

Revised



DEFENSE CONTRACT MANAGEMENT AGENCY

FY19-22

STRATEGIC PLAN



Director's Message



David G. Bassett

The Defense Contract Management Agency provides exceptional value to taxpayers, our government, the Department of Defense, and ultimately, our warfighters.

We face many challenges in the coming fiscal years, requiring introspection, critical thinking and a strong Strategic Plan. Our military Services continue to drive toward modernization, increasing our workload and placing added demands on our resources. We are past-due for improvements to our own IT capabilities, and need to build our bench, capturing institutional knowledge as we develop tomorrow's acquisition leaders. Critically, we need to hold industry more accountable for meeting contractual quality and on-time delivery requirements.

A Strategic Plan is only as useful as it is flexible, and the goals laid out here must be approached with fresh ideas and an unsentimental dissection of long-standing approaches. National defense is not static, and DCMA can't be either.

In fiscal year 2021, the Agency will focus on specific priorities to meet the needs of the Department of Defense and our military customers, while also positioning itself to operate within budget constraints for the following years. This will require balance and some difficult decisions, but the result will be our continued, uncompromised and unbroken delivery of value to our nation.

David G. Bassett
LTG, USA
Director





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SUPPORTING THE WARFIGHTER

DCMA will use an Annual Performance Plan to outline Initiatives to achieve or make progress towards the Objectives highlighted in this Strategic Plan. These Initiatives will be tracked and accomplishments will be reported annually.





Agency Overview

The Defense Contract Management Agency is, first and foremost, a product delivery organization. Our nation's warfighters expect our defense industry to produce and deliver the equipment they need to fight, survive and win. DCMA's integrated team of acquisition and support professionals makes this happen.

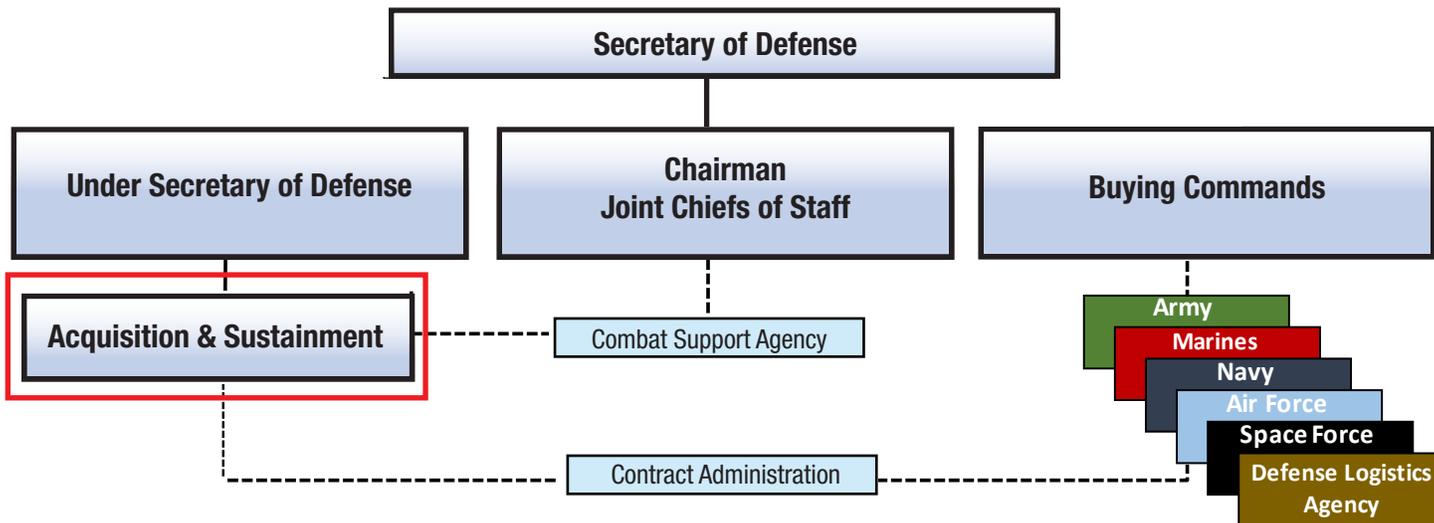
Around 12,000 employees, mostly civilians, work at offices and contractor facilities around the world, divided among three continental U.S. commands, one international command and other specialized offices. Providing contract administration services for the Department of Defense, other federal organizations and international partners, and is an essential part of the acquisition process from pre-award to sustainment.

