, far more than in any other area, reflecting the budget uncertainty that has become the norm for federal agencies.

**IMPACT OF BUDGET INSTABILITY**

Overwhelmingly, respondents reported budget uncertainty impacted acquisition strategies, with more than 80 percent stating CRs had affected acquisition preparation and execution (see figure 22). Respondents cited a number of different ways CRs and funding instability impact acquisition and how they are addressing it. Some have adapted to CRs more readily than others; as one respondent noted, “Yes, it has affected implementation, in terms of tactics and timing, [but] it hasn’t delayed the planning and strategies as we have built it into our planning and assume a CR will happen.”

By contrast, another cited significant impacts on cost and schedule, saying, “The overall effect is devastating. CRs drive costs through the roof … Fits and starts create cost spikes and drive estimates up…Timelines are getting pushed back into the fourth quarter.” Another participant from the Hill asserted that, while “the whole budget system is broken, CRs aren’t the problem…Movement between accounts is too rigid, and we can’t repurpose expiring funds,” presenting another set of budget challenges.

Government shutdowns are also problematic for effective federal operations. As one respondent noted, “We spend countless hours and money shutting down contracts. We deal a lot with incremental funding authorities, ‘buying a loaf of bread by the slice.’ There’s not a tremendous amount we can do.” Another interviewee estimated that incremental funding actions due to CRs increased their workload by 20-30 percent, and put tens of millions of dollars at risk.

Despite these challenges, participants pointed to strategies they have used to mitigate disruption due to lapses in appropriations. As one asserted, “Some contracting offices are being creative with contracts and including things like more options than they normally would consider, so if and when programs receive funding, they can exercise the options.”

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3 Among those who disagreed, many represented organizations funded by user fees or other sources rather than appropriated funds, and thus not directly affected by delays or changes in appropriations.
As noted, this year introduced an interesting new dynamic when appropriations were passed midway through the fiscal year that significantly augmented agency budgets. While participants appreciated the additional funds, the compressed timeline in which to spend them was less welcome, especially considering the increased pressure it places on their already overburdened workforce. By one participant’s estimate, they will need to obligate three-quarters of their forecasted annual spending in five months, a far tighter schedule than normal. “This has compressed the acquisition cycle and increased the risk of lower quality acquisitions and...the risk of protest. Executing a large volume of work in the fourth quarter is not a sustainable work model,” said another.

Many respondents shared this sentiment, with another noting:

“Having all the funding come in last few months of the fiscal year is really problematic. It increases the risk of poor contracting decisions, not getting best value… that’s where the risk really is, that we’re not making good business decisions, because we don’t have enough time to do the work well.”

Perhaps the best summation of the interrelated budget challenges was offered by one interviewee who said:

“Uncertainty drives insufficient planning and delays.... the approach is always ‘band aids’ or conversely, the ‘death of a thousand cuts.’ This also causes programs to trickle out funding mods to contractors, for fear that funding streams are about to dry up. All of the associated churn increase staff’s workload and drives a lack of budget planning. Budget uncertainty delays new-start programs with negative impacts.”

**TAKEAWAYS**

- More than 60 percent of respondents said budget conditions had deteriorated since 2016, representing the worst decline reported in this survey for any area of the acquisition process, and nearly 20 percent did not know what to expect in the future.
- Repeated Continuing Resolution (CRs), government shutdowns, and shifting spending caps have injected volatility into agency budgets, making it difficult to plan and compressing acquisition timelines.
- Somewhat surprisingly, while the passage of appropriations in March brought some stability to agencies after beginning the year with a series of CRs, a number or respondents expressed uncertainty about their ability to spend funds in a timely and effective manner.
COMMUNICATION AND COLLABORATION

Communication and collaboration, both externally with industry and internally within and between agencies and functions, is an important underpinning of the acquisition process. Given the many stakeholders and disciplines involved in acquisition, maintaining meaningful communication and functional working relationships is crucial. This has been increasingly evidenced in policy and practice over the last several years intended to encourage engagement, and is reflected in this year’s survey. However, many respondents—along with their industry counterparts—confess that more can and should be done to promote communication and collaboration, and to dispel the notion that meaningful partnership with industry is not permissible, or else is inherently risky. While communication and collaboration within agencies is generally seen as successful, respondents identified opportunities for improvement within their organizations.

