

The Defense Management Institute (DMI) was established by the Director of Administration and Management (DA&M) for the Department of Defense (DOD) and is operated by the Institute for Defense Analyses (IDA). DMI is a non-partisan research organization committed to bridging public and private sector efforts to improve the management, organization, performance improvement and enterprise business operations of the DOD. DMI organizes the practice of “defense management” into the following eight pillars: Management and Governance, Organization and Alignment, Resourcing and Financial Management, Acquisition, Healthcare, Logistics, Data and Information Technology, and Human Resources.

All links provided in this newsletter are accessible to IDA staff. External recipients might not have access to all provided content.

Articles published by the media since our last issue

Management & Governance

None this month

Organization & Alignment

[Pentagon Consolidate DSCA And DTSA To Speed Up Arms Sales, Boost Industry](#) *(Naval Technology)*

The Department of Defense (DoD) have imbued a new logic into its defence sales protocols by realigning two agencies that had created a lot of friction under the purview of the Under Secretary of Defense for Policy.

[Lack Of Centralized Authority, Service Coordination Sank DoD’s Travel Modernization Effort](#) *(Federal News Network)*

The Pentagon [scrapped](#) the \$374 million program it worked on for years to replace its antiquated Defense Travel System (DTS) after discovering the new platform could not reliably produce the financial data needed to support a clean audit, a failure a government watchdog says stemmed from poor coordination with the military services and lack of centralized authority.

Resourcing & Financial Management

[DoD Plans To Spend Entire \\$152 Billion From Reconciliation Bill In One Year](#) *(Federal News Network)*

The Defense Department plans to spend all of the money available through last year’s reconciliation bill in fiscal 2026, despite the funding being available for several years.

[Stopgap Funding Measures Cause Delays, Increased Costs, Administrative Burden Across DoD](#) *(Federal News Network)*

While the full impact of operating under continuing resolutions is difficult to quantify across the Defense Department, a government watchdog [found](#) that stopgap funding measures have led to program delays, increased costs, administrative burdens and operational challenges.

[Lawmakers Seek To Penalize DoD If It Fails To Pass A Clean Audit](#) *(Federal News Network)*

The Defense Department has never passed a full audit since launching its first independent financial review in 2017. Now a new bill seeks to impose penalties if the Pentagon fails to achieve a clean full audit within the next three years — and grant greater budget flexibility if it succeeds.

[New IG Audit Raising Questions About Oversight On The Pentagon’s Costliest Program](#) *(Federal News Network)*

The F-35 is the Pentagon’s most expensive weapons program, and the Department relies on contractors to keep it performing as promised. But a new DoD Inspector General audit says the Department isn’t consistently tracking or documenting that performance, leaving gaps that affect cost, schedule, and readiness.

[The Marine Corps Passed Its Third Audit And Is Testing How AI, Automation Can Make The Process Easier](#) *(DefenseScoop)*

The Marine Corps announced Monday that it passed its third clean financial audit, the only service to do so thus far. In a media roundtable last week, officials told reporters the Corps was participating in multiple AI and automation pilots intended to make the process easier.

Acquisition

[Cropsey Confirmed As Air Force Acquisition Military Deputy](#) *(DefenseScoop)*

Maj. Gen. Luke Cropsey is being promoted to three-star general and will serve as military deputy for the Air Force's acquisition, technology and logistics directorate.

[To Overcome Golden Dome ‘Affordability’ Hurdle, DoD Needs Acquisition Reform, AI: Official](#) *(Breaking Defense)*

The Defense Department’s [Golden Dome](#) program office is tackling the “real challenge” of “affordability” via acquisition reform, with a key focus on spurring development of artificial intelligence, according to a senior Pentagon official.

[Pentagon Seeks Industry Input on Phase 2 Regulatory Reforms](#) *(MeriTalk)*

The Pentagon is seeking input from defense contractors and stakeholders to help shape Phase 2 of regulatory reforms for the Department of Defense (DOD) – rebranded as the Department of War by the Trump administration.

