

Moving the agency from good to GREAT

Jo Adail Stephenson | DCMA Public Affairs



Fred Kuhm
Defense Contract Management Agency
Office of Independent Assessment executive director

In his Aug. 21, 2008, *On Point* Memo, Defense Contract Management Agency

Director Charlie E. Williams, Jr. talked about the direction he gave to the agency's Office of Independent Assessment Mission Review Team to expand the focus of mission reviews to "assess the effectiveness of our portfolio of management controls, our adherence to agency policy/instructions and how well we are meeting the requirements of all our customers."

The review cycle, which began with a HQ DCMA mission review in April 2009, is scheduled to culminate in 2012 when the MRT has completed conducting mission reviews of all the agency's contract management offices to baseline the agency's performance.

As part of the OIA's mission to assess agency-wide operations, performance, administrative processes and internal controls, the MRT conducts compliance and performance-based mission reviews of the agency's operational processes at CMOs, centers, divisions and HQ.

DCMA OIA Executive Director Fred Kuhm spoke in a recent interview about how the mission review assessment process is helping to improve the agency's overall performance, accomplish Williams' initiatives and move the agency from good to great.

Q. How does the mission review assessment process help to

improve overall performance of the agency?

A. Mission reviews contribute to moving an organization from good to great. These reviews provide a focused, operational assessment of areas critical to the DCMA mission and vision. As one of the agency's assessment architecture tools, mission reviews are an integral part of the integrated management system health assessment. Selected organizational performance drivers across the DCMA management framework are addressed during mission reviews to determine if management controls are in place to ensure effectiveness and consistency of process execution. Additionally, the most critical contract administration service functions identified as the Director's Special Focus Items are assessed for compliance with regulatory and policy requirements.

Q. How does the agency ensure compliance with regulatory and statutory requirements, and why is this important to the agency's overall mission success and accomplishment?

A. Regulatory and statutory requirements are mandatory. We follow the Federal Acquisition Regulation and the Defense Federal Acquisition Regulation and all the clauses that apply to the contract administration services

we provide to our customers. For our effectiveness as an organization, it's very important to ensure we are uniformly providing the same services across the

Mission Review Summary Report Areas

Mission review summary reports provide different methods to improve overall performance and are addressed in the report as findings and opportunities for improvement, or OFIs.

- Findings are for areas non-compliant with a regulation or policy/instruction requirement or failure to adequately answer the director's questions. Findings are very specific, referencing the noncompliance and how the requirement is not met. This clarity allows the CMO to accomplish the necessary corrective actions. All findings have a recommendation associated with it.
- OFIs do not rise

agency in all of our CMOs. The mission review process checks our overall level of compliance, causes corrective actions to be made and enhances agency management controls.

Q. How does the corrective action process help improve the agency's performance?

A. Enhanced awareness of knowing how well we are performing not only as a CMO but also overall as an agency will help us improve. Corrective action should be developed as a result of noncompliance causes being identified. It includes the root cause analysis to determine the right corrective action. Through that, we can provide an understanding of why a problem has occurred and prevent the reoccurrence when we understand why it came into being. Leaders can use this information to improve their operations and enhance their management controls. By performing root cause analysis and developing and conducting effective management controls, permanent improvements to mission accomplishment can be made.

Q. How has the agency's MRT assessment process evolved over the past several years?

A. The scope has changed over the years from strict process compliance to performance-based management execution. Now, with the current scope, we are looking again at compliance but also looking at the entire acquisition enterprise along with the effectiveness of portfolio of management controls tied to the agency's strategic plan. The current scope has been broadened to include increased emphasis on key performance drivers, management controls and examining in detail the Director's Special Focus Items. The basic processes of data review, on-site interviews and validations have not really changed. We only perform one-week onsite reviews now where we used to do two-week reviews. We're able to perform some aspects of the review "virtually" through

the use of technology.

Q. How do you share the mission review results with DCMA leaders? In turn, how can they use this information to determine areas for improvement?

