



SPACE CITY - HOUSTON CHAPTER

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September 2001

NATIONAL CONTRACT MANAGEMENT ASSOCIATION (NCMA) SPACE CITY CHAPTER NEWSLETTER

THE PRESIDENT'S CORNER

by Herb Baker

The Contract Management Institute (CMI) is a not-for-profit foundation of the National Contract Management Association that is dedicated to improving the Body of Knowledge in the field of Contract Management through research, education, and scholarship. CMI recently contracted with PricewaterhouseCoopers to design and develop a survey instrument to study and analyze the implications of the business forces for public & private-sector contract management professionals today and in the future.

The study results show that there is an increased premium on finding innovative, creative approaches to contracting. The results indicate that the contract professional's role is more time sensitive, involves more responsibility, is more team-oriented and more strategic than in the past. The report also reveals that while a combination of business analysis and negotiation is the most highly valued competency today, as the role of the contract's manager evolves over the next 5-10 years, computer literacy and problem-solving will emerge as the two most needed capabilities. Moreover, the successful manager will have superior communication skills,

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ACTING JSC DIRECTOR SHARED INSIGHTS

by Tom Devitt



In August, our chapter's featured speaker, Mr. Roy Estess, Acting Director of Johnson Space Center (JSC), shared his insight into Johnson Space Center and Associated Programs. In doing so, he talked about a wide range of topics, including his experience working procurement related issues over his career, his tenure as acting director of JSC and current issues facing NASA (and in particular - JSC).

He began with an overview of his initial career at NASA, which resulted in technical positions of greater and greater responsibility. He told the story of how these assignments led one day to a senior management position where he had to, for the first time, focus primarily on Government business related issues as opposed to technical concerns. He explained how he developed an appreciation for the business side of NASA's mission through his exposure to Government Procurement, Government Financial Management, and Legal issues. In particular he talked about the importance of Federal Procurement and its bearing on the success of NASA's overall objectives. He made the point that as his career has progressed he has spent more and more time working business related issues.

He provided an overview of his tenure as the Acting Director of JSC. He talked about the appreciation he has gained for JSC, its people and its criticality to getting people into space. He made a point to emphasize the recent success of the Space Shuttle Program and how this success has become so routine that the only time there is a news story about the program it is when there is a problem.

Mr. Estess proceeded to provide an overview of the key issues facing NASA, and in particular JSC. He explained that NASA is truly "at the crossroads."

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interpersonal skills, and be highly flexible and adaptable while maintaining the highest standards of integrity and ethical behavior. The manager's ultimate success, however, will be more closely tied to business-oriented performance metrics, not transaction volume.

If you're interested, further details on this research can be found at <http://www.ncmahq.org/cmi/research.html> (scroll down to the bottom of the page). See you at the next meeting!

Herb

MEMBERSHIP MEMORABILIA

by Dale Pittman

The Space City - Houston Chapter of NCMA would like to welcome the following new members:

Luis Botello	Muniz Engineering
Allan Fuller	USA
Michael Lubrano	S&K Technologies
Rachel Malone	Muniz Engineering
William McCaskill	unknown
Alicia Muniz	Muniz Engineering
Gail Rollins	Muniz Engineering
Linda Slaman	Muniz Engineering
Ted Vetter	Hernandez Engineering
Jacqueline Yancy	Barrios Technology

We would also like to recognize the following for their years of membership and service to NCMA:

35 years	Dave Bruce, Norman Cooper, Robert Kline
20 years	Peggy Bristow, Matthew Anderson, Randy Gish, Billy Jefferson, Debra Johnson
15 years	Clyde Williams, Judson LaFlash, Darius Hall
10 years	Phyllis Price, Cindy Maclean
5 years	Carl (Ed) Taylor, Suzanne Carter, Narendra Ved, William Waite, Carla Stinson, David Johnson, Maria Araujo Rodriguez, Bonnie Beale

If you are interested in helping the Space City Houston Chapter grow, please contact Harold McCracken at 281-282-4089.



UPCOMING EVENTS

SEPTEMBER USA NMA* DINNER MEETING

When: Wednesday, September 19th from 4:30 - 7:00 PM
Where: Gilruth Center
Speaker: Mr. Tommy Holloway, NASA ISS Program Mgr.

Contact Judy Daly at 281-282-3217 if interested in attending.

* United Space Alliance Chapter of National Management Association (NMA)

SEPTEMBER NCMA LUNCHEON

When: Thursday, September 27th
Where: Silver Moon Café, Space Center Houston
Speaker: Mr. Tim Malishenko, Vice President, Boeing Space & Communications Group (see related article on pg. 4)

FALL CONFERENCE

When: Tues. Evening dinner, November 6th, and Wed. Conference, November 7th
Where: Hobby Hilton
Topic: Contract Management: The Road Ahead (see below article)

The Road Ahead

The Space City Chapter of NCMA will host a Fall Conference on November 6th and 7th at the Hobby Hilton Hotel in Houston at a cost of \$150 per person.

