



Department of Defense Contracting Competency Model

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Developed by the Contracting Certification Taskforce and approved on April 3, 2020, by the Contracting Senior Procurement Executives and other senior leaders of the Army, Navy, Air Force, Defense Logistics Agency, Defense Contract Management Agency, Missile Defense Agency, and the Principal Director, Defense Pricing and Contracting, Office of the Under Secretary of Defense for Acquisition and Sustainment, who is the Functional Leader for the Department of Defense Contracting Community.

Introduction

This document describes the Department of Defense (DoD) Contracting Competency Model for technical and professional competencies, from both the buyer and seller perspectives.

The DoD Contracting Competency Model is based on the National Contract Management Association's *Contract Management Standard*[™] Publication, an American National Standards Institute accredited publication (reference ANSI/NCMA ASD 1-2019). This satisfies section 861 of the Fiscal Year 2020 National Defense Authorization Act.

The DoD Competency Model applies to the entire DoD Contracting Community (1102 civilian contracting professionals and military equivalents).

Purpose

The DoD Contracting Competency Model describes contract management in terms of the processes created through the integration and interaction of job tasks and competencies, and the purposes they serve. The common and repeated use of this model will create a contracting standard across the DoD.

As stated in the *Contract Management Standard*[™] Publication, the success of buyers and sellers can be measured not only through direct interaction (e.g., negotiations, contract performance), but also when there is no direct contact (e.g., planning). Success of one party cannot occur without the success of the other party. Successful contract management is more likely to occur when both parties have a clear understanding of all job tasks, competencies, and deliverables.

A competency is a measurable pattern of knowledge, skills, abilities, behaviors, and other characteristics that an individual needs to perform work roles or occupational functions successfully. Competencies specify the "how" of performing job tasks, and are used for:

- Assessing and selecting candidates for a job
- Assessing and managing employee performance
- Workforce planning
- Employee training and development

Use of competency-based planning will help:

- Define the competencies required for the Contracting Community to deliver mission-critical capabilities
- Assess competencies resident in the Contracting Workforce, and identify gaps for current and future requirements
- Align or adjust personnel strategies to address competency gaps, and provide opportunities for training and development

Examples of competency-based assessments for an entry-level contracting professional can be found at Appendix B.

Definitions

The terms related to contract management are defined in the Federal Acquisition Regulation (FAR) and the Defense FAR Supplement. The following terms with their basic definitions are provided for easy reference.

Contract – a mutually binding legal relationship obligating the seller to furnish supplies or services, and the buyer to provide consideration in exchange for them.

Contract management – the actions of a contract manager to develop solicitations, develop offers, form contracts, perform contracts, and close contracts.

*Contract manager*¹ – the authorized representative or agent for a contracting party.

Contract performance – the execution of the terms of a contract.

Structure of DoD Contracting Competency Model

The DoD Contracting Competency Model is comprised of five components (see **FIGURE 1**):

Guiding Principles—For contract management, these principles apply to all contract managers in all phases of the contract life cycle.

Contract Life Cycle Phases—The phases of a contract: pre-award, award, and post-award.

Domains—The areas within a contract life cycle phase that produce significant contract management outcomes.

Competencies—The processes utilized to produce the expected contract management outcomes of the domains. These processes involve the ability to perform multiple job tasks, both simultaneously and sequentially, while achieving meaningful results.

- *Contracting Common Competencies*—The foundational competencies that every Contracting workforce member should be aware of and understand, regardless of the organization or specialty area, and are the basis of the Contracting training.
- *Contracting Specialty Competencies*—Unique competencies associated with a specific skill, function, or position.

Job Tasks—The tasks performed on a routine basis by contract managers. Contract managers systematically process the job tasks to achieve the expected results of the competencies.

¹ Within DoD, a 'Contract Manager' is also known as a Contracting Professional.

