

Most Efficient Organization Team's Lessons Learned & Best Practices

*U.S. Department of Justice A-76 Standard Competition
Information Technology (IT) Services*

INTRODUCTION

This document details our lessons learned and best practices as the Most Efficient Organization (MEO) Team for the standard A-76 competition of Information Technology (IT) functions provided by the Operations Services Staff (OSS) of the U.S. Department of Justice. While each MEO Team will likely face at least somewhat different circumstances than we did, we hope that by sharing what worked and what didn't work for us throughout this process, we uncover at least a few common threads to help other MEO Teams succeed.

BACKGROUND

In March of 2005, the U.S. Department of Justice identified OSS as a candidate for a standard A-76 competition. OSS provides Information Technology (IT) infrastructure and services for the Department in support of enterprise computing platforms, desktops, web services, messaging, networks, and telecommunications.

In June of 2005, the Department updated its FAIR Act Inventory, defining most of the roughly 200 positions within OSS as commercial in nature. On October 19, 2005, the Department publicly announced in Federal Business Opportunities (www.fbo.gov) its intention to conduct a standard A-76 competition for the IT services provided by OSS. The original thought was to include all OSS activities (all 200 Federal positions) within the scope of the competition. During preliminary planning, however, the scope of the competition was narrowed to 127 of the approximately 200 Federal Employees in OSS, along with an estimated 125 Contractor positions. Services performed by OSS that were excluded from the competition included support for the Justice Consolidated Network (JCON desktops and email servers), most network functions, classified systems, and voice services. The Department offered two primary reasons for excluding these functions: 1) significant changes were planned for these areas within the next 18 months or 2) they were not core IT functions.

On July 18, 2006, the Department released its final Request for Proposals (DJJA-06-0366) for the competition. Proposals were due on September 11, 2006 and an award decision is expected in the fourth quarter of calendar year 2006.

GETTING STARTED

Accept the assignment as an MEO Team member with your eyes wide open. We found the experience of leading an MEO Team to be the one of the most stressful, challenging, and, at the same time, rewarding assignments of our careers.

Prepare to make a commitment of at least 12 months, and probably longer, for this assignment and prepare to be flexible on personal plans during that timeframe. Know that the Contracting Officer (CO) or Government procurement shop controls the schedule

Most Efficient Organization Team's Lessons Learned & Best Practices

U.S. Department of Justice A-76 Standard Competition Information Technology (IT) Services

for key milestones in this process (e.g., when the RFP is released, when proposals are due). OMB reporting dates and a Department's interest in quickly improving their President's Management Agenda scorecard for competitive sourcing may also influence these dates. A tentative competition schedule may be provided, but adjustments to those scheduled dates can and probably will be made. As an MEO Team member, you may need to postpone or even cancel personal plans that conflict with due dates or that fall during peak crunch periods.

Realize that the very nature of an A-76 competition generates stress among the affected Federal employees. Their jobs are at stake. They are likely in unfamiliar territory, with most having little, if any, experience or knowledge of the A-76 process. The stress from affected staff tends to bubble up to the MEO Team Leads, who feel the weight of the responsibility for the competition's outcome and those jobs on their shoulders. Regardless of the outcome, it is unlikely everyone will be pleased. A victory by the MEO Team usually means fewer positions and/or lower grades for affected staff. Staff may not view this outcome as much of a victory, except when comparing it against the outcome of a win by private industry.

Despite the stress and challenges, participating on an MEO team has many rewards. It is a wonderful opportunity for Federal employees to observe and experience the proposal development process from the point of view of a bidder. It is an opportunity to explore new avenues for achieving efficiencies that normal Federal bureaucracy might discourage or at least make difficult to accomplish. It is an opportunity to work with a team that is highly motivated and faithfully committed to putting together a winning solution.

Establish a budget that covers MEO expenses throughout the competition and seek independent authority for the ATO to expend those funds. In the early planning stage, establishing an accurate budget may be difficult for an MEO Team because of so many unknown factors. With this in mind, create a budget that provides flexibility and allows for a maximum amount of outside support, in the event it is needed. Include funding for separate space to house the MEO Team. Also include funds for general office and other supplies that might be particularly useful in developing proposals (e.g., flipcharts, overhead projectors). If you team with an industry partner, they may be able to provide your team with office space and supplies, thereby reducing your need for funds. It is better, however, to budget for the MEO purchase of these items, rather than relying on a yet to be identified partner to make these purchases.

