

# Cooperative Engagement Capability: Developing an Outcome-Based Memorandum of Agreement



by Mr. Kevin Koch, DCMA Customer Liaison Representative to NAVSEA, Washington, D.C.; Dr. Keith Dabrowski, Program Integrator, DCMA St. Petersburg; and DCMA St. Petersburg Staff

**T**o better support its customers, the Defense Contract Management Agency (DCMA) continues to move forward in its implementation of quality function deployment (QFD), performance-based management (PBM) and the development of outcome-based Memoranda of Agreement (MOA) between prime DCMA offices and the various program management offices (PMOs). The personnel at DCMA St. Petersburg have been working diligently to implement these customer-focused initiatives for the Navy acquisition category (ACAT) 1D Cooperative

Engagement Capability (CEC) program. DCMA St. Petersburg, commanded by Army Lt. Col. Jose Baez, is the cognizant contract management office (CMO) for this program, and Lt. Col. Baez and Mr. Joe Misanin, CEC deputy program manager, Program Executive Office (PEO) Integrated Warfare Systems (IWS), Naval Sea Systems Command (NAVSEA), recently signed the first outcome-based MOA.

Raytheon's CEC system provides operational war-fighting capability that allows shipboard, airborne

and ground-based cooperating units to share enhanced, real-time tracking of all hostile entities and provide integrated optimal firing solutions. This allows all cooperating units to track well beyond their individual ranges and minimizes the likelihood of hostile entities not being accounted for during a combat engagement. The CEC program is a Navy acquisition success under the leadership of the PEO, the previous program manager, Navy Rear Adm. Michael Frick, and the current program manager, Navy Capt. Peter Nardi.

To help ensure the success of a program of the CEC's scale, Mr. Kevin Koch, DCMA customer liaison to NAVSEA, has been coordinating with DCMA St. Petersburg to continuously adjust resources and levels of responsibility in preparation for today's performance outcome-based management environment. Mr. Koch began these coordination efforts in July 2002 after recognizing the program managers' aspiration to better align DCMA assets to desired outcomes. DCMA St. Petersburg's recent MOA amendments, which were essential to a new acquisition strategy that converts the contract structure from an incentive-fee to fixed-fee procurement, reflect program management successes. The fee change was made possible due to the close teaming between

**DCMA continues to move forward in its implementation of QFD, PBM and the development of outcome-based MOA between prime DCMA offices and the various program management offices.**

*“Although we have a good head of steam, we are in no way finished in our efforts to be a true instrument of the voice of the customer. That transformation continues.”*



NAVSEA and DCMA facilitated by Mr. Koch, former DCMA St. Petersburg Commander Army Col. Jacob Hansen (who is presently serving as commander of DCMA Iraq) and current DCMA St. Petersburg Commander Lt. Col. Baez. Also integral to the CEC program's success is former Raytheon Navy Programs Team Leader and recently appointed DCMA St. Petersburg Operations Chief Mr. Terry Lyons. Mr. Lyons spearheaded the CMO's transition to evolve into a truly performance and outcome-based organization.

When asked for his insights on the CEC program support team's (PST's) apparent early success in the new performance and outcome-based environment, DCMA St. Petersburg CEC Program Integrator Dr. Keith Dabrowski responded, “The CEC program is a highly dynamic effort, featuring both a demonstrated, fielded capability in addition to an aggressive development effort that leverages technology and bolsters fielded units with an evolutionary acquisition strategy.” Dr. Dabrowski then listed the three areas to which he attributes DCMA's CEC PST success thus far:

(1) Successful past experience — DCMA was already working well with NAVSEA, an organization that has repeatedly expressed its satisfaction with DCMA's contribution to their programs. This relationship was built upon trust, reliability and sustained performance, and it is easier to develop and implement new initiatives when there is already a happy, trusting audience.

(2) Management commitment — It became very clear early last year that changes were coming, and DCMA's management wanted to be at the forefront of this transformation, which is reflective of the consistently proactive approach DCMA leaders have taken. It wasn't merely lip service; they provided the customer focus message and then backed it up with training, time and support.

(3) PST involvement — DCMA's CEC PST has embraced the PBM challenge and endured many tough sessions, trying to decipher what they were doing and why. Team members were given a significant amount of training and coaching early on, and eventually the proverbial light bulbs came on. DCMA St. Petersburg's resident QFD black-belt (and CEC PST member) Mr. Tom Wright was indispensable in keeping the PST focused.

Despite all of the success, Dr. Dabrowski stated that the PST continues to work on providing optimal customer support: “Although we have a good head of steam, we are in no way finished in our efforts to be a true instrument of the voice of the customer. That transformation continues.” He added, “Although the basic QFD and PBM processes are standard methodologies that allow teams to decompose customer-desired outcomes, there is no magical solution to solve everyone's unique situations.”

Both Raytheon and the Navy clearly view DCMA as the program management team in the plant. They rely on the customer liaisons, who are multifunctional acquisition and program management experts and advocates for the military's buying/systems commands. Customers can find contact information for their customer liaisons at: <http://home.dcma.mil/dcma-pi/liaisons.htm>.

**(Above)** The guided missile cruiser *USS Vicksburg* (CG 69) cruises through the Arabian Gulf at sunrise. *Vicksburg*, part of *USS John F. Kennedy* Carrier Strike Group, was equipped with an early version of CEC. (U.S. Navy photo by Photographer's Mate 2nd Class Michael Sandberg)