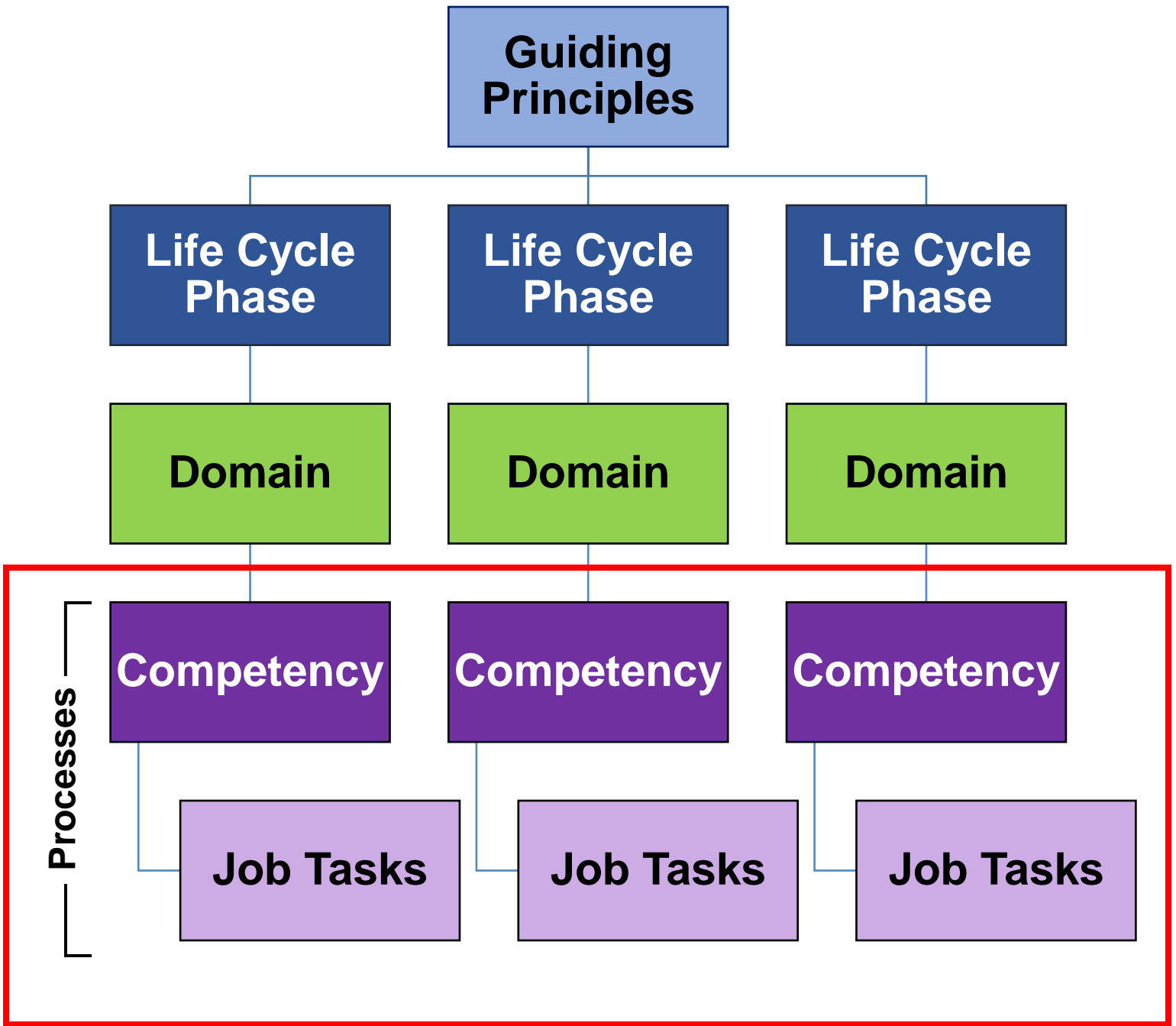


FIGURE 1. Component Structure of the DoD Contracting Competency Model

The competency model is further detailed below (see **FIGURE 2**), and includes the specific common competencies and job tasks within each contract lifecycle. This figure also includes the ‘Mission Focus’ and ‘Specialty Competency’ elements, which covers the internal / on-the-job training and specialty technical areas in the contracting career field respectively. (See also sections 5.0 ‘Mission Focused’ and 6.0 ‘Specialty Competencies’).



FIGURE 2. The DoD Contracting Competency Model

1.0 Guiding Principles

Guiding Principles for contract management are applicable throughout all phases of the contract life cycle in all contract management circumstances, irrespective of changes in priorities, strategies, requirements, or resources (e.g., personnel, money, equipment, time). The Guiding Principles encompass the Office of Personnel Management's (OPM) professional competencies (outlined in Appendix A of this document), and the Executive Core Qualifications (ECQs), found on the OPM website.

1.1 Skills and Roles

Contract management is the process of managing contracts throughout the contract life cycle while ensuring customer satisfaction. This includes the management of contract elements such as negotiations, changes, requirement interpretations, deliverables, contract terms and conditions, and risk management.

In terms of the responsibilities assigned to a contract manager, contract management has a very broad perspective. The scope ranges from planning, organizing, and managing to the negotiation of complex contracts. Contract management also requires both general and business skills in such areas as change management, collaboration, communication, critical thinking, customer orientation, influencing others, knowledge management, leadership, problem solving, and results orientation. In addition, contract management requires specialized skills and acumen in such areas as business management, financial management, project management, risk management, and supply chain management.

Contract managers fall into two primary functions—the buyer and the seller:

Buyer—the contracted party with the requirement for goods and/or services to be fulfilled by one or more sellers.

Seller—the contracted party tasked with fulfilling the buyer's requirement for goods and/or services.

The buyer and the seller satisfy requirements through effective management of the contract. This skill requires the contract manager to focus on the problem as stated and process the available information and knowledge to achieve an effective solution. This process is highlighted by identifying risks and facilitating the mitigation of the risks. The contract manager should strive to minimize the influence of personal biases, maximize the likelihood of a successful result, and facilitate communication among affected parties.

Successful contract managers are those who can develop and execute business strategies. To serve in this role requires higher education, professional training, and occupational experience to help guide the customer and other stakeholders through the contract life cycle phases. Contract managers must have effective analytical, problem-solving, and communication skills—and must be adaptable to a changing business

environment. Contract managers must understand the regulatory environment in order to legally implement effective solutions and manage risk while satisfying contract requirements and obligations.

The size and complexity of the contract will influence the business decisions on which the contract manager needs to focus and require effective application and management of appropriate contract management processes. While constraints may negatively impact behavior in some areas, they should encourage creative problem-solving and critical thinking skills while performing within ethical and regulatory boundaries.

See also:

- *Professional Competencies:* Critical Thinking, Customer Service, Problem Solving, Relationship Management, Risk Management
- *ECQs:* Leading Change, Results Driven, Business Acumen

1.2 Contract Principles

Contract principles are the fundamentals of contracting that all contract managers must understand and apply. Simply put, a contract results from:

- Offer
- Acceptance
- Consideration
- The intent to create a legal relationship

For a contract to be valid, both parties must indicate that they agree to the terms. For a contract to be binding, it must be for a legal purpose and it can only be made by parties who are competent.

Contract principles fall into two major categories:

- *General contracting concepts*—These include such notions as principal and agency, types of authority, essential elements of a contract, market research, competition, fair and reasonable prices, and ethics.
- *Terms and conditions to address specific contract matters*—These include the requirements and the rights and remedies of the parties in such areas as inspection and acceptance, title transfer, excusable delay, risk of loss, repudiation, warranties, payment terms, contract changes, and termination.

See also:

- *Professional Competencies:* Accountability, Business Acumen, Critical Thinking, Understanding Industry
- *ECQs:* Results Driven, Business Acumen

1.3 Standards of Conduct

Standards of conduct help to define the ethical behavior expected of all contract managers and their organizations. Standards of conduct are intended to create trust and confidence in the integrity of the contract management process. The standards require contract managers to conduct themselves in such a manner as to bring credit upon the profession. Contract managers must conduct business in good faith while:

- Being transparent in making appropriate disclosures
- Adequately protecting proprietary and restricted information and other resources of all parties
- Avoiding actual or apparent conflicts of interest

This ethical behavior not only applies to collaboration with other professionals, but it also applies to the technical aspects involved throughout the contract life cycle phases. All contract managers should abide by the letter and spirit of the standards of conduct.

