

Defining Stewardship: simply a matter of trust

DCMA Public Affairs

S **tew-ard-ship [stoo-erd-ship]**
noun - the position and duties of a steward, a person who

acts as the surrogate of another or others, especially by managing property, financial affairs, an estate, etc.

Stewardship is a word we hear daily, if not certainly on a weekly basis. Most recently within the Department of Defense stewardship has been closely associated with money and how, as government employees, we are responsible to being good stewards with the money the American taxpayer provides.

This stewardship responsibility for taxpayer dollars is certainly crucial and something we all owe to the American people; however, as employees of the Defense Contract Management Agency there are many differing stewardship responsibilities we are expected to maintain.

DCMA region commanders recently shared their perspectives on stewardship, as well as specific stewardship responsibilities they provide to the agency and the American people. The following is what they shared.

What does stewardship mean to you?

Navy Capt. Sidney J. Kim, DCMA Eastern Region commander:

Stewardship means that we are not only conscious of its importance but also that we are putting in place processes to ensure we exercise good stewardship at all times. Taxpayers and warfighters expect and deserve our best efforts to: reduce

waste, deliver our products as efficiently as possible, and ensure that resources are being used for what is absolutely necessary.

Army Col. John Ellis, DCMA Central Region commander:

Very simply, it means that as the Central Region Commander, I have a fiduciary responsibility to protect the interests of the taxpayer and the interests of the warfighter. I become specifically involved in this as it relates to manpower and budgetary issues.

Michael A. Lowry, DCMA Western Region director:

Stewardship is critical to being a responsible leader in the management of all resources entrusted in the execution of the agency mission. It is my responsibility to ensure integrated resource assets are effectively aligned and executed to planned objectives, and performance is measured to ensure all contract management offices meet expectations of public trust.

How do you reinforce the value and importance of being good stewards of public funds?

Ellis: We emphasize stewardship at every region War Room and every region stand up meeting. Stewardship is emphasized in our mission essential tasks and in the commander's initiatives, which reinforces the need to balance the Central Region requirements with the necessary resources.

Kim: We reinforce the value and importance of stewardship through regular

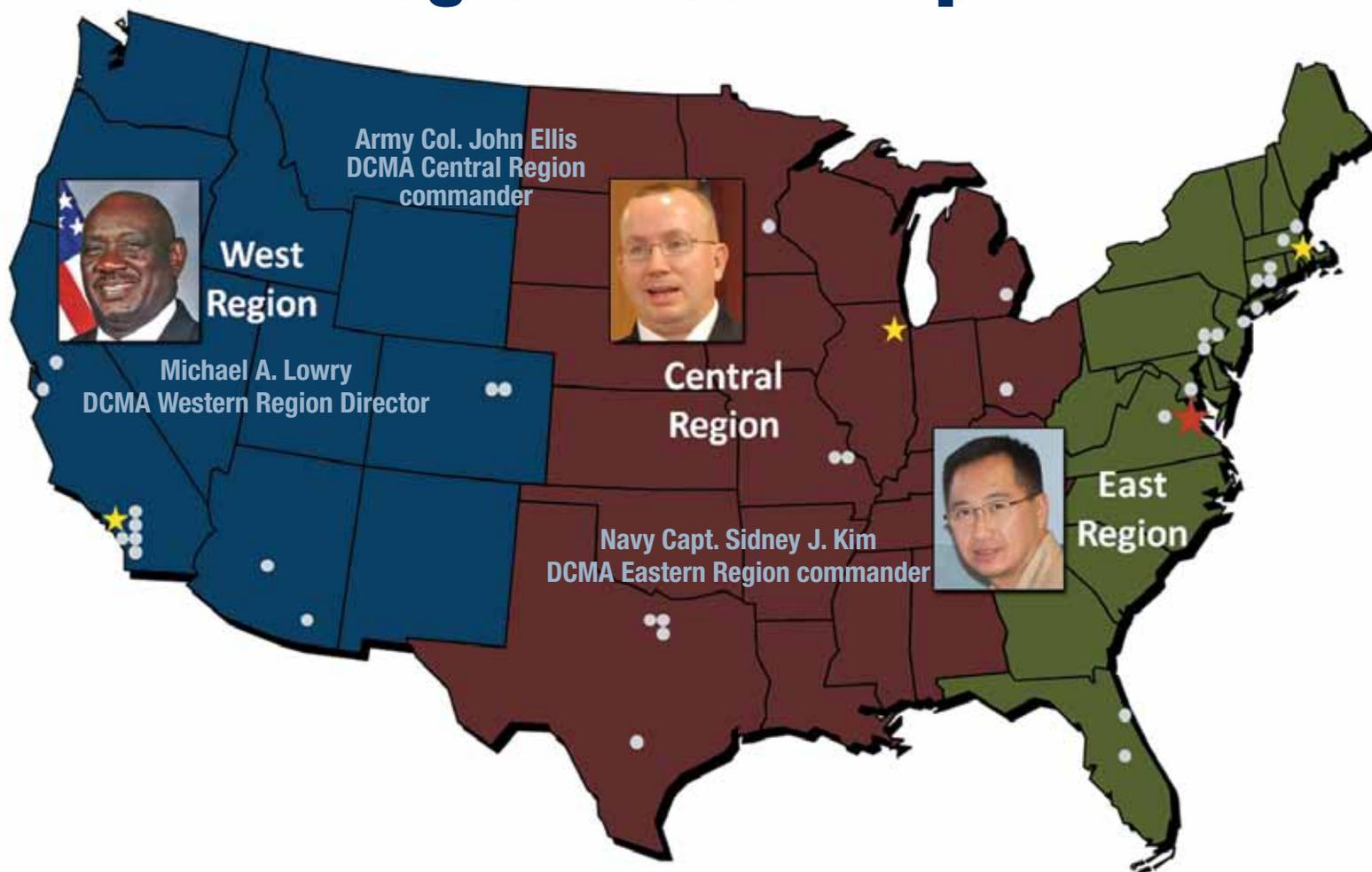
staff meetings, Performance Reviews, region War Rooms and by providing examples of other good stewardship efforts across the region. We have tried to instill "good stewardship in everything we do," especially during the last few years of budget turmoil and uncertainty.

