EPA

U.S. Environmental Protection Agency

Office of Administration and Resources Management

Office of Administration Management and Organization Division

November 1988

Contracts Management: The People and the Process

Management Study

Office of Administration

Management and Organization Division

EPA
200/
1988.3

Foreword

Each year the EPA contracts for more than $1 billion in goods and services from more than 750 vendors across the country. All of the effort that we put into these contracts comes through Project Officers and Work Assignment Managers throughout the Agency.

When I asked the Management and Organization Division to undertake this study, I wanted to ensure that the Agency is doing all it can to provide our contracts managers with the kind of work environment that will allow them to carry out their duties in an effective manner. I believe that this study's recommendations, especially those regarding management awareness and contract manager career development, will move us far along in that direction.

Charles L. Grizzle
Assistant Administrator

Mgmt Coll. Ref EPAX 9105-0007
EPA 200 1988.3
#23410611

This management report was prepared at the request of

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the
Assistant Administrator for Administration and Resources Management

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Contracts Management :
The People and The Process

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Executive Summary

The large amount of environmental legislation passed by the Congress over the past few years has placed increasing demands on EPA in a restrictive budgetary environment. This has lead the Agency more and more to contract-out its work to the point where half of EPA's professional and administrative staff are involved in some fashion with contracts administration and over fifty percent of the Agency's budget (excluding construction grants) is spent via contract vehicles.

With this in mind, the Administrator and the Assistant Administrator for Administration and Resources Management asked the Management and Organization Division to lead a task force effort to review EPA headquarters contracts management activities and suggest ways of improving them. The remainder of this executive summary describes the goals of the study, the methodology applied in conducting this study, the cross-cutting themes that emerged from our review and the recommendations that we have provided for senior management consideration.

The findings and recommendations presented by the Task Force reflect the shared responsibility for sound contracts management in EPA : responsibility that transcends all segments of the Agency and all levels of the organization. From the Administrator to the work assignment manager, and from OARM to all other program offices, contracts management is broad-based. It is done and must continue to be done in partnership; likewise, everyone must be a player in the solutions and improvements.

Study Goals

The goals of the study were to :

◆ Describe the essential elements that should be present in a model environment for effective contracts management (for the purpose of this study, "contracts managers" are those people who are involved in managing contracts in the program offices where day-to-day oversight occurs) and suggest ways of moving the Agency toward adopting these measures.

◆ Assess the people on the frontline of program office contracts management (project officers (POs), work assignment managers (WAMs), delivery order project officers etc.) to determine their perceptions about what is working and what areas need improvement to help them discharge their responsibilities;

◆ Determine what Agency support systems are available to contracts managers (e.g. management support, ADP support, training, policy guidance, financial and contracts technical assistance etc.) and how they can be improved.

Study Methodology

The Task Force used the following methodological tools to get different perspectives on these topics :

◆ For the purposes of this study, the Task Force selected three media to review : OSWER, OPTS and OW;

◆ A computer profile of four thousand Agency contracts managers to determine their age, experience levels, grades, educational backgrounds, etc. ;

◆ Twelve focus group sessions were conducted with over one hundred fifty headquarters program contracts officials to discuss contracts administration issues;

◆ A fifty-four question survey was sent to eight hundred and five project officers and work assignment managers to gauge their opinions on various contracts administration topics; and finally,

◆ Personal interviews were conducted with sixty-five senior level headquarters program managers in the three selected media offices.

Key Findings

The following is a summary of the central findings of this study. Greater detail is provided in the body of this report.

◆ **Cultural Change Required**

The Task Force has concluded that the Agency's culture needs to be changed to put much greater emphasis on sound contracts management. This change can only take place if senior managers place emphasis on this function over a sustained period of time.

◆ **EPA is Highly Leveraged**

Half of EPA's professional and administrative employees are in some way involved with managing contractors and over fifty percent of the Agency's budget is spent on contractors.

◆ **Management Awareness**

Very few senior managers (i.e. DAAs, Office and Division Directors) have any personal knowledge of, or involvement with contracts management in their organizations. In addition, a large percentage of headquarters POs and WAMs feel their supervisors are somewhat to not at all knowledgeable about contracts management.

◆ **Contracts Managers are High Level Employees**

Contrary to widespread belief, our profile of contracts managers revealed that they tend to be older, better educated, higher graded, and more experienced than the average EPA employee.

◆ **A Skills Balance is Needed**

Seventy-eight percent of POs and WAMs in the Agency are either scientists or engineers. This points toward the need to balance out these employees' technical skills with essential administrative skills.

◆ **Resources Needed for Training**

Agency contracts managers are not able to be trained due to too few course offerings by PCMD. Existing in-house staff resources and contract dollars are inadequate to meet the need.

◆ **Training Courses Require Redesign**

POs, WAMs and managers felt strongly that the current project officer and contracts administration courses need to be revamped to put much greater emphasis on hands-on, day-to-day management issues such as people management, cost estimation, financial/workload tracking, etc. Also, all felt that a new course geared specifically to the functions and roles of the WAM was needed.

◆ **Central Databases Needed**

Most of the POs and WAMs expressed the need for central databases that included such things as a current listing of Agencywide work assignments, past performance of contractors on work assignments, and a list of all umbrella contracts in the Agency. They felt this would help them reduce the potential for duplication and weed out poor performing contractors. Access to procurement status and central financial systems is also needed.

◆ **Strengthen Certification, Add Recertification**

The present certification process is often circumvented and waivers are commonly granted giving the impression that management does not take the requirement seriously. Also, periodic recertification is essential so that POs and WAMs are kept current with changing laws and regulations.

◆ **Demonstration of Remedial Action Needed**

Contracts managers feel vulnerable because they do not know how to deal with contractors who are performing poorly or how to not select these same contractors when contracts are renewed.

◆ **Central Ombudsmen are Helpful**

Contracts managers functioned more efficiently and effectively when there was a central extramural coordinator in their office. This individual provided technical assistance and budget advice on a full-time basis and acted as an historical corporate body of knowledge.

Next Steps

The Findings and Recommendations section of this report presents a host of suggestions designed to strengthen contracts management. While all of these are important, the Task Force believes the Agency should undertake certain steps immediately:

- Announce the Administrator's philosophy and expectations for sound contracts management in a policy statement. Call for each AA/RA to outline the contracts management improvement plans they will put in place during FY89. Include discussions of contracts management in quarterly SPMS meetings with the Deputy Administrator.

- Establish a PCMD workgroup to design a comprehensive career development/training program for contracts managers and their supervisors. This group will be headed by the Office of Human Resources Management with participation from PCMD personnel, program officials, and a representative sample of Project Officers and Work Assignment Managers.

- Establish a PCMD workgroup to strengthen the National Program Manager (NPM) role of the Division, including developing accountability criteria, certification/recertification requirements, and communications improvements, and sponsoring a demonstration program on corrective action.

Implementation of these recommendations will allow the Agency to carry out its environmental mandates in a manner consistent with efficient and effective

management practices. We hope that this report contributes to a better awareness of the importance of contracts management and assists Agency managers in the performance of their responsibilities.

Introduction

In May of this year, the Assistant Administrator for Administration and Resources Management commissioned this study of the contracts management process at EPA's headquarters offices. At his request, the Management and Organization Division led a Task Force effort to conduct the study. The Task Force was made up of eight EPA employees from OARM, ORD, RTP and OIA. OPPE was unable to join the Task Force due to previous commitments. PCMD employees were intentionally excluded to assure that no conflict of interest could arise. However we would like to acknowledge the support and cooperation the Task Force received from PCMD in the initial information gathering stages of the study. Some of the members of the Task Force worked full-time on this study and others contributed on a part-time basis as required.

A study of the Agency's contracts management processes requires a great deal of information gathering. The Task Force decided to use a variety of survey, personal interviewing and group discussion techniques in order to get as much information as possible. A determination was also made to focus the study on headquarters personnel from three different media: OSWER, OPTS and OW. This selection was made after discussion with PCMD and it was determined that these media comprise the greatest amount of contract dollars with the exception of ORD. ORD was excluded because another study was already underway.

The study process began with the identification of contracts managers by matching two data bases: 1) the Project Officer Records System (PORS) and 2) the EPA payroll system (EPAYS). All headquarters contracts managers in the three media offices were then sent survey questionnaires. This database match was also used to identify headquarters contracts managers for participation in a series of focus group sessions and to profile all the contracts managers in the Agency.

With these initiatives underway, the Task Force began the process of interviewing senior managers (DAAs, Office Directors, Division Directors) to get

a view of the overall environment in which the contracts managers work. It concluded the data gathering phase of the study with a series of focus group sessions with PCMD and RTP personnel and POs and WAMs from the three media offices.

Having gathered considerable information from senior managers, project officers, work assignment managers, program officials and contracts professionals, the analysis phase of the study was begun. This report is the outcome of that analysis.

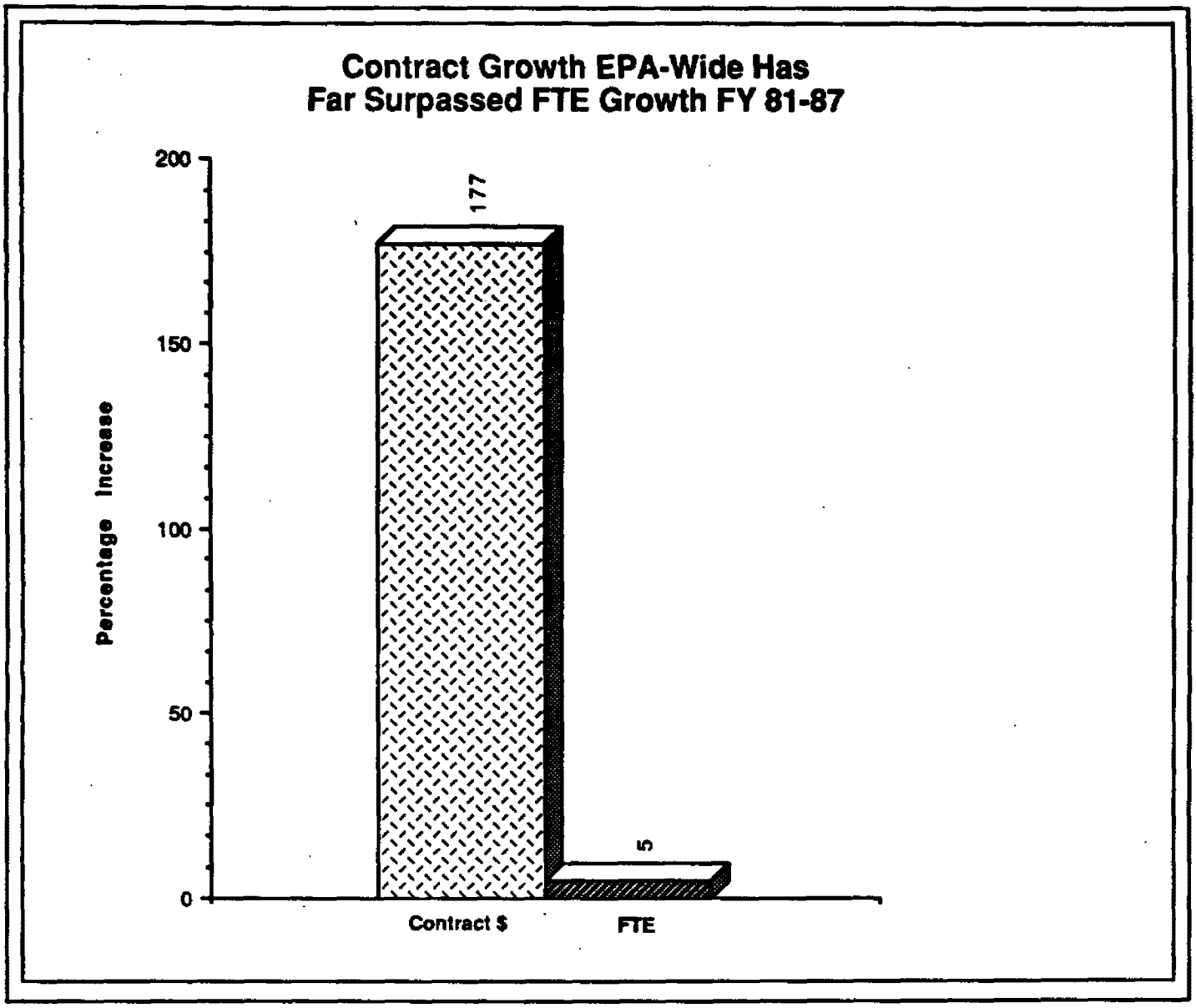
Budget Discussion

To better understand the universe of contracts management at the EPA, the Task Force reviewed summary budget data for the years FY 81 to FY 87. Since there were no actual year end figures for FY 88, we decided to use FY 87 actuals for the purpose of this study.

In FY 81, EPA obligated more than $361 million dollars in contracts. In FY 87 that figure had increased 177 % to a grand total of over $1 billion. This is an incredible growth over the past seven years. Based on last year's figures, we can see that Program Contracts increased 278%, while Other Contract Services increased 68%, and ADP Contracts grew by 108%. The only contracts category to remain stable was the R&D category which shows no growth over this period.

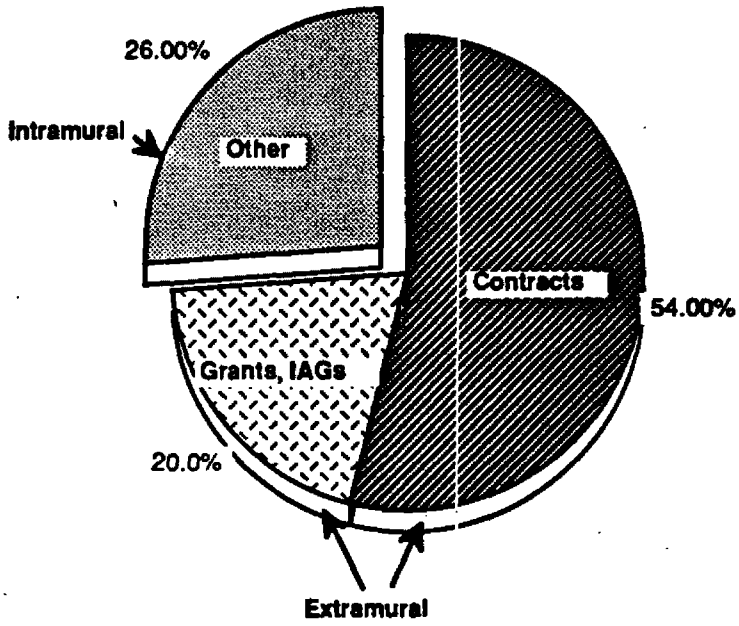
This 177% growth in contracts dollars takes on perspective when compared to the overall Agency budget which grew by approximately 100% during the same period. And while contracts were skyrocketing, EPA FTE strength grew by only 5%. So we can easily see that contracts dollars are far surpassing growth in FTE for the period FY81 to FY87.

In addition, contract dollars represent 54 % of the EPA Operating Plan without construction grants included and an impressive 31 % when construction grants are included. The Agency is highly leveraged to say the least and extramural resources are climbing rapidly at the same time that in-house FTE to manage these contracts are barely inching upwards. The graphs on the following pages reflect the statistics described above.

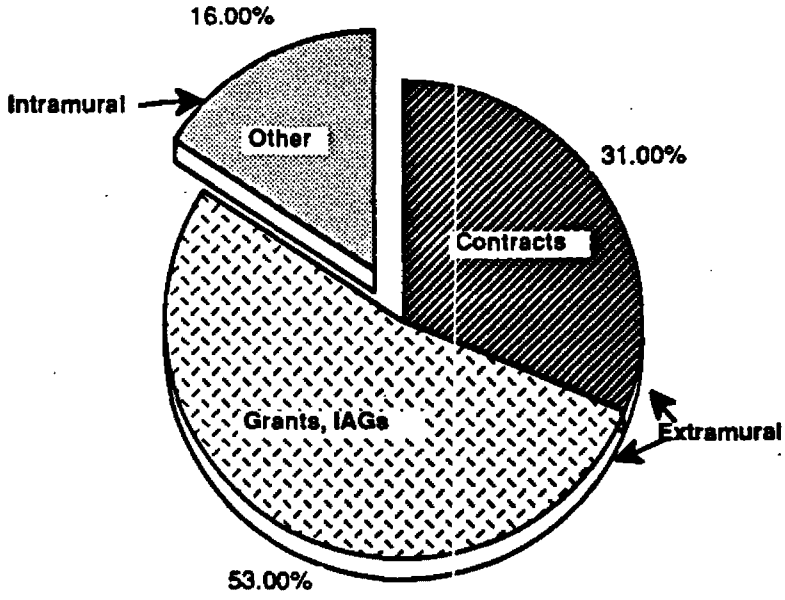

Contract Growth EPA-Wide Has
Far Surpassed FTE Growth FY 81-87
Percentage Increase
200
150
100
50
0
177
5
Contract $
FTE

EPA IS HIGHLY LEVERAGED

FY 1988 Operating Plan (excluding Construction Grants)



FY 1988 Operating Plan (including Construction Grants)



Profiling the Contracts Management Official

The Process

One of the first assignments the Task Force undertook was to ascertain as much information as it could about the demographic make-up of the contracts managers in the program offices. To accomplish this, the Task Force searched for existing databases of contracts management personnel and demographic data about EPA personnel in general. Two databases were located that contained the necessary information, but these were not integrated or compatible systems. The Project Officer Records System (PORS) is maintained by the Procurement and Contracts Management Division (PCMD) as a running list of all EPA staff who have taken the Project Officer and Contracts Administration courses, and the EPA Personnel Payroll System (EPAYS) is the Agency's official database maintained by the Office of Human Resources Management (OHRM).

With the help of OHRM and PCMD computer staff, the PORS database was converted to a generic file and a match was run against the EPAYS to determine the number of records on PORS that are still active in EPAYS. There were 4,500 records in PORS; when run against EPAYS there was an initial hit of just over 3,000. Further assessment by OHRM showed that many of the records did not match due to differing names (i.e. Bob instead of Robert). A manual cross-referencing has now produced 3,371 names; extrapolation suggests that approximately 4,000 names will be matched eventually. While the 4,000 number may not be all inclusive, it is the most accurate number of trained, active contract managers (i.e. Work Assignment Managers, Delivery Order Project Officers, Project Officers etc.) in the Agency at this time.

A secondary benefit of this process has been that there is now a way for OHRM to capture training data from PORS, and PCMD can now derive an accurate accounting of active, trained contracts management personnel through EPAYS. At this point it is possible for PCMD to use EPAYS as its main tracking vehicle instead of PORS, allowing shared data between PCMD, OHRM and other

offices that require such information. Officials of PCMD are exploring these possibilities with OHRM presently.

The Profile

A big slice of the pie !

The first important finding of this profile is that of the more than 12,479 professional and administrative employees at EPA (including employees at Headquarters, in the Labs and in the Regions), at least 4,000 or 32% are involved directly in contracts management in support of the Agency's program responsibilities (see Chart #1). This is a sizeable portion of EPA resources and does not include employees indirectly involved with contract management - Agency managers and supervisors, PCMD personnel, financial management personnel, senior policy makers etc. If we were to add in all these individuals as well, at least one-half of the Agency's professional and administrative employees are involved in contracts management.

Based on survey responses (see Survey) and line manager interviews which show that the average contracts management staffer spends between 10% and 25% of his/her time on this function, this function could represent between 400 and 1,000 work years annually in direct resources. Viewed in perspective, more workyears are devoted to this function than to most Divisions and Offices in EPA. Certainly this function must be viewed as extremely important from the standpoint of resources alone, not to mention the overall contract dollars that are being managed and the potential for abuse.

