

DoD Change Management Center Business Managers' Conference June 14, 2000



**Mr. William E. Mounts
Change Management Center Lead
and Director, International and
Commercial Systems Acquisition**

Acquisition and Logistics Reform

Knowledge Management

Change Management

Change Management Center

Focus: Drive change implementation, measure performance outcomes, and maintain visibility into all ongoing rapid improvement activities.

- ◆ ***Strategic and tactical support for deploying rapid improvement activities***
- ◆ ***Seamless implementation and coordination of participating team members***
- ◆ ***Development, execution, and capture of information to develop and track Performance Scorecards***
- ◆ ***Data collection, management, and storage/retrieval systems to collect and centrally store information for rapid retrieval and oversight of goal implementation***
- ◆ ***Data analyses of progress and suggested improvements to Action Plans***

Commercial Business Environment Approach “Accelerating Change through Enterprise Teaming”

3-FOLD APPROACH

Accelerating Change

- ▣ Adopt commercial enterprise change acceleration model.
- ▣ Embark on 18-month Revolution in Business Affairs campaign.
- ▣ Use scorecard to measure success of change acceleration model.

Knowledge Management

- ▣ Establish mission support office to sustain change.
- ▣ Use electronic performance support system to provide training.

Enterprise Teaming

- ▣ Senior leaders support enterprise teaming initiative.
- ▣ Use Team Acquisition example to support enterprise teaming.

Corporate University

Accelerating Enterprise Change

- Enable senior leadership to accelerate strategically driven acquisition and logistics reform (ALR) initiatives
- Establish performance scorecards to integrate all ALR acceleration efforts
- Utilize proven Rapid Improvement Team process as centerpiece to accelerate change

The Road Ahead - A Foundation for the Future Accelerating Acquisition & Logistics Improvements

Cementing the Foundation

- ✓ Models & Templates
- ✓ Rapid Deployments
- ✓ Demonstrated Successes

Rebuilding the Infrastructure

- ✓ Improving the Business Environment
- ✓ Applying the Models
- ✓ Changing the Culture
- ✓ Integrating Acquisition and Logistics

Reaping the Improvements

- ✓ Wide spread execution of models
- ✓ Improved business environment
- ✓ Optimized and Integrated Acquisition and Logistics

Strategic Supplier Relationships

- Packaging
- Perf. Based Services Acq.
- DoD-Sarnoff Labs
- AlliedSignal Alliance
- Source Inspection
- Customer Satisfaction

Infrastructure Reduction

- Export Control
- USN FMS Ship Disposal
- DSSW
- Property Disposal

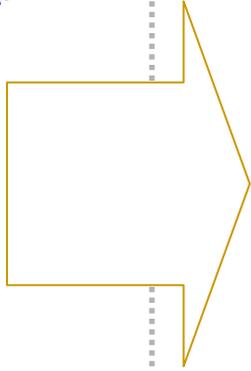
Product Support 2005

- Acq./Log Reinvention
- Reprocurement Reform

Knowledge Management

- IPT Rules of Road
- USMC Leadership Jumpstart

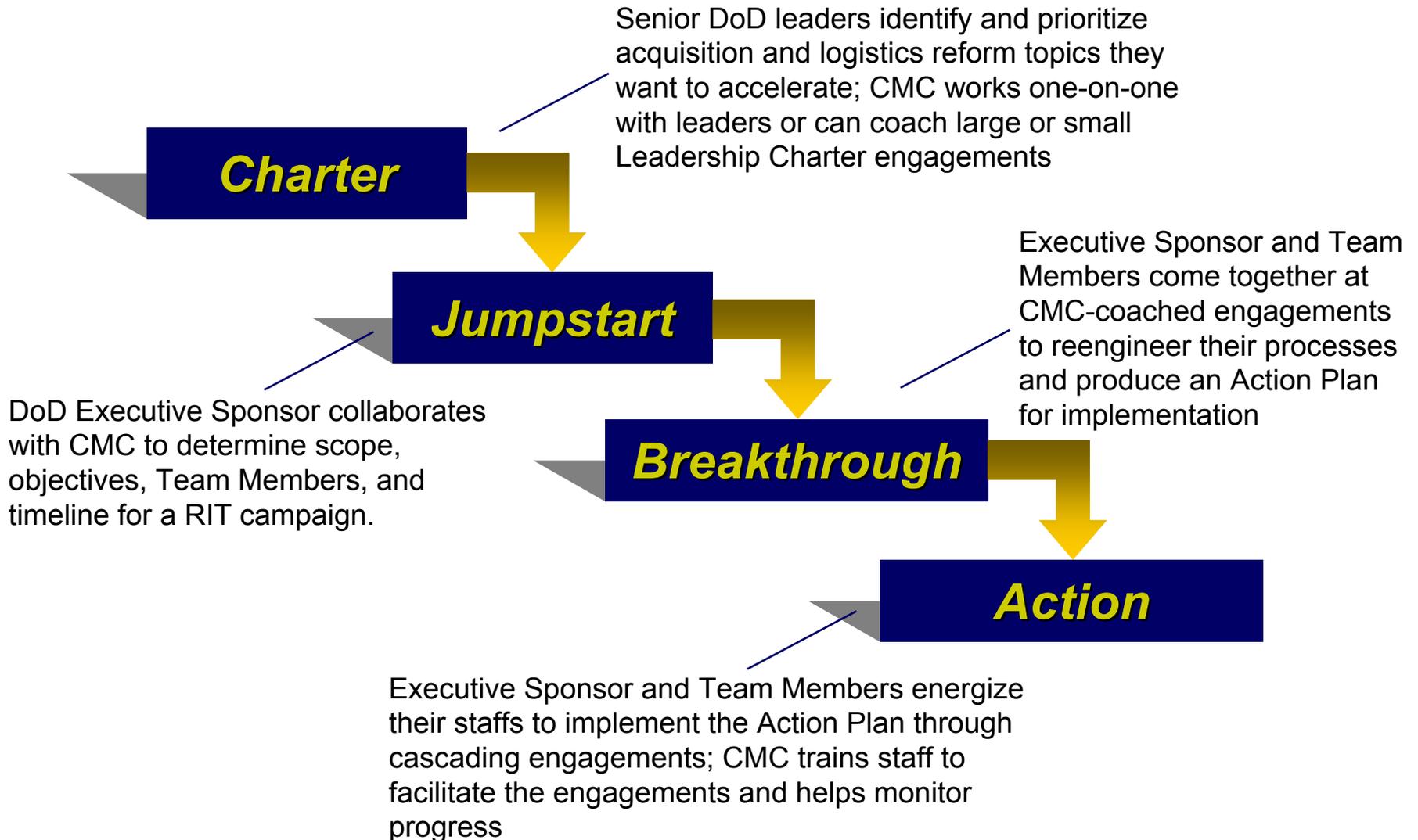
Other DoD Models



Incrementally
Deploying All
Operational Models
to Defense Agencies
and Major Defense
Suppliers

