

Putting it all Together: Connecting With our Customers, Part II



by Lt. Col. Charles Sherwin Jr., U.S. Air Force, Commander,
DCMA Northern California – Roseville

This is the second of a two-part article that delineates DCMA Northern California's transformation to an organization that is focusing on and connecting with its customers. Part II discusses the behavioral changes and three key organizational processes — people, strategy and operations — required to stay in “the zone” and thereby maintain a customer-centered culture.

The Northern California CMO Customer Realignment Journey Continues

In the last article, we defined “the zone” as being on the cutting edge and at the top of your field. This definition was derived from a phrase used by elite athletes and our Nation's best fighter pilots to describe their peak performance. For them, being in “the zone” requires the execution



(Above) Members of the DCMA Northern California leadership team meet to discuss PBM and Customer Connection progress. (DCMA staff photo)

difference, which takes vision, disciplined hard work and a specific methodology. They visualize themselves making the winning shot, breaking the tape at the finish line or performing a decisive aerial maneuver to eliminate an adversary. They know it's not practice that makes perfect but rather perfect practice that makes perfect. Putting it all together, they each have unique winning methodologies for follow-through, commitment and setting their behavior — just like the Northern California CMO.

Follow-Through

The Northern California CMO's end state, or destiny, is manifest in its shared 2010 vision: *to be the best customer-aligned geographic CMO in DCMA and the acquisition community.* This is congruent with DCMA's strategic goal #1: *Transform the Agency into a customer-focused organization.* On April 4, 2005, the Northern California CMO successfully accomplished its

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Initial Operating Capability (IOC) plan. The second phase was defined as operational test and evaluation (OT&E), ending with full operating capability (FOC), which was reached on July 4, 2005. As we asserted in the previous article, realigning a geographic CMO is a complex task. It, in and of itself, is challenging work and explorative in nature because of its span of control and the diverse portfolio it manages.

Phase one, IOC, yielded an organizational structure of four groups and 11 teams. Two of the groups were operational in character: the Operations Group and the Tertiary Streamlined Command, which consisted of two Air Force, two Army, one Defense Logistics Agency (DLA) and three Navy teams. The two remaining groups were the Technical Assessment Group (TAG) and Mission Support Group. As the operational teams set their customer-aligned IOC workload baseline, the OT&E phase got into full swing. The OT&E phase was a leadership-learning laboratory, where leaders became practiced in influencing personnel and outcomes at the strategic, operational and tactical levels. Strategically, the CMO's director managed complexity, created the future and built teams to implement the vision. Absent a principal operations manager or deputy director due to fiscal constraints, the director developed her group chiefs into a CMO Senior Leadership Team (SLT), who managed the complexity of the mission and day-to-day operations. This complexity included performing typical daily activities, managing uncertainty in the midst of Agency product executive officer realignment changes, participating in integrated product team (IPT) activities and instituting performance-based management (PBM) practices. The director and her SLT worked diligently to create singularly customer-aligned futures and build

distinctive teams to connect with their sole customers.

Operationally, the CMO's group chiefs led the three domains to meet objectives by managing complexity, being accountable to the CMO director for daily activities and running the CMO to maintain mission integrity. At the same time, they built new Operations Teams and created new futures with first-line supervisors (FLSs) that centered on specific portfolios solely dedicated to particular military deputies (MILDEPs) and other Agency customers and focused on certain products based on those customers' missions. Group chiefs worked within the Agency to reach out to MILDEPs and other Agencies at the appropriate level. They also discerned PBM activities across operational teams, worked the interface boundaries and coached team FLSs to build tactical relationships with associates of these customer alliances. These relationships now focused on attaining greater depth with each customer and having a greater contractor span of control within the CMO's area of responsibility.

Tactically, each team supervisor was challenged to execute by managing complexity, creating the future and building teams. Team FLSs were empowered to manage complexity through the use of PBM. All team FLSs were to create futures based on newly established portfolios that contained greater depth of information concerning specific products based on their customers' missions. The realignment put the customers' objectives first and geographic



(Top Right) Air Force Lt. Col. James Hecker, 27th Fighter Squadron commander, banks his F/A-22 Raptor at Langley Air Force Base, Va. Fighter pilots use the term "the zone" to describe their peak performance, which requires vision, disciplined hard work and a specific methodology. DCMA Northern California adopted these techniques to achieve customer focus. (U.S. Air Force photo by Tech. Sgt. Ben Bloker)

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boundaries second. In addition to building new teams, FLSs built relationships with buying authorities at the lowest level and with corresponding contractors to perform and accomplish customer outcomes. Translating outcomes into high-impact activities, team FLSs were given new tools, including Individual Performance Plans (IPPs), to develop “performance-based employees.”