Once the MEO Team's budget is approved, in an ideal world, the ATO will be granted authority for independent decision making concerning these funds. We did not have such authority, but it would have simplified things for us and avoided having others second guess the need for every purchase we proposed with these funds.

Obtain separate office space for the MEO Team. It is best for the MEO Team to work in office space that is physically separated from the current in-house staff. This lessens the likelihood of MEO Team members getting pulled away to support ongoing operations or

Most Efficient Organization Team's Lessons Learned & Best Practices

U.S. Department of Justice A-76 Standard Competition

Information Technology (IT) Services

special projects for which the existing organization finds itself short-handed. Being in your own separate space also helps the MEO Team build camaraderie, focus on the task at hand, and worry less about discussions of proprietary or sensitive matters being overheard. Note that you should also consider avoiding the transmission of MEO sensitive, proprietary information over in-house networks that could be accessible by competitors or affected employees. To do this, you may need to be geographically separated and need to arrange for computers, printers, network connections, Internet connectivity, and separate email accounts.

Create a high-level project plan for developing the Agency Tender. If you don't know where you're going, how will you know when you get there? Create a plan that, at a minimum, outlines the steps and resources you believe are necessary for success. Details and adjustments to the plan can be added as the competition progresses and more is learned. The high-level plan should start with the knowledge and understanding of what "winning" means to you.

Conduct research to identify similar past competitions and gather lessons learned from those agencies. History does repeat itself, so take advantage of what has happened before. Many agencies have been through this process and are very willing, if not utterly excited, to meet and discuss their experiences and insights. They may be able to provide sample templates to help you develop a variety of documents, such as teaming and non-disclosure agreements. We met with employees from the Department of Energy, NASA, Social Security Administration, Office of Justice Programs, and the Forest Service. If possible, meet with the ATO and the MEO Team Lead(s). While you will want to focus on information that relates to your current stage of the process, don't forget to explore what to expect and prepare for down the road. In meeting with other agencies, we found it especially interesting to hear about their experiences and lessons learned from working with A-76 consultants and industry partners.

By reaching out early in the competition process to those who have already traveled down the entire road, you can build a network for future support and make the most of what other agencies have discovered to be best practices for winning. As you reach the later stages of your competition, consider revisiting or at least calling these contacts from other agencies to get clarification or additional information on how they handled specific issues.

If the competition is conducted by a Department that lacks a mature Competitive Sourcing Office or has little experience with standard competitions, be prepared for the challenge. Up until very recently, the primary and almost exclusive focus of the Competitive Sourcing Office at the Department of Justice had been publishing the FAIR Act Inventory and reporting to OMB on the status of the Department's competitive sourcing efforts. It is very small office and the resources it has to support competitive sourcing are almost completely consumed by these activities alone. The small size of this office, combined with the Department's minimal experience in conducting standard competitions, resulted in a lack of policies and guidance available to components within

Most Efficient Organization Team's Lessons Learned & Best Practices

U.S. Department of Justice A-76 Standard Competition Information Technology (IT) Services

the Department that were beginning to engage in standard competitions. The lack of policies and guidance created a kind of “learn as you go” approach. This slowed things down considerably for us when seeking answers about the process, as we had to wait for decisions to be reached the Department. We hope this experience has stimulated interest in reviewing and making available appropriate Departmental resources in support of competitive sourcing. This includes consideration of resources to ensure that early planning efforts for A-76 competitions remain consistent with overall IT and Human Capital Management Strategies and are not motivated solely by a desire to achieve a green score on the President's Management Agenda.

Be familiar with your Department's FAIR Act Inventory and understand the role it plays in setting the stage for the competition. During preliminary planning, the Performance Work Statement (PWS) Team reviewed and reduced the scope of our A-76 competition, excluding several functions and approximately 75 of the positions within OSS. For the MEO Team, this complicated the process of identifying directly affected employees and addressing functions performed but not specifically addressed in the RFP. To some extent, it also psychologically divided OSS employees, based on whether or not their functions were included in the competition.

