Analysis of Section 205: Capstone Requirements of the Forged Act

- **Key Points:** This section will be populated after the full analysis is complete.
- **History of the Recommendation:** The concept of "capstone" has a notable history within the Department of Defense (DoD), often signifying a high-level, strategic, and integrative perspective. Examining the prior uses of this term and the broader evolution of defense acquisition reform provides crucial context for understanding Section 205 of the Forged Act.
  The **Capstone Military Leadership Program**, established in 1982 and later mandated by the Goldwater-Nichols Defense Reorganization Act of 1986, serves as an initial point of reference for the term "capstone" within the DoD [1]. This program, conducted by the National Defense University, aims to ensure that newly promoted brigadier generals and rear admirals understand the integrated employment of military forces and other elements of national power to support national security strategies [1]. The Goldwater-Nichols Act, a significant piece of legislation, sought to enhance joint operations and overall military effectiveness through improved inter-service cooperation and strategic thinking among senior leaders [1]. The program's objective highlights a historical understanding within the DoD that "capstone" denotes a top-tier framework intended to guide and integrate activities across various domains to achieve overarching strategic goals. Applying this understanding to the realm of defense acquisition suggests that Section 205 intends to establish a similar high-level guiding framework for the development of military capabilities.
  Further reinforcing this notion is the **Capstone Concept for Joint Operations**, a foundational document that outlines how the joint force will operate in the future [3]. This concept provides broad precepts and assertions applicable across a wide range of operational situations, serving as the most fundamental of all U.S. military concepts and guiding force development and experimentation [3]. Its primary purpose is to establish a common framework for military professionals to think about future joint operations and to visualize these operations for policymakers [3]. While the Capstone Concept for Joint Operations focuses on the *employment* of military capabilities, Section 205's "Capstone Requirements" shifts the focus to the *development* of those capabilities. This parallel usage of "capstone" suggests an intended alignment between the strategic vision for how the military will operate and the acquisition of the necessary tools to execute that vision.
  The evolution of defense acquisition thinking has increasingly emphasized the need for a more strategic and integrated approach, moving away from a purely

program-centric model. The concept of **portfolio management in defense acquisition** has gained traction as a means to achieve this integration [4]. Portfolio management, as a strategic process, begins with identifying enterprise-level needs and opportunities, which are then prioritized based on urgency and available resources [5]. Following prioritization, portfolio managers develop business cases for alternative product ideas to address the most pressing needs [5]. This approach contrasts with a program-centric model that often focuses on individual system development with less emphasis on overall strategic alignment and the integration of capabilities across different systems. The push for portfolio management, as evidenced by recommendations from bodies like the Section 809 Panel, provides a compelling rationale for the introduction of "capstone requirements" in Section 205. This legislative provision can be interpreted as a formal step towards embedding a portfolio-driven approach within the defense acquisition system.

Organizations like MITRE have also contributed to this evolution by recommending the definition of **enduring, enterprise-level requirements within major mission areas** to facilitate management at the portfolio level [6]. MITRE specifically suggested developing overarching, enduring requirements and performance measures for strategic portfolios, thereby granting greater flexibility at the program level to achieve portfolio objectives [6]. This recommendation closely aligns with the language of Section 205(c)(2), which stipulates that capstone requirements should "provide enduring themes based on strategic needs." This strong correlation suggests a potential influence of expert analysis and recommendations from organizations like MITRE on the legislative language of Section 205.

Recent discussions within the DoD also reflect a growing desire for more agile and responsive acquisition processes. The **Army's Next Generation Command and Control (NGC2) program** exemplifies this trend, with a move towards "**characteristics of need statements**" as a more flexible alternative to traditional, rigid requirements documents [7]. The use of "**Project Convergence Capstone**" as a demonstration and experimentation environment further underscores the emphasis on high-level objectives and iterative development [7]. This service-level experimentation with more agile and high-level guidance in requirements definition likely contributed to the broader legislative effort embodied in Section 205.

Experts involved in defense acquisition reform, such as Eric Lofgren, have highlighted the **FoRGED Act's ambition to be a "game changer"** by addressing various aspects of the acquisition system, including requirements [8]. Lofgren specifically pointed to the need to cut "red tape" and streamline processes,

suggesting that Section 205 is intended to contribute to this broader goal of making defense acquisition more efficient and innovative. The Government Accountability Office (GAO) has also emphasized the importance of **iterative development and revisions to acquisition policies** to enhance speed and innovation, recommending the use of user feedback to refine requirements [9]. The alignment between GAO's recommendations and the provisions of Section 205, which mandate iterative requirement refinement based on user input (subsection (b)(7)), indicates that the legislation is likely informed by GAO's oversight and best practices identified in the field.