CURRENT STATE AND TRENDS

2018 respondents considered communication and collaboration second in importance only to acquisition workforce capability, ranking both internal and external interaction highly. Figure 23 shows the distribution of respondents’ ratings of the importance and current state of internal and external communication and collaboration. As one respondent summed up the importance of communicating with industry, “Organizing and fully utilizing opportunities such as industry days to establish communications with industry are important to ensuring constant communication, which is how the government learns what solutions are out there. The private sector is able to attract the best and brightest, so government agencies need to be able to communicate with these individuals to discuss problems and solutions.”
When looking at trends, respondents were notably enthusiastic about improvements in this area [see figure 24]. More than 70 percent reported improvements in communicating with industry since 2016 (consistent with the expectations of 2016 interviewees), and nearly 80 percent expected these improvements to continue in the next two to three years. With respect to cross-functional communication and collaboration within their organizations, participants were nearly as positive, with 60 percent citing improvements, and over 70 percent expecting further growth.

**CONSEQUENCES OF COMMUNICATION AND COLLABORATION CHALLENGES**

Among the practices participants said they are using or would like to attempt to enhance communication and collaboration are Reverse Industry Days (RIDs) and enhanced debriefings for unsuccessful offerors. Indeed, there has been a groundswell of activity in both areas since the 2016 survey, as many agencies have hosted RIDs and/or issued policy encouraging more transparent, informative post-award debriefings. Respondents once again pointed to OMB’s long-running “myth-busters” com-
munication campaign as helping to dispel misinformation about engaging with industry, with one saying, “This was effective at informing government employees that it is okay to talk to industry. […] We want agencies to engage with industry, talk about solutions, use Requests for Information (RFIs), provide networking opportunities, etc.” Others noted the March 2, 2018 Deputy Secretary of Defense guidance memorandum on “myth-busting” communications with industry.

Despite these positive trends, many interviewees identified communications shortfalls as presenting obstacles to achieving successful acquisition outcomes and also inhibiting companies from entering the federal marketplace. As one noted, “we are a large and busy organization, not unlike other government agencies, so it is difficult for industry to be able to speak with government officials and understand their problems. We abide by regulations and release solicitations, [and] being able to utilize other avenues of communication with industry is important to learn about what is out there and what the industry has to offer.”

One participant spelled out the consequences of inadequate communication, for both government and industry, saying:

“Some agencies still do not see industry as partners and attempt to keep a safe distance. Agencies that don’t engage with industry are losing…. Agencies are looking for innovative solutions that save them time or money in the long run. Sometimes contractors, especially if they’re an incumbent, think they know the requirement but it has changed, and they miss out on a new solution. When industry does not fully understand that something is a new action with new requirements, it causes protests.”
Respondents from Capitol Hill provided a different perspective on the importance of communication with industry, asserting contractors provide valuable information legislators are not likely to receive from the agencies they oversee. One participant said, “Unlike agencies, the contractor community is well informed and willing to share information with the Hill, which helps with oversight.” Others emphasized the importance to contractors’ credibility of communicating with and understanding the role of Congress in the acquisition process.

In light of these communication challenges, and the unique regulations imposed on government contractors, some respondents were not very surprised that many companies are choosing not to do business with them, with at least one noting an “increased incidence of vendors not accepting government’s terms and conditions.” Others asserted that poor communication makes it difficult for industry to understand agencies’ objectives, how they are organized, who they can reach out to, and where the opportunities are, making the federal market opaque and unpredictable. Another participant asserted plainly that, in their experience “better engagement with industry...resulted in more effective and successful acquisitions.” Similarly, another added, “We don’t have enough industry experience, and that limits our knowledge and empathy as well as our tolerance for risk.”