Know and understand the roles and responsibilities of key players in the competition process. There are many key players in the competition process, but the Agency Tender Official (ATO) and Human Resources Advisor (HRA) are probably the two most critical players for the MEO Team. Encourage your Department to fill these positions at the senior level. This helps ensure those players possess the knowledge, skills, and influence needed to get things done. All key players in this process need to have a basic understanding of the A-76 competition process. To that end, the MEO should include the players most critical to their work, the ATO and HRA, when planning training sessions.

Based on our experience, we believe the manager/director of the affected organization should serve as the ATO. Taking on this role allows that manager to continue serving as an advocate for the staff. The functional manager should not be held accountable, as was the case in our competition, for completion of the overall competition.

Our competition also assigned an OSS employee as a Competition Manager, to oversee the competition. If the Department had a larger and more established Competitive Sourcing Office, perhaps this would have been a role they could have filled. In practice, the Competition Manager had no independent authority and little time to devote to these activities.

COMMUNICATING WITH MANAGEMENT AND STAFF

Provide affected employees with regular updates on MEO Team activities. Our MEO Team sent out a short monthly newsletter to all OSS Federal employees. During the early phases of the competition, we also spent time talking to employees and answering their questions about the process as best we could. We hope this helped employees understand

Most Efficient Organization Team's Lessons Learned & Best Practices

U.S. Department of Justice A-76 Standard Competition Information Technology (IT) Services

the process and, to the extent possible, view it more as an opportunity than a punishment. Since the MEO Team is working for affected employees, it is imperative that they send information regularly and directly to those employees. While proprietary or procurement sensitive information clearly should not be disclosed, the basics of the MEO Team's planned approach and status of activities can and should be shared. If you develop or need to follow a formal, written communications plan, remember that it must be more than shelf-ware. The PWS Team, the Human Resources Advisor (HRA), and other players in the competition need to not just plan but also put into practice a mechanism for regularly communicating with affected employees.

Encourage the Human Resources Advisor (HRA) to communicate with and be a strong advocate for staff. Most questions raised by the directly affected employees in OSS centered on HR type issues and concerns. This is typical and it means that the HRA is in the best position to address employee questions and alleviate their fears. These questions might deal with the competitive area, Reduction in Force (RIF) procedures, hiring freezes, Voluntary Early Retirement Authority (VERA), and Voluntary Separation Incentive Payment (VSIP). Encourage the HRA to regularly share information with employees, through both newsletters and all hands meetings.

Keep the lines of communication with management open and remind them the MEO Team is not their opponent. The competition may create a tug of war for resources needed to support both MEO Team activities and ongoing operations. This struggle for resources, combined with the physical separation of the MEO Team, may impede communications with management and result in an "us versus them" mentality. Standing up for MEO team rights, especially where little guidance to clarify these rights exists, may be perceived as being uncooperative. The MEO Team Leads are appointed by management to lead the charge and an occasional reminder of this appointment may be helpful in fostering the peace. Similar to misconceptions that may arise about the MEO Team being at odds with management, employees may mistakenly believe that the PWS Team is their adversary. The MEO Team should help dispel this belief as part of their early communications with affected employees. In fact, the development of a detailed and accurate Statement of Work (SOW) by the PWS Team greatly enhances the MEO Team's chances for success.

BUILDING THE MEO TEAM

Build an MEO Team with a wide range of expertise. Our MEO Team included a core group consisting of five members, along with an HR staff member, dedicated full-time to support this effort. Our extended team was nearly four times that size and included Subject Matter Experts (SMEs) from across OSS, as well as a procurement advisor and legal counsel from outside of OSS. These members served part time, participating only as the need for their services arose.

To begin building our team, we asked for volunteers from across OSS. This ensured a high level of motivation among team members. Everyone who volunteered to help was

Most Efficient Organization Team's Lessons Learned & Best Practices

U.S. Department of Justice A-76 Standard Competition

Information Technology (IT) Services

included on the extended team. From those volunteers, we also built our full-time core team. In selecting core team members, we chose a representative from each affected activity, matching the volunteer's knowledge and skills against the needs for a well-rounded team.

