

2001 DoD Mentor-Protégé Conference

Partnerships at Work for Our Nation's Defense

COLLIE J. JOHNSON

MENTOR-PROTÉGÉ

About the Program

The DoD Mentor-Protégé Program, which Congress recently authorized for another three years, was crafted by Senator Sam Nunn in 1990, and implemented by then Secretary of Defense William Perry in 1995. Nunn envisioned the program as a vehicle for the orderly development of protégés, or small businesses that could become valued suppliers for the defense acquisition system. The program assists small disadvantaged business firms and qualified organizations that empower the severely disabled to transition from a state of modest attainment into positions where they can and do make substantial contributions to the defense of our nation. Presently, 233 firms are participating, including companies specializing in environmental remediation, engineering services and information technology, manufacturing, telecommunications, and health care to name a few. This year, by legislative action, the program expanded to include women-owned small businesses.



George T. Schultz (left), DoD Mentor-Protégé PM, and Sharon Jones, DISA Mentor-Protégé PM, attending the Conference Reception at Constitution Hall, in Washington D.C. Between them is a bust of Martha Washington, one of the patriots on display in the entrance hall. Said Schultz, "How pleased Eleanor Roosevelt would have been to see that the site where Marian Anderson was barred from singing 62 years ago, is tonight an epicenter of activity promoting the rights of small and disadvantaged businesses owned by minorities across the nation." (In 1939, the DAR would not let Anderson perform at Constitution Hall because she was black. Eleanor Roosevelt, the nation's First Lady, invited her to sing instead at the Lincoln Memorial for over 75,000 people.)

“Welcome to the greatest show on earth!” George Schultz, the DoD Mentor-Protégé Program Manager, delivered that rousing welcome to a sell-out crowd March 19 at the 2001 DoD Mentor-Protégé Conference, in Arlington, Va. And for those government and industry professionals fortunate enough to participate in this year’s Mentor-Protégé Program, Schultz’ welcome wasn’t far off the mark. In fact, if their enthusiasm and testimonials are any indication,

the DoD Mentor-Protégé program is rapidly becoming one of the foremost, if not the best example to be found of government successfully partnering with industry for their mutual benefit.

This year’s event, covering three days, focused on program initiatives; success stories within the Mentor-Protégé Program; perspectives on the program from the mentors and protégés themselves; and breakout sessions with input from all three Services – Army, Navy, and Air Force – as well as other defense agen-

cies, represented by the Defense Information Systems Agency.

As in past years, the highlight of the conference was presentation of the Nunn-Perry Awards (pp. 22-23). “The best of the best,” said Robert L. Neal Jr., of this year’s winners. Neal is the Director of the DoD Office of Small and Disadvantaged Business Utilization (SADBU).

“Each of our mentors and protégés provide us with substantial benefits,” he said. “But there are some who are clearly

so much better than the rest that we have to acknowledge their performance and encourage each of you to learn from their examples.”

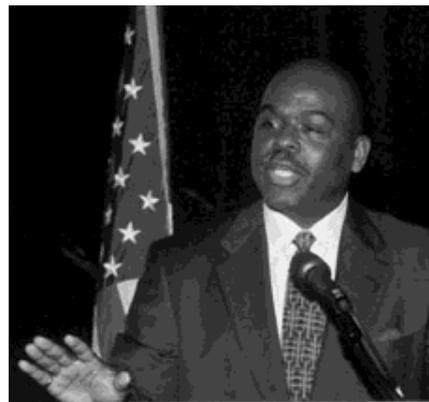
SADBU Director Notes Changes, Challenges

Organizationally, the DoD Mentor-Protégé Program is aligned under SADBU, which reports to the Office of the Under Secretary of Defense (Acquisition, Technology and Logistics). Neal has held the position of SADBU Director since June 1996.

“This conference gives us an opportunity to reflect upon our performance for the past year and to look forward to the

Although the resources within the Mentor-Protégé program are somewhat limited, Neal said that SADBU remains committed to the delicate balancing act of trying to make sure that the pool of participants is expanded to allow a larger number of women-owned small businesses to participate. This expansion must be managed, Neal added, while SADBU is simultaneously balancing the needs of women-owned small businesses with the needs of the small-disadvantaged business community, as well as those small businesses that employ the severely disabled.