Interestingly, the term "Capstone" has also been used in other contexts within the DoD, such as the **Capstone Threat Assessment (CTA)**, which aimed to forecast threat capabilities relevant to acquisition programs [10]. While this intelligence product faced limitations in being more historical than predictive, its existence demonstrates the DoD's prior use of "capstone" to denote a high-level assessment in a related domain. The lessons learned from the limitations of the CTA might have indirectly influenced the design of "Capstone Requirements" in Section 205 to ensure a more effective and forward-looking approach to defining capability needs.

The **legislative context of S. 5618 (FoRGED Act)** itself is crucial. Introduced by Senator Wicker on December 19, 2024, the Act explicitly aims to promote defense innovation and government efficiency [11]. The dedicated inclusion of Section 205, titled "Capstone requirements," within this Act underscores the perceived importance of this concept in achieving the broader goals of acquisition reform. Senator Wicker himself stated that the legislation offers an opportunity to adopt new technology faster and boost competition within the defense industry [16]. This emphasis on faster technology adoption directly relates to the elements within Section 205 that promote agility, prototyping, and the use of commercial/non-developmental items. Notably, the available information does not indicate any prior specific legislation with the exact title "Section 205: Capstone Requirements," suggesting that this provision is a novel introduction within the FoRGED Act. This lack of direct legislative precedent necessitates a close examination of the text of Section 205 to fully understand its intended effects and potential consequences.

To further illustrate the shift in approach, the following table compares key features of the traditional acquisition process with the capstone requirements approach outlined in Section 205:

Feature	Traditional Approach	Capstone Requirements Approach (Section 205)
Focus	Primarily on individual system requirements	On portfolio-level strategic guidance and integrated capabilities
Level of Detail	Often highly detailed and system-specific	General set of requirements for the acquisition portfolio, not system-specific
Flexibility	Relatively rigid requirements, changes can be time-consuming	Portfolio Acquisition Executive authorized to change scope and requirements for programs within the portfolio (excluding MDAP KPPs)
Stakeholder Involvement	Primarily sequential, with operational input often front-loaded	Continuous involvement of assigned operational representatives throughout the acquisition lifecycle, iterative refinement based on user input
IT Requirements	Typically managed through large, static documents	Managed using dynamically prioritized lists of user needs
Prototyping/Experimentation	Often conducted after formal requirements definition	Maximizes the use of prototyping, experimentation, and minimum viable products to shape capability scope and requirements
Integration	Focus often on individual system performance	Emphasis on the iterative delivery of an integrated suite of capabilities to maximize operational impact
Effectiveness Measures	Primarily focused on individual system performance metrics	Includes measures of force effectiveness for a force mix of capabilities

- **Desired Effect of the Recommendation:** Section 205 of the Forged Act outlines several intended outcomes for establishing capstone requirements for portfolio acquisition executives. The overarching goal, as stated in subsection (a), is **to enable greater speed, agility, and innovation in fielding military capabilities** [15]. This ambition is further elaborated through specific elements outlined in subsection (b) and (c).
  A key desired effect is the establishment of **portfolio-level strategic guidance**. Subsection (b)(1) mandates the development of a "general set of requirements for the acquisition portfolio," while subsection (c) specifies that these requirements should provide "enduring themes based on strategic needs and relevant concepts of operation, not system-specific" [15]. This shift aims to move away from a focus on individual system specifications towards broader portfolio-level objectives that are directly aligned with overarching strategic goals. The intention is to create a more flexible environment where programs and projects can be initiated under a common strategic umbrella.
  Another significant desired effect is **enhanced flexibility and adaptability**. Subsection (b)(2) grants the Portfolio Acquisition Executive (PAE) the authority to "change the scope and requirements for programs within the portfolio," subject to consultation with operational commands and the Joint Requirements and Programming Board (JRPB), as outlined in subsection (d) [15]. This authority, however, explicitly excludes the ability to change key performance parameters for major defense acquisition programs (MDAPs). The aim is to empower PAEs to adapt programs within their portfolios in response to evolving operational needs, technological advancements, and user feedback, thereby fostering greater agility in the acquisition process.
  Improved collaboration and user input are also central to the desired effects of Section 205. Subsection (b)(3) requires the assignment of representatives from operational forces to each acquisition portfolio [15]. Subsection (e) details the functions of these operational representatives, which include shaping the vision and priorities for key capability areas, providing operational insights to the acquisition community and developers, offering feedback on interim developments, validating the need for commercial or non-developmental items, fostering collaboration among stakeholders, and providing advice to the PAE [15]. Furthermore, subsection (b)(7) emphasizes the importance of iteratively defining, prioritizing, and refining requirements at the portfolio, program, and iteration levels based on user input and previous deliveries [15]. This focus on continuous engagement with operational users aims to ensure that acquisition decisions are informed by real-world needs and that the delivered capabilities are relevant and effective.

