

# CI event improves management process

## supply chain

Matthew Montgomery | DCMA Public Affairs



Quality assurance specialists, engineers, earned value management specialists, supply chain experts and team leaders from Defense Contract Management Agency Lockheed Martin Sunnyvale stand in front of the board used to formulate ideas and construct plans during a recent continuous improvement event focusing on supply chain management. The event took place over the course of a week and resulted in a streamlined system for handling the letter of delegation process. (Courtesy photo)

**D**efense Contract Management Agency Lockheed Martin Sunnyvale, Calif., with support from the DCMA Reserve team and local Navy Strategic Systems Program Management Office, conducted a continuous improvement/Kaizen event in October 2011, focusing on the supply chain management process.

“This CI event was important because it addressed the agency’s view on stewardship and what it means to be good stewards of resources,” said Air Force Col. Henry Pandes, DCMA Lockheed Martin Sunnyvale commander.

The final result will be an elimination

of the office’s growing letter of delegation backlog and a reduction in processing time. It will also mean a streamlined system for agency personnel dealing with future delegations.

The event addressed an on-going issue within the contract management office. “Because we are short of resources, particularly manpower in the supply chain management area, we used this event to figure out how we could more effectively use our personnel,” said Pandes. “In this case, we focused on the delegation process and how we could reduce processing time by simplifying the process.”

The event started on a Monday, and by Friday the team had an out-brief ready

for the commander. “As the CI event concluded, my overall feeling was the entire team had done a super job,” said Pandes. “Not only did they meet the intent of why we had the event, but they also met the objective of helping to improve the process by exercising and using lean discipline steps to identify wasteful and repetitive actions.”

To ensure success of the CI event, a team of 18 civilian and military personnel from varying backgrounds were brought together. The group was selected based on research and surveys performed by Air Force Lt. Col. Soleiman Rahel, Continuous Process Improvement green belt in training. His selection included



*Freda Glover, Defense Contract Management Agency Sunnyvale Supply Chain Logistics Industrial Specialist team supervisor, works with Pauline Meggs, DCMA Sunnyvale supply management specialist and Concepcion Martin, DCMA Sunnyvale supply management specialist. The three coworkers were part of the continuous improvement/Kaizen event held October 2011, at the contract management office. (Photo by Matthew Montgomery, DCMA Public Affairs)*

program integrators, quality assurance specialists, engineers, a software specialist, administrating contracting officer, earned value management specialist and team leaders.

The CI event had the right leadership at the helm, said Pandes. Rahel and Nancy Miles, CPI black belt mentor, both from the Navy Strategic Systems Programs in Sunnyvale, facilitated the week-long event and were instrumental in the overall success.

Rahel said the event represented a great partnership between the Navy and DCMA. “The DCMA Reserve leadership provided additional funding for me to support the CI event, which amounted to numerous training days and more than three weeks of active duty days,” said Rahel. “This time was used to perform research and conduct surveys and interviews for the CMO to develop the event charter.”

“The Navy PMO where I am employed as a DoD civilian provided tremendous support by allowing me to take time off from my civilian duties and provide the support of their black belt to coach me throughout the long planning phase and week-long event,” continued Rahel. “This enabled me to guide the team through

the challenges of defining the problems, identifying the root causes, and defining plans of action to resolve the CMO challenges.”

Pandes said Miles and Rahel both did an outstanding job providing leadership and expertise for the event. Under the guidance and leadership of Rahel, the group worked toward developing concrete solutions to limited resource problems.

“We took folks who typically don’t work together and put them in a room for five days,” said Pandes. “I was very pleased with the Integrated Product Team process and how the group was able to come to a common agreement of what solutions were needed. It was time well spent.”

This is not going to be the last time these folks are going to have to work with individuals with different skills from different offices, continued Pandes. “The ability to put aside grades and rank, understand the common objective and get the job done is a valuable skill.”

