

# Project Management: A Strategic Tool to Improve Contract Administration and Management of GSA Multiple Award Schedule Contracts

In today's procurement environment, contract professionals simply cannot achieve success on their own. This is where project management tools and better collaboration come in.

BY TIFFANI HARRIS

Project management is the function of a team coming together to accomplish goals and objectives in an orderly, inexpensive, and timely manner. It is often deemed a temporary method to satisfy demands collaboratively. The history of project management indicates that much of the initial impetus for its use was a function of the Department of Defense and the National Aeronautics and Space Administration (NASA) requirement to include the use of project management as part of the contract acquisition process.<sup>1</sup> This makes it appropriate to further analyze project management within the realm of government contracting and explore a nontraditional contract vehicle that has evolved to help alleviate the acquisition of commercial items.

Multiple award schedule (MAS) contracting is nontraditional because it creates an open registry for federal, state, and local government entities to purchase commercial items. The methods used to award, administer, and maintain this contract vehicle do not mirror the contract acquisition process that project management was meant to facilitate. However, project management is applicable to MAS contracting because it fosters collectivism rather than the idiosyncratic attitude to make a decision. MAS contracting is just as challenging, if not more so, than traditional contracting.

The contracting professionals, contracting specialists, and contracting officers (COs) who manage MAS contracts are expected to be business savvy industry experts, business advisors, administrative and management coordinators, and policy specialists. They invariably function as project managers for their respective caseloads. Conversely, project managers have a team or network of people that assist in getting the job done.

This is why contracting professionals need help. Their workload is increasing and becoming more complex. Internal controls such as standardization of processes and procedures are bordering on nonexistence. Project management can improve internal controls and strengthen external partnerships. The nature of the MAS program calls for an environment that encourages communication, cooperation, and collaboration. The General Services Administration (GSA) can propel the MAS program forward by adapting project management as a tool for operational management.

## About the Author

**TIFFANI HARRIS** is a graduate from Spelman College and the University of Delaware. She is currently a contract specialist in the federal government and resides in Northern Virginia.

## Background

GSA is a federal government procurement and acquisition agency. Its mission, according to the official GSA Web site, is to “help federal agencies better serve the public by offering, at best value, superior workplaces, expert solutions, acquisition services, and management policies.” GSA is also the premier federal acquisition and procurement force and offers equipment, supplies, telecommunications, and integrated IT solutions to customer agencies.<sup>2</sup> Contracting professionals are mandated to uphold federal regulations and agency policy and to serve as business advisors to clients. The organization is divided into subparts representing different industries and regions of the United States.

The Federal Acquisition Service (FAS) offers services to customer agencies. It directly services federal government agencies, including indirect services to state and local governments. FAS provides multiple channels for customers to acquire the products, services, and solutions they need.<sup>3</sup> Key acquisition programs include MAS and governmentwide acquisition contracts (GWACs) that provide customers easy access to a wide range of IT, telecommunications, and professional products and services. This article will concentrate directly on the MAS program, paying particular attention to the Center for Information Technology (IT Center) Schedule programs.

## Multiple Award Schedule

The MAS program is unique in that it differs from traditional contract vehicles. With MAS contracts, GSA awards to multiple companies supplying comparable services and products at varying prices. For instance, the IT Center Schedule program has over 5,000 contracts. Numerous contracts offer the same IT products and services offered at different prices, quantities, and qualities. The ordering agency then decides the most valuable solution for their business needs.<sup>4</sup>

MAS contracts are divided up into different GSA Schedules. Schedules are grouped together and categorized by commodity. (For example, there is a schedule for household furniture, office furniture, IT, automobiles, etc.) As of November 2001, GSA administered 54 Schedules and since then new Schedules have been added routinely to that amount.<sup>5</sup> Commercial businesses may join the MAS program to sell a single item under a single schedule as long as GSA determines that the vendor is responsible and the products it offers are priced reasonably.<sup>6</sup>

MAS contracts also differ from other government contract vehicles because each executed contract is derived from a standing solicitation. The solicitation is refreshed often to include updates on federal regulations and agency policies.

