

# Outsourcing Government Functions — A New Look At An Old Challenge

“The Central Focus of the Outsourcing Initiative is to Maintain and Improve Our Combat Effectiveness”

SUSAN J. HARVEY

Deputy Secretary of Defense John P. White addressed the need to outsource additional government functions currently performed by in-house federal civil servants or military. During hearings before the Senate Armed Services Subcommittee on Readiness on April 17, 1996, he stated that “The central focus of the outsourcing initiative is to maintain and improve our combat effectiveness. Outsourcing offers the opportunity to achieve that goal by generating savings for modernization, sustaining readiness, and improving the quality and efficiency of support to the warfighters.”<sup>1</sup>

## The Acquisition Reform Challenge

To further emphasize the importance of outsourcing to the Department of Defense (DoD), he stated that, “DoD Components will not have their out-year budgets reduced as a result of the savings they create through their initiatives, and that these savings should be dedicated to modernization.”<sup>2</sup>

Earlier reports and research support White’s emphasis on the value and benefits associated with outsourcing. The 1995 DoD Report, “Commission on Roles and Missions of the Armed Forces,” stated, “Two major opportunities should be pursued aggressively: implementing the long-standing national policy of relying primarily on

the private sector for services that need not be performed by the government, and reengineering the remaining government support organizations.”<sup>3</sup> The 1995 “Report of the Defense Science Board Task Force on Quality of Life” stated, “Contracting for support services offers significant opportunities to relieve personnel tempo. Increased contractor support will also have a major impact on other quality-of-life issues.”<sup>4</sup> The 1995 “Report on the Performance of DoD Commercial Activities” stated, “Despite long-standing policy to the contrary in Title 10 and elsewhere, government employees perform work that could be done as well in the private sector.” The DoD annually reports to Congress that at least 250,000 civilian employees are performing commercial-type activities that do not need to be performed by government personnel.<sup>5</sup>

During the Roadshow IV, Acquisition Improvement Seminar, held July 18-20, 1995, Gilbert F. Decker, Assistant Secretary of the Army for Research, Development, and Acquisition, outlined his campaign plan for acquisition reform, which embodies a new way of doing business. In his view, key concepts to the acquisition challenge included:

- securing the future by teaming with industry;

- reducing or eliminating barriers to outsourcing; and
- moving to a cultural change.

In achieving these reforms, Decker added: “I’ll waive anything not required by law.”<sup>6</sup>

The recent emphasis on using outsourcing as a tool to increase efficiency and conserve resources represents a change of thinking by the DoD leadership. Previously, the government routinely and without a second thought took on new functions in-house. In a reversal of thinking, the government is now seeing the reenergizing of the long and frequently ignored national policy of relying on the private sector for goods and services when it is appropriate to do so.<sup>7</sup>

## Identifying Potential Outsourcing Candidates

So, what stands in the way of outsourcing? For one thing, it is hard to do. For example, case-by-case research, study, and planning are required to determine that outsourcing is a viable option. Frequently cited conditions and concerns may make outsourcing the least attractive alternative. Some of these include:

- There may be statutory constraints associated with outsourcing a particular function. Certain statutory

Harvey is the Contracting Officer’s Representative and Chief, Personnel Services and Support Outsourcing Branch, U.S. Total Army Personnel Command (PERSCOM), Alexandria, Virginia

and regulatory provisions actually discourage outsourcing.

- There is legitimate concern for the potential displacement of professional government employees.
- The private sector may not produce similar services or products.
- The function may be a core governmental function.
- The function may be inherently governmental in nature.
- Current market conditions may not provide the competition needed for successful outsourcing.
- The private sector may provide similar services but at greater costs.
- Some agencies may not have the capability to offer centralized contract control to ensure effective quality management, to develop staff expertise and oversight capability, or to provide consistency.
- It may be difficult to write requirements with sufficient controls over quality.
- Program managers may not have the time for studying outsourcing as an alternative, nor the time for a lengthy procurement process.

These and other obstacles have to be overcome to initiate a successful outsourcing program.

