

# *Understanding Integrated Acquisition; A Perspective on Optimizing Operations*

Paul Lauro

*Director of Contracting,  
Veteran's Administration*

*Great Lakes Acquisition Center (GLAC)*

# Why?

- Audience?
- Disclaimer
- *Joel Williamson; 6 May 1949 - 24 Sep 2009*
  - *Operational Perspective: Understanding in Context*
    - *Complex Procurement?*
    - *Procurement organization?*
    - *Optimizing operations*

# The Book...or the Movie?

## *Leading to Obtain Best in Class Services Procurement Management*

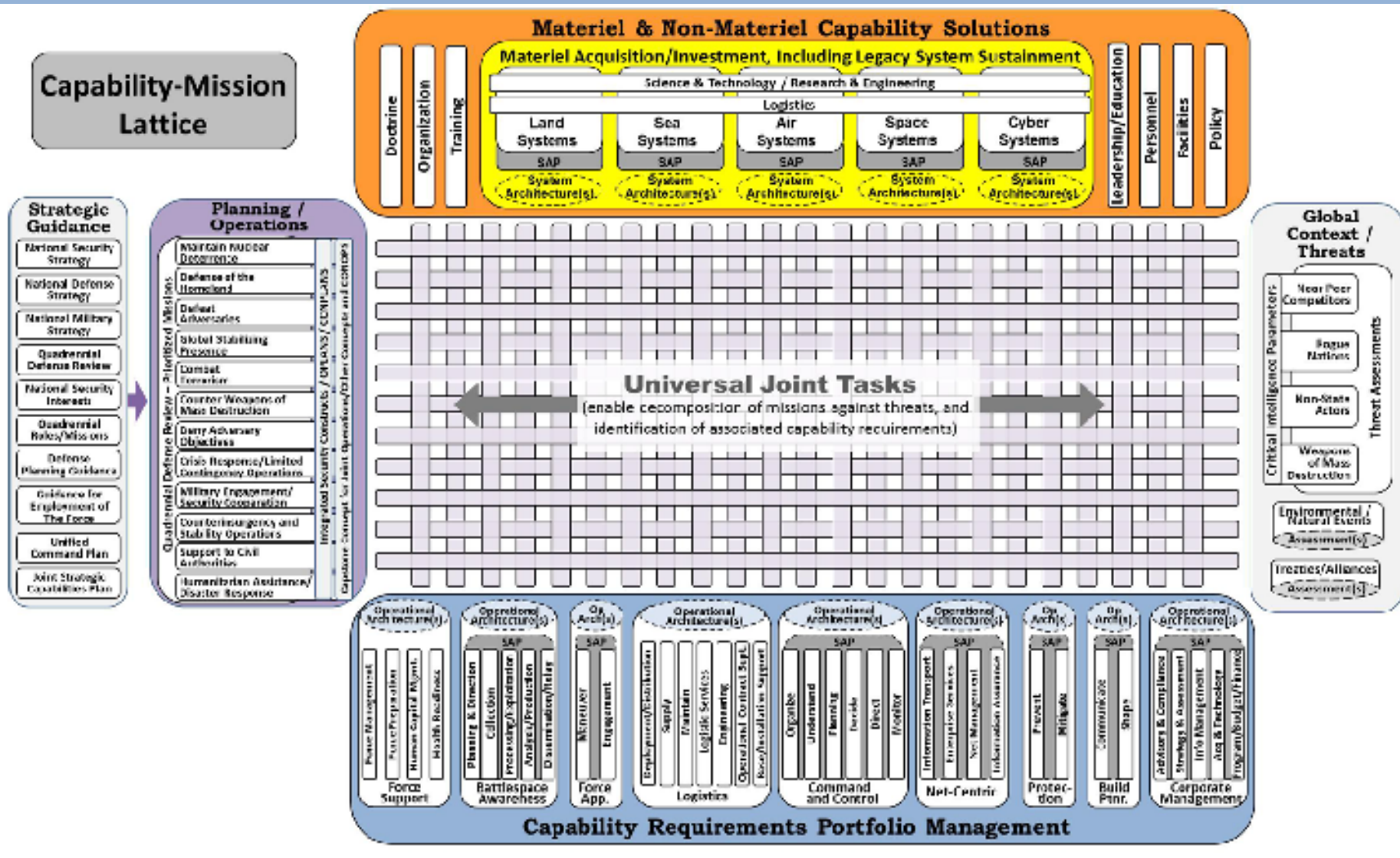
- Maximizing operational value by integrating a "systems based improvement" procurement perspective
- Understanding how to enable collaborative procurement and operational talent capabilities needed to leverage best procurement practices
- Managing change to retain flexible and responsive procurement without undue impact to cost, delivery schedule, and quality performance

