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ACQUISITION RESEARCH PROGRAM:  
CREATING SYNERGY FOR INFORMED CHANGE

# An Innovative Approach to Assessing DoD Contracting Workforce Competency

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## Abstract

The National Defense Authorization Act (NDAA) of 2020 directed the secretary of defense to implement a professional certification program for all members of the acquisition workforce that is based on standards developed by a third-party accredited program based on nationally or internationally recognized standards. In response to this NDAA (2019) requirement, the Department of Defense (DoD) senior procurement executives agreed to the establishment of a new contracting competency model and a single level of certification program based on the National Contract Management Association's (NCMA) *Contract Management Body of Knowledge* (CMBOK; NCMA, 2019a) and American National Standards Institute–accredited *Contract Management Standard* (CMS; NCMA, 2019b). The purpose of this research is to develop a new competency assessment instrument based on the NCMA CMBOK and CMS to be used in assessing the DoD's contracting workforce competency. This research will answer the following question: How can the CMBOK/CMS competency structure be used as the basis for developing a survey-based instrument for assessing the competencies of the DoD contracting workforce? An additional research question is: Based on the competency assessment results, in which contract management competencies is the workforce less proficient and less knowledgeable? We conduct this research by developing a survey-based assessment instrument for assessing the competencies of the DoD contracting workforce. We then deploy the assessment instrument to DoD contracting organizations and analyze the assessment results to identify contract management competencies that need additional training emphasis.

## Introduction

The Government Accountability Office (GAO, 2019) continues to list contract management as a high risk since 1992. Additionally, the Department of Defense (DoD) inspector general has identified contract management as a top DoD management challenge (Office of Inspector General [OIG], 2019). Both agencies identify the need for increased technical competency in the contracting workforce. Furthermore, recent research on organizational climate assessment on the DoD's contracting workforce indicates that competency management is a critical part of ensuring a trained and experienced contracting workforce (Rendon & Powley, 2017). Thus, how an organization's competency framework is structured may have a significant impact on the competence level of its workforce.



Recent legislative initiatives reflect Congress's concerns about the adequacy of the DoD's acquisition workforce training and competency. For example, the Fiscal Year 2016 National Defense Authorization Act (NDAA, 2015) Section 809 required the Secretary of Defense to establish an independent advisory panel on streamlining acquisition regulations. The Section 809 Panel stated that if the DoD is to achieve its acquisition workforce goals, it will need to prepare and develop its workforce differently (Scott & Thompson, 2019). The Section 809 Panel identified several recommendations for improving the professional development of the acquisition workforce. These recommendations include creating career paths for the contracting functional area that would include those technical competencies and key work experiences as reflected in industry standards. The Section 809 Panel also recommended that the DoD revise its contracting professional development programs to emphasize skills that are transferable across government and industry and focused on a defined set of qualifications connected to contracting positions. Additionally, the panel recommended that the DoD revise its contracting professional development programs to emphasize sufficient domain knowledge, emphasize professional skills, and provide a broad perspective to interact effectively with industry. Finally, the panel recommended that the DoD adopt a common contracting body of knowledge, which would also enhance communication and collaboration between government and industry (Scott & Thompson, 2019).

Even more recently, in the 2020 National Defense Authorization Act (NDAA, 2019), Congress directed the secretary of defense to implement a professional certification program for all members of the acquisition workforce that is based on standards developed by a third-party accredited program based on nationally or internationally recognized standards (NDAA, 2019).

## **Purpose of Research**

Recent research has shown that the current DoD contracting competency model may not be sufficient in assessing today's contracting workforce (Rendon & Winn, 2017). Additionally, further research found that the National Contract Management Association's (NCMA) *Contract Management Body of Knowledge* (CMBOK; NCMA, 2019a) and the *Contract Management Standard* (CMS; NCMA, 2019b) may be more suitable and effective in assessing the contracting workforce competency in today's dynamic acquisition environment (Rendon, 2019). The purpose of this research is to develop a new competency assessment instrument based on the NCMA CMBOK and CMS to be used in assessing the DoD's contracting workforce competency. This research will answer the following question: How can the CMBOK/CMS competency structure be used as the basis for developing a survey-based instrument for assessing the competencies of the DoD contracting workforce? An additional research question is: Based on the competency assessment results, in which contract management competencies is the workforce less proficient and less knowledgeable? Thus, the objective of the research is focused on adopting the CMBOK/CMS contracting competency model as the basis for assessing the DoD contracting workforce.

