



EXCERPT FROM THE
PROCEEDINGS
OF THE
TWENTY-SECOND ANNUAL
ACQUISITION RESEARCH SYMPOSIUM AND
INNOVATION SUMMIT

WEDNESDAY, MAY 7, 2025 SESSIONS
VOLUME I

**What We've Got Here Is Failure to Communicate:
How Better Communication Can Improve DoD
Acquisition Outcomes**

Published: May 5, 2025

Disclaimer: The views represented in this report are those of the author and do not reflect the official policy position of the Navy, the Department of Defense, or the federal government.

Approved for public release; distribution is unlimited.

Prepared for the Naval Postgraduate School, Monterey, CA 93943.



Naval
Postgraduate
School
Foundation



The research presented in this report was supported by the Acquisition Research Program at the Naval Postgraduate School.

To request defense acquisition research, to become a research sponsor, or to print additional copies of reports, please contact any of the staff listed on the Acquisition Research Program website (www.acquisitionresearch.net).



ACQUISITION RESEARCH PROGRAM
DEPARTMENT OF DEFENSE MANAGEMENT
NAVAL POSTGRADUATE SCHOOL

What We've Got Here Is Failure to Communicate: How Better Communication Can Improve DoD Acquisition Outcomes

Moshe Schwartz—is President of Etherton and Associates, a consulting and lobbying firm specializing in defense acquisition, industrial base, and cybersecurity policy. Prior to joining Etherton and Associates, Schwartz served as Executive Director of the congressionally mandated Advisory Panel on Streamlining and Codifying Acquisition Regulations and spent 15 years providing analysis and legislative support to Congress on acquisition policy and industrial base issues, including as a specialist at the Congressional Research Service and senior analyst at GAO. Schwartz also served as senior advisor to the Commission on Wartime Contracting in Iraq and Afghanistan, and as advisor at ISAF headquarters in Afghanistan. [moshe@ethertonandassociates.com]

Michelle Johnson—has researched and published about the defense acquisition process from multiple roles since 2017. Most recently, she was Communications Manager at the Acquisition Research Program at Naval Postgraduate School, where among other things she edited a weekly newsletter with updates and analysis of news in defense, acquisition, and innovation efforts within the DoD. Prior to joining NPS, she was a research associate and communications manager for the congressionally mandated Advisory Panel on Streamlining and Codifying Acquisition Regulations (the Section 809 Panel). Johnson has a PhD in English Literature from Michigan State University. [shel.veenstra@gmail.com]

Daniella Schwartz—is a senior at the University of Maryland, College Park, studying Psychology and on the Pre-Medical track. She previously interned at National Defense University and Children's Medical Center, where her contributions were presented at academic conferences and will soon be submitted for publication. [dcschwartz02@gmail.com]

Abstract

This research identifies where poor communication between DoD and industry, between DoD and Congress, and internally within DoD is hampering acquisition outcomes. These challenges are widely acknowledged, having been cited by Deputy Secretary of Defense Kathleen Hicks, the DoD small business office, industry, and Congress. Poor communication leads to poor requirements, inefficient budgeting, a less effective public comment process for regulations and policy Requests for Information, distrust between Congress and DoD, and an increase in bid protests, and otherwise strains the DoD–industry relationship.

Our research provides a framework for identifying and defining communication challenges, including lack of clarity, withholding information, lack of trust, one-way communication, and communication processes that often lack the substantive discussions intended by the formal communication process. Our research also identifies where communications challenges exist, assesses the impact of these challenges on the acquisition process and its outcomes, identifies causes, and recommends approaches to improving communication and collaboration.

“A vibrant innovation ecosystem depends upon clear communication to ensure partners have accurate information and can build complementary processes to enable effective collaboration.”

(DoD Strategic Management Plan: FY24 Annual Performance Report, p. 85)

Introduction

Acquisition is a human endeavor, where success or failure depends primarily on the thoughts, beliefs, and foibles of the people who make up the acquisition workforce. Because of the human element in contracting, relationships matter. They are not all that matter; contracts



and budgets also matter. But relationships, budgets, contracts, and other elements of acquisition share a common thread: the need for effective communication.

Effective communication is key to the success of any organization. Without effective communication, information is not shared, priorities and goals are not defined, culture suffers, and relationships are not as strong. The Department of Defense (DoD) is no exception. Breakdowns in communication—or the absence of robust communication—have led to subpar requirements, inefficient budgeting, increased bid protests, poor acquisition outcomes, increased costs, and a strained DoD–industry relationship.

This paper explores principles of organizational communication and identifies examples of how improved communication could help improve DoD acquisition, budget, and industrial base outcomes.