He called this challenge “a type that clearly aligns with the 2001 Conference



Robert L. Neal Jr.
Director, Office of Small and Disadvantaged
Business Utilization



From left: George Schultz, DoD Mentor-Protégé PM; Carl Sax, Executive Vice President and General Manager, Kuchera Defense Systems; Bill Kuchera, Owner and President, Kuchera Defense Systems; U.S. Congressman John P. “Jack” Murtha (R-Pa.); and SADBU Director Robert L. Neal Jr.

future,” Neal said. Speaking of changes as well as challenges within the Mentor-Protégé Program, he cited one of the major changes as expansion of the program, in terms of participants, to include women-owned small businesses.

“There are a large number of women-owned small businesses that are very anxious to do business with the Federal Government,” he noted, “particularly the Department of Defense.”

theme — *Partnerships at Work for Our Nation’s Defense*. The keyword, he pointed out, is *partnerships*, because what the Mentor-Protégé Program offers — and what each team exemplifies in their mentor-protégé relationships — is that working together they *can* make major changes in their local communities, and in what they offer the government and the nation.

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years in the Department of Defense,” said Neal. “On a daily basis I get to see the caring, the dedication that each of you exemplify in your mentor-protégé relationships. What a difference it can make in the local communities, and what a difference you make for our men and women in uniform!”

U.S. Congressman John P. Murtha (R-Pa.)

Introducing Congressman John P. “Jack” Murtha from Pennsylvania, Neal referred



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to him as “one of the biggest proponents and supporters of the Mentor-Protégé Program.”

Murtha, a congressman since 1974, presented eye-opening, concrete examples of how the program is impacting small businesses in his district. Tying the past to the present, he focused on the “here and now,” presenting what many said was the best evidence of the program’s tremendous impact on small disadvantaged business firms and those qualified firms that employ the severely disabled.

The DoD Mentor-Protégé Program, recently renewed for three years, must look to Congress for the funding to stay alive. Murtha, who is a member of the House Armed Services Committee, said that when it comes to the nation’s yearly budget, in his mind there are two certainties: 1) the Department of Defense wants to get the most for its money; and 2) one of the best buys for taxpayers’ dollars is the DoD Mentor-Protégé Program.

Johnstown, Pa., and the Mentor-Protégé Program

Murtha said that when he came to Congress in 1974, his district – Johnstown, Pa., which was built around the declining steel industry – went from 12,000 steel workers down to less than a thousand. The mines industry – employing 12,000 people in his congressional district – lost 7,000 coal jobs during the same period. All in all, Johnstown lost over 18,000 jobs.

“Imagine the economic impact on the community – 25,000 people, 150,000 people in the suburbs – that the loss of 12,000 jobs (\$21.00-an-hour jobs) would have on a community.” The community had no choice but to diversify. We had to find ways of bringing business to Johnstown and the surrounding area,” said Murtha. “That was easier said than done.”

MARKETING

The Johnstown community began their efforts to draw industry by showcasing and marketing, according to Murtha, inviting all the big contractors to town. This “showcasing” though, initially did not have the desired effect. “As a whole, it really was not something that looked like it was going to end up being very big.”

The community kept working at it, he said, by continuing to bring big industries into Johnstown and reassuring local small businesses that they had a chance of doing business with big industries.

“The Johnstown community small businesses were used to just putting together a contract, signing it, and then the steel or coal mine industries would agree to pay. As you can imagine, that didn’t work.

And that,” Murtha said, “was where the Mentor-Protégé Program, either officially or unofficially, came to our rescue.”

He knew that the big companies wanted to do business in his district. His challenge was to convince the Johnstown small business owners that they must meet the quality standards expected by big business and become competitors in their own right. “We’ve had some real success stories that you’ll hear more about as this conference progresses,” he added.

REHABILITATION CENTER

He also spoke of the program’s impact on the Rehabilitation Center in Johnstown. The Rehabilitation Center, Murtha explained, was started 25 years ago to retrain people who have been in accidents, had a stroke, or experienced similar problems. The Mentor-Protégé Program is helping a considerable number of these people find jobs.