Who is the typical contracts management staffer at the EPA ?

The contracts management (CM) staffer is in a professional or administrative position (see Chart #2) and is graded at an 11 or above. Most are graded above the 13 level (see Chart #3). He/she has served in the federal government 12.7 years and has been at EPA 9.5 years (see Charts #4 & 5). The average CM staffer is 40.7 years old (see Chart #6) and holds a post-bachelors degree (see Chart #8). Predominantly they hold degrees in the physical sciences (see Chart #9).

Compared to Agency personnel overall, the CM staffer is older (40.7 yrs.. vs. 38.8 yrs.), better educated (masters or equivalent vs. bachelors), higher graded (13 & above vs. 12 & below) and has been with the federal government (12.7 yrs. vs. 10.7 yrs.) and the EPA (9.5 yrs. vs. 7.4 yrs.) for a longer period of time.

Myth versus reality .

When the Task Force began its study into the contracts management process and its people, it was told time and again that EPA's contracts managers were very junior and had little EPA experience. As this profile shows, this is a myth. In general, contracts managers are just the opposite although we realize that On Scene Coordinators in the Superfund program tend to be newer employees and we also recognize that retention of these particular employees is a problem for the Regions.

EPA is devoting important resources to contracts management.

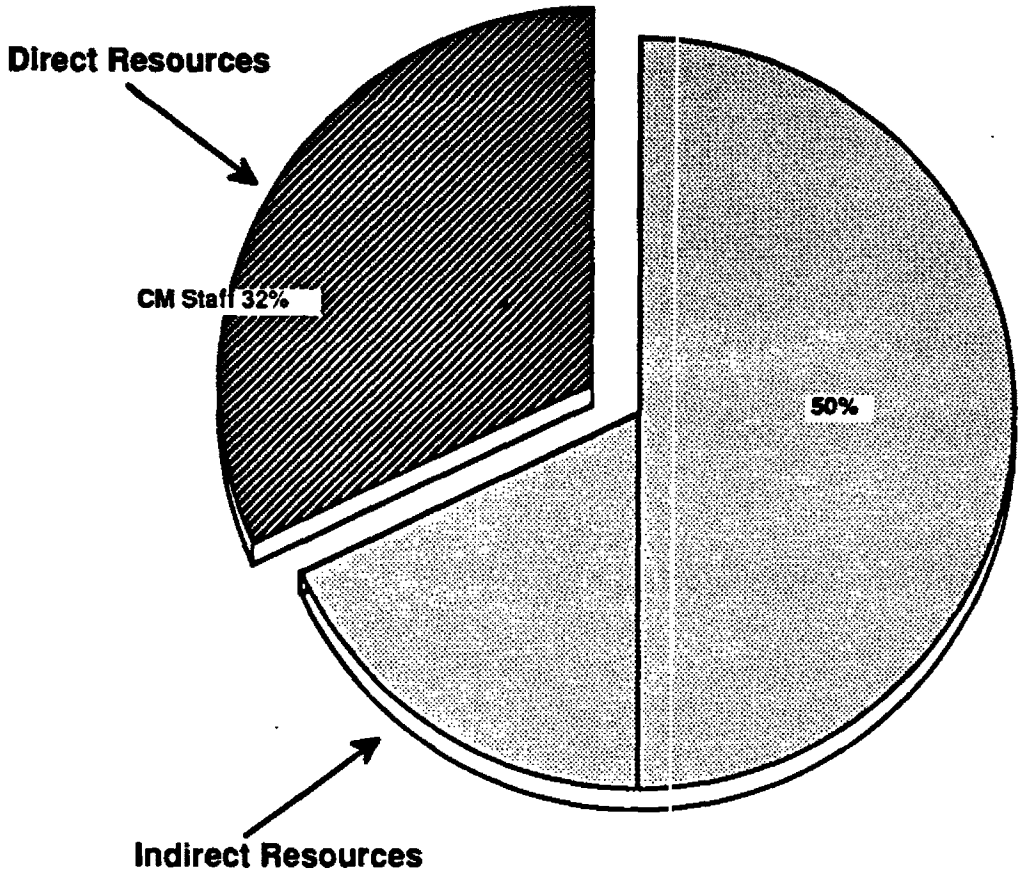
The good news is that after profiling the contracts management staff, we can say that EPA has placed its extramural resources in the hands of senior professionals. This section shows that in fact senior management is taking contracting seriously.

Contracts managers need a balance of skills.

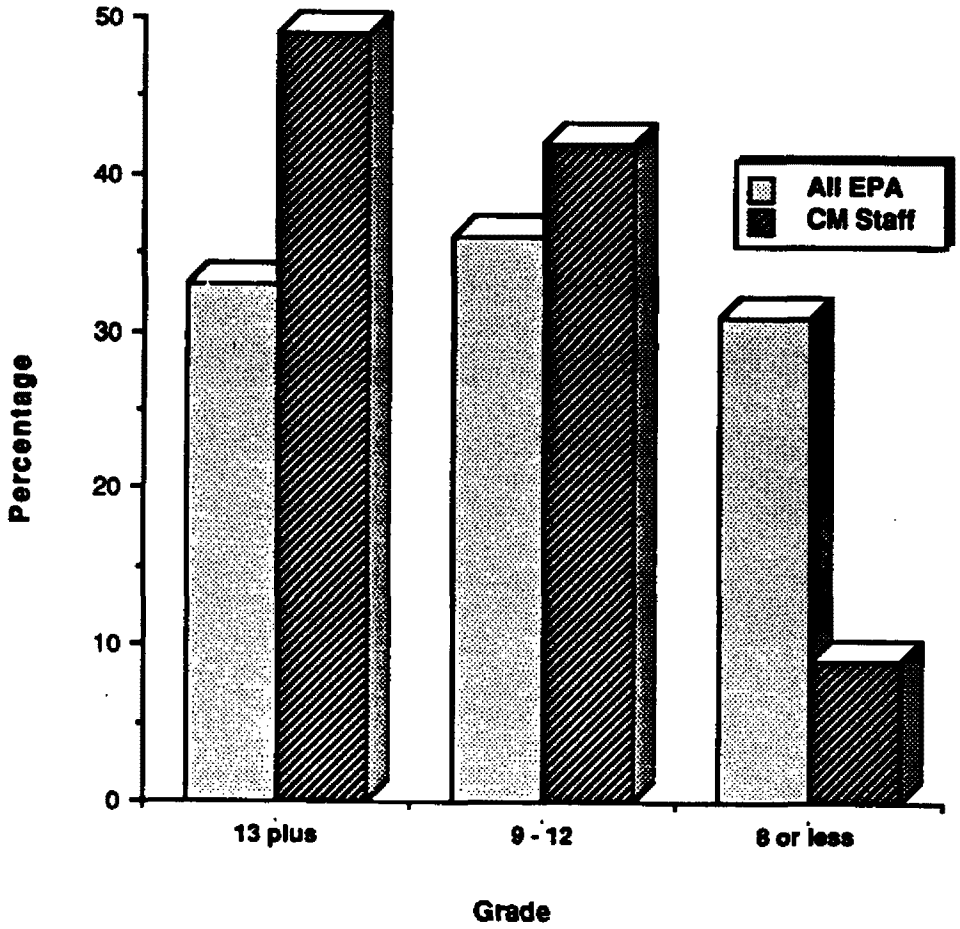
This section also shows that while contracts managers are at a high level, their educational background is solidly in the physical sciences and not in administrative areas. Contracts managers need to have technical knowledge, but they spend much of their time doing administrative functions such as accounting, reporting etc. Management training and people skills are not evident in their backgrounds but are absolutely necessary for effective administration of contracts.

This information has not only helped us to identify the characteristics of the CM staffer but has also allowed us to dispel the much held myth in EPA that the CM staffer is very junior and lacks the requisite time with the Agency. This data shows that the average CM staffer is more senior than the average EPA employee and in fact, EPA appears to be putting more experienced, more responsible people in charge of its contracts and overseeing its major extramural budgets.

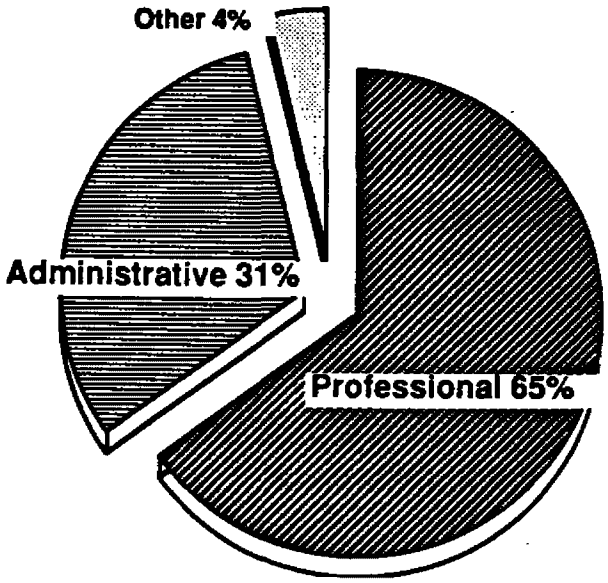
Contracts Managers Comprise 32% of EPA's Professional & Administrative Staff



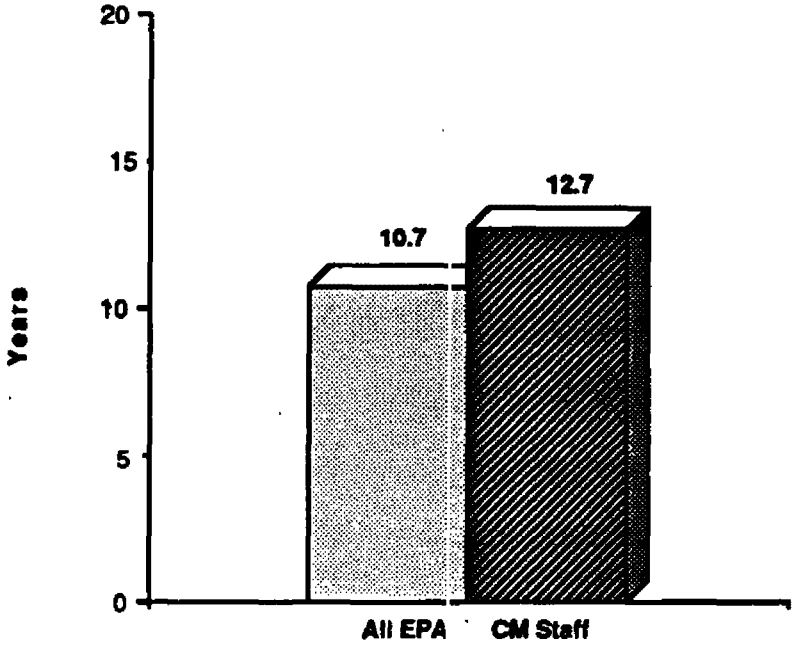
Contract Managers Are More Highly Graded Than Their EPA Counterparts



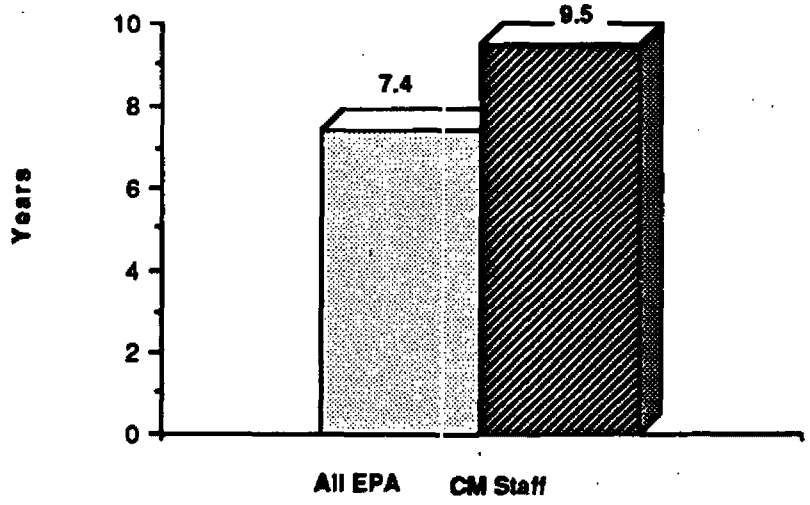
Contract Managers Are Professional Or Administrative Employees



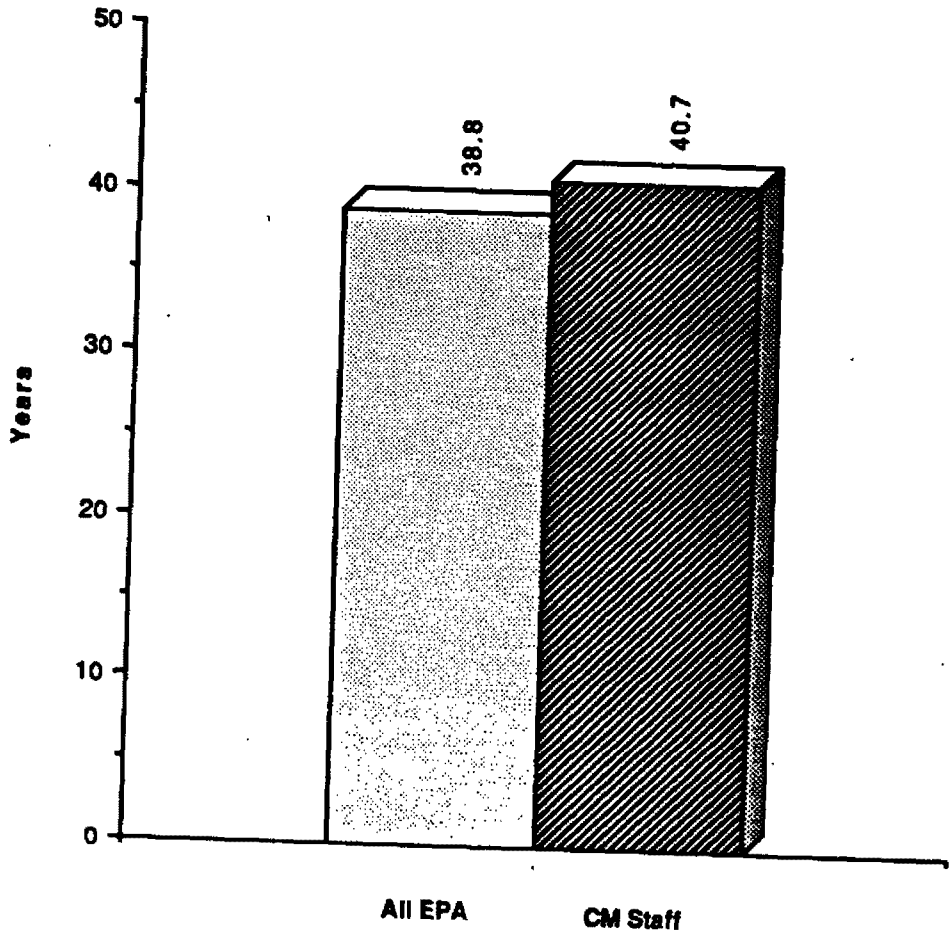
Contracts Managers Have More Government Service Than Their EPA Counterparts



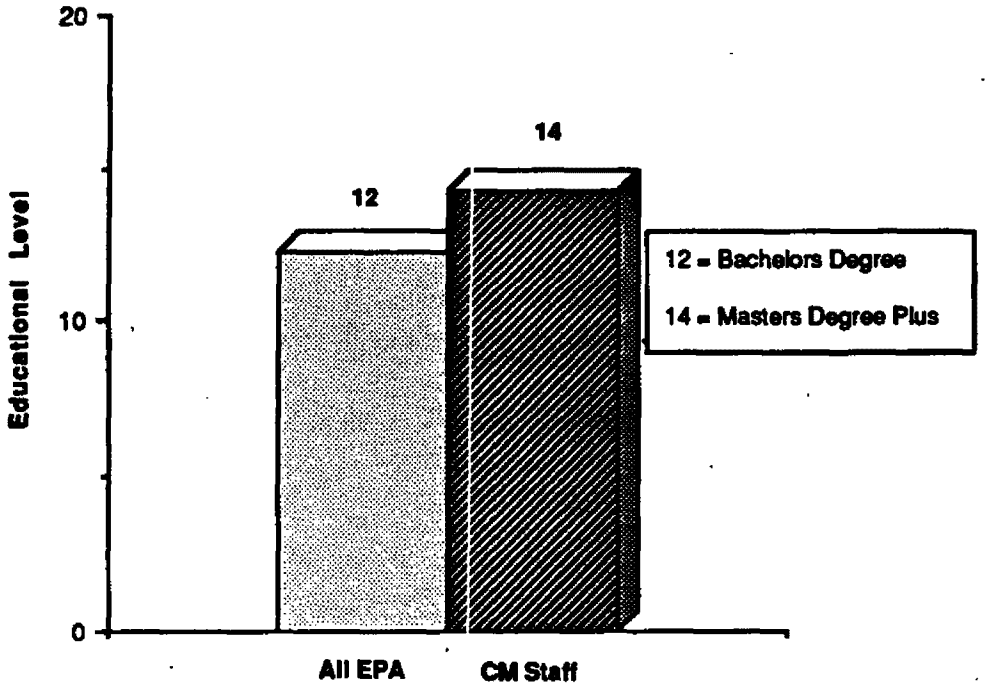
And Have Also Been With EPA Longer



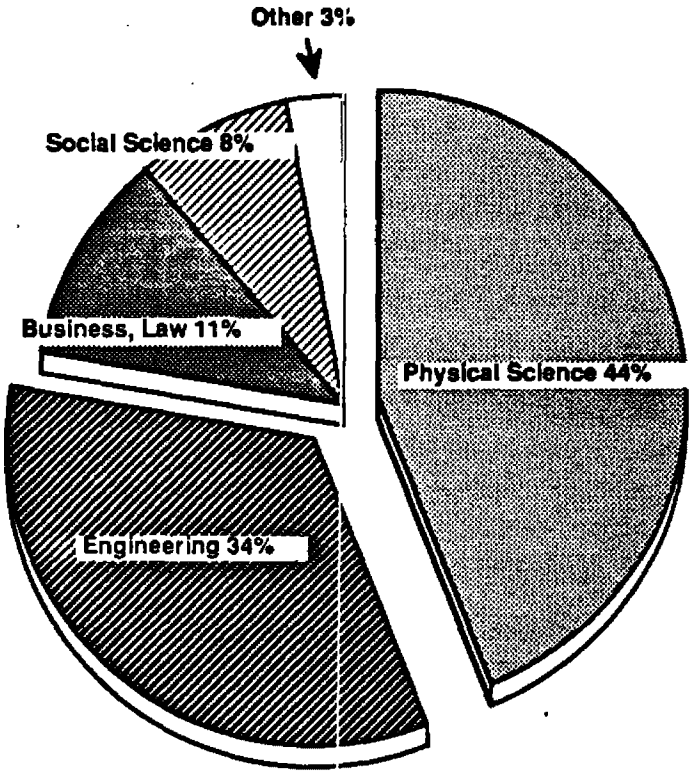
Contracts Managers Are Older Than Their EPA Counterparts



Contracts Manager Are More Highly Educated Than Their EPA Counterparts



Contracts Managers Tend To Hold Degrees In The Physical Sciences



Survey Analysis

On June 16, 1988, the Task Force sent a written survey instrument to 805 headquarters contracts management personnel in OSWER, OPTS and OW. The process used to identify the addressees was the same as described in the Profile section of this report. We received 412 responses for a return rate of 51.2%. 392 of those responses, or 48.7% of the surveys sent, were used for the purpose of this analysis. Demographic results were compared with the profile data presented previously. The similarity of results indicates that the responses should be considered a valid sampling.

