

Department of the Navy

STANDARDS IMPROVEMENT PROGRAM

SUPPLEMENTAL PLAN

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Executive Summary

It has been two years since the specification and standard reform program got underway with the issuance of the SecDef policy in June 1994. During these years, major accomplishments have been achieved and the DoN program has begun the process of becoming anchored to utilizing commercial state-of-the-art technology, the commercial market place, and industry-wide best practices. At the same time, lessons have been learned from our efforts and new opportunities have been identified for improving specification and standards reform. The reform program is continuing and will build on the successes of the past two years.

The previous years' activities are referred to as Phase I and the current continuation of the reform effort as Phase II, Specifications and Standards Reform Plus. Phase II implementation is based on the achievement of eight objectives that are shown in Figure 1, and includes an expansion beyond the scope of Phase I as well as a refinement of the implementation.

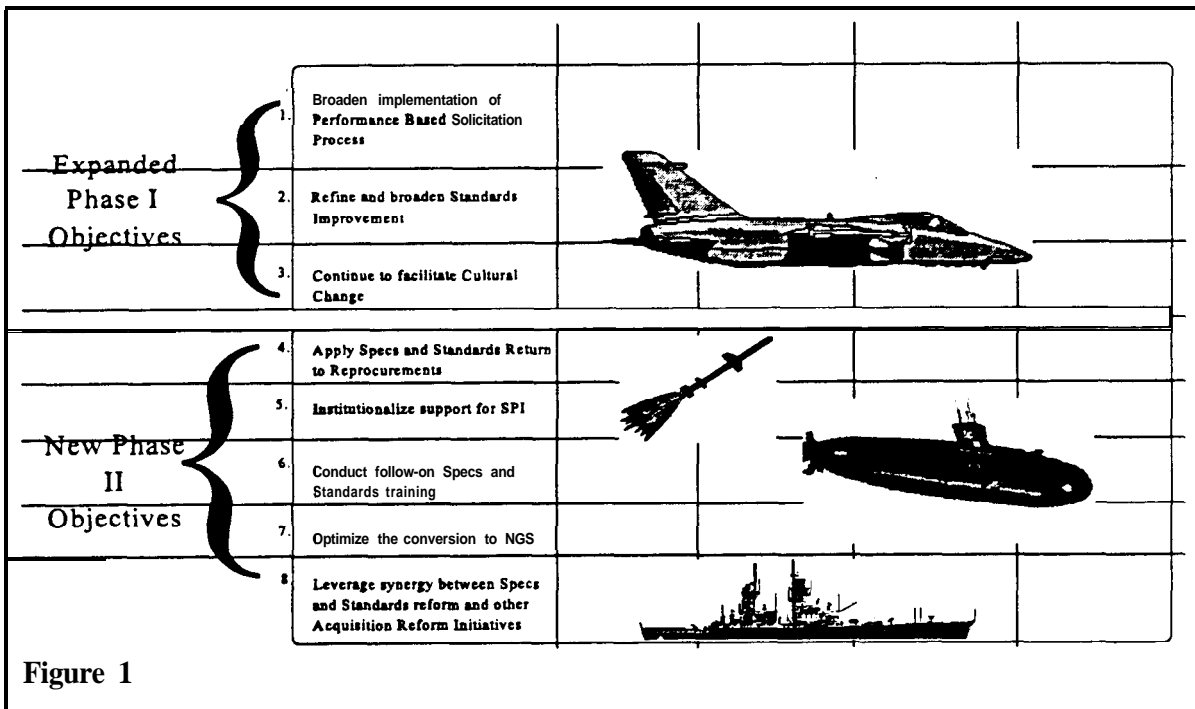


Figure 1. Phase II Objectives

The first three Phase II objectives build on the primary reform objectives of implementing a performance-based solicitation process, accomplishing standards improvement, and facilitating cultural change. The remaining Phase II objectives are related to the primary reform objectives, but are sufficiently different enough in their scope to warrant being separately identified. This supplemental implementation plan discusses each Phase II objective and identifies new actions and responsibilities.

Objectives

1.0 Objective #1: Broaden Implementation of Performance Based Solicitation Process

In Phase I the focus of this objective was to:

- Assist PMs in developing Requests for Proposal (RFPs) using performance requirements and evaluating alternatives to military specifications and standards
- Develop tools and templates for preparing performance -based RFPs (e.g., SpecRite, Electronic RFP Guidance, Turbo Streamliner)
- Conduct benchmarking of selected ACAT I and II programs RFPs

These Phase I activities will be continued and expanded during Phase II to include the following actions:

- Obtain early industry involvement in describing technical requirements in RFPs
- Increase use of commercial items in procurement
- Expand use of tools and templates for preparing performance-based RFPs

These additional actions form the basis for planning the Phase II efforts for this objective.

