



U.S. Department of Veterans Affairs
Office of Acquisition, Logistics and Construction (OALC)

VA Supplier Relationship Management

VA Webcast

December 9, 2009



U.S. Department of Veterans Affairs
Office of Acquisition, Logistics and Construction (OALC)

VA Supplier Relationship Management

Mr. Maurice Stewart
Associate Deputy Assistant Secretary
for
Acquisition & Logistics Programs & Policy



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VA Supplier Relationship Management

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Webinar Agenda

VA Supplier Relationship Management

- Opening Remarks – Deputy Secretary Gould**
- OALC Overview – Mr. Jan Frye**
- Initiatives Update – Mr. Frye and Ms. Iris Cooper**
- Question & Answer Period – All Participants**
- Closing Remarks – Deputy Secretary Gould**



U.S. Department of Veterans Affairs
Office of Acquisition, Logistics and Construction (OALC)

VA Supplier Relationship Management

The Honorable W. Scott Gould
Deputy Secretary
Department of Veterans Affairs



U.S. Department of Veterans Affairs
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VA Supplier Relationship Management

Mr. Jan Frye
Deputy Assistant Secretary
for
Acquisition and Logistics



Why Are We Here?

VA Supplier Relationship Management

“Someone outside your organization today knows how to answer your specific question, solve your specific problem, or take advantage of your current opportunity better than you do. You need to find them, and find a way to work collaboratively and productively with them.”

A.G. Lafley, CEO, Procter and Gamble



Background

VA Supplier Relationship Management

- ❑ OAL Initiated “Customer Satisfaction Indicator” in Jan 2009
- ❑ VA Resource Focus – Acquisition / Procurement / Logistics
- ❑ Goal – Measure and Improve Support to Veterans

Achieve VA Perfect Order Fulfillment (POF) – focused capabilities to ***effectively*** and ***efficiently*** provide the right item or service:

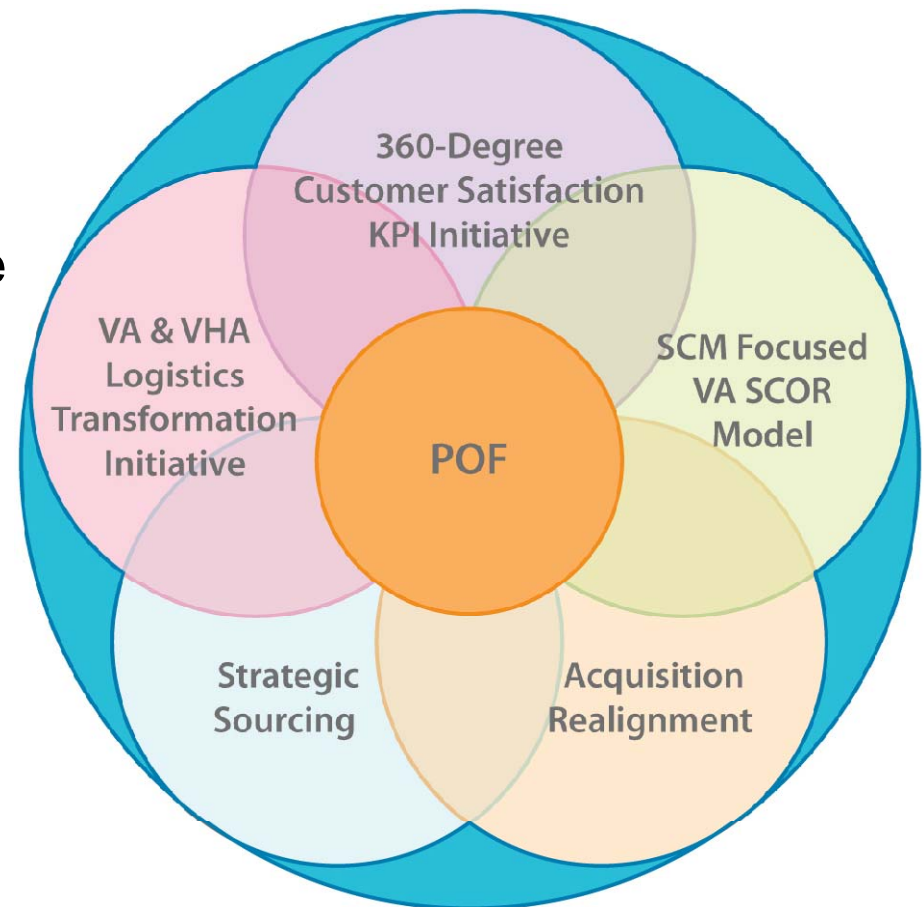
- At the right place
- At the right time
- To meet the Veterans’ need
- Functioning properly
- With all supporting documentation