## **Methodology**

The methodology for this research will consist of two components: The first component is the development of a survey-based assessment instrument for assessing the competencies of the DoD contracting workforce. We will draw from the workforce competency literature and survey development literature for this component. The second component of the methodology will be the deployment of the assessment instrument to DoD contracting organizations and analysis of the assessment results to identify contract management competencies that need additional training emphasis.



## DoD Contract Management Workforce Competency

Recent research compared the DoD contracting competency model with the NCMA CMBOK/CMS (Rendon, 2019; Rendon & Winn, 2017). The CMS has received third-party accreditation by the American National Standards Institute (ANSI) as an ANSI-accredited standard. The CMBOK/CMS is used by both government agencies and industry organizations for managing contracts. The research found that the CMBOK/CMS competency framework may provide an innovative approach for developing and assessing the DoD contracting workforce. The CMBOK/CMS's concise and detailed contract life cycle and greater emphasis and granularity in each of the life-cycle phases and tasks may help develop and fortify the DoD's contracting processes and practices. Providing greater emphasis on each of the contract life-cycle phases and organizing competencies using a hierarchical structure that aligns each competency with processes, tasks, and subtasks would support the development of a professional contracting career path that aligns contracting technical competencies and key work experiences (Rendon, 2019). The recent Section 809 Panel recommended that the DoD create career paths for the contracting functional area that would include such technical competencies and key work experiences as reflected in the CMBOK/CMS.

Additionally, expanding the DoD's contracting workforce knowledge to include industry's side of contracting (e.g., industry operations and processes) as reflected in the CMBOK/CMS will help in developing technical and professional skills that can transfer across government and industry, as well as improve communication and collaboration between government and industry. Including the industry side of contracting would also result in strengthening systems thinking within the contracting workforce (Carlson, 2017). The current DoD contracting competency model may be resulting in linear thinking among the contracting workforce, with contract managers believing that contracting problems have "direct causes and that you can optimize the whole by optimizing each of the parts" (Carlson, 2017). Contract managers using systems thinking will know that contract management "problems can have hidden, indirect causes" and it is the "relationships among the parts that matter the most" (Carlson, 2017). Adopting the CMBOK/CMS competency framework may provide the DoD contracting workforce with a stronger foundational understanding of not only the complete contract life cycle but also an understanding of the different perspectives in contractual relationships (e.g., buyer, seller, subcontractors, suppliers, end users, etc.). Using systems thinking, contract managers will be able to "see the gaps where complications or opportunities can arise" within the acquisition process and understand how their contracting decisions may impact contractors and subcontractors (Carlson, 2017). Including the industry competencies for the DoD contracting workforce may also strengthen "communication, collaboration, problem-solving, and adaptability" skills (Carlson, 2017). The Section 809 Panel recommended that the DoD revise its contracting professional development programs to emphasize skills that are transferable across government and industry and focused on a defined set of qualifications connected to contracting positions (Rendon, 2019).

Furthermore, there may be value in broadening the current DoD contracting competency model to include disciplines such as business management, financial management, project management, risk management, and supply chain management, as reflected in the CMBOK. The inclusion of these disciplines may enhance the DoD contracting workforce's critical thinking, problem-solving, and analytical skills—bringing increased efficiency to its contracting processes (Rendon, 2019). The Section 809 Panel recommended that the DoD revise its contracting professional development programs to emphasize sufficient domain knowledge, emphasize professional skills, and provide a broad perspective to interact effectively with industry. A recent RAND study found that, within the defense acquisition workforce, knowledge gaps in business acumen, industry operations, and industry motivation exist. The RAND report also found that the