Finally, in the OT&E phase team members expected to prove our IOC and “dial in” workload distributions. As we dialed in the workload distributions, we found that we required two DLA Operations Teams instead of one and that the Air Force workload could be adjusted so as to gain efficiency across mission and product lines. The shift in workload in conjunction with Headquarters’ establishment of operational performance centers led to DCMA Northern California “Operationalizing” our TAG. The second DLA team was formed along with a more streamlined Internal Assessment Group using the valuable remaining TAG resources. Due to the steadfast perseverance to executing the realignment tasks, our quality function deployment (QFD) “black belt,” or expert, was certified to train the entire CMO, and we became a pilot organization for the IPP initiative. The DCMA PBM Execution Team visited the CMO early in its schedule and validated its success. As indicated in the PBM Execution Team’s July 2005 Summary Report, “DCMA Northern California has a defined strategy and incremental milestones to implement PBM. Significant progress has been made, and senior leadership [is] committed to meeting [DCMA Director Air Force Maj.] Gen. Scott’s expectations.”

Transition State of Commitment

FOC was the final transitional state of commitment. Strategic goal #2, “*Embrace a performance-based culture,*” became a reality. It was transformational: rather than making subtle process improvements, these actions were solidifying a completely new way of doing business.

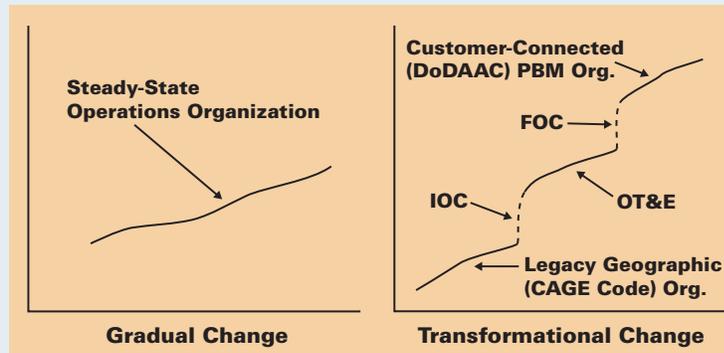
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Paradigm shifts occur when you translate the voice of the customer (VOC) into actions. DCMA Northern California effectively does this by exploiting our QFD black belt to provide QFD training to the entire CMO. Our black belt started with a plan to transform each Operations Team’s Program Support Team into a performance-based group for all major programs. Realizing the sense of urgency, he reprioritized his focus in midstream to conduct a practicum with every team in the CMO that had either an internal or external customer. The result was outstanding, and this set the stage for each team FLS to create IPPs to ensure management actions and employee activities were truly performance-based and achieving the customers’ most-valued outcomes.

As previously mentioned, FOC yielded an organizational structure of four groups (three operational and one mission support) and 11 teams. The operational groups were the Operations Group, Internal Operational



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Assessment and Tertiary Streamlined Command, consisting of two Air Force, two Army, two DLA and three Navy teams. The fourth group was the Mission Support Group. As the operational teams set their new customer-aligned FOC workload baseline, the CMO looked to set behavioral changes.

Setting Behavioral Changes

Strategic goal #3 is: *“Equip employees with the competencies needed to provide extraordinary support to our customers.”* Setting or forging behavior is an art where leadership creates work units or activities to provide for intrinsic, rather than extrinsic, motivation. Performance is captured and reinforced in IPPs.

IPPs provide employees with a focused report of activities that are important to the customer. Every employee must know and understand a customer’s validated product quality levels and must perform at or above these levels. Metrics are established for those key processes and activities that directly influence contractor behavior that is focused on outcomes important to the customer. However, not every metric is collected and reported, and not every employee activity must be measured. It is important to establish metrics for those key processes that are focused on outcomes. Every employee must be able to articulate performance to his or her customer (and solicit feedback) and