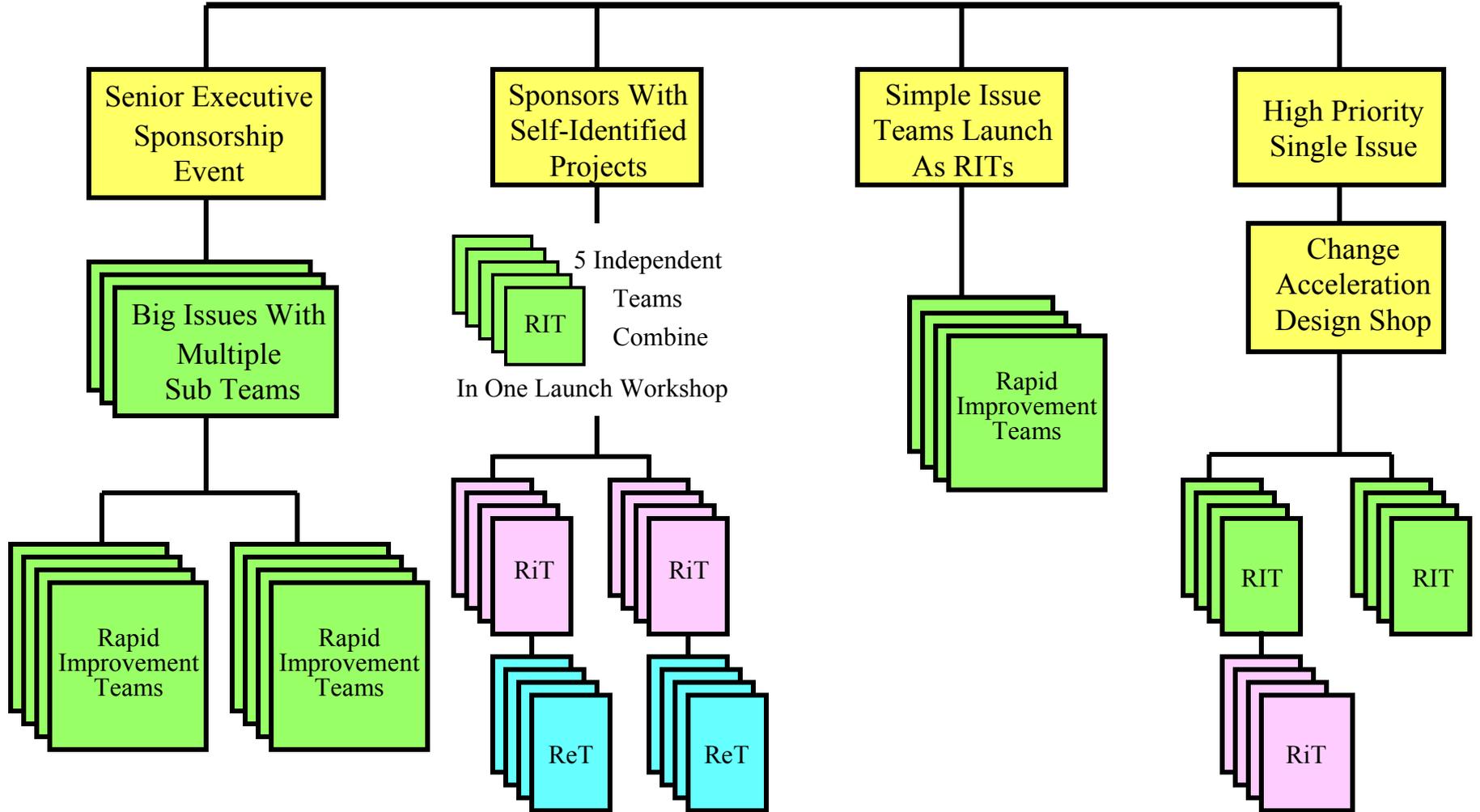
Four Steps to Rapid Improvement

Teaming is the Key to Success



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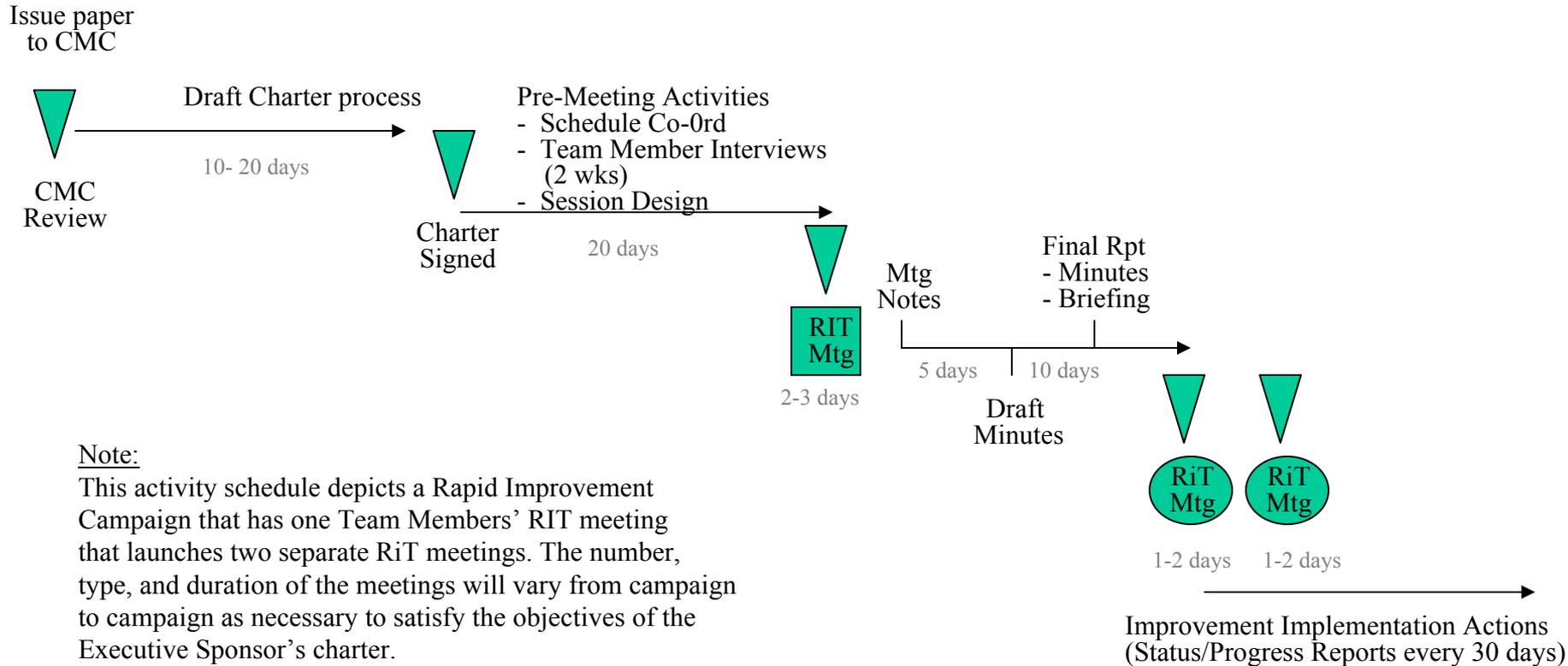
Streams of Rapid Improvement Activity - Campaigns for Change Acceleration



