

The Future Role of the Contracting Officer

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Abstract

As the Department of Defense (DOD) pursues innovation in defense technologies, there has been an increasing interest in recent years to improve processes and methods to procurement techniques and strategies. The National Defense Strategy calls for reforming the business practices of DOD to increase performance (M Mattis, 2018). Additionally, Congress has directed significant transformation and expansion of acquisition authorities to facilitate contracting for innovation. The slow procurement process and long timelines continue to be a source of frustration for requirement activities.

This paper explores the role of the contracting officer in the midst of the ongoing acquisition reform and makes a comparison of the intended role and how it needs to evolve in the future. This research used a qualitative literature review methodology that examines recent and relevant articles, reports and regulations that analyzes the role of the contracting professional. This analysis provides several recommendations that need to be considered to transform the contracting officer's mindset along with the ongoing acquisition reform.

It is clear that contracting officers can no longer rely on traditional roles but must seek to expand their function to one that includes multi-faceted competencies. As acquisition in DOD continues to transform, it is critical that the contracting professionals also evolve to meet the requirements of the future. Contracting officers must abandon the roles of compliance and process monitors that they have personated in recent decades and move towards returning to the originally intended role of trusted business advisor for our customers.

Chapter 1- Introduction

Background

The erosion of the competitive edge of our Military and the need to make our forces the most lethal in the battlefield has prompted Congress to streamline the acquisition process to include the procurement administrative lead-time (PALT). Congress continues to review current regulations in an effort to remove cumbersome requirements and accelerate lead-times to contract awards to include, allowing the decision making to be moved to the lower levels.

Long procurement timelines associated with source selection and contract award has increasingly been a cause for frustration to the Department of Defense (DOD) program managers and requiring activities. The contracting community has recognized that there is a need to reduce the procurement administrative lead-time. For decades, efforts to improve defense acquisition have instead, added more rules and requirements to an already cumbersome process. Contracting requirements have become counterproductive, driven by compliance as opposed to efficiency and value for the taxpayers. A major priority for the U.S. Armed Services committee has been to reform the DOD acquisition and procurement process to improve the timelines and streamline the system. The faster we can award the contract, the sooner we can get the product to the warfighter.

Procurement administrative lead-time is the approximate number of calendar days from the time the contracting officer accepts a complete requirement package to the time of award. An acceptable requirement package, in its simplest form, includes: certified and approved

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procurement request or other funding document; complete independent government cost estimate; complete specifications and/or performance work statement, statement of work, statement of objectives and market research documentation.

Problem Statement

The timeline associated with the contracting process of source selection and contract award in the Army continues to be excessive. The myriad of rules, regulations and numerous review levels of oversight have created a significant risk adverse culture. These factors are hindering contracting personnel from making decisions at the working level in order to capitalize on opportunities to reduce the procurement administrative lead-times.

In an effort to reduce the time for award, Congress has directed the DOD to capture information on procurement administrative lead-times (Berteau, Acquisition: Federal Times, 2018). Section 809 panel report makes recommendations to reduce time-consuming redundancies in the contracting process and enable the workforce (Section 809 Panel, 2019). The Assistant Secretary of the Army for Acquisition, Logistics and Technology (ASA (ALT)), is implementing initiatives to change culture to include streamlining documentation and “Smart Contracting” authorities and approaches (Jette, 2018).

Purpose of This Study

The purpose of this qualitative study is to explore whether the DOD contracting process, competency tools and organizational structure, promote and facilitate for contracting managers to

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assess risk and pursue efficiencies to execute awards. This project will investigate whether contracting policies, leadership oversight and environments hinder the contracting professional. It will also explore whether contracting personnel are receiving the appropriate training to become proficient enough, to competently, make decisions at the lower levels to implement innovative methods to reduce the timeline required to make an award.

This paper proposes areas of consideration and makes recommendations for Army contracting leaders to explore in an effort to change the Army contracting culture by codifying new contracting approaches that are in line with recent acquisition reforms.

Significance of This Research

Inasmuch as our adversaries are fielding technology much more rapidly than we are, the Department of Defense has developed a renewed interest in attempting to contract at a much faster rate in order to compete and surpass those said adversaries. The need for innovation has brought special attention to updating the acquisition process in order to get the much-needed technology in the hands of the warfighter faster than ever before. As new threats continue to emerge, we must be able to find new ways to navigate through the maze of our complex policy framework and provide the best value to our warfighters in an efficient and expedient manner. Congress has tasked the Section 809 panel to eliminate outdated, redundant, and counterproductive acquisition legislation, regulations, policy and practices; however, the challenges in contracting need to be addressed at every level of the process. We need to empower, incentivize and not second guess the contracting professionals who are closest to the problem and know how to address the issues, not the people several levels above them in the

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bureaucracy, to ensure the contract is awarded in the most expeditious manner (Government Matters, 2019). This project focuses on gathering information that can be used to determine if Army contracting officers can be empowered and trusted to assess risks, make decisions and execute contracts commensurate to their warranted level without higher approval requirements. Empowering and trusting contracting officers to make the decision necessary at their level can significantly reduce the acquisition timeline to increase the speed of fielding technology.

