





## **Frictionless Acquisition**

### **Goal Leaders**

**Michael Wooten,** Administrator for Federal Procurement Policy, Office of Management and Budget **Soraya Correa**, Senior Procurement Executive, Department of Homeland Security **Barry Berkowitz**, Senior Procurement Executive, Department of Commerce

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#### **Goal Statement**

The Federal Government will deliver commercial items at the same speed as the market place & manage customers' delivery expectations for acquisitions of non-commercial items by breaking down barriers to entry using modern business practices and technologies.



### Challenge

Agencies face challenges in meeting their customers' cost, schedule, and performance expectation:

- The acquisition culture remains captive to norms and rules that reward compliance and risk avoidance over good business judgment and positive customer experience as agencies address their mission needs and work with each other to solve national problems.
- Efforts center on creating a perfect contract, rather than a trusted partnership with shared common values.
- Agencies gather billions of data points that are difficult to use, instead of exploiting disruptive technologies to promote cost-effective self-service analytics & allow acquisition professionals to pursue higher value activities.
- Metrics often drive stakeholders to think of acquisition as a mechanical activity, rather than as a valueenhancing platform or conduit for effective accomplishment of critical mission outcomes.
- Major acquisitions experience shortfalls because program management is undervalued.



### **Opportunity**

Agencies will leverage advanced technology & best commercial & public sector practices to support a transformed acquisition environment where, by 2025:

- 90% of routine, non-major acquisitions and 80% of complex major acquisitions are completed in a time frame and comparable to private sector averages or benchmarks of leading state and local governments, or federal agencies;
- The number of unique businesses receiving federal prime contracting dollars has increased by 15%;
- The number of new entrant small businesses has increased by 30%;
- 80% of customers & other internal and external stakeholders rate delivered service and experience with the acquisition process as above average or better; and
- 75% of acquisition employees feel empowered and enabled to innovate on behalf of the taxpayers they serve.





### **Goal Structure**

The Federal Government will deliver commercial items at the same speed as the market place and manage customers' delivery expectations for acquisitions of non-commercial items







# STRATEGY 1: Promote Continual Input & Process Improvement

Foster business models and practices that support just-in-time delivery, increased customer self-service, and & trusted partnerships with both small and large business contractors



# STRATEGY 2: Support a Hi Definition Acquisition Information Environment

Modernize the collection, analysis, availability, and visualization of acquisition data for smarter and faster mission decision-making

## STRATEGY 3:

Create Pathways for the Workforce of Tomorrow

Help acquisition professionals leverage technological advantage to deliver the best customer service and mission support







#### **INTEGRATION OF STRATEGIES**

Apply the above strategies across the arc of acquisitions and especially to transformational and other priority projects supported by major acquisitions



## **Summary of Progress**

#### **Strategy 1: Promote Continual Input and Process Improvement**

- White House Summit on Acquisition & Supply Chain Management jump-starts a much-needed dialogue with world class buyers on how to build stronger relationships with industry & reduce friction in business relationships.
- More than 80 stories posted on the Innovation Hub (including more than 10 posted during COVID) describing successful application of business innovations to drive cost savings, increased customer satisfaction, stronger relationships with vendors, increased participation by new entrants, and/or reduced procurement lead times, often by 20-50%, including virtual acquisitions that have enabled the Government to deliver critical services during the pandemic.
- Acquisition award pending for crowdsourcing platform to facilitate idea creation and development among a broad and diverse community to support continued government-wide acquisition modernization activities.
- Chief Acquisition Officers Council agrees to include Procurement Administrative Lead Time as part of standard set of metrics for benchmarking.
- New industry page launched on acquisition.gov with industry liaison directory and easy access to agency to procurement forecasts, vendor communication plans and small business opportunities.
- New "Mythbusting" training deployed to encourage and reinforce agency adoption of innovative strategies for improved government-industry communication.