Let's Talk Communication

In our careers, we have conducted extensive research, written dozens of papers, and participated in numerous conferences on defense acquisition. Recently, in talking about acquisition and past research, we realized that communication is not an ancillary point but a core issue running throughout the entire acquisition process, serving as a key source of failure or a catalyst for success.

Congress and the federal government have made numerous efforts to enhance acquisition outcomes. For example, DoD and other agencies have turned to non-traditional contracting methods, such as other transactions (OT), and the use of consortia to promote greater communications and expand the defense industrial base. Research on the use of consortia and the (still) shrinking defense industrial base provide insight into the importance of communication.

Why Are Consortia So Popular? The Opportunity to Communicate

A 2022 analysis of consortia, *The Power of Many: Leveraging Consortia to Promote Innovation, Expand the Defense Industrial Base, and Accelerate Acquisition* (Halcrow & Schwartz), found that

the consortia model supports government acquisition efforts by promoting *government–industry–academia communication*, facilitating industry partnerships and collaboration, providing critical surge capacity to government acquisition, offering a ready, pre-established network of potential suppliers who have expertise in specific areas, and helping government program offices that do not have the requisite skill and experience in executing OTs. (p. 1, emphasis added)

Communication is not just the first point in the paragraph but a running theme in the report. Specifically, the report shows that companies are attracted to consortia for two primary reasons:

- Business relationships are generally governed by other transaction authorities which are not bound by the FAR or many other regulatory and legislative requirements.
- Members of consortia enjoy more communication and collaboration both between government and industry, and within industry.

The importance of communication to the consortia model is no coincidence. The pioneers of consortia developed the model precisely to “develop a new approach to contracting that encouraged collaboration and communication between government and a diverse team of industry participants throughout the acquisition process” (p. 3). The focus on collaboration and communication is a major contributor to the success of consortia.



Why Is the Defense Industrial Base (Still) Shrinking? Actions Speak Louder than Words

Communication was also featured in a series of articles and reports we wrote on the shrinking defense industrial base, where we argued:

Excessive regulation artificially constrains the potential of business relationships by reducing them to mechanistic processes focused on checklists and fear of legal action for compliance failures. ... The first step to relational contracting is for DoD to develop a better understanding of how industry operates: what motivates companies, what drives business decisions, and, most importantly, what prompts companies to leave (or not enter) the National Security Innovation and Industrial Base. (Schwartz & Johnson, 2023)

At the time we did not appreciate the foundational import of communication to relational contracting, the full span of the acquisition system, and acquisition reform. Now we do. And as is the case with excess regulation, communication must be consistent with actions. Actions, after all, speak louder than words.

Others have recognized the importance of communication to improve acquisitions, including DoD and the Office of Management and Budget. OMB's 2019 *Myth-Busting Memo #4: Strengthening Engagement with Industry Partners through Innovative Business Practices*, reminded acquisition professionals to leverage all methods of communication available to them and asked each agency to appoint an industry liaison. One-on-one conversations with industry, for example, can "foster business partnerships while capturing industry feedback to improve acquisition planning and requirements definition." Building on the memo, on December 1, 2022, a Federal Acquisition Regulation final rule was published that made clear "agency acquisition personnel are permitted and encouraged to engage in responsible and constructive exchanges with industry, so long as those exchanges are consistent with existing law and regulation and do not promote an unfair competitive advantage to particular firms" (Department of Defense, 2022).

"Our office has produced 5-year investment plans that we continuously share with industry. While we need to maintain a level of flexibility to respond to accidents and national emergencies, it's not fair to tell industry and other investors that we need their help and their investments but not disclose what our own 5-year plan is."

Anthony R. Di Stasio,
Dep. Assistant Secretary of Defense
(Industrial Base Resilience)

Despite these and other mandates to prioritize effective communication, the message has not been received—or perhaps more accurately, the rules, regulations, culture of compliance, and existing incentives (and disincentives) serve as barriers to DoD communication. As Soraya Correa, former chief procurement officer at the Department of Homeland Security, notes, "Acquisition professionals still tend to be risk averse and limit or restrict communications" (personal communication, email with author, March 25, 2025).

Do Communication and Relational Contracting Work?

A comprehensive study on contracting found that "the best sourcing relationships apply what is known as 'relational' contracting principles, which create flexible contract frameworks and embody 'win-win' behaviors" (Vitasek et al., 2022, p. 2). Such an approach has long been recognized by leading companies such as McDonald's, which famously relies on long-term relational contracting to manage its supply chain and subcontractor relationships. One of the foundational principles of relational contracting is communication. McDonald's uses a multi-level communication approach with its partners. As one analysis pointed out,



McDonald's maintains communication with suppliers both in formal and informal styles. The goal is to encourage ... an open culture in communication. An open culture and communication also ensure all decisions are based on the company's "System First" philosophy. ... The McDonald's Supplier Management principles consider the basic tenets of human psychology. (Tabansi, 2023)

Communication as a management principle is not an end in itself but a catalyst for better contractual relationships and acquisition outcomes. Communication offers distinct benefits to an organization, including:

- Increased productivity and improved efficiency
- Reduced costs
- Improved outcomes (through better understanding of desired effects) (Olkkonen et al., 2000).

