DoD Plans for the Contracting Future

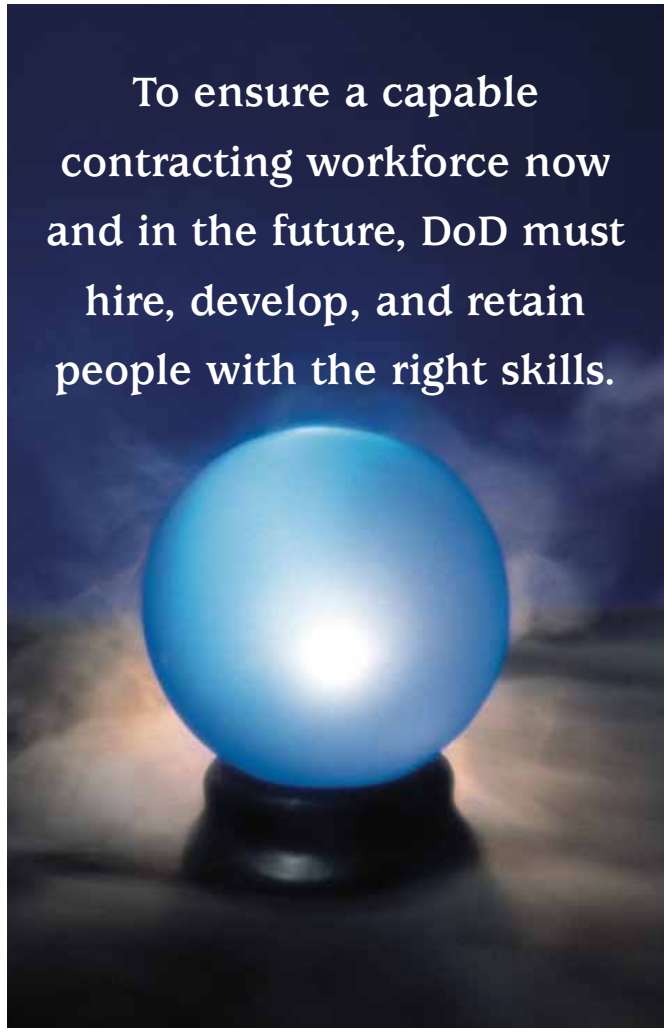
The Contracting Competency Model

Leonardo Manning ■ Mary Thomas ■ Teresa Brooks

The Department of Defense's contracting workforce, which includes all civilian members assigned the 1102 job series code and military members who are reported as performing contracting duties, has been relatively stable from 2001 through 2007. The contracting workforce currently consists of 22,345 members out of the 126,033 professionals who make up the acquisition, technology, and logistics (AT&L) workforce.

Although the size of the contracting workforce has been stable since 2001, significant mission demands—such as the ongoing Global War on Terrorism—as well as the pending departure of the Baby Boomer workforce warrant a review of the appropriateness of the current workforce size and its skills. From 2001 to 2007, the number of contracting actions involving more than $100,000 has increased by 62 percent, while the corresponding dollars being obligated increased by 116 percent. Additionally, 73 percent of the DoD civilian contracting workforce is part of the Baby Boomer generation or is older.

From 2001 to 2007, there were 3,589 professionals hired into the 1102 job series, which makes up 19 percent of the contracting workforce. While these hiring statistics appear favorable right now, DoD still needs to consider the future skill levels it needs. Overall net hiring and retention levels may need to increase in order to maintain (or increase) DoD's current civilian strength level through 2016.



Contracting Competency Management

To ensure a capable contracting workforce now and in the future, DoD must hire, develop, and retain people with the right skills. The Office of the Under Secretary of Defense for Acquisition, Technology and Logistics; the Office of the Deputy Under Secretary of Defense for Civilian Personnel Policy; the Defense Acquisition University; DoD functional leaders (e.g., the director, Defense Procurement, Acquisition Policy, and Strategic Sourcing [DPAP]); and DoD components are collaborating to develop responsive workforce strategies. One strategy includes using improved data analysis tools and a scientific-based competency modeling and skills assessment process to analyze current and future workforce capabilities.