Many respondents cited issues outside the direct control of contracting offices as particular barriers to success, including disengagement with program offices. “There’s no partnership between the program office and the contracting officers,” one participant reported. “We lack stable program leadership and guidance,” another told us. As a result, said a respondent, “The contracting community has too much influence on decisions and outcomes.” Another cited challenges elsewhere in the acquisition environment, saying, “The technical community needs to be more open to meeting and talking with their industry counterparts.” Perhaps as much as any other elements of acquisition, meaningful communication and collaboration were viewed as contributing to the other elements, often turning up in conversations on innovation and oversight.

**Takeaways**

- Respondents ranked internal and external communication and collaboration highly in both importance and current capabilities.
- Participants were enthusiastic about improvements in this area, with well over half reporting growth since 2016, and even more expecting continued improvement.
- Despite positive trends, interviewees identified communication shortfalls presenting obstacles to achieving successful acquisition outcomes, or even inhibiting companies from entering the federal marketplace. Many view industry protests as a particular challenge.
- Reverse Industry Days (RIDs), enhanced debriefings, and inculcating a strong and engaged program management discipline were cited as avenues to enhancing communication and collaboration that participants are using or would like to attempt.
INNOVATION

Innovation is perhaps the most used—or overused—term across federal acquisition, technology, and associated communities. Yet there is not agreement on what innovation means, let alone how to get it or whether and when it is desirable. As one participant griped, “the term innovation is unclear and bantered about too often.” This year’s survey asked respondents about their performance in two areas—accessing innovative capabilities offered by industry, and implementing innovative acquisition practices. Despite its prominence in acquisition dialogue, innovation is seen as somewhat less critical to acquisition success.

CURRENT STATE AND TRENDS

Both the use of innovative acquisition practices and agencies’ access to innovative industry capabilities were ranked among the least important elements of acquisition with respect to driving successful outcomes. Figure 25 shows the distribution of respondents’ ratings of the importance and current state of the use of innovative acquisition practices and access to innovative industry capabilities. Despite these relatively poor evaluations, respondents reported improvement in both areas over the past two years and predicted more improvement in the next few years.

In both areas, about 60 percent of participants said things had improved since 2016, consistent with the expectations of 2016 survey participants. Nearly 70 percent predicted continued improvement with respect to accessing innovative industry capabilities and over 80 percent thought use of innovative acquisition practices would improve. In each of these areas, less than five percent reported or expected a decrease in the use of these practices (see figure 26).

FIGURE 25

Innovation: Importance and Current State

![Image of bar chart showing the distribution of respondents' ratings of the importance and current state of the use of innovative acquisition practices and access to innovative industry capabilities.](chart)

FIGURE 26

Trends in Innovation

![Image of bar chart showing trends in the use of innovative acquisition practices and access to innovative industry capabilities over the last two years and the next two to three years.](chart)
ENABLERS AND INHIBITORS OF INNOVATION

With respect to innovation, one respondent told us, “Traditional ways of doing business are not necessarily the best way to do so. Agency Innovation Labs can work, but only with relief from regulations and protests. This requires risk taking and strong leadership to protect those taking risks. We need to provide parameters versus constraining regulations. Additional regulations and policies on top of the FAR shackles acquisition.”

Participants were asked which initiatives they viewed as having the greatest potential to disrupt “traditional” approaches to acquisition. While there was a diversity of opinion among participants, the most frequent answers were acquisition reform legislation and regulatory reform, reform, and streamlining, together accounting for about one third of responses. Several respondents pointed to the work of the Congressionally-chartered Section 809 Panel as a potential avenue for change. The next most common responses were online marketplaces and e-commerce initiatives, followed by agency innovation labs (see figure 27).