DCMA performs Contingency Contracts Administration Services (CCAS) in several forward operating theaters. CCAS is essentially the management, oversight and execution of a contract in a contingency environment. It serves a vital role in ensuring that the U.S. government receives the required services while at the same time warfighters are fully supported to achieve their mission objectives.

The Agency manages 350,000 contracts, valued at more than \$5 trillion, at 19,000 contractor locations worldwide. DCMA makes sure DoD, other federal agencies, and partner nation customers get the equipment they need, delivered on time, at projected cost, and meeting all performance requirements. Every business day, the Agency receives nearly 1,000 new contracts and authorizes more than \$650 million in payments to contractors. Most importantly, every day our team delivers more than a million and a half items - from fighter jets to fasteners - to our warfighters.

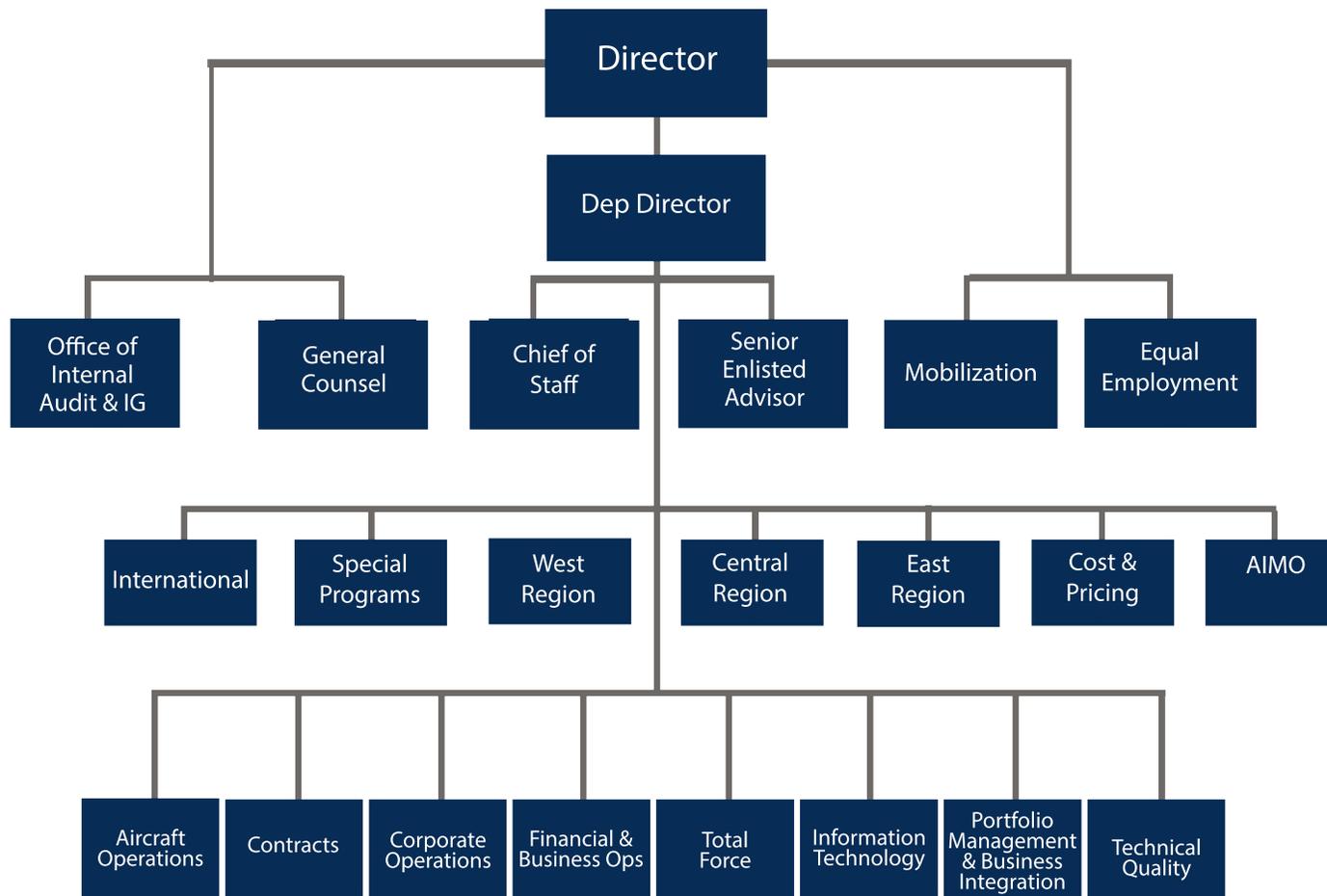


Defense Acquisition Community



Defense Contract Management Agency

Headquarters - Fort Lee, VA





Mission

We are the independent eyes and ears of DoD and its partners, enhancing warfighter lethality by ensuring timely delivery of quality products, and providing relevant acquisition insight supporting affordability and readiness.



Vision

One team, one voice delivering global acquisition insight.

Values

Integrity - Committed to the highest standards of ethical and moral behavior at all times.

Service - Working for the benefit of our nation and putting professional responsibilities before self-interests.

Excellence - Committed to exceptional performance in everything we do.



2018 National Defense Strategy Lines of Effort

Build a More Lethal Force

The surest way to prevent war is to be prepared to win one. Doing so requires a competitive approach to force development and a consistent, multiyear investment to restore warfighting readiness and field a lethal force.

Strengthen Alliances and Attract New Partners

Mutually beneficial alliances and partnerships are crucial to our strategy, providing a durable, asymmetric strategic advantage that no competitor or rival can match. This approach has served the United States well, in peace and war, for the past 75 years.

Reform the Department for Greater Performance and Affordability

The current bureaucratic approach, centered on exacting thoroughness and minimizing risk above all else, is proving to be increasingly unresponsive. We must transition to a culture of performance where results and accountability matter.



STRATEGIC GOAL 1 :

Enhance lethality through on-time delivery of quality products.