Leader Sponsorship & Charter/Jumpstart
 Reengineering = Rapid Improvement Team (RiT)

Energize = Rapid Implementation Team (RiT)
 Energize = Rapid Execution Team (ReT)

Typical Rapid Improvement Process Campaign Activity Schedule



Note:

This activity schedule depicts a Rapid Improvement Campaign that has one Team Members' RIT meeting that launches two separate RiT meetings. The number, type, and duration of the meetings will vary from campaign to campaign as necessary to satisfy the objectives of the Executive Sponsor's charter.

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Commercial Business Environment

Learning Resources Change Management Center Enterprise Teaming Resources

Change Management Center March 16, 2000

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[About CMC – Information about the CMC](#) [RIT Members – Access to collaborate with other RIT members](#)

[Rapid Improvement Team \(RIT\) Projects – Access to projects and resources](#) [Accomplishments – Spotlighted RITs](#)

[RIT Real Time Project Review Area – Access to your RITs](#)

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Schedule of Rapid Improvement Campaigns

DoD Commercial Packaging Pilot Program (AlliedSignal&General Electric) Empowered Industry-Government packaging specialists to find, test, and implement innovative packaging practices for military items	(5/99)
DoD Commercial Packaging Program (Additional Contractor) Extending Packaging Program innovative approaches to additional (TBD) contractors.	(2-5/99)
Strategic Supplier Alliance (DLA-AlliedSignal) (now Honeywell) Developed flexible guidelines to facilitate strategic alliances. Moved DoD from transaction based actions to strategic portfolio management. Leveraged DoD buying power.	(6-8/99)
Strategic Supplier Alliance (AFMC-AlliedSignal) (now Honeywell) Developed standard guidelines to support contractor depot maintenance of secondary repairable items. Provides single face to industry through a strategic supplier alliance.	(10/99)
Strategic Supplier Alliance (DLA-Honeywell Quality Source Inspection) Improves quality assurance approach. Will eliminate unnecessary source inspection and adopt best business practices with acceptable risk, decreased response times, and decreased administrative costs.	(12/99)
Strategic Supplier Alliance (DLA-Honeywell Quality) Implementation Will deploy change actions to develop unified government/industry quality approach to operating manufacturing facilities.	(4-6/00)
Strategic Supplier Alliance (DDR&E - Sarnoff Labs) Extends the DoD-Contractor Strategic Alliance concept to a additional contractor and to the research and development function.	(4/00)
IPT “Rules of the Road” Revised and updated DoD guidebook covering the policy and procedures for the effective application of Integrated Product Team procedures.	(8/99)

Schedule of Rapid Improvement Campaigns (Cont'd)

Defense Supply Service - Washington Organizational Reinvention	(9/99)
Streamlined re-organization of DSSW to improve efficiency and customer satisfaction.	
Reengineering Export Control Licensing - Phase I	(9/99)
Aligned Military Services and DLA review and approval processes.	
Reengineering Export Control Licensing - Phase II	(5/00)
Will align Services with OSD; DoD with other Agencies.	
FMS Ship Transfer Process	(5/00)
Will streamline and improve the cycle time and accountability for the sale of vessels to foreign navies.	
 Integrated Acquisition and Logistics Reform	 (10/99)
Developed a strategy for the application of the CMC to support the DoD's Revolution in Business Affairs.	

OSD Defense Acquisition Knowledge Management	(11/99)
Explored options and developed specific recommendations to advance and leverage knowledge across the Defense Acquisition Community, including recommendations for improving the value provided by the existing Defense Acquisition Deskbook, by drawing on successes, lessons-learned, and best practices in knowledge management both within the DoD and from industry.	
USMC Knowledge Management Leadership Jumpstart	(2/00)
Within the context of the commercial business environment will establish and implement an effective knowledge management infrastructure to support the business processes of the USMC Systems Command.	
USMC Systems Command IT Infrastructure Breakthrough	(3/00)
Developed information technology infrastructure requirements document for a re-engineered IT-based newcomer orientation process	
USA Contracting	(5/00)
Apply Knowledge Management technology to the Army's contracting function	

Schedule of Rapid Improvement Campaigns (Cont'd)

Change Agent Familiarization	(11/99)
Selected DoD change agents, in conjunction with Commercial Business Environment, Pilot for Executive Education at the University of Virginia Darden School of Business Administration, are introduced to the CMC mission, capabilities, and procedures and are taken through a RIT simulation.	(3/00)
Performance-Based Service Acquisitions	(11/99)
Identified barriers to adoption of performance-based service contracting within DoD and actions to accelerate PBSA as a standard.	
Performance-Based Service Acquisitions (Guidebook/Templates)	(2/00)
Developed a standardized guidebook and contract templates for performance based contracting.	
Performance-Based Service Acquisitions	(4/00)
Integrate DoD PBSA with the on-line NAPM/NCMA training course.	
DSS-W Action Learning	(5/00)
Employ distance-learning and NAPM/NCMA course to develop an actual performance-based SOW	
US Army Industrial Base Disposal Program	(2/00)
Developed a new stakeholder supported process, managed by executive oversight and execution teams, for accelerating the efficient disposal of excess Army industrial base properties.	
Federal Procurement Data System Reengineering	(2/00)
Created revised process and structure to support increasing the competitiveness of small businesses throughout the Federal Government. Will enable senior managers to proactively manage their SBA goals and monitor progress.	
Federal Procurement Data System Breakthrough	(3/00)
Developed action plan to ensure all agencies are working to common goals, reduce agency level "feeder" data systems, and provide a useful system for procurement and business management.	

