



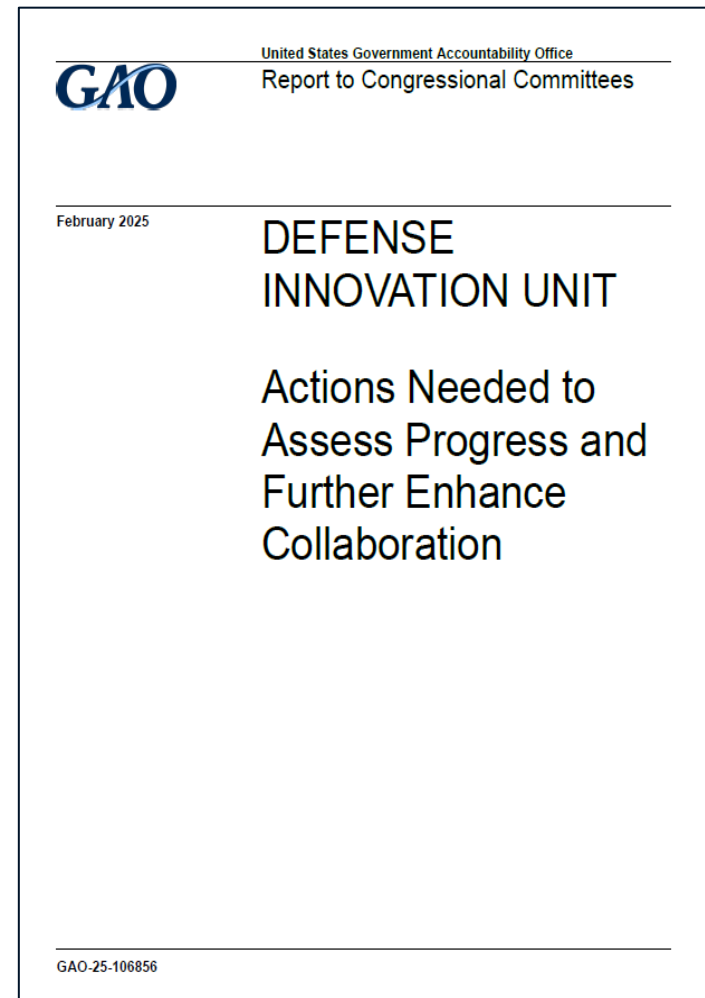
Acquisition Research Symposium

May 8, 2025

Defense Innovation Unit: Actions Needed to Assess Progress and Further Enhance Collaboration

(GAO-25-106856)

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Introduction

- Maintaining DOD's technological advantage increasingly relies on innovations from the commercial sector
- DOD established DIU to find pathways to better work with nontraditional defense companies and rapidly adopt innovative technologies
- More recently, DIU announced plans to increase focus on scaling commercial technology to address DOD's most strategic problems
- Congress directed GAO to assess DIU's effectiveness in meeting its mission

Objectives / Scope and Methodology

- **Objective 1.** DIU's process for transitioning commercial technologies and forthcoming changes
 - Discussions with DIU officials, reviewed selected awards
- **Objective 2.** Extent to which DIU established a performance management process to assess progress in meeting its goals
 - Reviewed DIU documents and held discussions with DIU officials re: goals
 - Compared to key practices from *GAO Evidenced-Based Policymaking: Practices to Help Manage and Assess the Results of Federal Efforts* (GAO-23-105460)
- **Objective 3.** Opportunities to enhance DIU's collaboration with other DOD innovation organizations
 - Interviewed DIU and other innovation organizations; reviewed DICE documents
 - Compared to GAO leading practices for interagency coordination (GAO-23-105520)

Background – DIU Timeline

2015	DIU 1.0	Outreach to technology start-ups
2016	DIU 2.0	Develop Commercial Solutions Opening
2023	DIU 3.0	Scale technologies to solve DOD's most critical challenges

DIU's Commercial Solutions Opening



DIU 2.0

- Developed CSO to streamline award processes
 - Awards within 60 to 90 days
 - Short proposals and pitches
- Awarded 450 prototype agreements through FY2023
 - Obligated \$1.7 billion; most (+90 percent) from DOD partners
 - 62 prototypes transitioned to production

