Enhancing Government Acquisition with AI: Balancing Innovation and Security

Highlights from a Roundtable hosted by the Advanced Technology Academic Research Center (ATARC) in partnership with Alethia Labs, Febuary 2024

The emergence of generative AI in commercial use has dramatically altered the dynamics of government acquisition. As agencies explore the capabilities of AI, agencies must balance the drive for innovation with the risks of speedy acquisition. At this roundtable, government leaders delve into the complexities and opportunities presented by AI in the procurement process.

Government Acquisition and AI

With the speed at which AI is evolving and coming online, agencies are working to adapt policies and processes to the changing landscape. Both acquisition and program offices are identifying opportunities to create efficiencies with AI, especially as it relates to the acquisition timeline.

For many agencies, the average time from acquisition planning to RFP release is 330 days. It takes another 300 days between the RFP release to award a contract. By the time an agency implements a new solution, the technology will be at least 2 years behind current capabilities. Agencies are looking to generative AI to help reduce this timeline.

Despite the evident need to accelerate timelines, roundtable participants expressed caution with jumping to an AI solution. Agencies should consider whether the problem set is best solved with AI to begin with. Collaborating with other agencies and conducting market research are key to understanding the best use cases for AI.

Because there is inherent risk associated with AI, agencies must understand what they're actually buying. Yet, many agencies already have a good understanding of where AI can be of use in their organization. Several panelists are challenged with manpower constraints and greenhorn employees without institutional knowledge. Using AI prompts, these employees could effectively generate acquisition requirements.

Government Acquisition and AI

- Developing dozens of if-then statements for project managers and teams to utilize.
- Identifying areas of profitability and opportunities to negotiate with contractors.
- Conducting research and analyzing other acquisition policies to enhance current acquisition policy.
- Transcribing meetings, creating summaries and meeting notes, and creating next steps. Also using these notes to build an ontology of folders to enhance administrative processes.
- Integrating LLMs that have retrieval augmented generation capabilities to pull from data to create operation manuals to make it easier for technicians to use equipment.
- Writing more readable RFP responses to help contractors convey what they're trying to deliver to the government. This helps the government with the valuation process.

> **"It's not who has the best solution, but who portrays their solution the best. I think AI can help level the playing field and get us better competition."**

Acquisition Challenges and Opportunities

> **"We're at the point where technology is not the issue. Policy is the issue."**

Interagency Collaboration

Panelists were eager to collaborate on ways to not only improve the acquisition process, but do so with AI. Many agree that they want to avoid a scenario where each agency approaches AI acquisition differently. The challenge most agencies have with AI solutions is in the evaluation process, which eats into the timeline considerably.

> **"Every department has its own systems, risk tolerance, and mission, but finding common ground where we can leverage one another is the best direction to head."**

Evaluating Solutions

Agencies that acquired solutions quickly leaned on existing processes, certifications, and approvals of other agencies and contractors. This is especially helpful for the ATO process. Eliminating redundant approval processes speeds up the acquisition of same or similar services for the entire government.

Companies, such as Alethia Labs, provide agencies the ability to evaluate and access software solutions pre-award, pre-RFP, or in the RFP process. Alethia Labs works with the vendor to place their solution in a virtual environment that mimics any government security level. Agencies can quickly determine if the solution meets criteria. Alethia Labs takes this a step further by creating SBOMs, providing draft security plans and draft ATO reports, running chaos monkey against the environment, and providing comprehensive assessment reports so the department is equipped to make a faster, yet better informed decisions.

Other departments are standing up internal AI sandboxes to test solutions and provide information that can be leveraged across the Federal government. However, many agencies are still operating in relative silos, and are continually calculating the risk and reward of deploying new technology in a continuous improvement process.

Workforce

> **"Every department has its own systems, risk tolerance, and mission, but finding common ground where we can leverage one another is the best direction to head."**

Roundtable participants underscored the need for human collaboration and buy-in for successful AI adoption. There is still quite a bit of hesitancy and negative perception towards AI among staff, especially as it relates to job security.

Those at the roundtable encouraged agencies to support staff through AI adoption in a few ways. Providing a governance structure surrounding AI use gives employees the security and comfort of knowing their actions align with policy. One of the bigger challenges surrounding AI is understanding risk.

Employees need to understand what those risks are in order to feel comfortable adopting new technology. This also develops an environment and culture where staff are encouraged to take risks, which is required in this fast-paced tech landscape.

Roundtable participants also encouraged leaders to speak about AI through a marketing lens to help employees understand the benefits of AI in their daily work. As leaders, it's important to empower workers with technology. One panelist describes using AI as "buying time for the human experience". For instance, if AI saves time writing reports, there is more time for in-person debriefing.

Participants discussed the need for additional training and education programs beyond what is currently offered. In addition, as business advisors, contracting officers must be knowledgeable about technology in order to perform their role efficiently and be good stewards of taxpayer dollars.

Final Thoughts

> **"We've got to educate ourselves on what's out there. There are so many capabilities. We have to define the problem, find a solution available to us, and apply it according to our problem set."**

Ultimately, the government acquisition process is prime for AI enhancement. Since the AI landscape is rapidly advancing, agencies and industry partners must collaborate on solutions and remain open to shared services.

Learn more about Alethia Labs here:
https://alethialabs.org/