



# Annual Operating Agreements: A Review

## Safety Directors' Meeting

March 23, 2001

Michael E. Card

Code QE

Office of Safety and Mission Assurance



## **Looking Back - The 1995 Environment**

---

- **NASA Downsizing**
- **Transition to the SFOC**
- **ISO 9000 Certification (Commercial Quality Standards)**
- **NASA Strategic Management Process**
- **GPRA Compliance**
- **Full Cost Accounting**
- **Performance Based Contracting**



## Looking Back - The 1995 Management Challenge

---

**Proactively manage Safety and Mission Assurance to ensure safety and mission success in the changing business environment**

*versus*

**Allowing the changing business environment to manage the SMA community**



Mission Success Starts With Safety

# The 1995 Management Challenge

---

## Our Goal

**Ensure Center SMA organizations are recognized for management and technical excellence**



## The 1995 Management Challenge

---

### HOW

- AOA is valued-added process
- Encourages Center SMA management to focus on customer requirements and measurement of SMA performance in terms of customer satisfaction and SMA management efficiency



## The 1995 Management Challenge

---

### What

- AOA documents Center SMA management process
- A living document, modified throughout the fiscal year
- The basis for planning, negotiation, and management control



## The 1995 Management Challenge

---

### WHY

- **Competition (engineering, contractors)**
- **Provide better SMA products to customers**
- **Ensure management excellence**
- **Preservation of NASA scarce capital**
- **Transfer of SMA experience base to program management and PIs**



## Annual Operating Agreement Process (per HOWI 8700-Q005)

- Annual requirement-- Center AOA's to HQ by Oct. 1; OSMA send to Enterprise AA's by Nov. 1
- Signed by Center Director
- Includes all SMA products & services per NPD 8700.1
- Identifies “shortfalls”
- Includes macro and micro SMA process metrics
- Gap analysis conducted by QE and QS
- AA, OSMA concurs
- Enterprise AA's approve



## How Did We Do?

- **After 5 years, AOA process is improved, but not uniform across all Centers. Not all Centers:**
  - include all NPD 8700.1 functional responsibilities
  - include macro metrics that are reported to the Center
  - include process micro metrics which are fully meaningful
  - report known shortfalls
  - provide a signed, final AOA to HQ by October 1
  - include financial and human resources applied to SMA processes
  - include SMA processes or responsibilities confirmed in PV



## FY 2001 AOA STATUS

- AOA's received as follows; DFRC (Sept. 27), JPL (Sept. 28), LaRC (Sept. 28), GRC (Oct. 2) JSC (Oct. 2), ARC (Oct. 19), GSFC (Oct. 20)
- MSFC requested delay to incorporate Center organizational changes, AOA received Nov. 9)
- KSC and SSC requested delay because of internal SMA management changes; KSC AOA received January 2, SSC AOA received Feb. 12
- Code Q concurred on packages for Codes R, S, Y by December 5



## **FY 2001 AOA STATUS, March 23,2001**

---

- All Code R AOA's approved by the Enterprise
- Code S approved JPL and GSFC
- Code M AOA's in review cycle
- Code Y has not approved GSFC or JPL FY2001 AOA's
  - metrics not acceptable



## Where Do We Go From Here?

---

**We must improve both Center and HQ AOA processes:**

- **Ensure that Center AOA's are received by October 1 to properly represent the fiscal year for which they were built**
- **Ensure that AOA's are forwarded to the Enterprises by November 1 for Enterprise approval**
- **Ensure that AOA's include ALL NPD 8700.1 SMA responsibilities**
- **All Centers establish and report useful metrics to the Center and to Headquarters at least on a quarterly basis, or make them WEB accessible**



## The 2001 Management Challenge

---

- **“Protect the Public, Astronauts, the NASA Workforce and High-Value Equipment and Property”**
- **Ensure Center SMA organizations are recognized for management and technical excellence**
- **Deliver the highest value products and services to our customers and be accountable for providing these superior quality products and services**
- **Develop, use, and disseminate SMA metrics**



## OSMA Enterprise & Center POCs

- **Enterprises**

- Human Space      Code M      Bill Hill
- Aeronautics      Code R      Pam Richardson
- Space Science      Code M      Pat Martin
- Earth Science      Code Y      Phil Napala

- **Centers**

- ARC      Pam Richardson
- DFRC      Pam Richardson
- GRC      Pam Richardson
- GSFC      Phil Napala
- JPL      Pat Martin
- JSC      Mike Card
- KSC      Bill Hill
- LaRC      Pam Richardson
- MSFC      Roger Mielec
- SSC      Roger Mielec