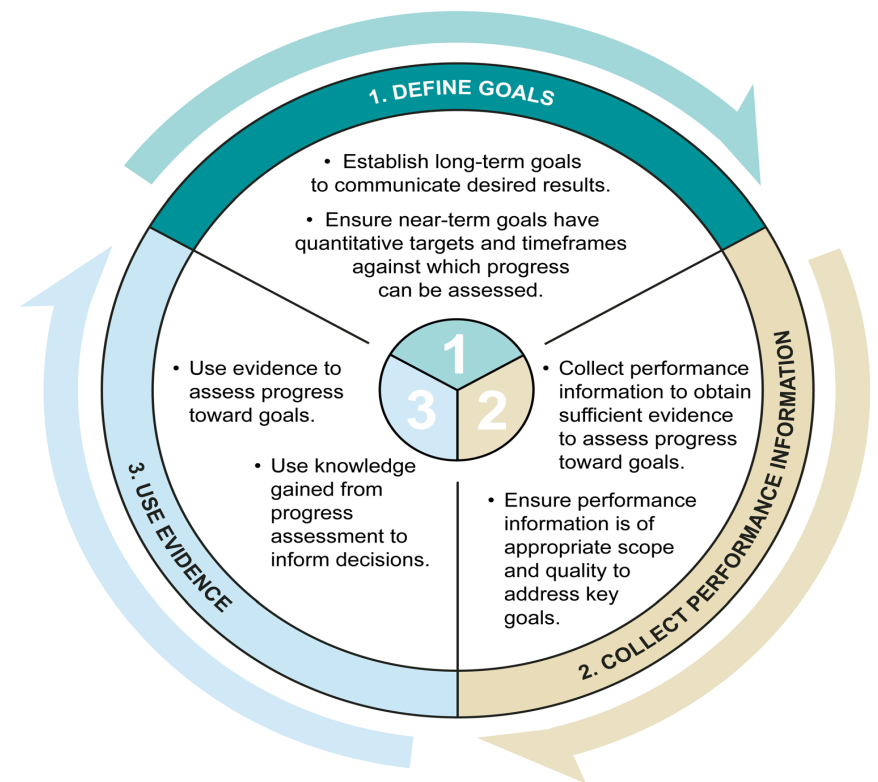
DIU 3.0

- Plan to continue using CSO
- Projects DIU pursues may change
 - Meeting critical strategic needs
 - Increased focus on potential transition partner
- Roles of other innovation organizations

Ability to Assess DIU 3.0 Progress

- DIU's ability to assess progress under 3.0 is limited by incomplete performance management process
 - Involves setting strategic goals with measurable near-term goals
 - DIU 2.0 had goals but many lacked targets and timeframes
- DIU plans to establish future performance measures

Core Elements of a Program Management System



Source: GAO analysis of GAO-23-105460. | GAO-25-106856

Enhancing Collaboration – DICE

- DIU newly responsible for coordinating DOD innovation organizations
- DIU established Defense Innovation Community of Entities (DICE) in 2023
 - DICE members include AFWERX, Army Applications Lab, NavalX, Marine Innovation Unit, USSOCOM, among others
- DICE created working groups to address common problem areas
 - Connecting to DOD demand signals
 - Improving private sector engagement
 - Creating shared digital tools
 - Managing innovation talent

Enhancing Collaboration – DICE (cont.)

GAO Leading Practices for Interagency Collaboration

Define common outcomes	●
Ensure accountability	◐
Bridge organizational cultures	●
Identify and sustain leadership	●
Clarify roles and responsibilities	●
Include relevant participants	●
Leverage resources and information	●
Develop and update written guidance	◐

- DIU's DICE generally incorporated most leading practices
- But DICE has not yet fully met practices to assess and document progress toward meeting its goals
 - Ensure accountability through mechanisms to assess progress
 - Develop and update written guidance about assessing progress

Recommendations

1. Establish measurable performance goals with associated metrics that have quantitative targets and time frames to ensure DIU is able to assess progress toward DIU's strategic goal.
2. Collect performance information based on the metrics associated with the performance goals for DIU.
3. Use the performance information collected by its metrics to assess DIU's performance and inform DIU's future decision-making.
4. Align NSIN's and NSIC's goals with DIU's strategic goal.
5. Develop and document a process for how it will assess DICE's progress toward meeting its short- and long-term goals to strengthen accountability of its collaboration efforts.
6. (Once DIU documents how it will evaluate DICE's progress toward its goals), assess the effectiveness of DICE and makes changes as needed to enhance collaboration.

Questions?
