

Department of Energy

CONTRACTOR PURCHASING SYSTEM

BALANCED SCORECARD

PERFORMANCE MANAGEMENT PROGRAM

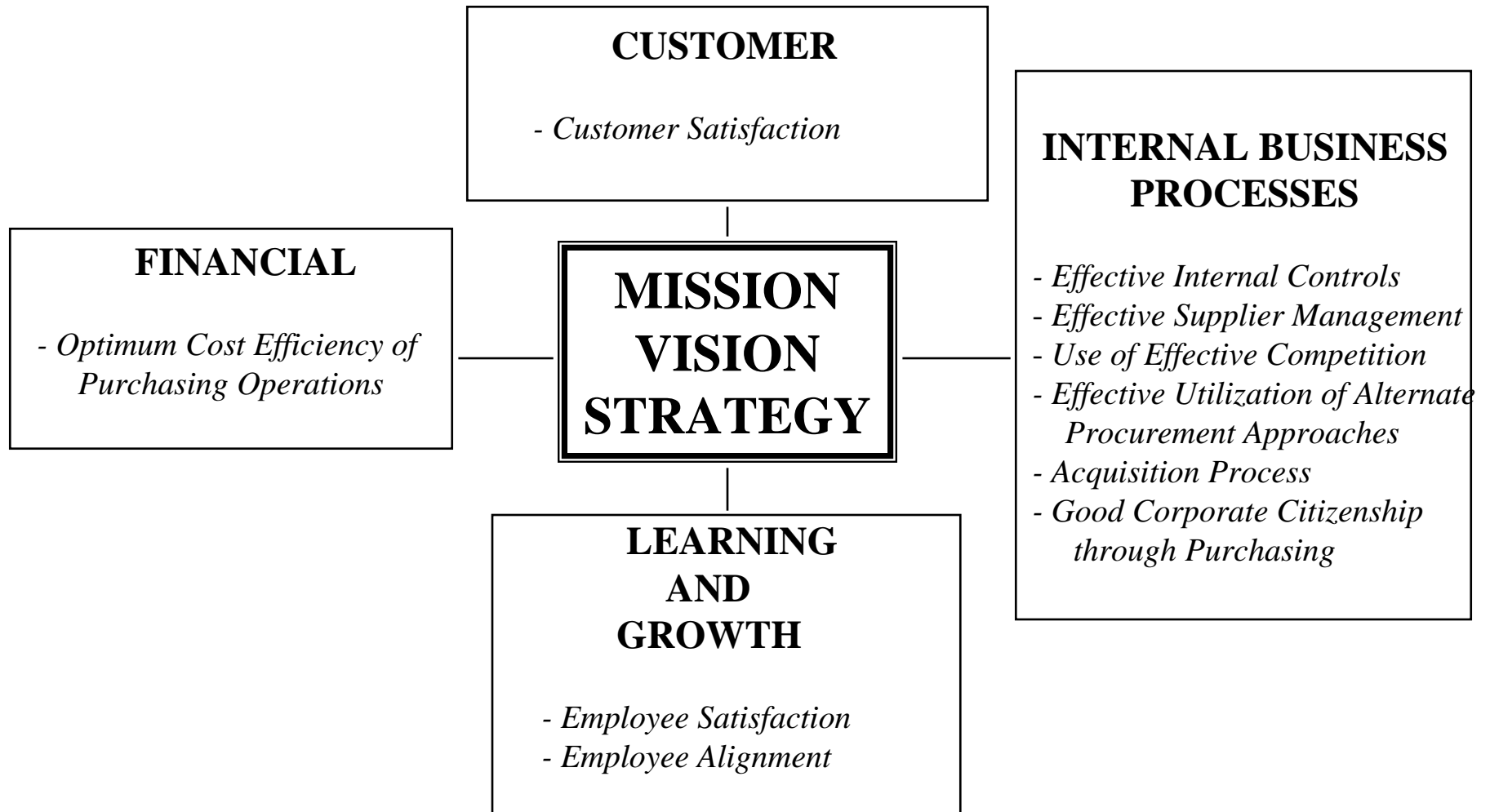
Core Performance Measures

FY 2009

BALANCED SCORECARD

PERSPECTIVES AND OBJECTIVES

2



MISSION

To provide acquisition and assistance services to support accomplishment of the Department's programmatic goals and objectives.