While McDonald's supplier management principles have been described as trying to achieve trust, freedom, clear and easy communication, and scalability and profitability (Tabansi, 2023), the end goal of the communications is the scalability and profitability—in other words, the desired outcomes of the supplier management policies.

DoD Communication Challenges

GAO's *Standards for Internal Control in the Federal Government* identifies five components of internal controls, the fourth of which is "Information and Communication" (2014). The GAO standards set down principles, including the need to

- *internally communicate* the necessary quality information to achieve the entity's objectives and
- *externally communicate* the necessary quality information to achieve the entity's objectives. (emphasis added)

Barriers to communication are not surprising in a highly rigid and hierarchical organization such as DoD but are critical for internal controls and effective management. These barriers can be overcome. Below, we focus on two areas where DoD communications hamper acquisition outcomes:

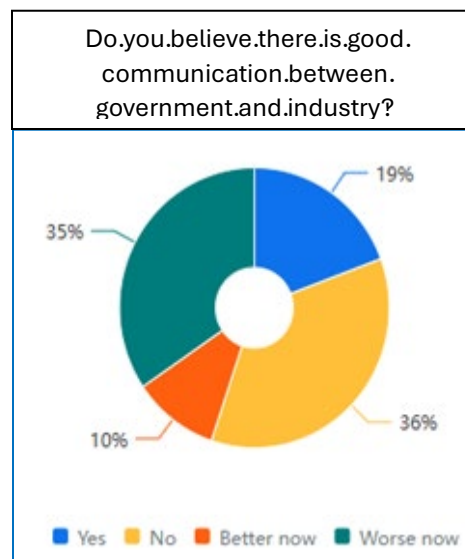
- External communication with industry
- External communication with Congress.



Communication With Industry

As discussed above, a long-recognized weakness of the defense acquisition system is a lack of early, consistent, and effective communication with industry. The consequences of such insufficient communication include unclear requirements that do not attract industry interest, deter companies from working on government contracts, and increase legal challenges and contract disputes. These challenges plague small businesses, commercial tech companies, and even large traditional defense contractors. A recent NCMA poll of contracting professionals asked if there is good communication between government and industry. Of the more than 530 responses, more than 70% said there is not good communication or it is worse now (online poll conducted by author on March 10, 2025). This poll is consistent with other data addressing the issue of communication.

A 2023 presentation by Khalil Mack, then director of APEX Accelerators in DoD, presented the results of a Federal Register Notice requesting industry input on barriers working with DoD. Based on 211 responses, 13 major barriers facing small businesses in contracting with DoD were identified, the first of which was “communications and outreach.”



This is not just a small business challenge; it is an all-of-industry challenge. In its report *Vital Signs 2025: The Health and Readiness of the Defense Industrial Base*, NDIA polled 1,273 government and industry respondents. When asked to identify what is difficult about government acquisition processes, more people (58%) cited “unclear or changing requirements” than any other issue (National Defense Industrial Association, 2025, p. 12). Lack of clarity is often the result of poor communication. The report found communication challenges in a variety of areas, including:

- *Improving Relationships* - when asked what steps DoD could take to improve its ability to work with industry, the most common response was “provide clear, consistent demand signal through contract vehicles” (p. 13). Of the 12 responses listed, three relate to communication, including providing industry with timely updates as requirements evolve through OTs and providing clear identification of specific points of contact in program offices.
- *Cybersecurity* – When asked what challenges organizations face in implementing the security requirements in NIST SP 800-171 to manage Controlled Unclassified Information, the second and third most cited challenges were “insufficient guidance” on NIST SP compliance (32%) and “difficulty in understanding” the requirements (27%).
- *Foreign Sales* – When asked about barriers in selling to foreign customers, 39% of respondents cited “transparency with and communication from the US federal government”¹ (p. 36).