See also:

- *Professional Competencies:* Accountability, Integrity/Honesty, Interpersonal Skills, Relationship Management
- *ECQs:* Results Driven, Business Acumen, Building Coalitions

1.4 Regulatory Compliance

Fundamentally, the contract management profession is about the knowledge and application of laws, codes, and regulations. Contracts are legal documents that represent an agreement between the parties whose terms and conditions are legally binding and enforceable in courts of law and other administrative bodies. As such, it is important for contract managers to have a working knowledge of the laws, codes, regulations, and other sources of guidance that define, to a large extent, the environment in which they operate.

See also:

- *Professional Competencies:* Accountability, Business Acumen, Understanding Industry, Relationship Management
- *ECQs:* Results Driven, Business Acumen, Building Coalitions

1.5 Situational Assessment

Applying knowledge through lessons learned to the management of current and future contracts is a crucial ability in contract management. Successful contract managers do the following:

- Know how to capture, document, and share knowledge
- Know how to shape and manage requirements to align with an organization's vision, mission, and strategic goals

- Are aware of how seemingly independent contract actions impact each other now and in the future
- Understand product and systems life cycle principles
- Apply effective market research techniques to collect, analyze, and implement market intelligence
- Identify opportunities for process improvement and optimization
- Negotiate meaningful contract terms and conditions while meeting customer needs

See also:

- *Professional Competencies*: Business Acumen, Critical Thinking, Flexibility, Problem Solving, Relationship Management, Risk Management, Understanding Industry
- *ECQs*: Leading Change, Results Driven

1.6 Team Dynamics

The contract management team combines the functional disciplines of buyers and sellers for the common purpose of satisfying the customer need. While buyer and seller teams may work independently in the pre-award phase, the relationship becomes formal upon contract award and continues until the contract is closed. Members of the contract management team are expected to add value by performing their functions and knowing their roles throughout the contract life cycle phases.

To be successful, each member must have a working knowledge of all roles involved on the team. In addition to contract management, these roles can include, for example, engineering, estimating, finance, legal, logistics, pricing, project management, requirement development, supply chain management, etc. Becoming familiar with each other's roles improves the team's cohesiveness. Additionally, it allows for the identification of gaps or overlaps in roles.

The contract management team must be able to:

- Conduct meaningful collaboration in order to make accurate and timely decisions while solving complex contracting, business, and technical problems and forming an effective contract relationship
- Identify opportunities for process improvement and optimization
- Collect and record lessons learned

See also:

- *Professional Competencies*: Business Acumen, Critical Thinking, Flexibility, Problem Solving, Relationship Management, Risk Management, Understanding Industry
- *ECQs*: Leading Change, Leading People, Results Driven

1.7 Communication and Documentation

Communication between all affected parties must be exchanged and managed early and often to maintain contract management effectiveness. Communication must:

- Minimize the effect of personal biases
- Maximize the likelihood of successful results
- Facilitate communication among affect parties

Contract managers facilitate communication through clearly written documentation that is unambiguous and able to be understood. Where appropriate, documentation is exchanged and managed among affected parties. Documentation is often prepared and retained in contract files to support determinations made and actions taken. Examples of topics to document include, but are not limited to:

- Contracts and the planning leading to a contract
- Gestures, conduct, and verbal exchanges
- Rationale used in decision-making and business judgement
- Mutually agreed-upon expectations
- Planned and unplanned events
- Performance issues and accountability
- Conflicts and resolutions
- Changes and solutions
- Risk management and mitigation
- Contract compliance and performance quality
- Knowledge gained and lessons learned

See also:

- *Professional Competencies:* Accountability, Business Acumen, Critical Thinking, Customer Service, Decisiveness, Integrity/Honesty, Interpersonal Skills, Oral Communication, Relationship Management, Risk Management, Written Communication
- *ECQs:* Leading People, Results Driven, Building Coalitions

Contract Life Cycle Phases

Contracts have a distinct beginning and end, and the contract life cycle defines these parameters. The contract life cycle generally consists of three contract phases: Pre-Award, Award, and Post-Award.

Contract management processes performed by contract managers generally fall into five domains within the three contract life cycle phases (see **FIGURE 3**).

Each contract life cycle phase and domain have specific competencies and job tasks that together are called “processes.”

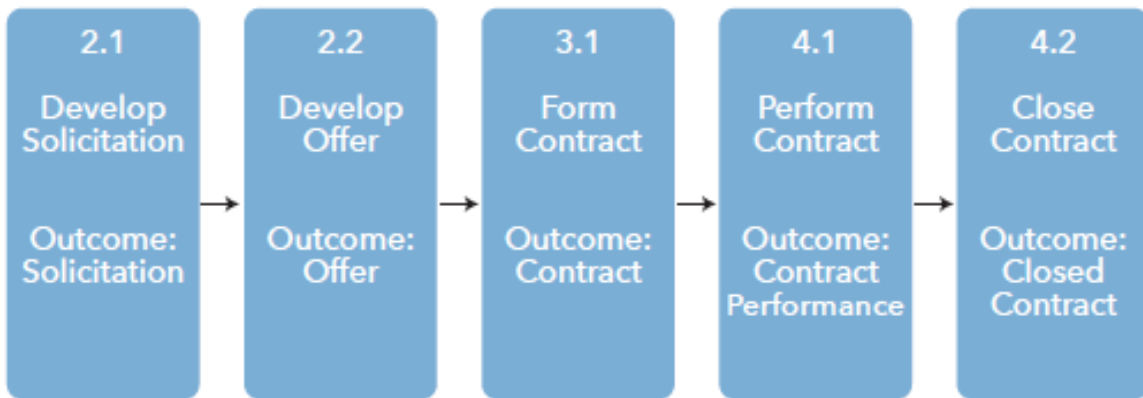


FIGURE 3. Contract Management Domains and their Outcomes

2.0 Pre-Award Life Cycle Phase

Pre-Award is the first phase of the contract life cycle. The pre-award process for the buyer includes assisting the customer in defining the requirement. Additionally, the process includes developing a comprehensive plan for fulfilling the requirement in a timely manner at a reasonable price. This is accomplished by developing and executing an overall strategy for the purchase, which is accomplished through researching the marketplace, developing contracting strategies, preparing solicitations, and requesting offers.