# What's In It for You?

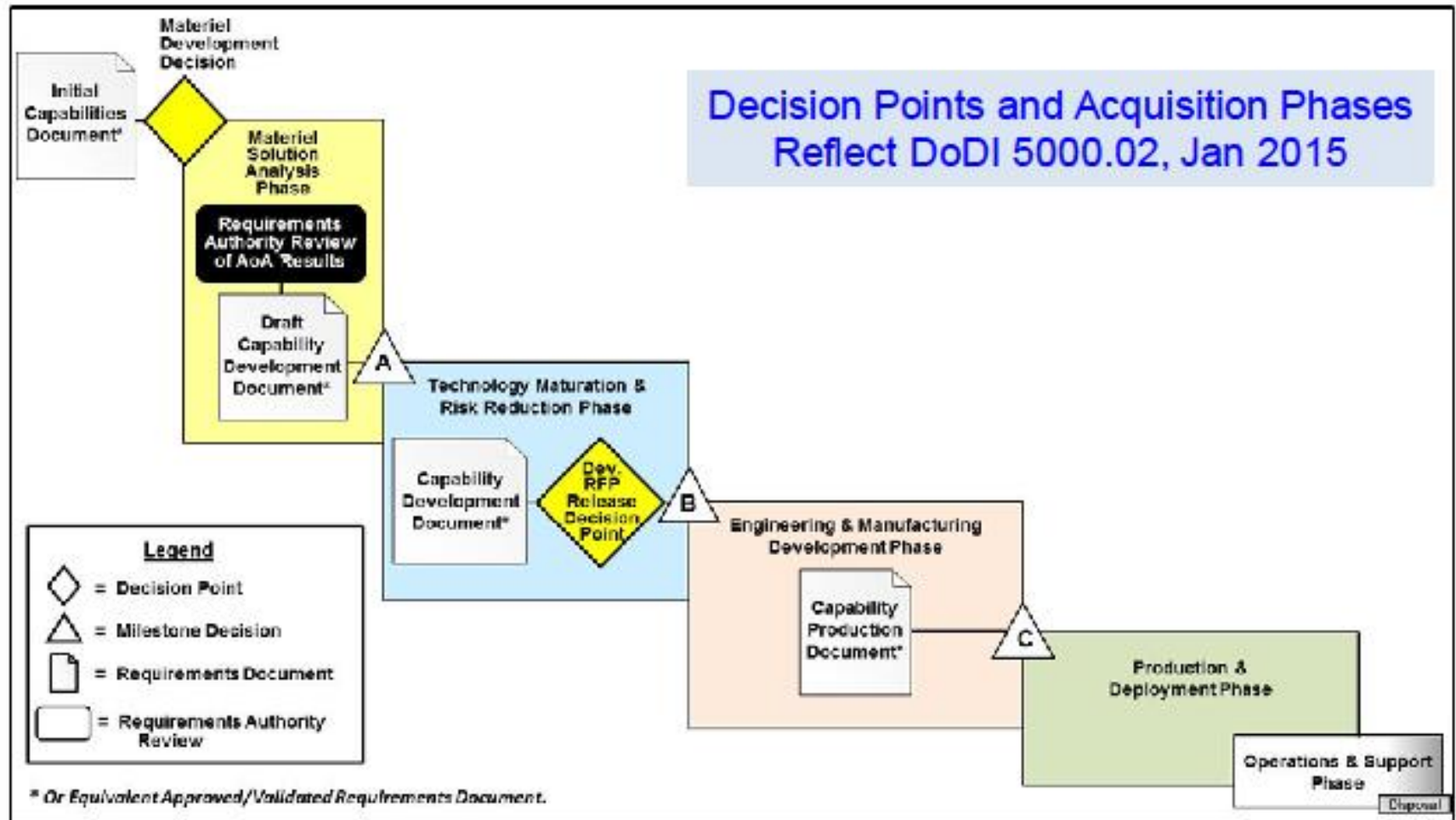
- A Perspective on US Government Procurement Operations
- Insight Into Minimizing the Ordering Cost of Inventory (procurement operations)