The recommendation also seeks to achieve an **increased use of prototyping and experimentation**. Subsection (b)(4) mandates maximizing the use of prototyping, experimentation, and minimum viable products to shape capability scope and requirements [15]. This reflects a desire to adopt a more iterative and evidence-based approach to defining requirements, reducing the risk of committing significant resources to systems that may not meet actual operational needs or prove technologically feasible.

For information technology acquisition, Section 205 aims for a **streamlined process**. Subsection (b)(6) directs the management of information technology requirements using "dynamically prioritized lists of user needs rather than large static requirements documents" [15]. This recognizes the rapidly evolving nature of IT and intends to create a more responsive and user-centric approach to acquiring IT capabilities.

A key overarching desired effect is the delivery of an **integrated suite of capabilities**. Subsection (c)(1) states that the capstone requirements for an acquisition portfolio should be designed "to guide the iterative delivery of an integrated suite of capabilities to maximize operational impact" [15]. This highlights the goal of not just acquiring individual systems but ensuring that these systems can work together effectively as a cohesive whole to achieve operational objectives.

Finally, Section 205 aims to enhance the focus on **force effectiveness and mission engineering**. Subsection (c)(3) requires the inclusion of "measures of force effectiveness for a force mix of capabilities to be measured against," and subsection (c)(4) mandates the inclusion of "kill chains, effects chains, vignettes of operational scenarios, and related mission engineering initiatives across the Department of Defense" [15]. These provisions intend to ensure that acquisition efforts are directly linked to improving overall force effectiveness and are informed by a thorough understanding of how capabilities will be employed in realistic operational scenarios.

- **Potential Negative Impacts of the Recommendations:** While Section 205 of the Forged Act aims to bring about positive changes in defense acquisition, several potential unintended negative consequences could arise from its implementation.

  One significant concern is the **implementation challenges and potential resistance to change**. The shift towards portfolio-level management and the expanded authority granted to PAEs represent a substantial departure from traditional program-centric acquisition structures [15]. Existing program managers and acquisition personnel, accustomed to established processes and lines of authority, may resist these changes, potentially leading to delays and

inefficiencies during the initial implementation phase. Bureaucratic inertia and deeply ingrained organizational cultures can often hinder the adoption of new frameworks, and the introduction of capstone requirements may face similar obstacles.

Another potential negative impact is the **risk of reduced accountability for individual programs**. While a portfolio-level perspective offers strategic benefits, an excessive focus on overarching portfolio goals could inadvertently diminish attention and oversight at the level of individual programs within the portfolio [15]. The success of defense acquisition ultimately relies on the effective delivery of tangible capabilities by individual programs. If accountability for program-specific performance is weakened under the new framework, it could negatively impact the overall quality and timely delivery of needed systems.

The requirement in subsection (c)(3) to include **measures of force effectiveness** also presents a potential challenge [15]. Defining and accurately measuring the effectiveness of a "force mix of capabilities" is an inherently complex undertaking. It may prove difficult to develop clear, quantifiable metrics that can be consistently applied across different portfolios. This ambiguity could lead to disagreements and challenges in assessing the true impact of the capstone requirements approach.

Furthermore, while the inclusion of **operational representatives** is intended to improve alignment between acquisition and operational needs, there is a potential for **conflict or friction** to arise between these representatives and the acquisition community or developers [15]. Differences in perspectives, priorities, and organizational cultures could lead to disagreements that hinder the smooth progression of acquisition programs. Clear roles, responsibilities, and effective communication channels will be crucial to mitigate this risk.

The call for a "**general set of requirements**" in subsection (b)(1), while aiming to provide flexibility, also carries the **risk of overly general requirements** [15]. If these portfolio-level requirements are too broad or ill-defined, they may not provide sufficient guidance for the initiation and development of specific programs and projects within the portfolio. Striking the right balance between strategic direction and actionable specificity will be essential to avoid this pitfall.

The directive to manage **information technology requirements using dynamically prioritized lists of user needs** (subsection (b)(6)) has the potential for positive impact but also poses **implementation challenges** [15]. Establishing and maintaining a robust process for continuously gathering, prioritizing, and responding to evolving user needs in a timely manner will be critical. If this process is not well-managed, it could lead to constant shifts in priorities that disrupt development efforts and create instability.

