



Air
Land
Sea
Space
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Innovation. In all domains.

Successful Execution & Affordability Start with Pursuit Planning & Capture Management (It's about Risk Management)

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Shaping, Opportunity Development & Capture Phases

- Must actively LISTEN and constantly ENGAGE with customers to understand their
 - Vision
 - True needs
 - Interests
 - Sensitivities
 - Care-about
 - Hot buttons
 - Competing resource needs
 - Perceptions about us and potential teammates or suppliers
- For mission capabilities, budget/cost (non-recurring, unit, operational), timing, acquisition strategy, policy compliance
- Understand which needs are straightforward or complex
- Shape customer requirements to develop the best, workable solutions
 - Solution development includes design to cost targets
- Understand the alignment between customer needs and our (team's) capabilities and potential solutions, as well as the investment required to improve alignment

Program success and affordability begin with alignment to customer needs

Concept Refinement Phase

(ends with Bid/No Bid decision)

- **Customer understanding**
 - Agree upon detailed concept of operations
 - Understand end user environment well
 - Understand level of risk willing to accept
 - Understand acquisition strategy & unusual T&Cs
- **Baseline management**
 - Technical baseline essentially firm with plenty of trade space to enable pricing strategy
 - Baseline program assumptions are documented
 - Key performance parameters (KPPs) initiated by customer/end user and well understood by us, especially new, unique or difficult ones
 - Technical interfaces to be checked out in integration are identified
- **Risk management**
 - Major programmatic, schedule and technical risks identified and addressed
 - Plan in place for handling risks associated with ill-defined customer requirements
 - Lessons learned from similar programs reviewed and incorporated
- **Mission assurance**
 - Clear on how and where system will be tested for development & operational testing with measures of effectiveness and performance known
 - Acceptance criteria are measurable and based on events within our control
- **Cost/schedule management**
 - CAM/IPT/WBS structure defined, RAAs defined, including sub/teammate roles
 - Initial Integrated Master Plan developed and schedule risk analyzed
 - Earned value strategy has been developed (EV techniques, subs, linkage to IPTs, frequency, etc)
 - Pricing targets allocated to IPTs/major WBS elements, including key suppliers
- **Subcontractor management**
 - Subcontractor management strategy defined, including technical, T&Cs and program management process flowdowns
 - Work allocated to teammates consistent with their capabilities based on in-depth review
 - Schedule planning with subs is based on their input and disconnects are mitigated
 - Teaming agreements are in place and draft statements of work and specifications exist with ROMs and schedules received
- **Talent**
 - PM identified

Proposal Development Phase

(ends with proposal approval)

- **Baseline management**
 - KPPs are clearly defined by customer/user and clearly understood by us, especially new, unique or difficult ones
 - Technical baseline is established, stable and reflected in requirements management system and proposal
 - Technical performance measures are defined and banded with upper and lower limits
 - Margins are defined in requirements flowdown
 - All major integration activities and product build steps are identified in sufficient detail for cost and schedule estimates
- **Risk management**
 - Pre-award activities to reduce risk are identified and planned for
 - Risks identified and quantified and decision made about bid inclusion
 - Crosswalk exists that traces T&Cs, SOW, specification ambiguities, assumptions, and supplier strategy to risks
 - Management reserve level correlates to degree of risks and opportunities
- **Mission assurance**
 - Independent review has determined program as proposed is executable and all issues are resolved
 - Acceptance criteria are defined, clear, attainable and documented in the RFP and our proposal
- **Cost/schedule management**
 - Pricing strategy allocations are in place for each IPT/major WBS element, including key suppliers and related risks are well understood and documented
 - Scope of work matches customer funding profile
 - Integrated Master Schedule completed, aligned with RFP/SOW/WBS, meets RFP period of performance and team (including subs) says is executable with independent review concurrence
 - Design to unit production cost and average unit production cost are treated as design requirements
 - Program master schedule is executable within supplier and manufacturing lead time windows and available capacity
- **Subcontractor management**
 - Subcontractor T&Cs mitigate supplier risks (eg liability terms, warranty, award fees, etc) and aligned as needed with program level requirements (eg warranty period)
 - Statements of work and specifications for subs exist with no TBDs and are the basis of the proposal
 - Subcontractor fee structure matches program strategy and motivates key behavior
 - Integration and sell-off strategy incorporated into the model contracts
 - Crosswalk exists between the customer RFP and supplier flowdown requirements and T&Cs
- **Talent**
 - Staffing ramp achievable for near term work with detailed plan for critical personnel

Program Execution Success and Affordability Operate Like a Balloon

- Sources of Risk
 - Cost
 - Profit & profit incentives
 - Schedule
 - Requirements
 - Terms & conditions
 - Degree of post-award changes
 - Capability alignment
 - Talent
- Trades and proactive management are needed to address these various risk sources and have the appropriate balance



Program success and affordability start with pursuit planning