In March 2007, DoD completed development of a comprehensive contracting competency model that defines behaviors and underlying knowledge, skills, and abilities

Manning *is the director for the Center of Contracting, Defense Acquisition University.* **Thomas** *is a program analyst in the Office of the Director for Defense Procurement, Acquisition Policy, and Strategic Sourcing.* **Brooks** *is a procurement analyst in the Office of the Director for Defense Procurement, Acquisition Policy, and Strategic Sourcing.*

required for superior job performance for the contracting workforce. Leaders of the contracting career field supported the effort by developing a competency framework, encouraging the support of the senior leadership, communicating the project to the workforce, and assisting in data collection workshops.

The contracting competency model was developed using a three-step process that collected input from contracting functional leaders and 377 subject matter experts from across the contracting career field. In step one, an expert panel of functional leaders worked together with a research staff from the Center for Naval Analysis (CNA) to discuss the competencies needed to succeed as superior performers in the contracting workforce. An offshoot of the Contracting Functional In-Process Team served as the expert panel and was made up of experts from across the DoD from the Army, Navy (including the Marine Corps), Air Force, National Guard, Defense Logistics Agency, Defense Contract Management Agency, Defense Information Systems Agency, and the Office of the Secretary of Defense. In this step, the expert panel helped to frame the contracting jobs, and to identify and communicate with subject matter experts (SMEs) chosen to participate in the next stage of data collection.

The expert panel members were asked to describe how their particular career field is organized and what functional areas make up their job. In addition, they provided some baseline legacy competencies. These competencies and functional areas were combined to draw up a draft framework of the jobs that make up that particular career field. Jobs were then organized into large functional areas named units of competence. The competencies within each unit of competence have a related set of task, tool, and knowledge items.

At the starting point of the contracting competency effort, the career field had already undergone extensive study to determine competencies for the contracting career field. Therefore, extensive historical documentation provided the most solid starting point of any career field to date. The expert panel and CNA research staff also compiled historical legacy data and related competency models for the contracting career field. As a final review, AT&L community leaders reviewed these competencies to ensure that the descriptive work groupings were both accurate and complete. Additional modifications were incorporated as needed.

The expert panel developed an initial hypothesis about which competencies are required to successfully perform the job. This starting point provided the researchers a logical way to present the data for the model to the SMEs in the field. It also provided a competency structure to be tested through quantitative and qualitative analysis of SME input.

Collecting Subject Matter Expert Data

The expert panel's second task was to identify the SMEs to be interviewed in the next step. Each expert panel member provided a minimum of four experts per component or agency per career level to ensure the workforce mix was well represented. In addition, the experts provided SMEs that represented a diverse mix of contracting roles and responsibilities. The SMEs chosen by the expert panel members were superior performers with more than two years of experience and who demonstrated the ability to communicate effectively regarding the competencies needed to complete their job clearly and without using jargon. The contracting career field was especially devoted to this task, providing up to 25 SMEs per panel member. Adequate sampling of a workforce of this size calls for a sample of between 350 and 400. Each career field also designated a functional leader who has proven contacts across the community, as well as a knowledgeable operational advisor to aid in rolling out the intricate logistical requirements associated with each data collection effort. The contracting career field used a functional career field leader and operational leader to manage logistical details and help keep the project on task.

In total, 377 SMEs participated in the sessions. Of the 377 SMEs, 95.2 percent were from DoD, while the remainder were from civilian agencies. Each of the major military services provided approximately equal subject matter expert representation, and there was significant participation from organizations like the Defense Logistics Agency, the Defense Contract Management Agency, the Defense Information Systems Agency, and the Defense Commissary Agency. A majority of the SMEs were ranked at the senior level, (50.9 percent), with 32.4 percent at the journeymen level, 8.5 percent at entry level, and 8.2 percent were not yet certified.

