

Welcome to a PMO for the 21st Century

Today's PMO Organizational Structure is Destined to Change—*Dramatically*

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This article reviews issues affecting the future U.S. Air Force acquisition workforce relating to trends in manpower availability, skills required, budgetary constraints, and increasing cooperation between government-industry. Looking forward, it describes my conception of a future system Program Management Office (PMO) operating environment based on the government's core competencies that provide value-added involvement.

Written while a student in the Advanced Program Management Course (APMC) at the Defense Acquisition University, my goal was, and still is to determine the most effective and efficient means to organize a PMO and field the best weapon system performance for our warfighters, while simultaneously reducing cost and schedule.

Finding the "Value-Added"

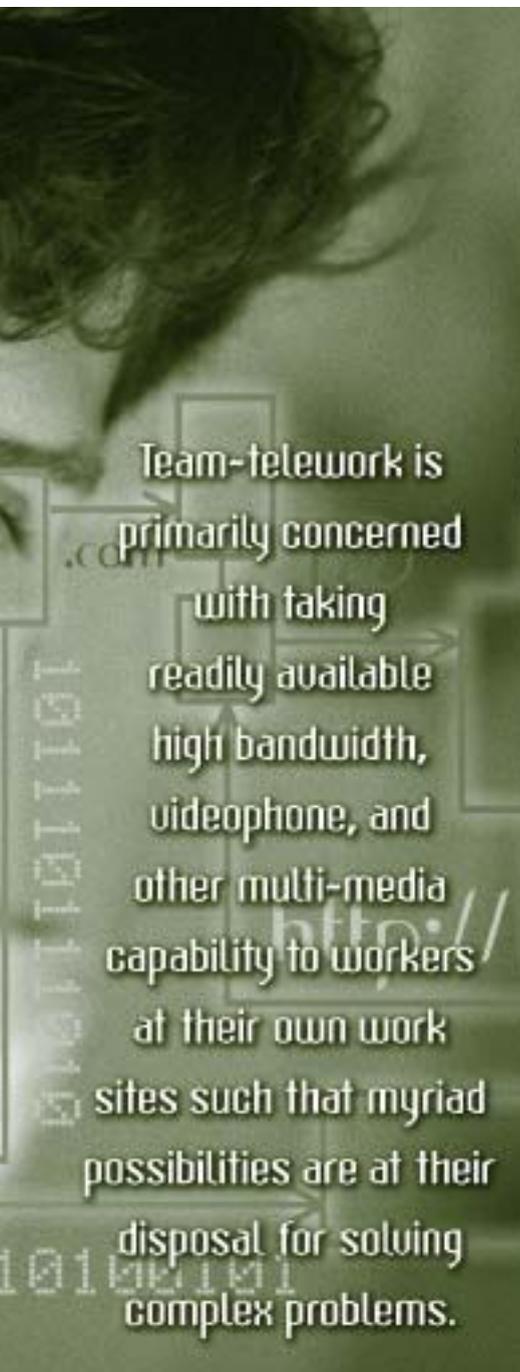
Since the mid-1980s, DoD has focused on increasing the professionalism of the acquisition workforce. These efforts have included, among other activities, the passage of the Defense Acquisition Workforce Improvement Act; the establishment of the Defense Acquisition University (DAU); expanded training opportunities through the DAU consortium schools; and, since publication of OSD's *Future Acquisition and Technology Workforce* in April 2000, the issuance of a Continuous Learning Policy. Also included in that policy were future acquisition and technology global trends typical of the following:

- Smaller, aging workforce



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- Core skills still required, but growing emphasis on personnel with understanding of multiple functions and generalists with strong business skills
- Lean budgets driving consolidation, competitive sourcing, and activity-based costing
- Operating in an integrated digital environment
- Seamless government-industry partnerships/teamings.



Currently, the Air Force has only 65 percent mid-senior acquisition personnel available to manage the vast number of weapon system programs. When factoring demographics, the trend further deteriorates. Beginning in 2004, as a result of separations and retirements, program manager career fields are projected to experience cumulative losses ranging from 35 to 50 percent. With the drive to “do more with less,” the hard-hitting question (with which the corporate world has already come to grips) must be asked: “What are government program office core competencies, or those skills that cannot be more efficiently and effectively conducted in the private sector; more directly, what “value-added” does a program office provide?”

The reader may be surprised at the conclusions, for they challenge the very way in which today’s DoD is organized and operates.

Envision a PMO consisting of only three people who comprise the core government team: a program “monitor” who facilitates the contractor’s earned value status to OSD and provides a liaison to help warfighters and industry communicate; a contracting officer to manage the contract terms; and a resource manager to provide budget obligation/expenditure information to OSD and provide budgetary submissions for the Planning, Programming, and Budgeting System (PPBS) process.

This team would be geographically dispersed, interfacing internally and also with the contractor via the Internet and videophone capabilities, with minimal face-to-face contact, limited primarily to dealing with classified issues.