Activities to Achieve VA POF

VA Supplier Relationship Management

- ❑ Specific activities underway:
 - 360° Customer Satisfaction Initiative
 - VA/VHA Logistics Management
 - VA Supply Chain Operations Reference (SCOR) Model
 - Strategic Sourcing/Acquisition
 - Acquisition Realignment





360⁰ Customer Satisfaction Indicator

VA Supplier Relationship Management

▪ **VA Customer Satisfaction Indicator**: Measure the effectiveness of VA policies, processes, enablers, and training provided to VA acquisition and logistics professionals in order to facilitate the capability to rapidly, effectively, and efficiently acquire/procure the best possible material and services to support VA providers of services to Veterans.

❑ 360⁰ Customer Satisfaction enables ***VA Acquisition Management***

❑ Target Audience

➤ Acquisition Workforce

➤ Suppliers / Vendors

➤ VA Service Providers

➤ Veterans and their families

Our Focus Today



Supplier Relationship Management (SRM)

VA Supplier Relationship Management

- ❑ Similar to Customer Relationship Management (CRM)
- ❑ Industry leading-edge Supply Chain Best Practice
- ❑ Critical component of Strategic Acquisition/Sourcing
- ❑ Results in ***Supply-Based*** competitive advantage

VA Goal: Become our suppliers' "***Customer of Choice***"

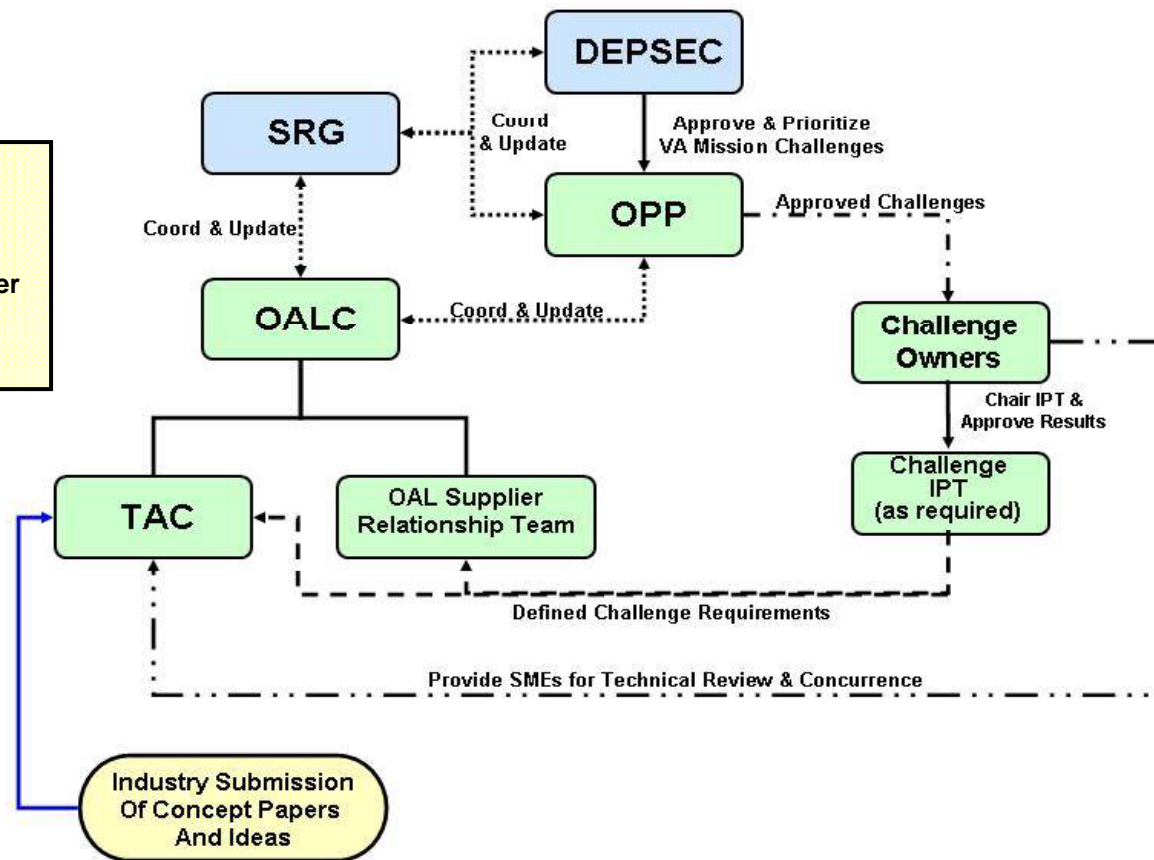


VA SRM Governance Process

VA Supplier Relationship Management

ACRONYM KEY

DEPSEC – Deputy Secretary
 SRG – Senior Review Group
 OPP – Office of Policy and Planning
 TAC – Technology Acquisition Center
 SME – Subject Matter Expert
 IPT – Integrated Product Team