Part of the challenge appears to be poor communications strategies and writing. At the 18th Naval Postgraduate School Acquisition Research Symposium, a paper entitled *Why Marketing Matters: Strengthening the Defense Supplier Base Through Better Communications*

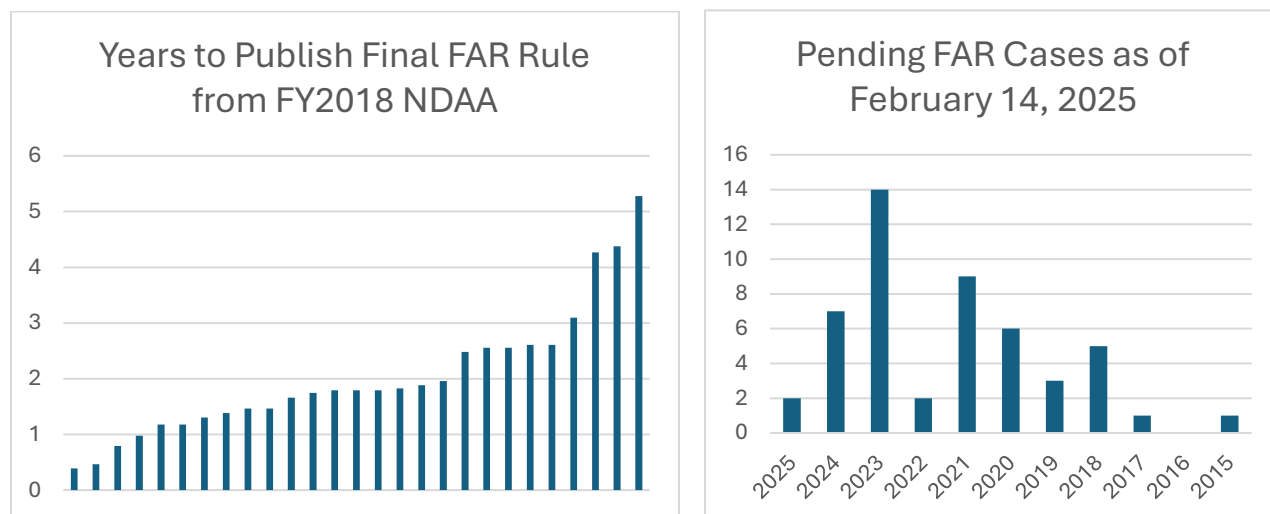
¹ This was the third highest factor cited out of 10

with Industry found that “how and where the DoD communicates with industry have contributed to” its failure to attract and engage a “significant number of new suppliers over the last decade” (Bresler & Bresler, 2021, p. 91).

Case Study: The Regulatory Process as Inefficient and Impersonal Communications

Every year, dozens of new or modified rules governing federal acquisition are added to the Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS). The process by which these rules are crafted is designed to be deliberative, ensuring robust collaboration and public input. As executed, however, the process takes too long and uses communication strategies that are formalistic, asynchronous, and complicated. Final rules often reflect changes suggested by public comments,² but the process takes on average two to three years from initiation to final rule. In some cases, it takes much longer. This delay causes confusion and fatigue, and dissuades stakeholders from participating in the process. Some companies delay taking steps to implement enacted legislation because they know it could take years before regulations are issued.

As of February 14, 2025, there were 50 open FAR cases at different stages in the regulatory process, in one case dating back to 2015. Half of these cases (25 of 50) have been pending for over 4 years, since 2021 or earlier (Defense Acquisition Regulations System, 2025).



One of these pending cases has been in the works for over 7 years. In July 2018, the Section 809 Panel published a recommendation that cost accounting standards (CAS) applicability for indefinite delivery vehicles be determined at the time of the task order award, not the contract award, as has been standard practice. Three years later, in 2021, the CAS Board took up the proposal and assigned it a case number. After another three years, it was published in the Federal Register for public comment on July 18, 2024 (Office of Federal Procurement Policy, 2024). As of February 2025, no final rule has been published on this relatively straightforward change that makes it easier for businesses to get on contract with the federal government. In the meantime, the need for clarity on the issue has led to several legal cases, one of which is now referred to in lieu of an updated regulation. This 2020 legal case

² A notable example is the public comment process for the proposed Cybersecurity Maturity Model Certification process, which elicited scores of comments and led to more precise identification of roles and responsibilities.

established the same precedent as the proposed rule of determining applicability at the task order award (Ferrari, 2024).³

In addition to such delays, public meetings on proposed rules are now primarily held remotely, making it harder to hold meaningful conversations. Before COVID, public meetings on proposed rules were held in person and benefited from more back-and-forth during the presentation phase. We believe that the remote nature of the public meetings results in less relationship building, fewer informal conversations and data sharing, and less give-and-take during public presentations. Indeed, the theory of media richness used in organizational behavior explains this dynamic by considering how different forms of communication

convey cues (e.g., tone of voice, nonverbal gestures) and allow for immediate feedback, personalization, and language variety. Media that convey more of these characteristics are considered to provide richer information and are theorized to be better at reducing ambiguity and uncertainty. Richer communication media have a greater capacity to facilitate *a sense of shared meaning or understanding of the information being relayed*. (Cordova et al., 2013, p. 3; emphasis added)

The more human the interaction, the richer the communication. “Face-to-face communication is considered the richest type of communication, because it allows for the reading of nonverbal cues, allows individuals to ask questions and verify a mutual understanding, and allows for personal interaction” (p. 3). To make the regulatory process richer and more successful at sharing information, public meetings should be held in-person or as hybrid events.