The standing solicitation does not have a closing date. The contracts are effective for five years with three five-year options to renew the contract period. GWACs are task-order or delivery-order contracts for IT established by one agency for governmentwide use.<sup>7</sup> Task- and delivery-order contracts are competed on a case-by-case basis, and are traditional contract vehicles. These requests are not issued until an agency or ordering entity determines a need for products and services. Normally, the solicitation is referred to as a request for quote or request for proposal. The solicitation has an issue date and a closing date. The contract period should not exceed the amount of time designated in the contract. On the other hand, MAS contracts are awarded regardless of specific needs for goods and services. Instead, MAS acts as a one-stop shopping portal for seekers of goods and services. When there is a need, ordering activities can procure items directly off the Schedule. Many GWAC contract holders also have MAS contracts on the IT Schedule. Overall, most contracting vehicles assume the “cradle to grave” contracting operation: the CO responsible for administering a contract is normally the same CO that awarded the contract.<sup>8</sup>

## IT Center Schedule Programs

The IT Center Schedule programs manage all IT MAS contracts. As previously stated, the Center manages an estimated 5,000 contracts. The average number of contracts per contracting professional is around 80. Taking into consideration the complexity of the awards, the dollar values of the contracts, and contract administration activity, 80 contracts is an extremely difficult and heavy load. Some caseloads even exceed this amount. The contracting professionals that make up the IT Center manage their caseloads individually 95 percent of the time. The implementation of project management techniques can improve the process of contract management within the IT Center and substantially lighten the overall workload.

## Status Quo

MAS contracts are currently managed by the signing CO. They maintain contact with the respective companies, facilitate company questions and concerns, process modifications (i.e., add/delete products, change of name, add manufacturers, and price increase/decrease), and exercise options to extend. Sometimes outside events such as contract audits, contractor meetings, or additional project meetings interfere with major objectives; awarding and administering contracts. Most importantly, the information a CO retains while working on contracts is priceless.

The IT Center, like other offices and government agencies, is experiencing a diminishing workforce. In an article published in *Government Executive* in 2004, Shawn Zeller stated the following:

In January 2001, when the General Accountability Office (GAO) placed the management of the federal workforce on its list of high-risk areas, the message was clear: The state of the civil service was not good. "Serious management challenges across a wide range of federal agencies, covering programs that involve billions of federal expenditures, can be attributed to shortcomings in how agencies manage their human capital," GAO noted....Three years later, the civil service is still facing huge challenges, the consequences of a decade of downsizing in which little thought was given to how to ensure that the government kept the employees with the skills it most needs. Most agencies find themselves with aging workforces. Fully 50 percent of all federal workers will become eligible to retire within the next five years.<sup>9</sup>

The retirement of baby boomers is a chronic problem for the federal government. It is even more detrimental to the contracting professional series as the government increases its acquisition of commercial items. The Acquisition Advisory Panel of the Office of Federal Procurement Policy and Congress painted a bleak picture of the state of the federal acquisition workforce. The most significant finding highlighted the value of the quantitative and qualitative aspects of the acquisition workforce. Plainly stated:

The federal acquisition workforce is an essential key to success in achieving the government's missions. Procurement is an increasingly central part of the government's activities. Without a workforce that is qualitatively and quantitatively adequate and adapted to its mission, the procurement reforms of the last decade cannot achieve their potential and successful federal procurement cannot be achieved.<sup>10</sup>

Another finding showed that the government is procuring more commercial goods and services than ever before. Acquisitions have also become more complex. This places greater demands on the acquisition workforce for capability, training, time, and sophistication. In addition, there has been a shift from the acquisition of goods to the acquisition of services. This is evident in the acquisition of IT. The IT Schedule program has grown to a \$17 billion program. The driver of sales for the IT Schedule is professional services, including consulting and maintenance services. Service contracting places additional demands on the acquisition workforce, specifically on

contract management.<sup>11</sup> Finally, there has been a dramatic shift of federal procurement funds to Federal Supply Schedules and other forms of interagency contracting.<sup>12</sup> The need has presented itself to manage the flow of information and commands collaborative efforts.

The IT Center lacks the control to pass on knowledge to incoming contract professionals, or to contracting personnel transitioning to the IT Center. Of course, there is the paper-based contract file that captures the history of the contract and subsequent administration, which one could argue lacks the intuitive rational of the original person making the award. It is insulting to insist on contracting professionals to continue to function individually and to demand success given the new challenges they face. Instead, the IT Center should approach MAS as projects within a team rather than individual projects of one team member. Project management is a shared approach of the knowledge, skills, and abilities required to operate at a speed consistent with the IT industry. Operationally, project management can offer a team approach to the administration and management of MAS contracts.