Overview of the Research Methodology

This research used a qualitative literature review methodology. This research consist of a collection of policies, articles, publications on methods, organizational environment and personnel management in contracting. This research reviews data on what has been done to improve the contracting process and how it has effected the procurement administrative lead-times.

This study explores the frameworks that enable innovation in efficiencies to improve the procurement administrative lead-times. Do leaders trust contracting officers to make decisions and execute the duties for which they are responsible? Has the authority originally intended, been taken away from the contracting officers?

Limitations

This study is limited to the literature review of historical data, covered in the next chapter, and a review of federal regulations, policies and procedures that impact the DOD

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acquisition process. Due to limitation on time and resources to conduct the research for this study, data collection will focus on the timelines and process to make an award from the time a completed requirements package is accepted in the contracting office. Surveys and interviews were not conducted due to the lack of Institutional Review Board approval.

Chapter 2 - Literature Review

Introduction

This literature review presents themes emerging from the body of knowledge in contracting that support reducing procurement acquisition lead-times and the need to empower contracting officers. The objective of this chapter is the collection of data to capture information on contracting policies, leadership oversight and environments that foster or hinder the contracting professional to conduct their intended duties in an effort to reduce acquisition timelines. Regulations, policies and reports were researched to draw conclusions; however, some recent articles from accredited expertise in the field of contracting were also referenced, as it has been an evolving topic within the Department of Defense.

Literature Review

The Federal Acquisition Regulation (FAR) addresses the career development, contracting authority and responsibilities of a contracting officer in subpart 1.6. Contracts are entered into and signed on behalf of the Government only by contracting officers. The FAR provides the authority for contracting officers to ensure “that all requirements of law, executive orders, regulations, and all other applicable procedures, including clearances and approvals, have been met” (FAR: Acquisition.gov, 2019). The contracting officer is mandated the responsibility for the performance and compliance of contracts and is authorized a wide latitude to exercise business judgment with the advice of specialist in law, engineering and other appropriate fields. Agency heads are responsible to select and appoint contracting officers at the appropriate level based on the complexity and dollar value considering the candidate’s experience, training,

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education, business acumen, judgment, character, and reputation. FAR subpart 1.102 further states that participants in the acquisition process should be empowered to make decisions within their area of responsibility minimizing administrative operating cost including internal administrative processes and reviews. In an effort to achieve efficiency, the FAR states that we must shift our focus from “risk avoidance” to one of “risk management” because the cost of attempting to eliminate all risk is prohibitive. We are to accept and manage the risk, empowering local procurement officials to take independent actions based on their professional judgment (FAR: Acquisition.gov, 2019).

The United States Government Accountability Office (GAO) published a report titled Army Contracting in June of 2017 providing the results of a review requested by Congress to address the Army’s need to evaluate and improve contracting operations. The Army has faced challenges in executing its contracting operations and; therefore, has extensively bridged contracts to incumbent contractors to avoid a gap in service. Congress requested that the GAO examine the Army’s contracting operations for efficiency and effectiveness. GAO reviewed Secretary of the Army and Assistant Secretary of the Army for acquisition, Logistics and Technology (ASA (ALT)) reports, memos, and briefings from fiscal years’ 2015 and 2016. GAO also interviewed personnel in the Office of the ASA (ALT), and other contracting organizations. The report concludes that the Army has taken a narrow view of their contracting operations focusing on funding execution. The report suggests leaders have fostered an environment where emphasis is given to using the funds before they expire and not giving attention to efficiency and effectiveness of contracting operations. Contracting leaders are not assessing the timelines of contract awards. The report also provides that leaders are not identifying if they have a large enough workforce to meet contracting needs. In addition, the Army lacks the data to determine if

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the contracting enterprise is capable of operating efficiently and effectively. The report concludes the Army has not properly examined their contracting operations. The Army's focus on obligating funds before expiration has deemphasized efficiency and effectiveness (GAO, 2017).

An article of an interview conducted by Gregory Gonzalez was published in the Nov-Dec 2017 issue of Defense Acquisition Technology and Logistics periodical. The article titled, "Streamlining the Contract Award Process" addresses the problem of excessive timelines associated with source selection and contract award. It explores and discusses how the contracting process can be streamlined to reduce the timeline to contract award. The scope of this interview discusses how the program management office worked with teams from Army Contracting Command in Rock Island to implement innovative methods. An observation, documentation and collection of executed timelines was used to analyze the data. The article concludes that all members of the acquisition team must work together to look for innovative ideas to streamline the process. Team members needed to think out of the box and execute some non-traditional processes. The data showed that implementation of numerous efficiency initiatives at the local level resulted in significant reduced timelines (Gonzalez, 2017). However, a weakness of this publication is that it only provides one individual's perspective. This article highlights, that as leaders, we must facilitate the process to get our teams to work together to aggressively look for initiatives and innovations. We must be willing to push the envelope and challenge the norms.