This two-day event will begin Tuesday evening, with cocktails from 6pm-7pm and a Seafood Dinner from 7pm-11pm in the Moody Ballroom. Wednesday, we will see you at 7am for a Continental breakfast with the event beginning at 8am. Lunch and snacks will be provided. The conference topic is "Contract Management: The Road Ahead." We have many exciting speakers for you and look forward to a very enthusiastic audience.

Please RSVP at your earliest convenience in order to assist us with our final count.

NASA personnel please RSVP to Joan Shack Joan.m.shack1@jsc.nasa.gov or 281-483-5933;

Other personnel please RSVP to Nancy Broyan broyann@hsd.utc.com or 281-333-8704.

We are also looking for volunteers to help with the conference. If you are interested, please contact Rosalie Solis at 281-244-7147.

NATIONAL NEWS



Submitted by Sam Morthland, CPCM, Fellow, and NCMA Space City Houston National Director from the July 21, 2001 Board of Director's Meeting in Los Angeles, CA

NATIONAL OFFICE CHANGES

The new officers for the 2001/02 Program Year were installed at the Annual Meeting. There have been numerous staff changes at the National office – 18 people left and eleven newly hired. More older, familiar names like Jim Goggins, and O'Brien are gone. The special accounting firm we brought in to recover our financial controls is being phased out, with a very experienced new Director of Finance – Mimi Palo – on board.

MEMBERSHIP

Overall membership grew from 21,278 to 21,505 through June 1, 2001, not quite the 5% projected. We are again projecting a 5% growth, counting on new membership programs in the Commercial sector and Communities of Interest replacing the former Special Topic Committees.

FINANCE

As reported above, the Accounting Firm is phasing out, having completed its mission to recover out financial controls and put a viable financial system in place. The results are encouraging. Income for 2001 was up by \$200K while expenses were down by \$150K. We actually have a substantial surplus for the first five months, but expect to finish the short T-1 period with a surplus of less than \$50K. The new program year of July 2001-June 2002 will see a "nice" surplus!

One of the key accomplishments of this meeting was the creation of an Asset Management Committee that we have been lacking. It was the absence of a committee that permitted someone to convert over \$600K of cash/bond reserves to cash to pay off current bills last year, with no approval by any of our National Officers. The new Asset Management Committee has the authority to make such decisions but only to the \$250K level. Larger expenditures must be approved by the full Executive Committee. I attempted to modify this to insert a further limit on the Executive committee of \$500K, with larger values to be referred to the Board of Directors, but was outvoted after a lively debate and a "show of hands" since the voice vote was close.

EDUCATION/PROFESSIONAL DEVELOPMENT

The really major news is a decision by the Board to approve a recommendation by the Executive Committee to revitalize and obtain formal accreditation of the Certified Professional Contract Manager certificate. To this end, the Asset Management Committee will be requested to fund a \$150K expenditure from capital funds, not a part of the yearly operating budget, over the next two years.

The first Commercial Contracting Conference in Denver earlier this year was reported as a resounding success. Many of the larger, non-DoD/Government contractors were in attendance and the outlook for more participation in terms of membership and support is promising.

National Education Seminar (NES) pricing policy was approved to simplify it for all. Henceforth, chapters will be required to pay \$100 for each NES package to be given to a participant. The chapter may then price the NES as they wish and as their individual situation permits. No more sending all funds to National and waiting for them to prorate back the chapter's share.

The Public Seminar program is going very well both at central locations, and in-house at a particular organizations location. New ones are **Supplier Selection**, and **Protecting Intellectual Property Rights**.

CACM Examination results were: 120 examinees; 69 passed (58%), and 51 (42%) failed.

OTHER

World Congress 2002 in Long Beach is in development, with high expectations of exceeding the 1500 level of WC2000. Committee leader Vic Avatesian is calling for chapter and individual volunteers to help in this major undertaking that will probably turn into a yearly event.

Six new Fellows were approved, including 3 from our South Central Region. One new Charles Dana Award was also approved. Details to come in CM Magazine soon.

Our very distinguished Space City alumni, Dee Lee, the Deputy Assistant Secretary of Defense for Acquisition again gave the Education Conference an excellent concluding speech and Q&As from the floor.

First and foremost he said that decisions had to be made soon regarding a NASA Administrator, Deputy Administrator and a JSC Director. Without these key management positions being filled, NASA would be unable to effectively address the major issues facing it. He felt confident this leadership structure would be in place in the near future.

Second, he stated that steps had to be taken to get NASA requirements and manned space flight bumped up on the agenda of the current administration. He thought steps were being taken to accomplish this end.

Third, he talked about the need to address NASA cost issues and particularly International Space Station costs. He saw several challenges: (1) Finding ways to control current costs; (2) Effectively respond to cost related criticism with facts; and (3) Find new procurement approaches that would keep costs in line with budgets.

Fourth, he talked about the on-going need to promote manned space flight and ensure it continues to receive Government support. "This is an important enterprise that we all need to support" was his rallying cry. He challenged all those in the procurement community to take a leadership role in supporting manned space flight not only in our hearts but in our actions.