Schedule of Rapid Improvement Campaigns (Cont'd)

DoD Customer Satisfaction	(3/00)
Will establish an Action Plan to address the concerns identified through the DoD Acquisition NPRG HIA external Customer Satisfaction Survey of defense suppliers while defining the follow-on internal customer survey of the Warfighters.	
DSSW Customer Satisfaction Energize Engagement	(5/00)
Define and re-engineer the customer satisfaction survey and input resolution process within the Defense Supply Service - Washington organization	
Commercial Item Designation	(N/A)
Will accelerate and facilitate the adoption of Commercial Item Designations for items purchased by the DoD. (Decision has been made to pursue the objectives of this RIT through other means. The campaign has been suspended.)	
Reprocurement Reform Re-Engineering Jumpstart	(3/00)
Developed reprocurement model that maximizes RTOC, increases interoperability, and increases technology insertion by focusing improvements on opportunity targeting, business analysis, revalidating requirements, breakthrough strategies, and configuration management.	
Reprocurement Reform Breakthrough	(4/00)
Aligned stakeholder mutual interests, developed performance improvement goals, identified breakthrough opportunities, and created action plan to achieve identified outcomes.	

The Alliance Review Process



**DoD/Supplier Senior Executive Review
and Endorsement**



**Strategic Supplier Alliance
Steering Group**

DLA

DCMC

DCAA

Legal

IG

OSD

Air Force

Army

Navy

Honeywell

* DoD/Supplier co-chair board leadership



Rapid Improvement Teams

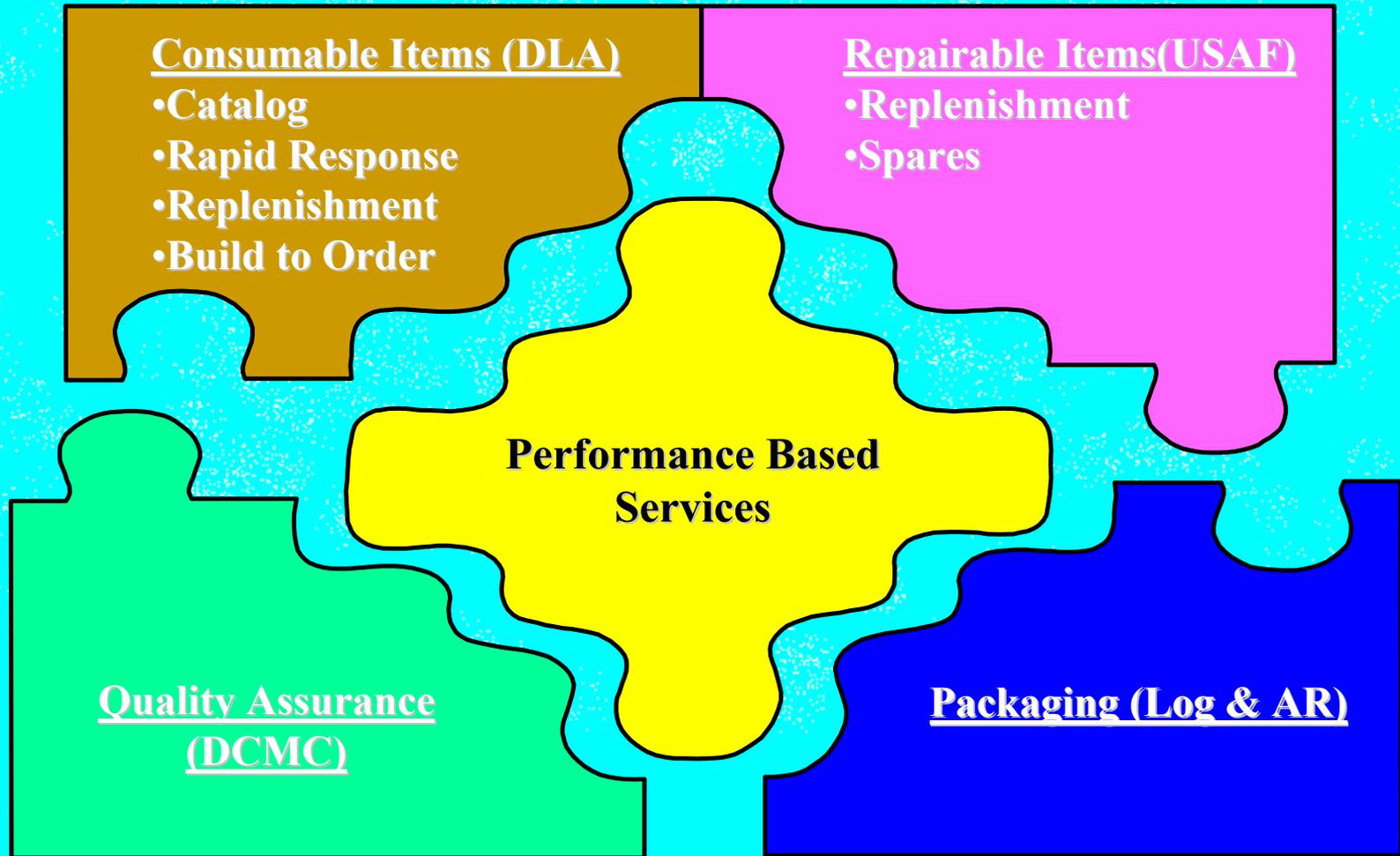
Catalog

Replenishment

Rapid Response-
Build to Order

Repairables

The DoD Strategic Alliance Partnership



Building the Foundation Elements applicable to all DoD Alliances!