Matthew J. Lupone
Executive Director,
Technical



Michael E. Shields Jr.
Executive Director,
Quality Assurance

The Department of Defense, through the DoD National Defense Strategy, has developed three significant Lines of Effort to provide “a more lethal, resilient, and rapidly innovating Joint Force.” The first two Lines of Effort, Build a More Lethal Force and Strengthen Alliances and Attract New Partners, contain requirements that DCMA is in a unique position to support and help ensure success.

An essential concept of Build a More Lethal Force is to modernize key capabilities while sustaining our current capabilities. This is accomplished primarily through the contracts that DoD lets for supplies and services across the industrial base. DCMA provides oversight for most of these contracts

and contractors. These contracts also support our allies worldwide in an effort to support DoD to Strengthen Alliances and Attract New Partners.

DCMA Goal 1 and its objectives align directly with the first and second NDS Lines of Effort by working to ensure that DoD is delivered quality products, on-time, that meet the schedule and performance requirements of the contract. This goal also recognizes the substantial role of technology and information in our equipment and systems, and DCMA’s responsibility to ensure contractors meet necessary cyber requirements including protecting Controlled Unclassified Information.

The Agency has a tremendous advantage because of our access and

proximity to the contractors’ facilities, and our knowledge of the defense industrial base. We must convert this advantage into results. We’re immersed daily in the contractor environment, surrounded by their data, and witness to their processes. We see the issues and problems that arise, the contractor’s response to them and gaps that lead to problems with delivery and quality. We need to use this data to inform our customers but also to influence the contractor to correct issues both before and when they occur. In the end, our ultimate customer — our warfighters — must get the product they require, with the confidence it will work every time.

OBJECTIVE 1.1

Improve delivery performance by influencing timely delivery of quality production outputs at all levels within the supply chain.

OBJECTIVE 1.2

Determine the risk criteria and risk profile of Defense Industrial Base (DIB) companies for conducting cybersecurity assessments of the DIB. In order to enhance DoD’s protection of controlled unclassified information by ensuring contractors implement appropriate cyber requirements.



STRATEGIC GOAL 2 :

Enhance lethality through affordability and readiness.



