

# NDIA IPMD Meeting Minutes

## Industry Day Meeting – April 26, 2017

Note: These minutes are intended to supplement the charts shown during the presentations (as applicable). Charts (with some exceptions) will be uploaded to the IPMD website shortly after the meeting.

1. Dan Lynch, IPMD Chair, called the meeting to order and welcomed all the attendees. As is the committee's normal practice, all attendees introduced themselves. New attendees were asked to raise their hand. It was estimated there were about 10 people attending for the first time. Dan thanked PrimePM for hosting the newcomer's event last night.
2. Dale Gilliam reviewed the handout and thanked Northrop Grumman for hosting the event.
3. Kathy Warden, President, Northrop Grumman Mission Systems, provided an overview of Northrop Grumman by describing each of the three Operating Sectors: Aerospace Systems, Mission Systems, and Technology Services. Kathy described the company's commitment to excellence in Integrated Program Management (IPM), drive for consistency in EVMS, and constant improvement of tools, processes, and people. Emphasis was placed on the ability to change and be agile without compromising control.
4. Dale Gilliam introduced Jon Etherton, President, Etherton & Associates and Senior Fellow for Acquisition Reform, NDIA. Jon presented Acquisition Policy: Current Acquisition Environment. Jon covered the National Defense Authorization Act for Fiscal Year 2017 signed into law on December 23, 2016. Sec 805 was discussed regarding modular open system approach in development of major weapons systems. Sec 806 regarding development, prototyping, and deployment of weapon systems. Sec 809: Amendments relating to technical rights (Intellectual Property). More limits to the government. Sec 811: Modified restrictions on undefinitized contractual actions. If extended beyond 180 days, then Industry profits up. Now includes FMS contracts. Sec 813: Use of lowest price technically acceptable source selection process. Sec 820: Defense cost accounting standards. Sec 824: Treatment of independent research and development costs on certain contracts. Sec 826: Extension of program for comprehensive small business contracting plans through 2027. Sec 829: Preference for fixed price contracts. No CAS Standards and no Business Systems requirements. Sec 830: Requirement to use firm fixed-price contracts for military sales. Sec 831: Preference for performance-based contractual payments. Tries to allow for more of them. Sec 835: Protection of task order

competition. Sec 836: Contract closeout authority. Sec 846: Repeal of major automated information systems. Sec 855: Mission integration management (System of Systems). Sec 875: Use of performance and commercial specification. Sec 881: Greater integration of the national technology and industrial base (Australia and UK added to the base). Sec 893: Amendments to contractor business system requirements. Allows third party (SOX) auditing, but DCAA will not implement. Sec 901: Under Secretary of Defense for research and engineering and related acquisition position in the office of the Secretary of Defense. Jon reviewed the 2017 agenda for appropriations, FY18 budgets, Armed Services Committee, Senate Armed Services Committee, and the administration.

5. Dan Lynch introduced the IPMD Board Members. The IPMD purpose was discussed. Dan expressed appreciation regarding the excellent working relationship/partnership between industry and government; two way effort. The new Strategic Themes (Thought leadership in IPM and Collaboration) and Strategic Objectives were reviewed. Buddy Everage was introduced as the new lead for the communications initiative. The 2017 and 2018 schedule for upcoming events was reviewed. Joan Ugljesa announced a new “Master Definitions List for IPMD Guides” has been created and will be posted to the website for all working groups to use.
6. A break was conducted.
7. Gary Humphreys and Joe Kusick facilitated the Clearing House Discussion. Issues discussed include the 1) Price/Usage variance formula. 2) IPMR DID Clarifications regarding Logic on LOE in the schedule, cost of money, reporting adjustments for multiple OTBs. 3) Joe provided an update to the 3 year old Stop Work Order topic and de-scoping the contract. 4) Subcontractor MR. Gary discussed the issues of CARs being written when LOE EVT is used for planning material. DCMA’s expectations are to move to more apportioned effort techniques and percent complete techniques and away from LOE. The participants discussed issues around harvesting underruns on LOE work and negative EV. Gate month EAC concepts were discussed regarding acceptability. There are pros and cons to allowing the Control Account EACs to float. Participants were reminded to visit the NDIA website Clearing House Working Groups section to read about these and other EVM issues.
8. A panel was assembled to discuss Industry Briefing of Comments and Recommendations for the Draft DoD EVMSIG. Dan Bellovary led the effort to collect and adjudicate 435 industry comments into 152 recommendations for PARCA consideration. Recommendations for each of the 32 guidelines was discussed. PARCA will provide an update to the EVMSIG by September 2017.
9. A vote was taken to approve the Agile/EVM Guide Version 1.1.
10. A lunch break was conducted.
11. Dale Gilliam introduced a 5 member panel to Better Collaboration Between Program Management and System Engineering. John Cable from University of Maryland “...

the product of teamwork is greater than the sum of the parts”. John pointed out the need for academia to teach students how to collaborate across various disciplines. Brendan Grant (GD-MS) reinforced the need to collaborate stating different perspectives are healthy. Marvin Nelson discussed how to leverage tension to improve program outcomes. Marvin emphasized the need to cross train individuals in multiple disciplines. Steve Henry (DAU) supported understanding the importance of teamwork and managing a system of systems including inter-operability. Dennis Nihiser (SAIC) emphasized the importance of a systematic process to create solutions where not following a system engineering process usually leads to higher costs later. Questions from the participants were answered. The panel addressed the challenges of Agile methodologies and system engineering when hardware is developed using waterfall and software is developed using agile. The panel generally agreed that documentation should only be generated if it is used. “Plans are useless: planning is everything.” Risk management is a critical component of proper program management, but it’s often not performed adequately. Risks are generally better identified when trust is present in the organization. A question was proposed on who owns the WBS. The panel was unanimous in stating the PM, not system engineering, owns the WBS. Key phrases included “are we rewarding the people who save it or are we rewarding the people who prevented it?”

12. Dale Gilliam introduced Paul Bolinger who presented on Top-level Schedules and the IMS. Paul demonstrated a top level schedule versus a traditional schedule. Paul advocated a tool called Milestone Professional as a tool for designing and communicating a top level schedule. Paul described the important characteristics of a useful top-level schedule. Paul described a survey that was issued to demonstrate how to convert a Microsoft Project schedule into a useful top-level schedule using numerous tools (Milestone Professional, One Pager Pro, MSP External View and Timeline function, Deltek, and Asta PowerProject). Yancy Qualls then facilitated a panel to discuss the concept. The panel conveyed their experiences in using top-level schedules as a best practice. All panelists conveyed that it only took a few hours to create the top-level schedule and only 5 minutes to update it on a regular basis. Participants were encouraged to implement top-level schedules as a best practice. This schedule is for internal users and RFP proposals, but the customer will also like. The panel highly advocated the IMS/IPMR DID be modified to allow other rollup views besides WBS, OBS, and IMP.
13. Dale Gilliam reminded everyone to complete the surveys.
14. Dale Gilliam announced the meeting location for each of the IPMD working group sessions. Groups were given 90 minutes to meet in separate areas.
15. A networking break was conducted.