One Johnstown company he mentioned, currently a member of the Mentor-Protégé Program, now has 250 people working there – a number of them from the Rehabilitation Center. Murtha struck a responsive chord from participants as he related some personal aspects of the program that resulted in jobs being filled with productive workers – workers from a pool of job applicants who had previously lost all hope of ever being gainfully employed.

INDIVIDUALS

He told the story of one young lady from the Rehabilitation Center, about 25, living at home with her parents. “When we first initiated the program, she was in tears because she’d never had a job. She was living at home, and she was severely handicapped. She was in a wheelchair with all kinds of physical problems. She now has her own apartment. She can get around by herself. She is as productive as any other person in her workshop.”

She would not have had the opportunity, Murtha said with conviction, if it had not been for the Mentor-Protégé Program. “Now that’s an example of what

can happen through this program ... the Mentor-Protégé Program is so important not only to businesses, but *individuals*.”

The Johnstown community has other small businesses, according to Murtha, that have benefited tremendously from the program.

SAVINGS

He went on to relate how another company (not in Johnstown) had a sole-source contract with a business for a console that’s on every Navy ship and cost \$800,000. The company decided to compete the contract, and the contract was won by a small business in Johnstown. The Johnstown small business, he said, now produces the console for *less than \$100,000*.

“Now, there’s an example of the savings that can be made under this program with the right mentoring, with the right leadership.” That small business in Johnstown, he noted, now employs 400 people. “They are the ones that cut the costs to us, the taxpayers,” he pointed out.

Defense, he noted, has gone from a budget of \$100 billion a year to over \$300 billion a year, up and down over the past few years. A lot of that is inflation, said Murtha, but a lot of it is procurement of weapon systems. “We have overruns in a lot of these programs, but the thing that helps us most when we go before Congress is our successes – successes like the Mentor-Protégé Program.”

On Leadership

Murtha believes that the most important aspect of mentoring a protégé is leadership. “Leadership is exactly what the mentoring program brings to a small business. One of the businesses in Johnstown tells me if they had the right partner, they could double their business.”

Applied expertise and leadership, Murtha said, also help small business, particularly that small business struggling to open doors to the banks. “The banks, in turn, see it as an opportunity to help the community in which they’re involved,” he added.

Concluding with words of encouragement and support, Murtha assured the audience that the Mentor-Protégé Program is important to the viability of defense because it allows the nation to realize a competition that gets the price down with a quality product.

“I want to applaud you, the managers of the DoD Mentor-Protégé Program, applaud those defense industries that are involved in the mentoring program, and also applaud the tenacity of the small business, which is the backbone of this vital program.”

DoD Mentor-Protégé PM Delivers “State of the Program”

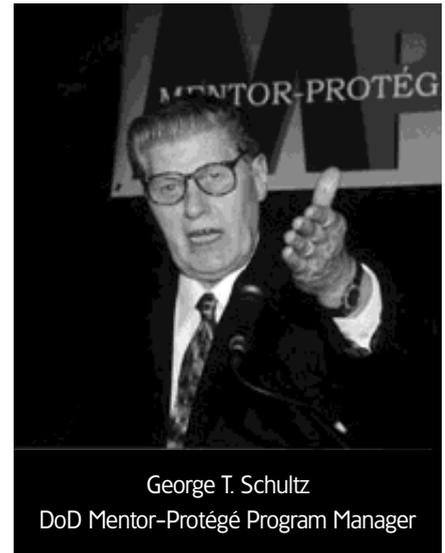
George T. Schultz, the DoD Mentor-Protégé Program Manager, updated conference participants on the status of the program’s funding, legislative changes, reporting, current policy, and initiatives. But first he told them to “have fun” and use the conference as an opportunity to examine significant elements of the Mentor-Protégé Program, exchange ideas, and engage in good discussion. “Learn from each other,” he urged. “Grow in your involvement, and rejoice in your program’s successes.”

Funding

Funding naturally is the heart of the program. A very modest program by DoD standards, the DoD Mentor-Protégé Program, when compared with the larger programs, is “merely a drop in the bucket,” Schultz said.