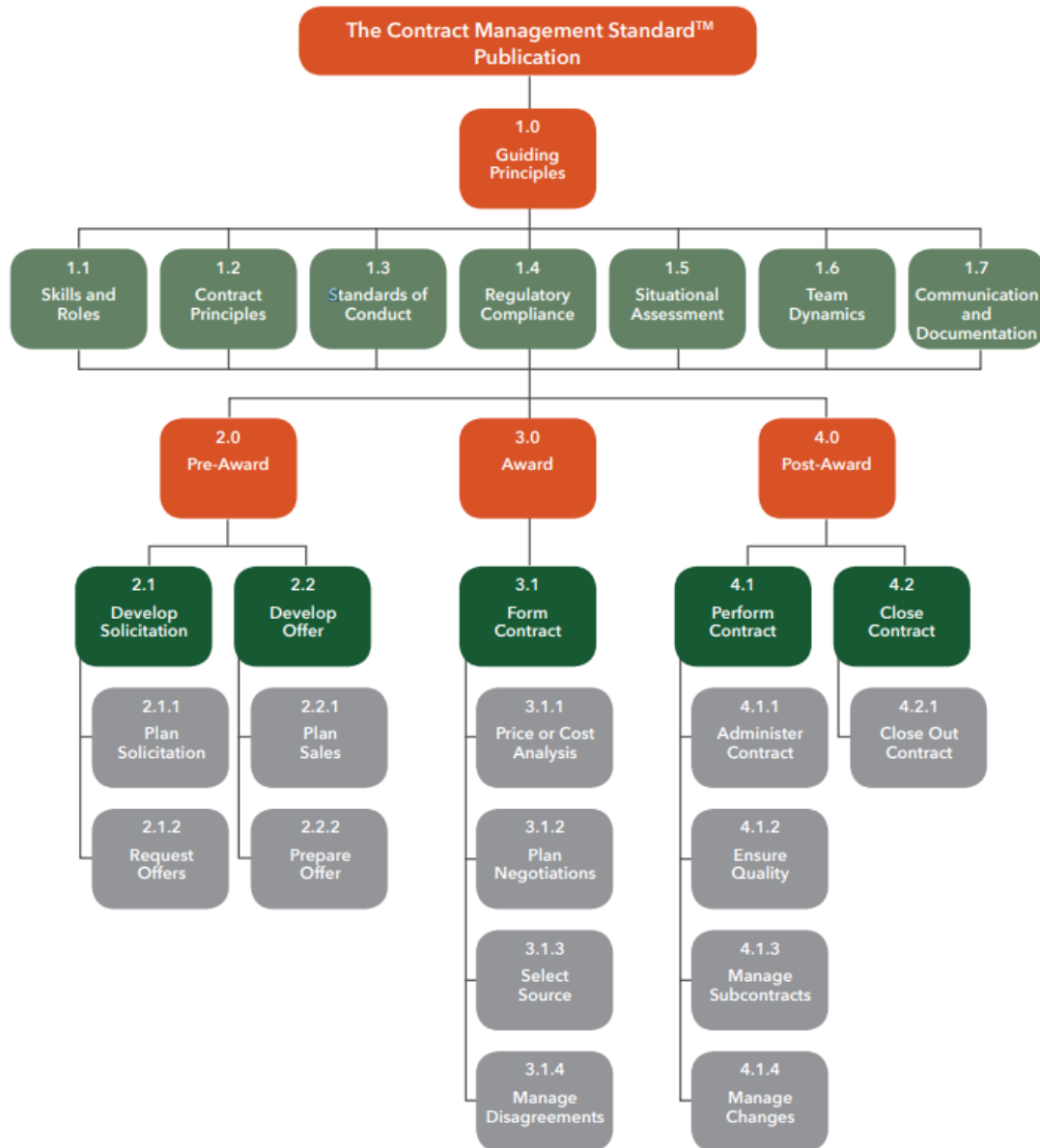
lack of standardized definitions and competency model formats obscures the need for knowledge related to business acumen, industry operations, and industry motivation (Werber et al., 2019).