The emphasis on delivering an "**integrated suite of capabilities**" (subsection (c)(1)) may encounter difficulties when attempting to integrate new developments with **existing legacy systems** [15]. Many legacy systems were not designed with portfolio-level integration in mind, and achieving true interoperability may require significant modifications or costly workarounds. Compatibility issues could complicate the delivery of truly integrated capabilities.
Finally, while subsection (d)(2) explicitly prevents PAEs from changing key performance parameters for MDAPs, the increased flexibility at the portfolio level could **potentially erode oversight of these critical metrics** [15]. If the focus shifts too heavily towards broader portfolio outcomes, there might be a risk of less rigorous attention to the achievement of specific performance thresholds for major acquisitions, which are crucial for ensuring the delivery of essential capabilities.

- **Mitigations the Organization Will Take to Diminish the Negative Impacts:** To proactively address the potential negative impacts of implementing Section 205, the Department of Defense can adopt several mitigation strategies.
To counter **implementation challenges and resistance to change**, a comprehensive implementation plan should be developed with clearly defined roles, responsibilities, and timelines. Thorough training and change management initiatives will be essential to educate all stakeholders about the new portfolio-based acquisition approach and address any concerns they may have. Establishing pilot programs in select areas before full-scale implementation can also help to identify and resolve potential issues in a controlled environment and allow for adjustments to the process based on real-world experience.
To mitigate the **risk of reduced accountability for individual programs**, robust portfolio-level oversight mechanisms should be put in place to track the progress and performance of each program within the portfolio. Clear lines of accountability for program managers must be maintained alongside the PAE's portfolio-level responsibilities. Regular reporting and performance reviews at both the program and portfolio levels will help ensure that individual program success remains a priority.
Addressing the **difficulty in defining and measuring "force effectiveness"** will require a concerted effort. The DoD should invest in developing clear and measurable metrics for force effectiveness in close consultation with operational experts, relevant research organizations, and through the use of modeling and simulation tools. These tools can help assess the potential impact of different capability mixes on overall force effectiveness and inform the development of appropriate metrics.
To minimize the potential for **conflict between operational representatives and**

the acquisition community, establishing clear communication protocols and collaborative frameworks is crucial. Providing joint training and education initiatives for personnel from both sides can foster a mutual understanding of each other's perspectives, constraints, and priorities. Regularly scheduled meetings and integrated project teams can also facilitate better communication and collaboration.

To avoid the **risk of overly general requirements**, the DoD should develop specific guidance and best practices for defining capstone requirements. This guidance should emphasize striking a balance between providing strategic direction and offering sufficient specificity to guide program initiation. Encouraging the iterative refinement of requirements based on the results of prototyping and experimentation can also help to ensure that requirements become more concrete and actionable over time.

To manage the **challenges in dynamically prioritizing IT requirements**, a well-defined and transparent process for gathering, prioritizing, and managing user needs must be implemented. Utilizing agile development methodologies and maintaining regular communication with users will be essential to ensure responsiveness and manage expectations. Establishing clear criteria for prioritization and regularly reviewing these priorities will help to maintain focus and avoid disruptive shifts.

To address the **difficulty in integrating legacy systems**, a comprehensive strategy for integration should be developed. This strategy may involve adopting modular open systems approaches for new developments, establishing clear interface standards, and undertaking targeted modernization efforts for critical legacy systems to improve their compatibility with new capabilities.

Finally, to prevent the **potential erosion of Key Performance Parameters (KPPs) oversight**, the DoD should reinforce the importance of KPPs for MDAPs within the portfolio management framework. The authority of the PAE regarding requirements changes should be clearly delineated, explicitly excluding changes to MDAP KPPs without proper justification and approval through established channels. Rigorous oversight of KPPs should remain a central element of program management for major acquisitions.

Potential Negative Impact	Proposed Mitigation

Implementation Challenges and Resistance to Change	Develop a comprehensive implementation plan, conduct thorough training and change management, establish pilot programs.
Risk of Reduced Accountability for Individual Programs	Implement robust portfolio-level oversight mechanisms, maintain clear accountability for program managers.
Difficulty in Defining and Measuring "Force Effectiveness"	Invest in developing clear and measurable metrics, consult with operational experts, utilize modeling and simulation tools.
Potential for Conflict Between Operational Representatives and Acquisition Community	Establish clear communication protocols and collaborative frameworks, provide joint training and education.
Risk of Overly General Requirements	Develop guidance and best practices for defining capstone requirements, encourage iterative refinement based on prototyping and experimentation.
Challenges in Dynamically Prioritizing IT Requirements	Implement a well-defined and transparent process for gathering and prioritizing user needs, utilize agile development methodologies, maintain regular communication with users.
Difficulty in Integrating Legacy Systems	Develop a comprehensive integration strategy, consider modular open systems approaches and interface standards, undertake targeted modernization efforts.
Potential Erosion of Key Performance Parameters (KPPs) Oversight	Reinforce the importance of KPPs for MDAPs, clearly delineate PAE authority regarding KPP changes, maintain rigorous oversight of MDAP performance metrics.