Walter B. Eady
Executive Director,
Portfolio Management
and Business
Integration



Jorge Bennett
Executive Director,
Cost and Pricing

DCMA's second strategic goal aligns to the National Defense Strategy's theme, *Sharpening the American Military's Competitive Edge*, by prioritizing affordability as a means to build a more lethal Joint Force. We will leverage our access and proximity to the contractors' facilities, and our knowledge of the defense industrial base, to help the Department of Defense innovate, test and field advanced capabilities against a broad spectrum of potential threats. We will exploit our systems, tools and processes to understand, manage and improve cost to help the Department drive greater efficiencies in the procurement of materiel and services. Given our constant presence

and engagement with contractors, our workforce absorbs an incredible amount of information every day. It is essential we integrate our collective capabilities to provide relevant acquisition insight our customers can use to make informed decisions.

Whether it is DCMA program assessment reports on major programs, overhead should-cost reviews, industrial base analysis, forward pricing rate agreements, input into requests for proposal development, or reducing the cost of compliance to industry and government, the acquisition enterprise counts on DCMA. Goal 2 introduces important initiatives using data to provide and facilitate

independent contract, program or corporate assessments; gauge the health and financial/cost efficiency of defense contractors; and improve our tools and processes to capture, analyze and report all data impacting affordability decisions for the Department. As an Agency, we are only as good as the information products we provide to our customers. Therefore, Goal 2 is focused on bolstering our ability to integrate multi-functional data sets to help maximize the value of every dollar invested by our acquisition partners and trusted to our Agency for oversight.

OBJECTIVE 2.1

Adequately capture affordability data and results by developing and documenting business requirements.

OBJECTIVE 2.2

Drive contractor cost control and compliance through robust integration and collaboration within DCMA and with DoD stakeholders throughout the acquisition cycle.

OBJECTIVE 2.3

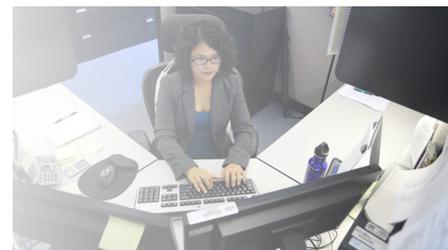
Maximize the full value of at risk funds by strategically exploiting Agency data and processes.

OBJECTIVE 2.4

Deliver value to DoD Customers and stakeholders by influencing affordability and enhancing agility in acquisition planning and decision making leveraging Agency data.

OBJECTIVE 2.5

Analyze industrial capabilities and identify strategic risks to ensure operational readiness at an affordable cost.



STRATEGIC GOAL 3 :

Ensure Agency funds are used in alignment with Department guidance and executed in a transparent, accountable manner.



Tina Vetreno
Acting Executive Director,
Financial & Business

Each year we are entrusted with over \$1.7 billion in budget authority to accomplish our mission. Just like the rest of the Department of Defense, DCMA must have strong financial controls in place; make sound, supportable business decisions about how we spend our resources; and ensure resources are properly focused on meeting our mission objectives.

As good stewards of our resources, we want to create an atmosphere of accountability, credibility and trust among ourselves, our customers and ultimately the American taxpayer. Our accomplishment of this goal will include actions aligned to the National Defense Strategy, specifically supporting its three Lines of Effort. DCMA's third strategic goal is one of Stewardship, with strong support of both the NDS's third Line of Effort, *Reform the Department for Greater Performance and Affordability*,

and its second, *Strengthen our Alliances and Attract New Partners*. Through our commitment to these, we enable the Agency's mission to perform actions and efforts aligned to the NDS's first Line of Effort, *Build a More Lethal Force*.

We have four major objectives with Goal 3. First, DoD is clear in our Financial Improvement and Audit Remediation responsibility, in alignment with the NDS – undergo audit and improve the quality of budgetary and financial information that is most valuable in managing the Department. For DCMA's part, we need to get every aspect of our business audit ready – and have it stay that way.

Second, we want to ensure fiscal and acquisition law compliance through continued improvement of our processes and controls. Challenges will continue to arise, and we need to meet these challenges with robust processes

and controls.

Third, those improved processes are equally important to our allied partners and stakeholders. We owe them quality products, delivered on-time, that meet the schedule and performance requirements of the contract while also complying with audit standards.

