One of the persistent themes on this blog is that the Pentagon is its own worst enemy when it comes to partnering with its contractors. We didn't seek that theme out; it was handed to us by report after report, from sources such as the RAND Institute and the Defense Science Board. The overwhelming consensus is that the Department of Defense is a bad contracting partner.

Now you can point the finger of blame elsewhere, of course. You can point at legislation that mandates certain business practices. You can mention the Competition in Contracting Act and the Anti-Deficiency Act and the Buy America Act and the Fly America Act and a host of other legislative mandates that force the DOD to do business in a certain way—a way that seems contrary to normal commercial business practices. You can point at the number of bid protests and the number of attorneys salivating at the thought that a contracting officer made a mistake during the Pentagon's astoundingly long acquisition cycle.[1] (Mistakes are common because the rules are so hard to follow.)

You can also note (as we have done in the past) that the Pentagon's official policy has changed over time. Whereas in the late 1990's and early 2000's the Pentagon desired to "partner" with its contractors, the current policy is to maintain an arms-length distance. Some would say that many in the DCMA and DCAA have taken that philosophical change a bit further than intended: moving from a distant contracting relationship to an adversarial relationship.

So, yeah, there's plenty of blame to spread around but, regardless of whose fault it may be or how we got here, the overwhelming consensus is that the defense acquisition system is broken. As a result, many companies choose not to do business with the Pentagon—companies with whom the Pentagon greatly desires to do business.

The Government Accountability Office (GAO) recently released **another study** that addressed the barriers that keep the Pentagon from attracting the kind of companies it says it needs. The barriers included:

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Complexity of the DOD's [acquisition] process

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Unstable budget environment

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Long contracting timelines

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Intellectual property rights concerns

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Government-specific contract terms and conditions

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Inexperienced DOD contracting workforce

None of the foregoing points are new, of course. We’ve heard it before (and we’ve written about it before). Some of those barriers are cultural, others are legislative requirements. Regardless of the rationale, the end result is a business partner who seems to be the partner of last resort. For example, GAO wrote—

… collectively these challenges have created an environment where companies choose to either not pursue DOD business or believe that their resources could be better spent pursuing commercial business where the cost to compete is lower and selection decisions are made faster. For example, 1 of the 12 companies GAO spoke with conducted a cost comparison study and found that it took 25 full time employees, 12 months and millions of dollars to prepare a proposal for a DOD contract. In contrast, the study found that the company used 3 part time employees, 2 months, and only thousands of dollars to prepare a commercial contract for a similar product .

The GAO study goes into more detail about the challenges that deter companies from selling to the Department of Defense. We choose not to repeat the details and invite you to follow the

link (above) to see for yourself. We note for the record that DOD reviewed the report and declined to offer any comments.

The GAO study noted that DOD has commissioned several studies (some at the behest of Congress) to see what can be done about the challenges. We've written about the Section 809 Panel before. In addition, there is a DOD Regulatory Reform Task Force. Within the Task Force is a subgroup dedicated to evaluating DFARS rules for elimination or reform. The subgroup is **seeking input** ; feel free to help them out.

Meanwhile, the wheels of defense acquisition continue to grind, albeit slowly. For example, here's **a link** to a Memo that cautions contracting officers that the "tools and techniques" they use to acquire goods and services for the warfighters "must be thoughtful and deliberate". It reminds Defense contracting officers that they must "ensure that we have done the necessary due diligence that we are paying a fair and reasonable price…." In other words, while one hand is evaluating reforms that would streamline acquisitions and make contracting easier, the other hand is telling contracting officers to slow down and make sure they are complying with the myriad Byzantine rules associated with defense acquisition.

Sure seems confusing, at least to us.

[1] How long is "astoundingly long"? See, for example, Vern Edward's recent **blog article** "When a Source Selection Takes Longer than World War II". ("It is in the CICA requirement to evaluate cost that we find a 19th Century procurement system at work to the Government's detriment.")