

**REPORT ON**  
**COMPETENCIES FOR THE**  
**FEDERAL ACQUISITION WORKFORCE**

Executive Summary

Federal Acquisition Institute  
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## **Preamble: Towards a Results-Oriented View of the Acquisition Process**

Acquisition reforms, technology-driven changes in work processes and communication, competition for acquisition work, and the focus on leveraging acquisition to achieve mission-relevant outcomes are driving new ways of doing business in the federal government. Historically, agencies and acquisition professionals have approached procurement and contracting from a process-based perspective. Then, legislation was enacted that affected the nature of tasks performed by the acquisition workforce. The 1993 Government Performance and Results Act, (GPRA), the 1994 Federal Acquisition Streamlining Act (FASA), and the 1996 Clinger-Cohen Act, moved the government toward acquiring services and products against established performance measures and outcomes.

Today, acquisition professionals are responsible for the entire business cycle, from using relevant marketplace knowledge to inform strategy and planning activities to managing contractor performance and maintaining useful business relationships into the future. Successful acquisitions now require a fresh, results-oriented view of the process with acquisition professionals serving as business advisors to their respective agency stakeholders. To capitalize on the opportunities offered by today's business environment, each government agency must view acquisition as integral to achieving the agency's mission. A key guiding principle for any acquisition professional is to develop a sound business solution that links short-term and long-term goals.

The incorporation of competencies specific to the acquisition workforce focuses all parties on the acquisition professional's central "business advisor" role. Organizing acquisition career management around these competencies can effectively drive new methods of managing individuals' acquisition careers. By reinforcing the need for business acumen, customer service, flexibility, leadership, and integrity through competencies, the adoption of a results-oriented approach to acquisition and the attainment of business goals can be more easily accomplished.

This Executive Summary outlines the first effort performed by the Federal Acquisition Institute (FAI) to identify and validate professional business and technical competencies central to the acquisition workforce. Linkages already exist between the conceptualization presented here and taxonomies developed by other government agencies. For example, the Department of Defense (DoD) has a parallel body of professional and technical competencies used as a foundation for training and career development of their acquisition workforce, described in an OSD memorandum dated August 29, 2001. (Please see Table 3 for a summary of relationships among DoD and FAI competencies.) The next step in pursuing a common acquisition competency framework across civilian and defense agencies is to coordinate with other agencies (who have competency-based programs in various stages of development) to ensure appropriate applicability of competencies across agencies. Establishing competencies that effectively translate across the acquisition community will contribute to a unified leadership of the acquisition workforce.

## **The Changing Nature of Acquisition Work**

This transformation from a process-based view of contracting and procurement to a results-oriented view requires new standards of performance within the acquisition community, which, in turn, require new skills and knowledge to be held by individual contributors. Defining the value of not only the work, but of the workers themselves is necessary to understand how to implement acquisition reforms and other changes.

The Procurement Executives Council, recognizing the need for acquisition professionals with new and different skills and knowledge, formulated a strategic, governmentwide approach to career management programs that incorporates consistent performance and training standards, shared responsibility, and workforce development based on a need for specific capabilities. To support workforce development, the approach integrates workforce shaping, talent supply, performance management, a corporate university, and career management with model career paths. The integrated approach will help agencies focus on best practices, common goals, and partnering in acquisition workforce management.

At the heart of the acquisition career model are nine core capabilities:

- Develop, negotiate and manage business deals
- Communicate effectively
- Manage and lead change
- Solve problems in an ambiguous environment
- Analyze and understand the marketplace
- Build and manage relationships across functions and organizations
- Understand and effectively operate in the customer environment
- Develop and implement outcome oriented solutions
- Execute

To translate these capabilities into a structured way of doing business, FAI is developing a competency-based career management program. Competency-based workforce programs have a history of success in private industry, and there is a body of research that supports the use of competencies. In addition, competencies can be used across industries and adapted to state and local governments, which provide opportunities for benchmarking with similar organizations. The competencies identified by FAI provide a framework to guide the acquisition community in all areas of workforce management.

## **Incorporating Competencies into Career Management**

Beginning with the nine (9) core capabilities, FAI is following the approach established by the Office of Personnel Management to incorporate competencies into career management. FAI identified and validated professional business competencies (See Table 1 for full definitions) and technical competencies (See Table 2 for full definitions) that are specific to the acquisition workforce. These competencies combine knowledge, skills, and abilities with behavior and other characteristics needed to successfully accomplish assignments in an acquisition

environment. Professional business competencies apply to a broad range of situations encountered while performing acquisition tasks. In contrast, technical competencies are more targeted in nature, relating to more unique facets of acquisition roles. The following tables summarize the essential professional business and technical competencies for the Contract Specialist.