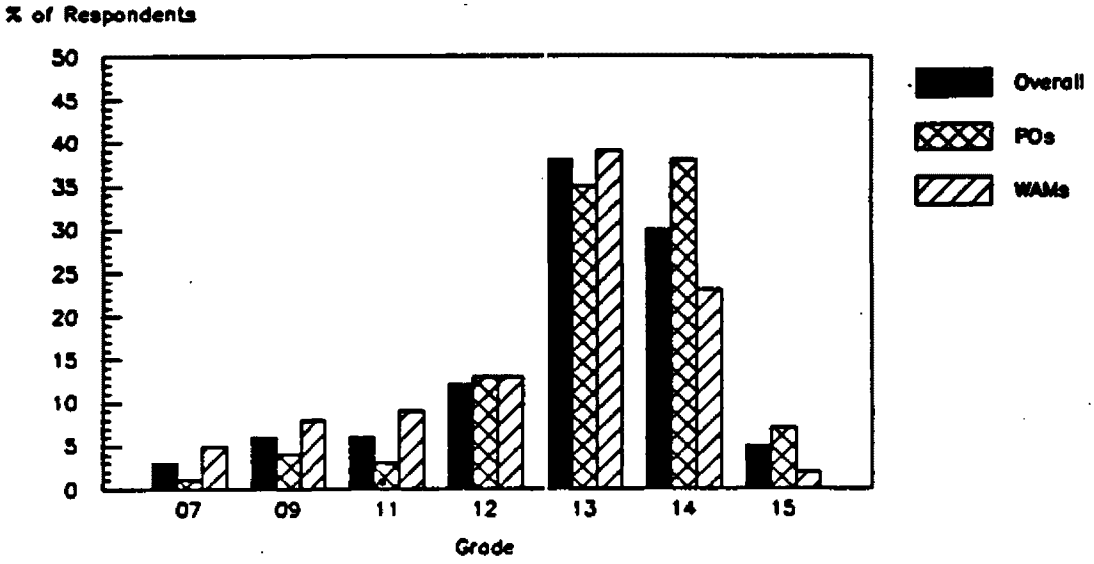
The survey instrument consisted of 54 multiple choice questions and space for additional comment. The topics covered included demographics, training, performance evaluation, size of contracts monitored, supervisory support and relations with PCMD. A copy of the survey with overall tabulated results is provided in Appendix A.

Analysis of the results was conducted using several factors to differentiate the data. Data were tabulated by job (POs and WAMs), by office, by job and office (OSWER POs, OPTS WAMs etc.), and by size of contract administered. The pages that follow are graphic representations of some of the more important results of the survey. One question asked for specific areas where respondents desired more training; the results of that question are included in Appendix B.

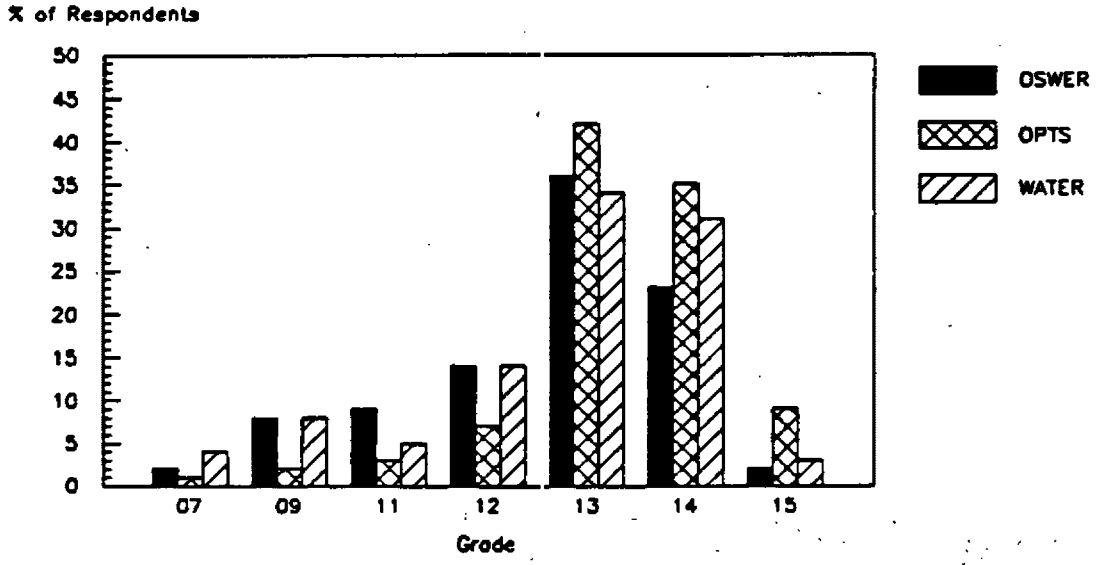
The fact that we received such a good response to a survey distributed by unsolicited mailing, with no follow-up to encourage response, indicates to us that POs and WAMs are concerned about the way EPA manages its contracts. The Task Force would like to thank those who took the time to fill out the survey and thereby assisted us in this effort.

GRADE LEVEL OF RESPONDENTS ...

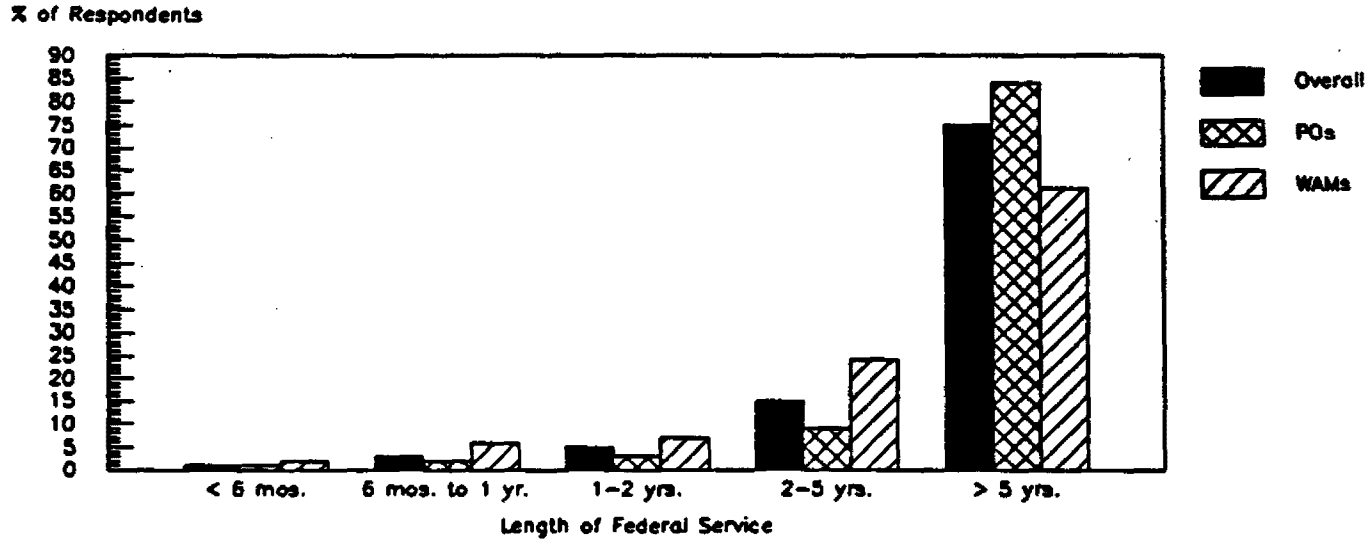
BY JOB...

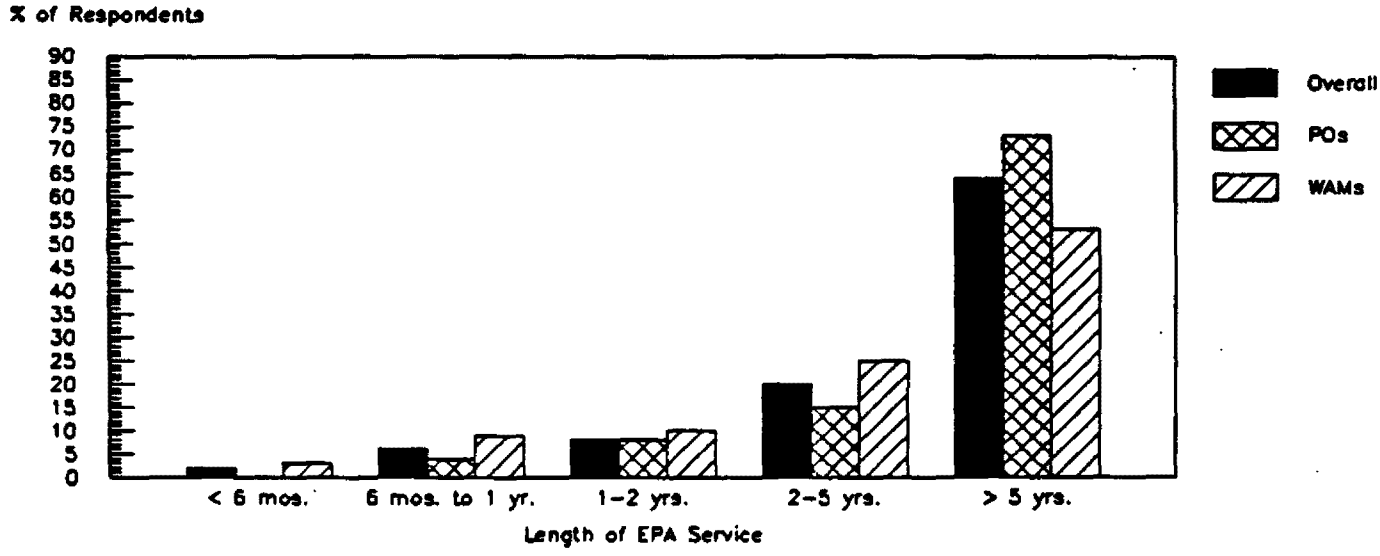


BY OFFICE...

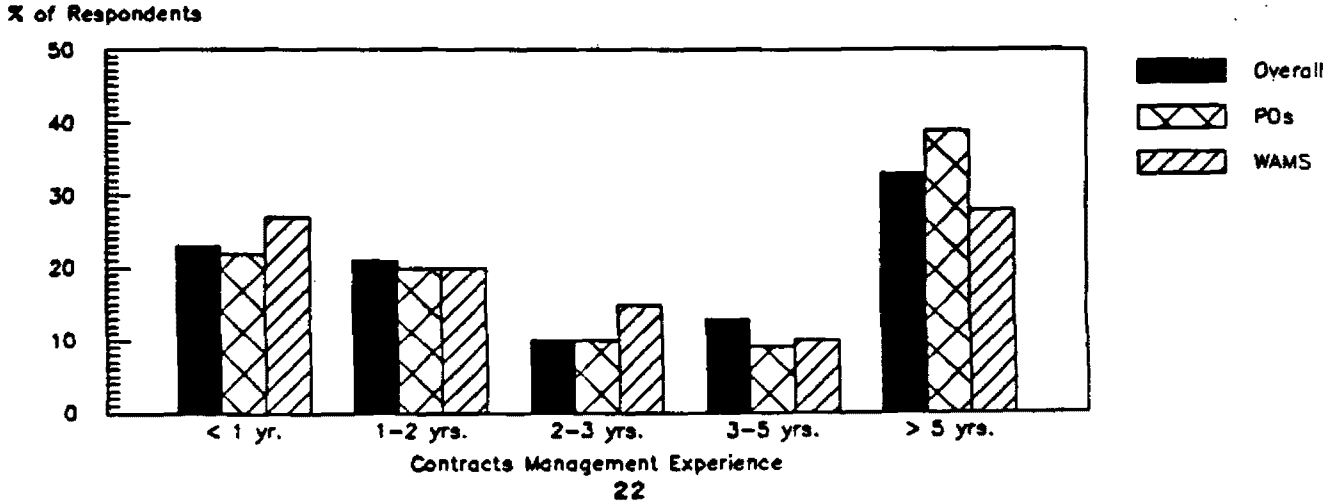


EPA'S CONTRACTS MANAGERS ARE EXPERIENCED . . .



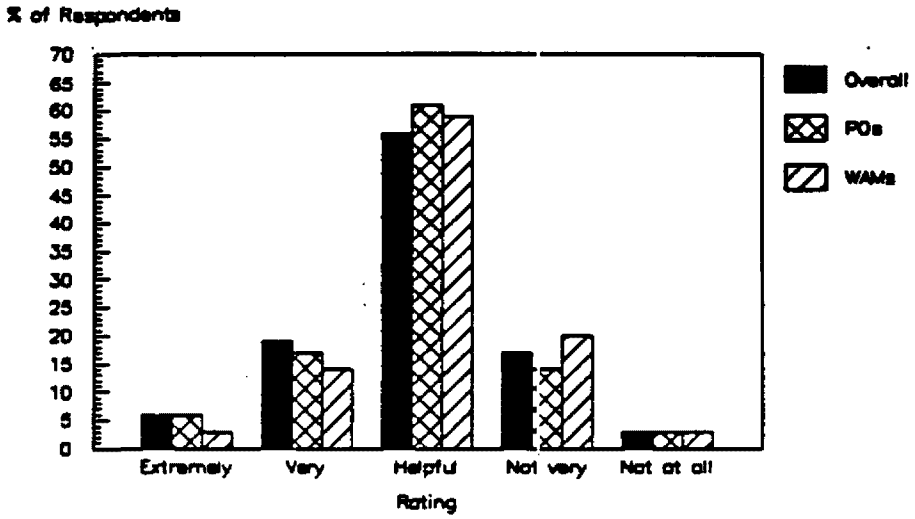


. . . MOST HAVE OVER 2 YEARS CM EXPERIENCE

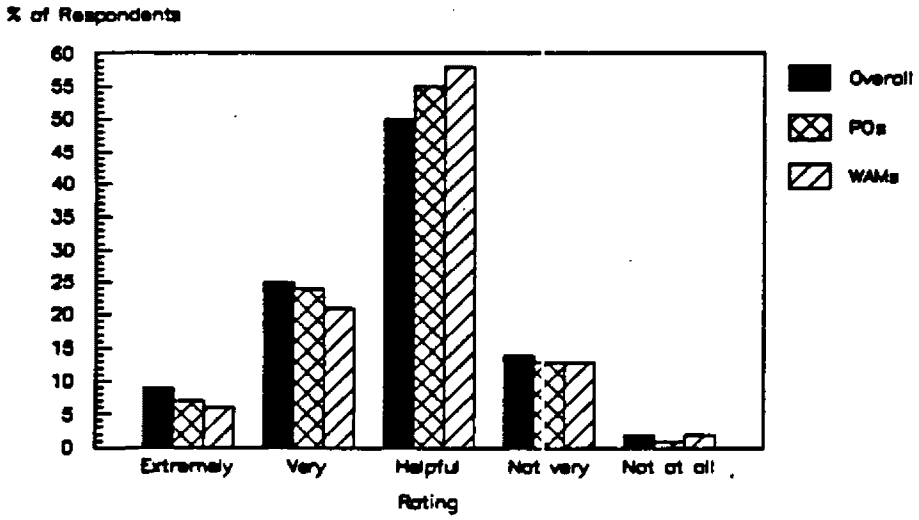


TRAINING COURSES RATED HELPFUL

BASIC PROJECT OFFICER COURSE

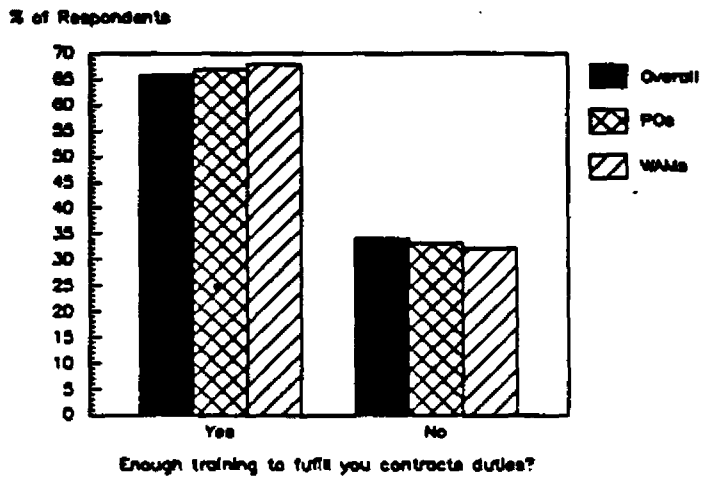


CONTRACT ADMINISTRATION COURSE

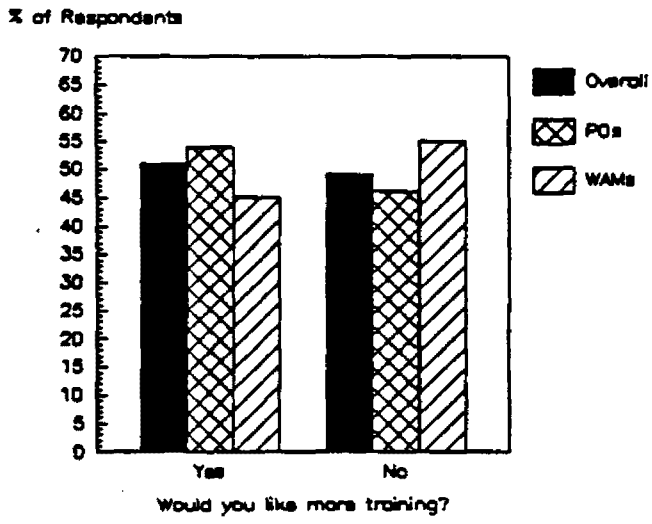


MOST FELT THEIR TRAINING WAS ADEQUATE

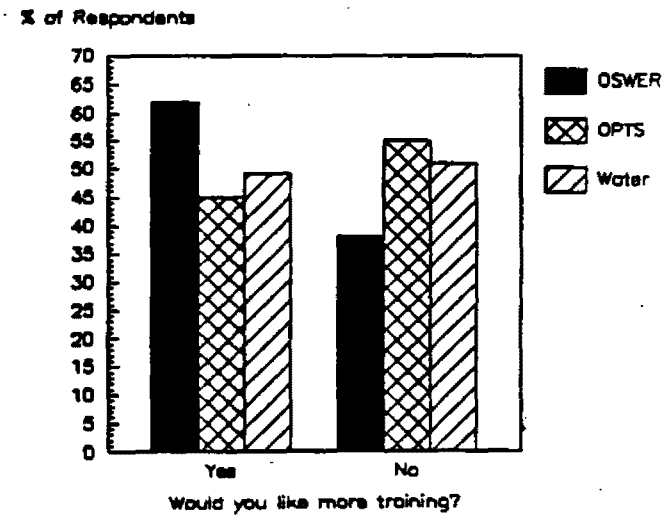
MANY WOULD LIKE MORE...



ESPECIALLY POs...