Rapid Improvement Campaign Strategic Alliance (DoD - Honeywell)

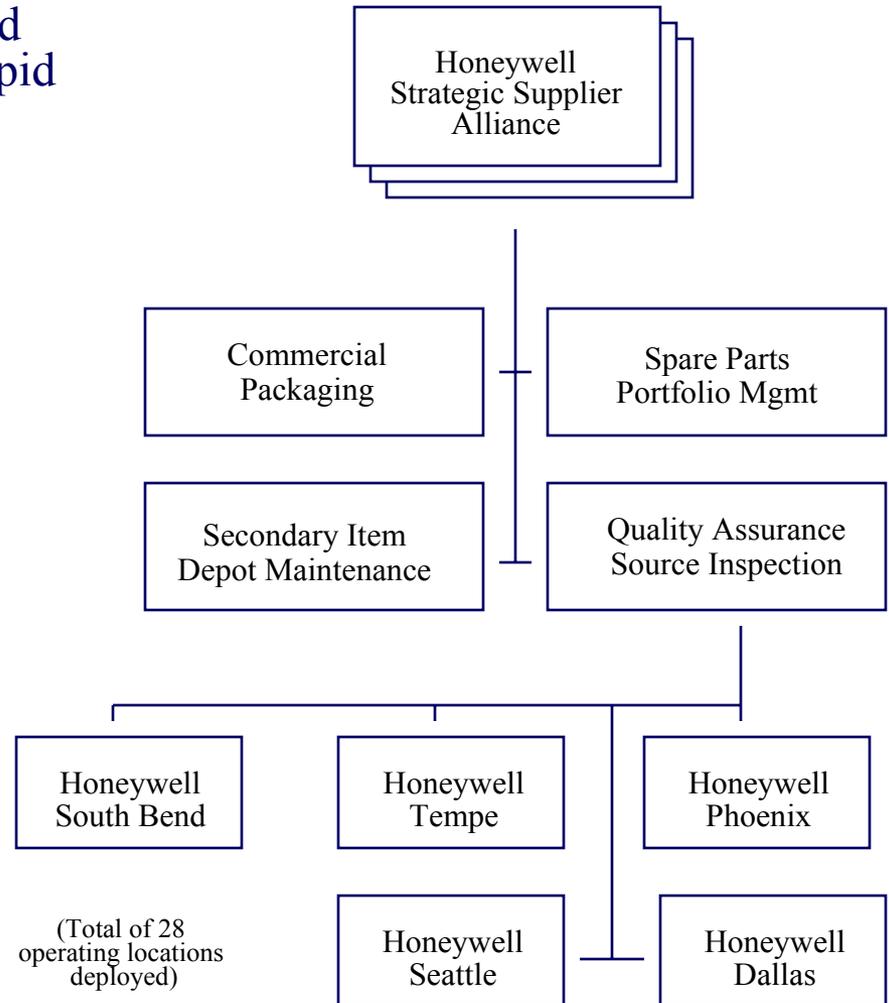


The CMC can accelerate change in processes and procedures throughout the DoD acquisition and logistics community through the use of the Rapid Improvement Campaign Model. This model:

Brings Government and Industry representatives together to forge a working relationship and identify strategic goals;

Uses the relationships to work more at lower organizational levels on specific more focused areas; and

Deploys the agreed upon solutions at the various Government and Industry operating locations. Drives ALR to the supervisor/worker “on the job”.



DoD-Sarnoff Strategic Supplier Alliance RIT (Research and Development Partnerships)

Purpose: Make contracting with government more "commercial like" to encourage emerging firms and companies developing technology to provide government access to the new technology

Why Sarnoff?

- A dual use business model
- A leading R&D company in both commercial and government markets
- 18 Sarnoff Technology Ventures
- Strong connections to the Venture Capital community

Solution: Operationalize a “could be” process for working with both Sarnoff and its commercial spin-off/ start-up ventures

Implementation Action Plans:

- Create training to apply O.T. and Commercial Contracting practice to R&D partnership
- Develop contract template for O.T. and Commercial Contracting practice for Sarnoff
- Establish basis for a commercial pricing model for R&D across DoD
- Target projects to test “Could Be” process and contract templates
- Clarify requirements for making R&D a commercial item designation
- Begin a web-based market outreach effort to match DoD needs to start-up capabilities

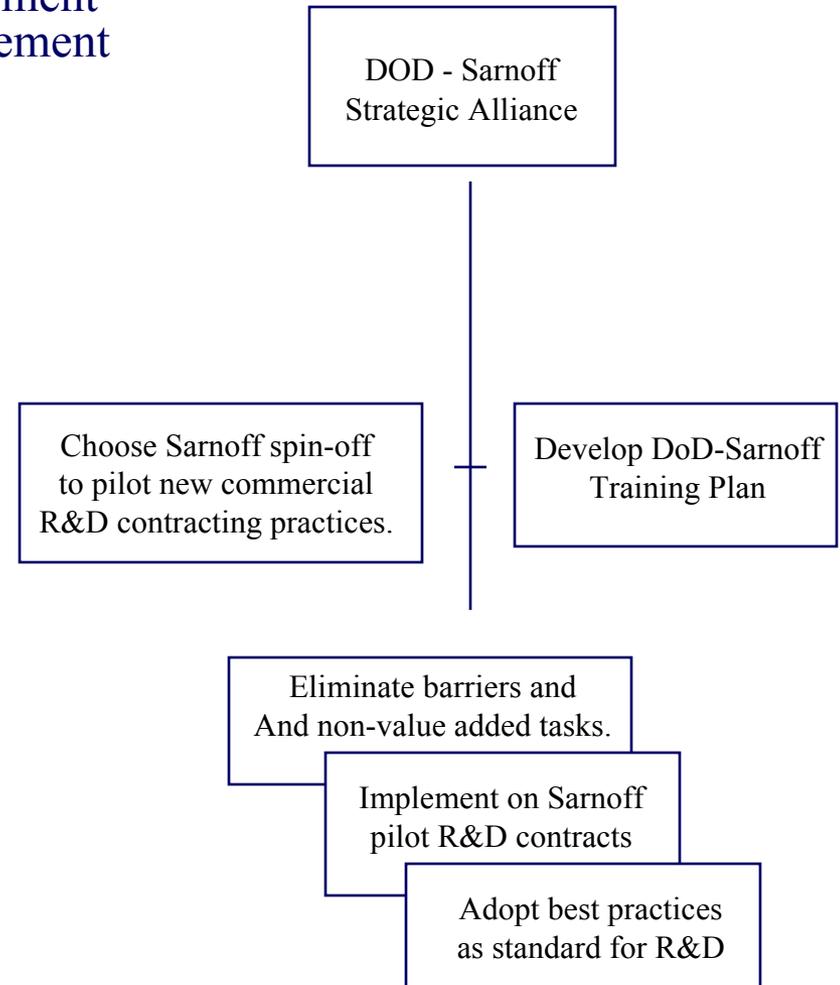
Rapid Improvement Campaign Strategic Alliance (DoD - Sarnoff Labs)

The CMC can accelerate change in processes and procedures within the DoD research and development community through the use of the Rapid Improvement Campaign Model. This model:

Brings Government and Industry representatives together to forge a working relationship and identify strategic goals;

Uses the relationships to work together to identify barriers to working on DoD R&D contracts.