**Professional Business Competencies:**

Oral Communication	Planning and Evaluating
Decision-Making	Flexibility
Interpersonal Skills	Self-Management/Initiative
Problem Solving	Stress Tolerance
Teamwork	Writing
Reasoning (analysis)	Creative Thinking
Customer Service	Learning
Reading	Self-Esteem
Attention to Detail	Information Management
Contracting/Procurement	Memory
Influencing/Negotiating	Arithmetic
Integrity/Honesty	Math Reasoning

**Technical Competencies (by acquisition phase):**

Acquisition Planning	Contract Formation	Contract Administration
<ul style="list-style-type: none"> <li>• Strategic Planning</li> <li>• Understanding the Marketplace</li> <li>• Understanding Sourcing</li> <li>• Defining Government Requirements in Commercial and Noncommercial Terms</li> <li>• Effective Communication</li> </ul>	<ul style="list-style-type: none"> <li>• Defining Business Relationships</li> <li>• Detailed Evaluation Skills</li> <li>• Effective Negotiation and Analytical Skills</li> <li>• Effective Award Resolution</li> </ul>	<ul style="list-style-type: none"> <li>• Effective Communication of Contract Requirements</li> <li>• Effective Performance Management</li> </ul>

**Technical Competencies (for specific application):**

The remaining three competencies are important for **more specific** Contract Specialist functions.

Payment and Accounting	Contract Closeout and Termination
<ul style="list-style-type: none"> <li>• Financial management</li> <li>• Allowability of contract costs</li> </ul>	<ul style="list-style-type: none"> <li>• Effectively resolving contract termination or closeout</li> </ul>

In addition to participant feedback about the importance of each competency for Contract Specialist work, the usefulness of the competencies as a tool for identifying effective or ineffective Contract Specialist performance was assessed to provide further evidence of the validity of the competencies. Using participant ratings of how well each competency was demonstrated in each incident of Contract Specialist work, the professional business competencies successfully predicted whether an incident of Contract Specialist performance was effective or ineffective about 85% of the time and the technical competencies predicted effective or ineffective performance about 80% of the time.

Importance ratings and classification rates indicate that the competencies are valid predictors of successful contracting and may be successfully used as the basis for evaluating, managing, and improving the quality of Contract Specialist work.

These findings regarding competencies can be used in several ways to improve the acquisition environment. Some competencies may be needed at all levels; others only at the full performance level. Not all acquisition professionals may be required to demonstrate all the competencies. Organizational structure, duties, or tasks assigned can influence which competencies are critical and at what level. Competencies can be differentiated by level or degree of competency that an individual demonstrates.

### **Applying Competencies to Human Capital Management**

Assessment tools help in screening and selecting candidates and provide a direct and valid link between selection and competencies. The user can choose which competencies best apply to the roles identified for the acquisition office to perform based on need for consistency between jobs (positions), needs of customers, program and mission need, and expected performance and outcomes. Workforce planning and management, in general, can be simplified when competencies provide the framework upon which positions, training, and awards can be built.

Competencies provide the common language to communicate job requirements to potential recruits, preferred course content to educational and training sources, and performance expectations and career development opportunities to employees. A defined career path may motivate employees to stay and grow in the field.

In recruitment, competencies can provide a better description of the job, targeted recruiting, and better marketing. Job counselors will be better informed about the occupation. This results in more qualified, more flexible applicants from wider, more diverse sources. When colleges and universities can reference the competencies required by the acquisition workforce, acquisition and business courses can become more relevant to the work.

In selection and hiring, competencies provide the basis for human capital planning, job descriptions, selection instruments, crediting plans, structured interviews, situational testing, and a direct link between positions and mission. This results in a better fit between employees and positions, and a more direct link between the work and agency goals and budgets. A benefit to using competency-based career management is the visibility that it provides to employees so that each employee can manage his or her own career.

The use of competencies in determining performance plans, standards, promotions, and awards is a natural extension of their use in hiring, selection and training of an employee. Competencies provide the means to assess technical and personal proficiency and to differentiate between entry, intermediate, and full performance levels of work. Once the links are established between competencies needed to perform an assignment and mission goals, it becomes much easier to develop performance and award criteria. Both supervisor and employee can focus on developing or strengthening competencies and reinforcing organizational productivity and personal development. In addition, performance awards can be based on consistent criteria.

