Written by Nick Sanders Wednesday, 24 April 2013 00:00

Recently we had <u>an opportunity</u> to weigh-in on DOD's continual failure to adequately administer Performance-Based Payments, by way of reviewing a recent audit report by the DOD Inspector General. Among other recommended fixes, the DOD IG thought that training in that area should be enhanced and made a requirement for DOD Contracting Officers. The DOD Director of Pricing agreed with that recommendation—in a manner very similar to that in which DOD has been agreeing with DOD IG recommendations about enhanced PBP training for more than a decade. And yet, despite more than a decade of enhanced PBP training, no significant improvement in DCMA's administration of PBPs has been noted by the DOD IG.

The situation might lead one to question the efficacy of training in the domain of contract financing and, in particular, the negotiation and administration of PBPs. Maybe it's not the users; maybe it's the instructors and their training materials. As usual, we had an opinion as to the root cause(s) of the continual failure.

We suggested that PBP training offered to DCMA employees has been superficial and has not addressed the real needs of the DOD CO and COR using community. We asserted that DCMA does not need pretty platitudes posted on PowerPoint presentations and, instead, needs detailed "how-to" guidance and tools. We also opined that the goal should not be to train everybody to the same level, but instead to train-up a small cadre of PBP SMEs who could answer real-world questions as they arose during pre-award negotiation and post-award administration.

We have long suspected that the <u>Defense Acquisition University</u> (DAU)—the home of DOD acquisition workforce training—has not been meeting the needs of the DOD acquisition workforce. Today, we assert that the continued failure to adequately negotiate and administrate PBPs is but one symptom of a larger and more systemic problem—

the Federal government is failing in its mission to train its acquisition workforce . And it really doesn't matter whether we're right or wrong in our assertion. The fact of the matter is that most Federal agencies

don't know whether their workforce is receiving adequate training

, according to the Government Accountability Office (GAO). People might disagree with our assertion; but, according to the GAO, they can't *prove*

that we are wrong.

The GAO reported on this matter here, in a 55-page report published March 28, 2013. The

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GAO was reporting on 23 Federal civilian agencies—but not on DOD. (DOD is subject to differing education requirements, according to the GAO report.) Regardless of that fact, we think the findings are applicable to DOD and we think DCMA ought to be listening to what GAO was saying.

Here are the key findings from the GAO report-

The training cost data that agencies collect is not comparable and agencies have limited information on the benefits of their acquisition workforce training investments. ... As for determining benefits of training, 7 of 23 federal agencies reported having no metrics, not even basic end-of-course evaluations. Without basic data, agencies do not have insight into the benefits of their acquisition workforce training efforts.

What challenges do Federal agencies face in training their acquisition workforces? According to GAO—

The areas reported as being the most challenging are related to staffing and budgetary resources. Some agencies also reported challenges with the identification of their acquisition workforce, which is a fundamental step needed for managing the workforce and its training. Agencies also reported that additional assistance from OFPP and FAI would help their acquisition workforce training efforts. In addition, the agencies reported that their acquisition workforces are challenged in finding time in their workload to attend training.

GAO reported that the primary objective of acquisition training is to permit individuals to maintain their Federal Acquisition Certificates (FACs). Agencies consider training to "develop expertise" in selected areas (such as negotiation and administration of PBPs) only after the FAC-required training courses have been provided. Accordingly, development of SMEs is a secondary objective—an after-thought, if you will.

It's hard to develop SMEs when your focus is on the least common denominator standard.

Another key problem for some agencies was the seemingly trivial task of *identifying the members of their agency's acquisition workforce*

. Yes, it's true. GAO reported that 11 of the 23 agencies considered it a challenge to simply identify their acquisition workforce, let alone figure out what training those individuals needed. As GAO reported (apparently with no sense of irony)—

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If members of the acquisition workforce are not identified as such, it is difficult to ensure their training and development needs are being met. Our prior work on acquisition personnel at the Department of Defense noted challenges with identifying the total workforce with acquisition-related responsibilities. Officials across DOD, including senior officials at DAU, told us that identifying some individuals with acquisition-related responsibilities, such as CORs, is challenging, in part because those personnel are dispersed throughout many organizations, come from a variety of career fields, and are often involved in acquisitions as a secondary and not a primary duty. The agencies' Acquisition Career Managers told us that they face similar challenges in identifying CORs and other personnel with acquisition-related responsibilities. Three of the four agencies selected for further insight—DHS, Education, and VA—acknowledged that they continue to be challenged by identifying some members of their acquisition workforces.

No shit, Sherlock.

If you can't identify your folks, it's tough to train them. And as Tom Reid noted (on a LinkedIn discussion thread)—

I find it interesting that agencies have difficulty knowing who a COR is. ... If FAR is followed ... the COR MUST be designated in writing. If those letters are tracked (as they should be) it is a relatively simple task to know who your COR's are.

There's more to the GAO report (after all, it's 55 pages long), but we'll cut to the chase. Here's how GAO concluded its report—

Given the large acquisition investments the federal government makes each year, it is essential that the people in agencies who manage these procurements day-to-day—the acquisition workforce—be well-trained to handle their responsibilities. Fundamentally, agencies need key information to manage and oversee their acquisition workforce training investments. For example, agencies need to identify their acquisition workforce members, and measure how the training benefits the agencies by providing the workforce with the knowledge and skills to do their jobs effectively. At this point, OFPP, FAI, and federal agencies are taking steps that may potentially improve the effectiveness and efficiency of their training programs, but a number of challenges and limitations need to be overcome.

To which Tom Reid pointed out-

The conclusions say that OFPP, FAI, and the agencies are engaging in activities that 'may potentially' improve effectiveness, and then seems to suggest that just getting all the seats filled is one such measure. Seems to me this topic is more critical than taking a lazy shot that

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'may potentially' fix it.

We couldn't have said it any better ourselves (which is why we quoted Tom). Whether or not you agree with our viewpoint on the matter, it's hard to argue that training-up the acquisition workforce should be a top priority for Federal acquisition leaders. And yet, GAO thinks insufficient attention is being paid to this area. That needs to change—and it needs to change for DOD as well.