



# Saving Millions, one eTool

By Katherine H. Crawford, Staff Writer

From a sunny corner of the second floor at Defense Contract Management Agency headquarters, Dave Guinasso, DCMA eBusiness director, is quietly saving the government, taxpayers and industry millions of dollars. Though Guinasso has recently begun taking his good news stories on the road, the efforts of his group remain relatively unknown within and outside the agency.

Guinasso began his 26-year career with DCMA as a contract specialist trainee at the DCMA Los Angeles office. At that time, DCMA Los Angeles managed all payment functions, so he began working overtime assisting with payment and invoicing work. It was this experience that, ultimately, led him to his current position. His career progression continued as he became a contracting officer, a team chief and then a policy worker at headquarters for a few years before, “I was told I was volunteered to work in electronic business,” Guinasso said. These many roles allowed him to be

involved in every part of the invoicing process.

As DCMA eBusiness director, Guinasso is responsible for all of the agency’s customer interfaces — Wide Area Workflow, electronic business data exchange with customers, Mechanization of Contract Administration Services database requirements and data capture on all new DCMA applications — as well as overseeing the knowledge sharing program and records management — electronic document workflow and everything related to electronic document storage.

## DCMA eBusiness — Who They are and What They do

The bulk of DCMA eBusiness’ work, executed by Guinasso and his team of 24 employees — a 50/50 mix of government and contract workers — is developing, improving and managing eTools, which began as a set of internal tools for DCMA employees but are evolving into business tools for external customers, or “trading partners” as Guinasso calls them.

“Each eTool is a piece that, when fit together, makes a picture of a more efficient, better operating organization,” he said. As evidence of the explosive growth in eTools’ use, consider this: one year ago, there were approximately 1,500 external users of eTools and today there are more than 5,000 — a 30 percent increase.

Of the eBusiness tools, Wide Area Workflow is the most widely used, but there are also dozens of others and all are being improved continuously. Two new capabilities were deployed in late October: the new Agency Level Performance Commitments tool for production lead time and Delivery Schedule Manager 1.5 Reports, which is an additional set of reporting tools for internal use for the externally available DSM application. The ALPCs tool has been one of eBusiness’ most significant projects this year. The tool’s objective was to deliver the requisite data for analysis of how to improve performance for each agency-level performance commitment.

In addition to the internal tools, there are currently seven eTools available to external customers:

- Lost, Theft, Damaged and Destroyed (LTDD)
- PreAward Survey System (PASS)
- Duty Free Entry (DFE)

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# at a Time

- Shipping Instructions Request (SIR)
- Contract Audit Follow-up (CAFU)
- Delivery Schedule Manager (DSM)
- Plant Clearance Automated Reutilization Screening System (PCARRS)

LTDD, the newest tool, rolled out in September. Currently in the works is a DSM upgrade scheduled for completion in March. Guinasso's group is constantly looking for new and honing existing tools to make the contracting process more efficient and cost effective. The key is then to field the tools rapidly because Guinasso's philosophy is: "You can't wait for perfection, which is a human concept and not part of the real world. The only way to find out how something will work is to put it in the hands of users."

A project that has moved into production recently, the DCMA Electronic Industry Interface, involves making the electronic contracts DCMA receives available to industry trading partners. The Boeing Company and Lockheed Martin Corporation were two of the beta test sites, and both now receive all DoD contracts electronically. "The hope is that eventually we will get to the point where all basic contract documents — the contracts themselves and



Dave Guinasso, DCMA eBusiness director, in his office at DCMA Headquarters in Alexandria, Va. (Photo by Dianne Ryder, DCMA Public Affairs)

contract modifications — are exchanged between us and our trading partners electronically," Guinasso explained.

This new project is already saving the government and the two corporations vast amounts of time and money. "Boeing's estimate was that it takes 20 days to go from a paper copy contract to production start; receiving contracts electronically will cut out at least 10 days of that cycle time, so that's 10 days faster processing time for everything they're delivering to DoD," said Guinasso, adding, "The project cost us \$78,000, so the return on investment on that is probably more money than I'll ever see in my lifetime." The next step is to make this capability available to other trading partners in the near future.

## Unique Capabilities for DoD

It is this type of cost- and time-saving innovation that makes DCMA eBusiness a leader in its field. As Guinasso stated, "We're very good at taking a little bit of money and making it go a long way." DCMA is also the leader in electronic data exchange, which it does with all of its customers, including the Army, Navy, Air Force and Defense Logistics Agency, and the agency is in talks with the Marine Corps to do work for them as well.

By prompting this many customers to go electronic, DCMA has been able to move from a 90 percent paper organization to a 90 percent paperless organization over its history, which has increased efficiency and cost savings exponentially. Throughout 2007, the cost of each invoice the Defense Finance and Accounting Service



Lockheed Martin's F/A-22 *Raptor* flown by Air Force Lt. Col. James Hecker, 27th Fighter Squadron commander. Like Boeing, Lockheed Martin now receives all DoD contracts electronically. DCMA eBusiness' goal is to make the exchange of all basic contract documents between DCMA and its trading partners electronic. (U.S. Air Force photo by Tech. Sgt. Ben Bloker)

processes has dropped by 70 percent and a further 10 percent drop is expected for 2008. From the agency's inception, DCMA's eTools have:

- Decreased invoice cycle time and the costs of processing invoices by 70 percent
- Decreased the number of documents manually entered by more than two million per year
- Decreased lost documents by 70,000 per year

This has resulted in nearly \$10 million cumulative savings for DCMA in data input personnel (1106) wages and \$84 million in savings per year for customers through lowered Mechanization of Contract Administration Services database billing rates.