In the area of education, training and development, competencies form the basis for objectives for coursework and training. Rotational assignments, on-the-job training, and other work-based development opportunities can be structured around learning new competencies. Competencies also provide a way to develop a consistent methodology for standards and fulfillment of those standards that is accepted across agencies.

Employees and managers can assess how education, training and development opportunities support job competencies. Focused training produces a better fit between employee competencies and job requirements, resulting in more productive workers. The supervisor and the employee can together develop a plan to close gaps in competencies. This plan, when combined with all others in an office or organization, can become the basis for a long-term training strategy linking training to mission goals, can serve as a means to identify current and future skills, and can become the basis for supporting budget requests for investment in training and development. Training targeted to strengthen specific competencies will result in improved productivity and retention of employees. Education, training and development opportunities are great motivators for employees. It follows that an environment of continuous learning is a benefit of using competencies.

## **Conclusion**

Using competencies specific to the acquisition workforce focuses the worker and the organization on leveraging sound business solutions to achieve an agency's strategic goals. Selecting individuals with the appropriate competencies results in a better-educated acquisition workforce with the technical and business skills to perform effectively in today's business environment. In addition, maintaining an optimal mix of skills ensures that agency goals are met. Competencies can serve as the foundation for targeted training and ongoing skill development as needed, given each agency's mission. As a result, training and development investments in the acquisition workforce can directly serve individual and management needs.

The use of competencies can improve the acquisition environment all around. By establishing competencies common to the acquisition community that can be used to identify subsets of competencies common to specific acquisition jobs, the leadership of the acquisition community will provide a consistency across all agencies, across all acquisition positions, and across all performance management efforts that is not available now. By reinforcing the need for business acumen, customer service, flexibility, leadership, and integrity through competencies, the transition to a business-oriented mission can be more easily accomplished.

**Table 1. Professional Business Competencies for the Contract Specialist Series**

**Oral Communication:** Expresses information to individuals or groups effectively, taking into account the audience and nature of the information; makes clear and convincing presentations, listens to others; attends to nonverbal cues.

**Decision-Making:** Makes sound, well informed, and objective decisions; perceives the impact and implications of decisions; commits to action, even in uncertain situations, to accomplish organizational goals; causes change.

**Interpersonal Skills:** Shows understanding, courtesy, tact, empathy; develops and maintains relationships; deals with difficult people; relates well to people from varied backgrounds; is sensitive to individual differences.

**Problem Solving:** Identifies problems; determines accuracy and relevance of information; uses sound judgment to generate and evaluate alternatives, and make recommendations.

**Teamwork:** Encourages and facilitates cooperation, pride, trust; fosters commitment; works with others to achieve goals.

**Reasoning:** Identifies rules, principles, or relationships that explain facts, data or other information; analyzes information and makes correct inferences or accurate conclusions.

**Customer Service:** Works with customers to assess needs, provide assistance, resolve problems, satisfy expectations; knows products and services.

**Reading:** Understands and interprets written material including technical material, rules, regulations, instructions, reports; applies what is learned from written material.

**Attention to Detail:** Is thorough when performing work and conscientious about attending to detail.

**Contracting/Procurement:** Has knowledge of various types of contracts, techniques for contracting or procurement, and contract negotiation and administration.

**Influencing/Negotiating:** Persuades others to accept recommendations, cooperate, or change their behavior; work with others towards an agreement; negotiates to find mutually acceptable solutions.

**Integrity/Honesty:** Contributes to maintaining the integrity of the organization; displays high standards of ethical conduct and understands the impact of violating these standards on an organization, self, and others; is trustworthy.

**Planning and Evaluating:** Organizes work, sets priorities, determines resource requirements, determines goals and strategies; coordinates with other organizations, monitors progress; evaluates outcomes.



**Flexibility:** Is open to change and new information; adapt behavior or work methods in response to new information, changing conditions, or unexpected obstacle; effectively deal with ambiguity.

**Self-Management/Initiative:** Sets well-defined and realistic personal goals; displays a high level of initiative, effort, and commitment towards completing assignments in a timely manner; works with minimal supervision; is motivated to achieve; demonstrate responsible behavior.

**Stress Tolerance:** Deals calmly and effectively with high stress situations (for example, tight deadlines, hostile individuals, emergency situations, and dangerous situations).

**Writing:** Recognizes or uses correct English grammar, punctuation, and spelling; communicates information in a succinct and organized manner, produces written information that is appropriate for the intended audience.