# Joint Capabilities Integration Development System (JCIDS) Foundation

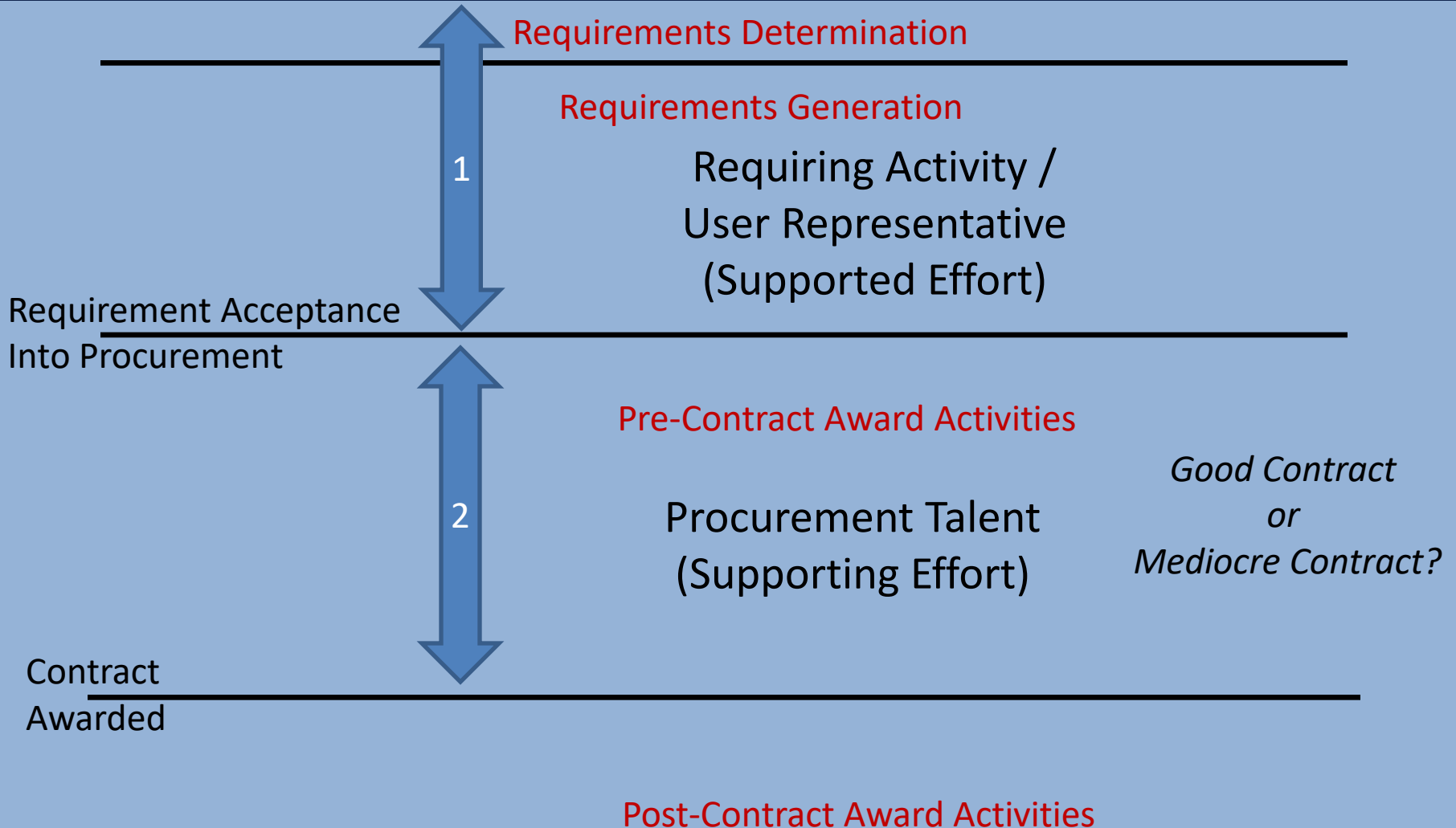
## Foundational Capabilities Based Analysis



