

Acquisition Balanced Scorecard: Opportunities for OAMP

NIH Office of Acquisition Management and Policy (OAMP)



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THE OPPORTUNITY TO MAKE A DIFFERENCE HAS NEVER BEEN GREATER

May 2005

Agenda

- Introduction
- Quality of performance
- Vulnerability risk assessment
- Efficiency/effectiveness of operations
- Summary of OAMP opportunities
- Observations/lessons learned



Introduction

- LMI briefed each of the 13 NIH offices on their Balanced Scorecard results and implications
- We also pre-briefed you on this material
- Today, we focus on highlighting opportunities for OAMP
 - Cross-cutting issues among 13 offices
 - Areas for consideration
- Small Business and Government Property/Logistics addressed separately



Introduction (cont)

- Criteria used for highlighting cross-cutting issues among 13 offices

Area	Tool	Criterion
Quality of performance	Customer survey Employee survey	Issue if scoring less than 70% positive for 6 or more offices (Customer); 10 or more offices (Employee)
Vulnerability of regulatory non-compliance	Customer survey Employee survey	5 or more offices with less than 70% positive scores for Vulnerability Critical Indicators and Other Indicators
Efficiency/Effectiveness	Mathematical model	Relative rankings



Quality of Performance



- Customer survey results
- Employee survey results



Quality of Performance: Customers

- There are several cross-cutting issues for acquisition **customers** identified by criterion (6+ offices; < 70% positive)
 - Simplified Acquisitions
 - Q-3f: Provides consistent guidance regardless of whom I talk to (6 offices, average 50%)
 - Planning Phase
 - Q-6c: Plans effectively for timely delivery (6 offices, average 55%)
 - Post-award Phase
 - Q-9b: Works closely with me to monitor contractor's performance (6 offices, average 55%)
 - Acquisition Training
 - Q-19: Encouraged by procurement office (10 offices, average 53%)



Quality of Performance: Customers (cont)

- Top 3 priorities for improvement
 - Streamlined policies and procedures
 - 11 out of 13 offices first priority
 - 1 out of 13 offices second priority
 - More efficient work processes
 - 1 out of 13 offices first priority
 - 6 out of 13 offices second priority
 - More contracting staff
 - 2 out of 13 offices first priority
 - 5 out of 13 offices second priority



Quality of Performance: Employees

- There are several cross-cutting issues from **employee** surveys identified by criterion (10+ offices; < 70% positive)
 - Overall
 - Q-1: To what extent do you agree or disagree that the overall quality of your work life is excellent? (11 offices, average 42%)
 - Work Environment
 - Q-5a: Team contributions are recognized (11 offices, average 47%)
 - Q-5d: Workload is distributed fairly (11 offices, average 42%)
 - Q-5h: Work units within the office communicate well with one another (12 offices, average 47%)
 - Workforce Development/Training
 - Q-6c: Acquisition System training is accompanied by useful instruction and guidance on how to apply it (11 offices, average 52%)
 - Q-6d: Acquisition System is designed, integrated, and administered in a way that helps me perform my job tasks efficiently and effectively (11 offices, average 41%)



Quality of Performance: Employees (cont)

- Additional cross-cutting issues from **employee** surveys
 - Partnership Relationships (evaluating Project Officers)
 - Q-4a: My project officers encourage my participation early in the project planning process (12 offices, average 50%)
 - Q-4b: My project officers and I clearly define and understand the roles and responsibilities within the acquisition process (10 offices, average 52%)
 - Q-4g: Customers provide complete SOWs and evaluation criteria as part of the initial acquisition package (12 offices, average 34%)
 - Q-4h: Customers furnish realistic government cost estimates (11 offices, average 35%)
 - Q-4j: Customers prevent delays in product/service delivery (12 offices, average 37%)
 - Q-4k: Customers monitor contractor performance carefully (11 offices, average 44%)
 - Q-4l: Customers review invoices on a timely basis (10 offices, average 50%)



Quality of Performance: Employees (cont)

- Top 3 priorities for improvement
 - More contracting staff
 - 8 out of 13 offices first priority
 - 2 out of 13 offices second priority
 - Streamlined policies and procedures
 - 2 out of 13 offices first priority
 - 4 out of 13 offices second priority
 - Improved use of technology
 - 2 out of 13 offices first priority
 - 3 out of 13 offices second priority



