

In November, 2011, the Government Accountability Office (GAO) reported that the Defense Contract Management Agency (DCMA) had been mismanaged for some time and, in addition, had become overly reliant on the Defense Contract Audit Agency (DCAA). We told readers about this damning report right-here. (Thanks to those who sent e-mails letting us know that particular article had been circulated within DCMA.)

In response to the GAO findings, DCMA announced it was going to take a couple of actions to address the predicament in which it found itself. First, it was going to reorganize in order to better manage its mission. Second, it was going to implement a more centralized command and control structure, replacing the flexibility of the "One Book" guidance document with multiple levels of management reviews. We would be happy to tell you more about DCMA's plans to address its crippling lack of skillsets but, unfortunately, the DCMA website is password protected and we don't feel like registering. So you'll have to do follow-up research on your own.

But we all know that DCMA is hiring more acquisition professionals, in order to make up for the horrendous workforce downsizing in the 1990's and early 2000's—and to prepare for upcoming retirements. We are forced to ask: DCMA is hiring more heads, but are they the *right* heads? More fundamentally, how is DCMA training its current and future workforce to address the myriad challenges of the defense acquisition environment—or will the agency continue to rely on the issuance of revised management policies and implementation of additional management reviews in order to assure execution of the agency's mission?

Critics think that DCMA may be on the wrong path.

"We Work in a Cloud of Mediocrity"

Written by Nick Sanders Thursday, 26 July 2012 00:00

Let us start with the words of Joe Bednar, a Contracting Officer with the Defense Logistics Agency (DLA), who wrote <u>this impassioned plea</u> for a reduction of the bureaucratic rules government defense acquisitions, published in the Federal Times. He wrote—

Please stop expanding the already monstrous labyrinth of buying procedures. We are trying to place contracts in support of our military. The acquisitions can get involved. But the administering contracts — need this be anything like what it has become? ...

Here's what my office faces: We have the FAR at approximately 2,000 pages of highly detailed rules; the Defense FARs with about 900 pages; and my agency supplement with 1,300 more. These three layers also include more than 600 regulatory clauses and 100 different procurement forms.

In addition to the rules, there are hundreds of pages of internal office policies; thousands of pages of instructions for our online systems; countless directives, guides, standard operating procedures and other requirements.

Then what we call FNOs (From-Now-Ons) are issued via one to five emails a day — over 500 per year — to continually revise all this. Together, there has to be at least 10,000 pages of ever-changing minutiae, with no means to organize it at all.

Plus, legions of other reviews, approvals and audits appear at various stages of a procurement in endless oversight to make sure all is covered. Our actions, though not large by DoD standards, average 20 to 30 reviews along the way. My own record is 54 reviews for a single, routine contract. ...

Let's hope for something meaningful to fix this mess, and not a Committee on Forming Meaningful Acquisition Reform Committees.

Next, we offer the words of Vernon Edwards, former Air Force Contracting Officer, lecturer, instructor, author, and all-around expert on government acquisition matters. Readers, this man knows what he's talking about. And in this article, he discussed a recent on-line "kerfluffle" with Dr. Steven Kelman regarding the effectiveness of reforms on the acquisition environment. As you may or may not know, Dr. Kelman was hugely influential in the mid-1990's as the lead architect of Clinton-era "acquisition reform." Dr. Kelman continues to advocate for public policy changes; but Vern thinks that policy changes are ineffective. Vern thinks that, in order to effectuate change, you need to change the people and not the policies.

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... the standard approach to problem solving is to issue policy and procedure directives. Sometimes the policy is called a policy innovation, or an innovative policy. (Innovate is second only to dream as America's favorite magic word. If alien archeologists visit this planet after we're gone and examine our surviving records, they will dub us the Dreaming Innovators. They will say that our civilization might have survived if we had spent less time dreaming and innovating and more time seeing reality and using our heads.) ...