- **DoD Personnel Most Affected:** The implementation of Section 205, with its focus on capstone requirements, will significantly impact several key roles within the Department of Defense.
  Portfolio Acquisition Executives (PAEs) will experience a substantial shift in their responsibilities and authority. They will become central figures in shaping the strategic direction and overarching requirements for their assigned

acquisition portfolios. Their duties will include developing the capstone requirements in consultation with the Joint Requirements and Programming Board and authorizing changes to the scope and requirements of programs within their portfolios [15]. This will necessitate a move towards a broader, portfolio-level perspective, requiring them to consider the integration and strategic alignment of multiple programs rather than focusing solely on individual system acquisitions.

Program Managers (PMs) will operate within the framework established by the PAEs' capstone requirements. They will need to ensure that the specific system requirements for their programs directly trace to and align with these high-level mandates [15]. While the PAE will have the authority to modify program scope and requirements, PMs will remain responsible for the effective execution and delivery of their individual programs within the broader portfolio context. This may lead to more dynamic requirements and necessitate increased interaction with operational representatives to ensure alignment with evolving portfolio objectives.

Operational Representatives, assigned directly to acquisition portfolios, will play a crucial role in shaping the vision and priorities for key capability areas [15]. They will be responsible for providing the acquisition community and developers with critical insights into operational needs and providing feedback on interim developments. Furthermore, they will validate the need for commercial or non-developmental items and foster collaboration among all stakeholders involved in the acquisition process [15]. This direct involvement will give operational personnel greater influence in the early stages of acquisition and ensure that their perspectives are continuously integrated throughout the development lifecycle.

Personnel within the Joint Requirements and Programming Board (JRPB) will be directly involved in the consultation process for establishing capstone requirements [15]. Their role will be to ensure that these portfolio-level mandates align with overarching joint military needs and priorities. This will likely require them to adapt their review processes to accommodate the strategic nature of capstone requirements and their impact on multiple programs.

Requirements Officers and Staff will see a shift in their focus from developing detailed, system-specific requirements to formulating and managing requirements at the portfolio level [15]. Their work will center on defining enduring themes and strategic needs, working closely with operational representatives and PAEs to establish and refine capstone requirements. This will demand a greater emphasis on strategic thinking and portfolio-level analysis skills.

Contracting Officers will need to adapt their contracting strategies to support the more flexible and iterative acquisition approaches enabled by capstone requirements [15]. This may involve an increased use of contracting mechanisms

that facilitate rapid prototyping, experimentation, and the acquisition of commercial and non-developmental items. They will also need to be well-versed in the specific authorities granted to PAEs under the new framework.
Finally, **Information Technology Personnel** will be directly affected by the directive to manage IT requirements using dynamically prioritized lists of user needs [15]. They will be responsible for implementing and managing the processes for capturing, prioritizing, and responding to evolving IT requirements, necessitating a move away from traditional static requirements documents and towards more agile and user-centric approaches.

- **Stakeholders Opposed and Rationale for Opposition:** Several stakeholders, both within and outside the Department of Defense, may have reasons to oppose the implementation of Section 205 and its mandate for capstone requirements.
  Program Managers of Major Defense Acquisition Programs (MDAPs), while explicitly protected from changes to their key performance parameters by PAEs (subsection (d)(2)), might still harbor opposition [15]. Their concern could stem from the potential for portfolio-level decisions to indirectly impact their large, complex programs through shifts in the broader strategic context or resource allocation within the portfolio. They might fear a loss of autonomy and control over their programs and worry that portfolio-level priorities could negatively affect their program's funding, schedule, or overall priority.
  Traditional Requirements Officers and Organizations who are accustomed to the detailed, system-specific requirements generation process may resist the shift towards more general, portfolio-level requirements [15]. Their opposition could be rooted in a belief that less detailed requirements will lead to poorly defined systems and a lack of clarity in acquisition objectives. They might also express concern that the increased influence of operational representatives could potentially overshadow critical technical considerations in the requirements definition process.
  Defense Contractors Focused on Specific Systems could oppose the increased flexibility granted to PAEs to change program scope and requirements [15]. These companies often invest heavily in developing expertise and infrastructure related to specific defense systems. The potential for programs to be canceled or significantly altered based on portfolio-level considerations could pose a significant financial risk and potentially lead to a loss of market share if the strategic focus shifts away from their areas of expertise.
  Bureaucratic Elements Resistant to Change within the DoD may also oppose the implementation of Section 205. Individuals or organizations that generally prefer the status quo and are comfortable with existing processes and hierarchies might resist the increased authority of PAEs and the broader shift towards

portfolio-level management. Their opposition could stem from a preference for familiar processes and concerns about the disruption and uncertainty associated with significant organizational and procedural changes.