### Outsourcing Army Transition Services — A Case Study

The initial inclination of the government manager is to stay on course with the status quo — and put outsourcing in the too-hard-to-do category. White presented DoD Program Managers with a unique challenge and opportunity to contribute to force modernization by increased use of outsourcing, where appropriate. The Army transition program offers one example of a solution to the

JOB ASSISTANCE CENTER CLIENTS LEARN HOW TO TRANSLATE THEIR EDUCATION, TRAINING, AND LEADERSHIP SKILLS TO THE PRIVATE SECTOR.



**Prior to 1990, the Army transition program consisted largely of a small, government-staffed pilot program at Fort Bragg, North Carolina, to test the concept of equipping soldiers who were transitioning from the Army with the skills necessary to seek and find employment.**

dilemma and how a decision to outsource a personnel services program led to contributions to force modernization.

In this case, the Army navigated its way through a labyrinth of regulations, budget reviews, and detailed briefings to get a new program underway that was completely foreign to the military culture — a program to provide for the successful transition of Army personnel from the military to the private sector workforce. The lessons learned from the extensive effort in delving into the myriad of legal issues to meet the formidable regulatory requirements necessary to outsource, may provide insights to other program managers in pursuit of outsourcing initiatives.

### Background

Prior to 1990, the Army transition program consisted largely of a small, government-staffed pilot program at Fort Bragg, North Carolina, to test the concept of equipping soldiers who were transitioning from the Army with the skills necessary to seek and find employment. Private corporations experiencing downsizings routinely provide similar services through contracted professional outplacement counseling firms.

The fall of the Berlin Wall in late 1989, the collapse of the Soviet Union, and subsequent plans to significantly reduce the size of the standing Army resulted in a reappraisal of transition efforts.

### Plan of Action

It became apparent that DoD downsizing meant that uniformed and civilian personnel who made commitments to a full career with the Army would be involuntarily released. Large numbers

of personnel who were not prepared to find career employment opportunities would be thrust into the private sector. As a solution, the Army took a two-pronged approach. For the first component, the Army decided to use the corporate practice of outsourcing and contracted for the large-scale outplacement counseling program needed to handle over 100,000 transitions a year.<sup>8</sup> A one-year pilot program established standards for the transfer of private-sector outplacement counseling technology and business-style approach to the military environment. Based on results of the pilot program, the Army awarded a \$50 million Job Assistance Center (JAC) contract to Resource Consultants, Inc., that launched the outplacement function. It was obvious that market forces were at work – the result was cheaper and faster than the Army could have performed with in-house assets. Within three months of contract award, in the late summer of 1991, 55 JACs located at Army installations throughout the world were fully operational.

The second component of the program consisted of Army civil service specialists who provided referral services to transitioners needing other government-provided services and benefits counseling such as education, veterans information, and legal assistance. The referral services ensured that soldiers completed the Pre-separation Counseling Checklist (DD Form 2648) required by law. The Army leadership grouped the two components of the operation together and titled it the Army Career and Alumni Program (ACAP). The JAC contract provides for standardization in delivery of services and quality control of contract operations throughout the Army in concert with transition services provided by civilian employees. This effort is centrally managed by a small, Total Army Transition Division (TATD) headquarters staff at the U.S. Total Army Personnel Command (PERSCOM).

## Results

The Army's outsourced outplacement program has assisted over one-half mil-

lion military transitioners in the intervening five years. Results of JAC evaluation research projects quantified the success of the contract in several ways:

- Since 1992, the Army realized a 35-percent decrease in Army unemployment insurance reimbursements to the Department of Labor, representing a savings of about \$70 million per year.<sup>9</sup>
- Soldiers in pay grade of Staff Sergeant (E-6) and below without a college degree who completed the entire JAC program of outplacement training and counseling achieved a starting salary of as much as \$7,500 per year more than those who did not receive the services.<sup>10</sup>
- Unemployment among Army veterans who participated in the program was one-half the rate of those who did not take advantage of the services.<sup>11</sup>

Several other demonstration projects are identifying further global benefits in adopting this corporate approach. As an example, the contractor's deployments to Haiti and Bosnia actually avoid costly diversions and degradation to the Army commander's primary mission. Another benefit is that the Army pays for the services only when and where needed. A further benefit of using a contract vehicle is that the Army gains maximum visibility and accountability of *full cost* – as opposed to in-house operations where it is difficult to identify numerous supporting or hidden costs. In general, the JAC contract is a model with a proven track record based on program and financial measures, and outcomes.