## Project Management

In her column in *The Public Manager*, Michelle LaBrosse stated that "organizations can use project management techniques to boost personal and collaborative activity."<sup>13</sup> Collaboration should be the focal point of contract management. Unfortunately, MAS contracting has historically been viewed as a linear occupation. For instance, consider when a CO is assigned a new offer. The new offer is a bid to establish a relationship with the government and offer goods and services according to the awarded contract number. All negotiation, correspondence, administration, etc., is governed by the assigned CO. After award, the contract usually remains with one person until they leave the office. In an article published in *Contract Management*, James Phillips offers this insight: "The natural tendency for contract managers, and perhaps others, is to address a task, project, or program alone."<sup>14</sup> This is not a good business strategy for the IT MAS program. The IT industry embraces speed, innovation, and variety. The IT Center is falling short of meeting the demands of the industry because each associate is attempting to tackle problems individually as opposed to seeking solutions collectively.

"The project management process can be defined as a set of principles, methods, and techniques for the effective planning and control of projects with the goal of being on time, under budget, and to specification."<sup>15</sup> With regard to the time factor, processes are allotted certain time frames to be completed.

However, targeted time frames are not being met and workloads continue to increase. It is unrealistic for individuals to be successful given the current structure. In addition, the individualistic nature of the office goes against instituting clear communication and control. As a result, the *modus operandi* imparts irregularity, unpredictability, and contradiction throughout the IT Center.

How can the project management process improve the workflow of the MAS program within the IT Center?

The project management process requires cross-functional communication, identification of information interface points, activity sequencing, and a focus on getting future work done with quality and efficiency. This process is a proactive technique that requires down-stream work to be identified as early as possible. The goal is to plan for its completion, rather than react to it.<sup>16</sup>

However, project management is not expected to be an instant success. It may take the IT Center some time to adopt a more integrated approach to the existing contract management and administration system.

The three project management principles that should be applied to a basic contract administration process include:

1. Planning,
2. Scheduling, and
3. Controlling.

Applying the three project management principles to a basic contract administration process demonstrates potential process improvements via project management.

## An Example of Contract Modification

These three fundamentals of project management—planning, scheduling, and controlling—are also collaborative methods. Implementation theoretically occurs faster than an individual working alone. It is imperative to emphasize the extent of the workload; it is overwhelming and stressful. Individuals cannot strategically tackle issues. Processes are not planned, scheduled, nor controlled. As a result, work is completed chaotically and individuals become frustrated because there is a lack of clearly-defined milestones and completion points. Therefore, division of labor is highly recommended to speed up processes and to offer a sense of accomplishment.

One example in particular involves modifying contracts. Some argue that modifications cannot be planned, scheduled,

or controlled. On the contrary, modifications managed in a team environment can be very successful. The planning phase would establish a team responsible for modifications, the time allotted to process each type of modification, and the standard language used in general correspondence to contractors. A work breakdown structure (WBS) would help divide the project into detailed components. The WBS defines the modification process as a vertical integration of tasks, rather than a linear activity. Modifications can be complicated due to the complexity of the request. Some require further market research, additional information from the contractor, or writing an addendum to the file to justify approving or rejecting the request. Team members would be directed to follow certain steps in order to quickly process a modification. The WBS would be modified periodically to accommodate changes in acquisition policy, process improvements, or personnel increases or decreases.

A schedule should be created to assign different modifications for certain days of the week. The IT Center receives numerous requests for modifications. A single contract holder may also submit multiple requests simultaneously. Therefore, the Schedule should direct a team on how to respond to the multiple requests. The objective here is to ensure a contractor's government contract mirrors its commercial business through its federal price list—an advertising tool sent to agencies. Contractors are also required to upload federal price lists online. It is common for COs to wait until all modification requests are processed and then send a response to the contractor. This process can take a few weeks or several months. With the help of scheduling and teamwork, overall turnaround will be quicker, and a few weeks could be condensed into one or two.

Controlling is also an important part of the modification process. Teams would be required to produce and present time analysis reports and work status reports. Teams would present to each other and offer suggestions on how to improve processes. Ultimately, the controlling phase increases the opportunity for better communication among associates in the IT Center. "Town hall" meetings are usually held quarterly. These are informative because they educate staff on different areas that impact MAS contract administration such as legal decisions, center initiatives, and federal regulations. Typically, senior management addresses the staff or invites guest speakers from the various contract support offices during these meetings. This time can be used more effectively if contracting personnel could present to each other lessons learned and recommended best practices for contract administration. The controlling process grants the IT Center a chance to come together as a general body. The information gathered through project controlling should not be kept for

senior management. Rather, it should be disseminated throughout the organization. This encourages open communication and transparency.