Ryan McCarthy issued Army directive 2017-32, Streamlining the Contracting Process on November 15, 2017. The directive calls for the standardization of contracting policy across the Army to remove unnecessary policies that delay the contracting process. It also calls for the

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review of thresholds for approvals in order to further delegate contracting approvals to reduce delays. Reduction of required documentation and increased standardization are also called for in the document. McCarthy also directs the review of training requirement to identify skill gaps for contracting personnel (McCarthy, 2017). These directives should provide for more standardized contracting in the Army improving the efficiency of the processes; however, the directive seems vague without specific instructions for streamlining. The directive makes clear there is a need to focus on looking for efficiencies in the contracting process; however, perhaps future directives can delineate specific actions and milestones based on all the new guidance being published by the Section 809 panel and Government Accounting Office.

An article written by David Berteau titled “DoD can reduce time to contract,” was published March 30, 2018 in the Federal Times website. The article addresses that efforts to reduce the procurement acquisition lead-time by every administration in the past 50 years have yet to yield significant evidence of success as procurement lead-times continues to be a major concern for both government and industry (Berteau, Acquisition: Federal Times, 2018). Congress has directed the Department of Defense (DOD) to capture common information on procurement lead-times in an effort to identify the cause and reduce excessive lead-times. Measuring and capturing procurement lead-time will provide information to identify potential areas of focus in order to streamline the processes. Senior DOD acquisition officials have made clear that they are committed to reducing the time between determining requirements and awarding a contract; additionally, capturing data from the contracting process will provide the information needed to see where the majority of contracting time is spent. The article concludes that DOD must align requirements, resources, and contracting to focus on efforts to reduce procurement administrative lead-time (Berteau, Acquisition: Federal Times, 2018). I believe the

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biggest challenge will be collecting procurement administrative lead-time data with a uniform set of parameters for all organizations in DOD; otherwise we continue to risk different interpretations of what we are measuring, resulting in inconsistent data needed to reduce lead-times.

The Roadmap to the Section 809 Panel's Report published February 2019 provides a document that organizes the Panel's previous reports and summarizing recommendations. Among the Panel's recommendations is reducing redundancies in the contracting process and enabling the workforce (809 Panel, 2019). Recommendations are intended to reduce contracting steps in procedures that have become burdened with compliance requirements hindering timely processing; additionally, streamlining processes that are laborious due to overzealous interpretations. Recommendations remove unnecessary replicated documentation that make the process excessively complex (809 Panel, 2019, p. 19). Recommendations include new training, development and empowerment with revised policies to enable the workforce while providing consistent scrutiny. In addition to Defense Acquisition Workforce Improvement Act (DAWIA) certifications, this requires development that consistently expands acquisition professionals' experience by including professional qualifications, demonstrating occupational competencies, to include a two-way, private-public exchange program (809 Panel, 2019, p. 15). Panel also recommends better use of software and information systems to collect data to better support and enable workforce decision making. Recommended changes emphasizes value on time and outcomes over process. Balancing oversight while trusting people to make decision and eliminating the risk-averse culture that hinders the process (809 Panel, 2019, p. 29). The report clearly calls for streamlining contracting processes to the maximum extent responsibly possible

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and supports empowering the contracting professional; however, this has not yet been translated down to the field level.

An article written by Michelle V.J. Johnson, titled “Section 809 Panel: Hacking away at the regulatory underbrush and empowering the acquisition workforce” was published in the May 2019 issue of the National Contract Management Association (NCMA) periodical. The article addresses how the efforts to improve defense acquisition have added rules and requirements to the process making Contracting a frustrating, compliance driven process that wastes time and energy. The article highlights recommendations made in a Section 809 panel report that identifies opportunities for efficiencies in the contracting process that empower acquisition professionals. Acquisition decisions should be made at the appropriate level; unfortunately, decisions that should be made at the working level are elevated and therefore, delayed. The panel suggest streamlining the approval process and delegating to the chief of the contracting office. The article concludes that after completing the stringent requirements such as years of formal training, extensive exams which test regulation knowledge and earning a warrant to sign contracts on behalf of the U.S. government, contracting officers should be trusted as highly trained and experienced professionals who are exceedingly qualified to make decisions at their level (Johnson, 2019). The points addressed in this article suggests that the government has neglected fostering a culture of trust in the contracting community and has fallen short of implementing significant reform in contracting to date.