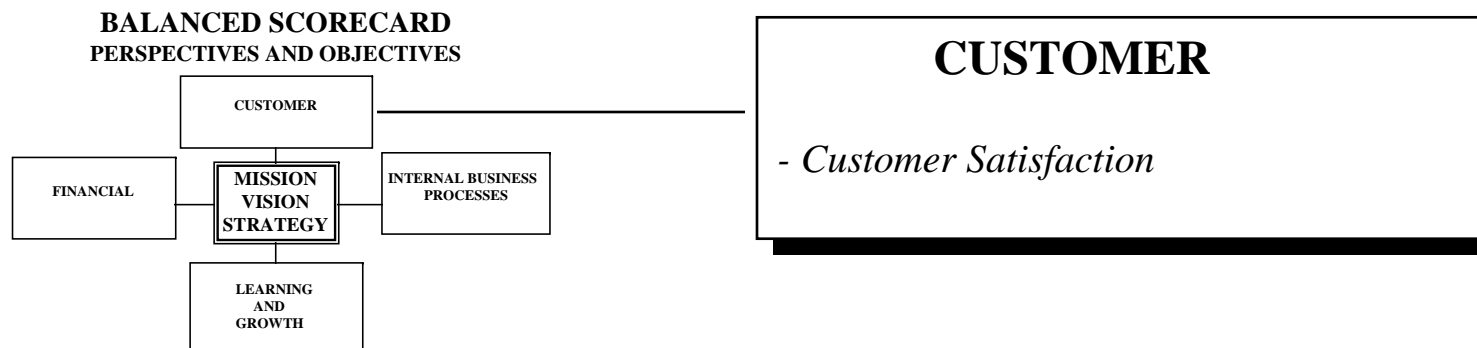
VISION

To deliver on a timely basis the best value product or service to our customers while maintaining the public's trust and fulfilling public policy objectives.

STRATEGY

To develop and maintain an organizational culture, management systems, and line processes in the acquisition system that ensure a focus on results while emphasizing integrity, fairness, competition, openness, and efficiency.

CUSTOMER PERSPECTIVE



CUSTOMER PERSPECTIVE

OBJECTIVE

MEASURE

NATIONAL TARGET

OBJECTIVE	MEASURE	NATIONAL TARGET
<p><i>Customer Satisfaction</i></p> <p>Data Source: Annual Customer Climate Survey or Real-Time Transactional Survey</p> <p>Data Generation: Accomplished by using appropriate survey instrument.</p> <p>Data Verification: Purchasing Directors are responsible for accuracy of survey data generation, and for retention of records in accordance with records management requirements. Records will be made available for compliance and/or DOE reviews.</p>	<p><u>Core:</u></p> <p>Customer Satisfaction Rating % of customer satisfaction with the timeliness, quality, and level of communication provided by the procurement office.</p> <p>The Customer Satisfaction Rating must address the following elements:</p> <p>Timeliness: Extent of customer satisfaction with timeliness of procurement processing; planning activities; and on-going communications</p> <p>Quality: Extent of customer satisfaction with the quality of procurement services</p> <p>Communications: Extent to which procurement communicates accurate information which impacts the work of the customer's organization</p>	<p>92%</p>