**Creative Thinking:** Uses imagination to develop new insights into situations and applies innovative solutions to problems; design new methods where established methods and procedures are not applicable or are unavailable.

**Learning:** Uses efficient learning techniques to acquire and apply new knowledge and skills, uses training, feedback, etc., for self-learning and development.

**Self-Esteem:** Believes in own self-worth; maintains a positive view of self and displays a professional image.

**Information Management:** Identifies a need for and knows where or how to gather information; organizes and maintains information or information management systems.

**Memory:** Recalls information that has been presented previously.

**Arithmetic:** Performs computations using whole numbers, fractions, decimals, and percentages.

**Math Reasoning:** Solves practical problems by choosing appropriately from a variety of mathematical and statistical techniques.

**Table 2. Technical Competencies for the Contract Specialist Series**

**Strategic Planning:** Advise customers on their acquisition-related roles as well as the development and implementation of strategies needed to assure that supplies and services are available when needed to meet mission requirements.

**Understanding the Marketplace:** Collect and analyze relevant market information from Government and non-government source; analyze and provide business advice on the procurement request; review and provide business advice in the preparation of requirements documents and related elements of the procurement request.

**Understanding Sourcing (Commercial/Government Practices):** Identify possible sources for the acquisition through effective market analysis and knowledge of suppliers. Limit competition when it is appropriate to the acquisition situation based on business strategies and market environments. Determine whether to limit competition to small business concerns, eligible 8(a) concerns, or a single 8(a) concern.

**Defining Government Requirements in Commercial and Non-Commercial Terms :** Select appropriate offer evaluation factors for incorporation into the solicitation that tie back to clear and unambiguous technical requirements included in the RFP; determine the method of acquisition.

**Defining Business Relationships:** Select the most appropriate pricing arrangement(s) to solicit. Determine whether and how to provide for recurring requirements. Prepare unpriced orders and contracts. Determine whether to provide for Government financing and where necessary the method of financing. Determine bonding requirements for the solicitation and contract. Determine the method of payment. Determine whether a written source selection plan is necessary or desirable.

**Effective Communication:** Select and implement a method or methods of publicizing the proposed procurements. Establish appropriate subcontracting and make-or buy requirements. Conduct oral solicitations. Prepare a written solicitation that includes the appropriate provisions and clauses tailored to the requirement and assembled in a format appropriate to the acquisition method and market for the required supply or service. Respond to an inquiry about the solicitation received prior to contract award or a request for information under the Freedom of Information Act. Conduct a pre-quote, pre-bid, pre-proposal conference when appropriate. Amend or cancel a solicitation.

**Detailed Evaluation Skills:** Receive bids including the safeguarding, opening, reading, recording, and abstracting of each bid. Evaluate offered bid acceptance periods and take appropriate action. Determine whether a bid is late, and if late, whether it can be considered for contract award. Identify and resolve mistakes in bids. Calculate the evaluated price for each bid and determine whether the lowest price is reasonable. Determine responsiveness for the invitation for bids (IFB).

**Effective Negotiation Skills and Effective Analytical Skills:** Receive quotations/proposals including the safeguarding, opening, tracking, assessing compliance with minimum solicitation requirements, and identifying of quotations/proposals that will not receive further consideration. Apply non-price factors in evaluating quotations, proposals, and past performance. Determine what pricing information (if any) to require from offerors. Consider the adequacy of a firm's accounting and estimating systems in making contracting decisions. Assure that a firm properly discloses its accounting practices when required by Government cost accounting standards (CAS) and that the disclosed practices comply with CAS requirements. Obtain any necessary audit support. Establish pre negotiation positions on price including: the need to cancel and re solicit for price related reasons; the need for communications; the need for cost information; and the need to negotiate. Establish pre negotiation positions related to cost reasonableness and cost realism by analyzing cost and technical data from the offeror and other sources. Develop pre negotiation positions on terms and conditions other than price. Determine whether to award without discussions. Conduct communications to enhance Government understanding of proposals; allow reasonable interpretation of a proposal; or facilitate the Government's evaluation process. Select offerors/quoters for discussions (i.e., establish the competitive range under FAR Part 15). Prepare negotiation strategy. Conduct a negotiation session and document in the contract file the principal elements of the negotiated agreement.

**Effective Award Resolution:** Determine and document the responsibility or non-responsibility of a prospective contractor. Prepare purchase orders/contract and document the award recommendation. Assist in distributing the contract award and related notifications. Debrief offerors at their request. Act to resolve acquisition complaints and concerns.