Supplier Relationship Management Website

VA Supplier Relationship Management

❑ Supplier Relationship Management Web site

www.va.gov/oal/business/srm/index.asp

- Public-facing Web site – Transparency & Outreach
- Continuous updates – Events/Status/Feedback
- ***VA 13 Greatest Challenges***
- ***Initial entry point*** for industry concepts/ideas



VA Supplier Perception Survey (SPS)

VA Supplier Relationship Management

- Developed by Michigan State University
- 1940s-50s: Firms manufactured on site and over time
- 2010: Firms now purchase 80% of their revenues
- Leading edge companies looking at supplier perception
- Perception score very important in organizations
- VA is a large service organization (300,000 employees)
- VA does not manufacture anything
- Suppliers are a critical part in VA delivery to Veterans



VA Supplier Perception Survey

VA Supplier Relationship Management

- Relationships need to move **left**
- Good supplier relationships provide
 - Quality and Innovation
 - World Class Delivery (products & services)
 - Technical Support
- VA Focus – 2 Key Areas
 - Supplier Relationship Management (SRM)
 - Working Relations Index (WRI)
 - Relationships
 - Communications
 - Organizational help or hindrance (VA to suppliers)
 - Supplier profit opportunity

Cooperative ← **←** Combative



VA Supplier Perception Survey

VA Supplier Relationship Management

- VA SPS Survey – 38 Total Questions
 - Perception Issues – 24
 - Open Comment – 4
 - Demographics – 6
 - VA Contract Type Specific – 4
- Anonymous – no personal or corporate identifiers
- Sent out via Michigan State University – Spring 2010
- Michigan State University will perform data analysis
- 15,000 companies in first survey – randomly selected
- Sent quarterly until all VA suppliers surveyed
- Annual surveys afterwards – 20,000+ companies



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Ms. Iris Cooper
Associate Deputy Assistant Secretary
for
Acquisition



VA Acquisition Process Issues

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- ❑ Issues Identified at the August 2009 Forum
 - Transparency of VA Procurement Processes
 - Quality of Communications between VA and Suppliers
 - Clarity of VA Specifications/Requirements
 - Consistency in Application of Procurement Processes from Contract to Contract
 - Technical Competence/Knowledge of the VA Contracting Workforce
 - VA Ability/Willingness to Manage and Share Risk



Transparency of the VA Procurement Process

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- ❑ All opportunities are posted on FedBizOpps
- ❑ Planned FY2010 Information Technology Acquisitions are posted on the Website of the Technology Acquisition Center (TAC)
- ❑ Currently developing a customer portal for internal and external customers
- ❑ In FY2010 – draft requests for proposals (RFPs) will be released for comments for large programs
 - Example - Enterprise wide services Statement of Work (SOW) for IT support services currently posted for comment



Communications between VA & Suppliers

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- ❑ Supplier Relationship Management Forum – Aug 2009
- ❑ Advanced Planning Briefing to Industry (APBI) for all IT opportunities was held at the TAC in New Jersey in November 2009
- ❑ APBI Briefing slides are available on the Web at www.va.gov/oamm/oa/tac/apbi.cfm
- ❑ Debriefings and post award conferences will be held for all major acquisitions under the purview of the Office of Acquisition



Clarity of VA Specifications/Requirements

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- ❑ Acquisition Rapid Response Office (ARRO) Office at TAC assists in development of specifications & requirements
- ❑ Partnering with the requiring activities in early development of specifications will improve clarity
- ❑ Draft specifications – industry has a responsibility in asking questions early!