1.1 Obtain early industry involvement in describing technical requirements

A common complaint of industry is that the Department of Defense (DOD) often stipulates requirements that result in costly developments and redundant manufacturing processes. Involving industry in the early description of systems specifications or statements of work offers DoN the opportunity to take greater advantage of industry-wide practices and state-of-the-art technology. This involvement will reduce the use of military specifications and standards, and will foster greater use of commercial items. The Space and Naval Warfare Systems Command Standards Improvement Executive (CSIE) has been tasked to propose an approach to obtain early industry involvement in the Request for Proposal (RFP) process.

| Activity/Org | Action | Completion Date |
|---|--|------------------------------|
| a. Develop Plan-of-Action and Milestone for Pilot program | | |
| SPAWAR CSIE | Develop POAM | 30 Jun 96 COMPLETE |
| SPAWAR CSIE | Implement Plan | 1 Oct 96 COMPLETE |
| SPAWAR CSIE | Prepare lessons learned and recommendations for involving industry | 1 Oct 96 COMPLETE |
| b. Expand Program to other SYSCOMs | | |
| CSIEs | Utilize recommendations from SPAWAR Pilot Program & apply to procurements within SYSCOM -- Revise methodology and develop implementing plans/guidance | 1 Jan97 |

1.2 Increase use of commercial items and practices through employing best practices in market research.

The ability to keep abreast of technology and product improvement cycles available in the market place drives a need for, and constant attention to, market research. Understanding the value and methodology for doing market research underscores the importance of training. In addition to formal training, implementation guidance, incentives, and measures of effectiveness are needed to increase the use of commercial items and practices. Guidelines for doing market research are needed by functional area which emphasizes risk management (i.e., contracts, logistics, engineering, and program management). Tools and decision aids can improve acceptance and application of market research and result in increased consideration for using commercial items and processes in acquisitions. Product and technology libraries and data search engines, both government and commercial, are available and can be exploited for market research. Commercial advocacy needs to be instituted within the existing DOD acquisition organizations in order facilitate effective use of commercial items and practices.

| Activity/Org | Action | Completion Date |
|--|--|------------------------------|
| a. Market Research Training | | |
| DepSO | Provide competencies to OSD/DAU Market Research course preparation. | 30 Aug 96 COMPLETE |
| b. Guidance/Incentives for Market Research | | |
| DepSO lead CSIEs, ACE, OSD participate | Develop charter for an OSD sponsored working group for institutionalization of market research procedures and processes. Charter should address functional areas, participants from the services, and objectives of the working group. | 30 Oct 96 COMPLETE |
| c. Tools | | |
| Market Research Team | Participate in the OSD sponsored Market Research Working Group and export results to Navy acquisition offices | TBD |
| d. Commercial Advocate | | |
| DepSO and SYSCOM reps | Work with command competition advocates to ensure that commercial opportunities are exploited. | 30 Sep 96 On-Going |

1.3 Expand use of tools and templates for preparing performance-based RFPs.

The methodology for preparing solicitations lends itself to utilizing automated electronic tools for improving efficiency. During Phase I, a small cadre of tools were developed and selectively applied within the DoN. The results of this action were very positive. However, an overarching top level architecture of automated, electronic tools for use in solicitation preparation and evaluation has not been developed. While there have been numerous tools developed independently, a complete survey of tools currently in use, available, or needed, has not been conducted. Where a shortfall is identified, changes to existing tools, or development of new tools, are needed. Implementation of any plan to upgrade or build new tools, and to subsequently integrate these tools into a user-friendly, accessible environment should be coordinated across DoD acquisition organizations. The formation of a Technical Working Group led by the Marine Corps Systems Command has been proposed having representatives from ONR, NSWC Crane, ACE, OSD, USAF, USA, and DLA, and representatives from DoN Systems Commands.

| Activity/Org | Action | Completion Date |
|---|---|----------------------------------|
| a. Develop and propose an over-arching, top level architecture for automated, electronic tools to assist in and improve efficiency of preparation and evaluation of solicitations | | |
| MARCOR | Prepare Statement of Work for Technical Working Group | 15 Aug 96 COMPLETE |
| DepSO | Obtain OSD funding support for SOW. | 30 Oct 96 Not Approved |
| DepSO | If funded, charter Technical Working Group to improve the use of RFP tools | 30 Nov 96 Not Approved |
| Technical Working Group | Identify existing tools and capabilities and needs for new tools | FY 97 Not Approved |
| | Determine interface requirements for either existing or new tools to ensure compatibility and integration of information. | FY 97 Not Approved |
| b. Prepare Implementation plan for execution of changes to existing tools and development of new tools | | |
| Technical Working Group | Prepare implementation plan | FY97 Not Approved |
| DepSO/CSIEs | Review and approve implementation plan | FY97 Not Approved |
| c. Execute the Implementation Plan | | |
| SYSCOM/ARO | Direct/manage implementation efforts | FY 98 Not Approved |

2.0 Objective #2: Refine and Broaden Standards Improvement

During Phase I the emphasis of this objective was to accomplish specifications and standards improvement through the review and disposition decisions of all the DoN military specifications

and standards. In addition, certain military specifications and standards were identified as cost drivers and were given top priority for disposition action. Underlying all of the above activity was the processing of all the specifications and standards disposition information into the automated database ASSIST (Acquisition Streamlining and Standardization Information SysTem).

The focus of standards improvement for Phase II is prioritizing the document disposition decisions and accomplishing identified actions on the military specifications and standards that are being used, and postponing actions on those documents not being used. Included in this effort is the review of, and appropriate action on, International Standardization Agreements to verify currency of referenced military specifications and standards. Inherent in the document disposition decision process is the need to understand the uses of different document-types. Flow charts in Appendices A and B have been developed to provide guidance for selection of the appropriate specification-type document to be used in product procurement.

