

EPA's Performance Measurement and Management Program for Acquisition

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Background

- ✓ Agencies face huge challenges to improve performance of business systems/programs.
- ✓ 20+ years of acquisition reform.
- ✓ Constant pressure to improve quality, timeliness, and effectiveness – all at lower cost.
- ✓ Must have an objective, systematic approach to measuring success in meeting strategic goals.
- ✓ Must be able to assess and leverage collective knowledge and information to improve quality, effectiveness, and efficiency of operations.

Balanced Scorecard Framework

- ✓ BSC successfully used by numerous agencies.
- ✓ Facilitates an agency-wide collaborative approach to ensure support of Federal/agency objectives.
- ✓ Looks beyond strictly compliance and evaluates performance and operational effectiveness.
- ✓ Helps to ensure understanding of organizational goals/objectives by those who must implement them.
- ✓ Is intended to be an adaptable, reliable tool that drives pro-active, results-oriented continuous improvement.

What is it?

A framework that helps EPA's Acquisition program translate strategy into tangible objectives and measures that drive improved operational/system performance.

- ✓ A management tool.
- ✓ A communication mechanism.
- ✓ A vehicle for collaboration.

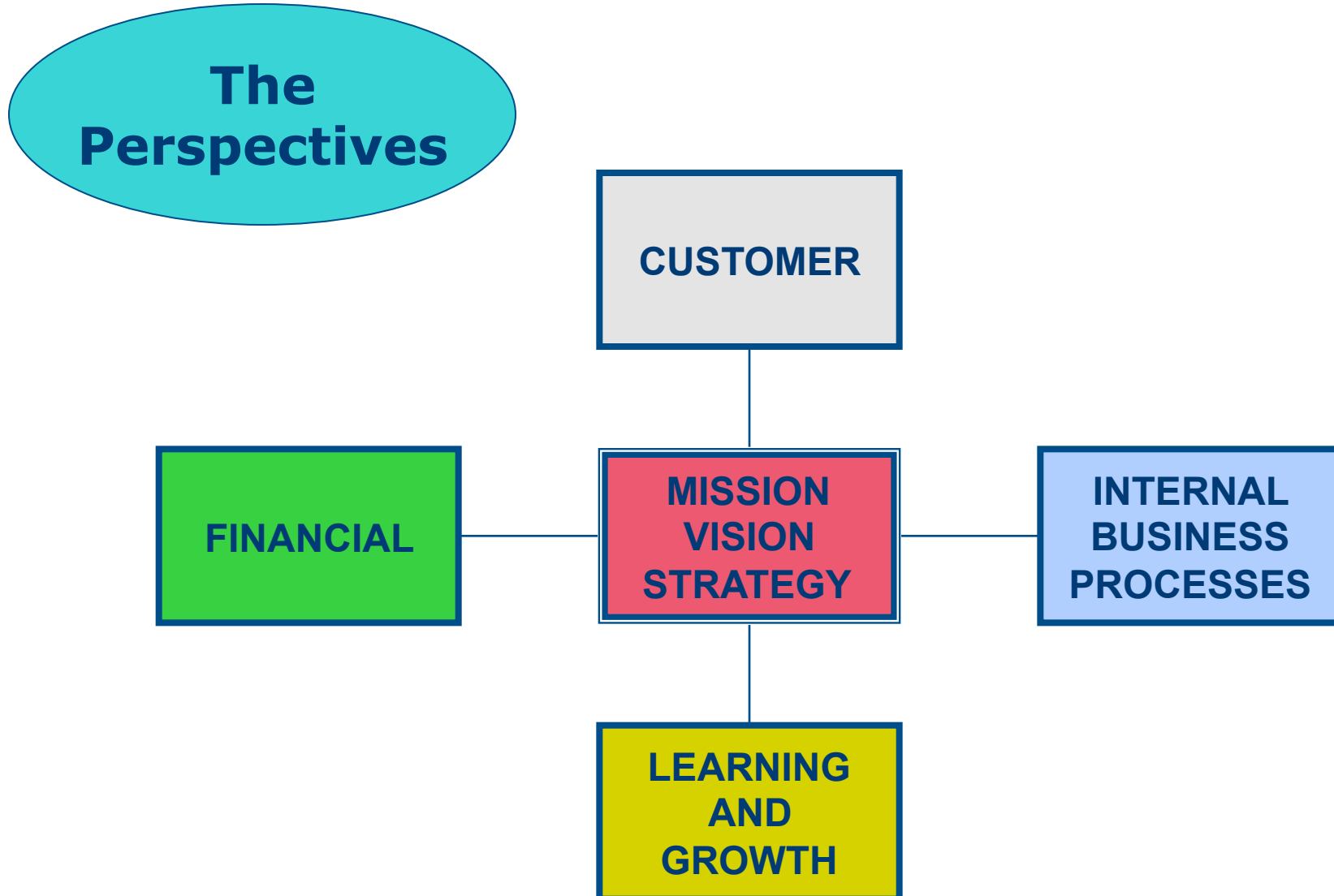
Why use it?