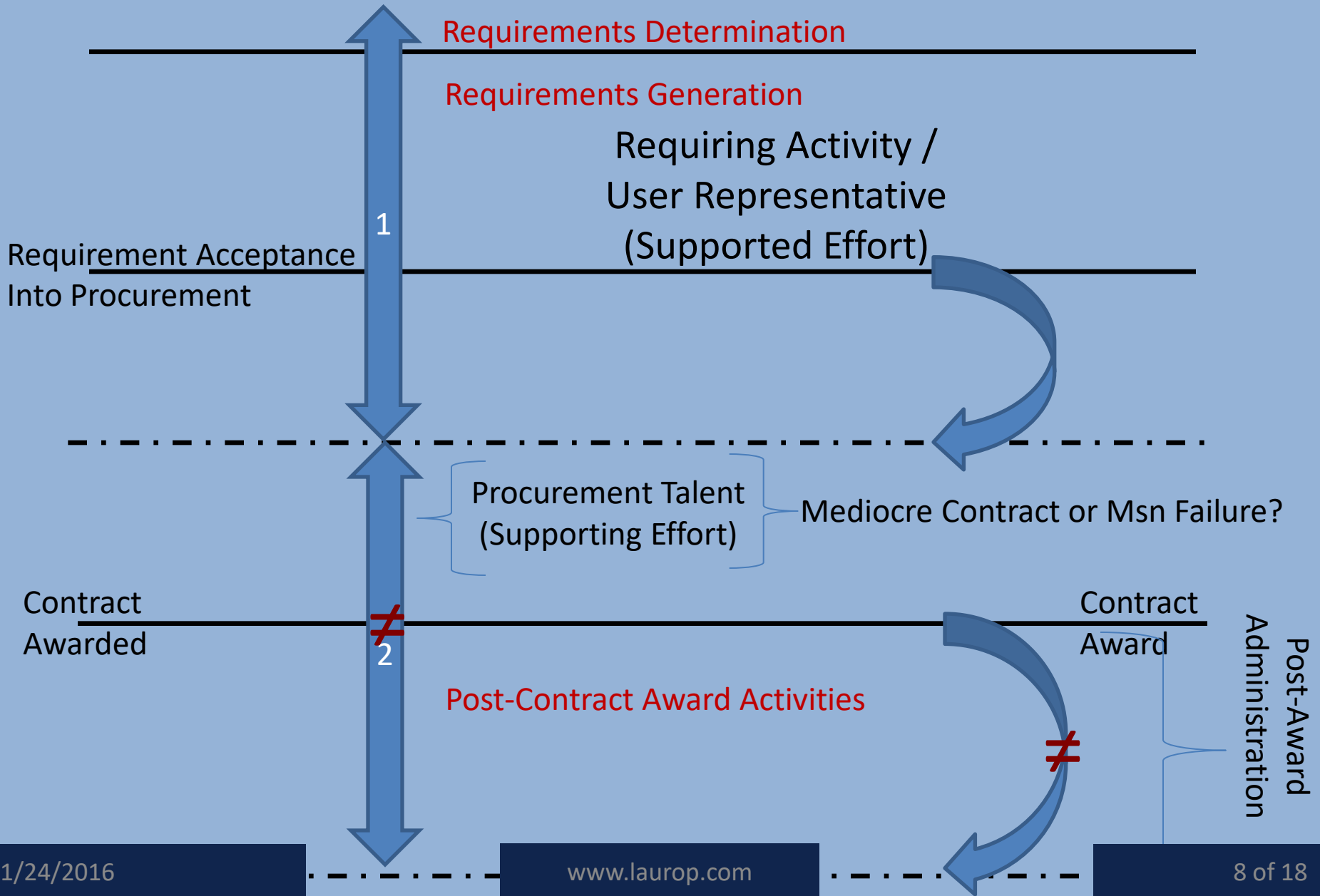
# Joint Capabilities Integration Development System