We began building our team shortly after release of the public announcement for the competition. Although Team members did not engage in hands on activities until several months later, identifying the team early on allowed us to plan and conduct basic A-76, Agency Tender Development, and COMPARE training. This helped us establish a base level of knowledge and bond of trust among our team members.

As the competition unfolds and you learn more about the competition through the release of a draft PWS or RFP, you may discover the composition of your team needs to be adjusted. Due dates for questions and proposals will mean ramping up and down in terms of participation by members in team activities. As we drew closer to finishing the proposal, the number of team members involved began to grow smaller. The smaller size makes for a more manageable team. It also helps reduce the likelihood for sensitive information being leaked. Using a handful of good authors as you near the finish line also cuts down on the editing needed to create a product that flows well and reads as if by a single author.

Encourage management to plan for backup resources to cover staff supporting development of the Agency Tender. To reduce the struggle for resources, management needs to plan for backfilling the positions for employees while dedicated either full or part time to MEO activities. This can be accomplished by using temporary contractor support or detailing employees from other Departmental organizations.

Protect sensitive information by having all members sign Non-disclosure and Conflict of Interest agreements. Our legal counsel developed a non-disclosure and conflict of interest agreement for MEO team members to sign. Be sure to have everyone involved, including SMEs from outside the team that you will share information with, sign the agreement.

INTERPRETING THE OMB A-76 CIRCULAR

Protect the MEO Team's rights when efforts to maintain a level playing field result in unfair restrictions. Departments with limited experience in performing standard competitions or without established policies and guidelines for conducting competitions may bend too far to the right to ensure the MEO Team has no competitive advantage. The frequency of protests for A-76 competitions may raise fears that drive a Department beyond establishment of a level playing field to the point of placing unfair restrictions on the rights of the MEO Team to its own proprietary data. As the incumbent and as a bidder, the MEO Team has rights to certain information. In the absence of established guidance clarifying those rights, the MEO may need to challenge restrictions placed on

Most Efficient Organization Team's Lessons Learned & Best Practices

U.S. Department of Justice A-76 Standard Competition

Information Technology (IT) Services

its access to data by making requests to the Competitive Sourcing Official or other appropriate authorities until a fair resolution is reached.

Remember that the firewall is between the MEO and PWS Teams. It is important to respect the firewall between the MEO and PWS Teams. We found the most critical time for observing and respecting the firewall was prior to release of final RFP, when bidders are eager to get an early glimpse of the scope and timing for the RFP deliverables. The MEO Team, however, should be able to freely communicate with other in-house staff. This includes talking to SMEs, as well as sending status updates on activities to all affected employees.

Advocate filling the role of the HRA with a senior-level person backed by a team of HR support staff to help carry out those responsibilities. Our team included an HR support person devoted full-time to developing and classifying Position Descriptions (PDs) for the MEO solution. It is important, however, to remember that this is only one of the responsibilities spelled out for the HRA by the Circular. In our competition, an HRA was appointed and that HRA used a team of two support staff to address responsibilities, including one person dedicated to the MEO Team. The other responsibilities for the HRA can be handled without full-time devotion to the MEO Team. This approach allows the HRA to also address planning for the bigger impact on the organization by developing the employee transition plan that will be needed following award.

GATHERING DATA

Plan to work with less than perfect and less than complete data. We did not receive a list of directly affected employees. We also did not have specifics or dollar amounts for the contracts included within the scope of our competition. In our experience, your time may be better spent working with the data you can easily obtain in identifying potential efficiencies rather than struggling for scraps of data that may be of little significance in terms of actually addressing the requirements of the RFP.

Don't be afraid to use all available tools and resources to get what you need. During the competition, two situations arose in which we felt a decision was made that conflicted with the MEO Team's best interests and that was reached without considering the MEO Team's side. We appealed to the CSO and received MEO favorable resolutions in both cases. We also sent a FOIA request to obtain information we believed was needed to develop our proposal. Although the response to our FOIA request was unhelpful, it is important to be familiar with and willing to use all the tools available to help you succeed. Networking with other agencies on how they resolved issues is one good method for identifying these tools and resources.