## Other Benefits of Project Management

Implementation of project management principles will benefit the administration and management of MAS contracts. According to Richard C. Panico, “Seamless implementation of a complex sourcing project requires application of proven project management techniques. Without strong leadership, cross-functional participation often leads to inefficiency and missed objectives.”<sup>17</sup> Project management can improve processes by promoting the following four notions.

### 1. Ensure Focus

A project manager must make sure that resources are used efficiently and that proactive project focus is balanced against a “firefighting” environment. Workgroups within the IT Center would be able to focus more if work was divided. Given the volatile nature of the industry, contracting professionals cannot continue to act as a one-stop shop. It is not uncommon for contractors to experience difficulty when COs retire or find new employment. The new CO has to play catch-up and cannot act as quickly as the previous CO. Contractors should not have to worry about the lapse in time between COs. Instead, work on a contract should continue to flow because the contract was not the sole responsibility of just one person. The entire team would have knowledge and experience working on the contracts assigned to the team.<sup>18</sup>

### 2. Communicate

Projects dealing with significant change require even greater focus on communication than routine projects. Effective communication is proactively and carefully planned. High dollar value contracts require special attention. Often, when these particular contracts are up for renewal, the contracts are audited by the inspector general’s office and evaluated internally by a panel of senior COs. Communication is important because many high dollar value contracts have multiple commercial business lines resulting in more than one contract on the IT Schedule. In some instances, companies try to offer varying discounts, charge outrageous prices, or announce outlandish terms and conditions. Contracting professionals should be aware of the contracts in-house, products offered, and any related issues or concerns. If it is perceived that internal communication is nonexistent, it opens the door for fraud and abuse of MAS

contract vehicles. The American taxpayer will pay for it in the long run.<sup>19</sup>

### 3. Manage Change

A good project manager identifies change early, quantifies its justification and impacts, ensures approval and clear communication, and mitigates the effect on the original objectives. Managing change is vital in today’s global market. Contracting professionals must adapt quickly and maintain sound business judgment. However, transition can happen quickly, even without identifying what is changing. Since contracting professionals are caught up in the daily grind, it can sometimes be possible that no one is aware of a change. Therefore, when policy is handed down, it sometimes comes as a surprise. The result is slow reaction time by having to stay on top of contract management and administration. Again, project management can work through change. Through project planning and project scheduling, teams can work together to predict future changes. Project scheduling anticipates when the change may occur. Moreover, controlling will produce continuous reports that will analyze the process. The data can be used to juxtapose the results with the overall organizational mission. The analysis will then reveal whether the program is going in the right direction.<sup>20</sup>

### 4. Accelerate Team Cohesion

The project manager must establish a culture of teamwork at the project level and with the external manufacturer during implementation, as this relationship must survive technology transfer and will be a critical component of sustainable success. Unfortunately, the culture of the IT Center is very individualistic. It may be difficult to transition from an individualistic culture to one that encourages interdependence. However, unity is imperative in order to jumpstart the planning phase of project management. The idea that knowledge is spread throughout the group is essential to perpetual preservation of contracting know-how. Sustainability is the momentum behind the need for solidarity and team spirit. This is also useful for session planning.<sup>21</sup>

MAS contracting offices can stay ahead of the game by implementing project management principles into their processes. The goal is to divide and conquer. Instead of taking issues head-on, contracting professionals can use techniques to breakdown major duties into smaller subparts. The IT Center should adopt project management as an operational tool to streamline processes, strengthen support among COs and contracting specialists, and to prepare for the challenges of tomorrow.

## Disadvantages of Cross-Functional Structures

“[M]ultiple dimensions create an atmosphere of ambiguity and conflict, as well as additional costs, both for the organization and for the individual.”<sup>22</sup> The beginning of the transition from “I” to “we” may be the most costly part of project management implementation. Of course, contracting staff would need additional training. The agency must invest in staff education on the concepts and principles of the new paradigm. This allows individuals to walk into project teams with a basic knowledge of the new management tool. The organization and the individual would have to make sacrifices in the beginning. Starting with a strong foundation increases the chances of sustained success. Unfortunately, conflict is inevitable. The IT Center would be divided between staff that want to move forward and those who want to maintain the status quo. This resistance impedes the growth of a program. The change may not be accepted by industry. IT contractors are very vocal about issues or concerns they perceive will negatively affect their bottom line, and collaborative efforts may threaten their competitive advantage. However, pricing errors are easier to recognize when evaluated by multiple people rather than an individual.