Congressional Oversight Committees, while generally supportive of efforts to reform defense acquisition, might express concerns about the potential for reduced oversight of individual programs if the focus shifts too heavily to the portfolio level [15]. They might also be wary of granting significant new authorities to PAEs without the establishment of clear and robust accountability mechanisms to ensure responsible use of these powers and the effective stewardship of taxpayer dollars.

Finally, **Service-Specific Advocates** who prioritize the unique requirements and priorities of their particular military service might be concerned that a portfolio-level approach, especially one that spans multiple services, could dilute service-specific needs or lead to compromises that do not fully meet their individual requirements. Their opposition could be driven by a desire to maintain service-specific advantages and ensure that acquisition programs fully address the distinct operational needs of their branch.

- **Additional Resources:** Successful implementation of Section 205 and its mandate for capstone requirements will likely necessitate the allocation of additional resources within the Department of Defense.

  In terms of **funding**, several areas will require investment. The development and deployment of **portfolio management tools and systems** will be crucial to support the new approach. These systems will be needed for portfolio-level planning, management, and tracking of requirements, programs, and resources, potentially including platforms for collaboration, data analysis, and visualization of portfolio performance. Furthermore, the mandate to maximize the use of **prototyping and experimentation initiatives** will likely require increased financial resources to support these activities. Similarly, the development and implementation of **mission engineering initiatives**, as called for in subsection (c)(4), will necessitate dedicated funding. Finally, the development and delivery of **training programs** for all affected personnel will require financial investment to ensure that individuals have the necessary skills and knowledge to operate effectively under the new framework.

  Training will be another critical resource requirement. **Portfolio management training** programs will be essential for newly appointed PAEs to equip them with the specific skills needed to manage acquisition portfolios, develop capstone requirements, and effectively exercise their new authorities. **Training for program managers** will focus on how to operate within a portfolio-driven environment, align their program requirements with capstone requirements, and

effectively engage with operational representatives. **Operational representatives** themselves will require training on the acquisition process, their specific roles and responsibilities within the portfolio, and how to effectively contribute to shaping requirements and providing feedback. **Cross-functional training** initiatives will be valuable for fostering better understanding and collaboration between personnel from the acquisition community, operational forces, and the requirements community. Finally, training on **agile and iterative acquisition methodologies**, including the use of minimum viable products and iterative requirement refinement processes, will be necessary to support the shift towards a more flexible approach.

In terms of **personnel**, the new framework will likely require adjustments and additions to existing staffing structures. PAEs will likely need **dedicated portfolio management staff** to support them in managing their portfolios, developing capstone requirements, and overseeing program execution. This could include analysts, strategists, and technical experts with a portfolio-level perspective. Assigning **increased numbers of operational representatives** to each acquisition portfolio will require a commitment of personnel resources from the operational commands. Personnel with **mission engineering expertise** will be needed to support the development of comprehensive capstone requirements that incorporate kill chains, effects chains, and operational vignettes. Finally, **data analysts and IT specialists** with expertise in data analytics and IT systems will be required to support the development and management of portfolio management tools and the dynamic prioritization of IT requirements.

- **Measures of Success:** To determine the effectiveness of implementing Section 205 and its capstone requirements, the Department of Defense should establish a set of measurable criteria and indicators.

  One key measure of success will be the **speed of capability fielding**. The DoD should track the time taken from the initial identification of a need to the actual fielding of a capability within portfolios managed under capstone requirements and compare this data to historical trends or programs managed under traditional acquisition approaches. A reduction in fielding time would indicate increased efficiency.

  Agility in responding to changing needs should also be assessed. This can be evaluated by tracking the ability of portfolios to adapt to evolving threats, technological advancements, and user feedback. The frequency and effectiveness of changes made to program scope and requirements by PAEs in response to these factors can serve as indicators of agility.

  The **innovation in delivered capabilities** should be evaluated. This could involve assessing the degree to which capabilities fielded under capstone requirements

incorporate innovative technologies and approaches and the impact of these innovations on overall operational effectiveness.