An article written by Jeff Weisman and Dr. Kyle Richards, titled “A Government wide view of Contracting Officer Staffing levels” was published in the May 2019 issue of the NCMA periodical. The article presents a comparison of the experience and workload of the contracting officers’ in the federal government showing that some agencies are composed of inexperienced

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or overburdened contracting personnel. According to the data presented from the Office of Personnel Management, the Department of Defense has the highest number of contracting officers while also processing the most contract actions compared to all other federal agencies; however, they are still understaffed. The DOD averages 413 contractual actions a year per contracting officer compared to an average of 64 contractual action of all other Government agencies. The DOD contracting officer significantly higher workload highlights the need for more efficient ways to process contract actions. One of the recommendations made in this article is the need to foster an environment where “creativity, innovation and well-reasoned risks are encouraged” (Weisman & Richards, 2019). This article makes a general assumption that contracting personnel are all doing work equivalent to a contracting officer and it does not separate the many different departments and agencies that fall within the DOD; nevertheless, it brings to mind that DOD contracting officers are overburdened and potentially ill prepared for the expected workload.

An article written by Terrence M. O’Connor titled, “Where does it say we can’t do that” was published in the June 2019 issue of NCMA periodical. The article addresses how the Federal Acquisition Regulation (FAR) advocates and encourages agency and contractor innovation. The article states that contracting officers often ask the wrong question; that question being “where does it say we can do that?” when they should be asking “Is what I want to do prohibited by law or regulation?” (O'Connor, 2019). The FAR is different from other regulations in that, if something is not specifically addressed, it does not mean you can’t do it. On the contrary, if law or other regulation does not prohibit it, then it is allowable. Therefore, what that means for the contracting professional is that the FAR advocates for procurement innovation. The FAR encourages the acquisition team to use personal initiatives and sound business

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judgment to meet customer needs. This means using creative strategies, procedures and practices as long as other laws, regulations or policies do not prohibit it. Absence of direction allows the team to be innovative and use business judgments in contracting procedures. The article concludes that innovation is called for in procurement policy and that both government and contractor are responsible for innovation. Contracting officers need a mindset of innovation as opposed to the risk adverse and restrictive mentality that has become prevalent in the contracting community (O'Connor, 2019). This article supports the need for contracting professionals to be innovative and resourceful in processing contract actions.

An Article written by Jean Marceau Lohier and Brendon J. Johnson, titled “The Contracting Officers & Contract Managers of the Future – Roles that Must Continue to Evolve” was published in the September 2019 issue of NCMA periodical. The article discusses how the contracting officer is the principal responsible for the success of the contract. The contracting officer is responsible to make best-value decisions in a very complicated framework. Contracting officers must develop new skillsets to be proficient in the current environment. This environment often seems at odds with the numerous policy requirements and goals. The article questions if the contracting officer has lost their discretion and decision making capacity in order to take “reasonable risks without multiple layers of review and approval” (Lohier, & Johnson, 2019, p. 32). The author calls for a change from contracting officers being process driven, ensuring compliance, to trusted business decision makers that manage risk. The article highlights the FAR definition of a contracting officer as responsible for ensuring performance of all necessary actions for effective contracting and should have wide latitude to exercise business judgement. It further highlights the contracting officers’ need to have the authority to the maximum extent practicable with the authority to make decisions delegated at the lowest level. Unfortunately,

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there is an immeasurable amount of agency supplements, policies, checklists and internal controls, which take that discretionary decision-making away from the contracting officer. Our multiple level hierarchy environments have traditionally fostered process driven, compliance mindset and avoiding risk resulting in decisions being pushed to higher levels adding time to the process. This mindset hinders contracting officers from seeking innovation and discourages changes to improve processes. Today's contracting officers must be empowered to make decisions at the lowest level in order to foster an environment that seeks improvements to better meet organizational requirements. The article concludes that contracting officers can no longer continue the roles they have performed but they must be proficient and able to act as the trusted business advisors they were intended to be, while continuously developing knowledge investing in their future and elevating their profession (Lohier, & Johnson, 2019). This article supports the need for DOD contracting officer's role to evolve to meet the demand for efficiency and innovation in today's acquisition environment.

An article written by Michael P. Fischetti, titled "Contracting Officer Leadership" was published on November 6, 2019 in the Defense Acquisition University website periodical. The article highlights the need for improvement in defense acquisition to meet threats with better risk assessment; rapid and proactive processes; and a mission focused culture. A critical role in this process is the contracting officer who must have many attributes and competencies in order to understand and guide the acquisition team through compliance with many laws, regulations, policies, guidance and objectives (Fischetti, 2019). However, the author also questions the sufficiency of the training provided, required by the Defense Acquisition Workforce Improvement Act, specifically the training in leadership competencies. Although technical knowledge is essential, soft skills need more focus in order to develop great contracting leaders.

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In addition to technical knowledge, contracting officers must use leadership attributes to be true business advisers for the success of the programs. The author suggests the standards for professionalizing the contracting workforce must be reassessed, in order to change the risk adverse culture and develop contracting officers as leaders. Years of changing and reforming acquisition rules and structures have fallen short in developing the skills and attributes for contracting officers to be leaders. We must focus, more than ever, in the development of leadership qualities for today's contracting officers and for the future of contracting professionals (Fischetti, 2019).