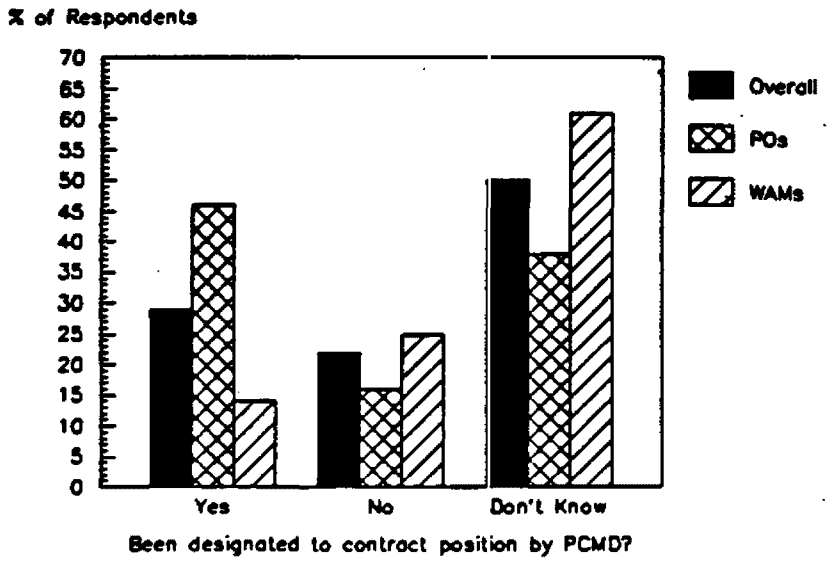


AND OSWER.

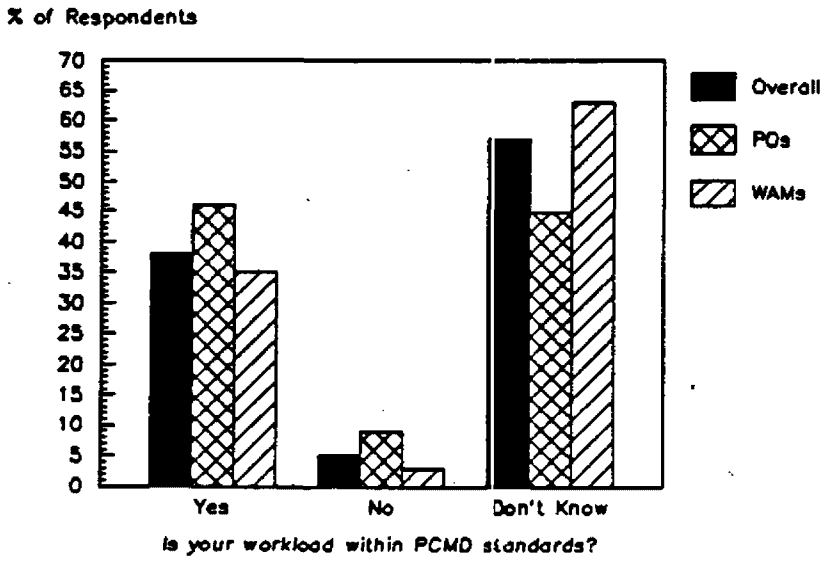


MOST DIDN'T KNOW IF...

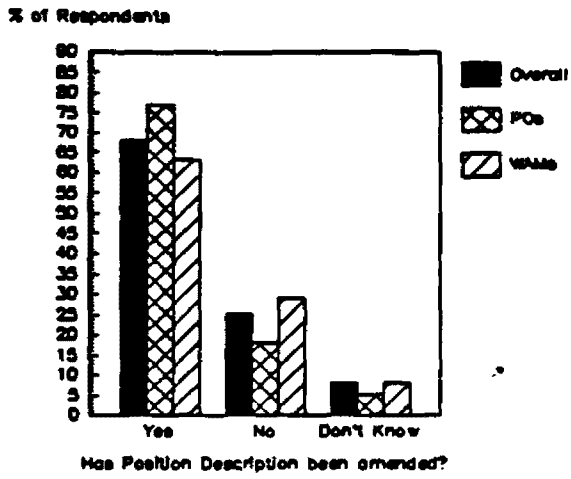
THEY HAD BEEN DESIGNATED...

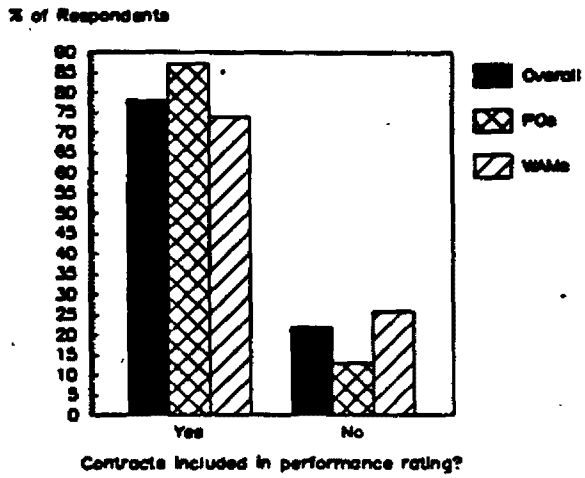


OR IF THEIR WORKLOAD WAS WITHIN THE STANDARDS

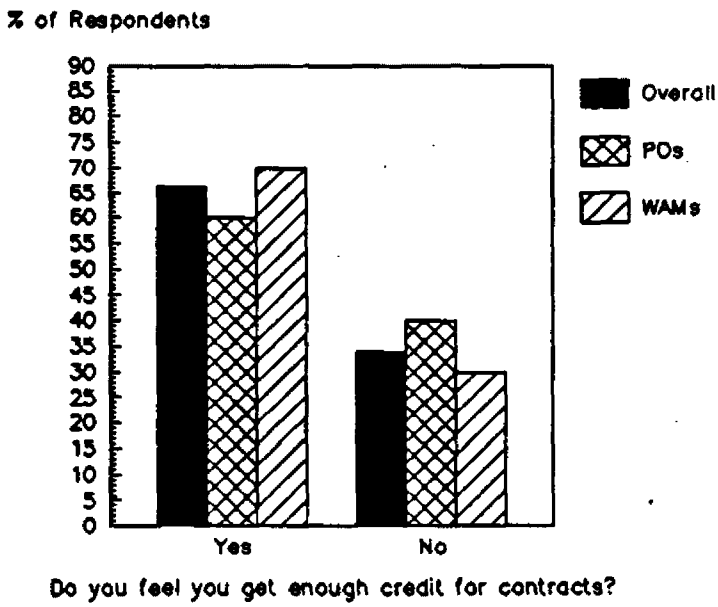


MOST HAVE CONTRACTS MANAGEMENT IN PDs AND PMS ...

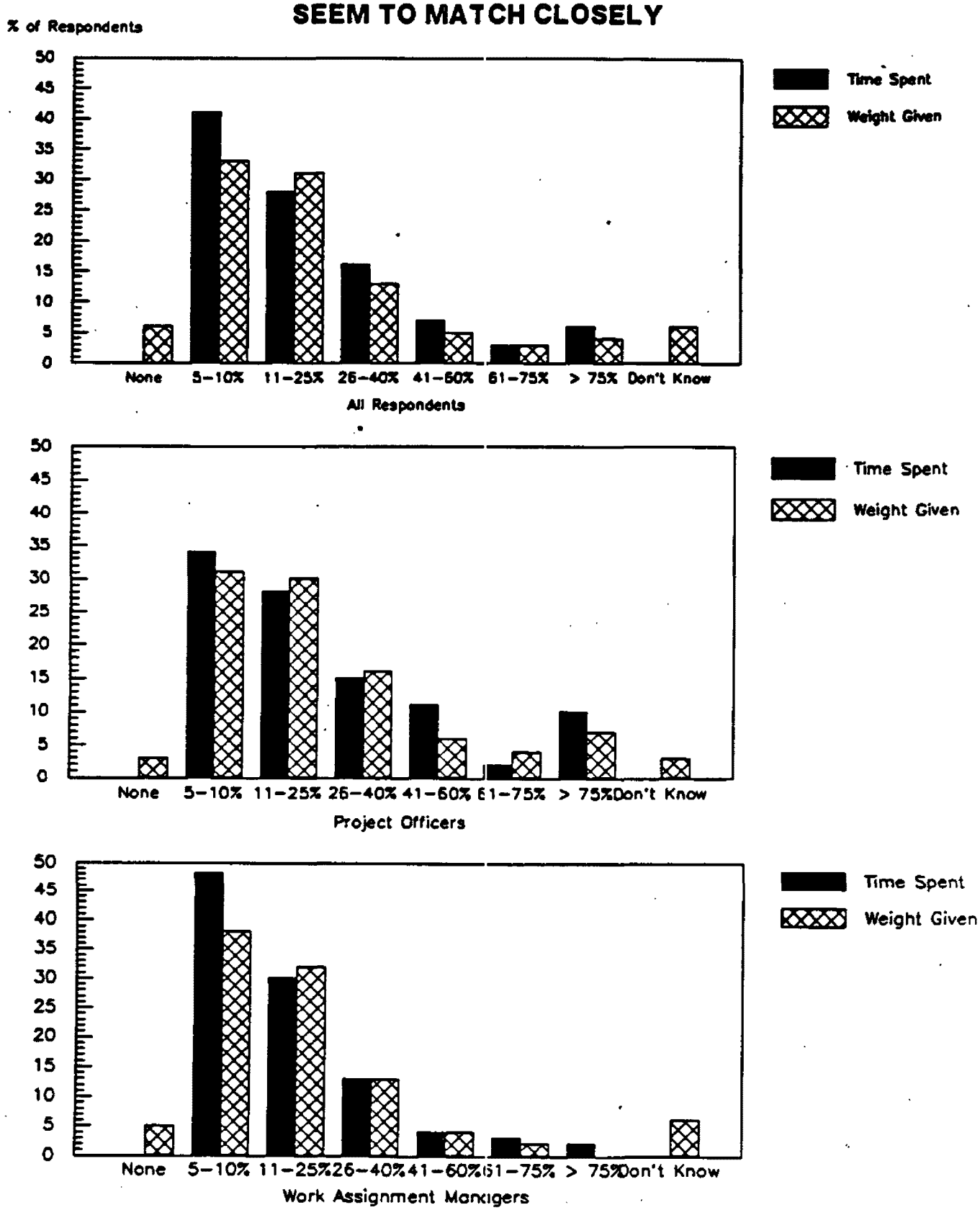




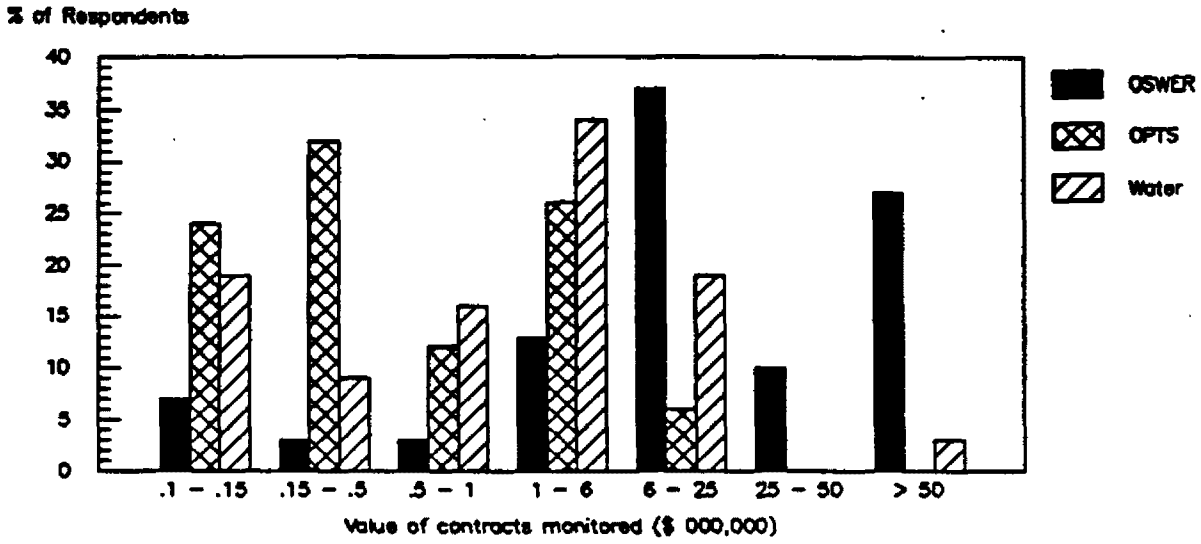
BUT 30-40% FEEL THEY DON'T RECEIVE ENOUGH CREDIT



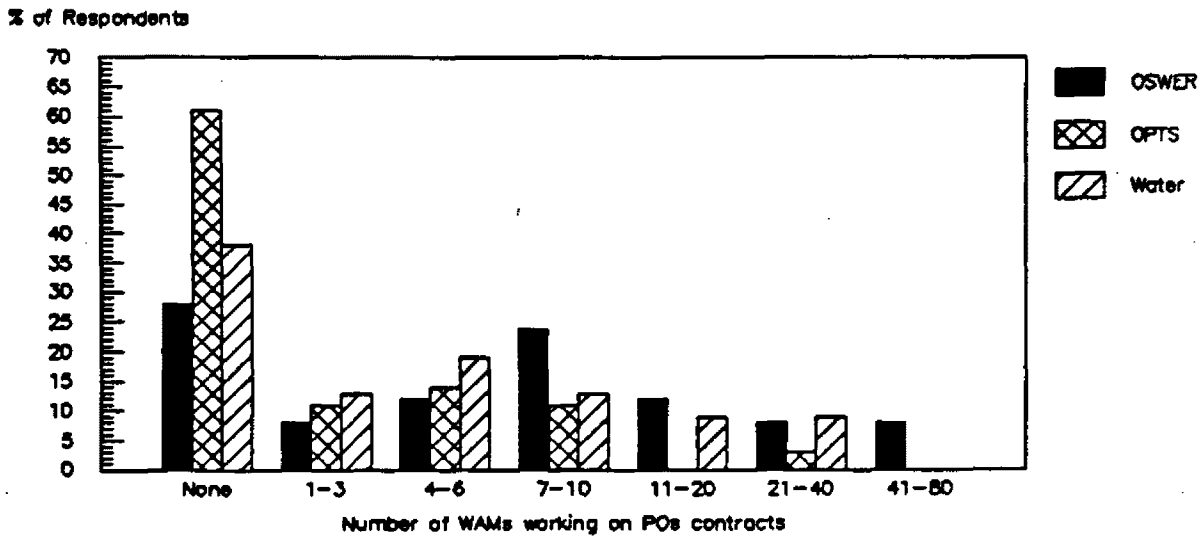
TIME SPENT AND WEIGHT GIVEN IN PERFORMANCE EVALUATION SEEM TO MATCH CLOSELY



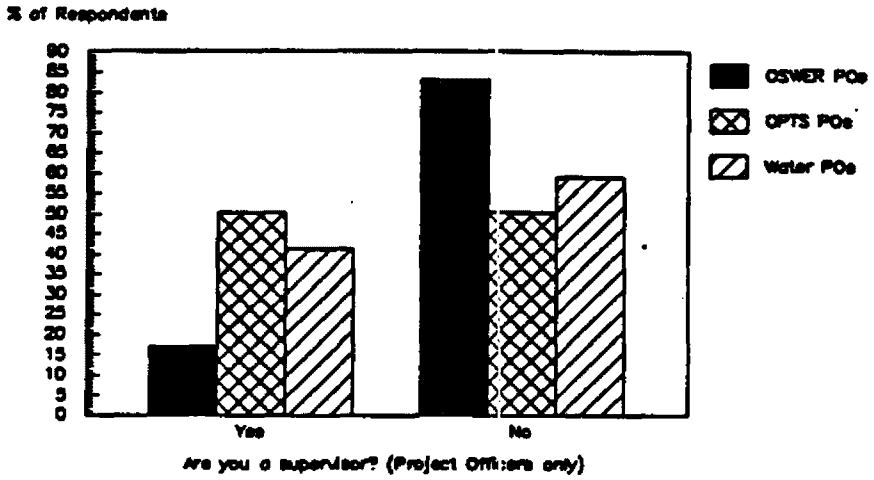
OSWER POs MONITOR THE LARGEST CONTRACTS...



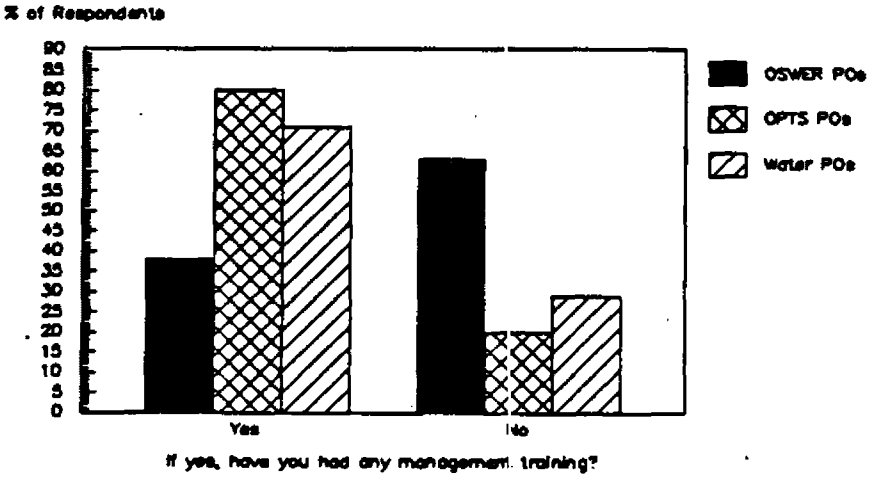
AND OVERSEE THE MOST WAMs.



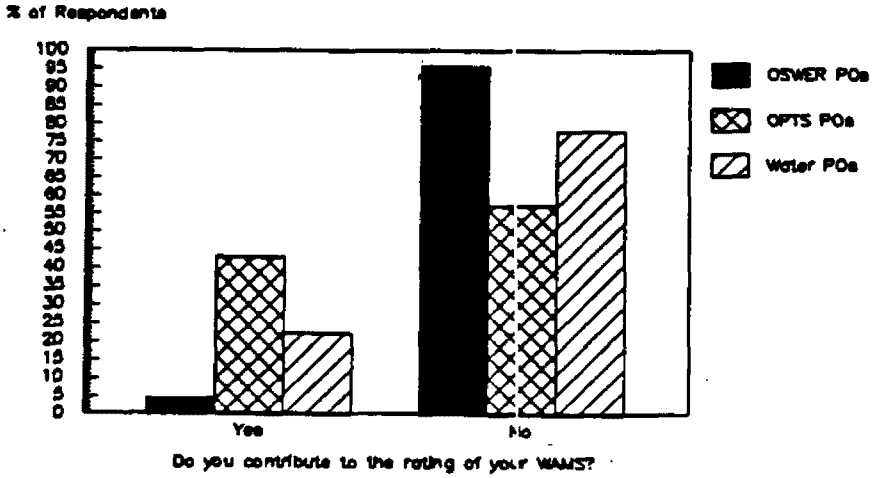
FEW POs IN OSWER ARE SUPERVISORS...



