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Department of Defense
OFFICE OF PREPUBLICATION AND SECURITY REVIEW

DEFENSE BUSINESS BOARD



**Integrated Review Team
on
Defense Acquisition Industry-Government
Exchange**

November 7, 2018

Overview

- Meeting Purpose
- Team Membership
- Study Purpose
- Study Tasks
- Study Plan
- Research
- Previous Work
- Way Ahead

Purpose of Today's Meeting

Provide a public update on the Industry-Government exchange study that was directed in Sec 883 of the 2019 National Defense Authorization Act

Review Team Members

Arnold Punaro, Chairman

Business Board

- John O'Connor
- Bill Simon
- Cynthia Trudell
- Atul Vashistha
- Dave Venlet

Innovation Board

- Adam Grant
- Reid Hoffman
- Walter Isaacson
- Marne Levine
- Jennifer Pahlka

Science Board

- Michael Bayer
- Paul Kaminski
- Paul Kern
- James Miller
- David Van Buren

Expert Advice From Members of Three Advisory Boards

Study Tasks

- **Task 1** - Review legal, ethical, and financial disclosure requirements for industry-government exchanges
- **Task 2** - Review existing industry-government exchange programs
 - Determine if the programs are useful to the individuals selected
 - Determine if the Service adequately utilizes the “Graduates” once they exit the program
 - Determine if they are of sufficient size to matter to the Department
 - Determine if there is a better organizational model
- **Task 3** - Review how the Military Departments address legal, ethical, and financial requirements for members of the reserve components who also maintain civilian employment in the defense industry
- **Task 4** - Produce specific and detailed recommendations for any legislation, including the amendment or repeal of regulations, as well as non-legislative approaches to:
 - Reduce barriers to industry-government exchange to encourage the flow of acquisition best practices
 - Ensure continuing financial and ethical integrity
 - Protect the best interests of the DoD
- **Task 5** - Produce additional recommendations for legislation

Study Plan

The legislation directs:

- Briefing to congressional defense committees, no later than **Dec 31, 2018**
- Final report to the congressional defense committees and Under Secretary of Defense for Acquisition and Sustainment, no later than **March 1, 2019**

Administrative Requirements:

- Publicly accessible deliberations and comments - **Nov 7, 2018 & Feb 6, 2019**
- Legal and security review of all briefings/reports

Produce specific, detailed, and actionable **recommendations** for any legislation, including the amendment or repeal of regulations, as well as non-legislative approaches, ... **to reduce barriers to industry-government exchange** to encourage the flow of acquisition best practices;

~FY19 NDAA (Pub. L. 115-232) August 13, 2018



Study Plan

- Interviews (Internal & External to DoD)
 - Senior OSD officials & Service Senior Leaders – well underway
 - Industry executives – Nov/Dec time frame
 - Industry associations – Nov/Dec time frame
 - Congressional Sponsors – Nov/Dec time frame
- Data Calls - Ongoing
 - Analysis of previous work
 - Surveys from graduates of current programs within DoD
- Research focusing on:
 - Current state of industry-government exchanges
 - Revolving door legislation for both senior management positions as well as the middle management level
 - Incentives/benefits to Industry
 - Density and placement for desired strategic affect
 - Existing Office of Government Ethics and SASC requirements for Senate-confirmed Presidential appointments

Previous Work

■ Defense Business Board Studies

- Focusing a Transition - Challenges Facing the New Administration
- An Assessment on the Creation of USD for BM&I
- Selection of Senior Officials in the Acquisition Workforce
- Innovation: Attracting and Retaining the Best of the Private Sector
- Public-Private Collaboration in the Department of Defense
- Fostering an Innovative Culture Through Corporate Engagement and Partnership
- Innovative Culture, Part II: Virtual Consultancies - Engaging Talent
- Acquisition Workforce Growth and Recommendations for Insourcing
- Engaging US Business in Support of National Security Objectives
- Outreach Plan to Improve Communications between the DoD and the Defense Industrial Base
- Strategic Relationship Model between DoD and the Industrial Base
- MBA Recruitment

■ Defense Science Board Studies

- Creating a DoD Strategic Acquisitions Platform
- Understanding Human Dynamics
- Defense Imperatives for the New Administration
- Creating an Effective National Security Industrial Base for the 21st Century



Existing Work on Government-Industry Exchange

- Federal Personnel Exchange Mechanisms Study, NOV 2013. Institute for Defense Analyses (IDA)
- Information Technology: Status and Challenges of Employee Exchange Program Study, DEC 2006. US Government Accountability Office (GAO)
- Selecting Senior Acquisition Officials Study, JAN 2018. Defense Business Board
- Fostering an Innovative Culture Through Corporate Engagement and Partnership Study, JUL 2015. Defense Business Board
- SECDEF Executive Fellows Program. Overseen by the Office of the Under Secretary for Personnel and Readiness. The program is a long-term investment and a key part of DoD's strategy to achieve the transformation of our military forces and capabilities.
- Franklin Fellows Program. Overseen by the Department of State. Provides a unique and innovative program that brings outside experts to the Department of State and USAID and allows citizens a chance to serve and to deepen their professional experience.

Way Ahead

- Actions Between now & December 31st
 - Continue interviews and research
 - Ongoing analysis of previous work
 - Present an interim briefing to Congress
- February 6 Briefing to the DBB
 - Present/Vote on final recommendations
- NLT March 1, 2019 Final recommendations presented to the congressional defense committees and Under Secretary of Defense for Acquisition and Sustainment

Discussion

- Board Member Comments
- Public Comments

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