**Effective Communication of Contract Requirements for Administration:** Plan for contract administration. Conduct a post-award orientation. Monitor contractor subcontract management in accordance with prime contract requirements. Modify or adjust a contract when needed. Determine whether or not to exercise an available option. Utilize task order contracts, delivery order contracts, and basic ordering agreements.

**Effective Performance Management:** Monitor contract performance and take any necessary action related to delays in contract performance or the need to stop work under the contract. Apply remedies to protect the rights of the Government under commercial item contracts and simplified acquisitions. Apply remedies to protect the rights of the Government under noncommercial item contracts. Document past performance information.

**Effective Financial Management:** Approve or disapprove the request for an assignment of claims. Require the contractor to provide a bond or other securities to apply toward completing the contract in case the contract is terminated for cause or default. Assure that the contractor receives the appropriate contract financing in accordance with contract financing requirements and relate contract performance. Make decisions related to

allowability of contract costs. Adjust the price or fee. Determine if cost or pricing data were defective (i.e., not current, accurate, and complete) and appropriate remedies. Determine whether to authorize payment against an invoice in full, in part, or not at all. Refer indications of fraud or other civil or criminal offenses to responsible officials. Determine and recover debts from contractors. Enforce Government and contractor compliance with special contract terms and conditions.

**Make Decisions Related to Allowability of Contract Costs:** Adjust the price or fee. Determine if cost or pricing data were defective (i.e., not current, accurate, and complete) and appropriate remedies. Determine whether to authorize payment against an invoice in full, in part, or not at all. Refer indications of fraud or other civil or criminal offenses to responsible officials. Determine and recover debts from contractors. Enforce Government and contractor compliance with special contract terms and conditions.

**Effective Resolution of Contract Termination and /or Closeout:** Analyze and negotiate and prepare a Contracting Officer's decisions. Terminate contracts when it is in the best interest of the Government. Perform contract closeout.

**Table 3-1. Representation of FAI Professional Business Competencies in DoD Competencies**

<b>FAI PROFESSIONAL BUSINESS COMPETENCY</b>	<b>CORRESPONDING DoD COMPETENCY</b>
Oral Communication	Business Attributes – Communication Policy & Processes – None
Decision-Making	Business Attributes – Decision-Making Policy & Processes – None
Interpersonal Skills	Business Attributes – Adaptability and flexibility Policy & Processes – Ability to develop productive relationships between suppliers, requiring activities, and contracting functions
Problem Solving	Business Attributes – Dilemma Resolution Policy & Processes – None
Teamwork	Business Attributes – Teaming Policy & Processes – Ability to develop productive relationships between suppliers, requiring activities, and contracting functions, Acquisition-related experience in, or understanding of, more than one Acquisition function (contracting, program management, etc.), agency, or sector (public, private)
Reasoning (analysis)	Business Attributes – Analysis Policy & Processes – None
Customer Service	Business Attributes – Understanding the mission (buyer and customer) Policy & Processes – None
Reading	Business Attributes – Communication Policy & Processes – None
Attention to Detail	Business Attributes – Technical or business management expertise Policy & Processes – None
Contracting/Procurement	Business Attributes – Appropriate uses of contracting and non-contracting methods for satisfying requirements, Contract/Performance Management Policy & Processes – None
Influencing/Negotiating	Business Attributes – Communication, Decision Making, Appropriate, effective uses of contracting and non-

	contracting methods for satisfying requirements, Dilemma Resolution Policy & Processes – Ability to conduct and conclude complex negotiations, Appendix B (All)
Integrity/Honesty	Business Attributes – Appendix A (Knowledge and application of appropriate global ethics/standards of conduct; Integrity) Policy & Processes – None
Planning and Evaluating	Business Attributes – Analysis, Risk Management, Project Management Policy & Processes – None
Flexibility	Business Attributes – Adaptability and flexibility Policy & Processes – None
Self-Management/Initiative	Business Attributes – Leadership Policy & Processes – None
Stress Tolerance	Business Attributes – Adaptability and flexibility Policy & Processes – None
Writing	Business Attributes – Communication Policy & Processes – None
Creative Thinking	Business Attributes – Appropriate, effective use of information/data to identify sound business alternatives, recommendations and decisions, Appendix A (Knowledge of DoD unique contracting environments (defense priorities, contingency contracting, etc)) Policy & Processes – Ability to conduct and conclude complex negotiations
Learning	Business Attributes – None Policy & Processes – Professional development (education, continuous learning) in appropriate disciplines
Self-Esteem	Business Attributes – Teaming, Leadership, Adaptability and flexibility Policy & Processes – None
Information Management	Business Attributes – Appropriate use of Technology, Appendix A (Familiarity with financial concerns of public and private sector entities, knowledge of DoD unique statutory and regulatory requirements) Policy & Processes – Use and application of e-biz techniques/processes
Memory	Business Attributes – None