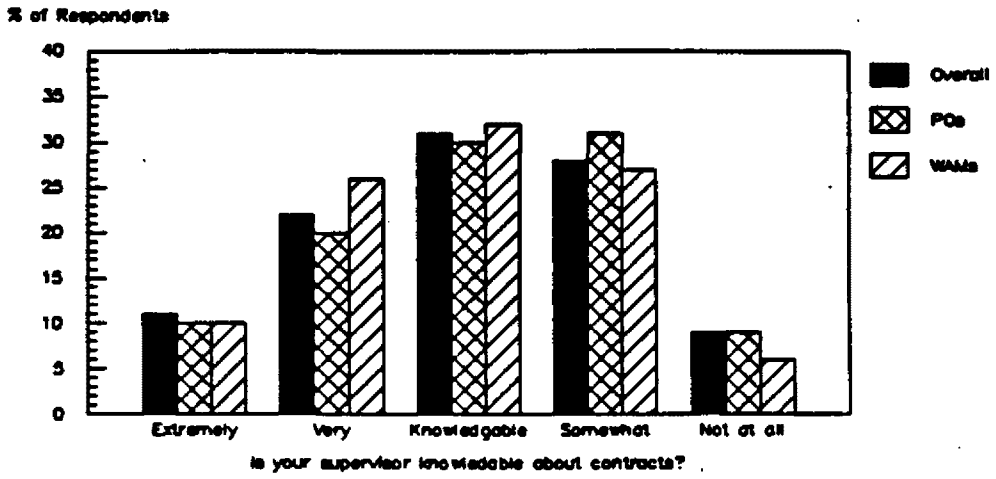
...THE ONES THAT ARE HAVE NOT HAD SUPERVISORY TRAINING...



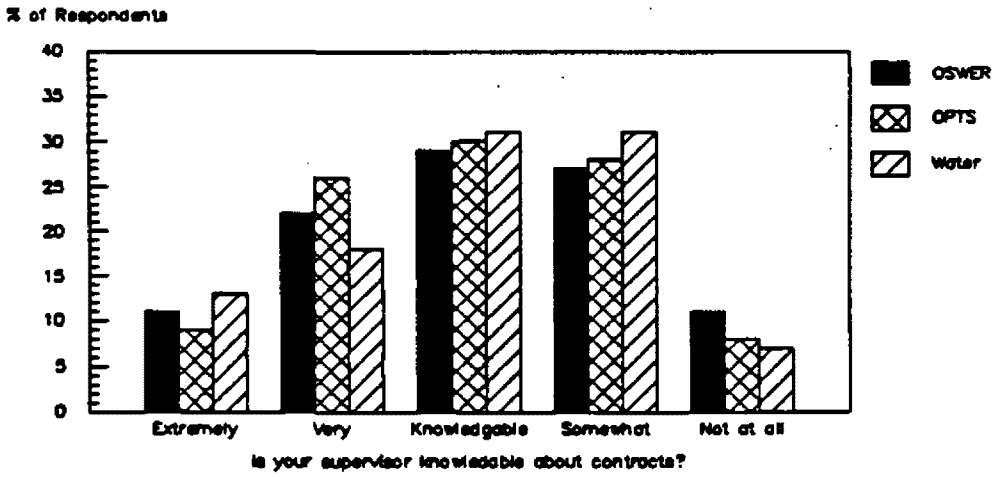
...AND THEY DO NOT CONTRIBUTE TO THE RATING OF THEIR WAMs.



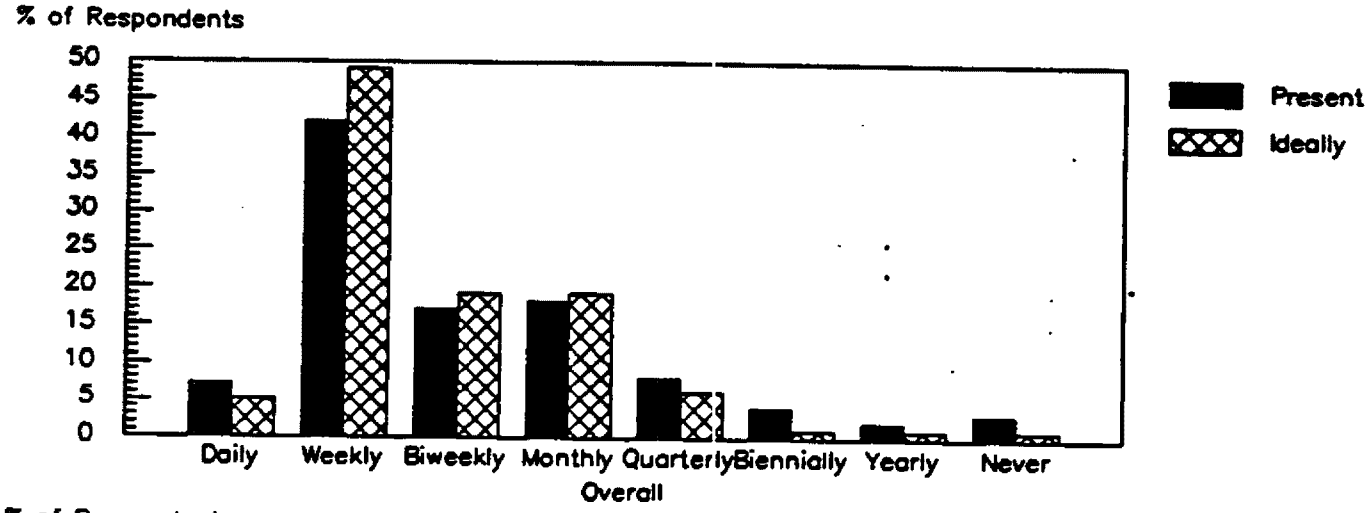
ABOUT 40% FEEL THEIR SUPERVISORS ARE SOMEWHAT TO NOT AT ALL KNOWLEDGABLE ABOUT CONTRACTS MANAGEMENT...

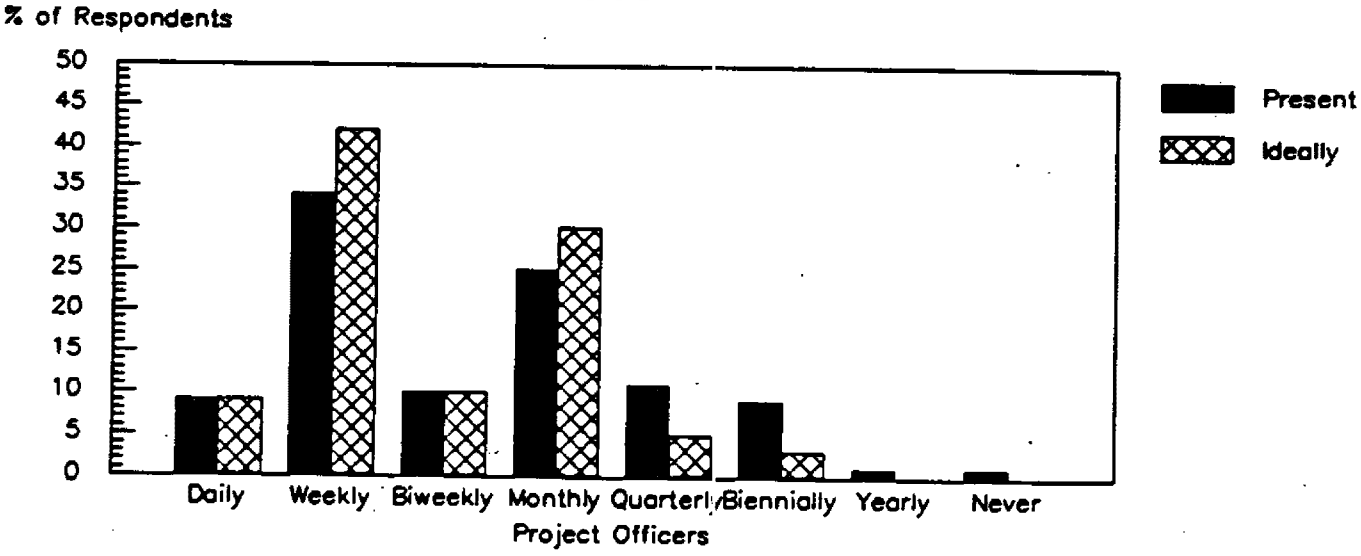


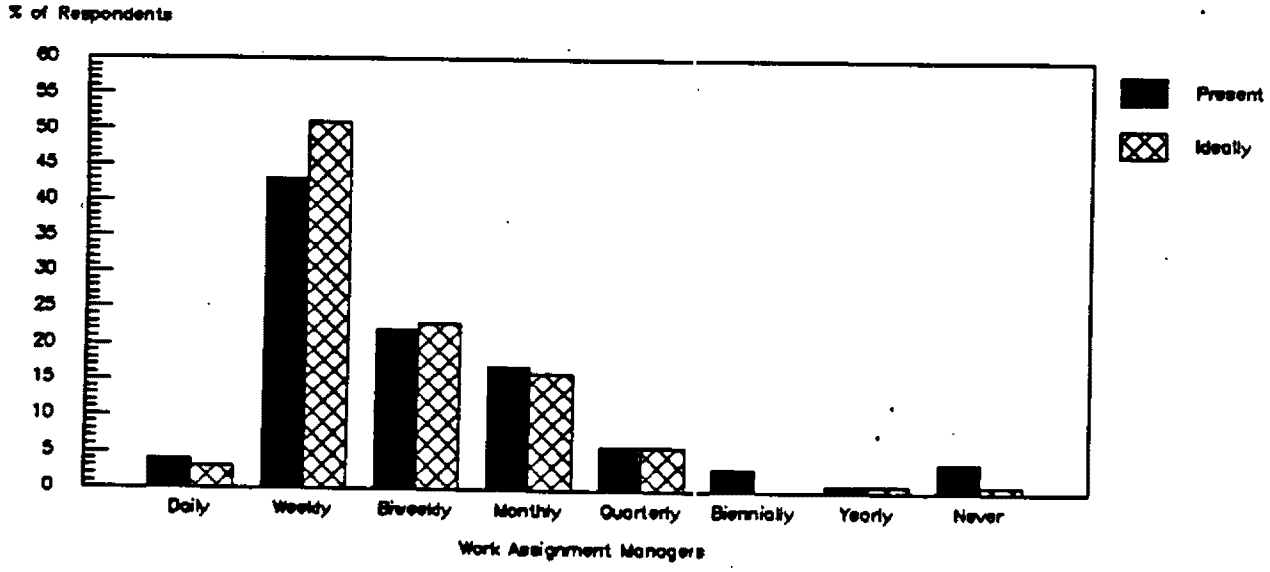
AND THIS IS CONSISTENT ACROSS OFFICES.



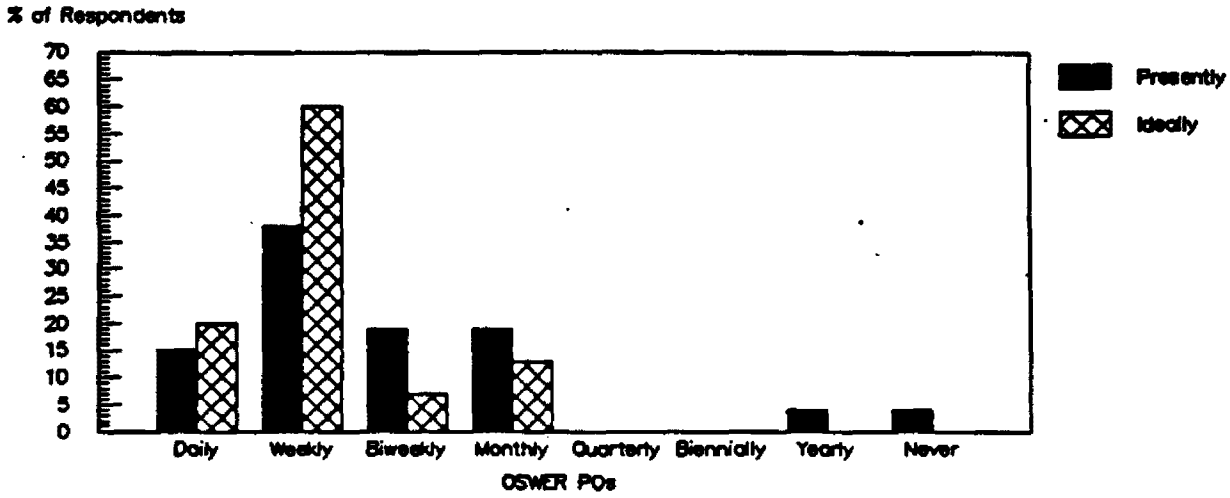
MOST ARE SATISFIED WITH HOW OFTEN THEY DISCUSS CONTRACTS MANAGEMENT WITH THEIR SUPERVISORS

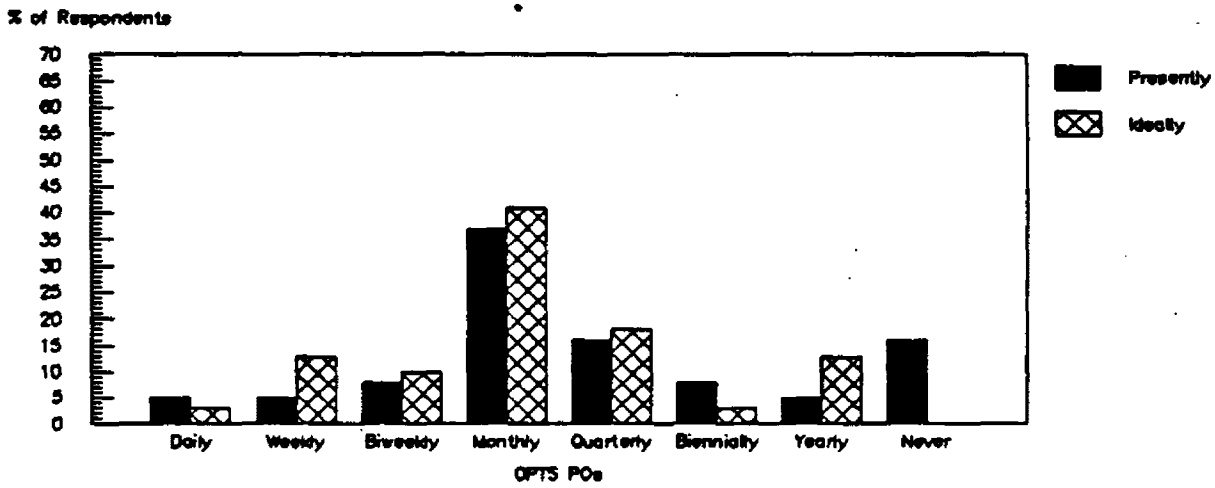


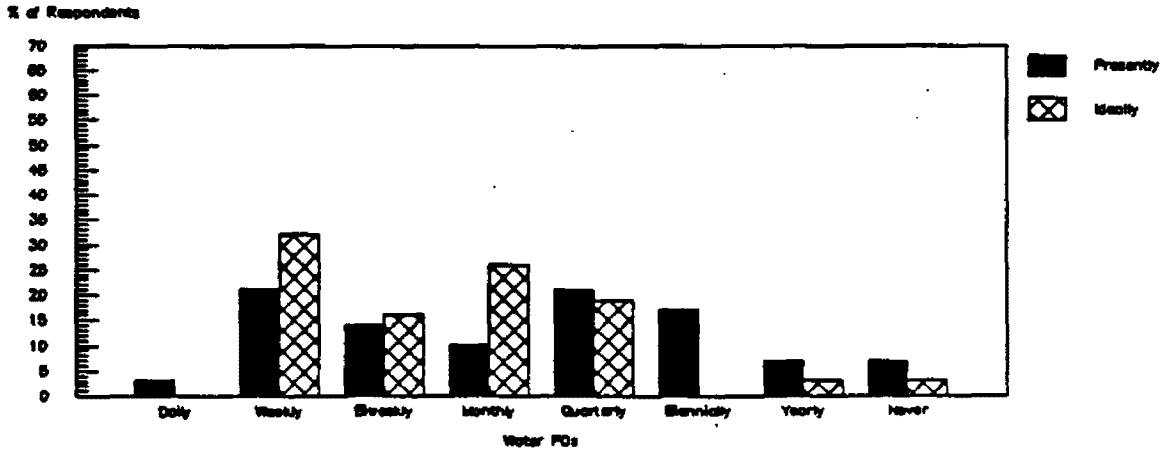




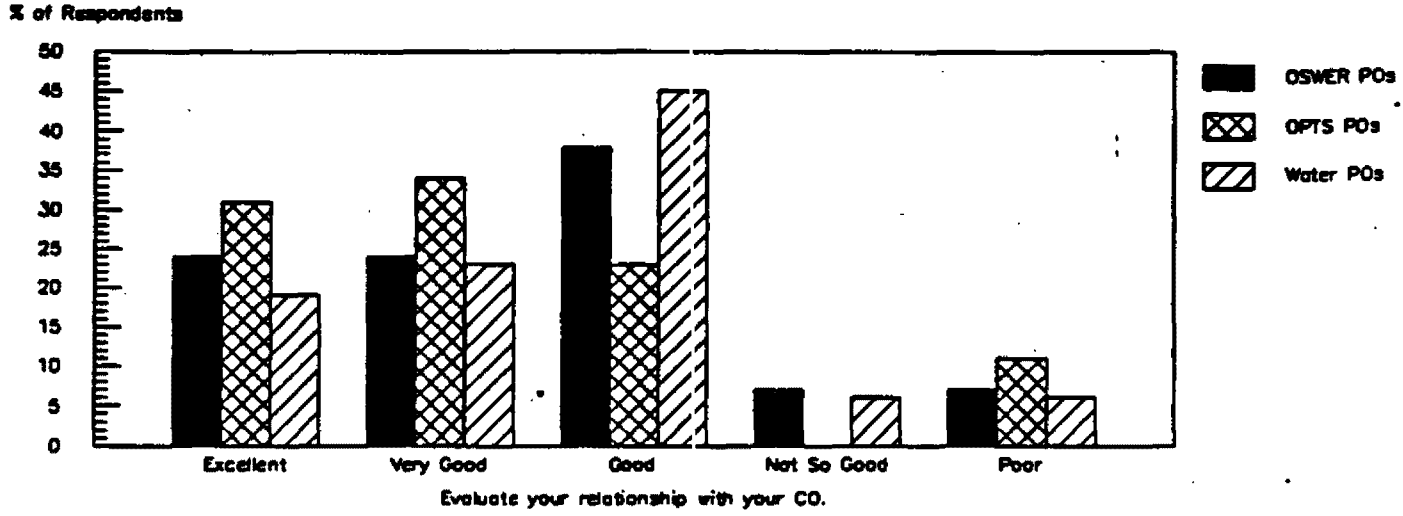
MOST WOULD LIKE TO TALK TO THEIR COs MORE OFTEN... BUT HOW OFTEN VARIES WIDELY AMONG OFFICES.