CUSTOMER PERSPECTIVE

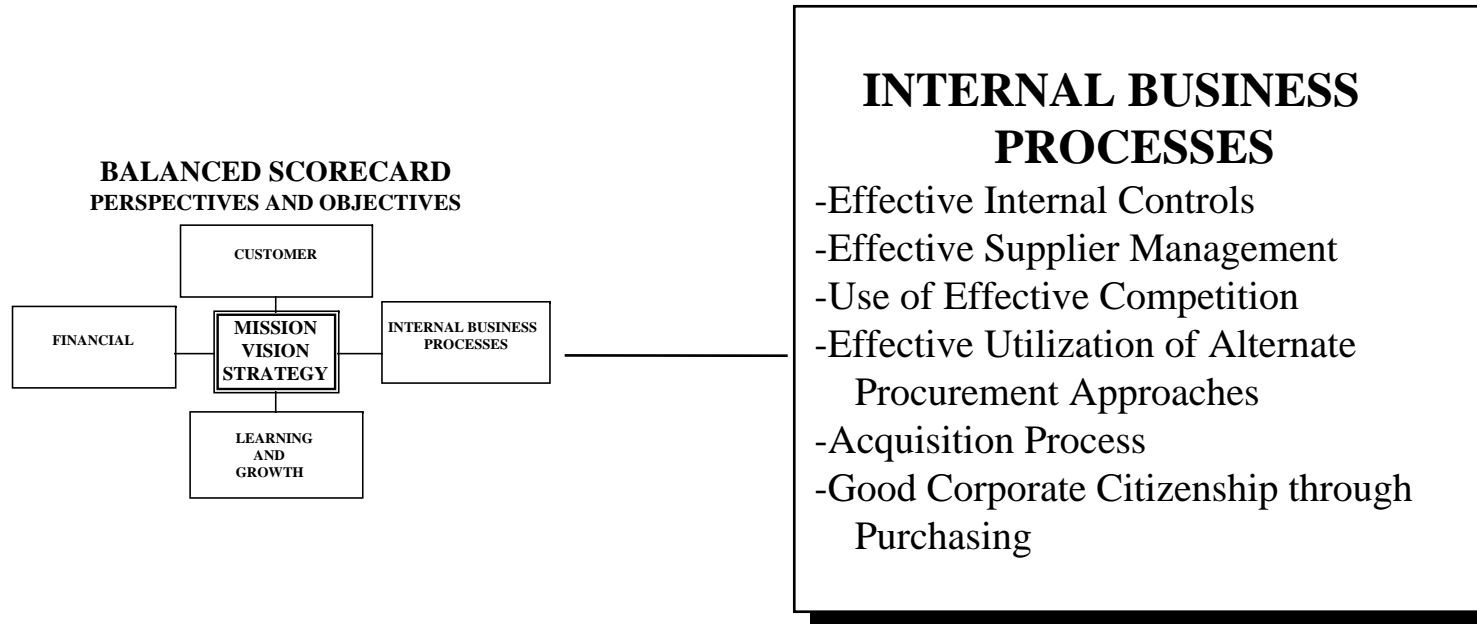
OBJECTIVE

MEASURE

NATIONAL TARGET

OBJECTIVE	MEASURE	NATIONAL TARGET
<p><i>Customer Satisfaction (Cont .)</i></p>	<p>The Customer Satisfaction Rating is to be determined by use of one of the following two alternatives (note: use of one or the other is required):</p> <ol style="list-style-type: none"><li data-bbox="730 651 1209 683">1. Annual Customer Climate Survey<li data-bbox="730 727 1182 760">2. Real-time Transactional Survey	

INTERNAL BUSINESS PROCESSES PERSPECTIVE



INTERNAL BUSINESS PROCESSES PERSPECTIVE

OBJECTIVE

MEASURE

NATIONAL TARGET

<p><i>Effective Internal Controls</i></p> <p>Data Source: Purchasing files, compliance reviews, review boards and Local Purchasing Information Systems (LPIS)</p> <p>Data Generation: Based upon results of compliance reviews, transactional review of purchasing files, review boards, LPIS, etc.</p> <p>Data Verification: Purchasing Directors are responsible for the retention of records in accordance with records management requirements. Records will be made available for compliance and/or DOE reviews.</p>	<p><u>Core:</u></p> <p>Assessment of the degree to which the purchasing system is in compliance with stakeholder requirements including applicable laws, regulations, terms and conditions of contracts, ethics, good business practices, etc. The assessment result is to be expressed in percentage form.</p> <p>(Note: In assessing performance under this measure, contractors are to rely primarily on the results of the most recent formal compliance review, information gained from the periodic review of purchasing files, formal review boards (IG, GAO, etc.), and other appropriate sources. The cognizant DOE Contracting Officer is required to review and approve the contractor's self-assessment methodology and score under this measure as part of the CO's review of the contractor's BSC self-assessment activities.)</p>	<p>(Appropriate targets will be negotiated between the Cognizant DOE Contracting Officer and the contractor purchasing organization.)</p>
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INTERNAL BUSINESS PROCESSES PERSPECTIVE

OBJECTIVE

MEASURE

NATIONAL TARGET

<p><i>Use of Effective Competition</i></p> <p>Data Source: LPIS Data Generation: Data is generated from the LPIS. Data Verification: Purchasing Directors are responsible for the accurate reporting of results and for retention of records in accordance with records management requirements. Records will be made available for compliance and/or DOE reviews.</p>	<p><u>Core:</u></p> <p>% of total dollars obligated on actions over \$100,000 that were awarded using effective competition.</p> <p>(Note: This measure applies to any dollars obligated during the fiscal year on a subcontract or purchase order that was awarded using effective competition and whose current dollar value exceeds \$100,000. Effective competition means, given the size and complexity of the requirement, a sufficient number of potential sources are solicited with the expectation of receiving competitive proposals to support the reasonableness of price or cost. The placement of delivery orders, task orders, or releases against indefinite delivery, indefinite quantity, requirements-type or other similar contracts are considered competitive if the underlying contract was awarded using effective competition.)</p>	<p>(Appropriate targets will be negotiated between the Cognizant DOE Contracting Officer and the contractor purchasing organization.)</p>
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INTERNAL BUSINESS PROCESSES PERSPECTIVE