	Policy & Processes – None
Arithmetic	Business Attributes – Analysis, Dilemma Resolution, Technical or business management expertise Policy & Processes – Knowledge of contract financing arrangements, and the impact of each on the government and private sector, Knowledge of the range of contract pricing techniques, and appropriate applications
Math Reasoning	Business Attributes – Analysis, Dilemma Resolution, Technical or business management expertise, Market Research, Commercial business practices, Financial management, Multi-functional capabilities (within contracting and across acquisition functions), Organizational Structure, Roles, and Relationships Policy & Processes – Knowledge of contract financing arrangements, and the impact of each on the government and private sector, Knowledge of the range of contract pricing techniques, and appropriate applications, Knowledge of non-contract fundamentals, Knowledge of Financial management Regulations (FMR), Ability to develop productive relationships between suppliers, requiring activities, and contracting functions, Acquisition-related experience in, or understanding of, more than one acquisition function (contracting, program management, etc.), agency, or sector (public, private)

**Table 3-2. Representation of FAI Technical Competencies in DoD Competencies**

<b>FAI TECHNICAL COMPETENCY</b>	<b>CORRESPONDING DoD COMPETENCIES</b>
Strategic Planning	<p>Business Attributes – Understanding the mission (buyer and customer), Appendix A (Familiarity with evolving acquisition issues, techniques, solutions)</p> <p>Policy &amp; Processes – Appropriate application of commercial/industry practices, Ability to develop productive relationships between suppliers, requiring activities, and contracting functions, Appendix B (Customer Business Analysis and Strategy)</p>
Understanding the Marketplace	<p>Business Attributes - Market Research, Understanding the mission, Commercial business practices</p> <p>Policy &amp; Processes – Appendix B (Procurement, Requirements Analysis, Limiting Competition, Obtaining Bonds, Methods of Payment)</p>
Understanding Sourcing (Commercial/Government Practices)	<p>Business Attributes – Commercial business practices, Market Research, Understanding the mission (buyer and customer)</p> <p>Policy &amp; Processes – Appendix B (Identify Possible Sources, Limiting Competition, Socio-Economic Requirements)</p>
Defining Govt Requirements in Commercial & Non-Commercial Terms	<p>Business Attributes - Understanding the mission (buyer and customer), Appropriate uses of contracting and non-contracting methods for satisfying requirements, Technical or business management expertise</p> <p>Policy &amp; Processes – Appropriate application of commercial/industry practices, Appropriate application of competition requirements, policies, and procedures, Knowledge of the range of contract pricing technique, and appropriate applications, Acquisition-related experience in, or understanding of, more than one acquisition function (contracting, program management, etc.), agency, or sector (public/private), Appropriate application of past performance information, Use and application of e-biz techniques/processes, Appendix B (Pricing Arrangements, Recurring Requirements, Unpriced Contracts, Obtaining Bonds, Methods of Payment, Document Source Selection Plan)</p>
Defining Business Relationships	<p>Business Attributes - Teaming, Understanding the mission (buyer and customer), Commercial business</p>



	<p>practices, Appropriate uses of contracting and non-contracting methods for satisfying requirements, Project management, Contract/Performance Management, Appendix A (Awareness of the contemporaneous political environment, and implications for appropriate business arrangements, Familiarity with the contemporaneous legal environment, and appropriate reflection of that environment in business arrangements, Knowledge and application of appropriate global ethics/standards of conduct, Knowledge of fraud &amp; exclusion requirements, Knowledge of DoD unique statutory and regulatory requirements, Knowledge of DoD unique contracting environments (defense priorities, contingency contracting, etc), Integrity)</p> <p>Policy &amp; Processes – Knowledge of contracting laws, regulations, policies, Knowledge of acquisition methods and appropriate applications (including non-contract alternatives), Knowledge of contracting fundamentals, Knowledge of non--contract fundamentals, Appropriate application of commercial/industry practices, Knowledge of the range of contract pricing techniques, and appropriate applications, Appropriate application of pertinent laws regulations, policies, and practices (i.e. labor, environmental, socioeconomic, international acquisition, security), Knowledge of contract financing arrangements, and the impact of each on the government and private sector, Ability to develop productive relationships between suppliers, requiring activities, and contracting functions, Use and application of e-biz techniques/processes, Appendix B (Pricing Arrangements, Recurring Requirements, Unpriced Contracts, Contract Financing, Obtaining Bonds, Methods of Payment, Document Source Selection Plan)</p>
Effective Communication	<p>Business Attributes – Communication, Teaming, Use of knowledge/information management resources, Appropriate use of Technology, Technical or business management expertise</p> <p>Policy &amp; Processes – Ability to conduct and conclude complex negotiations, Disputes resolution processes and alternatives, Appendix B (Publicizing Proposed Acquisitions, Subcontracting Requirements, Oral Solicitations, Solicitation Preparation, Inquiries and FOIA Requests, Pre Bid/Quote/Proposal Conference, Amend/Cancel Solicitations)</p>
Detailed Evaluation Skills	Business Attributes – Analysis, Understanding