# Process Overview (Best case)



# Effect of The Root Cause



# Improve What?

## The Root Cause “Misperceptions”

### Rule Enforcement

Policy, Legal, &  
Small Business  
(Socioeconomic Goals  
/ green procurement, etc.)

Who is the  
Customer?

**What’s  
the Mission?**

### Mission Focus

Requiring  
Activity  
“Quality” = CSP

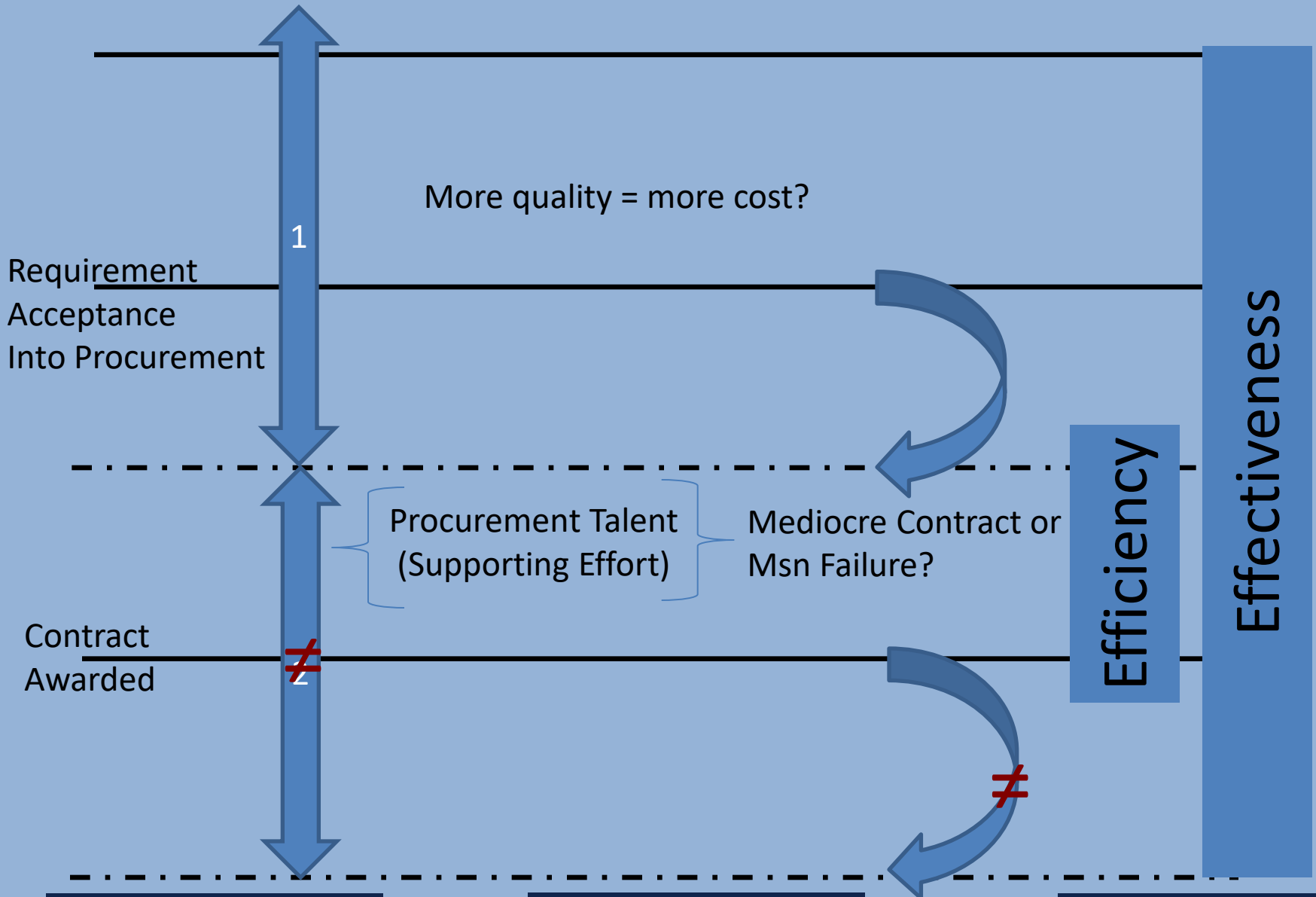
Quality?