Consistency in Application of Procurement Processes from Contract to Contract

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- No one size fits all!
- Procurement processes are tailored to the requirements
- Contracting Officers are **partners** in the development of the requirements and will develop appropriate processes and strategies for each acquisition
- If in doubt, contact the Contracting Officer



Technical Competence/Knowledge of the VA Contracting Workforce

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- Contracting Workforce Challenge across the Federal Government
- More teaming for appropriate development and oversight
- Targeted training to improve competencies
- Development of contracting expertise through rotations and partnering



VA Ability/Willingness to Manage/Share Risk

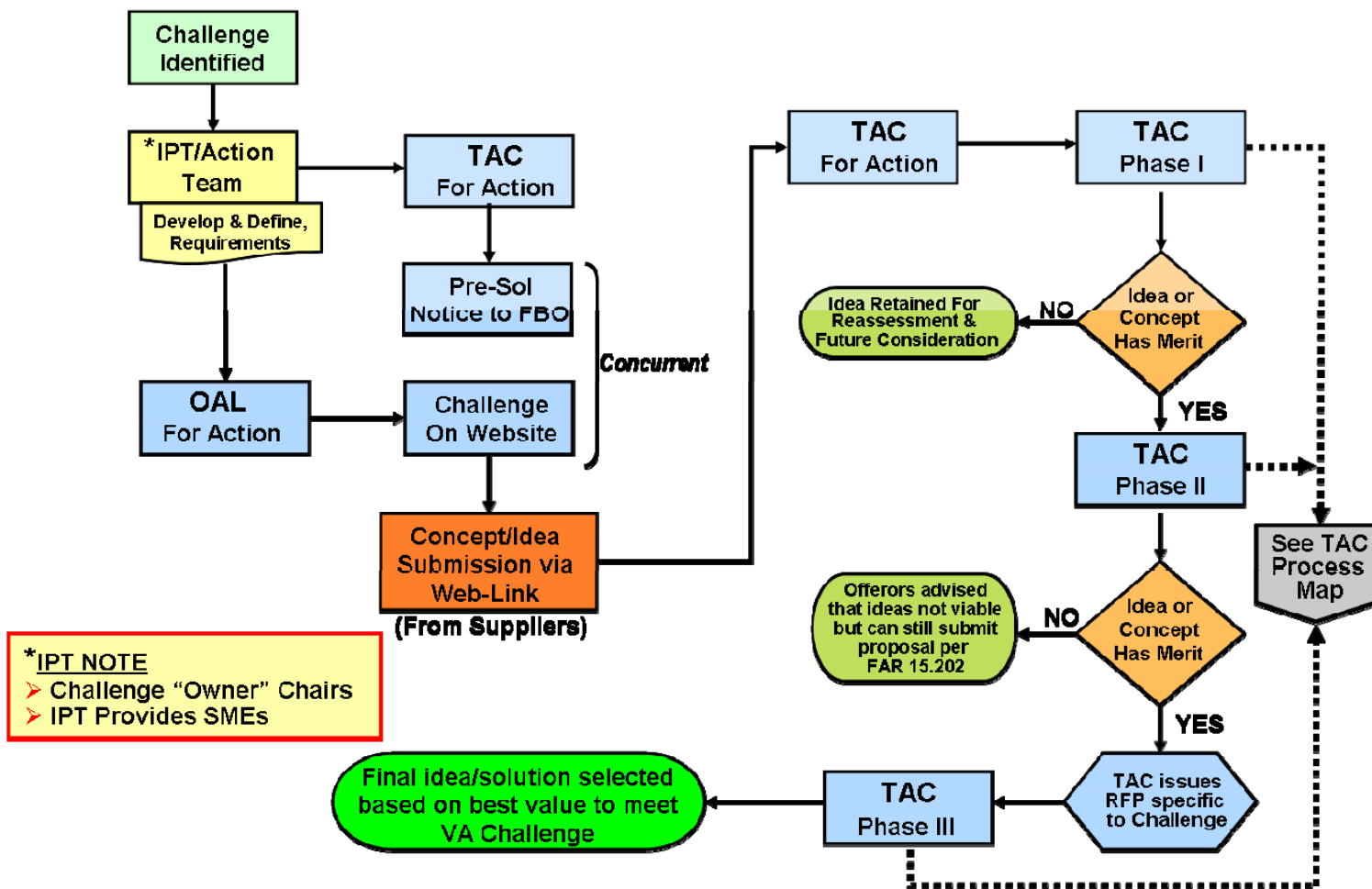
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- ❑ Acquisition strategy and contract type define contract risk
- ❑ Managed risk through better contract administration
- ❑ Preference for fixed price contracts
- ❑ Industry must communicate through the Contracting Officer and Contracting Officer Technical Representative (COTR) throughout the contract performance period
- ❑ OIT Program Accountability Office (PAO) will manage performance risks for major IT programs