The National Defense Authorization Act (NDAA) for fiscal year 2020 summary prepared by House Armed Services Committee Staff calls for DOD to strengthen the skillsets of the acquisition workforce. Increased emphasis continues on making acquisition software and personnel more efficient. Certification process are to be updated to give more emphasis to professional skills that can be used across the workforce and industry. The DOD is to implement a program that uses third-party accredited, nationally recognized standards and establish an exchange program between DOD acquisition workforce and private sector companies (NDAA, 2019). This shows the continued focus on seeking efficiencies and increasing the business acumen of a professional acquisition workforce.

A paper published by NCMA and Management Concepts titled "Preparing for the Future of Contracting" was published in November of 2019. The paper discusses the need for contracting professionals to adjust from being rule enforcers and focusing on processes to becoming focused on seeking solutions. To respond to future acquisition needs, contracting personnel will need to seek a higher understanding of the missions from what they have had in the past. The future contracting professionals will need to take a more proactive approach to

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meeting the needs of the customers. Contracting leaders must also change their fear of repercussion and risk adverse mindset to a willingness to make business judgements with the help of strong leadership support. The contracting workforce will also need improved training that focuses in providing stronger business acumen and soft skills for critical thinking and decision making. Senior leaders agree that there is a need to change the culture of risk aversion into a culture that embraces risk taking, innovation, and speed (Preparing for the Future of Contracting, 2019). Although this article among others shared an acknowledgement of what is needed to evolve the contracting professional, there seems to be no tangible evidence that changes have been made, nor any specifics on how to implement the needed changes.

An Article written by Tom Coleman, titled “The Well-Rounded Contracting Professional” was published in the January 2020 issue of NCMA periodical. The author proposes that traditional approaches to development for contracting professionals that narrowly focuses on contract management expertise has become a hindrance to growth. Although contracting training and experience is important, it should not be the only determining factor for success of a contracting professional. The article states that failing to diversify the development of a contracting professional hampers the individual and the organization. Expert knowledge in laws and regulations is required for success in contracting; however, it can also tunnel the focus with a tendency to simply move forward with patterns, which are familiar, instead of taking a step back to analyze the case and determine if there are potential alternative ways to improve the process. This is not to say that expertise is not needed, on the contrary, contracting professionals must have the expertise to effectively write and administer contracts; however, the more of an expert a contracting professional becomes, the more likely they are to fall back on the familiar process. To minimize this tendency, contracting professionals must diversify their professional

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development. Contracting professionals can diversify their professional development by seeking knowledge of their customer's domain, rotational assignment and involvement in integrated project teams (Coleman, 2020). This article supports the need to review and transform the training provided to the contracting professionals.

An article by the Army Acquisition Executive, Dr. Bruce D. Jette, titled Empowering Acquisition was published in the winter 2020 edition of the Army Acquisition, Logistics and Technology periodical. In the article, Dr. Jette discusses "the value of empowering and trusting subordinates to do what is best" (Dr. Jette, 2020, p. 5). Dr. Jette conveys to us that empowering and trusting our teams does require some risk, however there is also reward. He has lead this initiative by delegating a number of decision authorities down to his program executive officers and has given them discretion to further delegate. He states that powering down these decision authorities improves the timelines to get capabilities to Soldiers. He believes that senior leaders must allow their teams to manage risk and make decisions at the appropriate level. He provides specific guidelines for success, which include remaining fiscally responsible, designing appropriate and aggressive schedules and communicating status, risks and challenges. He also conveys the importance and advantages of varied experiences for the acquisition workforce in understanding challenges in the acquisition enterprise (Dr. Jette, 2020).

An Article written by Veronica Alexander and Dr. Linda R. Herbert, titled "The Contracting Pendulum" was published in the winter 2020 edition of the Army Acquisition, Logistics and Technology periodical. The authors contend that contracts have evolved into voluminous documents that ensure we comply with statutes, regulations and policies; however, the process has become ineffective and inefficient. For decades, regulatory reforms designed to improve DOD contracting have resulted in a process that is burdensome and ineffective. Laws

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and regulatory policies implemented to provide fairness to industry and uniform procedures for federal contracts have become demanding and problematic in delivering the products. The pendulum is swinging back as initiatives to reform Army procurement to a more streamlined process that provides efficient and rapid support. Section 809 panel has recently updated the Federal Acquisition Regulation (FAR) and the Defense FAR supplement (DFARS) to reduce burdens, reduce time and encourage innovation. Additionally, Army Directive 2017-32 directs initiatives to reform Army contracting and streamline the process (Alexander & Dr Herbert, 2020). These initiatives may not yet be realized throughout all Army contracting activities; however, it is essential for contracting professionals to continue to make the contracting process less restrictive in order to effectively support maintaining a sustainable level of readiness for our force.