## What's Next?

The success of the JAC portion of the ACAP program led Army planners to expand the use of the contract to outsource related personnel service and support functions. In early 1995, the Army decided to contract out ACAP civil service specialist and administrative positions in overseas locations.

Contracting out overseas government positions produced immediate cost

savings while minimizing the personnel turmoil for federal employees. Such experienced employees are eligible for programs designed to ease the transition of federal employees. The task to convert the positions and schedule the outsourcing effort was the responsibility of the TATD. The Chief, Paula Davis, summarized the task: "It was a tough call to tell dedicated, hardworking employees that it was time to think about moving on with their careers, returning to the United States, consider changing jobs, retiring, or investigating other options. But the numbers spoke for themselves. I calculated that the government could save over \$500,000 per year in Europe alone through a combination of outsourcing and consolidating government and contractor functions. And by planning ahead, we avoided involuntary separations." By the end of Fiscal Year 1996, European civil service specialist and administrative positions will be totally replaced by contractor personnel.

## Outsourcing Innovations

In a related effort, the Army chose to activate a current contract provision and offered other Army activities use of the contract to test outsourcing concepts through demonstration projects. In 1995, the Army decided to establish transition centers in Europe and Korea to outprocess personnel from the military, and the contract offered the vehicle to accomplish it. For over 40 years, the Army sent soldiers who were separating from Europe to Fort Dix, New Jersey, or Fort Jackson, South Carolina, and from Korea to Fort Lewis, Washington, for three days of duty to attend mandatory outprocessing briefings and to complete separation paperwork.

The contract permitted the establishment of 16 centers in Europe and three in Korea to accommodate the outprocessing needs of soldiers. The resource savings to the Army were both immediate and apparent. Local processing avoided the cost of an extra air fare from the U.S. transition point to the home of record of the separat-

ing soldier and three days of per diem payments. The Army also gains three extra days of service from the over 8,000 personnel who separate each year from Korea and Europe. The soldier, in turn, benefits from the new service because there is no longer an interruption to the separation trip home — a particularly disruptive situation for a member who is traveling with his or her family.

This cost-efficient and effective demonstration project became an instant success and is very popular with soldiers who now complete outprocessing over a six-month period in concert with other transition services provided by the ACAP centers. According to Brig. Gen. Earl M. Simms, The Adjutant General of the Army, "For years we had been interested in separating soldiers directly from their units in Europe and Korea. The availability of the contract allowed us to do it. Not only is the Army saving scarce funds, but also the separating soldier is spared considerable inconvenience in the process. This initiative demonstrates an effective approach to reducing the non-combat Army, thereby meeting the Army's goal of generating savings necessary for modernization and readiness."

In another innovative use of the JAC contract to reduce the size of the non-combat Army and to gain efficiency, the Office of the Chief, Army Reserve and the Army National Guard Bureau are testing the concept of replacing active duty Non-Commissioned Officers (NCO) with contract personnel to transition soldiers from active duty into the Army Reserve and National Guard. The demonstration project involves the substitution of 21 NCOs in pay grades E-7, E-8, and E-9 with 13 contractor personnel operating out

A FAMILY AFFAIR. SOLDIERS, DEPARTMENT OF THE ARMY CIVILIANS, AND THEIR FAMILIES RECEIVE COUNSELING AND JOB ASSISTANCE AT THE JOB ASSISTANCE CENTER, FORT IRWIN, CALIFORNIA.



**The success of the JAC portion of the ACAP program led Army planners to expand the use of the contract to outsource related personnel service and support functions.**

of ACAP centers in Europe. This one-year test will conclude in the spring of 1997, and already promises to be a success. Not only can the resulting efficiencies be quantified in terms of salary and manpower savings, but the Army gains the added value of reassigning the 21 senior NCOs to fill critical operational unit vacancies.

The integration of outplacement, transition counseling, transition processing, and in-Service transition to the Reserve Component Services under a single contract manager in each geographical area enables the contractor to take advantage of the synergy associated with combined operations. It permits all

four functions to be performed with fewer total personnel than would be required if managed separately.

