Digital Acquisition Playbook

Overview

The goal of this guide is to do one thing: **make you a smarter government buyer of digital products and services.** Digital acquisitions aren't different from other acquisitions per se, it's just a different domain speciality. From a broad perspective it's simply buying products and services related to software. Note that this guide focuses on digital acquisitions of custom software solutions but many of these principles can be applied in various contexts. There are five main things that will make you a smarter buyer of digital products and services:

1. Staying up to date on modern digital practices

2. Building the right team

3. Understanding the true needs of your program teams and agency

4. Writing better solicitations to attract a better vendor pool

5. Avoiding known pitfalls

It starts with changing your mindset and thinking a bit differently during each phase of the process. This guide breaks up digital acquisition process into five phases: Ignition, Inception, Procurement, Delivery, and Landing. In each phase, we'll talk about the goals, activities, outputs, and desired outcomes to help you get what your agency and users really need: better digital products and services.

In this guide you'll find information about:

- [Digital acquisition process](#)
- [Primers on modern digital practices](#)
- [Related case studies](#)
- [Digital Acquistion Accelerator](#)

Background

Here's a collection of resources that will help you understand digital acquisitions:

- [TechFar](#)
- [TechFar Hub](#)
- [Agile Acquisitons 101](#)
- [Innovative Contracting Case Studies](#)
- [Digital Services Playbook](#)
- [Digital Contracting Cookbook](#)
- [Acquistion.gov](#)
- [Open Data Stack Exchange](#)

Acquisitions is defined by the Federal Acquisitions Regulation (FAR) as the:

> *"means the acquiring by contract with appropriated funds of supplies or services (including construction) by and for the use of the Federal Government through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated.*
>
> *Acquisition begins at the point when agency needs are established and includes the description of requirements to satisfy agency needs, solicitation and selection of sources, award of contracts, contract financing, contract performance, contract administration, and those technical and management*

> *functions directly related to the process of fulfilling agency needs by contract."* A short definition provided by the Federal Acquisition Institute explains acquisitions as *"including traditional contracting functions, requirements definition, assessment and oversight of contract performance, and technical and management direction."*

This is one of the key tools the federal government has at its disposal to get things done. In the past, federal IT acquisitions have had difficulties because:

- There are a limited number of people in the workforce that understand both IT and procurement, which leads to a detrimental skills gap.

- The "status quo" approach of large, multiyear, waterfall-based, extended requirement gathering, year-long competitions does not move at the same speed as technology.

- Companies with creative solutions to many of the government's tech problems find it challenging to do business with the government due to high barriers to entry, lack of customer facing tools, complex acquisition processes, and communication confusion on how to identify the available opportunities.

In this guide, we hope to help you understand how building cross-functional teams that understand and appreciate human-centered design methodologies, modern digital practices, and how thinking in terms of outcomes rather than requirements could transform digital acquisitions at your agency. We will also help you understand the open innovation movement and how it can apply to some of your digital projects.

Now that we have our background information out of the way, let's talk about how you can lower your risks by avoiding some known pitfalls. These are all things that haven't worked well for us when it comes down to digital acquisitions and you would be better off to avoid them (or at least use them carefully).

Pitfall #1

Large, monolithic contracts

These, simply put, often do not work well for digital products and services. The Standish Group points out that you're only giving yourself a six percent chance of success when you start these types of projects. Also, technology moves fast, and if

you want your agency to be able to respond quickly in an ever-changing landscape, you'll need to avoid this at all costs.

Pitfall #2

Writing too-large RFPs

In 1907, the U.S. Army wanted to acquire an airplane, mind you that airplanes were so cutting edge at the time that they weren't even called airplanes, they were called "heavier than air flying machines." Guess how many pages the solicitation was for this piece of technology? 50? 20? No, it was 2 pages! You don't need 100-page RFPs to acquire the best digital solutions for your agency. Often, all this does is encourage some of your best potential vendors to not respond. The length of these types of RFPs are typically driven by the old requirements-gathering mindset combined with bloated legalese where the concern is more about oversight and liability than product quality and project success. These long RFPs take too much time for your agency to write, too much time from vendors to respond to, and discourage good vendors from bidding. There are very few good outcomes when this happens. Instead, work internally to develop a sound problem statement and product vision. Think in terms of objectives and user stories. Indeed, modern agile development methods pay careful attention to alternative ways of specifying and achieving desired outcomes for product development.

Pitfall #3

Only having "acquisitions" people involved in the acquisitions process

Acquisitions is more than just buying, and it's important to bring key expertise, like policy, law, engineering, design, and security, to the table early in the acquisitions process to ensure a project's success. Leveraging the expertise of a cross-functional team will help make sure your agency is solving the problems for your end users.

Pitfall #4

Not being open to change

The world moves fast and technology moves even faster. You have to be willing to adapt, course correct, and try new things to get the best digital products and services for your teams. The goal is to get better outcomes, not just contracts. No matter what your experience has been until now, you can learn and apply new techniques to make acquisitions more effective, more efficient and hopefully more

joyful (yes, joyful… more on this later). Being open to change means shifting the focus from a "no we can't" to a "how might we" context. It allows you to solve the problems as they arrive based on any given context, known or unknown.

Pitfall #5

Forgetting that people, not contracts, manage projects

It's important to have a product owner that works with the vendor until the period of performance is complete. Often, a contracting officer may work really hard to be sure that every possible clause that may or may not be needed is included within the contract. This is fine, but it often overlooks the reality that over the life of the contract, new ideas will be formed and business strategy may shift. So it's important to have someone from your agency working hand in hand with the vendor to help make rapid decisions that still align with organizational goals. Relying too heavily on contract clauses to solve every problem that may arise over the period of performance is an untenable expectation. It's important that you're allotting time for a resource in your agency to be a product owner to ensure the outcome has a greater chance of success.

Avoiding these common pitfalls is the first steps in transforming digital acquisitions at your agency.

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