Develop a set of best practices templates for R&D contracts and letters of intent. Implement on new DoD R&D activities.



Change Management Center

www.acq.osd.mil/ar/cbe



CBE Knowledge Center - Microsoft Internet Explorer

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Address http://216.4.82.41/kc/main/kc_change_frame.htm Go Links »

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News/Announcements

Welcome to the R&D Strategic Supplier Alliance: OSD/ SARNOFF virtual teaming site
(May 17, 2000):

This site is restricted to Alliance Stakeholders to enable frank discussion and collaboration as the team continues to flush out issues and action items generated from the Rapid Improvement Team (RIT) effort conducted April 19-21, 2000. The purpose of this site is to provide a vehicle for all team members to share their insights and continue the valuable dialog on developing, implementing and measuring the new and innovative business practices committed to in the RIT to make R&D contracting with the government more "commercial like". The "Supporting Documentation" button provides the most current information available. We will continue to update these documents as the team progresses. The initial supporting documentation includes: the "draft" final RIT Report (as of May 17, 2000), a "draft" FAR Part 12 Template (as of MAY 17, 2000), Dr. Gansler's Memorandum to Service Secretaries and SAEs, SUBJECT: Fixed Price Contracts for Development with Commercial Companies (dated DEC 8, 1997), the "draft" Executive Overview Brief (as of May 17, 2000) and e) Topics for Discussion in Commercial Contracts (dated May 17, 2000). For now, Randy Minter (lead TASC facilitator for the R&D strategic Supplier Alliance: Sarnoff RIT)

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RIT Members – Access to collaborate with other RIT members

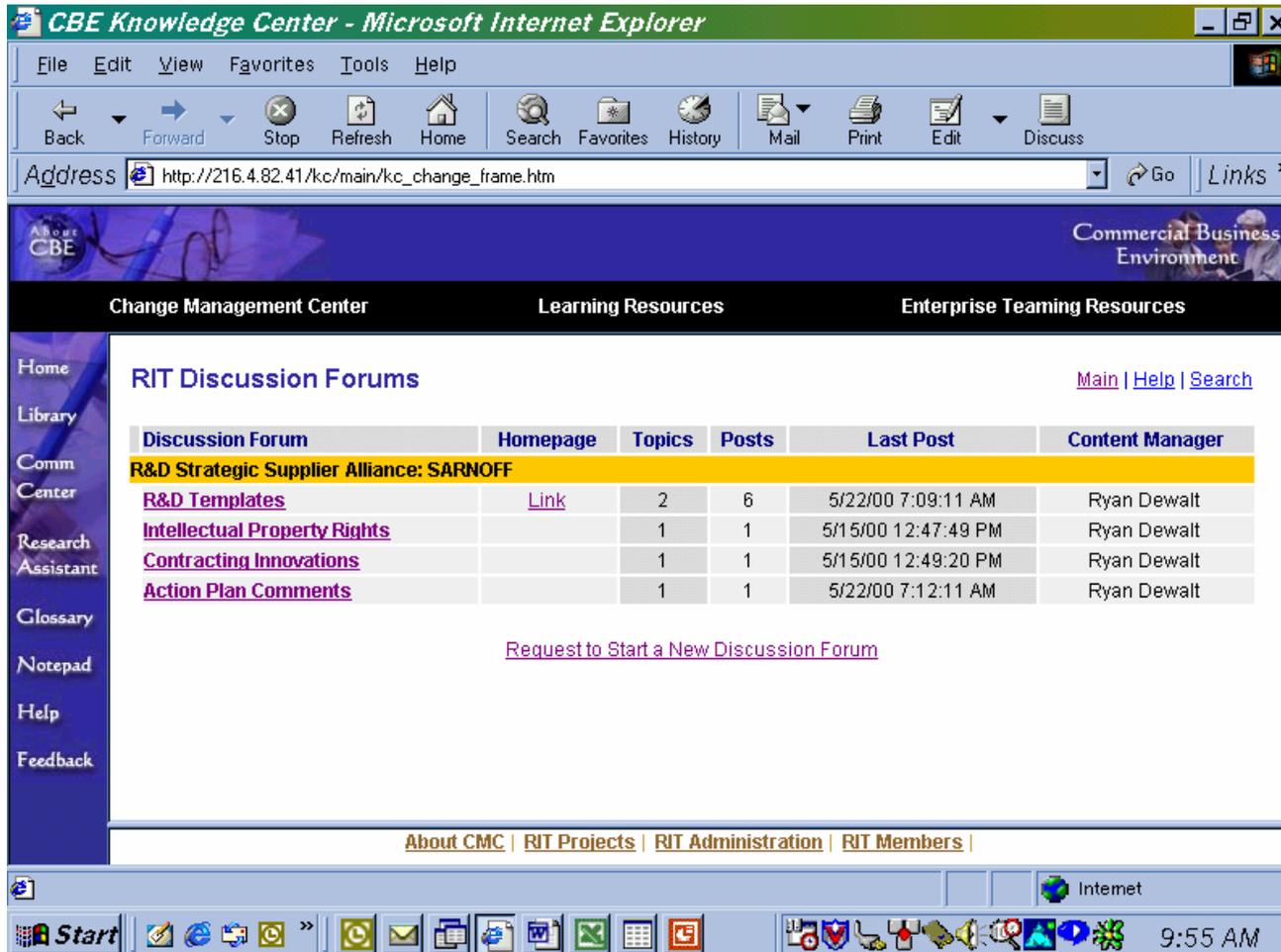
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RIT Discussion Forums [Main](#) | [Help](#) | [Search](#)

Discussion Forum	Homepage	Topics	Posts	Last Post	Content Manager
R&D Strategic Supplier Alliance: SARNOFF					
R&D Templates	Link	2	6	5/22/00 7:09:11 AM	Ryan Dewalt
Intellectual Property Rights		1	1	5/15/00 12:47:49 PM	Ryan Dewalt
Contracting Innovations		1	1	5/15/00 12:49:20 PM	Ryan Dewalt
Action Plan Comments		1	1	5/22/00 7:12:11 AM	Ryan Dewalt

[Request to Start a New Discussion Forum](#)

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Marine Corps Systems Command (MARCORSYSCOM) RIT Charter



MARCORSYSCOM RIT

Improvement Target:

How can we employ a Knowledge Management Infrastructure to accelerate achievement of our mission, vision and scorecard goals.