He continued, "We've got a long way to go, and we can always make things better, but I think people would be startled to learn how far out in front we are in so many areas. I know that I'm always

startled when I go to meetings [at Office of the Secretary of Defense] and see what the rest of the world looks like." Guinasso stays ahead of the curve by realizing that "You can make most of your money and get most of your savings with an 80 percent solution, as long as you know what the 20 percent you're not doing is."

### **eBusiness Achievements**

The two eTools Guinasso thinks have had the most significant impact are DFE and Mods and Delivery Orders. With DFE, DCMA is partnering with U.S. Customs and Border Protection to encourage the application's direct use by vendors and their customs agents and DoD customers. DCMA

fielded DFE in January, and by mid-February U.S. Customs had generated a letter to all of their customs offices that stated that this tool was the preferred method for duty-free entry.

The other high-impact application is MDO, which automatically delivers contract modifications to the Mechanization of Contract Administration Services database, customers and industry using the same standard data transactions. This eliminates manual data entry, which "saves the customers a lot of money and offers the agency an opportunity to integrate with industry in a way we've never done before," Guinasso said.

Additionally, the agency lost approximately five percent of the documents that came through its systems, which is not unusual. Since Wide Area Workflow was deployed, only one document has been lost, and Guinasso has its details memorized — it happened in February 2004 and came from DCMA Boeing St. Louis. He is still mystified as to where the document went or why it disappeared, but one out of 1.5 million documents a year since March 2002 "isn't really very bad," he said with a smile.

Guinasso maintains a positive attitude and love of his job by understanding people's reluctance oftentimes to adopting new applications and also by maintaining his focus on long-term results. Guinasso explained that his

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job “is all about change, and most people, myself included, aren’t really big on change. And every time I put something out, I’m asking people to give up what they’ve had and go to something new.” This change often leads to initially bad reactions that later turn into positive feedback. “I gave up a long time ago figuring that the day after I gave somebody a new product they’d be really happy with me. The acid test is how they feel about that product six months later.”

## The Future

Guinasso plans to continue the fast development pace with the goal of rolling out an application for one product area every month.

What drives him is his belief that if everything that eBusiness does is working, it helps improve DCMA’s mission and customer satisfaction. As a result of eTools, DCMA is “delivering faster, providing better insight and information and not spending time chasing bad

information and lost documents. We’re taking the people in the agency and using them in the way that generates the most value for our customers,” Guinasso said. And, ultimately, “If we can deliver information faster and in a more useable format, then I feel like I’m doing something worthwhile here,” he added. 



A Boeing C-17 *Globemaster* III taxis to its parking spot on the ice runway at McMurdo Station, Antarctica. Boeing now receives all Department of Defense contracts electronically, which, by its estimation, cuts 10 days from the processing time for everything they’re delivering to DoD. (U.S. Air Force photo by Tech. Sgt. Shane A. Cuomo)

## Accessing the eTools

To begin using the various eTools applications:

- Log on to [www.dcma.mil](http://www.dcma.mil) to register with External Web Access Management — EWAM — and to get a user ID and password
- Log on to [www.etools.dcma.mil](http://www.etools.dcma.mil) and enter the eTools Portal, using your EWAM-assigned user ID and password
- Access the application you’re interested in by clicking on its corresponding icon
- Follow the prompts, which will walk you through the application’s use.

## Take the eBiz Quiz!

Test your knowledge of DCMA eBusiness

- 1) Complete the following sentence:  
The savings generated by DCMA’s eBusiness is
  - a. larger than the Information Technology Customer Service Organization budget
  - b. enough to buy an F-22
  - c. more money than you’ll make in a lifetime
  - d. all of the above.
- 2) Which of these is larger?
  - a. The gross national product of Thailand
  - b. The gross revenue of GE
  - c. The value of invoices DCMA processed through WAWF
  - d. The bonus Dave Guinasso will get for making “c” bigger than “a” or “b”
- 3) In the one-month period between August and September 2007, the use of the Wide Area Workflow application increased by:
  - a. 54%
  - b. 76%
  - c. 83%
  - d. 88%
- 4) eBusiness is responsible for how many agency-level goals?
  - a. 2
  - b. 4
  - c. 6
  - d. 8 or more
- 5) Which of the following are eTools?
  - a. SIR
  - b. TSIR
  - c. CER
  - d. Both a and c
- 6) ANSI X.12 is which of the following?
  - a. A data exchange standard
  - b. Recognized by the FAR
  - c. Medication for hyperactive children
  - d. Both a and b
- 7) Use of WAWF results in elimination of manual entry of over how many documents per year?
  - a. 1 million
  - b. 850,000
  - c. 300,000
  - d. 65,000
- 8) Since inception of Standards Based Architecture, what results have been gained?
  - a. Invoice cycle time slashed by 70-plus percent
  - b. Manual data entry sliced by over 2 million documents per year
  - c. Costs of processing invoices stomped down by 70-plus percent
  - d. All of the above

Answers: d, c, b, d, d, a, a, d