The pre-award process for the seller includes developing and executing a strategy for obtaining the award for a contract, including pre-sales activities, market strategies, and responding to the solicitation.

There are two domains within the pre-award life cycle phase:

- *Develop Solicitation*—The buyer competencies are ‘plan solicitation’ and ‘request offers’
- *Develop Offer*—The seller competencies are ‘plan sales’ and ‘prepare offer’

2.1 Develop Solicitation

Develop Solicitation is the process of describing all the elements of the customer requirements (technical, business, regulatory, etc.) to the sellers. The value added by this process is the accurate presentation of the customer requirement through a solicitation in order to create a viable contract that can be performed successfully. (See **FIGURE 4**).

2.1 Develop Solicitation	2.1.1 Plan Solicitation [Buyer Job Tasks]	2.1.1.1 Shape Internal Customer Requirements
		2.1.1.1.1 Perform Needs Assessment
		2.1.1.1.2 Perform Requirements Analysis
		2.1.1.1.3 Identify Measurable Outcomes and Incentives
		2.1.1.1.4 Verify Availability of Funds
	2.1.1.2 Conduct Market Research	2.1.1.2.1 Identify Potential Suppliers
		2.1.1.2.2 Evaluate Requirement Achievability
		2.1.1.2.3 Conduct Pre-Offer Conference
	2.1.1.3 Perform Risk Analysis	2.1.1.3.1 Make or Buy Assessment
		2.1.1.3.2 Supply or Services Determination
2.1.1.3.3 Develop Delivery Schedule		
2.1.1.3.4 Determine Owner-Furnished Property / Equipment / Information Management		
2.1.1.4 Formulate Contracting Strategy	2.1.1.4.1 Select Proper Contract Type	
	2.1.1.4.2 Select Proper Contract Method	
	2.1.1.4.3 Determine Appropriate Business and Regulatory Requirements	
	2.1.1.4.4 Formulate Offer Evaluation Plan	
2.1.1.5 Finalize Solicitation Plan		
2.1.2 Request Offers [Buyer Job Tasks]	2.1.2.1 Execute Solicitation Plan	
	2.1.2.2 Prepare Solicitations	
	2.1.2.2.1 Respond to Questions from Potential Offerors	
	2.1.2.2.2 Incorporate Proposed Contract Terms	
	2.1.2.2.3 Determine Need for Pre-Offer Review	
2.1.2.3 Issue Solicitations	2.1.2.3.1 Determine Need to Publicize Solicitations	
	2.1.2.4 Amend Solicitations	

FIGURE 4. Competencies and Tasks for the *Develop Solicitation* Domain

2.2 Develop Offer

Develop Offer is the process of:

- Developing foundational business practices and strategies to compete in the marketplace
- Responding to solicitations with the intent of winning contracts and meeting performance requirements

The value added by this process is in the seller providing the buyer with a comprehensive solution to the buyer's requirements that will enhance the seller's competitive position in the marketplace. (See **FIGURE 5**).

² Within DoD, 'Owner-furnished property' could include Government-furnished property (reference 2.1.1.3.4).

2.2 Develop Offer	2.2.1 Plan Sales [Seller Job Tasks]	2.2.1.1 Conduct Pre-Sales Activities	
		2.2.1.1.1 Assess Customer Relationships	
		2.2.1.1.2 Develop Marketing Strategy	
		2.2.1.1.3 Assess Competition	
			2.2.1.1.4 Determine Supply Chain Support
		2.2.1.2 Evaluate Solicitation	
		2.2.1.3 Conduct Offer / No-Offer Analysis	
		2.2.1.4 Finalize Sales Plan	
			2.2.2.1 Execute Sales Plan
		2.2.2.2 Develop Execution Plan	
		2.2.2.2.1 Understand Unique and Special Requirements	
		2.2.2.2.2 Assess Capability to Satisfy All Solicitation Requirements	
		2.2.2.3 Develop Risk Mitigation Plans	
		2.2.2.3.1 Develop Pricing Strategy	
	2.2.2.3.2 Develop Terms to Manage Risk		
	2.2.2.3.3 Develop Technical Approach		
	2.2.2.3.4 Develop Offer Evaluation Strategy		
	2.2.2.4 Assess Teaming Options and Partners		
	2.2.2.4.1 Negotiate Nondisclosure Agreements		
	2.2.2.4.2 Negotiate Agreements		
	2.2.2.4.3 Make Teaming Decisions		
	2.2.2.5 Participate in Pre-Offer Conference		
	2.2.2.6 Finalize Offer		
	2.2.2.6.1 Submit Offer and Verify Receipt		

FIGURE 5. Competencies and Tasks for the *Develop Offer* Domain

3.0 Award Life Cycle Phase

The second contract life cycle phase is *Award*. The award process involves all the work performed by both the buyer and seller that produces an awarded contract. Some contracts are very simple and others are exceedingly complex, but the majority fall somewhere in between.

There is one domain in the award phase: *Form Contract*. The job tasks and competencies of the *Form Contract* domain produce the contract.

For this phase, buyer job tasks include: evaluating offers, conducting negotiations (as applicable), selecting the source, awarding the contract(s), debriefing offerors, and addressing mistakes in offers and seller challenges to the selection process.

For the seller, job tasks include: clarifying offers, participating in negotiations, and preparing final offers.

3.1 Form Contract

Form Contract is the process of:

- Determining reasonable cost and pricing
- Conducting negotiations
- Selecting the source
- Managing disagreements

The value added by this process is in mitigating or eliminating contract performance risk by selecting the best source and negotiating prices and terms and conditions. (See **FIGURE 6**).