Policy making is the great game in acquisition. We are being overwhelmed by laws, regulations, case law, policy memos, manuals, and handbooks. Policy making is the only power of the otherwise impotent. Senior officials, especially political (excuse me, I meant presidential) appointees, are touted as successes because they issued a couple of policy memos and attended a lot of meetings before moving on to better jobs on the strength of their newly padded resumes. They then write articles and make speeches about their policy memos and meetings and speak of things still to be done, even though they did not stay on to do them. The mere issuance of a policy memo is deemed a success, regardless of whether it is proven to be effective. If the policy maker is really bold, he or she will simply claim or imply success for the policy even in the absence of verifiable data. If they are modest at all they will claim limited success, which validates their theory, and say that it would have been more effective if implemented properly at the working level.

This has been going on for decades. The real way to improve acquisition is to improve the acquisition workforce -- really, seriously, improve it. But that would be hard and take time. and would be expensive. When most officials talk about improving the acquisition workforce they mean hiring more people. Oh, they will talk about improving the quality of the workforce, but they think that means ensuring that more people get to the official PowerPoint sessions ("training courses"). They have no idea what to do and how to do it. They don't even have dreams. Innovation is putting the PowerPoint sessions online. Policy making is the great game in acquisition. We are being overwhelmed by laws, regulations, case law, policy memos, manuals, and handbooks. Policy making is the only power of the otherwise impotent. Senior officials, especially political (excuse me, I meant presidential) appointees, are touted as successes because they issued a couple of policy memos and attended a lot of meetings before moving on to better jobs on the strength of their newly padded resumes. They then write articles and make speeches about their policy memos and meetings and speak of things still to be done, even though they did not stay on to do them. The mere issuance of a policy memo is deemed a success, regardless of whether it is proven to be effective. If the policy maker is really bold, he or she will simply claim or imply success for the policy even in the absence of verifiable data. If they are modest at all they will claim limited success, which validates their theory, and say that it would have been more effective if implemented properly at the working level.

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to do it. They don't even have dreams. Innovation is putting the PowerPoint sessions online.

(Emphasis added.)

Vern believes that the way to change things is to empower individuals to change them. He believes in employee development, in providing education (not just training) that enables employees to not only perform their jobs effectively, but to actively participate in the process of business improvement. He believes that the current (and incoming) acquisition workforce is being trained via PowerPoint, and is not being educated and developed into becoming effective change leaders.

He ended his article with a call for action, writing—

In a complex system like acquisition, any attempt to fix deep seated system faults through policy will fail. The only way to get at the deep seated problems in acquisition is through workforce improvement, and I don't mean numbers. We need well-educated, superbly trained people for the big stuff, and we do not have enough of them. Mismanagement and poor leadership will prompt many of the best of the new recruits to leave. The problems are beyond the reach of management in the organizational structure we have now for the simple reason that no one is in charge. Only someone with the power and the ruthlessness of a Stalin could fix the system. A few purges might be just the thing. ...

I've heard that some call me the prophet of doom (or maybe it was gloom, I'm not sure). I'm not, really. I just do not rest my hopes on the system. I rest them on people, individuals. The only hope for our system is that committed individuals will never stop trying to be the best that they can be and to bring out the best in their colleagues. If enough individuals will do that, good things will happen. Try it. You're going to like the way you feel.

Obviously, Vern is writing to (and about) the current government acquisition workforce, the Contracting Officers and Contracting Officer Representatives. He's not writing about contractors or their workforces. He's probably not writing about you or your company.

But what if he were?

Let's assume Vern was talking to us. If so, would his words make sense? Could this be a wake-up call that you are letting near-term budgetary concerns interfere with employee

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development?

In our work, we hear a lot of talk about "knowledge transfer" and "employee awareness training." But rarely do we hear about employee development. We hear about "succession planning" and "candidate pools" but rarely do we hear about focusing on increasing the size of the available candidate pool in order to maximize the chance that the next promotion candidate will be ready when needed.

If you focused on developing employees, would costs associated with recruiting decrease? We think they would.

If you focused on employee development, would your workforce be more satisfied, more motivated, and better able to contribute value to your organization? We think the answer is yes.

We think your mission ought to be employee development, to identify, empower, sustain and retain the "committed individuals" on whom Vern rests his hopes. We think you need to focus on creating "well-educated, superbly trained people" who be your next generation of leaders, and will drive the necessary organizational and cultural changes.

Because if you do not do these things, then you are in essence committing to driving change through policy revisions and reorganizations. Which may not be as effective as you would like.