2.1 Prioritize the disposition actions of military specifications and standards in order to accelerate the completion of critical document disposition

With the completion of the military specifications and standards questionnaires, the Preparing Activities (PA) effort has changed to implementing cancellations, conversions, or update of the documents. The Preparing Activities will review each document, verify that the original disposition decision was correct, and accomplish the action. Prioritizing or establishing the order in which documents will be converted or updated is necessary to ensure that critical acquisition documents are addressed first. Objective #7 addresses the effort for optimizing the conversion of military specifications and standards to Non-Government Standards (NGS).

| Action | Activity/Org | Completion Date |
|--|--|-----------------------|
| a. Confirm and prioritize disposition decisions of military specifications and standards | | |
| CSIEs/PA | Assess process for verifying original disposition decision before implementing document action. Ensure correct disposition decision before initiating any further document actions. Review and correct any questionable disposition where actions have been initiated. | 30 Aug 96 COMPLETE |
| CSIEs | Review the decision for all documents where action is not yet complete to rewrite as a Detail Specification. | 30 Nov 96 |
| CSIE/PAs | Prioritize document actions where document is identified as being critical to near-term acquisition. | Ongoing |

2.2 Review of International Standardization Agreements

U. S. military specifications and standards are cited in many of our International Standardization Agreements. Cancellations or conversion of any of these documents by a specification and standards reform action may result in an adverse impact on the agreement. The effects of these document changes need to be assessed and appropriate actions taken.

The assessment of the impact of specification and standards reform actions on International Standardization Agreements will be accomplished by the appropriate working group for that Agreement. These working groups have representatives from the Services and are responsible for initially developing and subsequently maintaining the Agreement. DoN supports those working groups that deal with maritime and naval aviation matters. The Systems Commands are the primary providers of technical expertise for the working groups. The International Standardization Agreements will be kept current by ensuring the System Command working group representatives are aware of specification and standards reform and are properly trained in their role on the working group.

| Activity/Org | Action | Completion Date |
|--------------|--|-----------------|
| CSIEs | Identify DoN representatives for International Standardization Agreement working groups, and ensure that they are aware of specification and standard reform initiatives | 30 Nov 96 |

3.0 Objective #3: Continue to facilitate Cultural Change

Achieving cultural change to the “new way of doing business” of performance-based acquisition requires a change in values and behavior of the acquisition workforce. Effecting changes in values and behavior will be precipitated by the achievement of successful actions in acquisition reform. Consistent quality RFPs compliant to acquisition reform policy are a primary objective for achieving the goals of reduced cost acquisition, integrating the military and commercial industry base, and inserting commercial state-of-the-art technology into the procurement. A primary objective of Phase II is to continue to emphasize the preparation of quality RFPs by institutionalizing the benchmarking process in the Systems Commands.

During Phase I, the focus of training activity to facilitate cultural change was at the awareness level. Road shows to increase government and industry personnel awareness of acquisition reform, and Program Managers’ forums to share acquisition reform lessons learned have been conducted. Several specifications and standards reform training courses were developed and have been offered at both headquarters commands and field activities. This training material is being migrated to the Defense Acquisition University through the Defense Acquisition Workforce Improvement Act Functional Boards.

This type of awareness training effort will be continued, but will be expanded, in Phase II to include more detailed “how to” type training for the acquisition workforce. Objective #6 describes in detail the plans for conducting this follow-on, detailed “how-to” type training.

3.1 Institutionalize RFP Benchmarking in System Commands.

During Phase I, selected Request For Proposals (RFPs) were reviewed and benchmarked for best practices in accomplishing acquisition reform by a team led by the Acquisition Reform Office. These reviews focused primarily on ACAT I and II program solicitations and revealed significant accomplishments in the reduction of military specifications and standards, contract deliverables, and page count. The best practices identified during this benchmarking effort were captured in an automated database called Turbo Streamliner and are available via the Acquisition Reform Office Home Page. The Program Offices typically estimated significant cost reductions in the

acquisitions resulting from the streamlining initiatives applied to the solicitations. In order to continue the cultural change momentum resulting from these successful actions, RFP benchmarking will be continued through a System Command led effort focusing on the smaller acquisition programs and other procurements.

A parallel effort to assess the progress of specification and standards reform on smaller acquisition programs will be conducted by the Industrial Support Assessment Office of DCMC.

| Activity/Org | Action | Completion Date |
|--|---|--|
| a. Transition RFP Benchmarking from AN (RD&A)ARO to Systems Commands. | | |
| ARO | Request System Command Point of Contact & plan for RFP Benchmarking | 15JUL96 <i>COMPLETE</i> |
| System Command POCs | Provide System Command plan for RFP Benchmarking. | 15AUG96 <i>COMPLETE</i> |
| ARO | Train System Command personnel on Turbo Streamliner | Continuing |
| ARO | Update Turbo Streamliner based on SYSCOMs, PEOs, DRPMs & Best Practices input. <ul style="list-style-type: none"> · Beta Test version · Subsequent versions | Continuing <ul style="list-style-type: none"> · Complete · FY97 |
| b. Support IASO survey to determine impact of Specification and Standards Reform on ACT III and IV Program acquisitions. | | |
| CSIEs/PM | Identify RFPs/Contracts meeting the following criteria: <ul style="list-style-type: none"> • RFPs issued 1/1/95 to present • Contracts awarded after 7/1/95 • Contracts awarded during period from 7/1/94 to 7/1/95 | 19Jul96 COMPLETE |
| IASO | Review of RFPs/Contracts: <ul style="list-style-type: none"> • RFPs issued 1/1/95 to present • Contracts awarded after 7/1/95 | 15 Sep 96 COMPLETE |
| IASO | Compare contracts awarded during period from 7/1/94 to 7/1/95 with contracts awarded after 7/1/95 | 15 Sep 96 COMPLETE |

| | | |
|------|---|------------------------------|
| IASO | Process data and interview Program Office personnel | 30 Sep 96 COMPLETE |
| IASO | Assess impact of Specification and Standard Reform on ACT III-IV programs. Reduce data and prepare report | 2 Oct 96 COMPLETE |

4.0 Objective #4: Apply Specifications and Standards Reform to Re procurements

Phase I implementation of the Secretary of Defense policy on specifications and standards reform focused on new procurements with re procurements excluded from the mandatory implementation requirement. In the current environment of reduced acquisition budgets there are increasingly more reprocurement contract actions compared to first time development and production contract actions. There is consequently an increased importance in re-engineering the reprocurement Technical Data Packages (TDP) to be more performance-based and to include commercial standards and practices for both cost savings and technology insertion.