3.1 Form Contract	3.1.1 Price or Cost Analysis <i>[Buyer Job Tasks]</i>	3.1.1.1 Comprehend Offer
		3.1.1.2 Evaluate Seller Terms and Their Impact on Risk
		3.1.1.3 Determine Reasonable Pricing
		3.1.1.3.1 Perform Price Analysis
		3.1.1.3.2 Perform Cost Analysis
	3.1.1.4 Document Analysis Results	
	3.1.2 Plan Negotiations <i>[Buyer and Seller Job Tasks]</i>	3.1.2.1 Clarification Requests
		3.1.2.1.1 Prepare <i>[Buyer Job Task]</i>
		3.1.2.1.2 Respond <i>[Seller Job Task]</i>
		3.1.2.2 Document Negotiation Objectives <i>[Joint Responsibility]</i>
	3.1.2.3 Conduct Discussions <i>[Joint Responsibility]</i>	
	3.1.3 Select Source <i>[Buyer and Seller Job Tasks]</i>	3.1.3.1 Review compliance of offer(s) <i>[Buyer Job Task]</i>
		3.1.3.2 Source selection
		3.1.3.2.1 Evaluate Offer(s) in Accordance with Evaluation Criteria <i>[Buyer Job Task]</i>
		3.1.3.2.2 Withdraw Offer <i>[Seller Job Task]</i>
		3.1.3.3 Conduct Negotiations <i>[Joint Responsibility]</i>
		3.1.3.4 Finalize Negotiations <i>[Joint Responsibility]</i>
		3.1.3.5 Final Offer Revision
		3.1.3.5.1 Request <i>[Buyer Job Task]</i>
		3.1.3.5.2 Prepare <i>[Seller Job Task]</i>
3.1.3.6 Prepare Contract Document		
3.1.3.6.1 Document Basis for Award <i>[Buyer Job Task]</i>		
3.1.3.6.2 Review / Approve Contract <i>[Joint Responsibility]</i>		
3.1.3.7 Finalize Contract Award <i>[Buyer Job Tasks]</i>		
3.1.3.7.1 Award Contract		
3.1.3.7.2 Notify Unsuccessful Offeror(s)		
3.1.3.7.3 Debrief Offeror(s)		
3.1.3.8 Document Outcome of Offer <i>[Seller Job Task]</i>		
3.1.4 Manage Disagreements <i>[Buyer and Seller Job Tasks]</i>	3.1.4.1 Submit Protests and Appeals <i>[Seller Job Task]</i>	
	3.1.4.2 Respond to Protests and Appeals <i>[Buyer Job Task]</i>	

FIGURE 6. Competencies and Tasks for the *Form Contract* Domain

4.0 Post-Award Life Cycle Phase

Once the award phase is completed, the post-award contract life cycle phase begins. This involves the contract management functions known as “contract administration” and “contract closeout.” The contract administration functions will vary greatly depending on the complexity of the contract.

Both the buyer and seller are actively involved in contract administration to ensure satisfactory performance and to bring the contract to a successful conclusion.

Buyer job tasks include: addressing any issues arising during contract performance that might increase performance risk, executing contract modifications, monitoring compliance of contract terms, making payment(s), and closing out the contract.

Seller job tasks include: contract performance, invoicing, engaging in subcontracting activities, managing contract changes, and bringing the contract to a successful conclusion.

There are two domains within the post-award phase:

- *Perform Contract*—The job tasks and competencies for this domain produce the contract performance
- *Close Contract*—The job tasks and competency for this domain produce the closed contract

4.1 Perform Contract

Form Contract is the process of executing contract requirements, managing business relationships, ensuring quality, and managing changes. (See **FIGURE 7**).

The value added by this process is in:

- Monitoring risk and assessing its impact on contract performance
- Ensuring compliance with (1) contractual terms and conditions; and (2) contract technical requirements during contract performance up to contract closeout or termination

4.1 Perform Contract	4.1.1 Administer Contract [Buyer and Seller Job Tasks]	4.1.1.1 Execute Contract [Buyer Job Task]
		4.1.1.2 Conduct Post-Award Conference Meeting [Joint Responsibility]
		4.1.1.3 Maintain Contract Documentation / Files [Joint Responsibility]
		4.1.1.3.1 Track Project Funding and Contract Value
		4.1.1.3.2 Manage Contract Payment Process
		4.1.1.3.3 Manage Key Personnel Changes
		4.1.1.3.4 Administer Owner-Furnished Property / Equipment / Information
		4.1.1.4 Provide Cost Information [Seller Job Task]
		4.1.1.5 Establish / Maintain Communications [Joint Responsibility]
		4.1.1.5.1 Internal Stakeholders
	4.1.1.5.2 External Stakeholders	
	4.1.1.6 Evaluate Interim Contractor Performance	
	4.1.1.6.1 Assess and Document Interim Contractor Performance [Buyer Job Task]	
	4.1.1.6.2 Reclama or Rebut Interim Performance Assessment [Seller Job Task]	
	4.1.1.7 Manage Deliverables [Joint Responsibility]	
	4.1.2 Ensure Quality [Buyer and Seller Job Tasks]	4.1.2.1 Plan for Contract Performance Delivery [Seller Job Tasks]
		4.1.2.1.1 Allocate Resources
		4.1.2.1.2 Execute Schedule
		4.1.2.1.3 Manage Costs
		4.1.2.1.4 Manage Risk
4.1.2.1.5 Control Quality		
4.1.2.2 Plan for Contract Performance Monitoring [Buyer Job Task]		
4.1.2.2.1 Conduct Performance Reviews		
4.1.2.3 Inspect and Accept Contract Performance [Buyer Job Task]		
4.1.3 Manage Subcontracts [Buyer and Seller Job Tasks]	4.1.3.1 Determine Supply Chain Requirements [Seller Job Task]	
	4.1.3.2 Issue subcontracts [Buyer Job Tasks]	
	4.1.3.2.1 Pre-Award	
	4.1.3.2.2 Award	
4.1.3.2.3 Post-Award		
4.1.4 Manage Changes [Buyer and Seller Job Tasks]	4.1.4.1 Manage Contract Changes [Joint Responsibility]	
	4.1.4.1.1 Prepare Contract Modifications [Buyer Job Task]	
	4.1.4.1.2 Issue Contract Modifications [Buyer Job Task]	
	4.1.4.2 Conduct Contract Interpretation [Joint Responsibility]	
	4.1.4.2.1 Submit Contract Disputes [Seller Job Task]	
	4.1.4.2.2 Resolve Contract Disputes [Joint Responsibility]	
	4.1.4.3 Determine Contract Termination [Buyer Job Task]	
4.1.4.3.1 Execute Contract Termination [Joint Responsibility]		