Lowry: This requires constant communication at all levels of the CMO. This is accomplished by holding Command Operations Briefings each quarter where CMO leaders present their plans and performance accomplishments aligned to the resources expended. During Town Hall meetings, it is stressed that each member of the organization has the responsibility of ensuring and maintaining public trust as part of mission execution. I remind everyone they can make a difference in how effective and efficient they operate, and to not shy away from opportunities to improve execution of duties.

How do you ensure your staff and the contract management offices implement the director's stewardship initiatives?

Lowry: My primary role is to ensure my staff and CMOs effectively implement all of the director's stewardship initiatives. This is accomplished through established CMO performance plans traceable to the initiatives. These plans and their effectiveness measures are validated by my staff to ensure CMO compliance, along with other agency established performance indicators. The focus on internal control

Region Leadership



measures is also a means used to verify CMO progress. Progress of any corrective actions that result from the internal control reviews and management review team audits are also monitored. The region and CMO staffs' expertise is used to ensure the planned corrective actions are adequate to correct noncompliances.

Kim: We constantly focus on labor and non-labor budgets across the region, including at the staff level. Through the Individual Performance Plan process and, more specifically, Contributions to Mission Accomplishment 3: Resource Management, we are able to effectively ensure all goals are flowed throughout the Eastern Region. We have instituted plans to cut back on travel expenses, supported the agency's information technology initiative to reduce BlackBerry devices, and have begun a comprehensive review of

the region's government owned vehicle fleet usage.

Ellis: The Central Region has initiated a very proactive approach to performance management and accountability. Using the tools available to us such as Metrics Studio, Individual Performance Plans, Mission Review Teams, resource reviews, etc., we communicate desired outcomes, measure performance and implement corrective actions where necessary to ensure compliance.

How does stewardship at the CMO level enhance the agency's overall importance to the Department of Defense?

Ellis: The CMOs engage directly with those contractors who are servicing the Army, Navy, Marines, Air Force, Coast

Guard and NASA in support of the warfighter. It is each respective CMO's responsibility to ensure products are delivered on time, at cost, with the required quality requirements. If these conditions are not achieved, we fail not only the warfighter but also the taxpayer—the two most important DoD stakeholders.

Lowry: Stewardship at the CMO level is the most critical point in the execution of stewardship in DCMA as a DoD organization. It is where the rubber meets the road in resource utilization. Accountability for best utilizing the resources committed to accomplishing the agency mission is job one for CMOs. It is where the warfighter sees the return on DoD's investments in the agency, manifested through our CMOs, as quality products are delivered on time and on cost. The face of DoD to industry and the



industrial workforce most often are those in the CMOs. Public trust can be, and is often, developed during very real and up-front experiences between CMO personnel and our defense contractor partners. This most often occurs when CMOs are engaged in the inspection and acceptance of products or in timely payments to contractors who, in turn, compensate their workers.

