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Acquisition Reform

Program Management Changes Could Improve Procurement Outcomes, Officials Say

New legislation that would establish a federal program management job series while improving training and credentialing requirements is gaining traction due to problems with complex acquisition programs—especially in the information technology space.

The bill could result in more accurate program requirements, which would benefit both the government and contractors, Craig Killough of the Project Management Institute told Bloomberg BNA.

The Senate Homeland Security and Governmental Affairs Committee June 25 approved the Program Management Improvement and Accountability Act of 2015 (PMIAA) (H.R. 2144, S. 1550), which requires adoption of government-wide standards for program management along the lines of those set by the American National Standards Institute and the International Organization for Standardization.

Importance of Program Management. Lapses in program management identified in recent congressional hearings on the Office of Personnel Management data breach also might increase the likelihood of the bill reaching the president's desk this year.

Sen. Jodi Ernst (R-Iowa) talked about the importance of the bill, which she introduced along with Sen. Heidi Heitkamp (D-N.D.), at a June 25 federal cybersecurity hearing after the OPM inspector general recounted his concerns about the agency's poor management of IT modernization.

''I can't overstate the importance of project management, particularly with respect to projects as complex and important as this,'' she said during the Homeland Security and Governmental Affairs Committee hearing. The committee approved the bill by unanimous vote a day earlier, two weeks after it was introduced.

Reps. Todd Young (R-Ind.) and Gerry Connolly (D-Va.), co-chairs of the Government Efficiency Caucus, introduced a similar a similar measure in the House April 30.

There's a growing demand for the government to ''follow the private sector's lead in elevating the importance of good management, as well as coordinate better with not-for-profit associations that provide certifications, training and standards for project management, Connolly told Bloomberg BNA in an e-mail June 30.

Action on the PMIAA in the Senate ''demonstrates that there is clearly strong bipartisan and bicameral support for strengthening program and project management across government,'' he said.

Need for Legislation. It's ''highly encouraging'' that the bill is moving faster in the Senate than in the House because the Senate's legislative process generally takes longer, Killough told Bloomberg BNA.

He predicted the House Oversight and Government Reform Committee will follow suit and quickly approve the bill.

Congress should require program management be treated as a profession, Venable LLP Partner Robert Burton told Bloomberg BNA.

In contrast to other acquisition professionals such as contracting officer representatives, there's no government job series, training framework or career path dedicated to program management, said Burton, former deputy administrator of the Office of Federal Procurement Policy.

It's impossible to determine how many program managers the federal government has, which further hinders training, he said.

An estimated 100,000 to 200,000 professionals would fall within the new job series envisioned by the bill, according to Killough. ''The resources are in place'' to make the changes that the PMIAA calls for, but it will require a ''redirection of effort,'' he said.

Beyond the efficiencies and savings to the government, industry stands to benefit as well, Killough said.

In particular, contractors are being ''driven crazy'' by the shifting priorities and requirements that are all too common to government programs. Formalizing program management will better link project goals to outcomes, he said.

Earlier this year, PMI estimated that government organizations waste an average of $119 million for every $1 billion spent on projects and programs due to poor project performance.

Follow-up to FITARA. The push to standardize management of government programs is a logical next step for Connolly, an original cosponsor of legislation to remedy poor agency information technology procurement practices. Enactment of the Federal Information Technology Acquisition Reform Act (FITARA) last year was propelled by problems with the Healthcare.gov website in late 2013.

The new law authorized specialized IT acquisition cadres and ''very purposefully outlined that program and project managers are key components,'' said Connolly, ranking member of the Government Operations Subcommittee.

When ''one peels the onion back, the common, underlying weakness running through a diverse range of

struggling programs is a serious deficiency in program and project management performance,'' Connolly said. There are dire consequences to ignoring the importance of project management that transcend IT and ''touch upon nearly every agency and every program.''

While broader in scope than FITARA , the PMIAA ''is aligned and consistent with'' the OMB's recent guidance on implementing the new IT acquisition law, Killough said.

Killough's group, which has developed its own standards on program management performance, helped identify program management best practices when the PMIAA was drafted.

These best practices include:

■ a standards-based program management model used consistently throughout the government; and

■ designation of a senior executive within each agency who is responsible for program management strategy.

The bill PMIAA also would require:

■ establishment of a Program Management Policy Council;

■ strengthened engagement with the private sector;

■ heightened scrutiny of programs identified as ''high risk'' by the Government Accountability Office; and

■ a five-year strategic plan for program and project management.

Changes at DOD. The Senate version of the fiscal 2016 National Defense Authorization Act (H.R. 1735) requires for program management improvements at the Pentagon.

Section 810 requires the secretary of defense to develop department-wide standards and guidance for program and project management requires the under secretary of defense for acquisition, technology and logistics with assessing career development and continuous improvement for the project management workforce.

Ernst made additional changes to the defense policy bill related to program management that she said will improve the DOD's acquisition process and ''ensure its programs are efficient, on budget and on schedule.''

The amendment ''takes the best practices from high performing organizations in the private sector and implements them at DOD, and it does without impacting current organizational structures or requiring additional resources,'' she said in a statement following Senate passage of the bill June 18.

It ''makes it possible for the first time to pinpoint and identify the appropriate personnel responsible for these programs,'' she said.

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