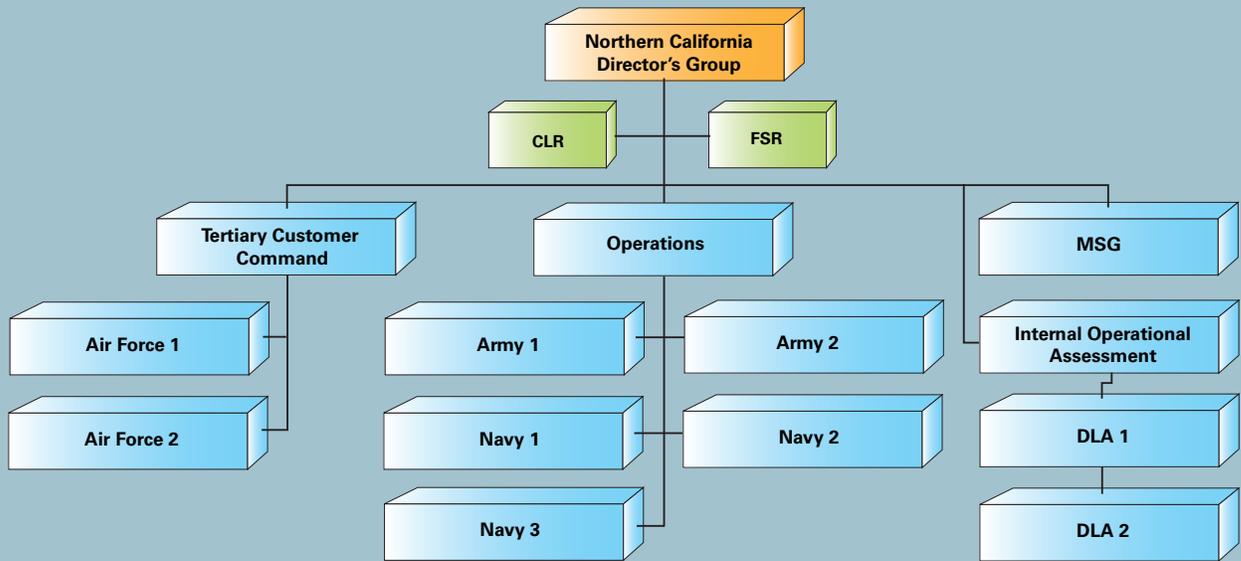
management in a meaningful way. Finally, every employee must be able to say, “I understand what is important to my customer; I know my performance, and I can articulate that to my customer in meaningful terms.”

Not all of the CMO’s customer outcomes have to be mapped to employees’ IPPs. For example, low-risk outcomes are watched at management level but don’t necessarily need to be mapped to the IPPs. They, along with their employees, have to evaluate the risk in all VOC-based outcomes. DCMA Northern California has many customers, and those customers have many desires, which leads to many engagement strategies (mapping down from the VOC to our realistic action), which leads to numerous outcome measures. The outcome measures in the “Contribution to Mission Accomplishment” (CTMA) section of the IPP are supposed to highlight the most significant CMO outcomes that the employee is responsible for in the upcoming evaluation period. This should be three to seven outcomes that are mapped to the CTMA. The purpose is for the FLS and employee to discuss and identify which of the employee’s responsibilities have the most significant impact on the mission.

The strategic, operational and tactical activities all contribute to the success of the CMO’s mission. The importance of the IPP is that it

(Top) A 2010 Shared Vision: DCMA Northern California’s organizational chart illustrates its position as the best customer-aligned geographic contract management office within DCMA and the acquisition community.

(Opposite) U.S. Air Force Capt. Michael Schaner, a Raptor pilot assigned to the 27th Fighter Squadron at Langley Air Force Base, Va. Fighter pilots use the term “the zone” to describe their peak performance, which requires vision, disciplined hard work and a specific methodology. DCMA Northern California adopted these techniques to achieve customer focus. (U.S. Air Force photo by Tech. Sgt. Ben Bloker)



A Shared Vision: the Customer-Aligned Workload Structure

CUSTOMER FOCUS

Setting or forging behavior is an art where leadership creates work units or activities to provide for intrinsic, rather than extrinsic, motivation.

End-State: Customer Connected

Getting to “the zone” takes disciplined hard work and a regimented methodology. DCMA Northern California identifies this process as the “execution difference.” Connecting with your customers involves being in a personal relationship with them. Like elite athletes and fighter pilots, DCMA Northern California did not get to where it is today by idly standing by on the sidelines, but rather by making significant changes in incremental stages to

affect behavior. Change is relative. Life is about change and the journey, not the destination, which at DCMA is “putting it all together and connecting with our customers!”

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(Top) DCMA Northern California achieved DCMA's strategic goal #2, “Embrace a performance-based culture,” through large-scale transformational change rather than subtle process improvements.
(Above Right) DCMA Northern California personnel participating in the “Enterprise Performance Leaders of the Future” off-site meeting as the CMO personnel connect with their customers. (DCMA staff photo)