MEMORANDUM FOR COMMANDERS OF THE COMBATANT COMMANDS
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ACQUISITION AND PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING)
DIRECTORS, DEFENSE AGENCIES
DIRECTORS, DOD FIELD ACTIVITIES

SUBJECT: Acquisition Innovation: Agency Profile Intake

Defense Pricing and Contracting (DPC) requests inputs to the Office of Management and Budget/Office of Federal Procurement Policy (OMB/OFPP) Acquisition Innovation: Agency Profile Intake survey, these inputs will be consolidated into a single response on behalf of the Department of Defense. Following OMB FY 2021 budget guidance, agencies are asked to address how they use new and modern acquisition practices to secure better value and meet program budget constraints.

Please see the attached instructions and template to complete the acquisition innovation intake survey and provide illustrative short stories from FY 2017 to FY 2019 that highlight new and modern practices and achievements in the areas of “Leadership & Empowerment, Testing, and Sharing.” The objective of the initiative is to enable an acquisition environment with more flexible and creative strategies, including cultural, business practices, and emerging technology experiments in the acquisition process.

OFPP plans to catalogue the inputs that contribute to a forward leaning and innovative acquisition framework to help the government meet mission responsibilities. The submissions will inform how federal agencies can connect with innovative projects and proposals across the government, align mission critical acquisition programs with the budget process, and identify areas that require attention to further innovation-friendly acquisition cultures. The results will be made available on OMB’s MAX.gov website.

Please use the attachment 1 worksheet to record inputs and complete the survey at attachment 2 and submit to the DPC/Contract Policy e-mail address, osd.pentagon.ousd-ass.mbx.asda-dp-c-contractpolicy@mail.mil, by December 3, 2019. Any questions on this subject may be directed to Larry McLaury at 703-697-6710.

Kim Herrington,
Acting Principal Director,
Defense Pricing and Contracting

Attachments:
As stated
Acquisition Innovation Profile: Intake Process

PURPOSE:
Create a baseline of agency-applied acquisition innovations.

OBJECTIVES:
1. Collect agency examples from FY 2017-2019 to create illustrative short stories.

2. Strengthen means to scale and sustain use of acquisition innovations with disciplinary fields and cross-agency stakeholders (e.g., budget, technology).


DRAFT: FOR AIA REVIEW & FEEDBACK
Department of Acquisition Innovation: Profile Intake

INNOVATION ELEMENT: LEADERSHIP & EMPOWERMENT

Instruction: insert agency examples of Leadership & Empowerment indicators in each row.

**Suggested Evidence 1:** SPE (or equivalent) proactively encourages an innovation friendly culture by a) appointing an AIA, b) positioning the AIA to help the workforce seeking to test innovative practices (e.g., creating workforce awareness and providing safe spaces), c) issuing guidance encouraging testing of recognized business innovations (e.g., chart on p.4 of Acquisition Innovation Mythbusters) and requiring internal sharing of results to promote constructive learning, and d) providing access to coaches that have helped 1 or more procurement teams apply 3 or more recognized business innovations or similar innovations.

**Agency Examples:**

**Suggested Evidence 2:** SPE (or equivalent) sponsors department-wide recognition awards for acquisition innovation.

**Agency Examples:**

**Suggested Evidence 3:** SPE (or equivalent) maintains a policy addressing the collection & analysis of satisfaction data from vendors, program officials, and other customers of tested acquisition innovations.

**Agency Examples:**
**Department of Acquisition Innovation: Profile Intake**

**INNOVATION ELEMENT: TESTING**

Instruction: insert agency examples of applied Testing indicators in each row.

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**Suggested Evidence 1:** HCA (or equivalent), during the fiscal year a) provides at least 1 IPT with access to an innovation coach that meets the criteria of item 1c in Leadership & Empowerment (issuing guidance encouraging testing of recognized business innovations – such as those identified in the chart on p.4 of Acquisition Innovation Mythbusters -- and requiring internal sharing of results to promote constructive learning) or b) uses at least one facilitated requirements development workshop for mission support.

**Agency Examples:**

**No. of agency HCAs:**

**No. of HCAs who applied the above examples:**

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**Suggested Evidence 2:** AIA helps workforce members seeking to test innovative practices (e.g., supporting use of safe spaces such as labs & incubators and increasing workforce awareness by promoting discussion boards & virtual meeting spaces).

**Agency Examples:**

**No. of agency AIAs:**

**No. of AIAs who applied the above examples:**

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Attachment 1
Department of Acquisition Innovation: Profile Intake

INNOVATION ELEMENT: SHARING

Instruction: insert agency examples of applied Sharing indicators in each row.

**Suggested Evidence 1:** HCA (or equivalent) shares at least 1 story annually with AIA discussing 1 or more recognized business innovations or similar innovations and resulting impact (in terms of reduced delivery time, improved customer satisfaction, lowered transaction costs, and lowered barriers to entry).

**Agency Examples:**

<table>
<thead>
<tr>
<th>No. of agency HCAs:</th>
<th>No. of HCAs who applied the above examples:</th>
</tr>
</thead>
</table>

**Suggested Evidence 2:** AIA sponsors 1 acquisition innovation learning event each fiscal year (internal and external sharing).

**Agency Examples:**

<table>
<thead>
<tr>
<th>No. of agency AIAs:</th>
<th>No. of AIAs who applied the above examples:</th>
</tr>
</thead>
</table>

**Suggested Evidence 3:** AIA annually posts at least 2 stories with identified results using 1 or more recognized business innovations or similar innovations (internal & external sharing).

**Agency Examples:**

<table>
<thead>
<tr>
<th>No. of agency AIAs:</th>
<th>No. of AIAs who applied the above examples:</th>
</tr>
</thead>
</table>

**Suggested Evidence 4:** AIA proactively supports and uses Open Opportunities each fiscal year to ask for or offer assistance on 1 or more innovation projects (internal & external sharing).

**Agency Examples:**

<table>
<thead>
<tr>
<th>No. of agency AIAs:</th>
<th>No. of AIAs who applied the above examples:</th>
</tr>
</thead>
</table>
Department of Acquisition Innovation: Profile Template

**LEADERSHIP & EMPOWERMENT**

(Populate with entries from agency examples in Profile Intake worksheet.)

**TESTING**

(Populate with entries from agency examples in Profile Intake worksheet.)

**SHARING**

(Populate with entries from agency examples in Profile Intake worksheet.)

**RESULTS** (select all that apply)

- Reduced delivery time
- Improved customer satisfaction
- Lowered transaction costs
- Lowered barriers to entry
- Other (describe)
Department of Acquisition Innovation: Profile Template

**ILLUSTRATIVE STORY**: Describe each section below, in the respective story box, to create a short story. A minimum of 1 FY '19 entry is requested and additional stories are encouraged.

**MISSION CHALLENGE / CALL TO ACTION**: Describe the problem to overcome.

**PROCESS IMPROVEMENTS**: Identify successfully recognized business innovations (tested business strategies such as those identified on p.4 of Acquisition Innovation Mythbusters 4), including cultural impact, and describe the application of each.

**PROGRAMS USED**: Identify applicable programs and how they were used (e.g., Technology Modernization Fund, 10x, The Opportunity Project, Challenges & Prizes, NTIS, 18F, USDS, Other: describe).

**RESULTS ACHIEVED**: For each Result, as selected in the previous slide, describe the impact of the acquisition innovation(s).
- Reduced Delivery Time:
- Improved Customer Satisfaction:
- Lowered Transaction Costs:
- Lowered Barriers to Entry:
- Other:

Attachment 2