Therefore, similar to lessons learned in the private sector, the Army tested and is finding that outsourcing of selected, non-core personnel services and support functions reduces costs and improves performance.

#### Other Agency Applications

The Army also offers use of the contract vehicle to other federal agencies that are interested in taking advantage of and building upon the Army's investment in commercial outplacement services. Early in the program, the Army recognized the need for a mobile capability to service the large numbers of personnel assigned to remote locations. The Navy adapted the mobile capability developed by the Army and applied it to a shipboard environment. Through an inter-Service agreement, the Navy uses the contract to provide for Mobile Job Assistance Teams. These teams offer outplacement services to ships at sea and to remote locations not served by fixed-

site, transition assistance programs. The job assistance computer equipment and software were configured for shipboard use, and Navy traveling teams provide the full range of counseling, workshop, and computer support services.

The National Aeronautics and Space Administration (NASA) satisfied a critical and time-sensitive need to establish outplacement counseling centers by taking advantage of the existing Army contract through an interagency agreement. Two weeks after project initiation, NASA hosted the grand opening of a fully staffed and equipped outplacement counseling center at NASA Headquarters in Washington, D.C. The contractor, together with NASA, quickly established eight additional centers at major NASA locations in the United States. Terri Robinson, NASA's Technical Representative for the project, stated, "We were fortunate that the Army contract was available for our use. It enabled NASA to move quickly to meet new requirements while avoiding the manpower costs and demands that would have been required to get our own agency contract going."

More recently, the Department of Agriculture's U.S. Forest Service used the Army contract to staff and equip an outplacement counseling center at its headquarters in Washington, D.C.

By using an existing contract vehicle, an agency avoids the considerable time and effort to get a separate, competitive initiative underway and the cost of establishing a separate working contract with associated government management and oversight personnel.

### The Program as a Reinvention Laboratory — Roadmap to Success

The National Performance Review directed by Vice President Al Gore established initiatives designed to reinvent government. One of the early initiatives was the creation of a Reinvention Laboratory concept to permit

agencies to experiment with new management techniques to enhance government effectiveness and efficiency. In mid-1994, the Secretaries of the Services were delegated the authority to designate Reinvention Laboratories. Under the procedures that established the concept, Reinvention Laboratories are encouraged to undertake new ways to conduct government business and are delegated limited authority to waive obtrusive regulations and instructions that impede business effectiveness and efficiency.

Recognizing the potential for exploring reinventing and reengineering initiatives to obtain savings, the Chief, TATD applied for and received the designation of the program as a Reinvention Lab in mid-1995. In the letter of designation, Secretary of the Army Togo D. West, Jr., delegated the oversight of the lab's progress to the Assistant Secretary of the Army for Manpower and Reserve Affairs, (ASA[M&RA]), Sara E. Lister. West also charged the Commanding General of PERSCOM to "reinvent the comprehensive process of transition assistance and services to increase efficiency and effectiveness." The performance improvement plan, developed in response to this charge, established reinvention program objectives that emphasized cost reduction, service quality improvements, the export of successful new techniques, and the reduction of military and federal employee diversions from non-core and non-combat functions. The TATD lab's five-point strategy for reinvention is as follows:

- *Outsourcing* to reduce the size and cost of the military and civilian infrastructure.
- *Reengineering* to effect economies, service improvements, and new ways to do business.
- *Centralizing* of contract management to effect economies of scale, ensure standardization of service delivery, and quality control of contract operations.
- *Integration* of related service functions to effect total manpower and

resource reductions and consolidation of operations among activities to reduce procurement costs.

- *Customizing* of services to meet the unique needs of each customer using contract operations.

This standard structure serves as a unique framework to measure the effectiveness of the lab's outsourcing and personnel demonstration projects and to determine where outsourcing can lower costs and improve performance. The lab's preliminary findings suggest that similar future demonstration projects will generate substantial cost savings and increased efficiencies. In a broader sense, DoD reached the same conclusions in the March 1996 Report "Improving the Combat Edge Through Outsourcing." "DoD's experience demonstrates that competition and outsourcing have yielded both significant savings and increased readiness for each of the Military Services. As a result of cost comparisons conducted between 1978 and 1994 (under OMB Circular A-76 — the federal guidance on performance of commercial activities), the Department now saves about \$1.5 billion a year. On average, these competitions have reduced annual operating costs by 31 percent."<sup>12</sup>