Need vs  
Ask

Unit Compliance Inspection (UCI), Program Management Review (PMR),  
Procurement Performance Management Assessment Program (PPMAP)

# Effect of The Root Cause



# Riding a Bike or Playing Chess?

## Common Milestones

Acquisition Strategy

Small Business Coordination

Source Selection Plan

Synopsis (advertisement)

Solicitation

Evaluation of Technical, Past Performance, and Price Factors

Negotiation

Post Negotiation Evaluation

Congressional Notification

Contract Award



# Fundamental Best Procurement Practices

- Requirement Activity
  - Integration to eliminate disparate milestones
  - “Contract Executive Board”
  - Customer “liaisons” (non-program, service requirements)

# Fundamental Best Procurement Practices

- Procurement Organization by Function or Commodity?
  - Direct vs Indirect Spend
  - Paradox: Requiring Activity Control = Less higher Quality procurement?
- Joint Brief to “Leadership Council”

# Fundamental Procurement Imperatives

- Policy/Legal/Small Business
  - In on the “Ground Floor” (Early on “Validation”)
    - Services: Policy Creates Conditions for Success between Requirements Generation and Procurement Acceptance
- Smart Operations
  - Habitual Relationships; parallel vs serial review
  - Elimination of Unnecessary Reviews
  - Streamlines Processes w/Document Boilerplates
  - Eliminates Redundant WIP; Conditional Approval When Feasible
  - Refine Metrics to Enable Performance Based Service

# Value Proposition of Chief Procurement Officer

- Focus: Integrating Procurement in a way that Optimizes Operations (E2E perspective)
  - The “glue” of an organization, ensuring competitiveness and highly-integrated business processes
  - A relentless Focus on Continuous Improvement *and* Customer Commitment
- Managing the Achilles Heel of Customer Service
  - Right Size? (via Benchmarking, Concept of Operations Drill, or Statistical Estimating Relationship)

# Value Proposition of Chief Procurement Officer

- **Oversee Procurement Function Sub-Optimization**
  - Manages Procurement Flexibility (best spend planning?)
  - Manages Indirect Relationships (Credit where Credit is Due)
- **Know Products, Markets, and Personnel Capabilities? Maybe, but...**
  - Job Announcement?

# References / Further Reading

Dr Russell Ackoff;

*Systems Based Improvement*

Doug Hubbard

How to Measure Anything;  
The Value of Intangibles in Business

Susan Annunzio

Contagious Success; Spreading High Performance throughout Your Organization



Overview of the Joint Capability Integration Development System –  
Defense Acquisition University (DAU) Website

Interview with Jack Miles; CPO to Global Companies

*"Procurement professionals do themselves a disservice by talking only about what they save." - Jack Miles*

<http://www.argentus.com/procurement-legend-cpo-top-global-companies-jack-miles-speaks-procurements-past-future/Overview>

# Questions / Comments

## *Leading to Obtain Best in Class Services Procurement Management*

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