FIGURE 7. Competencies and Tasks for the *Perform Contract* Domain

4.2 Close Contract

Close Contract is the process of:

- Verifying all the requirements of the contract are satisfied
- Settling unresolved matters
- Reconciling the contract to make final payment

The value added by this process is in determining that the buyer and seller contract obligations have all been satisfied. (See **FIGURE 8**).

4.2 Close Contract	4.2.1 Close Out Contract <i>[Buyer and Seller Job Tasks]</i>	4.2.1.1 Validate contract performance <i>[Joint Responsibility]</i>
		4.2.1.2 Verify Physical Contract Completion <i>[Joint Responsibility]</i>
		4.2.1.3 Prepare Contract Completion Documents <i>[Joint Responsibility]</i>
		4.2.1.4 Coordinate Final Disposition of Owner-Provided Property / Equipment / Information <i>[Joint Responsibility]</i>
		4.2.1.5 Settle Subcontracts <i>[Joint Responsibility]</i>
		4.2.1.6 Reconcile Contract <i>[Joint Responsibility]</i>
		4.2.1.6.1 Conduct Audits
		4.2.1.6.2 Respond to Audits
		4.2.1.7 Make Final Payments <i>[Buyer Job Task]</i>
		4.2.1.8 Evaluate Final Contractor Performance
		4.2.1.8.1 Assess and Document Final Contractor Performance <i>[Buyer Job Task]</i>
4.2.1.8.2 Reclama or Rebut Final Performance Assessment <i>[Seller Job Task]</i>		
4.2.1.9 Finalize Contract <i>[Joint Responsibility]</i>		

FIGURE 8. Competencies and Tasks for the *Close Contract* Domain

5.0 Mission Focus

Much like the Guiding Principles, the ‘Mission Focus’ element is applicable throughout all phases of the contract life cycle in all contract management circumstances.

Mission Focus includes on-the-job training, agency unique training, and other training that highlights the vital link between acquisitions, mission partners, and the National Defense Strategy focusing on strategic, operational, and tactical missions.

It highlights the importance of collaborating with Mission Partners (e.g., supported organizations) and end users, and understanding how each requirement affects the Mission Partner’s ability to carry out the mission.

6.0 Specialty Competencies

The Specialty Competencies are unique competencies associated with a specific skill, function, or position.

The specialty competencies will be available on the Defense Pricing and Contracting website.

APPENDIX A – PROFESSIONAL COMPETENCIES

Professional competencies relate to the skills, attitudes, and behaviors of contracting professionals. These are the non-technical competencies that apply across all the entire contracting lifecycle, and throughout the individual’s career.

The specific level of proficiency for each competency depends on the specific requirements of the position being filled and must be determined by the employing agency or organization.

Accountability	Holds self and others accountable for measurable high-quality, timely, and cost-effective results. Determines objectives, sets priorities, and delegates work. Accepts responsibility for mistakes. Complies with established control systems and rules.
Business Acumen	The ability to manage human, financial, and information resources strategically. Understands industry behavior and trends to shape smart business decisions.
Change Management	Understands the need for change and helps plan for and accommodate it as creatively and positively as possible.
Conflict Management	Encourages creative tension and differences of opinions. Anticipates and takes steps to prevent counter-productive confrontations. Manages and resolves conflicts and disagreements in a constructive manner.
Continual Learning	Assesses and recognizes own strengths and weaknesses; pursues self-development.

Creativity and Innovation	Develops new insights into situations; questions conventional approaches; encourages new ideas and innovations; designs and implements new or cutting-edge programs/processes.
Critical Thinking	Art of analyzing and evaluating thinking with a view to improving it.
Customer Service	Anticipates and meets the needs of both internal and external customers. Delivers high-quality products and services; is committed to continuous improvement.
Decisiveness	Makes well-informed, effective, and timely decisions, even when data are limited or solutions produce unpleasant consequences; perceives the impact and implications of decisions.
Developing Others	Develops the ability of others to perform and contribute to the organization by providing ongoing feedback and by providing opportunities to learn through formal and informal methods.
External Awareness	Understands and keeps up to date on local, national, and international policies and trends that affect the organization and shape stakeholders' views; is aware of the organization's impact on the external environment.
Flexibility	Is open to change and new information; rapidly adapts to new information, changing conditions, or unexpected obstacles.

Influencing/Negotiating	Persuades others; builds consensus through give and take; gains cooperation from others to obtain information and accomplish goals.
Integrity/Honesty	Behaves in an honest, fair, and ethical manner. Shows consistency in words and actions. Models high standards of ethics.
Interpersonal Skills	Treats others with courtesy, sensitivity, and respect. Considers and responds appropriately to the needs and feelings of different people in different situations.
Leveraging Diversity	Fosters an inclusive workplace where diversity and individual differences are valued and leveraged to achieve the vision and mission of the organization.
Oral Communication	Makes clear and convincing oral presentations. Listens effectively; clarifies information as needed.
Partnering	Develops networks and builds alliances; collaborates across boundaries to build strategic relationships and achieve common goals.
Political Savvy	Identifies the internal and external politics that impact the work of the organization. Perceives organizational and political reality and acts accordingly.