### OMB Circular A-76 Implications

Commercial activities are those that can be provided by the private sector and, thus, are subject to a competitive process. Outsourcing of commercial activities of the government is governed by Office of Management and Budget (OMB) Circular A-76. The Circular delineates a process to be followed when considering moving a government function from performance by government employees to contract (and vice versa). In such cases, the agency conducts a detailed cost study to determine the "most efficient organization" to conduct the function. The arduous procedures established for the study require typically 18 to 36 months or more to complete and create inhibiting obstacles for the government manager who is

interested in outsourcing. The renewed emphasis on outsourcing government services by the National Performance Review and the Administration drove OMB to streamline the required procedures. Substantial government-wide interest in taking advantage of waiver provisions in the Circular resulted in the delegation to waive cost comparison studies to the Service Assistant Secretary level when conditions clearly indicate that such an action would be more efficient.

In an effort to gain efficiencies, Forces Command (FORSCOM) recommended that PERSCOM pursue outsourcing the second component of ACAP – those functions performed by civilian employees. Responding to this recommendation, the Chief, TATD, pursued a request for waiver initiative under the program’s Reinvention Laboratory designation.

The OMB Circular A-76 requires that the agency conduct a cost study for outsourcing initiatives involving more than 10 employees. This restriction affected the recent FORSCOM recommendation to outsource ACAP specialists and administrative positions in the United States. The ACAP has in excess of 100 government positions program-wide, although the maximum number of positions affected at any one military installation was fewer than 10. The TATD waiver application package contains a “Cost Analysis of the Army Career and Alumni Program’s (ACAP) Report.”<sup>13</sup> This analysis indicated that a savings of 40 percent in the first year of operation could be achieved by outsourcing the positions. The waiver study truncated the normal 18- to 36-month process to six months, promising to effect current year savings to the

COUNSELORS CONDUCT WORKSHOPS FOR ACTIVE DUTY SOLDIERS, DEPARTMENT OF THE ARMY CIVILIANS, AND THEIR FAMILIES.



Army that can be applied immediately to force modernization.

### A Case for Outsourcing — Positioning for the Future

As one strategy toward meeting White’s goal and that of the Administration, the ASA(M&RA) initiated a follow-on procurement to the existing JAC contract titled DoD Personnel Services and Support (PSS) to be implemented through the Deputy Chief of Staff for Personnel. The new procurement was generated, in part, because:

**As one strategy toward meeting White’s goal and that of the Administration, the ASA(M&RA) initiated a follow-on procurement to the existing JAC contract titled DoD Personnel Services and Support (PSS) to be implemented through the Deputy Chief of Staff for Personnel.**

- Recent legislation such as the Federal Acquisition Streamlining Act of 1994 and the Federal Acquisition Reform Act of 1996, enables the Army to adopt improved procurement strategies such as issuing a draft Request for Proposal (RFP) for public comment. The Army used this technique in the DoD PSS Procurement to enhance dialogue with industry, to increase competition, and to eliminate confusion and ambiguity prior to releasing the final RFP.

- The March 1996 revised OMB Circular A-76 identified new rules that removed or eased some of the barriers to outsourcing. The revision inserted a greatly improved and realistic methodology to conducting commercial activities research and cost comparisons and promoted increased use of waivers.
- The Army, as well as other agencies, may capitalize on significant private-sector advancements in technology and gains in expertise in the rapidly expanding knowledge base together with lessons learned through outsourcing. The Army can benefit from one of the key findings of outsourcing – visibility and accountability of

full cost – which the private sector has recognized. It remains difficult to account for all true costs in an in-house provided function. The contractor costs, on the other hand, are fully accounted for through internal financial management controls and represent the total costs for the project.