A. We use the OIA website (https://home.dcma.mil/DCMAHQ/dcma_D/dcma_DM/index.cfm) to share the review results, related tools and templates and the MRT assessment guides, which explain the scope and methodology of the on-site reviews. Twice a year, our "Assessment Reporter", a summary of all the reviews conducted in the preceding six months, is generated and also posted to the website. Each Assessment Reporter addresses each Director's Special Focus Item such as Quality Assurance, Systems Engineering, etc., and provides a summary that allows CMOs to use this information when evaluating the health of their organizations and determine areas to focus on for continuous process improvement.

Q. How does the MRT process help the agency baseline its performance and set a path toward controlled continuous improvement?

A. We look at the same set of questions and assess to the same standards. Findings and policy gaps are identified and corrected. This process provides agency policy writers the ability to evaluate trends specific to their policy and determine if findings are a result of gaps in policy.

Mission review summary report results and Assessment Reporters are posted on the OIA website and shared across the agency so the potential is there to learn and to self-assess. Assessment results are briefed to the DCMA Council at agency performance reviews twice a year.

Q. Why is it important for there to be no surprises in the final mission review summary report?

A. The MRT does not have a hidden

agenda. To go from good to great, organizations have to clearly understand all identified deficiencies up front. That's why we hold morning meetings during the onsite mission reviews so there's constant communication with the CMO director, deputy and group chiefs. Because we're up front and honest when we discuss issues, findings and opportunities for improvement, there shouldn't be any surprises in the final mission review summary report.

Q. How do MRT examiners foster positive two-way communication during mission reviews to combat the sometimes negative connotations regarding "findings"?

A. We don't want folks to feel like they can't open up to MRT examiners because they think whatever they say is going to be written up in the report. It's why we send out the framework and the questions in advance. As discussed earlier, it's also why we have morning meetings with CMO leadership. This process allows for more dialogue and discussion. In addition to discussing issues and concerns, MRT examiners share successes and examples of other organizations during their root cause analysis and corrective action plan implementation of like findings. Examiners share "real-life" examples of how they resolved the same type of concerns when they worked in CMOs. They also recommend strategies and techniques to be used as part of an organization's root cause and corrective action process.

Q. How does sharing Bright Spots and Best Practices impact all agency levels?

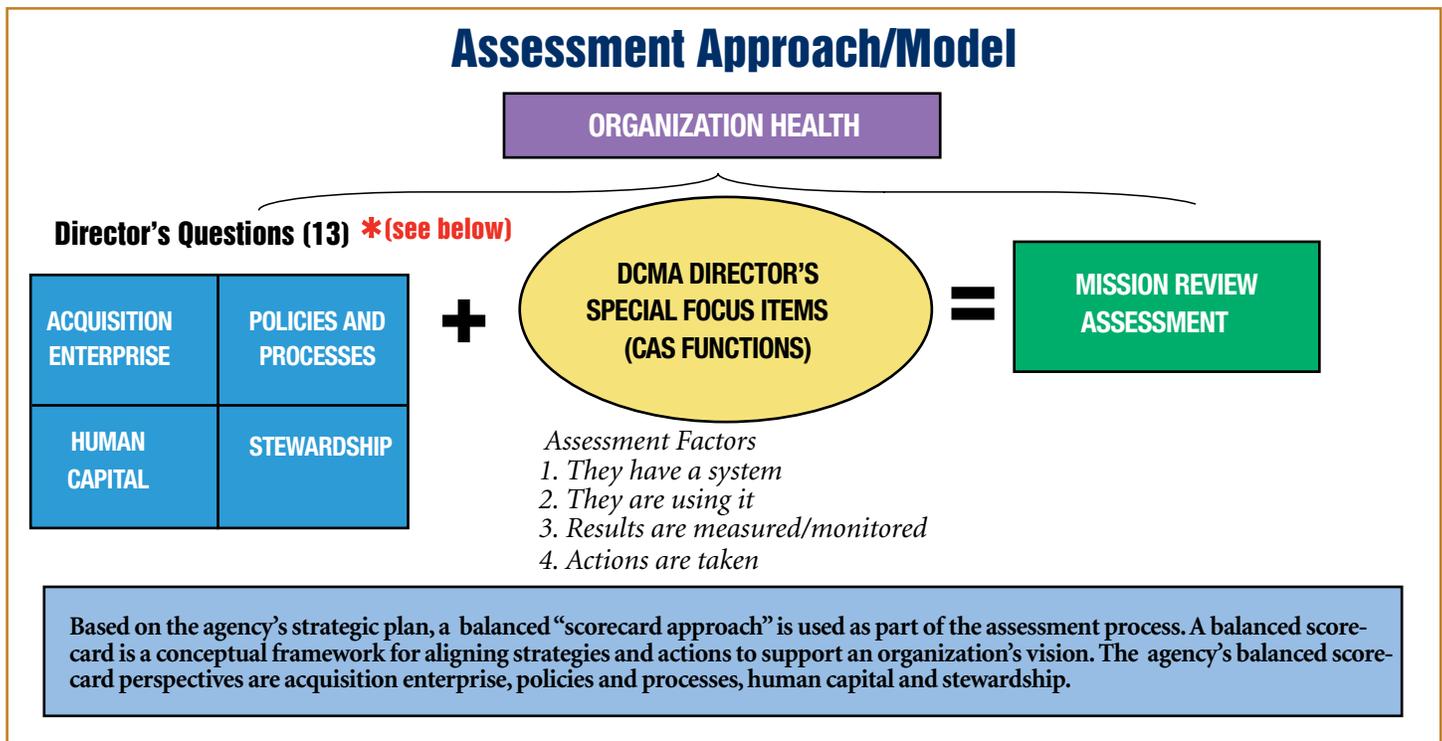
A. Bright Spots are successful efforts worth emulating. Following the DCMA Worldwide Training Conference in October 2010, a focus was placed on identifying Bright Spots in lieu of a single Best Practice. The term is used to highlight organization practices we believe