As one respondent observed, “Without changes to law, it is hard to move forward with real innovation in how we acquire anything. Otherwise, it’s painfully slow. Regulatory relief, reform, and streamlining goes hand in hand with legislation, both have to happen to make meaningful change happen.” One congressional respondent conceded legislative changes can complicate the acquisition environment, saying, “Congress focuses on exceptions, exemptions and carve-outs, not reforming policy. This forces more layers, overhead and slows progress.” While many respondents cited regulatory burden as a hindrance to acquisition innovation, others did not see current regulations as an obstacle to change, but rather pointed to the need for strong leadership. As one participant asserted, “We need leadership at the agency level. If something is not prohibited in the FAR, that means it’s allowed. Someone needs to say, ‘go do it and I’ll have your back’.”

Interestingly, Category Management, which has been a major area of emphasis across government since the last survey, was not viewed by respondents as a significant disruptor.
Some saw it as a well-established initiative that is not new, but has already had an impact, while others worried it could constrain agencies’ flexibility. Responses suggest Category Management is not consistently understood or applied across government. Some agencies are waiting to implement Category Management practices until the initiative is further solidified through policy or has demonstrated benefits. Other agencies are slowly adopting Category Management, but implementation varies widely from being compliance focused (i.e. increasing their use of designated “Best in Class” [BIC] vehicles), to adoption of the full spectrum of Category Management practices, including spend analysis, demand management, and supplier management.

Several respondents’ feedback suggested Category Management holds greater potential to drive innovation and better manage spending than has been exploited by agencies so far. As one respondent put it, “The big opportunity is to expand past existing contracts, because they’re not [currently] taking a lot of time to understand what Category Management really is and bring in innovation. [A] more complete view of Category Management… would include supplier relationship management and bringing commercial best practices into govern-

INNOVATION LABS

“An innovation lab is a semi-autonomous organization that engages diverse participants—on a long-term basis—in open collaboration for the purpose of creating, elaborating, and prototyping radical solutions to pre-identified systemic challenges.”

(https://ssir.org/articles/entry/innovation_labs_10_defining_features)

Within the federal government, a number of agencies have created such organizations that are not subject to typical requirements and constraints in order to foster new ways of approaching and solving problems.

ment.” They noted the emphasis on Category Management in the President’s Management Agenda (PMA) and OMB’s establishment of goals for “Spend under Management” and use of “Best in Class” contracts could be key drivers to unlocking this potential.

Participants also weighed in on what they viewed as the most significant inhibitors to obtaining innovative solutions (see figure 28). Consistent with other 2018 survey results, agency workforce skills and regulations were among the most frequent responses. There is “a tendency to do things the same way they always have. There is an aversion to trying new approaches which stifles innovation...caused by fear of consequences for doing something incorrectly,” said one respondent. Another noted, “It’s hard to be innovative when you don’t have time to think about how to be smart.” An interviewee felt restrictions on how and when to use various contracting tools can “slow the pursuit of innovative solutions.”

The most commonly cited inhibitor, however, was fear of oversight or protests, accounting for more than a quarter of responses, indicating the workforce continues to be risk averse, whether due to a lack of time, confidence, or leadership support. “Fear of protest is discouraging people to try innovative approaches,” one participant told us. “As long as it does not harm fairness, agencies should be willing to take risks and innovate.” Another frequent response was that innovative companies are choosing not to contract with the government, highlighting the barriers created by burdensome regulations and poor communication.

**FIGURE 28**
Which of these factors most significantly inhibit your organization’s ability to obtain innovative solutions to meet its needs?

![Bar chart showing the factors most significantly inhibiting the ability to obtain innovative solutions. Fear of Oversight/Protests: 28%, Agency Workforce Skills: 20%, FAR/Agency Regulations: 16%, Innovative companies not contracting with the government: 16%, Other: 11%, Lack of innovative solutions offered by the existing contractor base: 5%, Use of LPTA: 3%.]
Many participants focused on improving communication throughout the acquisition lifecycle, such as through Reverse Industry Days or improved debriefings, including oral presentations as a key innovative practice. Transparency was noted several times, including making spending information more readily available. A number of respondents mentioned innovation labs as a “safe space to try new acquisition approaches,” while others were interested in Other Transaction Authority (OTA), both of which have seen considerable growth of late.