User satisfaction and operational relevance are critical measures. The DoD should regularly solicit feedback from operational users regarding their satisfaction with the capabilities delivered under the capstone requirements framework. Assessing the alignment of these capabilities with actual operational needs and scenarios will also be important.

The **integration of capabilities** within a portfolio should be measured. This can be assessed by evaluating the level of interoperability and the ability of different systems and programs within a portfolio to function as a cohesive suite to achieve operational objectives.

The **effectiveness in achieving strategic objectives** should be evaluated. This involves assessing the contribution of portfolios managed under capstone requirements to the achievement of overarching DoD strategic goals and the improvement of overall force effectiveness. Relevant performance metrics and mission outcomes should be tracked.

The **efficiency of the acquisition process** should be monitored through metrics related to the cost and schedule performance of programs within portfolios managed under capstone requirements, compared to historical data and programs managed under traditional methods.

Stakeholder feedback from PAEs, program managers, operational representatives, and other affected personnel should be regularly collected and analyzed to gauge the overall effectiveness of the capstone requirements approach and identify areas for potential improvement.

The **number of commercial and non-developmental items acquired** under the authority granted to PAEs should be tracked, along with an assessment of the impact of this approach on speed, cost, and capability delivery.

Finally, the effectiveness of the process for **managing IT requirements using dynamically prioritized lists of user needs** should be evaluated by assessing the responsiveness and efficiency of the process and measuring user satisfaction with the delivered IT capabilities.

- **Alternative Approaches:** While Section 205 proposes a significant shift towards portfolio-level capstone requirements, several alternative approaches could potentially achieve similar outcomes of increased speed, agility, and innovation in defense acquisition.

  One alternative is to pursue **continued incremental reforms to the existing program-centric acquisition model**. Instead of a broad shift to portfolio-level management, the DoD could focus on implementing more targeted improvements within the current framework. This might involve further streamlining

requirements processes at the program level, enhancing the use of prototyping and experimentation for individual programs, and improving communication and collaboration between requirements officers, the acquisition community, and operational users. This approach would be less disruptive to existing organizational structures and processes and could allow for more focused application of reforms to specific areas where they are most needed. However, it might not address the fundamental limitations of a program-centric approach in achieving strategic alignment and integrated capabilities across different programs.

Another alternative could be an **expansion of the Middle Tier of Acquisition (MTA) pathways**. The MTA framework already aims to accelerate the acquisition of capabilities through rapid prototyping and rapid fielding [17]. Increasing the scope and funding for MTA pathways could achieve some of the goals of Section 205, such as increased speed and agility, without a complete overhaul of the requirements process at the portfolio level. This approach builds upon an existing framework with established processes and focuses on speed and innovation for specific capability needs. However, it might not fully address the need for overarching strategic guidance and integration across broader capability portfolios.

The DoD could also consider an **enhanced use of Other Transaction Authority (OTA) and Commercial Solutions Openings (CSOs)**. These mechanisms allow the DoD to bypass traditional acquisition regulations to rapidly acquire innovative commercial technologies [11]. Expanding the utilization of OTAs and CSOs, coupled with a strong focus on clearly defined capability gaps, could accelerate the fielding of new technologies without necessarily requiring a portfolio-level capstone requirements approach. This approach enables faster acquisition of cutting-edge commercial solutions and reduces bureaucratic hurdles but might not be suitable for all types of defense acquisitions, particularly large, complex systems.

Another alternative approach could be to **focus on empowering individual program managers with greater flexibility**. Instead of centralizing authority at the PAE level through capstone requirements, the DoD could grant program managers more autonomy to adapt their programs based on evolving needs and technological opportunities, while still adhering to broad strategic guidance. This could foster innovation and responsiveness at the program level and might reduce the risk of creating a new layer of bureaucracy at the portfolio level. However, it could also lead to inconsistencies across different programs within a portfolio and might not ensure the same level of strategic alignment as a portfolio-level approach.

Finally, the DoD could consider **adopting a more mission-focused requirements process**. This would involve shifting the focus of the requirements process to be more directly driven by mission needs and desired operational outcomes, rather than primarily focusing on specific system specifications. This approach could involve defining high-level mission objectives and allowing the acquisition community and industry to propose solutions that meet those objectives, thereby fostering innovation and flexibility. While this approach directly aligns acquisition efforts with operational needs and encourages innovative solutions, it would require a significant cultural shift and may be challenging to implement for highly complex, multi-faceted capabilities.