The event started with introducing the team to CI/Kaizen principles, tools, and different phases of working together as a team, said Rahel. “The goal of the team was to define the current state, identify gaps, and perform root cause analysis

and corrective action to help identify the burning platform.”

The burning platform during a CI event is the key area of focus which gives the biggest return on investment. “We started out at the beginning of the week with this big monstrosity of a question - how do we do our job more effectively?” said Freda Glover, Supply Chain Logistics Industrial Specialist team supervisor. “We let the people in the group brainstorm and develop ideas about what they thought needed to be done.”

By Wednesday, the letter of delegation process was identified as the burning platform with the greatest impact on CMO mission and direct impact to the warfighter, said Rahel. “If delegations are not issued, items are not inspected at suppliers resulting in potential non-conforming items being sent to the warfighter.”

The group was able to identify 28 steps used to handle the delegation process. At the end of the week, the group had formulated a comprehensive plan for reducing the number of steps to only eight.

“It took us almost two months to complete the process using the 28-step method,” said Glover. “Once we are able to

get it down to eight, the same task should only take a little over 20 days.”

At the conclusion of the CI event, the group created a leadership briefing of their findings and a plan for implementation.

“The outcome of the event is a three-phase plan that will result in a streamlining of the letter of delegation issuance process, reduction in the number of steps and events leading up to delegation, and a less overall labor intensive process,” said Pandes.

Phase one of the plan is currently being worked with the contractor. “We have asked the contractor to develop a central location for tracking and housing the needed documentation,” said Glover. “This creates one area where we can go and start working from, ultimately cutting down on the research time we currently spend gathering documents from various areas.”

The next phase focuses on accomplishing the backlog of delegations and monitoring the work. “Once the backlog is eliminated, we will be able to resume our normal delegation workload and focus on other surveillance areas within our supply chains,” said Glover.

The third and final phase of the plan focuses on improvements within the process. The team plans to compare actual times with the time goals established during the CI event. This may involve workload or process changes depending on the data gathered. Metrics will be measured every 60 to 240 days and corrective action taken as needed.

Sunnyvale is implementing a pull-based system, effectively balancing workload and facilitating continuous improvement for the delegation process. The entire plan is expected to be fully implemented

by mid-2012.

Rahel said the success of the event serves as a great reminder. “A diverse team of professionals working together can accomplish tremendous success despite budgetary and resource constraints.”

He added, “Their out of the box thinking and unique solutions provided the CMO a great opportunity to reduce delegation backlogs and establish a streamlined process with tremendous surge capability to handle increased workloads and accomplish CMO mission.”

Glover said the event was rewarding. “The outcome will mean we aren’t wasting taxpayer money by using a process that takes too long to complete – we’re working smarter not harder. To us it is a savings in manpower, a valuable resource we can devote to other customer requests.” 

	<p><b>DCMAW-LMS</b>  <b>Standard Work Instructions (SWI)</b>  <b>Delegation Process</b></p>	<p><b>(DCMAW-SL2)</b>  <b>Revision: (1)</b>  <b>Effective Date:</b>  <b>15 Oct 11</b></p>
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APPROVAL SIGNATURES		DATE
	HENRY PANDES, Col, USAF Commander, DCMA Lockheed Martin Sunnyvale	15 Sep 11

REVISION HISTORY			
Revision	Description of Change	Author	Effective Date
Basic	Initial Release	Freda Glover/LSS Team	15 Sep 11

REFERENCE DOCUMENTS	
Document	Title
Delegation 1.0 Training	Delegation 1.0 Training
Delegation 1.0 Users Guide	Delegation 1.0 Users Guide
DCMA Instruction	Manufacturing and Production Jul 2010
DCMA Instruction	Delegat Surveillance - Quality Assurance Sep 2010
FAR 42.302(a)(46-47)	Contract Administration Functions
DLAD 5000.4	Schedule & Delivery Management Jan 2000
FAR 52.246-2 through 8	Standard Inspection Clauses
FAR 52.246-11	Higher Level Contract Quality Requirement
FAR 46.405	Subcontracts