In step two of the methodology, SMEs chosen by the expert panel were asked to provide information about what they do on the job that makes them successful. This information was broken into three parts:

- Preliminary validation survey
- Key situation interviews
- Review of job tasks, tools, and knowledge.

Each part was critical to evaluating the requirements of the job, the criticality of those requirements, and what actions are required for superior performance. Using a Web-based data collection tool designed by CNA, SMEs stepped through a structured set of interview questions. Each part of the data collection served to validate the other and provide the qualitative and quantitative data to identify the competencies required for superior performance, the structure of the competency model, and the criticality of the competencies for various workforce components.

Contracting Competencies

Technical Competencies

- Determination of how best to satisfy requirements for the mission area
- Consider socio-economic requirements
- Promote competition
- Source selection planning
- Solicitation of offers
- Responsibility determination
- Bid evaluation (sealed bidding)
- Proposal evaluation (contracting by negotiation)
- Source selection
- Contract award
- Process protests
- Justification of other-than-full and -open
- Terms and conditions
- Preparation and negotiation
- Advanced cost and/or price analysis
- Initiation of work
- Contract performance management
- Issue changes and modifications
- Approve payment requests
- Close-out contracts
- Addressing small business concerns
- Negotiate forward pricing rates agreements and administer cost accounting standards
- Contract termination
- Procurement analysis
- E-business and automated tools
- Activity program coordinator for purchase card
- Construction/architect and engineering
- Contracting in a contingent and/or combat environment

Professional Competencies

- Problem solving
- Customer service
- Oral communication
- Written communication
- Interpersonal skills
- Decisiveness
- Technical credibility
- Flexibility
- Resilience
- Accountability

In the first section, SMEs were asked to provide ratings about the work functions required for the job. Each SME was presented with the framework developed by the expert panel. They rated the importance, frequency, and level first needed for each of the technical functions of the job. The quantitative data collected in this step tested the hypothesis of the framework developed for the career field. This data were used in analysis to decide the structure for the competency model, the criticality of competencies that are derived for the career field (and for various workforce components), and the point in their career that the competencies contribute most to superior performance.

In addition to asking about task-oriented information, the key situation technique was used to allow the SMEs to talk about their performance on the job. SMEs were asked to describe a situation or experience when they felt particularly confident on the job and that resulted in an effective outcome. Each SME wrote one to two situations and then provided associated ratings detailed in the next two subsections.

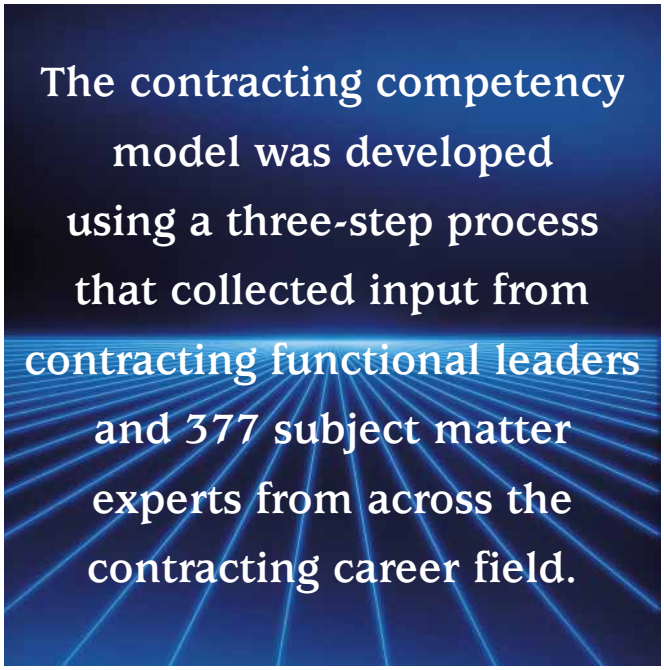
This effort resulted in a large amount of data that could be used to develop a competency model for the Contracting career field. Over 600 key situations were collected from the SMEs who participated in the study. Those situations provided the elements and key behaviors required for superior performance. CNA analysts reduced the content of the situations into behaviors required for success.