[How Far Can DoD Contract Enforcement Go Without Undercutting Small-Business Programs?](#) *(Federal News Network)*

Small business set-asides are mandated by statute, anchored in the rule of two, and central to competition in the defense industrial base. The Secretary’s memo adds new tests for mission necessity, subcontracting compliance, and market pricing — all under compressed deadlines.

Healthcare

None this month

Logistics

[Defense Industrial Base: DOD Efforts to Develop Domestic Biomanufacturing](#) *(GAO)*

Feb. 26

[DOD Joint Bases: Actions Needed to Improve Sustainment of Facilities](#) (GAO)

Feb. 26

[Military Installations: DOD Should Improve Natural Disaster Cost Tracking and Planning for Resilience Improvements](#) (GAO)

Feb. 23

Data & Information Technology

[AI Giant Anthropic Says It 'Cannot In Good Conscience' Agree To Pentagon Demands](#) (Breaking Defense); [It Would Take The Pentagon Months To Replace Anthropic's AI Tools: Sources](#) (Defense One)

The Pentagon has threatened to deem the AI firm a supply chain risk, something CEO Dario Amodei says is contradictory.

[ChatGPT Will Be Available To 3 Million Military Users On GenAI.mil](#) (Breaking Defense)

OpenAI's ChatGPT joins xAI's Grok and Google Gemini on the two-month-old website, which now claims 1.1 million unique users and rising across the Department of Defense.

[DoD Expects AI-Powered Database Of Patents Ready For Industry By Year's End](#) (Breaking Defense)

The Pentagon plans to jumpstart a new generation of public-private partnerships by making much of its high-tech research readily available to industry through a new AI-augmented database, with an "alpha" version going online by the end of the year, the official leading the effort told Breaking Defense.

[Army Looks To Lease Out Land On 4 Military Installations For New Commercial Data Centers](#) (DefenseScoop)

Private, public and not-for-profit companies could soon build out and host commercial data centers on U.S. Army installations, as part of a broader Trump administration-led push to expand the nation's AI and technological infrastructure.

[Pentagon Wrestles With AI Acceleration Mandate, Risk](#) (MeriTalk)

Military officials said Wednesday that the Pentagon's mandate to speed artificial intelligence (AI) adoption has the services wrestling to balance speed and safety while managing security, governance, and workforce challenges.

[DoD's \\$66B IT Budget Pivots To AI And Efficiency](#) (Washington Technology)

immixGroup Senior Analyst Joshua Iseler describes how DOD's budget is evolving and where the spending priorities are.

[DoD Memo's Use Cases Clarify Mission Impact Of New Policies On PKI Credentials, Expanded Authentication](#) (Federal News Network)

"They removed focus from the container that holds the credential and put focus on the credential itself. That's very helpful for this space," Alex Antrim said.

[Pentagon, Tech Strategies Need to Get on Same Page, Report Finds](#) (National Defense)

The Defense Department's Office of Research and Engineering is intended to help the military adopt innovative tech quickly, but misalignment between the office and the services could be hampering its efforts, a new report found.

[Shattering the Software Stovepipes: How to Close the US Military's Technology Integration Gap](#)

(Modern War Institute)

In the 1950s, American strategists warned of a [bomber gap](#). By the end of that decade, the fear had shifted to a [missile gap](#). In both cases, the perception of a gap drove enormous defense investments that ultimately formed the backbone of a credible nuclear deterrent. Today, the joint force faces a different kind of gap. It is not a deficit in capability relative to an adversary. It is a failure to connect the capabilities it already owns.

[The Diminished State Of Defense IT Acquisition And How To Fix It](#) *(NextGov/FCW)*

The Department of Defense's reliance on commercial information technology has never been greater, or more openly acknowledged as mission-critical. Yet despite decades of reform, most major DOD IT programs continue to fail to deliver meaningful capability on time or on budget.

[Five Stages To Secure Military Operational Technology Using Zero Trust And Risk Operations Centers](#)

(Federal News Network)

As adversaries continue targeting critical U.S. infrastructure, DoD officials must continue to drive a proactive approach to zero trust and OT security.

Human Resources

None this month

Risk Management

None this month

Performance Management

None this month