Key Metrics:

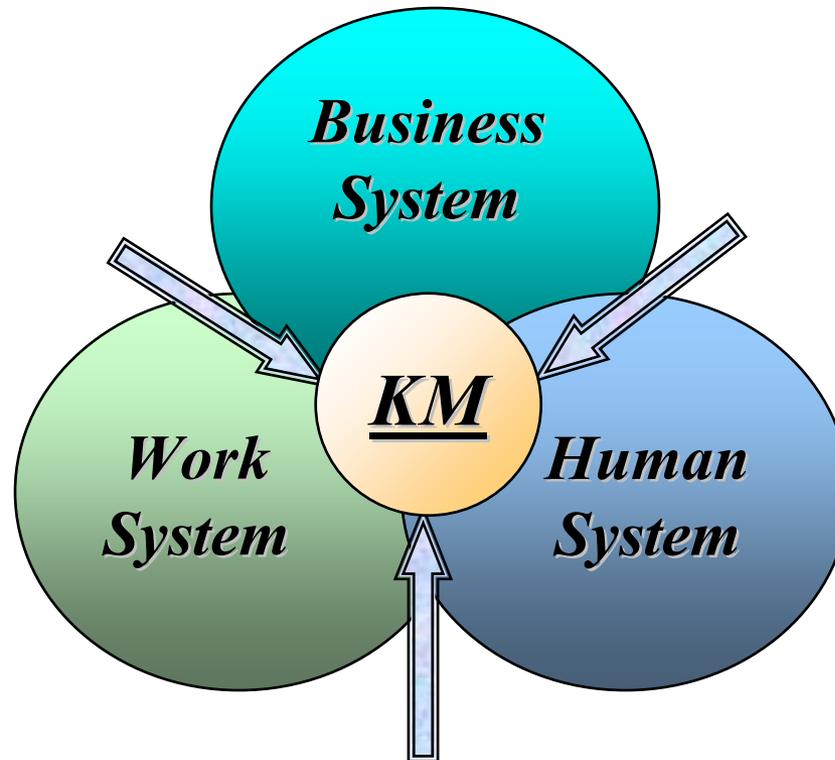
1. Launch knowledge centers within 30 days.
2. Migrate a KM infrastructure within 60 days.
3. Implement actions linked to scorecard goals within 60 - 90 days.
4. Demonstrate responsiveness to stakeholder challenges within 90 days.



INTEGRATING COMMERCIAL BUSINESS PRACTICES



A Strategic Planning Approach - WSA



- *KM Supports Organizational Transformation*
- *KM Design Team Chartered for requirements, design and implementation*

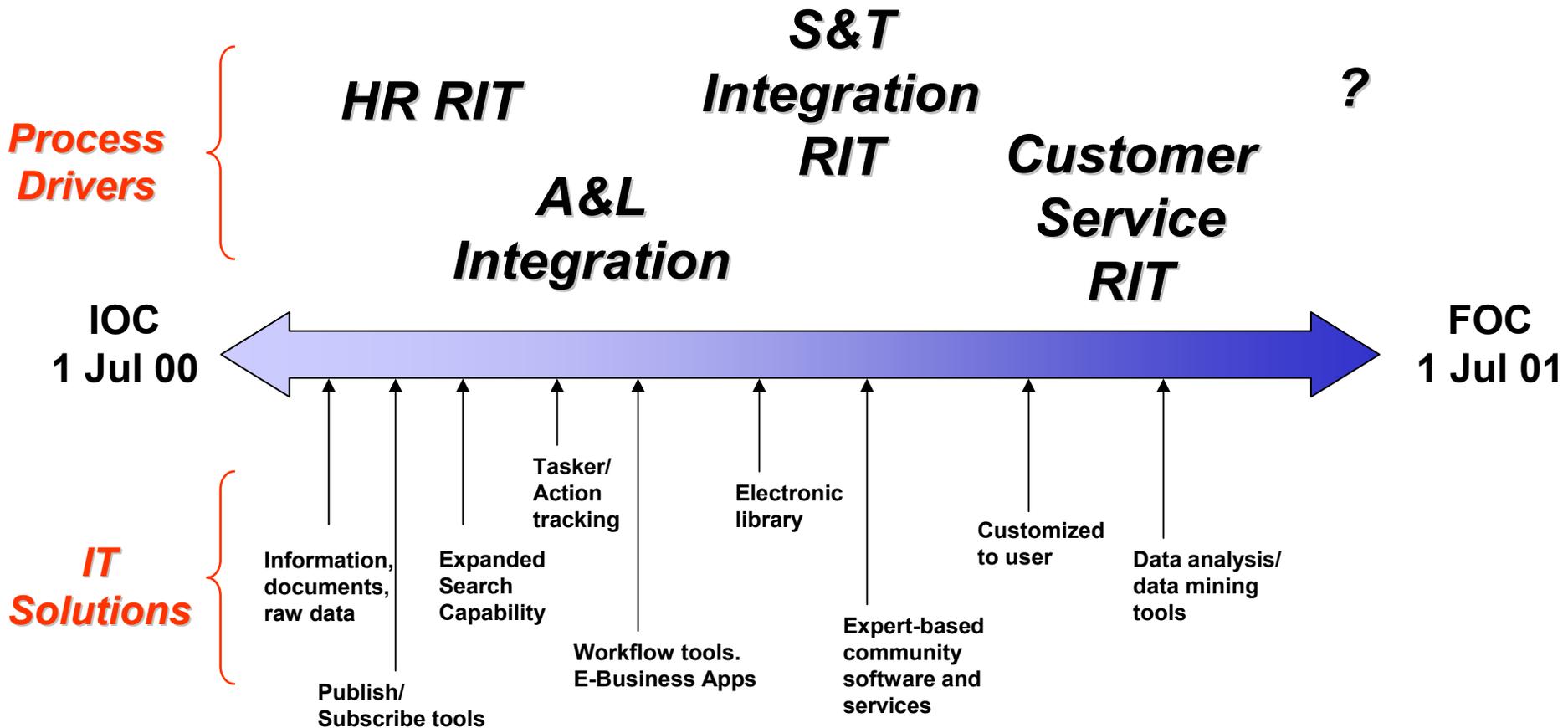


Previous State

End State

- | | |
|--|--|
| <i>❌ Fragmented Development Efforts</i> | <i>☑ Efforts integrated and interoperable</i> |
| <i>❌ Projects not aligned with strategic outlook</i> | <i>☑ Projects designed & developed toward common objectives</i> |
| <i>❌ Lack of information architecture to support acquisition professionals</i> | <i>☑ Robust information architecture that captures both explicit and tacit knowledge</i> |
| <i>❌ No collaboration between functional organizations</i> | <i>☑ Collaborative, innovative culture</i> |
| <i>❌ Lack of understanding of RIT process and its benefits</i> | <i>☑ RIT concept accepted as a core business practice</i> |