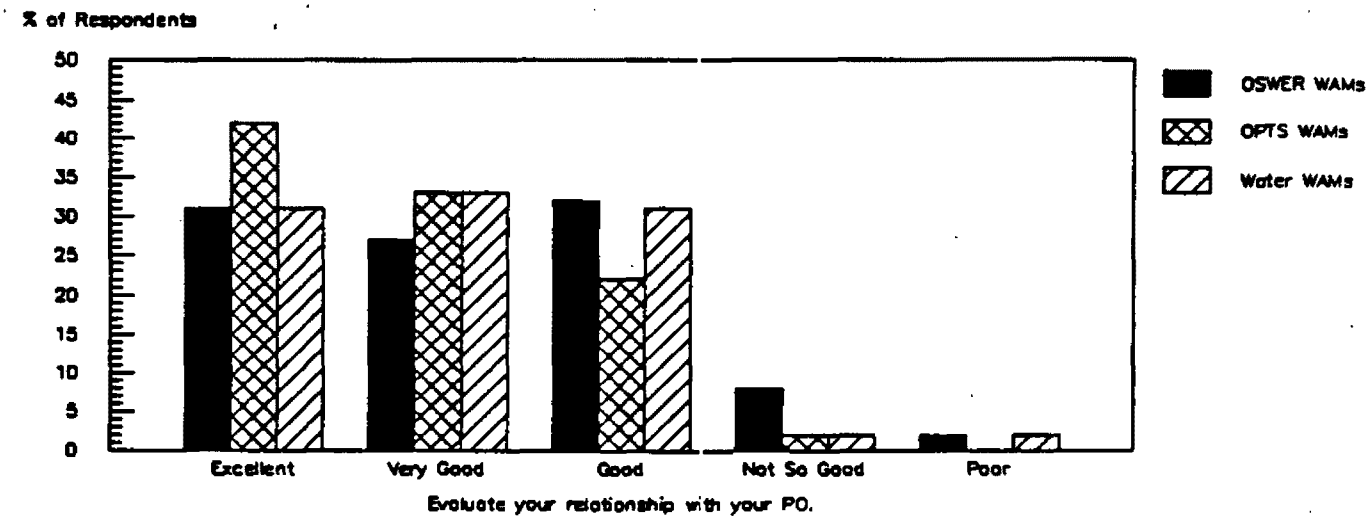




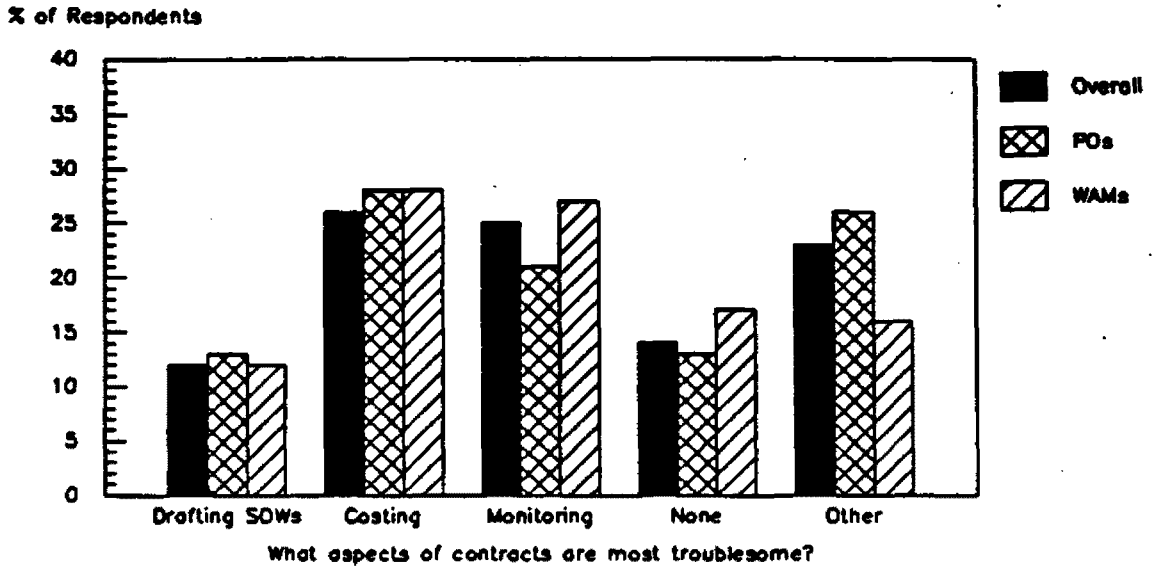
POs GIVE THEIR COs GOOD MARKS...

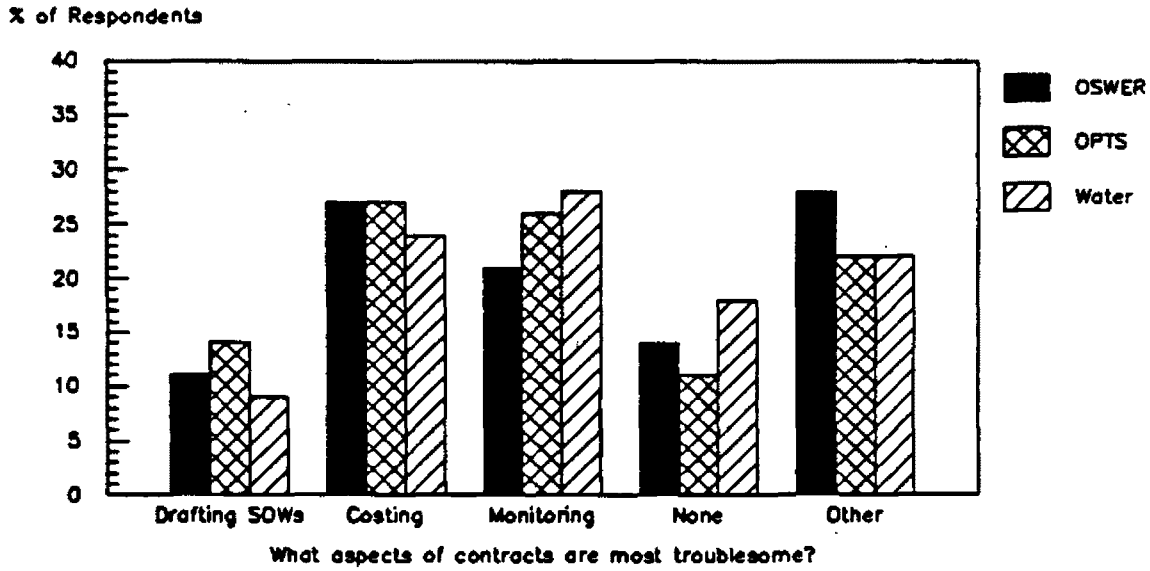


...AND WAMs DO THE SAME FOR THEIR POs.



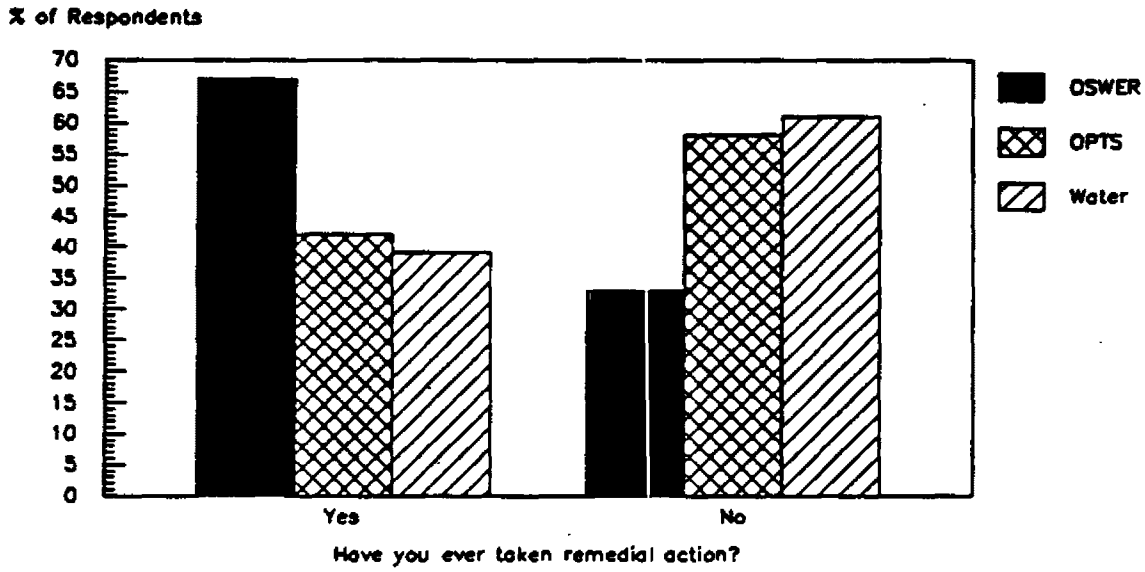
COST ESTIMATES AND MONITORING CONTRACTOR WORK ARE THE MOST TROUBLESOME TO POs/WAMS.*





*For areas specified by those answering "other", see Appendix B.

POs/WAMs IN OSWER HAVE TAKEN REMEDIAL ACTION AGAINST CONTRACTORS MOST OFTEN.



Senior Manager Interviews

In an attempt to get a view of the overall environment of the contracts manager, the Task Force decided to interview senior managers in the selected media - OSWER, OPTS and OW. Deputy Assistant Administrators, Office Directors and Division Directors comprised the targeted audience. A total of 65 managers (3 DAAs, 12 Office Directors, 50 Division Directors) were interviewed over a period of six weeks by three teams of Task Force members. The team approach was chosen to assure maximum exposure for Task Force members and to get as many perspectives as possible to the answers given. To assure consistency throughout the interview process, an interview guideline was developed (see Appendix C) and all team members asked similar questions of senior managers.

The Task Force targeted several areas of interest in its interviewing procedures attempting to determine the way in which senior managers viewed both the contracts management process and the contract managers themselves in their organizations. The contract decision process, the contract manager selection process, the incentive system for contract managers, the support system within Offices and Divisions, as well as the personal involvement of senior managers in the contracts process were all areas of inquiry.

At the outset, we separated media so that we could utilize comparative analysis to determine differences between media offices. While we found some differences from Division to Division, we did not come away with a feeling that those differences were striking. Our interviews led us to believe that in general, Agency managers view contract management in an homogeneous way.

The Findings

The following are the themes and findings that developed from the interviews with senior managers :

✔ ***If it ain't broke, why fix it ?***

Most senior managers felt that the contracting process was working well and expressed the strong opinion that umbrella, Level of Effort (LOE) contracts (i.e. contracts where person hours rather than specific products are procured) are well suited to the unpredictability of EPA programmatic requirements and should not be curtailed in any way. In addition, all expressed frustration with the Federal government procurement process, especially with the time that it takes to award a competitive procurement. Reaction might change if Federal procurement policy was to be significantly steamlined; but for now, managers view LOE contracts as the best way to go.

✔ ***We're not sure what we've got, but it's sure good to have the extra staff .***

Most managers had only passing knowledge of the actual extent of contracting in their organizations although after some probing, it was found that extramural budgets usually matched or exceeded intramural budgets. While the interviewees could discuss in detail their own employees and their activities, most could not when it came to their contractors. Many managers viewed contractor employees as supplemental staff members whose presence compensated for a lack of funding for in-house staff.

✔ ***Past practice leads to future decisions or we need experts.***

The three major reasons given to the Task Force for contracting out in-house EPA functions were : 1) lack of FTE, 2) lack of specific expertise, and 3) historical precedent (i.e. the function has always been contracted out in the past).With regard to the lack of in-house specialized expertise, many managers expressed the fear that the Agency was over leveraged to the point where in-house employees could not adequately evaluate contractor end products and

deliverables. Interviewees also related that they had given up on the idea of asking for more FTE, even though it was generally believed that some missions could be accomplished more efficiently in house.

✔ ***The farther away, the better I feel.***

Most senior managers said they did not involve themselves personally in the contracts process and that contracts management was delegated to the Branch or Section level. The exception to this rule came if there was a major contractor problem, in which case senior managers did get involved. In those cases where the Division Director was actively and personally involved, the contracts managers were more motivated to take the process seriously.

✔ ***We're interested in the product, not the process.***

Contract managers (POs, WAMs etc.) were overwhelmingly chosen due to their programmatic responsibilities or technical expertise rather than any contracts management experience. While most senior managers felt that having experienced contracts managers was a plus, few addressed this skill/knowledge when selecting people to do this function. Because contractors are viewed as such an essential part of completing projects, contract management duties are assigned as part of an employee's overall job function and are not viewed as a special distinct area. The role of the contractor in EPA has become so much a part of the fabric that managing these contracts is viewed as "other duties as assigned."

✔ ***We rate on program performance, not procedure.***

Most managers did not know if the performance agreements of their contracts managers had been amended in-line with PCMD guidelines but felt that managing contracts could be viewed as part of the overall Federal Managers Financial Integrity Act (FMFIA) standard that was incorporated in all performance agreements. Senior managers gave little direct weight to contracts management when rating employees but felt that because contractors played such an integral role in accomplishing program missions that contracts managers were rated indirectly for their contracts work when they were rated for

their program performance. They also stated that there were already so many mandatory sections in performance standards that very little weight could be given to a separate contracts management standard.

✔ ***It's really just part of the job.***

Most senior managers viewed contracts management as a collateral duty that should take up no more than ten percent of an employee's time. There was little understanding of the time it can/should take a contracts manager to do an effective job. Little recognition was given to the function itself; it generally was not viewed as special because contractor work was so much a part of the day-to-day efforts of the programs.

✔ ***Training is a great idea but make it useful .***

Unanimous support was voiced for training of contracts managers but many felt that the substance of the existing courses should be redirected and also that the duration of the courses was too lengthy. Many felt that the coursework should be more nuts and bolts oriented and less theoretical; more emphasis should also be placed on the post-award process than the pre-award process. Managers expressed support for training that was more directed to the type of work that contractors at EPA do (i.e. don't teach how to buy pencils and paper when we're actually buying hours). Types of training suggested included: accounting, cost estimating, developing clear and precise work assignment write-ups, and the general principles of managing contractors on a day-to-day basis.

✔ ***We need more Agency training resources .***

Senior managers also voiced the concern that it was difficult to get their people trained because there were so few available courses and course offerings. Along this same line, concerns were also voiced about the timeliness of training notifications; it frequently takes a very long time to find out who is being accepted into the course and this makes planning very difficult . Managers were also uneasy about the practice of waiving training for certification due to

insufficient course offerings. Although sometimes a necessary evil, they feel it is a vulnerability.

✔ ***Central management no, central coordination yes !***

Managers did not feel that central organizational structures devoted to contracts management (whether at the DAA, Office or Division Director level) were as important to achieving effective contracts management as central coordination of contracting activities. Several managers said they could not get along without their "extramural coordinators" who coordinate contracting budgets, act as a go-between with PCMD and the programs, and provide technical assistance and direction to project officers and work assignment managers,.

✔ ***Tracking down the numbers is helpful and can be crucial.***

Very few standardized, automated tracking/project management systems exist in the Agency, although many individual project officers and work assignment managers have developed their own systems on their own PCs. Senior managers were most concerned with budgetary tracking since many problems arise when contractors run out of funds prior to the end of the fiscal year. Standard systems would be helpful for accountability.

The Focus Groups

To get the largest segment of opinion possible from the target population, EPA's contracts managers, the Task Force decided to hold focus group sessions rather than attempt individual interviews. Nine sessions were held with a representative sample of contracts managers: work assignment managers and project officers from the three target media. Two sessions were also held with contracting officers and management officials from PCMD; and one session was held with RTP contracting and financial management officials. A total of approximately 175 contracts managers participated in the focus groups. All sessions were staffed by a trained facilitator, a recorder and an observer.

All focus group participants were lead through a process called "1-3-6." The 1-3-6 process consists of having individuals write out their thoughts on paper and then band together into larger groups and report out the consolidated ideas on subjects discussed. The three questions asked were: 1) What's working for you in the contracts management process? , 2) What's not working ? and 3) What are your recommendations for improvements?

The following pages represent a compilation of the outcome of the focus group sessions. These are not all the raw data but they represent themes that were repeated over and over from the sessions. It should be noted that the comments received from PCMD were very similar to those received from the program contracts managers.

What's Working ?

• PCMD's initiative to sponsor project officer and contracts administration training is positive.

• Clear communications usually take place between contracting officers and contracts managers.

• Relationship between project officers and work assignment managers is very good.

• Overall, the Agency exhibits a great deal of integrity in its contracting.

• Contractor deliverables are being reviewed and inspected.

• The contracts divisions in Headquarters, RTP and Cincinnati are viewed as generally supportive of the programs.

• Many project officers bring concerns to contract officers before they become problems.

• There is strong management emphasis on contracts management in some organizations.

• Work assignments are approved quickly by contracting officers.

• Award fee contracts lead to more quality assurance.

• The flexibility presently afforded in many contract vehicles (i.e. level of effort contracts) is viewed as meeting the environmental mission of the program offices.

What's Not Working ?

- Senior agency managers do not emphasize contract management to the degree they should.

- Current training is too theoretical, needs to cover real-world activities.

- Poorly drafted statements of work lead to problems for contracts managers.

- Little incentive exists in the Agency for good contracts management work.

- Contracts management tends to be dumped on poor performers.

- Performance standards for contracts management vary from division to division.

- Management skills (i.e. people skills, administrative abilities) are not emphasized enough in the selection of contracts managers.

- Often, progress reports don't accompany invoices.

- Follow-up training is not provided to project officers and work assignment managers.

- In many cases, contracts management is not currently included in job announcements where it is part of the job function.

- Agency managers and supervisors are generally not well schooled in contracting procedures.

• The project officer manual is too technical, not up-to-date and not indexed.

• No standard PC based software exists for contracts managers to use for project tracking and budgeting.

• No Agency forums exist for cross fertilization of ideas among contracts managers .

• Too many poor performing contractors receive awards repeatedly.

• WAMs/POs need assistance in estimating the costs associated with their work assignments.

• WAMs who lack necessary technical knowledge cannot evaluate contractor products.

• Invoices are often "rubber stamped."

• There is on-going pressure from senior managers to bend the Federal procurement rules.

• The EPA accounting system is overly burdensome due to the use of many account numbers.

• In some cases we have unqualified contractors working for inexperienced WAMs.

• Geographic distances between HQ, RTP and Cincinnati can be a problem.

• POs find it difficult to approve invoices in 5 calendar days; causes pressure to approve without checking.

• Difficult to evaluate experience levels of contractor personnel.

• Often, little differentiation exists between contractor employees and EPA staff.

• POs are often not suited to the job; didn't come to EPA to become contracts administrators.

• Many vendors are allowed to overrun work assignment hours.

• Work assignments need to be tightened with regard to tasking assignments, labor hour requirements etc.

• There is no central database of work assignments.

• WAMs/POs feel uncomfortable enforcing contract provisions due to lack of knowledge and management support.

Suggested Improvements

• Require training on a regular basis, i.e. refresher courses.

• Change more contract vehicles to fixed price, as "level of efforts" are too difficult to manage.

• Improve procurement planning process in the program offices so statements of work are better written.

• Develop and circulate PC based generic software for contracts managers.

• Emphasize and strengthen the roles of POs and WAMs in the program offices.

• Include project tracking, cost estimation, managing contractors, negotiating with contractor etc. in the training courses.

• Institutionalize contracts management by evaluating POs and WAMs on their management skills, not just their program mission responsibilities. Also evaluate supervisors re: same.

• Establish mentoring programs for POs and WAMs.

• Establish a standing Task Force of PCMD and contracts managers to simplify the procurement process.

• Redo the contracts manual bringing it up-to-date and indexing it.

• Simplify the accounting process.

• Establish a quarterly PCMD newsletter geared toward discussion of timely contracts management issues.

• Reduce procurement lead times.

• Create a vendor performance database and a database of work assignments.

• If possible, hire more qualified EPA personnel rather than just increasing contract dollars.

• Set up face-to-face meetings between contracts managers, contractors and contracting officers.

• Give rewards for excellence in contracts management.

• Develop a career track for POs.

Findings & Recommendations

General

☆ ***The state of contracts management in the program offices is generally adequate, but should be strengthened.***

On the one hand, the majority of managers we interviewed seem satisfied with the contracting process and the products they receive from contractors. Project Officers and Work Assignment Managers are highly graded and experienced, with over 70% having 5 or more years of Federal service. There is a general consensus that the Agency has come a long way since the Dingell report of 1985. Finally, there were no indications from managers, POs or WAMs of widespread waste, fraud, or abuse. However, many at all levels expressed concern that the extent of contracting made the Agency vulnerable to a loss of expertise; managers at the mid to senior level were generally not involved at all with contracts management; and some fear that an overdependency on contractors could open up opportunities for collusion, contracting for personal services and directed subcontracting.