- ✓ Will be better positioned to align organizational resources to achieve strategic objectives through:
 - Clarity of goals/objectives
 - Get/stay focused on critical issues
 - Inclusion at all levels
 - Empowerment and accountability

- ✓ Helps translate concepts into tangibles through measurement.
 - What gets measured gets defined
 - What gets measured gets done

- ✓ Effective tool for highlighting how (and how well) acquisition contributes to the mission.

What are the critical elements?



The Strategic Questions

✓ Customer:

How do our customers see us? Do we have effective business partnerships?

✓ Internal Business Process:

At what must we excel to meet customer expectations/achieve organizational objectives?

✓ Learning and Growth:

Do we continue to improve and create value? Do we have the necessary skills/information/resources?

✓ Financial:

How effective/efficient are we at meeting the needs of our customers/stakeholders? Do we get the best deal for the government?

What are the critical elements?

Approach

- ✓ Mission, vision, strategy
- ✓ Organizational alignment, individual alignment
- ✓ Objective answers to the strategic questions
- ✓ Leading and lagging indicators
- ✓ Identify cause and effect relationships
- ✓ Build consensus on what's important
- ✓ Communicate at all levels
- ✓ Establish and maintain focus
- ✓ Motivation and accountability
- ✓ Information sharing/knowledge management
- ✓ Feedback and review process

What should we be measuring?

- ✓ Customer Focused:
 - cost, quality, timeliness, responsiveness.
- ✓ Strategic Considerations:
 - support Federal, agency, and immediate organizational goals.
- ✓ Critical few:
 - essential to achieving customer satisfaction, continuous improvement.

What are the types of measures?

- ✓ Core Measures: Measures that all EPA operational contracting organizations will use.
- ✓ Optional Measures: Suggested measures that may be useful indicators for assessing progress towards core objectives.
- ✓ Local Measures: Measures that are specific to a specific contracting organization.

How will measures be established?

- ✓ Through collaboration.
- ✓ Collective understanding of underlying objectives
- ✓ Focus on critical processes/systems
- ✓ Ensure Relevance
 - What will this data really tell me?
 - Do I care? Will my boss care? My customers?
 - Does it tell me whether I've succeeded or whether I am likely to?
 - Does it drive the accomplishment of objective?
- ✓ Identify data source/collection methodology
- ✓ Identify Evaluation Methodology

Improving Quality Assurance

- ✓ All contracts managers are responsible for operational effectiveness and compliance activities.
- ✓ Current QAP not optimizing objectives of program.
- ✓ Framework for improvement opportunities:
 - Preserve contracting activity empowerment/accountability.
 - Develop assessment tools for acquisition managers.
 - Focus beyond transactions/contact processes.
 - Promote knowledge management/sharing.
 - 360 degree/system perspective.
 - TBD: rules of engagement/support mechanisms.

Final thoughts:

- ✓ Challenges.
- ✓ Process improvement/efficiency measures can be hard.
- ✓ Measurement is effective as an indicator of performance and not as a control.