Elsewhere in the survey, a number of interviewees asserted the government needs to get better at defining successful acquisition outcomes and expand its use of Statements of Objectives (SOOs), rather than traditional Statements of Work (SOWs), to signal to industry its desire for innovative approaches. As one said, “Performance-based programs and standards are key, including clear objectives, performance measures and standards. Program Managers must be involved.” As one Hill participant put it succinctly, “We need to focus on risks and outcomes instead of inputs…[and] on what drives…waste and failure. Development of good requirements is the most important area to improve.” As discussed previously, several respondents touted the use of artificial intelligence and robotic process automation for more “rote” tasks to free up the acquisition workforce for higher value work—an innovative acquisition practice that could also improve agencies’ access to innovative industry capabilities.

**Takeaways**

- There is still not strong agreement among survey respondents about what “innovation” means, how to obtain it, or whether it is desirable. As such, it was viewed as less critical to acquisition success compared with other areas.
- Despite this assessment, respondents reported improvement in both access to innovative industry solutions and use of innovative acquisition practices over the past two years, and anticipated strong performance going forward.
- Acquisition reform legislation and regulatory relief, reform, and streamlining were viewed as having the greatest potential to disrupt “traditional” approaches to acquisition, followed closely by commercial e-commerce initiatives and agency innovation labs.
- Fear of oversight or protests were viewed as the greatest inhibitors to innovation, followed closely by agency workforce skills—the lack of which contributes to this fear. Existing regulations and innovative companies choosing not to do business with the government were also frequently cited as barriers.
- Among the innovative practices believed to be worth emulating, respondents mentioned innovation labs, Other Transaction Authorities (OTA), and the need for transparency. Many focused on initiatives discussed elsewhere in the survey, including improving communication, better defining requirements and successful acquisition outcomes through Statements of Objectives (SOOs), and greater use of AI and automation.
OVERSIGHT AND COMPLIANCE

CURRENT STATE AND TRENDS
Oversight and compliance were rated lowest by respondents in terms of importance to acquisition outcomes and highest in terms of current performance, behind only workforce capability and intra-agency collaboration. Figure 29 shows the distribution of respondents’ ratings of the importance and current state of oversight and compliance. Looking at trends, respondents were evenly split (38 percent) as to whether the oversight and compliance environment had improved or remained the same over the past two years; less than one-quarter said it had gotten worse. Compared with 2016, a greater share of participants said it had improved or declined, while fewer thought things had remained about the same. Similarly, in the next few years, interviewees were evenly divided (38 percent) about whether things would improve or stay the same, and the remaining quarter expect things to worsen or are not sure what is likely to happen (see figure 30).

Though often addressed collectively, in this survey “oversight” generally refers to the array of auditing and investigative activities to which government acquisition activities are subject; “compliance” refers to the host of requirements in legislation, regulation and other policy for which government and industry are held accountable.

MOST AND LEAST VALUABLE REQUIREMENTS
Many survey participants agreed audits performed by Inspectors General (IGs) or the Government Accountability Office (GAO), in particular, serve a valuable purpose and help foster improvements in acquisition. Other participants broadly touted overarching guidance provided by government-wide acquisition leaders: “There is value in OMB’s memos and guidance, and the National Defense Authorization Act (NDAA).” Many also pointed to past performance information, specifically the Contractor Performance Assessment Reporting System (CPARS), as positively contributing to acquisition outcomes.

Curiously, a number of participants also cited past performance among the least valuable elements of acquisition oversight, with one asserting, “Past performance is the most useless
and the least valuable because it is judged poorly, plus Contracting Officer Representatives (CORs) are afraid to provide accurate scores. There are no baselines for anything, a lack of adequate budget documents, and no master schedules.” Added another, “Past performance questionnaires are burdensome for the contracting community and the customers that are repeatedly asked to complete them. They have little value since everyone always puts their best past performance forward.”