“It is, however, a very popular program, very much of interest to the Congress and the General Accounting Office. It’s also of great interest to our prime contractors and protégés – it really does have a tremendous amount of visibility.”

Reviewing the program’s funding, past and present, he reported that the program started off in the early 1990s budgeted at \$30.3 million, and in fiscal 01, the budget stands at roughly \$27.5 million. “But we have optimism in this program,” said Schultz. “Our first tentative movement forward will be to request \$25 million plus \$15 million for women-owned small businesses.”



George T. Schultz
DoD Mentor-Protégé Program Manager

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He said that mentor-protégé program managers in the Army, Navy, Air Force, and defense agencies keep track of their own program funding so that they can move forward in the direction they need to in a financial sense.

The program incurs an average cost agreement of about \$500,000 over a three-year period, Schultz said. To maintain that level, the program must have many agreements that cost much less than that, but also quite a few way above that.

2001 NUNN-PERRY AWARDS

Oliver Recognizes **13 Exceptional Mentor-Protégé Teams**

The Nunn-Perry Awards recognize and highlight outstanding and successful Mentor-Protégé relationships. The awards are named in honor of former Senator Sam Nunn for his vision and insight in sponsoring legislation to create and fund the DoD Mentor-Protégé Program and in honor of former Defense Secretary William Perry for his commitment to implementation of the program. Presenting the Mentor-Protégé Team Awards for 2001 are former Acting Under Secretary of Defense (Acquisition, Technology and Logistics) David Oliver, and Small and Disadvantaged Business Utilization Director Robert L. Neal Jr.



Computer Sciences Corporation-Computer Systems Technology, Inc.
Mentor: Computer Sciences Corporation, Huntsville, Ala.; Protégé: Computer Systems Technology, Inc., Huntsville, Ala.



Jacobs Engineering Group-Cape Environmental
Mentor: Jacobs Engineering Group, Oak Ridge, Tenn.; Protégé: Cape Environmental, Atlanta, Ga.



JT Construction-Amigo Building Corporation
Mentor: JT Construction, San Antonio, Texas; Protégé: Amigo Building Corporation, San Antonio, Texas.



TRW Aerospace & Info Systems-Frontier Electronic Systems Corporation
Mentor: TRW Aerospace & Info Systems, Redondo Beach, Calif.; Protégé: Frontier Electronic Systems Corporation, Stillwater, Okla.



Jacobs Engineering Group-Scientific Sales, Inc.
Mentor: Jacobs Engineering Group, Oak Ridge, Tenn.; Protégé: Scientific Sales, Inc., Oak Ridge, Tenn.



Anteon Corporation-Engineering Services Network

Mentor: Anteon Corporation, Fairfax, Va.; **Protégé:** Engineering Services Network, Arlington, Va. Presenting all 13 team awards are Oliver (second from right) and Neal (far right). (Note that in some photos they appear on the opposite side.)



Bell Helicopter Textron-Precise Industries

Mentor: Bell Helicopter Textron, Fort Worth, Texas; **Protégé:** Precise Industries, Lufkin, Texas.



Foster Wheeler-TAC Services

Mentor: Foster Wheeler, Poulosbo, Wash.; **Protégé:** TAC Services, Colorado Springs, Colo.



IT Corporation-Mendelian Construction Inc.

Mentor: IT Corporation, Concord, Calif.; **Protégé:** Mendelian Construction Inc., San Francisco, Calif.



MEVATEC Corporation-Analytical Services Inc.

Mentor: MEVATEC Corporation, Huntsville, Ala.; **Protégé:** Analytical Services Inc., Huntsville, Ala.



Rockwell Collins-Witter Manufacturing Inc.

Mentor: Rockwell Collins, Richardson, Texas; **Protégé:** Witter Manufacturing Inc., Grand Prairie, Texas.



Northrop Grumman Corporation-Keiko Manufacturing

Mentor: Northrop Grumman Corporation, Dallas, Texas; **Protégé:** Keiko Manufacturing, Signal Hill, Calif.



Washington Group International-Materials Management Group

Mentor: Washington Group International, Boise, Idaho; **Protégé:** Materials Management Group, New Orleans, La.