	<p>commercial business practices, Decision making, Use of knowledge/information management resources, Appropriate, effective use of information/data to identify sound business alternations, recommendations and decisions, Appropriate use of Technology, Appendix A (Knowledge of DoD unique statutory and regulatory requirements)</p> <p>Policy &amp; Processes – Knowledge of contracting laws, regulations, policies, Knowledge of appropriate source selection techniques, Appendix B (Bids, Responsiveness)</p>
<p>Effective Negotiation Skills &amp; Effective Analytical Skills</p>	<p>Business Attributes – Analysis, Understanding the mission (Buyer and customer), Commercial business practices, Decision making, Appropriate, effective use of information/data to identify sound business alternatives, recommendations and decisions</p> <p>Policy &amp; Processes – Knowledge of contracting laws, regulations, policies, Knowledge of acquisition methods and appropriate applications (including non-contract alternatives), Knowledge of contracting fundamentals, Ability to conduct and conclude complex negotiations, Knowledge of contract financing arrangements, and the impact of each on the government and private sector, Disputes resolution processes and alternatives, Appendix B (Receiving Quotes and Proposals, Evaluating Non-Price Factors, Pricing Info from Offerors, Accounting and Estimating Systems, Cost Accounting Standards, Audits, Price Analysis (Negotiated Acquisitions), Cost Analysis, Evaluating Other Terms and Conditions, Award without discussion, Communications, Establish Competitive Range, Negotiation Strategy, Conduct Discussions (Negotiations))</p>
<p>Effective Award Resolution</p>	<p>Business Attributes – Dilemma Resolution, Understanding the mission (buyer and customer), Appropriate uses of contracting and non-contracting methods for satisfying requirements, Appropriate, effective use of information/data to identify sound business alternatives, recommendations and decisions, Appendix A (All)</p> <p>Policy &amp; Processes – Knowledge of contracting laws, regulations, policies, Knowledge of acquisition methods and appropriate applications (including non-contract alternatives), Knowledge of contracting fundamentals, Knowledge of non-contract fundamentals, Knowledge of appropriate source selection techniques, Ability to conduct and conclude complex negotiations, Appropriate</p>

	<p>application of pertinent laws regulations, policies, and practices (i.e. labor, environmental, socioeconomic, international, acquisition, security), Ability to develop productive relationships between suppliers, requiring activities, and contracting functions, Disputes resolution processes and alternatives, Appendix B (Responsibility, Debriefing, Protests)</p>
<p>Effective Communication of Contracting Requirements for Administration</p>	<p>Business Attributes – Communication, Teaming, Understanding the mission (buyer and customer), Risk management, Appropriate use of Technology, Multi-functional capabilities (within contracting and across acquisition functions), Organizational Structure, Roles, and Relationships, Project management, Technical or business management expertise, Appendix A (All)  Policy &amp; Processes – Knowledge of contracting laws, regulations, policies, Knowledge of acquisition methods and appropriate applications (including non-contract alternatives), Knowledge of contracting fundamentals, Appropriate application of commercial/industry practices, Appropriate application of pertinent laws regulations, policies, and practices (i.e. labor, environmental, socioeconomic, international acquisition, security), Knowledge of contract financing arrangements, and the impact of each on the government and private sector, Appropriate application of past performance information, Disputes resolution processes and alternatives, Appendix B (Post Award Orientations, Monitor Subcontract Management, Contract Modification and Adjustment, Options, Task and Delivery Order Contracts)</p>