Conclusion

A significant theme that prevails throughout the research is the interest for innovative ideas to streamline and look for efficiencies to reduce timelines in the contracting process. The research supports that there is a demand for contracting professionals to look for non-traditional ways and innovative ideas to streamline the contracting process; however, there is little specified direction on how to achieve it. Another theme found in this research is the need to empower contracting officers at their working level and avoid the delays caused by the elevating contract actions for additional unnecessary reviews; however, there continues to be a vast amount of agency supplements, policies, checklists and internal controls that take that discretionary decision-making away from the contracting officer. It is clear that DOD and Army leaders see the need to reduce PALT; however, this research did not find any particular area of focus nor any

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specific direction issued to reduce PALT throughout the various contracting activities. The literature review support the need for contracting officers to change from being process driven, ensuring compliance, to trusted business decision makers that manage risk. The research also brings to question the adequacy of the training being provided to the contracting professionals. Are we preparing contracting professionals to become contracting officers with the needed attributes, competencies and decision making skills? Future research is needed to assess further the validity and effectiveness of the training and development provided to the contracting professionals in DOD. As the Army endeavors to become a leader in innovation with faster acquisition, it seems overwhelmingly clear that our leaders and our customers need the contracting professionals to, likewise evolve.

Chapter 3 – Methodology

This chapter discusses the research design to include the key processes and methods used to collect and analyze the data. It provides processes and methods used to collect and analyze data to include research tools used to collect data.

Research Question

The research methodology discussed in this chapter sought to answer the question on the need for the role of the contracting officer to evolve. Does the Army contracting officer have the trust, training and authority that enables innovation and efficiencies to improve procurement administrative lead-times?

Research Design

A qualitative literature review methodology consisting of a collection of policies, reports and articles, was used for this research. The research provided a vast amount of information available for acquisition reform; therefore, it was necessary to separate contracting from program management in the research. Research conducted of university scholarly databases for peer-reviewed work was found to be outdated and somewhat irrelevant. Search consisted of using terms such as acquisition reform, contracting, procurement acquisition lead-time, PALT, contracting process and contracting officer, produced an abundant amount of contemporary information. Contracting related regulations policies and reports were reviewed for this research; however, due to the recency of this topic in current acquisition reform, the research focused on contemporary policies, reports and seminal periodicals articles on methods, organizational

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environment and personnel management in contracting. Research data services under Google were useful; however, searches in ProQuest did not yield current relevant results. Additionally, research conducted through acquisition.gov, dau.edu/library, gao.gov, armypubs.army.mil and section809panel.org provided considerable data on how federal contracting has been evolving to include, what has been done to improve the contracting process. Research was conducted using a qualitative method, which provided a breadth of information on the current situation and environment.

Validity of the research

The validity of the data collection was established by the relevance and recentness of the topic in reports and documentation from congress, Government Accounting Office (GAO), Army directives and articles from seminal periodicals recognized in the profession; additionally, the data provides consistency on the need the contracting professional's role to evolve.

Chapter 4 –Findings

While acquisition reform has aggressively taken specific actions to reduce timelines, the research shows there has been little change in contracting procedures. This research did not find specific direction for the contracting segment of acquisition to reduce timelines. Contracting operations have focused on funding execution without providing much emphasis on the effectiveness and efficiencies of contracting operations. In addressing the dilemma to reduce procurement lead-times in contracting, the research finds focus of concern in three main areas, training, empowerment, and measurement.

Training

Substantial investments are made in contracting professionals for formal training and other significant requirements to attain certification and warrants providing the knowledge and authority to sign contracting actions; however, contracting officers are routinely required to submit actions for higher levels of approval. The research suggests there is a lack of trust in the ability and the judgement of the contracting officers. There is a need for increased focus in determining whether contracting professionals are overburdened due to lack of the appropriate training, lack of experience or insufficient workforce. There is also uncertainty on the training validity to prepare contracting professionals to become decision makers and in the selection requirements of a contracting officer. The training required by the Defense Acquisition Workforce Improvement Act primarily focuses on the technical knowledge; however, it has lacked emphasis on soft skills that develop contracting professionals as leaders. The multiple levels of review for contract actions questions whether the training and preparation of

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contracting professionals is adequate. As acquisition continues to evolve, contracting officers will require additional skillsets, attributes and competencies for proficiency in guiding the acquisition team, specifically additional training in leadership competencies. The research suggest there is a need for further development of the contracting personnel to increase the aptitude and acumen of the contracting officer. The technical expertise focused training has become a hindrance to the development of contracting professionals. Thinking in patterns and processes that are familiar impedes contracting personnel from analyzing each case to determine ways to improve the process. Contracting professional training needs emphasis on attaining a wider range of experiences outside of contracting that include knowledge in customer domains.