What are some examples of programs in your region that effectively and efficiently manage public resources? This is not limited to but could include: resource planning and analysis, management controls, financial systems and business processes that in the end can be assessed with performance indicators such as improving cash management, effective budget execution, full-time equivalent (FTE) management, and reimbursable operations.

Kim: During fiscal year 2011, the region successfully balanced personnel needs

with budget requirements. As the largest region in Operations, we were able to help the agency balance the budget without compromising our region's ability to get the mission accomplished at the lowest possible risk. This was a collaborative effort between Operations, the Eastern Region and our 17 primary CMOs.

At DCMA Atlanta, overhead expenses have been lowered through a careful review of government owned vehicle use. Over the course of the past year the CMO has decreased the size of its GOV fleet by 20 percent. A two-person team looked at various metrics involved with the fleet, including miles driven and fuel efficiency, to determine a breakeven cost for each vehicle. With input from group chiefs and senior leaders, the CMO ultimately turned in seven vehicles, bringing to 25 the number of GOVs used to cover offices all over Georgia and South Carolina.

Lowry: Within the Western Region, an example of a program used by us is our WAR Review Program and Process. It is a critical program that enables the region

to effectively manage program planning, budget the allocation and execution of all resources. Sound stewardship at the CMO level establishes confidence and is a cornerstone for the DoD. Recently the agency has moved to add position management and implementation manning documents to provide clear alignment of resources and requirements. To help integrate these is another program tool called Enterprise Integrated Toolset (EITS), an additional portal tool which enhances collaboration within and across CMOs and our customers. Programs like these will give insight into execution, allowing for targeting of resource alignment and accountability of resources based upon performance.

Ellis: All of the programs mentioned in the question: resource planning and analysis; management controls; and management internal control program; program objectives memorandum processes; and financial business processes are defined, tracked, communicated and enforced throughout the Central Region. The war room process is an extremely

exhaustive process to identify and validate manpower requirements throughout the region. The process was notably improved with the agency-wide implementation of position management. In conjunction with this, the region has been directly involved with an information technology initiative to allocate IT resources to positions, thereby reducing equipment redundancy and improving efficiency. Also, in the past year, the Central Region eliminated the requirement for mailing equipment in each office by implementing a virtual mail system with Stamps.com, an online provider of mail services.

What is the largest stewardship challenge facing your office/ organization, and what do you currently have in place to meet that challenge?

Kim: At this time, there is no single challenge we are facing. Rather, we are looking at every budget, process and expenditure for possible efficiencies. Stewardship is in everything we do, and sometimes at the expense of past practices that provided employees comfort levels that could be considered excessive. Moving forward, we realize the future defense budget will see significant reductions. That appears to be the largest challenge we will face in the near future. We will need to continue to ensure mission accomplishment while realizing diminishing resources in labor and non-labor. The processes we put in

place now will be a tremendous benefit to our meeting these future tests to budget management and stewardship.

Ellis: Given the recent budgetary issues regarding DoD spending, our biggest challenge as a region will be to “do more with less.” Our manpower and budgetary resources will be reduced, but we will still have an obligation to complete our mission and ensure our customer requirements are met.

Lowry: Today the biggest challenge facing stewardship in the Western Region is managing knowledge resources. This challenge is critical because as we shed experienced workers and bring on board a wave of new interns, we need to possess the ability to effectively harvest the tacit knowledge of our experienced workers. To bridge this gap there is a need to create a focus on education and training in the discipline of integrated contract administration, along with building a distributed collaborative environment capable of collecting, storing and searching such tacit information.

How do you measure success of stewardship of resources?

Ellis: The most common measurements include performance to budget and manpower allocation. However, as we work to meet the challenges of severely reduced budgets, I think the ultimate measure of stewardship will be our

collective ability to meet our agency mission to provide products and services to the warfighter on time, at cost and at the specified quality.

Kim: We measure success by full-time equivalent management, non-labor budget execution and contract management office success stories.

Lowry: I measure the success by gauging the effectiveness of each of the performance elements linked to programing planning and budgeting to mission outcomes. I assess the knowledge and training delivered to our resources and their ability to execute based upon changes in the key critical performance indices. What is hard is assessing and measuring the proficiency associated with productivity within each CMO. The maturity of the workforce is different between functions within each organization. To gauge the measures of stewardship success in resources capability I again look at accomplishments against CMO strategies and tactical execution plans at command operations briefing and evaluation of management control processes utilized by the CMO leadership. 