We Can’t Get There From Here
 Prior to conducting research for this article, my feelings toward the future acquisition workforce could be summed up in a brief statement: “We can’t get there from here.” My research confirmed my beliefs and provided statistical evidence, along with some isolated cases where acquisition managers had already made many sweeping changes by simply asking the question, “What is our

[government program office] value-added in this scenario as far as configuration management, logistics, systems engineering, test and evaluation, data management, etc.?”

The answer oftentimes was, other than introducing a lot of risk to the government, there was no real value-added in having a government overseer developing/integrating the functional aspects of a program.

Total System Performance Responsibility

The Air Force took dramatic steps in the mid-1990s, introducing the concept of Total System Performance Responsibility (TSPR), even though the concept has not flushed out very quickly nor is it yet very well understood at the implementation level of the PMOs. Quite understandably, program managers have not yet fully begun to operate outside the normal “overseer with a whip” paradigm drilled into their professional education and training backgrounds prior to TSPR.

Today, program managers who continuously ask the question, “What value do we add to this process?” and are truthful with answering that question, are the ones who are defining/embracing TSPR. The question, admittedly, is difficult to ask because it requires bureaucratic agencies—which often perform best to perpetuate their existence—to question the very *reason* for their existence.

The pervading mentality seems to be, “I’m a government engineer, with an engineering degree ... therefore I must go forth and engineer something ...”

The reassuring aspects of my research were the confirmation and affirmation of many trends in place or beginning to surface. Of particular relevance was a November 2000 *Crosstalk* magazine interview with Judy Stokely and Terry Little—who previously worked on the Joint Air-to-Surface Standoff Missile (JASSM) program—reflecting on their experiences operating in a lean program office, yet still meeting or ex-

ceeding cost and schedule reduction goals.

According to Stokely and Little, success on the JASSM program was largely attributed to the following three processes:

- Picking contractors based on past performance, not processes employed to get to that performance.
- Consigning government's role strictly to defining operational requirements, selecting the contractor, and working interfaces that are outside of the contractor's control. No other oversight functions were established.
- Requiring no delineated processes in the contract, resulting in a contract that was, in essence, a performance specification. In other words, "Government doesn't care how the contractor does what they do, as long as they meet the performance requirements ... and we [the government] get a 10-year, bumper-to-bumper warranty."

Using What I Learned

Having completed APMC, I arrived at Hanscom AFB to work in the Command

and Control (C2) Enterprise Integration PMO. Prior to taking the position, I was informed that Hanscom AFB is currently assessed as "critically" undermanned, with only 50 percent manpower assigned—and absolutely no relief in sight. As I approach my new job and begin to plan/organize, I will seek to optimize those areas in which the government has true competency and value-added.

Government's New Role As Enablers, Catalysts

Even though the government, for the most part, is divesting some risk to contractors via TSPR, there remain many areas, if not all, that the PMO can divest in the form of cross-checking and oversight control. We may keep the traditional functional titles, such as Engineering, Logistics, Test and Evaluation, etc., but the new roles for personnel assigned to a government PMO will change to function more as enablers, or catalysts.

We will determine what broader experience (from other PMOs) the government functional person may have that a contractor would not have, and then

let that person share their insight as a daily contributor to the contractor's Integrated Product Teams (IPTs).

The government will assume no control over the functional, allocated, or product baselines—only performance specifications. The contractor, unless proven otherwise, will assume the role of self-oversight and will conduct his or her own verification testing and quality assurance/inspections.

The government/contractor lines will be blurred even further as we make smart business decisions together so that the contractor stays healthy and makes an unregulated profit, and the government receives world-class products and services for a reasonable price and schedule. Unregulated profit will further motivate the existing defense industry players as well as invite other world-class producers who previously shunned DoD's Byzantine system, mainly due to the low, single-digit returns.

We will share our budget/program element/PPBS information so contractors understand the convoluted PPBS process and its twisted rewards for near-sighted planning and execution (obligations/expenditures and OSD's "ramp" management).

I will try to focus our resources not only on those areas over which the contractor has no control (as mentioned with the PPBS), but also in the area of integration—specifically with other platforms the contractor may have inherited, and now must control without benefit of a contractual relationship(s) with the original developers/vendors.

I envision real collaboration in the development of Interface Control Documents (ICDs), where the government input likely will have the most value-added.

Another area to be addressed (primarily targeted at the operational warfighters, but also the contractors) is the topic of spiral development. We will work continuously with the operators to drive home the point that initial performance

New Air Force Assistant Secretary for Acquisition Sworn In

WASHINGTON (AFPN), Jan. 4, 2002—Dr. Marvin R. Sambur was sworn in Jan. 4, as the new Assistant Secretary of the Air Force for Acquisition, making him responsible for all Air Force research, development, and acquisition activities. In his new position he provides direction, guidance, and supervision on all matters in the formulation, review, approval, and execution of acquisition plans, policies, and programs for the Air Force.