OBJECTIVE

MEASURE

NATIONAL TARGET

<p><i>Effective Utilization of Alternate Procurement Approaches</i></p> <p>Data Source: LPIS Data Generation: Data is generated from the LPIS. Data Verification: Purchasing Directors are responsible for the accurate reporting of results and for retention of records in accordance with records management requirements. Records will be made available for compliance and/or DOE reviews.</p>	<p><u>Core:</u> Rapid Purchasing Techniques:</p> <ol style="list-style-type: none"> 1. % of transactions placed by users (number of transactions placed by users divided by the sum of total transactions - including JIT, Purchase Card, etc.) 2. % of transactions placed through Rapid Purchasing Techniques (number of transactions placed through Rapid Purchasing Techniques divided by the sum of total transactions - including purchase cards, long-term purchasing agreements, e-commerce (see below), JIT, ICPT, oral purchasing orders, strategic agreements and supplier programs) 3. % of transactions placed through electronic commerce (number of transactions placed through e-commerce divided by the sum of total transactions. E-commerce means that all communication with the vendor(s) throughout the pre-award and award process is done by electronic means (i.e., paperless). E-commerce tools include the internet, use of CD-Roms, e-catalogs, email, etc. Use of fax machines is not included unless it is a paperless fax.) 	<p>(For all three measures, appropriate targets will be negotiated between the Cognizant DOE Contracting Officer and the contractor purchasing organization)</p>
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INTERNAL BUSINESS PROCESSES PERSPECTIVE

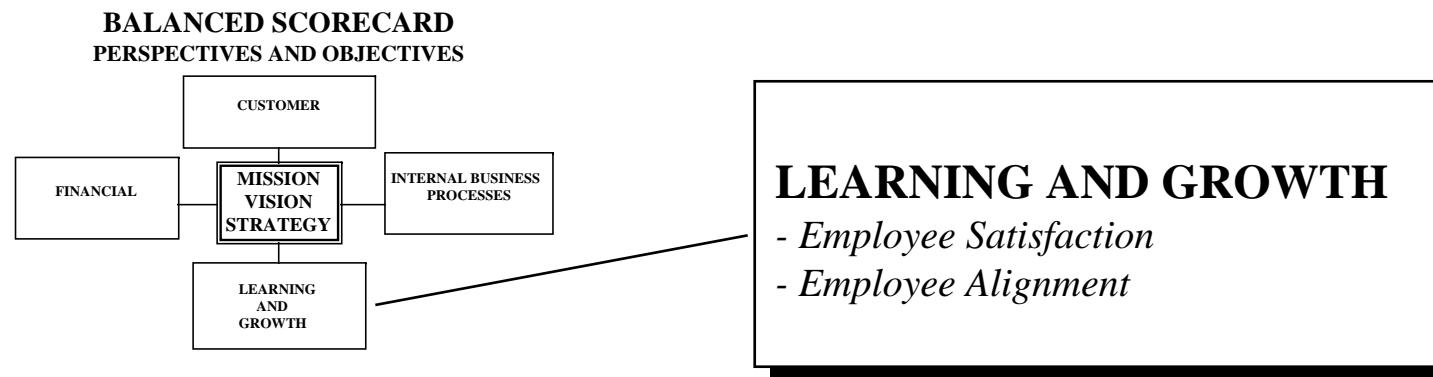
OBJECTIVE

MEASURE

NATIONAL TARGET

<p><i>Acquisition Process</i> Data Source: LPIS Data Generation: Data is generated from the LPIS. Data Verification: Purchasing Directors are responsible for the accurate reporting of results and for retention of records in accordance with records management requirements. Records will be made available for compliance and/or DOE reviews.</p> <p><i>Good Corporate Citizenship through Purchasing</i> Data Source: LPIS Data Generation: Data is generated from the LPIS. Data Verification: Purchasing Directors are responsible for the accurate reporting of results and for retention of records in accordance with records management requirements. Records will be made available for compliance and/or DOE reviews.</p>	<p><u>Core:</u></p> <p>Average cycle time (exception: Purchase Card) for each of the following dollar ranges:</p> <p>Average cycle time for <= \$100,000 Average cycle time for > \$100,000 Average cycle time for all actions</p> <p><u>Core:</u></p> <p>% of economic and social diversity and local participation program goals achieved, including SB, SDB, Women Owned SB Goals, HubZone and Disabled Veterans.</p>	<p>6 to 9 days for <= \$100,000 25 to 30 days for > \$100,000 8 to 11 days for all actions</p> <p>100% of established goals</p>
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LEARNING AND GROWTH PERSPECTIVE