The following policy on specifications and standards reform implementation on re procurements is effective immediately:

For re procurements of sub-systems, systems, and platforms, the Program manager shall consider the cost effectiveness and value-added from applying specifications and standards reform to the design packages of prospective contract actions. The intent of this policy change is to require the thoughtful consideration of the life cycle costs and benefits and to make a deliberate decision on applying specifications and standards reform, from completely re-writing the TDP through replacing of selected military specifications and standards, to those re procurements that offer the greatest potential for cost savings and technology insertion. This policy is not intended for component part re procurements, but may be implemented for them as appropriate.

Each System Commander, Program Executive Officer, and Direct Reporting Program Managers should formulate their approach to implementing this policy and describe their approach and accomplishments during the quarterly metric cycle.

4.1 Conduct Navy Inventory Control Point Reprocurement Pilot Project.

The Naval Supply Systems Command was tasked to conduct a pilot project to develop criteria for use in considering the update to Technical Data Packages to include performance-based requirements, use of commercial state-of-the-art technology, and commercial specifications and standards. This project was officially tasked by ASN(RD&A)(AR) in February96 and resulted

in a draft guide that was promulgated to the Systems Commands and PEOs to be used as a selection guide for pilot project reprourement candidates. Subsequent activity will involve cost benefit/Return on Investment analyses and selection of pilot projects for late FY 97 or early FY 98 procurement. Based on the lessons learned and recommendations from NAVICP, Department of the Army/Air Force, and the BOSS III implementation, each System Command should consider their application to follow-on component, subsystem and system level reprocrements.

| | | |
|---|--|-----------|
| a. Assess value of application of specifications and standards reform to reprocrements at the levels of system, sub-system, and platform. | | |
| Program Offices/ SYSCOMS | Implement an approach for review of planned reprocrements on the platform, system, sub-system levels for updating TDPs to incorporate reform initiatives | On-Going |
| Program Offices/ SYSCOMS | Report in quarterly SAE metrics briefing the approach to be employed for systematic review of reprocrement TDPs and the consequent accomplishments. | Quarterly |
| b. Investigate the potential for BOSS III as vehicle for incorporating AR in reprocrements of spares. | | |
| NAVSUP CSIE | Promulgate process for application of BOSS III to reprocrements. | 1 Nov 96 |
| CSIEs | Nominate candidate BOSS III reprocrement projects | 17 Jan97 |
| NAVSUP CSIE | Approve BOSS III reprocrement projects. | 1 Feb 97 |
| Prog. Offices | Implement BOSS III pilot projects | 28 Mar 97 |
| c. Integrate Army/Air Force lessons learned on reprocrements | | |
| DepSO | Review Army findings and lessons learned applying AR to reprocrements | 30 Nov 96 |
| DepSO/CSIE | Integrate Army findings with NAVICP pilot project plans | 30 Dec 96 |

| Activity/Org | Action | Completion Date |
|--|---|-----------------|
| d . Improve NAVSUP reprocurement guide as a result of lessons learned from its application | | |
| SYSCOM CSIEs, Program Offices | Prepare Lesson Learned, recommendations, and revisions to the NAVICP reprocurement criteria | Continuing |

5.0 Objective #5: Facilitate Support for Single Process Initiative (SPI)

The Single Process Initiative has emerged as one of the promising activities of Acquisition Reform. SPI offers significant benefit to both the government and industry in reducing costs and to using more commercial practices in the production of military systems.

Contractors may produce similar items for several military buyers, but are required to use a different manufacturing process for each customer. The SPI concept is intended to replace the contractors’ multiple processes at a facility with a single process while not sacrificing quality or performance of the product. Since its inception in December 95, SPI has resulted in savings to the government and improvements in contractors’ processes. To ensure maximum future benefit of the initiative, it is desirable to institutionalize the process within the DoN acquisition organization.

Inherent in the institutionalizing process, is an understanding of SPI and a willingness by both the government and industry to adopt SPI. In order to be successful in this initiative, government personnel must understand the SPI concept and mechanics for implementation, must be convinced of the benefits from implementation, must be willing to trust industry, and must aggressively pursue reaching consensus on single process proposals. Successful implementation requires effective communication among the different organizations and personnel involved in both government and industry.

Available electronic tools and media (e.g. the Best Manufacturing Practices (BMP) database on the Program Managers Work Station (PMWS) and the Acquisition Reform Office Home page) should be utilized to the maximum extent to disseminate:

- SPI best practices
- lessons learned
- awareness training presentations, and relevant information.

For the BMP database and the ARO HomePage to be useful tools for Program Offices, they must contain current SPI information that is easy to access.