### **Strategy 2: Support a Hi-Definition Acquisition Information Environment**

- New beta of the government-wide System of Award Management launched to create an improved platform for modernizing the collection, analysis, availability, and visualization of acquisition –related data and information.
- 15 agency pilots conducted to test use of RPA, AI and other emerging technologies to save tens of millions of dollars and redirect hundreds of thousands of acquisition work hours away from lower value acquisition activities across the acquisition lifecycle, from completion of documentation requirements, including for p-card holders, to support for contractor responsibility determinations, contract closeout, and data validation.
- Five agencies participate in a pilot to facilitate data-driven portfolio management and help their agencies keep major non-IT acquisitions on track.
- A government-wide solution challenge issued for data visualization and analysis.





### **Summary of Progress**

### **Strategy 3: Create Pathways for the Workforce of Tomorrow**

- Approximately 150 acquisition professionals certified in digital IT, through experiential hands-on training.
- Successful beta piloted of new cross-disciplinary government-wide knowledge management portal featuring 19
  acquisition strategies along with agency-tested artifacts for improving acquisition outcomes and the missions they
  support
- GSA creates a multi-agency, cross-functional effort in developing the first 4 modules of a critical thinking class for acquisition professionals.
- Councils established and town halls held with new entrants, mid-career, and executives to inform the Acquisition Workforce 2025 roadmap.





### **Strategy 1: Promote Continual Input & Process Improvement**

Leaders and other influencers in the federal acquisition community – including Chief Acquisition Officers, Senior Procurement Executives, Acquisition Innovation Advocates, Agency Industry Liaisons, OSDBUs, Heads of Contracting Activities and Program Managers – will work with OFPP and each other to improve the responsiveness of acquisition practices across the arc of transactions, but especially those used to support complex agency-unique, acquisitions. Actions will center around -

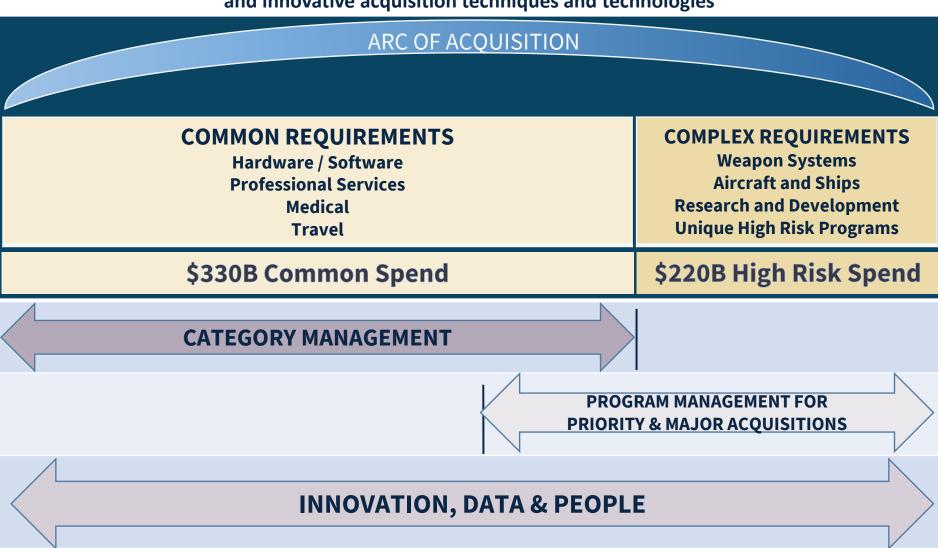
- promoting strategies that reduce procurement administrative lead times and focus first on outcomes and missions;
- regularly reaching out to SMEs at thought-leading companies, large and small, to exchange knowledge on cutting-edge acquisition, supply chain, and talent management practices;
- eliminating work silos in favor of collaborative cross-functional efforts that anticipate customer needs more effectively and engage end users and industry partners more regularly; and
- leveraging best commercial approaches for achieving world-class contract performance by shifting the focus from the contract to a partnership built around trust; each party's having the ability to see a clear return and shared common values.