Problem Solving	Identifies and analyzes problems; weighs relevance and accuracy of information; generates and evaluates alternative solutions; makes recommendations.
Public Service Motivation	Shows a commitment to serve the public. Ensures that actions meet public needs; aligns organizational objectives and practices with public interests.
Relationship Management	Understand the role of each functional member on the acquisition team to communicate, collaborate, and resolve conflict; fosters an environment of transparency and teamwork where all team members contribute to the mission.
Resilience	Deals effectively with pressure; remains optimistic and persistent, even under adversity. Recovers quickly from setbacks.
Risk Management	Knowledge of the principles, methods, and tools used for risk assessment and mitigation, including assessment of failures and their consequences.
Strategic Thinking	Formulates objectives and priorities, and implements plans consistent with the long-term interest of the organization in a global environment. Capitalizes on opportunities and manages risks.
Teambuilding	Inspires and fosters team commitment, spirit, pride, and trust. Facilitates cooperation and motivates team members to accomplish group goals.

Technical Credibility	Understands and appropriately applies principles, procedures, requirements, regulations, and policies related to specialized expertise.
Technology Management	Keeps up-to-date on technological developments. Makes effective use of technology to achieve results. Ensures access to and security of technology systems.
Understanding Industry	Knowledge of industry perspectives and motivations.
Vision	Takes a long-term view and builds a shared vision with others; acts as a catalyst for organizational change. Influences others to translate vision into action.
Written Communication	Writes in a clear, concise, organized, and convincing manner for the intended audience.

APPENDIX B – EXAMPLES

The following list provides examples of competency-based assessments for an entry-level contracting professional. These assessments will help manage employee performance, and aid in workforce planning, training, and individual development.

1) Acquisition Workforce Qualification Initiative (AWQI)³

Website: <https://www.dau.edu/tools/awqi>

Description: AWQI is an employee development tool used to identify job specific gaps in experience, allow for identification of on-the-job developmental opportunities, and capture demonstrated acquisition experience.

2) On-the-Job Training (OJT) Plan for Contracting Professionals⁴

Website: [https://www.dau.edu/tools/t/On-the-Job-Training-\(OJT\)-Plan-for-Contracting-Professionals](https://www.dau.edu/tools/t/On-the-Job-Training-(OJT)-Plan-for-Contracting-Professionals)

Description: The OJT Plan outlines sample tasks that align to the contracting competencies. It will help new entrants in the contracting workforce develop the necessary skill base needed to function effectively in contracting.

3) Sample narrative for an entry-level contracting professional⁵:

MISSION-FOCUS

- Is *aware of* Basic Component Doctrine, to include the following:
 - Applications of air/land/sea/space power (unique to each component)
 - The overall component mission and how it supports the National Defense Strategy
 - The mission/vision statements of the organization (contracting office) and its higher echelon organizations, as well as how they relate to the service/component mission and National Defense Strategy

³ The AWQI needs be updated to reflect the new Contracting Competency Model approved by the DoD Senior Procurement Executives on 3 April 2020. AWQI was an action directed by the Under Secretary of Defense for Acquisition, Technology, and Logistics in a memorandum titled “Implementation Directive for Better Buying Power 2.0 – Achieving Greater Efficiency and Productivity in Defense Spending,” issued on April 24, 2013. DAU was directed to initiate by September 1, 2013, the action to develop new standards for the acquisition workforce that include qualifications through on-the-job experiences in roles of increasing responsibility.

⁴ The OJT tool needs to be updated to reflect the new Contracting Competency Model approved by the DoD Senior Procurement Executives on 3 April 2020. The OJT tool was developed by the Panel on Contracting Integrity established by Section 813 of the John Warner National Defense Authorization Act for Fiscal Year 2007. A memorandum titled “Contracting On-the-Job Training Tool,” issued by the Director, Defense Procurement and Acquisition Policy [now Defense Pricing and Contracting] on 5 December 2011, stated the OJT tool may be used by the Components in developing an OJT Program and/or Individual Development Plan.

⁵ Based on the Air Force “gold standards” for contracting professionals, issued in September 2019. The Air Force “gold standards” are a consolidated list of competencies (i.e., set of knowledge, skills, and abilities) and associated proficiency levels for peak performance in a position. They represent the highest level of proficiency normally associated with key tasks for that position. The “gold standards” enable individuals to identify how to succeed in a position, which includes creating an Individual Development Plan that features one’s personalized training gap analysis.

- Is *aware of* the importance of collaborating with Mission Partners (e.g., supported organizations) and end users, and understanding how each requirement impacts the Mission Partner's ability to carry out the mission
- Is *aware of* how acquisition tools and strategies can be best tailored to meet mission needs)

LEADERSHIP

Personal Level:

- *Demonstrates* a commitment to living the component Core Values
- *Demonstrates* grit/tenacity and consistency in finishing tasks, taking ownership and holding oneself accountable to the results, while maintaining personal resiliency
- Is *aware of* when to follow and when to lead
- Is *aware of* the tasks that matter most and the value of staying flexible due to changing priorities
- *Demonstrates* proactive leadership of career development:
 - Completes required training
 - Maximizes learning opportunities and diversity of work in each position
 - Thinks critically about one's own professional development needs (including strengths, opportunities, gaps) to create strategic personal goals and a plan to achieve them
 - Actively seeks mentors

People/Team Level:

- As an active member of an integrated team, is *aware of* the following:
 - Ways to include, motivate, and encourage others to accomplish the mission
 - The value of diverse input from multi-functional team members, industry partners, Mission Partners, and other stakeholders, while striving for synergy among all parties
- As part of the decision-making process, *demonstrates* the ability to:
 - Identify one or more courses of action that make good business sense
 - Identify and calculate the risks of the various course(s) of action

Organizational Level:

- *Demonstrates* an understanding of and willingness to contribute to the National Defense Strategy and the component Contracting Strategic Vision
- Is *aware of* what makes the organization successful or unsuccessful and contributes to its success