Effective, long term implementation of SPI at contractors' facilities requires an understanding of the process changes by the government's Program Offices and Contract Administration Offices (CAO), and by the contractors' employees on the factory floor. Program Offices shall allow contractors to propose previously approved SPI processes in response to government solicitations. The CAO should ensure that the approved SPI process change is incorporated into the relevant contract documentation (drawing, manufacturing data, configuration data, etc.) and the appropriate contractor process plans.

| Activity/Org | Action | Completion Date |
|---|---|--|
| a. Conduct Lesson Learned Forums on SPI activities | | |
| ARO | Plan and conduct Lesson Learned Forum | 20 Aug 96 (COMPLETE) Semi-annual thereafter |
| b. Determine content/format of data to be considered as a SPI best practice or lesson learned | | |
| DepSO | Based on the BMP database and ARO HomePage capability and in coordination with CSIEs, determine content and format to be used for SPI database. | 30 Sep 96 COMPLETE |
| DepSO | Issue implementation memo to Command SPI Points of Contact and Team Leaders creating the SPI database of best practices and lessons learned. | 15 Nov 96 |
| c. Facilitate transition of information from SPI to the BMP database as best practices | | |
| Command SPI POCs/Team Leaders | Submit process changes to BMP Center of Excellence (COE) that are considered best practices | As Occurs |
| Command SPI POCs/Team Leaders/BMPCOE | Obtain contractors concurrence for inclusion in BMP database as best practices | As Occurs |
| BMPCOE | Review proposed best practices and conduct survey of contractor's facility | As Occurs |

| | | |
|---|---|------------------------------|
| BMPCOE | Publish as best practice in BMP database | As Occurs |
| d. Facilitate the transition of lessons learned/information from SPI to the ARO. Homepage | | |
| Command SPI POC/Team Leaders | Provide SPI lessons learned/information to ARO for inclusion on the HomePage | As Occurs |
| DepSO | Collect, screen and publish SPI lessons learned/information on the ARO HomePage | As Occurs |
| e. Ensure effective, continued implementation of SPI after contract modification | | |
| DepSO | Prepare solicitation language that allows contractors to propose previously approved SPI process in response to solicitations | 30 Aug 96 COMPLETE |
| Program Offices | Allow contractors to propose previously approved SPI processes in response to solicitations | As Occurs |

6.0 Objective #6: Conduct Specifications and Standards reform follow-on training of headquarters and *field activity* acquisition workforce

Several training courses on specifications and standards reform related topics have been developed during Phase I. These include:

- Writing Performance Specifications
- Conversion to Military Standards
- Performance Specification Impact on Life-Cycle Support.

These short courses were designed to result in an increased awareness of the topics with limited hands-on exercises. The intention of the next phase of training courses is to provide a more detailed, “how-to” type exposure with more hands-on exercises that are designed to equip the acquisition workforce with the knowledge and tools to effectively do their jobs in the current environment.

Ultimately, the specifications and standards reform training needs and materials should be incorporated into the DoD formal training process. This is accomplished through interface with the Functional Board structure at both the DoD and DoN level. The Functional Boards develop the competencies for DAU faculty approval that will subsequently be developed into a curriculum by the appropriate DAU facility.

6.1 Identify and develop training courses for topics where detailed “how-to” type training is needed

The following training topics were identified in order of priority from feedback of surveys and Road Show evaluations, and through discussions with program and support personnel and the Command Standards Improvement Executives:

- Writing Performance-Based RFPs, including application to all types of contracting and the use of available electronic tools including SpecRite, ASSIST, TurboStreamliner, and the BMP database
- The Phase I training courses identified above should be updated or replaced to become more detailed and “how-to” in content.
- Application of the decision criteria being developed under the Reprocurement pilot project to component, sub-system, and system level solicitations.

| Activity/Org | Action | Completion Date |
|--------------|---|-----------------------------|
| DepSO | Initiate training course providing “hands-on” experience for level II personnel in the preparation of a performance based RFP | 1 Oct 96 COMPLETE |
| DepSO | Evaluate the options of either updating existing training courses to reflect user feedback, replacing with other related courses, or developing new courses. Select the appropriate option. | 30 Dec 96 |
| DepSO | Task for and fund the required new training courses | 30 Mar 97 |
| DepSO | Update, if necessary, the existing training courses. | 30 Mar 97 |

6.2 Present Specification and Standard Reform training courses and needs to the DoN Functional Board

The DoN Functional Board structure mirrors the DoD Board and includes:

- (1) Acquisition Management
- (2) Procurements and Contracting
- (3) Technical Management
- (4) Business, Cost Estimate, and Financial Management
- (5) Auditing

The appropriate DoN Functional Board will be briefed on the scope and content of the existing Phase I training courses and on the current detailed, “how-to” type training needs of the workforce. The purpose of these briefings is to familiarize the Board on the available specification and standards training materials and to solicit their recommendation on the method for meeting the current training needs. In addition, the listing of available specifications and standards training courses by the Human Resources Office shall be accomplished.

| Activity/Org | Action | Completion Date |
|--------------|---|------------------------------|
| DepSO | Arrange for and present content of training course material to DoN Functional Board Chair. Solicit the Board’s recommendation for meeting training needs. | 30 Nov 96 |
| DepSO | Ensure that specification and standard reform related training courses are identified in the HRO formal listing | 30 Sep 96 COMPLETE |

6.3 Propose DoN training needs to OSD and the other Services for consideration of joint sponsorship

Since specification and standards reform related training is being accomplished by all Services, resource benefits can be achieved either by leveraging off of existing efforts or by entering into joint sponsorship for course development.