- **Section Specific Question 1:** Section 205 defines and alters the process for establishing and utilizing "capstone requirements" by mandating that the Secretary of each military department and the Director of designated defense agencies establish a "capstone requirement approach" for each Portfolio Acquisition Executive (PAE) [15]. These requirements must be established in consultation with the Joint Requirements and Programming Board (JRPB). The section outlines several key elements of these capstone requirements, including the development of a general set of requirements for the acquisition portfolio, the authorization for PAEs to change program scope and requirements (with specific limitations for MDAP KPPs), the assignment of operational representatives to portfolios, an emphasis on maximizing prototyping and experimentation, the authorization for PAEs to acquire commercial/non-developmental items based on validated needs, the use of dynamically prioritized lists for IT requirements, and the iterative refinement of requirements based on user input and previous deliveries [15]. This represents a significant shift from a more traditional, system-specific, and often static requirements process towards a more strategic, portfolio-oriented, flexible, and iterative approach.
  To ensure their specific system requirements trace to and align with these high-level mandates, Program Managers must first develop a thorough understanding of the capstone requirements established for their particular acquisition portfolio, including the overarching strategic goals, enduring themes, and desired integrated capabilities. They will then need to demonstrate a clear and documented linkage between their system-level requirements and these higher-level capstone requirements, articulating how their system's capabilities contribute to the broader portfolio objectives and the defined measures of force effectiveness. Active engagement with the PAE and the assigned operational representatives will be crucial for PMs to ensure that their program's direction and requirements remain aligned with the evolving needs and priorities of the portfolio. Furthermore, PMs should actively incorporate the results and feedback

from prototyping and experimentation efforts, as mandated by the capstone requirements, to refine their system requirements. They must also be prepared to adapt their program's scope and requirements as directed by the PAE, within the specified limitations, and actively participate in the iterative process of defining and refining requirements at the program level, ensuring that user input and feedback are effectively integrated.

- **Section Specific Question 2:** Yes, Section 205 has a significant impact on how system architectures or capability portfolios are reviewed against overarching DoD strategic objectives. The very foundation of the section, by mandating capstone requirements at the portfolio level, inherently shifts the review process to consider the alignment of entire portfolios with strategic objectives rather than focusing solely on individual systems [15]. The requirement for consultation with the Joint Requirements and Programming Board (JRPB) in establishing these capstone requirements ensures that strategic-level input is integrated from the outset, influencing subsequent reviews. The inclusion of "measures of force effectiveness for a force mix of capabilities" within the capstone requirements provides a direct link to evaluating how a portfolio contributes to achieving desired military outcomes, which are ultimately tied to strategic objectives. Reviews will likely assess the effectiveness of the planned force mix against these measures. The mandate to include "kill chains, effects chains, vignettes of operational scenarios, and related mission engineering initiatives" ensures that the operational context and strategic implications of capability portfolios are explicitly considered during their development and review, allowing for a more comprehensive assessment of their support for strategic goals in realistic operational settings. The authority granted to Portfolio Acquisition Executives (PAEs) to change program scope and requirements within a portfolio (subject to limitations) allows for a more agile adaptation of the portfolio to evolving strategic priorities, and reviews will likely focus on how effectively PAEs are using this authority to maintain strategic alignment. Finally, the emphasis on iterative refinement based on user input ensures that the evolving needs of the operational forces, which are directly linked to strategic mission execution, are continuously factored into the development and review of capability portfolios.
- **Summary:** Section 205 of the Forged Act introduces a significant shift in defense acquisition by mandating the establishment of "capstone requirements" for portfolio acquisition executives. This move aims to foster greater speed, agility, and innovation in fielding military capabilities by emphasizing a portfolio-level, strategically driven, and iteratively refined approach to requirements definition. The history of the term "capstone" within the DoD, particularly in the context of senior leadership development and joint operations planning, provides a

foundation for understanding the intended high-level and integrative nature of these new requirements. The evolution towards portfolio-based acquisition management, supported by expert recommendations and recent service-level initiatives, further underscores the rationale behind this legislative provision. While the potential benefits are substantial, successful implementation will require careful attention to potential negative impacts, such as resistance to change, reduced program-level accountability, and challenges in defining and measuring force effectiveness. Proactive mitigation strategies, along with the allocation of necessary funding, training, and personnel resources, will be crucial. The effectiveness of Section 205 should be measured through indicators such as the speed of capability fielding, agility in responding to changing needs, innovation in delivered capabilities, and overall contribution to strategic objectives. While alternative approaches exist, Section 205 represents a comprehensive effort to modernize defense acquisition by prioritizing strategic alignment, flexibility, and continuous engagement with operational needs at the portfolio level.

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