☆ ***EPA is highly leveraged; contracts management is inseparable from the successful completion of our mission.***

At least one-half of the Agency's professional and administrative staff is involved in some way with contracts management. Most managers we interviewed indicated that at least half their budget is extramural. In many ways, the Agency has not recognized that its employees are often essentially contract managers, and that administrative and management skills are needed to operate in this environment in addition to requisite scientific competencies.

☆ ***The move in the late 70's to level of effort and cost plus contracting shifted the responsibility for contracts management to the program offices.***

While managers generally like the flexibility of these contract vehicles, some recognize the inherent difficulties in managing them. Additionally, these types of contracts have changed the role of the Project Officer from project manager to administrative business manager, and made the Work Assignment Managers the true technical representatives. Again, the Agency has been slow to recognize that different skills are needed to fulfill these changing roles.

☆ ***The proportion of contracting will increase without a similar increase in FTE.***

When asked why they contract out, nearly every manager we interviewed said it was because they get more work, more money, but no more FTE. In a real sense, EPA decides to contract out by momentum and historical precedent; managers do not even think of asking for FTE. Rather than planning for procurements, many offices contract out a function because it has always been contracted out. Cost efficiency and productivity are rarely considered, though many suspect that at times they would get better, less expensive work using in-house resources if they were available. All study participants saw this trend continuing into the future.

Management Awareness

Findings

☆ ***The degree of management interest, knowledge, and support of good contracts management varies widely, but generally is not high.***

While there are important exceptions, notably in OSWER, few managers we interviewed, especially from the division level up, had any personal involvement with the contracts process. A definite output orientation exists among EPA managers with little interest shown for management processes. Managers indicated that they only get involved in the contracts process when there are problems. Many managers we interviewed viewed contractors almost as extensions of their staff. This attitude seems to largely be a result of the way EPA decides to contract out a function; to make up for FTE shortages rather than to obtain a product more efficiently

☆ ***The Agency does not recognize the resources required for contracts management in its budget and planning processes.***

Most managers did not feel that the Agency's budget and planning processes put enough priority on providing adequate contracts management resources in the program offices. As a result, these resources were often hidden and underfunded. Many managers felt that they stood a greater chance of receiving additional resources by tying their needs to programmatic and legislative mandates, rather than administrative requirements.

☆ ***There is a general perception among POs and WAMs of insufficient management support.***

Where interest and support is at a high level, it makes a perceptible difference to the way POs and WAMs view their jobs. An understanding and willingness on higher management's part to recognize the restraints imposed by regulations and by sound contracts management practice is lacking in most organizations.

☆ ***Nearly all POs, most WAMs, but few managers have stand-alone contracts management elements in their performance agreements.***

Most managers from the branch level up have generic resources management and FMFIA standards that include contracts management and were generally weighted at 10-15%. Few have stand-alone standards. While most POs are evaluated on their contract work, a significant number felt they do not receive enough credit for it. WAMs seemed to be generally pleased with the degree of emphasis given to contracts management in their performance reviews and believe that the product, not the process, is most important in their performance.

Recommendations

☞ ***The Administrator should issue an EPA Order on sound contracts management, make contracts management one of his***

management themes, and require higher management to be personally involved throughout the process.

Sound contracts management is as important to EPA's mission as is better science, risk based management, and technology transfer, and the Agency's management consciousness of this must be raised. So much of the mission that EPA carries out is performed by contractors, that good contracts management is integral to the Agency's mission of protecting the environment. To raise senior management's sensitivity to this issue, we recommend developing a new EPA Order that would define EPA's contracts management policy, set out the roles and responsibilities of various officials in the post award contracting process, outline the key elements which contribute to good contracts management in an organization, and emphasize the Administrator's strong views regarding prohibited contracting practices. A separate letter from the Administrator to the AAs on these topics would also go a long way toward communicating this message.

☞ ***Adherence to sound contracts management should be made a part of SPMS.***

As a means of enhancing accountability, contracts management topics should be added to the agenda for the Deputy Administrator's quarterly SPMS meetings with senior program officials. This would be an effective way of emphasizing the importance of the subject to senior agency managers and also help redress problems as they arise.

☞ ***Senior managers should be required to submit an annual procurement planning and contracts management improvement plan for their organization.***

This plan would encourage managers to plan how they intend to achieve a model contracts management environment in their organizations. It would also become a basis for the SPMS discussions with the Deputy Administrator. A guideline for the plan would be the suggested "model" embodied in this report.

☞ ***The Agency should recognize the resources required to manage contracts in the budget and planning processes, and the administrative skills needed when recruiting its contract managers.***

If managers can ask for and receive resources specifically for contract management, they are more likely to value that function. The Agency can demonstrate its seriousness in promoting sound contract management by getting those resources for its managers. EPA should also make it clear that managerial, as well as technical skills are needed to direct the work of contractors and they should gear their recruitment planning to those skills.

☞ ***Managers should be certified in order to supervise POs and WAMs.***

The one day seminar now offered by the EPA Institute should be required of all new managers and supervisors up to the DAA level. The purpose of the seminar is to sensitize supervisors and managers to the regulations and ethical restraints that they must operate under with regard to contracting, and to help them appreciate the workload, demands and complexities faced by their POs and WAMs. The seminar also teaches them how to talk to their subordinates about contract management and how to instill good management practices in their offices.

☞ ***A standard contract management element should be placed in the performance agreements of any manager whose organization makes use of contracting.***

Specific criteria should be included such as: active involvement by managers from the pre-award and throughout the administration phase of each contract, quality assurance reviews, efficient resource tracking and organization etc. The weight given to the standard should be significant enough to make it important and could vary depending upon the amount of contracting activity in a particular organization.

Career Development of Contracts Managers

Findings

☆ ***The required training is needed and useful, but is in need of redirection.***

POs and WAMs were nearly unanimous in the view that the training courses presently offered were too legalistic and taught from a PCMD point of view rather than a user's point of view. They felt what they needed from the courses was a practical, day-to-day, "how-to" course. As one PO put it, "There were plenty of don'ts, but too few do's."

☆ ***The training courses are not held often enough.***

Managers complained that they could not get their people into the courses fast enough. This leads to the "ghost" PO/WAM phenomenon, where a trained PO or WAM signs off on the papers, but is not actually doing the work. Some managers felt that waivers of the training requirements were too frequent, even though in most cases, managers indicated they were requesting the waivers out of necessity. Frequent waivers raise questions about management's overall commitment to the certification process. Resources are insufficient to train all the people who need training.

☆ ***Specific training is needed for Work Assignment Managers.***

WAMs also complained that the present training courses, which are geared to POs, are largely irrelevant to their day-to-day activities. Many WAMs are dealing with business people (the contractors) for the first time. Because they are the technical experts and the ones responsible for the completion of each task, contracts management becomes a subset of project management for WAMs. They largely recognize this and want to know how to acquire the proper skills. Program offices have begun developing their own training courses for WAMs; OERR has a course in place, and OSW is planning to modify it for their use. While PCMD has provided a contracts administration course, WAMs feel that more hands-on training is necessary.

☆ ***Certification of Project Officers is an important factor in professionalizing their role.***

Certification attesting to special knowledge and abilities was viewed positively by POs and management alike. Most POs would like to see refresher courses offered and a required recertification process put in place.

Recommendations

☞ ***The existing training courses need to be reviewed, and the curriculum redesigned.***

Course redesign should be carried out with all the various players involved (POs, WAMs, PCMD, FMD, OHRM), but led by OHRM because they are the experts in course design and learning technique. Besides the legal, ethical and technical issues, the course(s) should cover people skills, financial issues, project management, and cost estimation. In short, the training must address the skills needed by POs/WAMs in their changed roles. It might also include ideas/checklists for supervisors and POs/WAMs to self-assess whether they're doing a good job. OHRM should pursue ways to use hands-on managers as course instructors and find ways to sponsor frequent training under the EPA Institute. This review and redesign should also include the Project Officer Manual and should consider the need for other hands-on guides and checklists.

☞ ***The Agency must devote the resources necessary to hold the course often enough so that all who need the training can get it within a reasonable period of time.***

Neither PCMD nor OHRM currently has the resources to provide adequate training often enough. Action must be taken to locate funding to reduce the current training backlog and to plan for an ongoing training program which will carry us into the future. Planners should project approximately 2000 trainees per year and should frame the funding strategy within the context of the revised training curriculum. Reasonable time should be defined as prior to designation or no later than 60 days after designation as a PO or WAM.

☞ ***PCMD should enforce the certification process and add a recertification requirement.***

As it stands, PCMD's training deadlines and workload standards for POs are largely artificial. It appears that the current December 31st training deadline for POs and WAMs will have to be extended or many contracts managers will have to be decertified. If the program offices are to take these seriously, they must be realistic and enforceable. It was also the feeling of the Task Force, interviewees and PCMD that contracts managers should be recertified after several years on the job to renew their skills and keep pace with the everchanging rules and guidelines in the Federal contracting arena. PCMD should take the lead in designing and enforcing a viable certification/recertification program; and line program managers should be held accountable for complying.

☞ ***New courses should be instituted.***

OHRM and PCMD should review the WAM course now being given in OERR, and evaluate its adaptability for the rest of the Agency. Additional refresher courses aimed at POs and/or WAMs, perhaps addressing a particular topic in a seminar format, should also be developed.

☞ ***The establishment of mentoring programs should be encouraged in the program offices.***

The teaming of new POs/WAMs with experienced ones not only gives the newcomers practical experience, but also recognizes the mentor as an experienced and valued member of the organization.

Support Systems

Findings

☆ ***Access to central data systems (including feedback on contractor performance) and a simple, standardized PC-based***

financial and workload tracking system were frequently requested by POs and WAMs.

Contracts managers consistently requested access to central databases that contained information on past contractor performance and a listing of Agency-wide work assignments. Lack of such databases causes concern about the potential for utilizing poor performing contractors and duplicate efforts by various organizations.

☆ ***PCMD is communicating with the program offices, but on an ad hoc, as needed basis.***

Although Project Officers are in fairly regular contact with their Contracting Officers, the bulk of communication between PCMD and the programs appears to come during the pre-award phase, rather than the post-award management process. Some POs/WAMs felt that they were not hearing from PCMD what they needed to know (i.e., how to avoid poor performers, take corrective actions, etc.). Many POs and managers expressed frustration with inconsistent and conflicting information from different COs.

☆ ***Intra-program office communication on contracts management is lacking, making POs feel isolated.***

POs in particular would like to have more contact and opportunities to interact with their counterparts, either in other areas of their own offices or Agency-wide. WAMs also expressed a desire to learn from their colleagues on topics where their POs couldn't help (i.e., costing a task, day-to-day monitoring of contractors).

☆ ***A central ombudsman or contracts expert in the program offices helps.***

The burden for improving communications is not only on PCMD's shoulders. A central point of contact in the program offices for disseminating information and assisting POs/WAMs with particular problems, where it has been established (such as OERR, or divisions in OPTS and OW), has made a difference. Such a central point could also help with monitoring contract activities for senior managers.

☆ ***Many contract managers are unaware or unable to deal with poor performance from a contractor.***

This is largely due to a lack of information and understanding of the technical and legal aspects of the procurement process. While many contracts managers said they would like to take remedial action against problem contractors, they did not know how or felt that they needed added support.

Recommendations

☞ ***Access to central information systems should be widespread as soon as possible.***

The pilot program to allow POs read-only access to the Contracts Payment System should be moved along as quickly as possible. PCMD's efforts to upgrade its contractor evaluation system should be encouraged and supported so that information can be shared with contracts managers in the program offices. PCMD and OIRM should work with POs and WAMs to develop and disseminate such things as PC project/financial tracking systems and "canned" file structures. Access to PCMD contracts processes and contract status is also needed. To promote management awareness and force accountability, senior managers should have access to a wide range of information about contracts management in their office. The current ADP requirements analysis being conducted by OA to determine user/PCMD needs should be supported. This needs analysis should form the basis for designing an integrated contracts management information system.

☞ ***Contractors should be required to certify that they are not performing duplicate work assignments.***

The use of a self-certification by contractors would help to eliminate the possibility of duplication between organizations. This self-certification by the vendor could become a required part of the overall contract document but would have to be exercised prior to the beginning of each work assignment. Such an action should be pursued with OGC.

☞ ***PCMD and OGC should run a demonstration project on corrective action.***

PCMD and OGC should select several contracts managers who are having difficulty with poor contractor performance and work directly with them to take remedial action against these vendors. This demonstration would show management support for adverse action when appropriate and would let all contracts management staff know that such action is possible and that PCMD is ready, willing and able to help.

☞ ***PCMD should review and strengthen both external and internal communications.***

PCMD needs to notify contracts managers in the program offices of changes in FAR, regulations, guidance, and policy in a timely and consistent manner. A regular printed vehicle, like a newsletter, devoted to contract management is one possibility; the seminars suggested in the career development section above are another; and yet another is an E-Mail bulletin board. A PCMD hotline may also be a real help to the client. The first step is for PCMD and the program offices to develop an accurate and up-to-date database of exactly who the POs and WAMs are in the program offices.

☞ ***The establishment of interest or user groups among POs/WAMs, either at the Agency or the Office level, would help end the feeling of isolation and allow for cross fertilization of ideas.***

After the focus groups held by the Task Force, several POs told us that simply sitting in the same room with other POs and discussing their common problems and trading ideas was helpful to them. This concept would allow for experience sharing and the development of a corporate body of knowledge. These groups would also help to professionalize the job of Project Officer, and they might even be tasked to represent POs in new initiatives like redesigning the training curriculum or developing new data systems. Activities that allow POs to influence contracts management initiatives will help to foster ownership for their profession.

☞ ***The establishment of a central contracts ombudsman or contracts coordinator at the Office Director level should be encouraged throughout the Agency.***

Such a position (or organizational unit) would serve as a central technical assistant and clearinghouse of information. Such a coordinator could serve other functions as well, like financial tracking and providing information to program management. The actual structure should be left to each Office Director to allow for maximum flexibility.

Organizational Arrangements

Findings

☆ ***The contracts management function is generally located at the branch level or below, with most POs/WAMs reporting to section chiefs.***

This type of arrangement has evolved from the Agency's decision to make wide use of level of effort contracting. Because the government is buying hours with this type of contract, the management function has moved from the central contracting office (PCMD) to the program offices where users of those hours direct the work. The management function is now highly decentralized and the burden is much more on the POs and WAMs.

☆ ***Few centralized oversight units exist, especially above the branch level.***

These units do seem to help where they exist, if only as an indication of involvement by the Office or Division Director. In those cases where central units or individuals were found, the organizational head felt strongly about maintaining the function, and contracts managers felt that the office head was concerned and aware of their responsibilities.

☆ ***Most POs/WAMs are not supervisors, and POs especially are often seen as peripheral players in their organizations.***

Contracts management is not viewed as a path towards advancement in this technically oriented agency. Awards and rewards for good contract management are rare, and the risks of bad contract management are many. POs are not being motivated to perform in an outstanding manner in this function; if anything their motivation is to move paper quickly and get the product out. One PO described this attitude as the "administrative stigma." WAMs, with their more technical backgrounds, tend not to be prepared for, and generally dislike, the administrative work of contract management.

Recommendations

☞ ***Management of contracts must and should remain at the level where the work is performed.***

There is no alternative with the contract vehicles now in use. Program tasks should remain with the officials in charge of a certain mission.

☞ ***Program offices should consider setting up contracts management units at the Office Director level.***

We make no recommendation as to the structure of such an entity to allow for maximum management flexibility. We do, however, recommend that at least one full-time person be assigned to this responsibility.

☞ ***The Agency must encourage the professionalization and recognition of the Project Officer function.***

While contract administration is difficult to sell as an exciting job, it is a usable skill and a very important one. It should certainly not be a barrier to advancement, especially given the fact that much of EPA's work is carried out through contracts. Line managers must be made aware of the importance the Agency places on this function and be encouraged to reward good work by their staff. OARM should also find ways to recognize excellence in contract management in the program offices.

A Model for Sound Contracts Management

In this section, the Task Force will discuss some of the factors that we saw as positive in promoting good contracts management in the program offices. None of these factors are exclusive or pervasive in any single office that we studied; some were present in different guises in different places. We do not wish to suggest that every office in EPA should adopt all of these items, but certainly there should be a credible attempt in the program offices to institutionalize most of them.

☞ Managerial Involvement

Managerial involvement in the contracts management process is crucial to promoting good practice. If managers are aware of the importance that contracts play in the accomplishment of their objectives, and demonstrate to their subordinates that they understand the process, they make a tremendous difference in the work lives of POs and WAMs. When contracts managers feel confident that their supervisors will understand and support good decisions, they can be more effective in their duties.

Managers who take an active interest in contracts management demonstrate it by keeping track of developments under their contracts. They often meet with POs, WAMs, PCMD and their contractors, beyond just chairing performance evaluations boards (although the PEBs are a positive step). They provide POs and WAMs with the administrative information and technical assistance that they need. Most importantly, they provide clear direction to their contracts managers.

The quality managers that we encountered try to "sell" contracts management as a useful skill, one that helps an individual develop managerial potential. They make their contracts managers feel like important members of the organization and reward them for good work in managing contracts specifically.

☞ Recognition That Administrative Skills Are Needed.

The best, most professional POs and WAMs that we encountered are good administrators and managers. They had developed these skills either through education or experience. They are aware of the importance of the contracts management aspects of their duties and can see how that impacts both their accomplishments and those of their organization.

The organizations for which these POs and WAMs work seek out this type of person in their recruiting and support development along these lines. They do not subscribe that administrative duties are in any way a stigma.

☞ Central Contracts Coordination

The organizations that were best at managing their contracts had a central person (or staff) that monitored contract activity in the organization. The central coordinators not only tracked dollars and hours, but also served as clearinghouses for information both up and down the chain of command.

The most active of the central coordinators also served as technical assistants and consultants for the POs and WAMs. They served as a point of contact to answer questions and help resolve problems. In the best cases, they essentially served as a one-on-one training and mentoring arm. In all cases, the central coordinator served as an advocate for sound contracts management.

☞ Cultural Factors

The organizations that do an excellent job of contracts management have developed a culture which promotes this end. While they work well with the contractors they monitor, they also recognize that they are in a business relationship with the contractor. They realize that poor contracts management means not only that the taxpayer is not getting their money's worth, but that the public health and the environment may be jeopardized. In short, they do not view the world in terms of administrative process versus environmental mission, but work to achieve good environmental results through sound contracts management.