A greater understanding of these CMBOK/CMS disciplines, as well as understanding both government and industry sides of the contracting relationship, will help develop “T-shaped” acquisition professionals who have both “depth of knowledge in a particular expertise as well as have the ability to work and communicate across disciplines” (Carlson, 2017). T-shaped acquisition professionals will be capable of introducing innovation and process change into the DoD contracting processes. If the DoD would adopt the CMBOK/CMS as its competency framework, it would achieve a desired recommendation from the Section 809 Panel that both the DoD and industry adopt a common contracting body of knowledge, which would also enhance communication and collaboration between government and industry (Rendon, 2019).

As previously stated, in the National Defense Authorization Act of 2020 (NDAA, 2019), Congress directed the secretary of defense to implement a professional certification program for all members of the acquisition workforce that is based on standards developed by a third-party accredited program based on nationally or internationally recognized standards.

Furthermore, in April 2020, the DoD senior procurement executives (SPEs) decided to establish a new contracting competency model and a single level of certification program. The new competency model is based on the NCMA CMBOK and ANSI-accredited CMS. The new DoD contracting competency model complies with the requirement in Section 861 of the FY2020 NDAA to base a professional certification on standards developed by a third-party accredited program. The CMS uses terms that are relevant and applicable across the DoD, federal agencies, and industry. The model also has an overarching narrative of guiding principles aligned with professional competencies that apply across all phases of the contracting life cycle. The basic top-level structure of the NCMA CMS is reflected in Figure 1 (NCMA, 2019b).





**Figure 1. Contract Management Standard (NCMA, 2019b)**

## Development of Competency Assessment Instrument

The development of the contracting competency assessment instrument included structuring contracting competency statements for each of the contract management phases (pre-award, award, post-award), as well as from both contracting perspectives (buyer and seller). More specifically, the contracting competency statements reflect the contracting competencies and the specific job tasks for each contract management phase and for each perspective as reflected in the CMS. The competency statements would be rated by the contracting workforce members using a Likert scale reflecting different levels of proficiency for performing the buyer job tasks and a Likert scale reflecting the different levels of knowledge of the seller job tasks. The proficiency rating scales, for performing buyer job tasks, are identified and defined below:



Aware: Applies the competency in the simplest situations and requires close and extensive guidance.

Basic: Applies the competency in somewhat difficult situations and requires frequent guidance.

Intermediate: Applies the competency in difficult situations and requires little or no guidance.

Advanced: Applies the competency in considerably difficult situations and generally requires no guidance.

Expert: Applies the competency in exceptionally difficult situations and involves serving as a key resource and advises others.

N/A: Not applicable/not needed in my job.

The knowledge rating scales, for understanding seller job tasks, are identified and defined below:

None: I am not aware of this Contractor competency.

Aware: I am aware, but have no knowledge of this Contractor competency.

Basic: I have some basic level knowledge of this Contractor competency.

Intermediate: I have intermediate level knowledge of this Contractor competency.

Advanced: I have advanced level knowledge of this Contractor competency.

## **Deployment of Competency Assessment Instrument**

Upon development of the survey instrument, the survey would be deployed to DoD contracting organizations and the assessment results analyzed to identify workforce contracting competencies that may need additional training emphasis.

## **Conclusion**

The GAO and the OIG both continue to identify contract management as a high risk and a top management challenge. Additionally, research has shown that the current DoD contracting competency model may not be sufficient in assessing today's contracting workforce competencies (Rendon & Winn, 2017). Furthermore, the NDAA 2020 resulted in congressional direction to the secretary of defense to implement a professional certification program for all members of the acquisition workforce based on standards developed by a third-party accredited program that is based on nationally or internationally recognized standards (NDAA, 2019). Finally, in April 2020, the DoD senior procurement executives (SPEs) decided to establish a new contracting competency model and a single level of certification program. The new competency model will be based on the NCMA *Contract Management Standard* (CMS), which is accredited by the American National Standards Institute (ANSI). The purpose of this research is to develop a new contracting competency assessment instrument based on the NCMA CMS to be used in assessing the DoD's contracting workforce. The competency assessment instrument has been developed and is in the process of being deployed throughout the DoD. Upon deployment of the competency assessment instrument and conducting the assessment, the assessment results will be analyzed to identify contract management competencies that may need additional training emphasis.





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