Conflict is also likely to occur over project priorities, administrative procedures, technical perfection versus performance tradeoffs, personnel resources, cost estimates, scheduling, and conflicting personalities. COs are given the authority through federal regulation to act according to their discretion. They can move at their own pace, regardless of internal controls. They are self-sufficient entities that can complete a day of work without any interaction among their peers. Thus, automatic buy-in is not guaranteed.

These conflicts demonstrate issues that may arise in the onset of forming teams during the planning phase. Time, however, can play a positive role in minimizing conflict. As staff members experience how project management improves their workload, resistance gradually dissipates. The proof will be when positive outcomes occur and through the quality of the finished work product.

## Conclusion

Contract management and the administration of MAS contracts are overdue for a makeover. The old system of individualism and lack of communication is ineffective and disengaging. A workload is better confronted when teams collaboratively work toward a goal. Implementing the WBS identifies tasks, milestones, and responsibility. Applying the team approach to MAS contracts maintains individual ownership of duties and responsibilities. Fortunately, it also

reduces the amount of responsibility and creates assignments that intensify the degree of importance of a particular assigned task. This phenomenon is empowering and magnifies the work experience.

The IT Center has the potential to change for the better. The question is whether there is a desire to pursue a different approach. The benefits discussed in this article support the notion for change. Time, personnel, and workload are factors that weigh against modifying the status quo. Project management is an extremely useful tool for managing change. Furthermore, project management can secure a future for the IT Center that promises accessibility, productivity, and cohesion. *JCM*

## ENDNOTES

1. See, generally, Ford, Robert C. and W. Alan Randolph, “Cross-functional Structures: A Review and Integration of Matrix Organization and Project Management,” *Journal of Management*, June 1992: 267(28). *Expanded Academic ASAP*, Gale, Marymount University. Accessed on November 15, 2007, at <http://find.galegroup.com.proxymu.wrlc.org/itx/start.do?prodId=EAIM>.
2. See “GSA Organizational Review.” Accessed on November 15, 2007, at [www.gsa.gov](http://www.gsa.gov).
3. See General Services Administration, *United States Government Manual*, Washington, DC: Vol. 2007-2008. Office of the Federal Register of the National Archives and Records Administration, 2007.
4. See, generally, Chierichella, John, and Jonathan Aronie, *Multiple Award Contracting*, Washington, DC: Library of Congress, 2002.
5. *Ibid.*
6. *Ibid.*
7. See General Services Administration, “Government-wide Acquisition Contracts.” Accessed on November 15, 2007, at [www.gsa.gov](http://www.gsa.gov).
8. General Services Administration, “Contract Acquisition Management.” Accessed on November 15, 2007, at [www.gsa.gov](http://www.gsa.gov).
9. Zeller, Shawn, “The State of the Civil Service,” *Government Executive*, Vol. 36, No. 3, February 2004.
10. The Acquisition Advisory Panel of the Office of Federal Procurement Policy and the United States Congress, *Advisory Panel Final Report*, 2007.
11. *Ibid.*
12. *Ibid.*
13. LaBrosse, Michelle, “Project Management: Best Practices for the Public Sector: Organizations can use a Standard System of Simple Techniques—Embedding Project Management Best Practices—to Boost Personal and Collaborative

Productivity" (Column), *The Public Manager*, 36.2, Summer 2007: 25(3). *Expanded Academic ASAP*, Gale, Marymount University. Accessed December 2, 2007, at <http://find.galegroup.com/proxymu.wrlc.org/itx/start.do?prodID=EAIM>.

14. Phillips, James, "The Acquisition Team Adding Value to Performance and Professionalism," *Contract Management*, 47, 28-33, 2007.
15. Wallace, Ron, and Wayne Halverson, "Project Management: A Critical Success Factor or a Management Fad?" *Industrial Engineering*, April 1992: 48(3). *Expanded Academic ASAP*, Gale, Marymount University. Accessed November 2, 2007, at <http://find.galegroup.com/proxymu.wrlc.org/itx/start.do?prodID=EAIM>.
16. Ibid.
17. Panico, Richard C., "Sourcing: Collaborative Success—The Sourcing Process is a Critical Business Strategy that Extends Beyond Procurement. Using Proven Project Management with Input from a Cross-functional Team Improves the Quality of Decisions and Accelerates Implementation," *Global Cosmetic Industry*, December 2006: 58(2). *Expanded Academic ASAP*, Gale, Marymount University. Accessed November 15, 2007, at <http://find.galegroup.com/proxymu.wrlc.org/itx/start.do?prodID=EAIM>.
18. Ibid.
19. Ibid.
20. Ibid.
21. Ibid.
22. Ford, see note 1.