| Activity/Org | Action | Completion Date |
|---------------------|---|------------------------|
| DepSO | Solicit OSD support for the proposed project for developing a training video on acquisition reform and RFP preparation. | 15 Nov 96 |

7.0 Objective #7: Optimize the conversion of related specifications and standards to appropriate Non-Government Standards (NGS)

The DoD NGS strategy includes grouping documents by Federal Supply Classification (FSC) and charging the Lead Standardization Activity to be responsible for converting these large groups of documents en masse. The remaining documents dispositioned for conversion to NGS will be individually converted, or may be grouped together for conversion if appropriate.

| Action | Activity/Org | Completion Date |
|---|--|------------------------------|
| a. Confirm document to be converted to Non-Government Standards in accordance with DoD Strategy | | |
| CSIEs | Review and confirm those DoN documents that are recommended for conversion to Non-Government Standards in accordance with the DoD NGS strategy | 15 Jul 96 <i>COMPLETE</i> |
| b. Confirm remaining DoN document that are individually recommended for conversion to NGS | | |
| CSIE | Review and confirm documents | 31 Dec 96 |
| PAs | Develop conversion Strategy | IAW CSIE Conversion Schedule |
| PAs | Convert Document to NGS | |

8.0 Objective #8: Leverage the synergy between specs and standards reform and other acquisition reform initiatives such as process maturation, past performance, open systems, risk management and systems engineering.

8.1 The Joint Aeronautical Commanders Group NGS IPT. ...“The Non-Government Standards Integrated Product Team (NGS IPT) was chartered to develop processes by which the Government’s current solicitation and source selection process would shift to encourage innovation and allow contractors to compete on the basis of their own design excellence rather than DOD-dictated processes. It is recognized that this shift away from prescriptive specifications increases the risk associated with judging the value of alternative proposals. Procedures are needed which recognize this risk, allow proposals to be evaluated within the context of program requirements and opportunities, and establish a systems engineering approach capable of controlling the risk.”...¹ This IPT, chartered by the Commander of the Air Force Material Command with participation from the Naval Air Systems Command, was focused on the aviation sector. The products of this IPT are in development and include a series of guides or handbooks for the purpose of establishing an integrated performance-based business environment. These products will need to be evaluated for applicability to other defense sectors.

| Activity/Org | Action | Completion Date |
|--------------|---|------------------------------|
| SPAWAR CSIE | Provide NGS IPT product review schedule | 30 Aug 96 COMPLETE |
| DepSO/CSIEs | Evaluate the products of the Joint Aeronautical Commanders Group NGS IPT. | 30 Dec 96 |
| DepSO/CSIEs | Recommend the System Command implementation of the NGS IPT documents | 30 Dec 96 |
| DepSO | Participate in OSD review of NGS IPT products | 30 Dec 96 |

8.2 Open Systems Approach. . . . “ To further the goals set out in the Secretary of Defense 29 June, 94 memorandum, “ Specifications and Standards -- A New Way of Doing Business”, I am

¹ Final Report of Joint Aeronautical Commanders Group NGS IPT, 29 February 96

directing that “open systems” specifications and standards (electrical, mechanical, thermal, etc.) be used for acquisition of weapons systems electronics to the greatest extent practical.”² USD (A&T) further directed the preparation of a single Service plan for the deployment of an open systems approach for weapons systems³. Incorporation of commercial items in acquisitions needs to be accompanied by an engineered, open system solution. Use of interface standards and common architecture need to be considered during the selection process of commercial items.

| Activity/Org | Action | Completion Date |
|--------------|---|-----------------|
| DepSO/CSIEs | Advocate the System Command/Program Office implementation of Open Systems | Continuing |

8.3. Relationship between acquisition reform initiatives

Intrinsic, but not fully defined, relationships exist between individual acquisition reform initiatives. Effective implementation of acquisition reform requires understanding the interaction between the reform activities at the program level. Feedback from the program management staffs and systems commands is essential to identifying :

- Complimentary relationships
- Situations where initiatives work in opposition.
- Scenarios where reforms parallel yet do not interact.

The observations of the Program Managers, Contracting Officers, etc. are invaluable in determining the effectiveness and relative value of reform measures. The ARO will gather the observations from the Systems Commands, Program Offices, and together with the CSIEs screen and categorize those experiences relative to existing reform strategies and emphasis. It is projected that weighting can be given to identify strength of relation, cause and effect relations and mutually detrimental relations.

² USD (A&T) 29 Nov 94 memo on “Acquisition of Weapons Systems Electronics Using Open Systems Specifications and Standards”

³ USD (A&T) 10 July 96 memo on “Open Systems Acquisition of Weapons Systems”

| Activity/Org | Action | Completion Date |
|--------------------------------|--|------------------------|
| CSIEs/System Commands/PEOs/PMs | Identify relationships between acquisition reform initiatives. | Continuing |
| DepSO | Develop and disseminate guidance on acquisition reform relationships | Continuing |

PRODUCT PROCUREMENT DOCUMENT TYPE DECISION PROCESS

The flow chart in figure A1 outlines a decision process that can be used to determine the type of document (specification, commercial item description, etc.) that should be used to acquire a system, a system component, an equipment, or a product.