Empowerment

The law holds federal contracting officers responsible for each contract they sign; additionally, regulatory guidance intends to provide contracting officers with primary decision making authority for the contracts they execute, yet the prevailing practices continues to require review processes that undermine that intent. The Federal Acquisition Regulation (FAR) encourages procurement innovation, initiative and sound business judgment to meet customer needs. The FAR gives contracting officers latitude to use a limitless range of strategies, procedures and practices to meet customer's needs as long as law does not prohibit it. The absence of specific direction in the FAR provides flexibility to be innovative in processing contracting actions. This flexibility intended by the FAR has been constrained by the multiple mandatory levels of review, which conversely increases the timeline to providing customer needs. A risk adverse culture has contracting officers elevating decisions that can be made at their level. Although the research shows an overarching interest for empowering and enabling

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the contracting workforce, there is also a call for consistent oversight that does not hinder the process. Contracting professionals are required to go through stringent requirements prior to gaining the authority to sign contracts for DOD; therefore, they should be trusted to make contract action decisions that are commensurate to their authority without additional levels of review. There is a need for contracting officers to change from being risk adverse, process and compliance driven, to becoming trusted business decision makers that manage risk. Senior acquisition leaders agree that empowering and trusting their professionals requires a level of risk; however, the benefits of effectiveness and efficiencies to reduce the time to provide customer requirements far outweigh these risks.

Measurement

There has been little emphasis and attention to the efficiency and effectiveness of contracting processes in an effort to improve timelines to award. DOD contracting activities have been left to themselves to implement efficiency initiatives; however, the research did not find much emphasis to officially address long lead-times to award in a uniform manner throughout the DOD contracting community. The Army has issued limited direction to standardize contracting and delegate contracting approvals; however, the research did not find any specific instruction, metric or measurement for the implementation of the directives. Specific uniform measurements are needed to capture procurement lead-times in order to identify specific problem areas. There is a need for more efficient use of software and information systems to provide improved measurements of the process.

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Despite the theme of concerns, the research did not find specific direction to provide uniformity and dissuade leaders responsible for contracting from establishing additional levels of review at the different contracting activities. The Army's contracting procedures are currently evolving along with the fast changing acquisition process; however, the role, training and responsibilities of the contracting officer appear to be lagging.

Chapter 5 - Interpretation

Conclusion

Notwithstanding all the focus on acquisition reform, there has been little change implemented on the contracting segment of acquisition. This research found a developing body of knowledge concerned with the role of the contracting professional in reducing the acquisition timeline; particularly, pursuing efficiencies to reduce the procurement administrative lead-time (PALT) to contract award. The flexibility intended by the Federal Acquisition Regulation (FAR) provides leaders regulatory precedence to eliminate unnecessary review levels and push contracting decisions down to the designated contracting authority; however, it continues to be encumbered by overburdening levels of review. If the Army contracting community is going to address long procurement lead-times, they must gain efficiencies and improve PALT. The Army's contracting procedures are evolving with the acquisition process; therefore, along with this transformation the contracting officer's role will also need to evolve into one of autonomy, responsibility and accountability; additionally, they must be trusted to execute the Army's contract actions. Leaders will need to assess if the training provided is suitable, they will need to empower contracting officers to make decisions at their level and they must hold our contracting professionals accountable for their decisions.

Substantial investments have been made to prepare contracting professionals, including extensive formal training to meet stringent requirements for certification and to attain warranted signature authority. Fiscal year 2020 NDAA emphasizes the need for further development of the contracting personnel to increase the aptitude and acumen of the contracting officer. If the arduous oversight is a result of contracting officers' performance history, the underlying problem may be a result of overwhelmed contracting offices due to understaffing and improper training.

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In order to regain the trust of the contracting professionals' ability and judgement, further scrutiny of the development and selection of a contracting officer is necessary. This research suggests that further review is needed to determine if DOD is providing the right training to contracting professionals to become decision makers; additionally, further research is needed to determine if contracting activities are properly manned for the demanding requirements of the Army.

The Army contracting officer has lost much of their discretion and decision making capacity to take "reasonable risks without multiple layers of review and approval" (Lohier, & Johnson, 2019, p. 32). It is a well-documented truth that when leaders empower their personnel, they can accomplish more and become more productive (DuBrin, 2019, p. 175). To gain the efficiencies the Army seeks in our current highly competitive environment, leaders must be willing to pass more decision-making authority and responsibility down to the contracting officer. This empowerment will reduce the risk adverse culture that depends on higher-level reviews and decision; thus, fostering contracting professionals to take initiatives and be responsible for their decisions. The current autocratic style lack staff input from the contracting community (so therefore improvement ideas are not encouraged or shared) hindering innovation; consequently, contracting staff become reliant on their known processes and the status quo. Innovation and creativity thrives in decentralized organizations and a more consultative approach is needed to provide contracting officer more access to the many ideas their staff may have about the business. Trust affects culture and when trust is lacking, efficiency suffers. To improve the timeline and the productivity of the contracting community, leaders will need to accept some risks by increasing trust to get faster results.