### **Strategy 1: Promote Continual Input & Process Improvement**

Focus processes on high value work using category management, program management principles, and innovative acquisition techniques and technologies







# Key Milestones Strategy 1 – Promote Continual Input and Process Improvement

Key Milestones	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Anticipated Barriers or other Issues Related to Milestone Completion
Issue conclusions from White House Summit & conduct pilot to elicit sustainable strategies for the facilitation of curated conversations between government and industry	July 2020	Behind Schedule	New	ОМВ	Conclusions and pilot delayed due to COVID-19 pandemic.
2 agencies conduct pilots to modernize the collection & use of contractor performance information	September 2020	On track	New	Agencies	
Crowdsource feedback on FAR & other policy improvements to promote effective communication between vendors & govt	October 2020	On track	New	ОМВ	
Issue blueprint for the regular facilitation of curated conversations between government and industry	October 2020	On track	New	ОМВ	
Establish government-wide definition of PALT. Capture and baseline PALT data to be used as a common benchmark to drive continual process improvement	October 2020	On track	New	ОМВ	
Agencies complete second acquisition innovation intake assessment & first annual friction reduction index assessment, including at least1 on continual process improvement (slide 13)	November 2020	On track	New	Agencies	
3 agencies conduct pilots using facilitated requirements development workshops and 3 agencies have trained facilitators	December 2020	On track	New	Agencies	
Regulatory and technology changes are in place to facilitate regular vendor feedback on acquisition transactions (Acq 360)	April 2021	On track	New	OMB & FAR Council	
Interagency Acquisition Test Board is stood up to facilitate greater collaboration between acquisition innovation labs, and to support testing of ideas generated from curated conversations with industry, including new models for co-creation and partnerships	May 2021	On track	New	OMB & Agencies	



# Strategy 2: Support a Hi-Definition Acquisition Information Environment

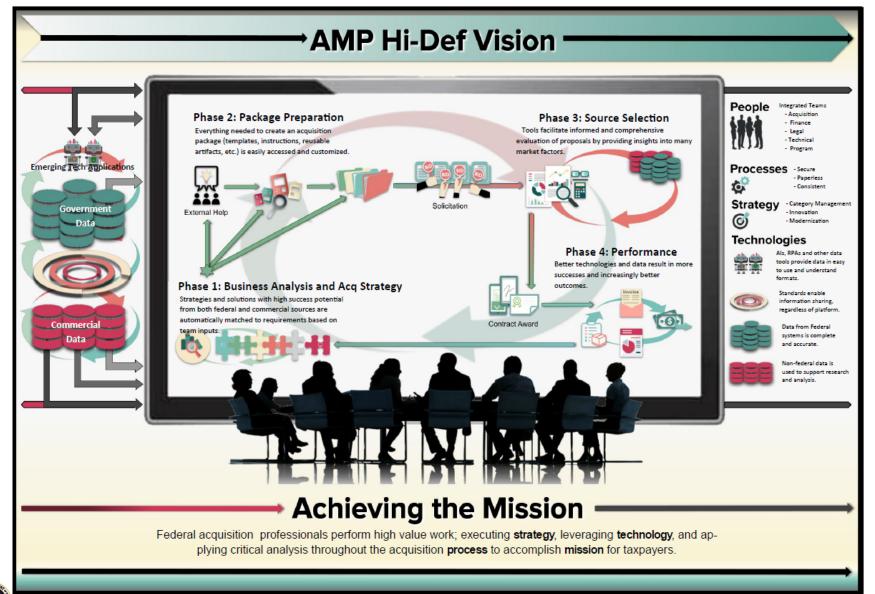
OFPP, with support from the Chief Acquisition Officers and agency partners, including the Integrated Award Environment Environment (IAE), will support a modern, flexible acquisition information environment that –

- supports the full lifecycle of the government's acquisition process from the development of requirements and solution strategies, to negotiation, award, and performance management;
- provides immediate access to reliable and relevant data (both public and commercial sources), business intelligence, sourcing solutions, productivity tools and technologies, best practices, and other resources; and
- is built to take maximum and timely advantage of changes to and innovation in business practices and technologies.