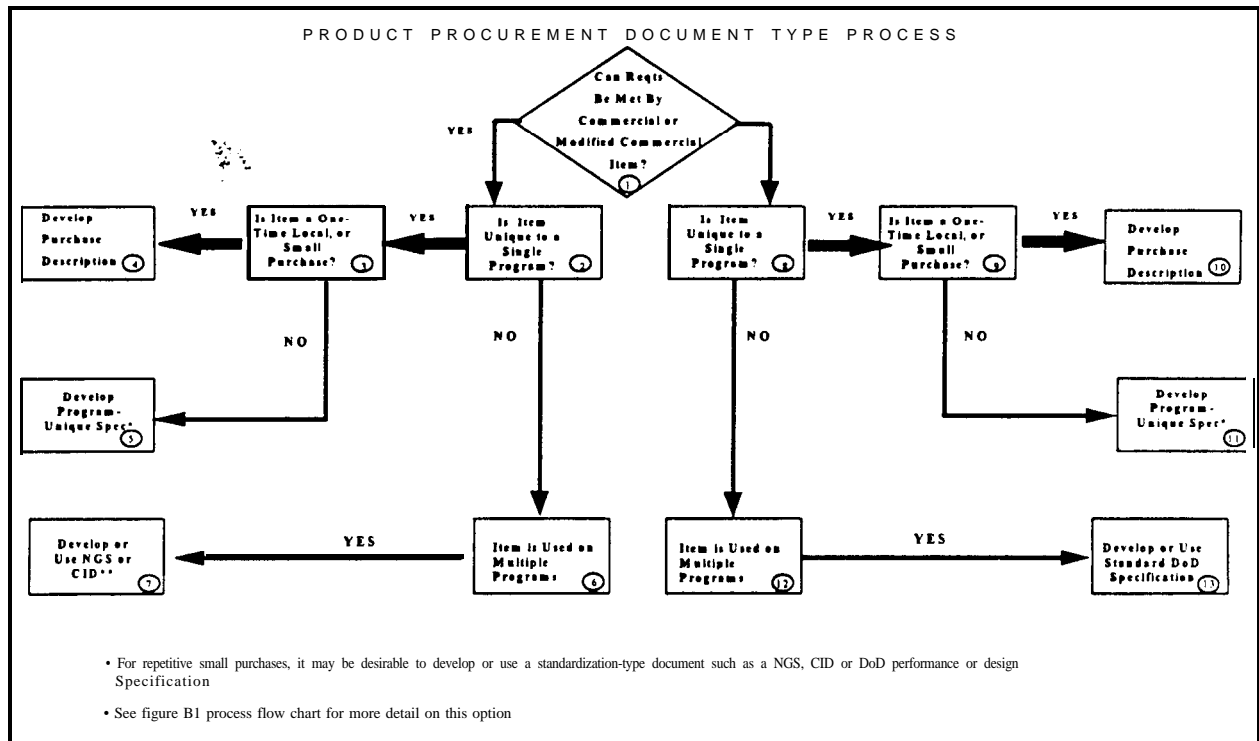


Figure A1. Decision Process for Type of Document Selection

The discussion that follows provides descriptive information for using the decision process.

Block 1. When a requirement has been established, use of commercial or modified commercial products is the first consideration in deciding what should be used to meet a requirement. A Program Office or Buying Activity⁴, must always determine whether a suitable commercial item

⁴The term Procuring Office will be used in this paper to mean any office responsible for acquisition and includes Program Offices, Technical Code offices, and Buying Activities.

Appendix A

is available to satisfy the need. This will necessitate accomplishing some amount of market research. The Procuring Office must assess the technical feasibility, applicability, and availability of using commercial items⁵ to meet military requirements.

Block 2. The Program Office must determine whether the product is unique for the requirement. For example, if an uninterruptable power supply with unique characteristics is needed for a specific application, then a program unique specification should be developed (go to block 3). On the other hand, if the power supply had a range of output options and could be used in many different applications, it would not be unique to a single program (proceed to block 6).

Block 3. The purpose of this block is to allow for instances when the requirement results in a one-time buy or a small purchase where Simplified Acquisition Procedures would be used. These are generally off-the-shelf items and are not complex procurements. Simple descriptions of the item will suffice for the purchase. For example, a small, commercially available, portable electric generator & motor might be such a procurement. If it were a one-time procurement or a small purchase, and did not have any significant military unique requirement, then it would be a candidate for procurement with a purchase description.

Block 4. Purchase descriptions are simple descriptions of commercially available items. For the example discussed in the previous Block 3 paragraph, the purchase description would be a statement citing the performance requirements (e.g. size, weight, output parameters, etc.)

Block 5. The preferred type of program-unique specification to develop is a performance specification; but there are situations in which a detail specification may have to be used. For example, if the commercial product has to be modified to satisfy military requirements, including operational and environmental, a detail specification may be necessary. However, only the modification requirements should be addressed in detail. The remaining requirements should be stated in performance terms.

Block 6. If the decision flow led to this block, the only outcome is to develop a NGS or CID for the procurement.

Block 7. This is a transition block to lead to the NGS vs CID decision process (blocks 16-22) discussed in figure B-1 in Appendix B.

Block 8. This decision requires the same type of analysis as block 2.

⁵For the purposes of this discussion, the term “commercial item” is defined in accordance with the latest FASA and FARA legislation.

Appendix A

Block 9. The purpose of this block, as was the case in block 3, is to allow for instances in which a one-time or small purchase can meet the requirement.

Block 10. The product should be described in performance terms to the maximum extent possible. Detailed requirements should only be used where necessary to meet military-unique requirements that cannot be described in performance terms.

Block 11. This block requires the same type of considerations as block 5.

Block 12. If the decision flow led to this point, the only outcome is to develop a standard DoD specification.