ADDRESSING PROCUREMENT ISSUES

Use the Federal Business Opportunities website to research similar competitions and request automated notification for updates of interest. Past A-76 competitions and RFPs

Most Efficient Organization Team's Lessons Learned & Best Practices

U.S. Department of Justice A-76 Standard Competition Information Technology (IT) Services

dealing with similar work scopes can be researched using the Federal Business Opportunities website (www.fbo.gov). As a start, this research can help familiarize you with what a PWS or an RFP for a standard competition might look like. You can also review questions, answers, and outcomes for similar competitions to get a heads up on potential issues. By signing up to receive emails on the RFP for your competition, along with other future RFPs for your Department, you can keep tabs on other possibly related procurement activities at your Department.

Carefully weigh the benefits of submitting questions to the Contracting Officer (CO) if the intention is to publish all of them. Think like a contractor when asking questions and don't give away anything you don't want a potential competitor to know. Also, realize the answer you get may be vague, so it may not be worth asking the question. Take a look at previous questions and answers for competitions archived on the FBO website to get a feel for which ones it might be best to hold back on.

Seek clarification from your Department on the policy regarding competition requirements for subcontracts included as part of your MEO solution. The A-76 competition itself should suffice in meeting the requirements to compete work that will be awarded to subcontractors included in the proposed MEO solution. Try to reach an agreement with your Procurement Services group and document this understanding upfront to avoid potential delays in awarding subcontracts later.

Understand the implications of all aspects of the RFP, including the scope (labor shootouts), proposal evaluation criteria, pricing (future tasks with delayed funding), and due dates. There are many aspects of an RFP that can make things tougher or easier for an MEO. For example, labor shootouts, where the only thing on the table is the number of positions and hourly rates, are typically difficult for an MEO to win. Labor shootouts also severely limit opportunities for achieving innovative efficiencies. Raise questions if your RFP appears to be of this nature. Also, proposal evaluation criteria based on technical trade-offs versus low cost encourage innovative solutions. RFPs that include work to be phased in and funded in the future may come too late for retaining MEO staff. Incumbent Federal employees can't be moved around like contractors and may be gone if funding for work is not provided early after award. The drive to meet the competition timeline may result in short turn-around times for proposals, so plan accordingly.

OBTAINING OUTSIDE ASSISTANCE

Carefully consider your need for general A-76 consultant support and plan accordingly. Many companies proclaim they have the expertise and experience required to support an MEO through the full A-76 competition process. It's a big business now and these companies may be reaping some of the greatest rewards from the A-76 process. If you contract for this type of support, maintain as much flexibility as possible with the contracting arrangements. Many agencies we spoke with found their need for such support declined rapidly as the competition moved forward. If you team with industry, this may negate your need for general A-76 support entirely, especially if that industry

Most Efficient Organization Team's Lessons Learned & Best Practices

U.S. Department of Justice A-76 Standard Competition

Information Technology (IT) Services

partner has previously worked with an MEO Team. Also, the OMB A-76 Circular is not that long. Read it through and become familiar with it. Refer back to it as needed and search the web for lessons learned, recent news, and competition outcomes to keep on top of changes.

In addition to general A-76 support, you may want to obtain outside support for specific purposes, such as for the COMPARE software application. It is unlikely that Federal employees on the MEO Team will have experience with COMPARE. We dedicated one of our MEO Team members to work on COMPARE and sent that team member, along with several others, to COMPARE training. In addition to training MEO Team members, we obtained outside data entry and consultant support for COMPARE. Having both a Federal employee and contractor dedicated to this task provided the ability for cross checking data and helped ensure accuracy in preparing the Agency Cost Estimate.

Consider teaming with an industry partner. We decided early on to seek out an industry partner. One factor driving this decision was that nearly half of the positions included in the scope of our competition were contractors.