# **Strategy 2: Support a Hi-Definition Acquisition Information Environment**





# Strategy 2: Support a Hi-Definition Acquisition Information Environment

# Guiding Principles\* Framing Modern Acquisition Environment

Agile/Scalable

#### Innovation

- 1. Individual agency experimentation
- Shared experimentation Pipelines to gather ideas to be tested, piloted and easily deployed

#### Governance

leaders and stakeholders focusing on policy and workforce tools/ solutions that can be scaled and shared

#### **Central Service Model**

based on policy standards supported by a defined technical architecture

\* Core considerations agencies adhere to while ideating on emerging technologies





# **Key Milestones Strategy 2 – Support a Hi-Definition Acquisition Information Environment**

Key Milestones	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Anticipated Barriers or other Issues Related to Milestone Completion
Issue AcqCelerator challenge for data mashing, cleansing, and visualization	August 2020	Completed	New	OMB & partners	
Agencies complete first annual friction reduction index assessment, including at least one action to support a hidefinition acquisition information environment (see slides 13-14)	November 2020	On track	New	Agencies	
Develop options for strengthening the portfolio review process required under the Program Management Improvement Accountability Act	November 2020	On track	New	OMB & Partners	
Publish current common Federal-wide standards for contract writing process, use cases, and data	December 2020	On track	None	DHS	
At least 5 new applications of emerging technologies to acquisition functions are piloted	December 2020	On track	New	Agencies	
At least 10 agencies use purchase cards for self-service buying and electronic payments above the MPT, and at least three agencies use for open market buys where existing vehicles can't meet needs	December 2020	On track	New	Agencies	
Publish frictionless business process standards for two discrete activities identified for intelligent automation	December 2020	On track	New	OMB & partners	
Six agencies demonstrate the ability to track cost, schedule and performance of non-IT major acquisitions	December 2020	On track	New	Agencies	

OFPP, the Federal Acquisition Institute, the Defense Acquisition University, the Acquisition Career Managers, and other interested stakeholders will work together to create guiding principles to refocus and transform the cultural values of the acquisition workforce, from compliance and process to critical thinking and mission. Anticipated actions include -

- agile approaches to training and development that reflect leading industry practices including credentialing; and
- experiential assignments that build acquisition expertise, soft skills and familiarity with process automation tools and artificial intelligence.

Focus areas will include data sciences, innovation, supply chain management, and change management to support readiness for a more technology-driven work environment.





# **Key Milestones Strategy 3 – Create Pathways for the Workforce of Tomorrow**

Key Milestones	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Anticipated Barriers or other Issues Related to Milestone Completion
Formally launch Periodic Table for Acquisition Innovation	July 2020	Completed	New	ОМВ	
Establish councils and regional town halls to advise on talent management challenges, solutions and the path to Acquisition Workforce 2025	June through September 2020	Completed	New	ОМВ	
Issue Draft Blueprint for Acquisition Workforce 2025	October 2020	On track	New	ОМВ	
Agencies complete first annual friction reduction index assessment, including at least one talent management action (see slide 13)	November 2020	On track	New	Agencies	
Study models for an innovation credentialing program	December 2020	On track	New	ОМВ	
Issue regulations and guidance on program management job series and/or job series identifier	December 2020	On track	New	ОРМ	
GSA pilots a multi-agency, cross-functional virtual instructor-led capstone class in critical thinking during the acquisition process to supplement the four online courses previously developed	December 2020	On track	New	ОМВ	



# Agency-by-Agency Indicators: Friction Reduction Index – FY 2020

By November 15, 2020, every CFO Act agency will complete an acquisition innovation self-assessment profile and strive to complete ongoing or new work on 5 or more of the following (at least one in each category):

### **Continual Input and Improvement**

- 1. Use facilitated requirements development methodology or train member of workforce to be a facilitator.
- 2. Create a common standardized "front gate" for agency procurement forecasts, vendor communication plan, and agency business opportunities.
- 3. Crowdsource public input for improving an agency acquisition policy or regulation.
- 4. Evaluate internal customer experience on at least 10 acquisitions and prepare internal procedures for vendor feedback in anticipation of final Acq 360 FAR rule.
- 5. Participate in a pilot to help modernize the collection and use of contractor performance information.