Block 13. This block requires a determination as to whether to use a standard DoD performance or detail specification. A standard performance specification is the preferred document, but detail specifications can be used if military unique requirements, including operational or environmental, cannot be described in performance terms. The use of performance based requirements should be maximized in any detailed specification.

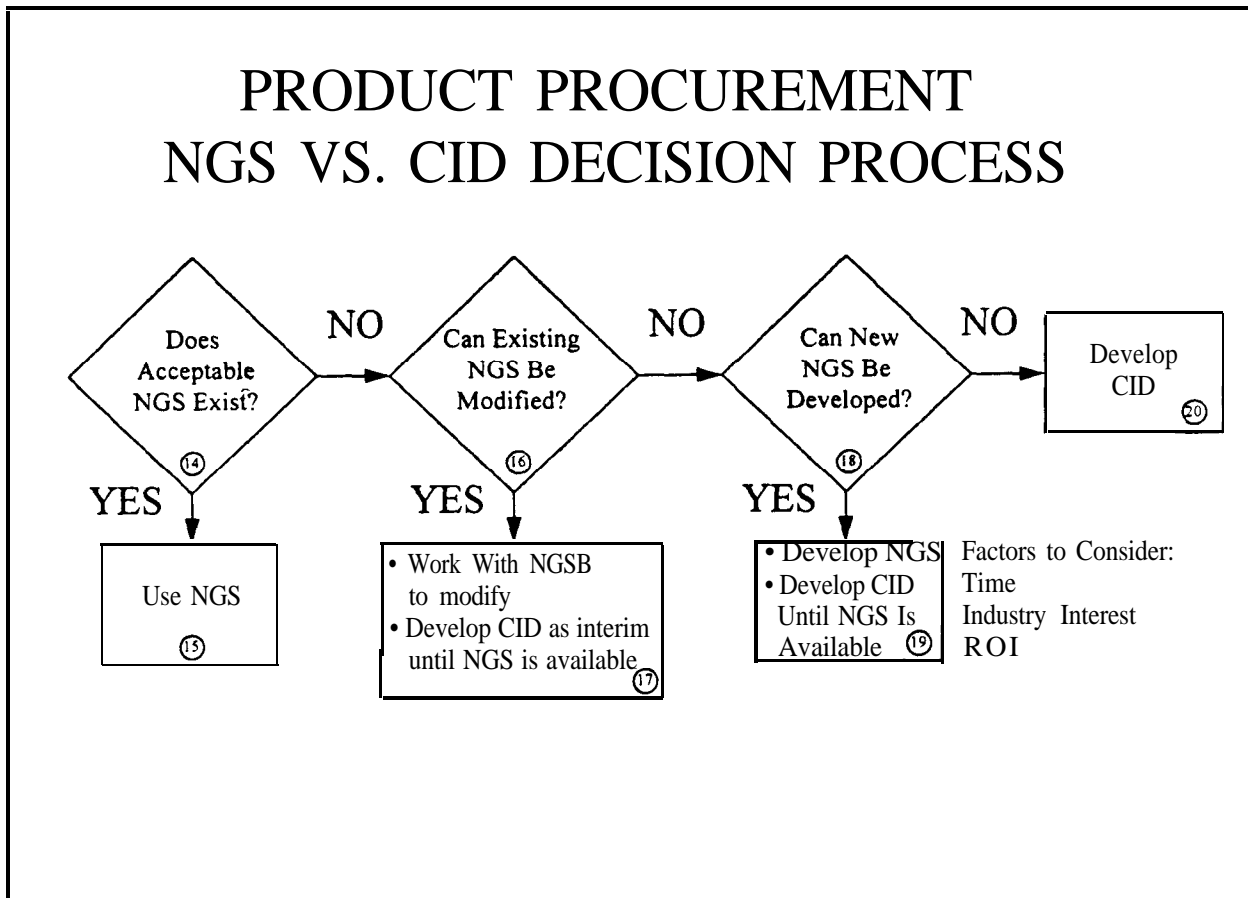


Figure B1. NGS vs CID Decision Process

The discussion below provides descriptive information for using the NGS vs CID Decision Process. Block 14, the beginning of the NGS vs CID Decision Process, is the follow-on step from Block 7 of the Product Procurement Document Type Decision Process flow chart in figure A1.

Block 14. Requires a search of NGS. Document Preparing Activities (PA) and other technical activities can assist the Program Office in determining whether an acceptable NGS exists to describe the requirements for the procurement.

Block 15. Use existing NGS if acceptable.

Appendix B

Block 16. This is a follow-on to the block 14 research. Development of information for the decision should be combined with the block 14 research.

Block 17. In modifying an NGS, the cognizant DoD PA will work with the appropriate Non-government Standards Body (NGSB). Since this effort normally requires an extended period of time, a CID can be used as an interim acquisition document until the NGS is modified. If it is decided to develop a CID, it should be a joint effort with the Program Office and the PA having cognizance of the NGS.

Block 18. The answer to this decision point depends on the interest of, and need for, commercial industry and the NGSB to develop a suitable NGS. Other considerations in the decision to develop an NGS include the development effort time and the expected return on investment from the NGS use in follow-on procurements.

Block 19. If the considerations are positive, then the development of an NGS should be pursued. A CID can be used as an interim acquisition document until the NGS is modified.

Block 20. If the decision is not to develop an NGS, then a CID should be developed. Its development should be a joint effort with the Program Office and the PA having cognizance of the technical area in which the product belongs.

Appendix B