BUSINESS ACUMEN

- Is *aware of* fundamental business concepts:
 - Competition, commercial items, economies of scale, cash flow, risk vs. reward, supply and demand, return on investment, opportunity cost, and creating shareholder value

- How to analyze and leverage the 4 basic financial statements: Balance Sheet, Income Statement, Cash Flow Statement, Statement of Owner's Equity
- Is *aware of* the market/industry:
 - Market trends and concerns that impact key industry suppliers (e.g., changes in technology, changes in raw material price trends, local/regional/global trends, industry expansion/consolidation, the component's strengths/weaknesses in the marketplace, changing foreign policy, shortages and interruptions due to contingency or incident, mergers and acquisition to include foreign firms, supply chain, and cyber security) may be used at the discretion of the Components in developing an OJT Program and/or Individual Development Plan, etc.
 - How to use various sources of business and market intelligence in performing market research
- Is *aware of* the industry partner (in sole source environments):
 - Core business activities, potential competitors, and organizational structure (to include reporting structure and who holds decision authority)
 - The interests and motivations that inform the company's decisions (e.g., motives and aspirations in the market, how the industry partner views the component as a buyer, the industry partner's dependence on the component, the component's dependence on the industry partner, etc.)
- Is *aware of* how to apply good business judgment in acquisitions:
 - Understands inherent tradeoffs between cost, schedule, and performance in delivering agility
 - Understands how business, market, and industry partner insights can be used to recommend more effective acquisition strategies, negotiations, and contracts to the CO
 - Understands "trade space" and how alternate incentives (financing, terms & conditions, cost and profit/fee tradeoffs) can motivate contractors to settle negotiations

RELATIONSHIP MANAGEMENT

Communication:

- Is *aware of* active listening techniques (both verbal and non-verbal), such as asking questions for better understanding
- *Demonstrates* the ability to write and speak in a clear, accurate, and professional manner
 - Is aware of appropriate ways of communicating in meetings and with various audiences (team members, supervisors, senior leaders, etc.)

Collaboration:

- Is *aware of* each functional member's role on the acquisition team and values working together to accomplish the mission
- *Demonstrates* a commitment to collaborating with others by:

- Forming positive working relationships with coworkers from at least one other section or branch
- Understanding the role of advisory organizations (Policy, Legal, Pricing, Small Business, ACE, DCMA, DCAA, etc.)
- Some participation in networking events, to include conferences, NCMA activities, or other local events

Emotional Intelligence:

- Is *aware of* ways to both assess and control one's emotions (i.e. self-awareness and self-management)
- *Demonstrates* social awareness by showing empathy towards others, detecting motivations for behavior, and appropriately responding to others' needs

Conflict Resolution:

- Demonstrates the ability to resolve personal conflict at the lowest level possible and in a constructive manner; knows when to engage Team Lead, CO, or Supervisor (e.g. resolution not effective, complex issue, health/welfare/safety issues, etc.)

CRITICAL THINKING

- *Demonstrates* an ability to perform the following critical thinking skills:
 - Review a request, statement, or experience and make sense of the meaning behind it (interpretation)
 - Analyze an idea or claim to figure out its assumptions, arguments, logic and/or critical path (analysis) and determine whether the claim or idea is credible and viable as a result (evaluation)
 - Examine evidence to draw logical conclusions and develop new alternatives as necessary (inference)
 - Clearly and concisely present the rationale and arguments that led to a certain conclusion (explanation)
 - Keep an open mind on potential solutions and eliminate personal biases (self-regulation)
- Is *aware of* how critical thinking skills can be applied to solve problems and make better business decisions
- Is *aware of* the difference between doing things right (efficiently) and doing the right things (effectively); begins investigating ways to work more efficiently and effectively

TECHNICAL SKILLS

Cradle to Grave Technical Skills:

- In planning for acquisitions:
 - *Demonstrates* understanding of the various acquisition vehicles (e.g., FAR-based, Other Transactions, Commercial Solutions Openings, assistance instruments, etc.) and contract types that could fulfill Mission Partner requirements

- *Demonstrates* understanding of methods to expedite acquisitions (e.g., simplified acquisition procedures, commercial items, existing contractual vehicles, mandatory sources, MAC IDIQs, delegations, etc.)
- *Demonstrates* understanding of market research tools, websites, industry engagement techniques, and strategic sourcing/category management
- *Demonstrates* understanding of the process for executing sole-source pre-contract actions (e.g., J&A, etc.)
- *Is aware of* methods to streamline competitive acquisition and achieve best value (e.g., focusing on key evaluation discriminators, meaningful tradeoffs, gates, etc.) in the context of FAR 15 Source Selection and FAR 16.5 Fair Opportunity Ordering
- During the pre-award phase:
 - *Demonstrates* the ability to prepare for and execute interest-based negotiations, including use of Weighted Guidelines for fee/profit calculations
 - *Demonstrates* knowing when and how to perform price and cost analysis
 - *Demonstrates* the ability to properly evaluate, as well as guide Mission Partners through evaluation, based on a solicitation's stated evaluation criteria
 - *Demonstrates* the ability to consider relevant contractual requirements for each action (e.g., clauses, terms and conditions, funding requirements, coordination, file documentation, etc.)
 - *Demonstrates* the ability to gain proper business and contract clearance approvals
- After contract award:
 - *Is aware of* methods to oversee contractor performance, to include maintaining relationships with Contracting Officer Representatives, inspection/acceptance procedures, and functions within PIEE (WAWF)
 - *Is aware of* potential areas of concern that require resolution (e.g., non-performance, Requests for Equitable Adjustment, claims, other disputes, etc.)
 - *Demonstrates* the ability to properly account for funds obligated, invoiced, and paid against a contract vehicle
 - *Demonstrates the ability to perform contract modifications and contract closeout*

Policy/Guidance/Tools Currency:

- *Demonstrates* the ability to research policy, guidance, and regulations, and determine applicability
- *Demonstrates* the ability to use the contracting writing system
- *Demonstrates* the ability to use data from business intelligence tools to make acquisition decision and promote strategic enterprise solutions