A January 2025 Memorandum from OMB, *Broadening Public Participation and Community Engagement with the Federal Government*, acknowledges the need for improved channels of communication between the federal government and members of the public, whether as private citizens or as representatives of industry or other communities. The memorandum goes on to offer guidance for how to achieve more open, richer, and synchronous channels of communication in a variety of formats, such as website portals, webinars, and listening sessions. What the memorandum drives home is that public participation must be an ongoing effort that meets the public where they are, not just a series of formal written notices posted in the Federal Register.

Communication with Congress

DoD communication with Congress, which is important for setting budgets that support acquisitions, has also experienced challenges with effective communication. Ahead of a classified oversight briefing with Secretary of the Navy Carlos Del Toro in September 2024, the chairman of the defense appropriations subcommittee released a statement that read, “This subcommittee expects honesty and transparency from the Navy. ... I no longer trust that this committee is being given sufficient information required for meaningful oversight.” In the FY2021 committee report for the DoD appropriations bill, the committee wrote, “The granting of additional budget flexibility to the Department is based on the presumption that a state of trust

³ In another example from the Section 809 Panel, a change to terminology from “commercial item” to “commercial product and commercial service” took over 4 years to be updated in the DFARS after Congress directed the change in the FY2019 NDAA. Federal Register, (2023, January 31), “Defense Federal Acquisition Regulation Supplement: Definition of “Commercial Item” (DFARS Case 2018-D066).” <https://www.federalregister.gov/documents/2023/01/31/2023-01294/defense-federal-acquisition-regulation-supplement-definition-of-commercial-item-dfars-case-2018-d066>



and comity exists between the legislative and executive branches regarding the proper use of appropriated funds. This presumption presently is false” (House of Representatives, 2021).

The PPBE reform commission, in its final report to Congress, argued “by fostering transparent, consistent, and timely communication, DoD aims to keep Congress well-informed about resource needs, budget execution, and program performance” (Commission, 2024, p. iii). The commission further wrote that its “initiatives span the entire DoD, strengthen the analytic underpinning of strategic decisions, add agility and flexibility into resource management, and improve communication with Congress” (Foreword).

The commission considered communication so important that its second framework is *Modernize and Simplify Information Sharing*. Within this framework objective, two of the four reform objectives focus on communication: improved communications with Congress and establishing communication enclaves between DoD and Congress.⁴

Better communication with Congress and internal communication with the various Department stakeholders will improve analytic strategic decisions (by incorporating more data and information to support data-driven decision-making) and add agility and flexibility into resource management (by fostering trust, providing insight, and promoting collaborative policy discussions). If implemented, the commission’s recommendations in this area can go a long way in improving PPBE outcomes.

DoD “need[s] more trust from Congress. We will keep working to build trust with Congress, but it is a two-way street.”

Former Deputy Secretary of
Defense Kathleen Hicks

Communication between DoD and Congress works both ways, and Congress bears part of the responsibility for the state of the relationship (perhaps the subject of a future paper).

How Can DoD Have More Effective Communication?

Effective communication consists of two elements: sharing/providing information to another and receiving/understanding information being transmitted by others (Radovic Markovic & Salamzadeh, 2018). This communication requires:

- That you are conveying what the other person needs to know
- Ensuring that what you mean to convey is understood by the other party (this includes the other party being comfortable to ask for clarification or propose other approaches)
- That the other party trusts the information being conveyed
- A willingness to receive new information and be open to changing one’s position/ideas.

A Framework for Communication

Organizational communication exists in three spheres (Radovic Markovic & Salamzadeh, 2018):

- Outbound communication to external parties, which in the case of DoD includes contractors and Congress
- Internal communications throughout the organization, such as between the military departments, between the Office of the Secretary of Defense and the components within

⁴ Communication also appears in the report’s discussion on workforce, recommending that DoD develop standardized training for liaisons “incorporating best practices to ensure effective communication with Congress”. See page 33.

the Department, and the warfighters/requirements generators and the contracting workforce

- Inbound communications, such as DoD managing the comments from the regulatory public comment process, feedback from contractors at industry days, or implementing/internalizing legislation and Congressional communications.

Having mechanisms for communication does not mean that effective communication is taking place or that the right information is being shared. Formal processes without substance often result in communication theatre. For example, the mere existence of a debriefing process after contract award does not *ipso facto* mean that effective communication, feedback, and learning are taking place.