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The need for efficient speed demands that contracting officers be held accountable. Not as a form of punishment, but accountable for actions and decisions. A lack of trust is a result of a lack of accountability. Contracting officers must recognize the expectation that they will need to explain why they did (or didn't) make decisions that meet all the legal, regulatory and other applicable procedures including satisfying the customer requirements. Leaders must instill a culture of responsibility where contracting professionals at every level expect and enforce a higher-level performance. High performance standards challenge thinking and increases productivity (DuBrin, 2019, p. 90). Once this culture is in place, a team will continue to perform at a high level, even when the constraints are out of the equation. Risk is necessary and should be encouraged to promote creativity and innovation to improve processes. Today's operational tempo requires contracting officer to take the time to consider each situation individually, challenge assumptions and look for unique opportunities to enhance the process with efficiencies to reduce timelines.

This research shows there is shared acknowledgement of what is needed to evolve the contracting professional; however, there seems to be no specifics on how to implement the needed changes. The uncertainty of the contracting officer's role continues to be a relevant and important topic and the body of knowledge on contracting practices continues to develop. Army acquisition reform will likely also continue; likewise, to remain relevant, it is important that the contracting community continue to evolve with the fast changing acquisition environment while staying true to the foundation of the field. Because so many reforms are currently being implemented, subsequent research should be conducted to assess how the reforms implemented today have affected the contracting time line. Additionally, future data should be collected from other acquisition teams to determine successes and failures of innovations executed to streamline

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the contract award process. We need specific codified direction in an effort to provide uniformity and dissuade overzealous leaders responsible for contracting from establishing additional levels of review at the different contracting activities.

Further research is also needed to determine if the Army is composed of inexperienced and/or overburdened contracting personnel. Future research should examine the percentage of erroneous and fraudulent contracting actions to make a quantifiable comparison of Army wide contract actions and the cost of excessive oversight based on the minority of issues. Moreover, further research should review how effectively the Army is holding contracting officers accountable for inappropriate, inadequate or fraudulent execution of contracts.

Recommendations

Recommendation # 1: Expand Development

Comprehensive education will always be key to effectiveness in the contracting process; however, it is more important than ever, for contracting professionals to seek broader exposure and experience in a wide range of areas outside their field. The ongoing acquisition reform demands openness, inclusion and collaboration; therefore development must be broadened to require extensive training and experience in interpersonal skills and emotional intelligence to enable contracting officer to make effective and efficient decisions.

Recommendation #2: Trust and Empower

For empowerment to be effective, contracting professionals must seek to remain informed about customer requirements. Leaders must ensure to include the contracting

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community early in the strategy and planning process. This will mean becoming part of meetings and briefings outside the contracting office walls to gain the perspective needed to make decisions that contribute to the overall success of the Army. Leaders will have to balance oversight while trusting contracting officer to make decision, to reduce the risk-averse culture that hinders the process. To better support the customer, the Army's contracting community needs to change the centralized management structure that suits autocratic "top down" management style, to a decentralized structure that suits a more consultative management style. This will also provide contracting professionals more ownership in the process, which lead to increase commitment, loyalty, and motivation to satisfy their customers. The Army needs to provide the contracting officers more autonomy to accept and manage risk, empowering local procurement officials to take independent actions based on their professional judgment.

Recommendation #3: Accountability

Leadership is a shared responsibility and is seldom one person but rather a collective process (DuBrin, 2019, p. 3). Leaders will have to give contracting professionals the benefit of the doubt and assume that they want to do a good job. The Army contracting leaders should shift their oversight from pre-award process review and approvals to one that conducts a cyclical review of the decisions and actions made by contracting officers. This oversight would focus on assessing that contracting officers are compliant with legal and regulatory constraints, without halting the process. Making this shift also requires that contracting officer be held accountable for violations and make the appropriate adjustments of personnel and or adjustment to their contracting warrant signature authority. That said, oversight should not be process focused and punitive. Leaders must be mindful not to foster a risk adverse culture and allow contracting

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officer the flexibility that the FAR provides to be innovative, absent of specific direction, in processing contracting actions.

Limitation of the Study

The focus of this paper was limited to the contracting part of the acquisition process and does not consider the acquisition timeline in its entirety, which includes program management and requirements generation. The research conducted was significantly affected by the time limitation due to other demanding requirements of the Defense Acquisition University Senior Service College Fellowship program.

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Glossary of Acronyms and Terms

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| ASA (ALT) | Assistant Secretary of the Army for Acquisition, Logistics and Technology |
| DOD | Department of Defense |
| FAR | Federal Acquisition Regulation |
| GAO | General Accountability Office |
| NCMA | National Contract Management Association |
| NDAA | National Defense Authorization Act |
| PALT | Procurement administrative lead time |
| Section 809 | Section 809 Panel was created in Section 809 of the FY 2016 NDAA legislation to review the acquisition regulations applicable to DoD to streamline and improve the efficiency and effectiveness of the defense acquisition process and maintaining defense technology advantage. |