Phased Design Approach



CBE Learning Center

www.acq.osd.mil/ar/cbe

The screenshot shows the CBE Learning Center website. At the top, there is a banner with a globe on the left labeled 'About CBE' and a group of people on the right labeled 'Commercial Business Environment'. Below the banner is a navigation bar with three main sections: 'Learning Resources', 'Change Management Center', and 'Enterprise Teaming Resources'. On the left side, there is a vertical menu with links: 'Home', 'Library', 'Comm Center', 'Research Assistant', 'Glossary', 'Notepad', 'Help', and 'Feedback'. The main content area is titled 'Learning Resources' and includes a date 'March 16, 2000'. It features six links, each with a small icon and a title: 'About Learning Resources - Information about these resources', 'Student Records - Transcripts, Add learning events, Organizational Records, etc.', 'Course Catalog - Available courses and course information', 'Faculty Area - Schedule and course information, instructor tools', 'Certification Program - Information on existing certification and graduate programs', and 'Access Your Courses - Access to courses you are currently enrolled in'. At the bottom, there is a footer with a list of links: 'About Learning Resources | Course Catalog | Certification Programs | Student Records | Faculty Area | Access Your Courses'.

CBE Learning Center

- ◆ **Implement knowledge management recommendations from *Commercial Business Environment: Accelerating Change through Enterprise Teaming***
- ◆ **Provide online access to top-quality commercial business environment education opportunities to **Team Acquisition****
 - ◆ CBE Module for DAWIA 24 Credit Hours of Business Related Education Requirement
 - ◆ CBE Module for 80 hours Continuing Education Requirement
- ◆ **Enhance knowledge, skills, and tools to sustain positive change on the job through online performance support**

Colleges & Universities

- ◆ Partnering with accredited colleges and universities to offer online executive, graduate, and undergraduate education to Team Acquisition
- ◆ DAU Working with CBE Team to Identify Students

Seminars

Executive Ed

Undergraduate

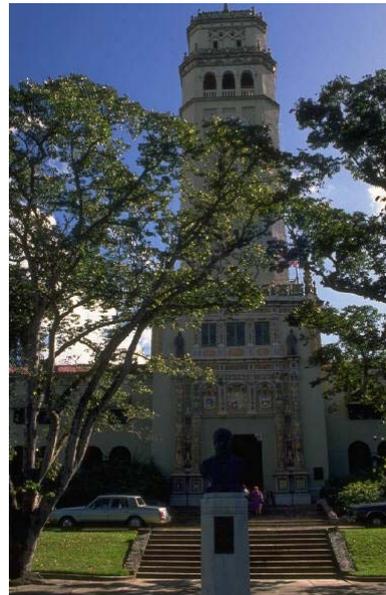
Graduate

Pennsylvania State University

University of Baltimore

Florida Institute of Technology

Rensselaer Polytechnic Institute (RPI)



University of Texas

Drexel University

Clark Atlanta University

University of Florida—Gainesville

Stanford University

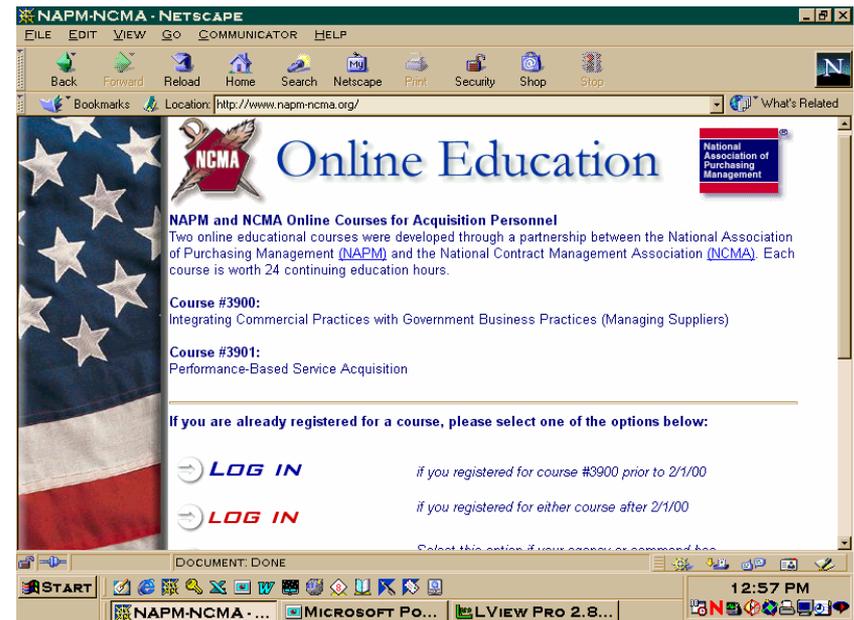


NAPM/NCMA Partnership



Integrating Commercial Practices with Government Business Practices

- ◆ **Managing Suppliers**
 - ◆ *To date more than 3,500 students have taken course*
 - ◆ *Nominal cost of \$100 per trainee*
- ◆ **Performance-Based Service Acquisitions**
 - ◆ *Launched 01 February 00*
 - ◆ *DUSD(AR) leverage for 1,000 slots*
 - ◆ *A&LR 2000 PoCs collecting training estimates*
- ◆ **CMC Facilitated Performance Support available to teams on the job**



CBE Enterprise Teaming Center




Learning Resources Change Management Center Enterprise Teaming Resources

Home Teaming Resources March 16, 2000

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[About Teaming Resources](#) | [Create a Workspace/Team Room](#)
[Establishing a Workspace/Team Room](#) | [Access Your Workspace/Team Room](#)

Commercial Business Environment Change Management Center

Questions / Answers