Bid Protests – How Better Substantive Communication Decreases Protests and Improves Future Competition

In 2018, RAND published a report analyzing GAO bid protests (Arena et al.). The report identified poor quality of post-award debriefings as one driving cause of bid protests (p. 20). According to the report, standard debriefings conducted under FAR 15.505 and 15.506 often fail to provide unsuccessful offerors with sufficient information to determine whether their proposals were properly evaluated (p. 15). Standard debriefings generally did not provide the government's underlying rationale for its evaluation conclusions. Industry characterized the debriefings as "skimpy, adversarial, evasive, or failing to provide required reasonable responses to relevant questions" (p. 20). As a result, offerors sometimes filed protests to simply gain access to award evaluation information that they could have received in a good debrief (Field, 2019).

The Office of Federal Procurement Policy (OFPP) acknowledged a common misconception among acquisition officials that limiting communication with industry—especially during debriefings—will avoid bid protests. Rather, it explained that enhancing the quality of debriefings may improve competition and help diminish bid protests (Field, 2019).

Congress initially established debriefings to encourage the free flow of information and provide offerors an indication of how they could improve their chances for success in future procurements (S. Rep. No. 103-258, at 7). Providing an opportunity for meaningful feedback helps vendors better understand the deficiencies of their proposal so they can avoid repeating the same issues and make stronger offers on future procurements (Arena et al., 2018, p. 20; Field, 2017, p. 4). Good debriefs also improve the perception of fairness and equality in the evaluation process (Field, 2017, p. 4; Schooner, 2020). OFPP noted that this communication increases the pool of competition where the government can obtain more responsive offers in the future and help mitigate the risk of protest (Field, 2017, p. 6; Arena et al., 2018, p. 65).

When contractors receive vague or insufficient information to ascertain whether the evaluation was conducted properly, contractors often adopt a "kitchen sink" approach in filing bid protests (Edwards & Schooner, 2021). An offeror can submit multiple claims in a bid protest so long as they can allege some harm or prejudice. If offerors gain access to meaningful evaluation information through a debriefing, it allows them to narrow protest claims to ones where actual prejudice might have occurred or even dissuade offerors from filing a protest altogether (Edwards & Schooner, 2021).

The U.S. Air Force's Extended Debriefing process exemplifies the success of heightened communication in debriefings and reduced bid protests (Arena et al., 2018, p. 65). Unfortunately, departing from the tradition of robust communication, the Air Force refused to discuss their approach with the authors.

Case Study: Solid Rocket Motors Call for White Papers



DoD has succeeded in effective communication with industry. In May 2024, the Defense Industrial Base Consortium (DIBC) issued a request for white papers for solid rocket motors, with the goal of increasing the number of suppliers in this critical and underdeveloped part of the defense supply chain. DoD engaged in intentional and collaborative communication with industry throughout the process to maximize participation and information sharing from all stakeholders.

The white paper request did not just reflect DoD's needs but was developed in collaboration with industry partners—both primes and sub-primes—through multiple engagements including industry days, posts on LinkedIn, and a call on the DIBC website. The contracting team talked to potential primes and subcontractors at many meetings and conferences to understand their thinking, get feedback, and further shape the request for white papers. The team learned from primes about supply chain issues that informed the acquisition strategy. The request itself was also left intentionally broad to encourage maximum participation from partners with diverse capabilities and offerings, a strategy suggested by industry members.

As a result of this intentional communication, the DIBC received over 60 white papers, well over the 10–15 papers initially expected, and got a better understanding of the supply chain landscape for solid rocket motors. Many of these responses came from sub-tier vendors, who were encouraged by primes to participate. Industry members were also motivated to participate because DoD communicated seriousness and funding certainty from Defense Production Act, Title III funding.

Why DoD Succeeded in These Cases: The Keys to Creating Effective Communication

The success stories included in this report share a few characteristics of effective communication. They reflect and reinforce the larger goals shared by DoD, Congress, and industry: to ensure national security by meeting warfighting needs with the right capabilities at the right time. To achieve those goals, these communications must

- be timely and responsive to feedback,
- allow for information to flow both ways along the communication channel,
- be meaningful, not formulaic,
- treat individual communications as part of a larger relationship,
- build new knowledge collaboratively,
- establish trust, and
- most importantly, foster an environment where communication is encouraged.

DoD is a large and complex organization, prone to creating communications that are procedural and mechanistic rather than dynamic and mission-driven. The hierarchical nature of DoD makes meaningful communication even harder. But this natural tendency leads to broken relationships, missed opportunities, and subpar outcomes. To remedy this approach, DoD should view all parts of the acquisition life cycle as opportunities for communication, including requirements, the regulatory process, debriefings, bid protests, budget requests to Congress, and requests to industry for white papers.