- The Army's analysis of defining core competencies is nearing completion. Early results indicate that many PSS functions are not core functions. Obviously, outsourcing is not appropriate or desirable in all cases. However, where advantageous conditions exist, the Army stands to gain significantly through successful outsourcing. Through current outsourcing demonstration projects underway within the existing JAC contract and results of other related outsourcing initiatives, the Army has data on these conditions and can apply lessons learned to the DoD PSS contract vehicle as well as other related acquisitions.
- The myth that functions currently performed in house are inherently governmental in nature has been dispelled. The Army successfully challenged this assumption and does not consider all PSS functions as inherently governmental in nature.
- The Army can benefit significantly by competitively procuring services in a highly incentivized commercial market for PSS capabilities. In "Improving the Combat Edge Through Outsourcing," DoD concludes:
  - DoD must continue to reduce its infrastructure and support costs to increase funding for modernization in the coming years. Introducing the competitive forces of the private sector into DoD support activities will reduce costs and improve performance.
  - Outsourcing is not a theory based on uncertain assumptions. Experience in DoD and the private sector consistently and unambiguously demonstrates how the competitive forces of outsourcing can generate cost savings and improve perfor-

mance. One need only glimpse at the operations of our nation's most successful companies to see the dramatic benefits that they realize through outsourcing and competition."<sup>14</sup>

- The Army found through a related research project that benchmarking can augment the OMB Circular A-76 procedures by defining best practices.<sup>15</sup>
- Research findings on the effectiveness of the JAC contract model support the use of a large-scale, centrally managed contract. This model avoids the costly pitfalls of stovepiping by functional area – it provides multiple functions at an installation. This approach enables the Army to attain and maintain a high degree of customer service, workload management by site, and lower operating costs.
- The contract model's emphasis on the use of economies of scale resulted in providing state-of-the-art services and automated support, ensuring high standards at all installations, and infusing continuous efficiencies and improvements at all site operations.

#### What Are the Implications for DoD Program Managers?

White outlined conditions for outsourcing government services and indicated that the Defense Department will:

- not consider outsourcing activities that constitute core warfighting missions;
- ensure that a competitive market exists for the activity under consideration for outsourcing; and,
- ensure that the outsourcing initiative will result in best value for the government and, thus, the taxpayer.<sup>16</sup>

As to best value, the Deputy Secretary mandated the requirement to conduct a best value analysis in each outsourcing effort. This analysis should evaluate not only cost, but also past performance of bidders to demonstrate

reliability, timeliness, and quality of service delivery.

The one common thread that permeated throughout the 1996 Congressional Authorization and Appropriation Committee hearings on DoD military personnel and readiness was a commitment to outsource as many activities as possible to help offset budget reductions. Both Democratic and Republican members of Congress spoke with one voice as to the desirability to get on with outsourcing projects. There was no doubt that the reinventing government movement knows no political boundaries and will continue its pace, perhaps even accelerate, regardless of the 1996 national election results.

The universal message for program managers is four-fold:

- *Join* the government's reengineering effort.
- *Adopt the shift in paradigms* from relying on in-house resources to relying on industry for goods and services and to identify appropriate candidates for outsourcing.
- *Look beyond program results* to program efficiencies by injecting competition and a private-sector perspective.
- *Obtain support* for designating programs as Reinvention Laboratories.

The common theme is that outsourcing offers the opportunity to:

- ensure a fair and equitable vehicle to deliver the best value to the taxpayer;
- obtain better use of the limited defense dollars to meet force modernization requirements; and
- achieve an affordable national defense.

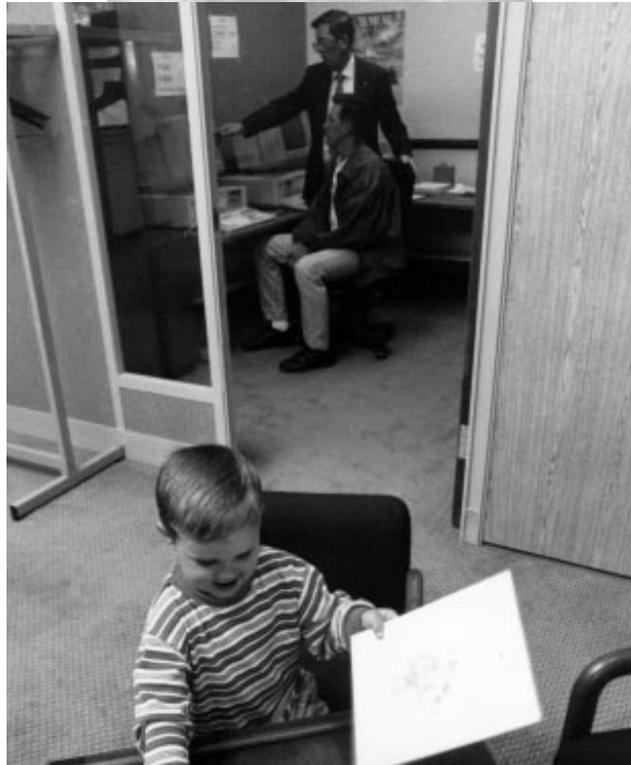
The recent regulatory changes initiated the reverse of the trend of building bigger government. The trend now is to build an environment conducive to successfully implementing the national policy of making government work better, faster, and cheaper. The govern-