Quality of Performance: Areas for Consideration



- OAMP address training of Project Officers, including contracting office expectations, emphasizing
 - SOW preparation
 - Realistic government cost estimates
 - Evaluation criteria
 - Contract monitoring, including
 - Delivery delay prevention
 - Invoice processing
- Also consider the following areas for improvement
 - Better recognize team contributions; e.g., more frequent award ceremonies (quarterly or semi-annually rather than annually)
 - Identify acquisition systems and consider NIH-wide system and training
 - Streamlined policies and procedures
 - More efficient work processes
- OAMP should also encourage individual offices to address low-scoring areas identified by their surveys
 - Customer survey: CC, OLAO, NIEHS-AMB
 - Employee survey: CC, OD/ORF, OLAO, NIEHS-AMB



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Vulnerability Risk Assessment: Indicators



Indicators	Average % (Number of offices below 70% threshold)
Employee My supervisors properly balance program office needs and taxpayer interests	78% (3)
Procurement operations are conducted impartially	74% (4)
Customers evaluate proposals impartially	63% (7)
Customer Conducts procurements impartially	88% (0)
Vendor Conducts procurements with high standards of integrity	Not Surveyed
Index of Other Indicators (Average)	70% (6)



Vulnerability Risk Assessment: Cross-Cutting Issues



- Vulnerability risk assessment flagged cross-cutting customer issues
 - Customers evaluate proposals impartially (employee survey)
 - 7 out of 13 offices below 70% threshold
- Also flagged “index of other indicators”
 - 6 out of 13 offices below 70% threshold
 - Questions include procurement office professionalism, employee evaluation of customer input into pre-award and post-award, customer evaluation of procurement office knowledge, preventing problems, and obtaining high quality products/ services
- Areas for consideration
 - Explore improved communication and training; increased trust between Project Officers and acquisition employees in relation to impartial proposal evaluations



Vulnerability Risk Assessment: Results

- **Low risk:** all indicators meet goals
 - NCI, NHLBI, NIEHS-RCB, NLM
- **Medium risk:** most indicators meet goals
 - NIAID-AMOB, NIAID-CMP, NICHD, NIDA, NIEHS-AMB, NINDS
- **High risk:** some indicators meet goals
 - CC, OD/ORF, OLAO meet goal for *only one* item
 - Conducts procurements impartially (Customer survey)
 - Emphasize these office's individual improvement programs
 - Procurement management review if needed

Efficiency/Effectiveness of Operations

- NIH ranked average in acquisition efficiency/ effectiveness across HHS assessment (July 2002)
- NIH considering restructuring which may improve efficiency



Efficiency/Effectiveness of Operations (cont)

- NIH efficiency/effectiveness assessments may have implications for restructuring
- Top 5 offices from 2004 analysis
 - NINDS (High)
 - NLM (High)
 - OLAO (High)
 - NCI (Average)
 - NHLBI (Average)
- 4 offices have high survey scores, low vulnerability risk, and are relatively efficient
 - NINDS, NLM, NCI, and NHLBI



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Summary of OAMP Opportunities

- Improved training/communication for acquisition customers and employees for cross-cutting issues
- Encourage increased recognition of team performance
- Identify acquisition systems and consider NIH-wide system and training
 - Streamlined policies and procedures
 - More efficient work processes
- Vulnerability: fostering of increased trust between Project Officers and acquisition employees in relation to impartial proposal evaluations
- Efficiency: improve/monitor through realignment process
- Encourage CC, OLAO, OD/ORF, and NIEHS-AMB to address their individual issues



Observations/Lessons Learned

- Conduct and analysis
 - Mailing lists: have OAMP vet lists (service center, customer, employee)
 - Simplified/small vs. large purchase: identifying office/functions/applicability
 - Efficiency information: need breakdown of workload for offices with multiple units
- Improvement efforts
 - Awareness and continuity of efforts
 - Office submission of summary report with action plan to OAMP
 - Dissemination of HHS manual



Observations/Lessons Learned (cont)

- Communication
 - GPRA/BSC concepts not widely known
 - Offices don't always know what their counterparts are doing, even within the same organization
 - Opportunities for rotational assignments, cross-agency communication/mentoring, and training
 - Lack of knowledge of customers about acquisition
- Organizational issues
 - Organizational placement/role
 - Service center organization
 - Offices conducting own customer service evaluation received more positive scores



Observations/Lessons Learned (cont)

- Suggested timeframes for next round (March 2006)
 - November 2005
 - OAMP provide HR data to office for verification
 - OAMP provide DCIS data to office for verification
 - Office provide customer list to OAMP for review
 - January 2006
 - OAMP provide all data to LMI
 - March 2006
 - Start conduct