After writing about a situation, SMEs were asked to identify which units of competence were associated with the event and allowed the SME to connect the job to the key elements of superior performance in resolving the situation. Lastly, each SME was asked to rate the professional competencies needed in the specific instances. Professional competencies were found to be the primary topic in which SMEs said were critical when they wrote the key situations.

Each SME was then asked to build a competency model for his or her job by following the three tasks detailed below:

- **Choose the units of competence related to your job.** Each SME was first asked to think about his or her job as a contracting professional and decide which main units of competence were applied during the past 12 months.
- **Review the work functions that belong within each unit of competence.** SMEs were asked to review the work functions associated with the units of competence that they had selected as crucial to their job. The list of work functions was created by the expert panel to cover the range of competencies utilized by this career field.
- **Detail the tasks, tools, and knowledge for each work function, giving more depth to the competency.** Each SME was then asked to add tasks, tools, and knowledge within each competency area and unit that he or she felt was missing or misstated.

The contracting competency model resulting from this process includes 11 units of competence, 28 technical competencies, 10 professional competencies, and 52 final elements with supporting knowledge. The elements



provide the detail needed to assess an individual on the competencies. The key behaviors also provide additional information on how the elements and competencies were derived. The model serves as the cornerstone of a human capital strategy to identify and fill capability gaps.

Validating the Findings

The final, third step of the competency development process consists of a survey/assessment to validate the model in terms of each competency's importance, the observed frequency of competency-related behaviors, the level to which a competency is needed, and proficiency levels. A significant portion of the information needed to conduct the final validation survey has already been captured in the model development process. Step three will not be fully completed, however, until completion of a DoD-wide contracting competency assessment.

The contracting competency model provides the foundation for assessing the contracting workforce. The following guiding principles were applied throughout the competency development process in order to meet this human capital need to best assess the acquisition workforce:

- Competencies are observable and measurable.
- Competencies are based on superior performance on the job.
- Competency models include both the technical and professional competencies.
- Competency models are composed of both knowledge, skills, and abilities, and other individual characteristics.

Beginning in August 2007 and continuing through July 2008, DoD used the contracting competency model to conduct a contracting competency assessment of all military and civilian members of the DoD-wide contracting workforce. Results of the contracting competency assessment will be finalized during the first quarter of fiscal year 2009. Those results will provide a complete inventory of competencies that exist in the DoD-wide contracting workforce, identify current and projected competency gaps, and support workforce development in ways to best fit the strengths and weaknesses of the workforce and the needs of the contracting mission. Information gathered from the assessment will provide insight and answers to a number of workforce-planning issues such as:

- What competencies are most critical to successful performance?
- What capabilities and gaps exist in the current workforce?
- What best practice methods/changes should be implemented to address capabilities/gaps that exist?
- What areas should DoD focus on for future talent?
- What areas are at risk due to attrition and retirements?

The answers to those questions will assist the contracting community in identifying solutions to shape the workforce of the future.

Shaping Training Opportunities

In addition to developing and assessing competencies, the senior leaders of the contracting community are working together to identify and implement strategies to address opportunities for future training and development to close competency gaps identified by the contracting competency assessment. DAU is developing a way to match contracting competencies to DAU learning assets. This will allow for the identification of training gaps and support the development of individual development plans for those in the contracting workforce.

The Future Contracting Workforce

Updates to strategic plans are in work for the contracting workforce. By using key data provided from the contracting workforce assessment and from the components, and by linking this data to drive workforce planning solutions, the DoD-wide contracting community will work to develop a coordinated workforce plan for the contracting community that defines its current state, future state, and a five-year plan to accomplish gap-closure strategies. By working together with the components, DoD can create a global perspective of needs and solutions, and can identify opportunities to create efficiencies and share best practices across the workforce. It addition, the community can better meet future requirements and respond to its stakeholders.

The authors welcome comments and questions and can be contacted at leonardo.manning@dau.mil, mary.thomas@osd.mil, and teresa.brooks@osd.mil.