To get the word out that we were interested in teaming, we posted a Sources Sought on the Federal Business Opportunities website. We began this process shortly after the release of the draft PWS. We decided it best to wait until the draft was released. That way, we had a better handle on the scope of activities within the competition and the resources the MEO might need from a teaming partner to address those activities. Identifying your teaming partner(s) early (after release of the draft PWS) can help avoid starting down one path and then switching over to a different path when working with your teaming partner.

Our primary objectives were to get a partner that was well regarded in the industry, held a good track record at the Department, had experience partnering with an MEO, and offered value-added services and resources that would help us develop a winning proposal. In addition to short written responses, we met with vendors interested in partnering before making our final selection. The process of identifying potential partner(s) also helped us identify our potential competitors.

DEVELOPING AND PRODUCING THE PROPOSAL

Don't ignore the MEO Team's lack of experience in developing proposals. It is unlikely that Federal employees on your team will have experience in writing proposals, unless, of course, they bring that experience from employment with private industry. Your competitors, on the other hand, probably have a fine-tuned, disciplined process for developing successful proposals in response to government procurements.

The MEO Team needs to understand and follow a structured and proven process to develop its Agency Tender proposal. To raise your win probability, you can do several things. Take a seminar or read up on the capture and proposal management processes.

Most Efficient Organization Team's Lessons Learned & Best Practices

U.S. Department of Justice A-76 Standard Competition

Information Technology (IT) Services

You may not become an expert, but at least you'll have a basic understanding. Also, look for team members who have experience developing proposals or skills that might be helpful in this process, such as writing, Business Process Reengineering, and project management. Finally, team with a partner who has a high success rate in this area. Adopting their proven process is likely the safest and most expedient course.

In addition to most of the normal requirements a bidder must address in responding to an RFP, know that the MEO faces special requirements. First, since the MEO must develop its Agency Cost Estimate using COMPARE, it is critical to have team members who understand and are familiar with the COMPARE software. Second, the MEO must develop Position Descriptions (PDs) to cover what the resumes normally submitted by bidders address. For this requirement, it is critical to have a team member from Human Resources who is skilled at developing and classifying PDs.

Continue to remind the team about the need to protect sensitive information. It is natural for affected staff to be curious about what the MEO Team is doing and you should keep them informed about the status of your activities. Sensitive information related to your proposal, however, should be held very close. This includes the final dollar amount of your bid, the number of Federal positions being proposed, and any unique innovative approaches that are part of your solution. Remind team members that discussions with other staff about what the MEO Team is doing need to be conducted at a general level to avoid having information about your proposal leaked to potential bidders.

Be ready for many long days, including weekends, as the proposal deadline nears. Even with the release of a draft PWS and draft RFP, you will likely need to wait until the final RFP is released before really buckling down to write your proposal. This cramming approach seems to be the normal process for bidders. Most bidders are juggling many proposals, so that is part of their reason for waiting. A more pertinent reason for the MEO Team is the presumption that if you write a proposal based on a draft, it may be difficult to ensure changes introduced in the final are caught and addressed throughout the proposal. The more unknowns there are in the draft RFP, the more likely it is that you are better off waiting. You can gather data, document "as is" and "to be" states, and brainstorm potential solutions, but the actually writing of the proposal begins after the final RFP is posted.

Once the final RFP comes out, you may have as few as 30 days to complete your proposal. During this time, the need for working long hours, seven days a week should not surprise you. Plan to be flexible during this time in terms of scheduled vacations and other personal appointments. Also remember that you need to allow sufficient time for reviews, edits, and final production of the proposal notebooks.

Most Efficient Organization Team's Lessons Learned & Best Practices

U.S. Department of Justice A-76 Standard Competition

Information Technology (IT) Services

WRAP-UP

We now find ourselves in the stage of the competition process that lies between proposal submission and award decision. With our memories still fresh and the time pressure off, it presented an opportune time for us to document our lessons learned. Although the competition process continues and the outcome remains uncertain, we wanted to share as early as possible what we have learned up to this point. We plan to update this document to incorporate any post competition lessons we learn.

We hope our lessons learned and best practices provide some food for thought to those involved in the A-76 process and we wish all MEO Teams success in their competitions.

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