When executed effectively, individual communications set the stage for success over the long term. Effective debriefings not only discourage time-consuming bid protests; they also inform industry partners about how to improve their business models and approach to future contracting opportunities. In the case of the solid rocket motor request for white papers, communications provided multiple opportunities for industry to influence DoD's understanding of



the marketplace. DoD was able to adjust, make necessary changes, and clarify its communication with industry. The opportunity for timely communication and responses are also one reason why using Other Transaction Authority through consortia is so popular with industry. Using communication to forge successful relationships between industry and DoD creates an active marketplace in which suppliers understand mission needs well enough to supply capabilities that may even go beyond those prescribed by DoD requirements. Similarly, successful relationships between DoD and Congress ensure that requirements, authorities, and funding are aligned to develop and deliver those capabilities effectively.

Conclusion

Private industry is one of the greatest strengths of the United States. As Jason Rathje, then director of the Office of Strategic Capital, stated in 2024, “The U.S. capital markets are the largest and the most liquid in the world. We see them as a national competitive advantage for the U.S.” (Carberry, 2024).

Private industry, including such engines of innovation as private equity and venture capital, are giving DoD a new look and increasing investments in national security. In the words of one industry partner, “I don’t think I’ve ever seen such excitement, enthusiasm for investing in defense tech across a wide variety of investment firms. I think it’s something that pretty much every serious ... traditional Silicon Valley investment firm has at least one partner who’s focused on aerospace or defense” (Katherine Boyle, General Partner at Andreessen Horowitz, quoted in Carberry, 2024).

To maintain technological advantage on and off the battlefield, DoD needs to leverage U.S. capital markets and the full strength and innovation of domestic industry. To do this, DoD must learn how to be a better customer and to more effectively communicate. Until that happens, DoD’s current state of communication—or the lack thereof—is holding it back from fully leveraging its greatest competitive advantage: America’s industrial power.

References

- Arena, M. V., Persons, P., Blickstein, I., Chenoweth, M., Lee, G. T., Luckey, D., & Schendt, A. (2018, January 4). *Assessing bid protests of U.S. Department of Defense procurements: Identifying issues, trends, and drivers*. RAND Corporation.
https://www.rand.org/pubs/research_reports/RR2356.html
- Bresler, A., & Bresler, A. (2021, May 10). Why marketing matters: Strengthening the defense supplier base through better communication with industry. *Proceedings of the 18th Annual Acquisition Research Symposium at the Naval Postgraduate School*.
<https://dair.nps.edu/handle/123456789/4404>
- Carberry, S. (2024, May 20). Venture capital getting bullish on defense tech. *National Defense Magazine*.
<https://www.nationaldefensemagazine.org/articles/2024/5/20/budget-matters-venture-capital-getting-bullish-on-defense-tech>
- Commission on Planning, Programming, Budgeting, and Execution Reform. (2024, March). *Defense resourcing for the future*. https://ppbereform.senate.gov/wp-content/uploads/2024/03/Commission-on-PPBE-Reform_Full-Report_6-March-2024_FINAL.pdf
- Defense Acquisition Regulations System. (2023, January 31). *Defense federal acquisition regulation supplement: Definition of “commercial item”* (DFARS Case 2018-D066). Federal Register.
<https://www.federalregister.gov/documents/2023/01/31/2023-01294/defense-federal-acquisition-regulation-supplement-definition-of-commercial-item-dfars-case-2018-d066>
- Defense Acquisition Regulations System. (2025, February 14). *Open FAR cases*.
<https://www.acq.osd.mil/dpap/dars/opencases/farcasenum/far.pdf>