are among the most effective or efficient methods of accomplishing a given task and are worthy of recommendation for sharing with other CMOs. Bright Spots are included in the summary reports.

Q. What are some of the key takeaways from onsite assessments?

A. Management controls – first level supervisor reviews - supervisors need to perform day-to-day checks. It’s management by walking around. We’ve got to get out, see what our folks are doing and talk to them to identify and address those areas where we need to make improvements. You can’t just get it all from

reports. Getting that personal interaction, somebody explaining it, sometimes helps out considerably. The main reason for the mission reviews is continuous improvement. Corrective actions need the root cause analysis to be done. If we don’t find the real reason for it, we’re not going to know how we can best utilize our resources to improve. ☑



- ## * Director’s Questions?
- ### I. ACQUISITION ENTERPRISE

 1. DOES THE ORGANIZATION HAVE CUSTOMER ENGAGEMENT STRATEGIES? (ARE THEY TALKING TO THEIR CUSTOMERS?)
 2. HAVE CUSTOMER OUTCOMES BEEN IDENTIFIED AND RELATED PERFORMANCE INDICATORS ESTABLISHED?
 3. ARE CUSTOMER REQUIREMENTS BEING MET AND HOW DO YOU KNOW?

III. HUMAN CAPITAL

 1. ARE PERSONNEL TRAINED AND CERTIFIED TO PERFORM THE FUNCTION?
 2. ARE SKILL GAPS IDENTIFIED AND ADDRESSED?
 3. ARE OTHER TRAINING REQUIREMENTS ADDRESSED AND ARE THEY EFFECTIVE (TIER II LEADERSHIP; IDPS; ORIENTATION; DIVERSITY; TEAMING; ETC.)?

II. POLICIES AND PROCESSES

 1. WHAT MANAGEMENT PROCESSES ARE IN PLACE TO ENSURE THAT THE ORGANIZATION IS EFFECTIVE IN ACCOMPLISHING ITS MISSION?
 2. HOW IS THE MANGERS INTERNAL CONTROL PROGRAM (MICP) INCLUDED IN THE MANAGEMENT PROCESS?
 3. HOW DOES THE ORGANIZATION ENSURE COMPLIANCE WITH REGULATORY & STATUTORY REQUIREMENTS?
 4. WHAT PERFORMANCE MEASURES ARE IN PLACE TO ENSURE EFFECTIVENESS OF MISSION AND BUSINESS SUPPORT PROCESSES?

IV. STEWARDSHIP

 1. HOW IS WORKLOAD PRIORITIZED AND DISTRIBUTED THROUGHOUT CMO?
 2. ARE MANPOWER RESOURCES ALIGNED TO CUSTOMER REQUIREMENTS?
 3. HOW IS FUNDS CONTROL PERFORMED?