The Appendix

Appendix A

Survey Tabulation

QUESTIONNAIRE FOR PROJECT OFFICERS, DELIVERY ORDER PROJECT OFFICERS & WORK ASSIGNMENT MANAGERS

We are asking you to complete this survey as part of an overall study of the contracts management process at the EPA. All answers will be held strictly confidential by the Management & Organization Division and survey results will only be reported in summary form. We feel that this information is most important and we ask that you answer all questions to the best of your knowledge. Where there are multiple choice answers, please fill in the blank with the appropriate letter. After completion, return in enclosed envelope to :

Management & Organization Division Attn: Contracts Survey, PM-213

01. ____ Are you a **30%.** Project officer (PO) **6%.** Delivery order project officer (DOPO) **45%** Work assignment manager (WAM) **19%.** Other, please specify_____

02 ____Are you presently working with an active contract or assignment ? **84%.** yes **16%** no

03. Please enter your title and job series . _____

04. Please list your grade _____ 05. Is this____ **A.** GS **B.** GM **C.** SES

06. ____ Which organization are you in ?
35%. OSWER **35%** OPTS **30%** OW **D.** OARM **E.** ORD **F.** OA&R **G.** OPPE

07. ____ Which is closest to your length of federal government service.
1% less than 6 mos **3%** 6 mos-1yr **6%.** 1-2 yrs **15%** 2-5 yrs **75%** 5 yrs or more

08. ____ Which is closest to your length of EPA service.
2% less than 6 mos **6%** 6 mos-1 yr **8%** 1-2 yrs **20%** 2-5 yrs **64%.** 5 yrs or more

09. ____ Which is closest to your highest educational level attained.
1% non high school grad **1%** high school grad **6%** some college
28% college grad **45%** masters **13%** doctorate **6%** post doctorate work

10. ____ Have you taken EPA contracting courses ? **99%** yes **1%** no
11. ____ If yes, which ones ? **35%** basic project officer course
9% contracts administration course **56%** both
12. ____ If no, will you have taken any of the EPA courses by December 31, 1988 ?
43% yes **19%** no **38%** don't know

13. ____ If you have taken the basic project officer course, did you find it
6% extremely helpful **18%** very helpful **56%** helpful **17%** not very helpful **3%** not helpful at all

14. ____If you have taken the contracts administration course, did you find it
9% extremely helpful **25%** very helpful **50%** helpful **14%** not very helpful **2%** not helpful at all

15. ____Do you feel that you have had enough training to fulfill your contracts management duties ? **66%** yes **34%.** no

16. ____Would you like further training ? **51% yes 49% no**
17. ____If yes, in what areas ? Please specify _____

18. ____ Have you taken other government contracting courses ? **21% yes 79% no**

19. ____ Do you have easy access to a copy of the project officer manual ?
91%. yes 9% no

20. ____Please evaluate the project officer manual. **2%. extremely helpful**
20% very helpful 61% helpful 16% not very helpful 2% not helpful at all

21. ____ Have you ever been officially designated to your contracts management position by the Procurement & Contracts Management Division (PCMD) ?
29% yes 22% no 49% don't know

22. ____ Is your present contracts management workload within the PCMD standards according to the contracts manual ? **38% yes 5% no 57% don't know**

23. ____What is your length of contract management experience ?
8% less than 3 mos 7% 3-6 mos 10% 6 mos-1 yr 11% 1 yr-18 mos 10% 18 mos-2 yrs
10% 2-3 yrs 11% 3-5 yrs 33% 5 or more yrs

24. ____What amount of your time do you spend on your contracts management duties ? **41%. 5-10% 28%11-25% 16% 26-40% 7% 41-60% 3% 61-75%**
5% more than 75%

25. ____Has your position description been amended to reflect your contracts management work ? **68% yes 24% no 8% don't know**

26. ____Is any part of your annual performance rating based on your contracts management duties ? **78%. yes 22% no**
27. ____If yes, what weight is given your contracts management duties in your rating ?
6% none 32% 5-10% 31% 11-20% 13%. 21-30% 5% 31-45% 3% 46-60%
4% 61-75% 6% don't know

28. ____Do you feel that you receive enough credit for your contracts management responsibilities in your performance evaluation? **66% yes 34% no**

29. ____If you are a project officer, what is the present $ value of contracts you monitor?
A. $1-$150,000 B. $151,000-$500,000 C. $500,001-$1,000,000
D. $1,000,001-$6,000,000 E. $6,000,001-$25,000,000 F.$25,000,001-$50,000,000
K. more than $50,000,000

30. ____If you are a work assignment manager, what is the present $ value of assignments that you monitor ?
10% $1-$10,000 12% $10,001-$25,000 11% $25,001-$50,000
20%.$50,001-$100,000 20%. $100,001-$200,000 27% More than $200,000

31. ____For how many contracts are you responsible?
39% 1 32% 2-3 5% 4-5 2% 6-8 0% 9-10 2% more than 10 20%. None

32. ____How many orders are active under the contracts you monitor ?
40% 1-3 **22%** 4-8 **10%** 9-15 **6%** 16-25 **7%** 26-50 **5%** 51-75 **3%.** 76-150
5% more than 150

33. ____If you are a project officer, how many work assignment managers are working on your contracts ? **41%** none **18%** 1-3 **12%** 4-6 **12%** 7-10 **7%** 11-20 **6%** 21-40
2% 41-80 **2%** 80 or more

34. ____If you are a project officer are you also a manager/supervisor of people?
37% yes **63%.** no

35. ____If yes, have you had any management training? **73%** yes **27%** no

36. ____Do you contribute to the rating of your work assignment managers?
33% yes **67%** no

37. ____How knowledgable is your supervisor about contracts management ?
11% extremely knowledgable **22%** very knowledgable **31%** knowledgable
28% somewhat knowledgable **8%** not knowledgable at all

38. ____Has your supervisor taken any EPA contracts management courses ?
43% yes **14%** no **43%** don't know

39. ____Do you feel your supervisor supports your contracts management responsibilities ? **41%** always **35%** most of the time **19%** sometimes
5% not very often **0%** never

40. ____Do you feel your supervisor supports sound contract management practices ?
49% always **36%** most of the time **9%** sometimes **6%** not very often **0%.** never

41. ____How often do you discuss the contracts you work on with your supervisor ?
8% daily **42%** weekly **17%** every other week **18%** monthly **8%** quarterly **4%** twice a year
2% once a year **1%** never

42. ____In an ideal situation, how often do you think you should discuss your contract(s) with your supervisor ? **5%** daily **49%** weekly **19%** every other week
19%. monthly **6%** quarterly **1%.** twice a year **0%** once a year **1%** never

43. ____If you are a project officer how often do you and your contracting officer discuss the contract you monitor ? **6%** daily **19%** weekly **13%** every other week
24% monthly **13%** quarterly **9%** twice a year **5%** once a year **11%.** never

44. ____In an ideal situation, how often do you think you should discuss your contract(s) with the contracting officer(s) ? **6%** daily **26%** weekly
13% every other week **28%** monthly **18%** quarterly **3%** twice a year **3%** once a year
3% never

45. ____Please evaluate your relationship with your contracting officer.
22% excellent **25%** very good **36%** good **7%** not so good **10%** poor

46. ____If you are a work assignment manager, evaluate your relationship with your project officer. **32%** excellent **33%** very good **28%** good **6%.** not so good **1%** poor

47. ____If you are a work assignment manager, how often do you discuss your assignment with your project officer. **2% daily 23% weekly 20%every other week 30% monthly 13% quarterly 5% twice a year 1% once a year 6% never**

48. ____What area of the contract management process do you find most troublesome? **12% Drafting statements of work 26% Creating independent cost estimates 25% Monitoring work of contractor 14% none 23% other, please specify**_____

49. ____On what frequency do you receive technical/progress reports from vendors? **12% weekly 79% once a month 6% once a quarter 2% once a year 1% never**

50. ____Are technical/progress reports timely ? **30% always 50% fequently 14% sometimes 6% not very often 0% never**

51. ____Are technical/progress reports adequate for your needs and that of the contracting officer ? **76% yes 15% no 9% don't know**

52. ____Is the contract that you monitor a **21% fixed price 55% cost reimburseable 5% Indefinite quanity 19% other, please specify** _____

53. ____Have you ever recommended the termination of a contract ? **14% yes 86%. no**

54. ____Have you ever taken remedial action to correct a problem with a vendor on a contract matter ? **50% yes 50% no**

Please take a moment to give us any additional comments that you may have regarding the contracts management process at EPA.

_____
_____
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Thank you for taking your time to complete this survey !

Appendix B

Training Requests

CONTRACTS SURVEY - AREAS FOR ADDITIONAL TRAINING
(* A=OSWER B=OPTS C=OW)

*OFFICE:	GRADE:	DESIRE FOR ADDITIONAL TRAINING:
A	13	CONTRACT MANAGEMENT
A	13	COST ESTIMATE
A	11	BETTER TRAINING IN CONTRACTS ADMIN.
A	13	COST ACCT'G FOR WA MGRS. & POs
A	11	DETAIL ANALY. OF CASES RELATIVE EPA
A	9	BASIC PROJECT OFFICER
A	13	REVIEW OF BASIC INFORMATION
A	14	CONTRACT LAW
A	14	REFRESHER PROJ'T OFF./MANAGING CONT.
A	9	TRAINING FOR WAMS
A	14	HOW TO GET MOST OUT OF CONTRACTORS
A	03	WRITING FRPs and WAs
A	12	COURSE FOR WORK ASSIGNMENT MANAGERS
A	13	NEGOTIATIONS, FINANCIAL ACCOUNTING
A	14	CONTRACTS LAW
A	11	SUPERFUND CONTRACTS
A	13	CONTINUED WORK ON CONTRACT MGMT.
A	7	RFPS, NEGOTIATIONS, FINANCE
A	13	UPDATE CONTRACTING RULE/POLICY CHAN.
A	9	UNDERST'G PROCESS RE: CONTRACTORS
A	13	TRACKING MGMT, AVOIDING FAILURE FACT
A	13	HANDS-ON ABILITY FOR WAMs
A	11	PROJECT OFFICER
A	11	MANAGING THE CONTRATOR NOT PAPERWORK
A	14	PREPARATION OF WORK ASSIGNMENTS
A	14	PROCUREMENT, CONTRACT OPTIONS-TYPES
A	13	WRITING WORK ASSIGNMENTS
A	13	PHILOSOPHY & ENFORCEMENT OF CONTRACS
A	13	PROJECT OFFICER
A	11	BUDGET, FINANCIAL MANAGEMENT
A	14	CONTRACTS MONITORING & EVALUATION
A	12	COST ESTIMATES/BRUSH-UP COURSES
A	11	WORK ASSIGN. MGR./BUDGET
A	13	CONTRACT OVERSIGHT
A	13	P.O. DUTIES/WAM/WRIT. STATE. OF DUT.
A	15	UPDATES PERIODICALLY
A	13	CONT. MGMT./COST CONTROL/EVAL. COSTS
A	11	FINANCE AND BUDGET PROCESS
A	12	DAILY P.O'S CHORES FROM OSW PERSPEC.
A	14	CONTRACTS ADMINISTRATION
A	13	MGMT FROM THE PO POSITION-NOT PCMD
A	14	ESTIMATING LEVEL OF EFFORT
A	11	CONTRACTS ADMIN.-POST AWARD
A	9	WORK ASSIGNMENT MANAGER
A		CONTRACT ADMIN. - INVOICES
A	13	CONTRACT ANALYSIS
A	12	PREPARING RFPS/FINANCIAL MGMT.
A	14	TRAINING IN CONTRACT LAW
A	9	FISCAL MANAGEMENT

A		REAL WORLD CONTRACT MGMT-MICRO-MGMT
A	15	IDENTIFYING & REPORTING CONFLICTS
A	12	MANAGING CONTRACTS
A	13	BASE TO OPTION EXERCISE
A	14	RFP PREP./UNDERSTANDING REPORTS
A	13	EPA BUDGET & CONTRACTING PROCESS
A	7	PRICIING/BUDGETING COSTS
A	9	WORK ASSIGNMENT MANAGEMENT
A	9	CONTRACT APPROVAL AND IMPLEMENTATION
A	14	FINANCIAL OVERSIGHT PROGRAM SPECIFIC
A	13	CONTRACT MGMT. SKILLS
A	14	KEEPING ASSINGMENTS W/IN BUDGET
A	14	MONITORING CONTRACTOR PERFORMANCE
A	12	CONTRACT ADMIN.
A	9	DAY TO DAY ADMINISTRATION
A	14	UPDATES OF REFRESHER
A	7	JUSTIFICATIONS/MODIFICATIONS/AMEND.
A	13	EPA-SPECIFIC ISSUES
A	14	DEVELOPMENT OF GOOD WORK ASSIGNMENTS
A	13	ASSESSING HOURS/¤ IN DIF. CONTRACTS
A	9	NEGOTIATIONS & COMM. W/CONTRACTORS
B	15	ADMIN. BASED ON PC SOFTWARE SYSTEMS
B	14	CONTRACT ADMINISTRATION
B	13	REFRESHER, CHANGE IN POLICY, ETC.
B	14	PREPARING RFPs, EVALUATING BEDS
B	14	UPDATES TO MANUALS
B	13	LAW
B	14	CONTRACT RENEWAL
B	13	FOLLOW-UP WORK AFTER RECEIVING CONT.
B	14	EPA LEVEL OF EFFORT CONTRACTS/ACCT'G
B	13	INVOICING/CHANGES TO D.O. PROCEDURES
B	13	BUDGET/ACCT'G./PROJECT MGMT.
B	14	UPDATES TO FAR
B	14	SUCCESSFULLY MANAGING CONTRACTORS
B	14	BIANNUAL REFRESHER COURSE
B	14	NEW FAR REGULATIONS
B	12	MANAGE DIF. TYPES OF CLOE, CONTRACTS
B	13	SPECIFICS FOR CONTRACTS/STRATEGIES
B	13	CONTRACT CLAUSES
B	14	CONTRACTS ADMINISTRATION
B	12	CONTRACT ADMINISTRATION
B	12	CONTRACT ADMINISTRATION
B	9	WRITING STATEMENTS OF WORK
B	13	CONTRACT ADMINISTRATION
B	15	CURRENT/NEW CHANGES IN CONTRACTING
B	12	TASK ORDER/WORK ASSIGNMENT STATEMENT
B	14	P.O. REFRESHER
B	15	TECHNICAL DIRECTIVE & INTERPRETATION
B	13	PERF. EVALUATIION FOR PEB RULGS
B	14	IAGs, COOPs
B	14	DAY TO DAY MGMT.;NEGOT./WORKING W/CO
B	12	PRACTICAL ASPECTS OF CONTRACT ADMIN.
B	15	MANAGING WORK ASSIGNMENTS/CONTRACTS
B	14	SPECIFIC DAY BY DAY MGMT. OF PROJECT
B	12	"HANDS-ON" MGMT. OF CONTRACT

B	12	REFRESHER IN CONTRACT ADMIN.
B	11	CONTRACTS ADMINISTRATION
B	13	CONTRACT ADMINISTRATION
B	13	WRITE A GOOD SOW-ETHICS & BEHAVIOR
B	13	MONITORING WORK/TRACKING WORK
B	13	FORMS
B	13	TASK WRITING
B	13	PREP. PRIOR TO AWARD & CLOSE-OUT
B	13	NEGOTIATING LEGALLY W/CONTRACTORS
B	13	BUSINESS REPORTS/TRACKING FUNDING
B	12	INDIRECT COSTS/A-76 POLICY
B	13	COST ESTIMATION/VERIFICATION
B	13	MGMT. TECH. & FUNDING GUIDANCE
B	13	COST ANALYSIS/BUDGETING
B	14	ACCT'G POLICIES & PROCEDURES
B	14	COST ESTIMATION
B	14	PERIODIC REFRESHER COURSES
C	7	DAY TO DAY ACTIVITIES/PRICING
C	5	FINANCIAL MGMT.,TRACKING DELIVERABLE
C	9	CONTRACTS ADMINISTRATION
C	12	SPECIFICS
C	13	COST CONTROL/AUDIT
C	13	FINANCIAL END
C	12	CONTRACTS ADMINISTRATION
C	14	COST CONTROL/AUDIT-ACCEPTANCE SKILLS
C	9	CONTRACTS ADMINISTRATION
C	11	A HANDS-ON WORKSHOP
C	14	BASIC PROJECT OFFICER
C	13	PRACTICAL APPLICA.-PROJ./CONT. MGMT.
C	13	CONTRACTS ADMINISTRATION
C	14	REGULATIONS
C	13	FISCAL POLICY;ACCOUNTING
C	13	INTERNAL MONIES ALLOCATIONS-JUSTIFI.
C	14	SUPERVISOR OF WORK
C	13	ADMIN. OF COST-REIMB. CONT./SERVICES
C	9	CONTRACTS ADMINISTRATION
C	11	REVIEW
C	14	INDEPENDENT COST ESTIMATION
C	14	BASIC PROJECT OFFICER
C	11	CONTRACTOR MONITORING AND INTERACT.
C	13	CONTRACTS ADMINISTRATION
C	9	A CONTRACTS HOTLINE # WOULD HELP
C	13	COST ESTIMATING, COST CONTROL AND MA
C	14	NOT TRAIN/PERSE,BUT SOME DIRECTION
C	13	TAUGHT BY CONTRACT.PEOPLE IN CINN.
C	15	DAY-TO-DAY CONTRACT ADMIN.
C	7	CONTRACTS SUPER./MANAGEMENT COMM
C	14	PROJECT TRACKING
C	12	MONITORING CONTRACTOR, COST ESTIMATE
C	9	"APPRENTICESHIP" ON CONT. UNDER PO
C	12	CONTRACT ADMINISTRATION
C	13	BASIC PROJECT OFFICER
C	14	CONTRACT ADMINISTRATION
C	13	BUDGET MANGEMENT
C	14	FINANCIAL TRACKING/PAYMENT PROCEDURE

C	13	DAY-TO-DAY P.O. FUNCTIONS
C	14	UPDATES OF THE PROCESS ANNUAL BASIS
C	7	BETTER UNDERSTANDING OF CONTRACTS
C	13	AWARD FEE MANAGEMENT
C	13	TAKING OUTSIDE COURSES
C	14	CONTRACT MONITORING
C	9	REFRESHER COURSE/UPDATES ON NEW DEV.
C	13	VOUCHER PROCESSING
C	9	CONTRACTS ADMIN. COURSE
C	9	ADP CONTRACT MGMT.
C	13	WORK SCOPE PREPARATION
C	14	HANDLING CONTRACTOR
C	15	SHORT UPDATES USING EX. OR CASE MET.

Appendix C

Interview Guideline

INTERVIEW GUIDE
FOR THE
PROJECT OFFICER ENVIRONMENT STUDY

REMINDER TO INTERVIEWERS: This is a checklist not a script. Follow leads and be yourself.

Introductory Statement of Study Objectives

The goal of this study to provide an accurate assessment of the state of EPA's contracts management with a focus on the Project Officers' job environment, including the tools and support the Agency provides to them. Interviewees will not be quoted directly in any reports or presentations. Rather, their thoughts will be synthesized for the record.

General Questions

1. In three or four sentences, what has been your experience with the Agency's contracting program?

2. What is the extent of contracting in your organization?

3. How is the decision made to contract out in your organization?

4. How involved are you personally in your organization's contracts management process?

Managerial and Organizational Arrangements

5. How do you choose your contracts managers?

6. What is the typical weight given to contracts management in the performance standards of executives, managers, supervisors, and project officers in your organization?

7. Is contracts management more likely to be a primary responsibility or a collateral duty for your contract managers?

Training

8. Do you think the Project Officer training that PCMD provides is useful to your contract managers?

Managerial Support

9. Do you have a structure in place to manage contracts in your organization and what is it? Who is the ranking person who monitors the process and content of your contract operations?

10. Do you have built-in quality control procedures? What is your organization's approach to reviewing and approving interim and final contract products? Do you have automated tracking systems in place for you contracts?

11. How is contracts management perceived in your organization, i.e., is it sought after avoided, or just considered an acceptable assignment. Is it perceived differently in different parts of the organization?

12. What is your assessment of how contracts are being managed in your organization, i.e., what is working and what are the most likely candidates for improvement?

Closing Statement

Thank you for the time you've taken to discuss your program's contracts management process with us. We will use your comments along with the others we receive in an assessment of the Agency's contracting system. We expect to complete our study by the end of the summer, and will share our findings with your office. Again, thank you for helping us acheive our goal.