Other respondents questioned the value of reports directed by Congress, often in the annual NDAA, with one saying, “all the reports Congress asks for are useless, poorly written, don’t say anything, and no one reads them. There are so many of them... all due within 30-90 days, no wonder they are poor quality.” At least one congressional participant agreed, saying, “Reports and hearings are burdensome on Congress and the agencies, but they are the only mechanisms we have.” Many Hill respondents pointed to Cost Accounting Standards (CAS) compliance, and particularly audits on fixed-price contracts, as a burdensome process. As one asserted:

“Too many compliance burdens, and requirements that are irrelevant to program success (e.g. reporting), stifle innovation and participation,” one respondent told us. “We need to put some common sense into the business requirements and regulations.” One Hill participant acknowledged the cumulative effect of acquisition reform legislation, saying, “The efforts are admirable, but we need to let things settle. With an annual goal of doing acquisition reform (i.e. the yearly NDAA process), the related efforts have really picked up. The NDAA is legislating on top of legislating.”

Cost-type contracts are used too often when they don’t need to be. Cost Accounting is more onerous than it needs to be. Fixed-price contracts are tough because of the reliance on having good requirements. RFPs are too complex, demanding, and ask for materials they do not need nor do they evaluate. The government often doesn’t know what it wants and is not able to evaluate in detail. For cost contracts, the complexity of administration multiplies.

These congressional participants pointed to changes that could help alleviate these issues including better workforce training, particularly around defining requirements, timely issuance of security clearances to enable onboarding of new staff, and independent, vetted third-party auditors to help tackle the audit backlog – particularly at the Defense Contract Audit Agency (DCAA). Fortunately, the FY18 NDAA authorized the use of third-party auditors to help alleviate the DCAA backlog.

As in 2016, many respondents asserted it is the cumulative impact of many overlapping policies, and the fact they are constantly changing, rather than any individual requirement, which is detrimental to federal acquisition. “Too many compliance burdens, and requirements that are irrelevant to program success (e.g. reporting), stifle innovation and participation,” one respondent told us. “We need to put some common sense into the business requirements and regulations.” One Hill participant acknowledged the cumulative effect of acquisition reform legislation, saying, “The efforts are admirable, but we need to let things settle. With an annual goal of doing acquisition reform (i.e. the yearly NDAA process), the related efforts have really picked up. The NDAA is legislating on top of legislating.”
CHANGES TO THE SYSTEM
With respect to compliance burdens for industry that should be eliminated as part of regulatory relief and streamlining efforts, respondents similarly identified labor-related requirements, indicating they lack value for either government or industry. As one respondent admitted, “we have always been very compliance focused without looking into how much effort we put in up front. We need to move in a different direction, not check the box and stifle industry innovation, [but] differentiate compliance based on what we’re buying.”

A number of respondents agreed, referencing the inappropriate application of unique government requirements and failure to take advantage of commercial acquisition authorities. As one respondent told us, “The entire regulatory process is a burden for industry. It’s too slow and too long…. we need to be selective on what requirements are absolutely necessary. Agencies shouldn’t tell industry how to do their business.” Said another, “Every time there’s a problem, we come up with a new reporting requirement. We need to be more systematic in thinking.”

Survey participants recognized the impact of these compliance requirements on industry—particularly would-be entrants to the market—with one asserting, “I think for innovative companies, it’s a challenge [to] balance the cost of working with the government…."

As one respondent concisely summed up the challenges to effectiveness in congressional oversight of acquisition:

“The effort in Congress is high, but the quality is lacking. Congress focuses on schedule slips and cost overruns, not on the root of the problems, i.e. were the requirements clear? Did they do enough market research? Also, an increase in spend should equal more investments in the acquisition workforce. If there were more, better trained contracting offices, they would know how to use the flexibilities in the FAR and not be afraid of Congress for doing so.”
TAKEAWAYS

• Oversight and compliance were rated lowest by respondents in terms of importance to acquisition outcomes, but among the highest in terms of current performance.