ment is doing its part and is preparing to move forward to further simplify the outsourcing process. Now it is up to program managers to use these authorities to take action.

#### ENDNOTES

1. Statement of Dr. John P. White, Deputy Secretary of Defense, on Depot Maintenance Policy before the Subcommittee on Readiness, Committee on Armed Services, United States Senate, April 17, 1996, pp. 7-8.
2. Ibid.
3. Department of Defense "Report of the Commission on Roles and Missions of the Armed Forces," May 24, 1995, p. 3-1.
4. Department of Defense "Report of the Defense Science Board Task Force on Quality of Life" for the Office of the Under Secretary of Defense for Acquisition and Technology, October 1995, pp. 10 and 91.
5. Department of Defense, "Report on the Performance of DoD Commercial Activities," Washington, D.C., January 30, 1995, p. 5.
6. Roadshow IV, Acquisition Improvement Seminar, July 18-20, 1995, presentation by Gilbert F. Decker, Assistant Secretary of the Army (Research, Development, and Acquisition).
7. Section 2462 of Title 10, United States Code, and Section 357, National Defense Authorization Act for Fiscal Year 1996.
8. Harvey, Susan J., "Managing Downsizing in the Military: Army Employment Assistance Centers Are Established," *Program Manager*, November-December 1994, pp. 48-53.
9. "DoD Transition and Relocation Assistance Programs Report to Congress," Pursuant to Fiscal Year 1996 Defense Appropriations Conference Report (104-334), p. 5.
10. "Outcome Evaluation of the Army Career and Alumni Program's Job Assistance Centers," prepared by Human Resources Research Organiza-

PROVIDING FOR THE ENTIRE FAMILY, THE JOB ASSISTANCE CENTER AT FORT MONMOUTH, NEW JERSEY, KEEPS A YOUNG MAN HAPPILY OCCUPIED WHILE DAD RECEIVES JOB COUNSELING.



**The myth that functions currently performed in house are inherently governmental in nature has been dispelled. The Army successfully challenged this assumption and does not consider all PSS functions as inherently governmental in nature.**

tion under Contract MDA903-93-D-0032 for the Army Research Institute, June 16, 1995.

11. Hale, Thomas M., Gerald L. Jenkins, and Susan J. Harvey, "An Army-unique Program: Job Assistance Centers," *Military Review*, March, 1994, p. 71.
12. Department of Defense Report "Improving the Combat Edge Through Outsourcing," DoD, March 1996, p. 7.
13. "Cost Analysis of the Army Career and Alumni Program (ACAP)," Human Resources Research Organization (HumRRO) and The Lewin-VHI Group, Inc., June 1996.
14. Department of Defense Report "Improving the Combat Edge Through Outsourcing," DoD, March 1996, p. 19.
15. "Benchmarking Demonstration Study Report, Army Career and Alumni Program," KPMG Peat Marwick LLP, May 16, 1996.
16. Statement of Dr. John P. White, Deputy Secretary of Defense, on Depot Maintenance Policy before the Subcommittee on Readiness, Committee on Army Services, United States Senate, April 17, 1996, pp. 7-8.

## ELECTRONIC CAMPUS UPDATE

### WANTED!

Input material for Lessons Learned and Best Practices for the DSMC Home Page. Please send information based on your own acquisition experience or tell us about other sources for Lessons Learned and Best Practices. Thanks in advance for your help. Send your information to:

[dobbins\\_jim@dsmc.dsm.mil](mailto:dobbins_jim@dsmc.dsm.mil)