## Agency-by-Agency Indicators: Friction Reduction Progress Index – FY 2020

## **Hi-Def Acquisition Information**

- 6. Participate in the *Acq-Celerator* initiative by conducting or participating in a pilot test of emerging technology (ET), adopting a tested model in the ET inventory, or supporting a government-wide challenge.
- 7. Demonstrate ability of IPT members to use common information to track cost-schedule and performance of at least two non-IT major acquisitions in different agency programs.

## **Talent Management**

- 8. Support an innovation lab or expose at least 5% of acquisition workforce to acquisition innovation training (e.g., bootcamp, coaching, etc.).
- 9. Submit at least one artifact (e.g., story, use case, sample contract language) to Periodic Table of Acquisition Innovation.
- 10. Identify the agency's most innovative contracting offices. Share their characteristics with agency acquisition innovation advocates & OFPP and create benchmarks to encourage and measure adoption.





### **Contributing Programs**

### **Federal Agencies**:

CFO Act Agencies

### **Organizations**:

- Chief Acquisition Officers, Chief Information Officers, Chief Performance Officers
- Acquisition Innovation Advocates, Innovation Communities, Procurement Attorneys
- Federal Acquisition Institute, Defense Acquisition University
- Integrated Acquisition Environment Program Management Office
- Organizations participating in the White House Summit on Acquisition & Supply Chain Management or responding to the Follow-On Public Call for Ideas

### **Program Activities:**

- US Digital Services, GSA Technology Transformation Service (TTS), digital services' offices
- Digital Information Technology Acquisition Professional Training (DITAP) graduates

### **Policy**:

- OMB Memo on acquisition innovation, March 2016
- OMB Memo on 8(a) digital initiative, January 2017
- President's Reorganization Executive Order, April 2017

#### **Statutes:**

Title 41, U.S.C., Subtitle I, Title 10, U.S.C., Subtitle I, FITARA, PMIAA





# **Appendix**





### **Acquisition Operations by 2025**

- Business policies and technology tools will be in place that enable customers to receive needed solutions or buy them directly – in fewer steps.
- A standing entity dedicated to frictionless supply chain management will promote public-private thought leadership on market trends and future state visioning, piloting of co-creation models, and workforce mentoring on critical competencies, including world class program management.
- A talent marketplace will support workforce agility, including easy access to acquisition, program management, IT, human capital, and financial management expertise – both within and outside of government – a rotational program to promote cross-sector training, and professional development opportunities.
- Management tools will take maximum and timely advantage of changes to and innovation in business practices and technologies and provide immediate access to reliable and relevant data (both public and commercial sources), business intelligence, sourcing solutions, productivity tools and technologies, best practices, and resources.





# Periodic Table of Acquisition Innovations – Strategies & Techniques for Reducing Friction from Buying Activities



The government-wide acquisition knowledge management portal for innovative business practices and technologies.



Feedback?

### Periodic Table of Acquisition Innovations













**1**About

Feedback?

https://www.fai.gov/periodic-table/





### **Major Acquisitions**

# Federal Acquisition Institute and Defense Acquisition University

- Federal Acquisition Institute Board of Directors
- Chief Human Capital Officers Council
- Chief Learning Officers Council
- CIO Council Workforce Committee

Catalysts for strengthening workforce capabilities.

# Chief Acquisition Officers Council

- OFPP Administrator
- Acquisition Innovation Advocates Council
- COs certified in IT (DITAP)
- USDS, 18F, Agency Digital Strategists
- Innovation Communities of Practice
- Procurement Attorneys Roundtable



Catalysts for using modern and innovative acquisition flexibilities.

# Program Management Policy Council

- OMB DDM
- OMB Management Office
   Administrators and Resource
   Management Officers
- Agency Program Management Information Officers
- Federal Program/Project Manager Community of Practice
- Acquisition Management Committee



Catalysts for leveraging portfolio, program and project management principles.