• Respondents were evenly split as to whether this area had improved or stayed the same, though nearly a quarter thought it had gotten worse. Their expectations for the future were similarly divided and roughly consistent with the trends they reported over the past two years.

• GAO audits and OMB guidance were generally viewed as valuable.

• Respondents were divided on whether past performance information is a useful component of oversight and compliance.

• Congressional oversight and reports were viewed as less valuable, and many cited labor-related requirements as being particularly burdensome.

• For their part, congressional respondents identified problems related to audits, specifically Cost Accounting Standards (CAS) compliance, and called for better utilization of third-party auditors.

• Many agreed that it is the cumulative impact of policies, and the fact that they are constantly changing, that is most detrimental to federal acquisition, particularly due to the strain it places on the acquisition workforce.
CONCLUSION: LOOKING AHEAD

Perhaps the most striking observation one can draw from the sixteen years of this survey is that while many of the same challenges persist, the acquisition workforce remains dedicated, optimistic, and ultimately effective. While we tend to hear about the notable failures, most of the time, the system works as intended. This remains true this year, despite ongoing areas of adversity across the acquisition ecosystem. The demands placed on the acquisition system are unlikely to abate, even as unstable budget dynamics, the steady retirement stream of seasoned personnel, and new and changing oversight and compliance requirements continue to place pressure on federal acquisition for years to come. Despite these daunting challenges, there are reasons for optimism.

As noted, respondents’ assessments of both the importance and the current state of elements of the acquisition process improved marginally compared with past years. In the context of the federal policy agenda, this may reflect a growing recognition of the role and relevance of acquisition to achieving the government’s goals. Additionally, a significant segment of survey participants reported improvement over the past two years in nearly all the areas we asked about. They attributed at least part of this improvement to sustained attention from their organizations, and from Congress, indicating that longstanding effort to improve parts of the acquisition process may finally be yielding results.

Looking to the future, this positivity was even more pronounced. Although respondents were less sanguine about the state of their budgets, while the survey was underway, many agencies received an increase in funding for the first time in several years. While this budget boost may be short-lived, it may also provide an opportunity to make long-deferred and much-needed investments in the acquisition workforce, and in the infrastructure that supports it. Similarly, the Section 809 Panel is set to conclude its work early in 2019 by delivering extensive recommendations for legislative and regulatory reforms to streamline, simplify, and improve federal acquisition. It will deliver its recommendations to a Congress that has
demonstrated a hearty appetite for reform and reinvention in the acquisition arena over the past several years, providing another opportunity for change.

Perhaps most encouraging, in March of this year, the Office of Management and Budget released the Trump administration’s first President’s Management Agenda (PMA). The PMA seeks to drive long-term government transformation by focusing on three key drivers: IT modernization, data accountability and transparency, and building the workforce of the future. The PMA also lays out priority areas for transformation, including a revived focus on shared services, ongoing emphasis on the federal Category Management initiative, improving IT spending transparency and management of major acquisitions, and security clearance reform, among several others. As acquisition will be at the nexus of the administration’s efforts to transform how the government does business, it will be critical for government to similarly transform its acquisition system to enable these efforts to unleash their full potential.

In order to realize this potential, and to capitalize on these opportunities for change, it is imperative for federal agencies to attract, train, and retain workforces with the skills necessary to succeed; to seek out and enable innovation in how and what they buy; to improve lines of communication with industry, and internally; and to operate in an oversight and compliance environment that protects the integrity of the acquisition process without unduly inhibiting its efficiency or effectiveness. Doing so can only add to the value acquisition provides for the federal government and the American people, and validate the optimism demonstrated by the dedicated workforce who continue to deliver in the face of adversity.

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