VA "Challenges" Idea Submission

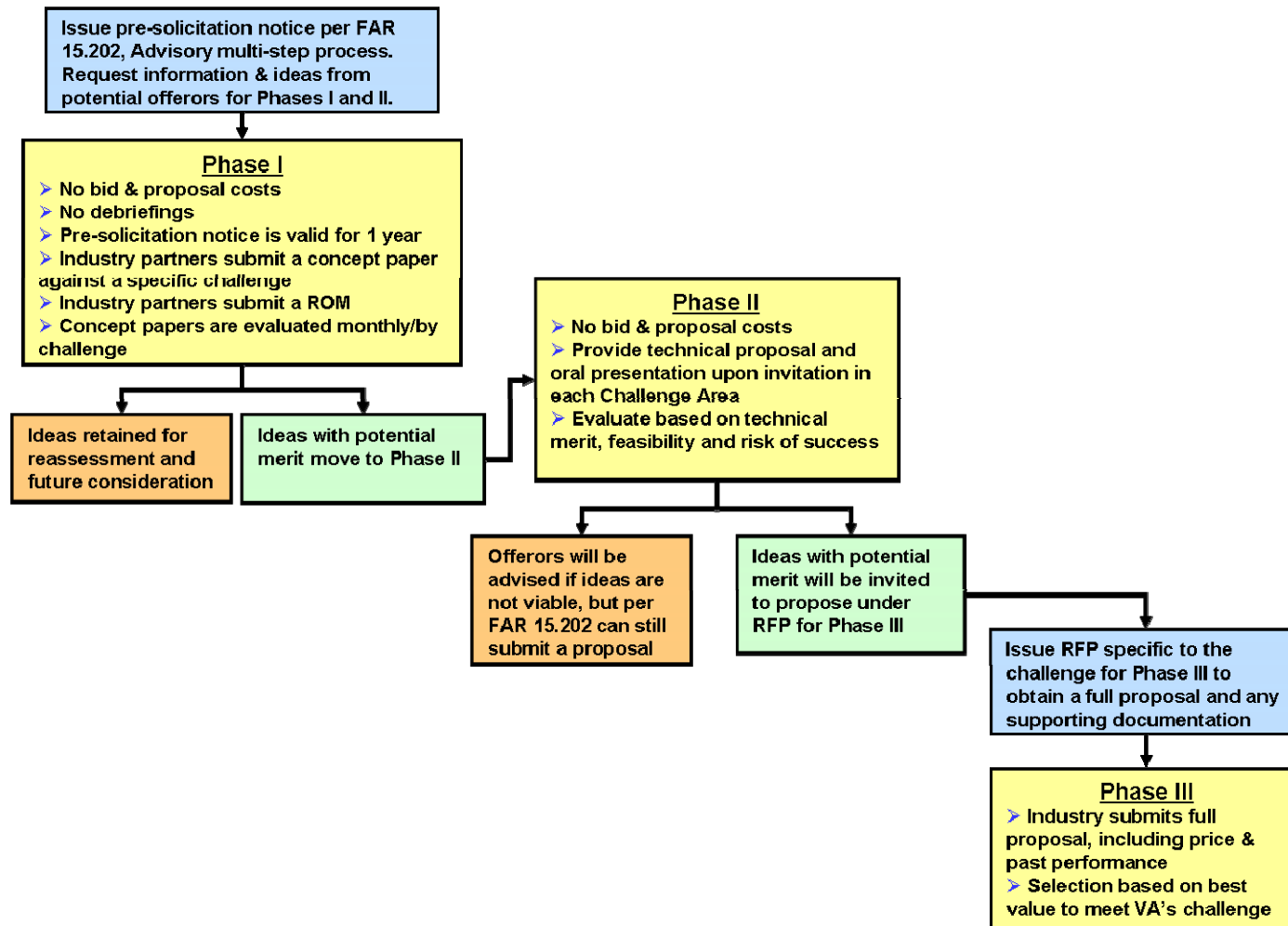
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VA "Challenges" Idea Submission

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Question & Answer Period



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- E-mail notification sent when archive is ready to view
- If you have comments or recommendations on this webcast or future events, please use the feedback link on our website at:

<http://www.va.gov/oal/business/srm/index.asp>

- OR – send directly to our feedback e-mail link at:

[**vasupplierManagementfeedback@va.gov**](mailto:vasupplierManagementfeedback@va.gov)