<p>Effective Performance Management</p>	<p>Business Attributes – Communication, Teaming, Understanding the mission (buyer and customer), Risk management, Appropriate use of technology, Multi-functional capabilities (within contracting and across acquisition functions), Organizational Structure, Roles, and Relationships, Project management, Technical or business management expertise, Contract/Performance Management, Appendix A (All)</p> <p>Policy &amp; Processes – Knowledge of contracting laws, regulations, policies, Knowledge of acquisition methods and appropriate applications (including non-contract alternatives), Knowledge of contracting fundamentals, Appropriate application of commercial/industry practices, Appropriate application of pertinent laws regulations, policies, and practices (i.e. labor, environmental, socioeconomic, international acquisition, security), Knowledge of contract financing arrangements, and the impact of each on the government and private sector, Appropriate application of past performance information, Disputes resolution processes and alternatives, Appendix B (Performance Management, Commercial/Simplified Acquisition Remedies, Noncommercial Acquisition Remedies, Documenting Past Performance)</p>
<p>Effective Financial Management</p>	<p>Business Attributes – Financial management, Communication, Market Research, Teaming, Analysis, Understanding the mission (buyer and customer), Commercial business practices, Appropriate, effective use of information/data to identify sound business alternatives, recommendations and decisions, Risk management, Technical or business management expertise, Appendix A (All)</p> <p>Policy &amp; Processes – Knowledge of contracting laws, regulations, policies, Knowledge of acquisition methods and appropriate applications (including non-contract alternatives), Knowledge of contracting fundamentals, Appropriate application of commercial/industry practices, Appropriate application of pertinent laws regulations, policies, and practices (i.e. labor, environmental, socioeconomic, international acquisition, security), Knowledge of contract financing arrangements, and the impact of each on the government and private sector, Appropriate application of past performance information, Disputes resolution processes and alternatives, Appendix B (Performance Management,</p>

	Commercial/Simplified Acquisition Remedies, Noncommercial Acquisition Remedies, Documenting Past Performance)
Make Decisions Related to Allowability of Costs	<p>Business Attributes – Understanding the mission (buyer and customer), Commercial business practices, Decision Making, Financial management, Risk management, Technical or business management expertise, Appendix A (All)</p> <p>Policy &amp; Processes – Knowledge of contracting laws, regulations, policies, Knowledge of acquisition methods and appropriate applications (including non-contract alternatives), Knowledge of contracting fundamentals, Knowledge of Financial Management Regulations (FMR), Appropriate application of commercial/industry practices, Knowledge of the range of contract pricing techniques, and appropriate applications, Ability to conduct and conclude complex negotiations, Appropriate application of pertinent laws regulations, policies and practices (i.e. labor, environmental, socioeconomic, international, acquisition, security), Knowledge of contract financing arrangements, and the impact of each on the government and private sector, Disputes resolution processes and alternatives, Appendix B (Allowability of costs, Defective Pricing, Invoices, Fraud and Exclusion, Collecting Contractor Debts, Administering Special Terms and Conditions)</p>
Effective Resolution of Contracting Termination &/or Closeout	<p>Business Attributes – Analysis, Understanding the mission (buyer and customer), Commercial business practices, Decision making, Use of knowledge/information management resources, Appropriate uses of contracting and non-contracting methods for satisfying requirements, Appropriate, effective use of information/data to identify sound business alternatives, recommendations and decisions, Appropriate use of Technology, Contract/Performance Management, Appendix A (All)</p> <p>Policy &amp; Processes – Knowledge of contracting laws, regulations, policies, Knowledge of acquisition methods and appropriate applications (including non-contract alternatives), Knowledge of contracting fundamentals, Knowledge of Financial Management Regulations (FMR), Appropriate application of commercial/industry practices, Ability to conduct and conclude complex negotiations, Appropriate application of pertinent laws regulations, policies and practices (i.e. labor,</p>

	environmental, socioeconomic, international, acquisition, security), Acquisition-related experience in, or understanding of, more than one acquisition function (contracting, program management, etc.), agency, or sector (public, private), Disputes resolution processes and alternatives, Appendix B (Resolving Disputes, Termination, Closeout)
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**Table 3-3. Competency Elements Specified by DoD That Are Not Specified by FAI**

<b>COMPONENTS NOT COVERED IN FAI PROFESSIONAL BUSINESS COMPETENCIES THAT ARE PART OF DOD COMPETENCIES:</b>
Risk Management
Leadership
Project Management
Multi-functional capabilities
Organizational structure, roles and relationships