Before his appointment, Sambur was the President and Chief Executive Officer of ITT Defense in McLean, Va., and has more than 33 years of experience in high-technology program acquisition, management, and

engineering, focusing on advanced wireless communications systems, sophisticated satellite payloads, air traffic control systems, and electronic warfare.

Sambur has a B.A. in electrical engineering from City College of New York as well as an M.A. and Ph.D. in Electrical Engineering from the Massachusetts Institute of Technology. He is a recipient of the IEEE [Institute of Electrical and Electronics Engineers] Centennial Award for excellence in engineering management.

Editor's Note: This information is in the public domain at <http://www.af.mil/news>.

may only meet 60 to 80 percent of their mission needs, with additional performance delivered in subsequent block upgrades. This allows for inevitable changes in requirements and technological advances, with less impact to performance, since that performance is to be fielded in the future (and under open system modular design).

Telecommuting

Organizational relationships within the government and between government/industry are dramatically changing, with more changes on the horizon, particularly in the area of telecommuting/virtual PMO concepts.

Many studies conducted on the subject of telecommuting suggest benefits and pitfalls associated with the program. However, I envision a hybrid that offers personnel the benefits of mitigating lost productivity and lost quality family time, but without the pitfalls of being tasked 24/7. For agencies implementing telecommuting for the first time, such pitfalls deserve serious consideration because some managers demonstrate a propensity to think of the telecommuter as a permanent "round the clock" employee, able to respond at a moment's notice, "wired" to the Internet, no longer mired in time-consuming traffic, with no limitations as far as time and distance.

Telecommuting is an issue DoD is only now beginning to address, but which has a major impact on three Air Force primary duty locations conducting acquisition development: Los Angeles, Boston, and Washington D.C.

My PMO is located on the outskirts of Boston, Mass. With a base housing shortage, many program managers and staffs must commute, which requires additional time and distance. This, of course, impacts productivity and morale. In fact, commuting time, combined with related exorbitant real estate prices, is frequently cited by mid-grade acquisition officers as one of the extenuating circumstances for their decision to separate from the Air Force (just as the Air Force is only beginning to benefit from

the years and dollar investment in that individual's education and training).

Team-Telework

Author Li Feng, in a University of Strathclyde study entitled, "Team-telework and the New Geographical Flexibility for Workers," advocated the concept of "team-telework" to undertake a large telework project within the European Union's Research and Development in Advanced Communications in Europe (RACE) program.

Instead of the notion of homeworking or telecommuting, team-telework emphasizes the use of multi-media terminals, groupware, and broadband networks to support geographically dispersed workers collaborating together on common tasks—analogue to Air Force PMO activities, which tend to be computer software- and hardware-intensive. Team-telework overcomes flaws in telecommuting by allowing collaboration in a group environment to solve complex problems, while still allowing the participants a sense of involvement in an individual activity.

Unlike telecommuting where the focus is taking people out of their conventional working environment, team-telework is primarily concerned with taking readily available high bandwidth, videophone, and other multi-media capability to workers at their own work sites such that myriad possibilities are at their disposal for solving complex problems.

For example, with IPT teaming arrangements, both government and contractor personnel (operating at individual residences) could be assigned a job. One member can start working on it in groupware software; it then is passed to others via the Internet. Other members can either work on it immediately as a "work-in-progress," or at some point later when convenient to the team member(s).

The result is improved flexibility for the team members in terms of where and when to do the work, i.e., improved spatial and temporal flexibility. With team-

teleworking, personnel can enjoy the benefits of independence in choosing when/where they accomplish the tasks at hand. In short, they are increasing productivity without losing the sense of cohesiveness and group synergy of not being around other team members. Face-to-face interaction is assured by videophone service to all team members, connected via broadband networks, and software allowing collaborative and continuous development along with instantaneous, real-time feedback among team members.

Future Steps

Now more than ever, with DoD's dwindling manpower resources, reduced acquisition budgets, and the increasing need to drive down life cycle costs and development schedules, affordable tools are readily available that can point the way to improved, efficient, effective organizational structures and employee-management relationships that today do not exist.

Editor's Note: The author welcomes questions or comments on this article. Contact Smith at smith37john@hotmail.com.

FROM THE DIRECTOR DEFENSE PROCUREMENT

Effective Jan. 11, 2002, all Military Department and Defense Contracting Activities shall deviate from the requirements of Federal Acquisition Regulation (FAR) 13.500(d) when using simplified procedures to acquire certain commercial items under \$5,000,000. Contracting officers' authority to issue solicitations under FAR 13.5 is extended to Jan. 1, 2003. This class deviation implements Section 823 of the fiscal 2002 Defense Authorization Act. The Class deviation is effective through Jan. 1, 2003, or until the FAR is revised, whichever event occurs first. POC is Angelena Moy, 703-602-1302.