- Defense Pricing and Contracting. (2024, January 19). *Defense federal acquisition regulation supplement (DFARS): NDAA implementation tracker (FY10–Present)*. https://www.acq.osd.mil/dpap/dars/docs/DFARS_NDAA_Implementation_Tracker_2024-01-09.pdf
- Department of Defense. (2022, December 12). *Federal acquisition regulation: Effective communication between government and industry*. Federal Register, 87 FR 73902. <https://www.federalregister.gov/documents/2022/12/01/2022-25959/federal-acquisition-regulation-effective-communication-between-government-and-industry>
- Department of Defense. (2024). *DoD strategic management plan, Fiscal years 2022–2026: FY24 annual performance report*. <https://dam.defense.gov/Portals/47/Documents/Publications/Annual%20Performance%20Plan/FY24%20Annual%20Performance%20Report%20FINAL%20DSD%20Approved.pdf?ver=eo4y-GqLLynd4RPlaM1X8Q%3d%3d>
- Edwards, V. J., & Schooner, S. L. (2021, August). Postscript III: Enhanced debriefings: A simple strategy for a more manageable protest process. *The Nash & Cibnic Report*, 35(8). https://www.arnoldporter.com/-/media/files/perspectives/publications/2021/08/postscript-iii-enhanced-debriefings-a-simple-strat.pdf?rev=e988e3723c344ec0b97e8ec15002dd30&sc_lang=en&hash=BED72047A89186F3FC4024D7A0709129
- Ferrari, D. K. (2024, August 8). *CGB comments on CASB Case No. 2021-01, Regarding the application of cost accounting standards (CAS) to indefinite delivery vehicles (IDVs)*. Financial Executives. <https://www.financialexecutives.org/Influence/Comment-Letters/2024/CGB-CASB-Public-Comments-re-CAS-Applicability-to-I.aspx>
- Field, L. A. (2017, January 5). *Myth-busting memorandum #3: Further improving industry communication with effective debriefings*. Office of Federal Procurement Policy. <https://business.defense.gov/Portals/57/OFPP%20Myth-busting%203%20-%20Further%20Improving%20Industry%20Communication%20with%20Effe...pdf?ver=2017-12-05-152530-177×tamp=1512506152466>
- Field, L. A. (2019, April 30). *Myth-busting memorandum #4: Strengthening engagement with industry partners through innovative business practices*. Office of Federal Procurement Policy. <https://thecgp.org/images/OFPP-Myth-Busting-4-Strengthening-Engagement-with-Industry-Partners-through-Innovative-Business-Practices.pdf>
- GAO. (2014, September). *Standards for internal control in the federal government* (GAO-14-704G). <https://www.gao.gov/assets/gao-14-704g.pdf>
- Halcrow, S., & Schwartz, M. (2022, July 20). *The power of many: Leveraging consortia to promote innovation, expand the defense industrial base, and accelerate acquisition*. George Mason University Center for Government Contracting. <https://business.gmu.edu/news/2022-07/power-many-leveraging-consortia-promote-innovation-expand-defense-industrial-base-and>
- House of Representatives. (2021). *DoD Appropriations Bill, Report to accompany FY21 appropriations*. https://democrats-appropriations.house.gov/sites/evo-subsites/democrats-appropriations.house.gov/files/FY21%20Defense%20Full%20committee%20report.pdf?_gl=1*b4f0rl*_ga*MTAxNDY1MTU5LjE3MzEwMDk5NjQ.*_ga_L2WB5KYYFC*MTc0MjMyNjI2NC4xLjAuMTc0MjMyNjI2NC4wLjAuMA
- National Defense Industrial Association. (2025, February). *Vital signs 2025: The health and readiness of the defense industrial base*. https://www.ndia.org/-/media/sites/ndia/policy/vital-signs/2025/vitalsign_2025_final.pdf?download=1?download=1
- Office of Federal Procurement Policy. (2024, June 18). *Application of cost accounting standards to indefinite delivery vehicles*. Federal Register. <https://www.govinfo.gov/content/pkg/FR-2024-06-18/pdf/2024-12225.pdf>



- Office of Management and Budget. (2025, January 15). *Broadening public participation and community engagement with the federal government*. <https://digitalgovernmenthub.org/library/m-25-07-broadening-public-participation-and-community-engagement-with-the-federal-government/>
- Olkkonen, R., Tikkanen, H., & Alajoutsijärvi, K. (2000). The role of communication in business relationships and networks. *Management Decision*, 38(6), 403–409. <https://doi.org/10.1108/eum0000000005365>
- Radovic Markovic, M., & Salamzadeh, A. (2018). The importance of communication in business management. In Radovic Markovic, M., & Salamzadeh, A., *The Importance of Communication in Business Management, The 7th International Scientific Conference on Employment, Education and Entrepreneurship, Belgrade, Serbia*.
- S. Rep. No. 103-258 (1994).
- Schooner, S. L. (2020, February 1). Enhanced debriefings: A toothless mandate? 34 *Nash & Cibinic Report* 10 (2020). <https://ssrn.com/abstract=3532671>
- Schwartz, M. & Johnson, M. (2023, May 1). How not to alienate business partners: A framework for addressing factors impacting retention of defense contractors. *Proceedings from the 20th Annual Acquisition Research Symposium at the Naval Postgraduate School*. <https://dair.nps.edu/handle/123456789/4828>
- Tabansi, O. (2023, April 15). McDonald's supplier management principles. *Supply Chain Nuggets*. <https://supplychainnuggets.com/the-mcdonalds-supplier-management-principles-and-why-it-works/>
- Vitasek, K., Downsard, A., & Kling, J. (2022, June). *The royal Australian navy FFG Enterprise: A journey from antagonism to high-performing relationship*. Vested Way. <https://www.vestedway.com/wp-content/uploads/2022/06/FFG-case-study-TEACHING-case-PDF-OK-for-Distribution-May-2018-v2.pdf>





ACQUISITION RESEARCH PROGRAM
DEPARTMENT OF DEFENSE MANAGEMENT
NAVAL POSTGRADUATE SCHOOL
555 DYER ROAD, INGERSOLL HALL
MONTEREY, CA 93943

WWW.ACQUISITIONRESEARCH.NET