LEARNING AND GROWTH PERSPECTIVE

OBJECTIVE

MEASURE

NATIONAL TARGET

<p><i>Employee Satisfaction</i></p> <p>Data Source: Employee Climate Survey, focus groups, and other methods as appropriate</p> <p>Data Generation: Accomplished by using appropriate survey instrument and other information sources.</p> <p>Data Verification: Purchasing Directors are responsible for accuracy of survey data generation, and other information sources, and for retention of records in accordance with records management requirements. Records will be made available for compliance and/or DOE reviews.</p>	<p><u>Core:</u></p> <p>Employee Satisfaction Rating % of employees satisfied with the work environment, and the organization's professionalism, culture and values. This rating may include data from employee survey, focus groups, or other methods.</p>	<p>(Appropriate targets will be negotiated between the Cognizant DOE Contracting Officer and the contractor purchasing organization.)</p>
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LEARNING AND GROWTH PERSPECTIVE

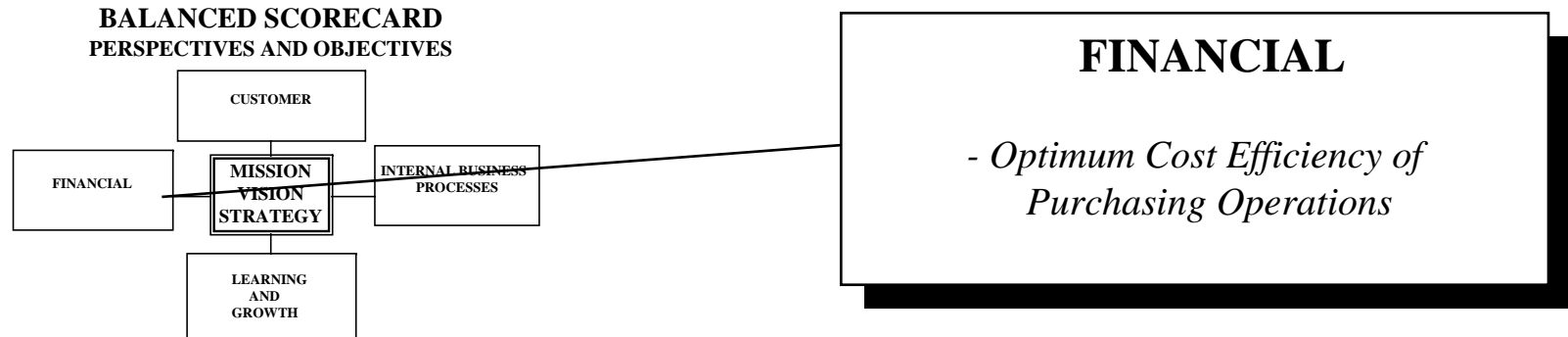
OBJECTIVE

MEASURE

NATIONAL TARGET

<p><i>Employee Alignment</i></p> <p>Data Source: Employee Performance Appraisals and LPIS as appropriate Data Generation: Data is generated from the LPIS. Data Verification: Purchasing Directors are responsible for the accurate reporting of results and for retention of records in accordance with records management requirements. Records will be made available for compliance and/or DOE reviews.</p>	<p><u>Core:</u></p> <p>Employee Alignment % of employees whose performance evaluation plans are aligned with organizational goals and objectives.</p>	<p>98% aligned</p>
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FINANCIAL PERSPECTIVE



FINANCIAL PERSPECTIVE

OBJECTIVE

MEASURE

NATIONAL TARGET

<p><i>Optimum Cost Efficiency of Purchasing Operations</i></p> <p>Data Source: LPIS Data Generation: Data is generated from the LPIS. Data Verification: Purchasing Directors are responsible for the accurate reporting of results and for retention of records in accordance with records management requirements. Records will be made available for compliance and/or DOE reviews.</p>	<p><u>Core:</u></p> <p>Cost to Spend Ratio Purchasing Operation's operating costs (labor plus overhead) divided by purchasing obligations.</p> <p>Optional:</p> <p>Negotiated Cost Savings This consists of negotiated cost savings and costs avoided, plus savings from system improvements all divided by the cost of the purchasing function.</p>	<p>(Appropriate targets will be negotiated between the Cognizant DOE Contracting Officer and the contractor purchasing organization)</p> <p>(Appropriate targets will be negotiated between the Cognizant DOE Contracting Officer and the contractor purchasing organization)</p>
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