Finally, we must maintain discipline, accountability and transparency in how we make and execute our resourcing decisions. Transparency into the entire decision-making process is a proven way to help us maintain integrity and foster trust. The work we put into reaching the objectives of DCMA's Goal 3 will create a rock-solid posture of fiscal stewardship, while simultaneously supporting DoD goals and objectives. These are good business practices, and position our Agency to best support our customers now and into the future.

OBJECTIVE 3.1

Achieve/sustain a positive audit opinion for the Agency by continuing to improve the audit process and remediate findings.

OBJECTIVE 3.2

Ensure full fiscal and acquisition law compliance by improving processes and controls.

OBJECTIVE 3.3

Enhance relationships with allied partners and stakeholders by establishing innovative procedures, executing agreements in an auditable manner, and strengthening US partnerships abroad.

OBJECTIVE 3.4

Effectively and efficiently resource DoD and Agency Strategic Initiatives as we implement the Defense Wide Review program adjustments.



STRATEGIC GOAL 4 :

Enable the delivery of global acquisition through modernization and cross-collaboration.



Ray Coleman
Executive Director,
Information Technology



Sonya I. Ebright
Executive Director,
Contracts

DCMA’s Strategic Goal 4 reflects the National Defense Strategy’s third Line of Effort, *Reform the Department for Greater Performance and Affordability*. We seek business practices that are quicker and more efficient, or as the NDS says “deliver performance at the speed of relevance.” We’re also looking for the best way to approach our work, what the NDS calls “organizing for innovation,” in order to deliver these capabilities Agency-wide.

DCMA institutionalized the Business Capability Framework as a way to better capture the Agency’s return

on investment. In doing so, we’ve revolutionized the way we describe our value in terms of capabilities.

A culture change, the shift to focus on the delivery of capabilities has started to take hold throughout DCMA. The next step is to improve our governance, enabling deliberate management of our distinct capability areas. We need to ensure consistent execution of our processes and procedures for efficient and effective mission execution.

In conjunction with our Business Capability Framework, we instituted

the DCMA Requirements Oversight Council, a new governance process for making decisions that affect our mission. While the DROC has been implemented, there are still opportunities for improvement in how we manage our processes.

We need to employ a unified approach to policy and decision-making throughout the Agency. This will ensure that Agency requirements are fully vetted, prioritized, programmed and executed.

OBJECTIVE 4.1

Provide DCMA with an enterprise blueprint to lay out the linkages and interdependencies of processes and systems.

OBJECTIVE 4.2

Strengthen agency execution by instituting cross-functional collaboration through knowledge management.

OBJECTIVE 4.3

Modernize and innovate agency enterprise solutions.



STRATEGIC GOAL 5 :

Enhance and strengthen the skills, readiness, and effectiveness of the Total Workforce.



Michael Beaupre
Executive Director,
Total Force

The National Defense Strategy’s first Line of Effort, *Build a More Lethal Force*, says “Recruiting, developing, and retaining a high-quality military and civilian workforce is essential for our warfighting success.” DCMA will continue to support this intent, recognizing that our people are central to our own mission success; and therefore, military readiness, warfighter lethality and our overall national defense.

The Agency’s Goal 5 focuses on how we recruit, train, equip and grow our workforce. We are broadening our

hiring pool to reach a larger population of talented and qualified people. Once onboard, their formal training will be a mix of traditional learning augmented by new technology. We’ll continue to find better ways to harness our internal knowledge base to enhance our knowledge management capability as we build the next generation of DCMA’s workforce.

Retaining top talent is mission essential and the most cost-effective and efficient way to maintain our skilled workforce. Keeping the best people

means providing them with not only meaningful work, but with enhanced work-life flexibilities and incentives, as well.

To drive a high-performing organization, we need to focus on results and enhance accountability. Developing a competent and engaged workforce will improve performance, strengthen employee contributions and lead to mission success.

OBJECTIVE 5.1

Recruit and retain a talented and diverse workforce.

OBJECTIVE 5.2

Meet current and future mission requirements by strengthening workforce competencies, training, and certifications.

OBJECTIVE 5.3

Promote a safe and equitable work environment free from all forms of discrimination.

OBJECTIVE 5.4

Keep our workforce safe by sustaining and improving DCMA’s proactive occupational safety and health culture.

OBJECTIVE 5.5

Keep our workforce engaged and informed through effective communication.





“...continued,
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and unbroken
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