“Our emphasis is a policy that calls for the reimbursable agreements to have a strong *technical* mentoring effort.”

Expanding on that statement, Schultz said that the whole idea of what the mentoring effort is, has gradually changed. “I think that we all feel that the stronger the mentoring effort, in a *technical* sense that is, the stronger the agreement is. The stronger the agreement is, the more likely that the protégé will become a valued defense supplier.”

Legislation

Reiterating Neal’s comments, Schultz said that the biggest legislative change this year was the addition of women-owned small businesses to the DoD Mentor-Protégé Program. The 2001 National Defense Authorization Act or the 2001 Authorization Act, added women-owned small businesses as entities within the Mentor-Protégé Program, along with the traditional small and disadvantaged businesses and the traditional special entities that deal with disabled firms.

Schultz believes the Mentor-Protégé Program is going to be very much of a growth program. However, he is not anxious about the program’s expansion. “We think it’s going to work out well because it’s the right thing to do,” he assured the audience. “We think we are going to get the support that’s needed economically for this program.”

Program Review, Reporting

The DoD Mentor-Protégé Program has a number of reports in progress, Schultz said. A GAO Report will be submitted to the Congress on or before the first of January 2002. The GAO auditors do their level best to make certain that the program is doing the things for which it was chartered, he noted.

“We cooperate with GAO because we feel that they are a significant body with which to work and exchange. Our records are open, and everything we have is available to GAO so that they can come to the kinds of determinations that are needed, hopefully for the betterment of the program’s long range, but also for the short range.”

Schultz said GAO is interested in the program, and urged conference participants to “read GAO’s report and the guidance that they provide to us.”

Another report he mentioned was the *DoD Mentor-Protégé Program Annual Report to Congress*. Just completed in March and forwarded to Congress, the report is a compilation of input from all organizations affiliated with the program.

He also spoke of the performance reviews that are being done by the Defense Contract Management Agency (DCMA). A precursor to the Annual Report, all of the mentors and protégés cooperate in the semiannual reports, he explained. Once the DCMA goes in and does the verification work – and in the process gains a better understanding of how the mentors are doing their jobs, and how the protégés are doing their jobs – they [DCMA] come up with ideas designed to strengthen the program and make it run more smoothly.

He called for all who work on the semiannual report to do their level best to get good data and commentary into their submissions – data such as, “Is the protégé still in the program? Is the protégé growing? Why or why not?” These, said Schultz, are the performance indicators that tell his office how well they’re managing good mentoring work and good protégé work.

Initiatives

Schultz talked about several ongoing initiatives throughout the DoD Mentor-Protégé community.

- Army Graduated 8A Pilot Program
- Navy Commercial Mentors Pilot Program
- Air Force Broad Agency Announcement Program
- Defense Information Services Agency Program

Sponsors of the program also conduct eight mentor roundtables, he said. These are geographically dispersed around the

country, and gather together the mentors from the surrounding areas to discuss problems that are common to mentors within the area.

“We gain insights as to how we can better manage the program,” Schultz explained. “The mentors are strong, and we try to present the highlights of the program on a continuing basis so that there is a common understanding of how the program is run.”

Schultz said that when his office gets mentors together in a roundtable setting, it’s a different world from when they’re separate. He noted that mentors talk more freely when other mentors are there, and protégés talk freely when only protégés are there. “We all learn by it,” he said.

In addition to roundtables, Schultz shared an overture to his office from the Department of Agriculture to take over the Department of Agriculture Mentor-Protégé Program and associated funding.

Pooled training is another initiative on the table, according to Schultz, where mentors pool their training and make it available to protégés outside their companies who are participating in the DoD Mentor-Protégé Program.

The DoD Mentor-Protégé Program in 2001, Schultz said, is a very active program. “Overwhelmingly, the Mentor-Protégé Program is a strong, vibrant program. There’s great dynamics in it. There are hundreds of mentors and protégés out there who feel strongly about this program.”

“And that,” he concluded, “is why we’ve enjoyed our current level of success.”

Editor’s Note: To learn more about the DoD Mentor-Protégé Program, visit their Web site at http://www.acq.osd.mil/sadbu/mentor_protége/.