MALISHENKO SPEAKS IN SEPTEMBER

Tim Malishenko is Vice President of Contracts and Pricing, Boeing Space and Communications Group, where he oversees contracts, pricing, estimating and export management for operations, policy, common business processes and ongoing evaluations of program performance.

Mr. Malishenko joined Boeing in February 2001, after serving 31 years in the U.S. Air Force. At the time of his retirement, he was a Major General and served as Director of the Defense Contract Management Agency (DCMA) in Washington, D.C. From 95-97, he served as the Deputy Assistant Secretary of the Air Force (Contracting), and from 94-95 was the Director of Contracting for Air Force Material Command.

In these positions, Mr. Malishenko served in a broad range of defense acquisition programs, including contract management, space, aeronautical, international and electronic systems. He was a leader in the development and deployment of standard business systems in the Department of Defense (DoD). Additionally, he led the DoD effort that developed the end-to-end procurement process model and numerous common process initiatives.

Mr. Malishenko is a fellow of the NCMA and serves on its board of advisors. He also is a member of the Air Force Association and the National Defense Industries Association.

Mr. Malishenko was born in Reading, England.

Space City-Houston Chapter Webpage News

by Scott Sealing

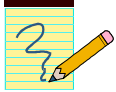
As promised, and as we continue to "grow" our Space City - Houston Chapter website, two recent additions have been added. The first is a short Space City Introductory page. It was our first intention to make this an automatic introduction when logging onto the page however, it requires that your computer be equipped with a "Flash" plug-in. So, to ensure that all our Chapter members have quick and easy access, we have chosen to include it as an optional link from the Space City homepage (bottom: "Flash Intro"). In that way, we have not excluded those who might not have the "Flash" capability required to run it. Check it out, it's pretty cool!

The second addition provides a host of informational resource links for use by our contracting professionals, at their fingertips. These links offer real-time access to contracting and government locations should individuals need to perform research addressing particular issues or, just locate certain contractual related materials. Check it out - click on "Resources" located on the right-hand side of the homepage. This addition, by the way, was due to a suggestion received from Tom Devitt, United Space Alliance Contracts, who put together the Resource list (Thanks Tom!). So please, keep those ideas coming!

On the lighter side, and in the spirit of "friendly" competition (someday possibly "friendly" rivalry), we submitted our webpage URL in the second NCMA "Best of Show" webpage contest held on August 24th. Although this was the second running of such a competition for the NCMA, it was our first Space City - Houston Chapter submittal as a participant. And as with most such "friendly" competitions, there were no losers. Although we didn't "win", it was a great opportunity for our Chapter, as well as numerous others, to share our particular activities, ideas and points of interest. Since the NCMA is a great place, both organizationally and personally, to exchange information, experiences and expand our knowledge base, the competition provided an ideal atmosphere for others to share in our local events and vice versa. It also is an encouragement for each of us to look for new and innovative ways to improve our abilities and skills in communication.

A ("friendly") parting message to our other NCMA Chapter affiliates, "WATCH OUT NEXT YEAR, WE'LL BE BACK!!".

Check out our webpage today:
<http://www.ncmaspacecity.org>
(and other Chapters as well).



CHAPTER MEMBERSHIP

Submit address/mail code changes to:
Carolyn Biggerstaff, (281) 280-6503, FAX (281)212-6178
Mailcode @ USA: USH-110D
e-mail:
carolyn.c.biggerstaff@usahq.unitedspacealliance.com

Submit requests for membership to:
Harold McCracken (281)282-4089
e-mail: harold.d.mccracken@USAHQ.UnitedSpaceAlliance.com



GALAXY EDITOR

Karen Pennington (281)336-5172
DCMA c/o Boeing (281)336-5367 FAX
2100 Space Park Dr.
Mail Code: HS3-40
Houston, TX 77058

e-mail:
kpennington1@dcmdw.dema.mil

KEY CONTACT POINTS

President - Herb Baker herb.baker1@jsc.nasa.gov	(281)483-4126	VP Education – Ed Taylor cetaylor@us.ibm.com	(281)336-2723
VP/President Elect – Alan Hyman alan.m.hyman@USAHQ.UnitedSpaceAlliance.com	(281)212-6002	VP Programs – Tom Devitt tom.devitt@USAHQ.UnitedSpaceAlliance.com	(281)280-3770
National Director - Sam Morthland smorthla@aol.com	(281)480-9308	VP Membership – Harold McCracken harold.d.mccracken@USAHQ.UnitedSpaceAlliance.com	(281)282-4089
Chapter Secretary - Kathy Whitaker kwhitaker@munizengineering.com	(281)283-6200	Reservations (Contractors) – Cindy Vourganas cynthia.l.vourganas@usahq.unitedspacealliance.com	(281)280-6537
Chapter Treasurer-Carolyn Biggerstaff carolyn.c.biggerstaff@usahq.unitedspacealliance.com	(281)280-6503	Reservations (JSC/NASA) - Joan Shack joan.m.shack1@jsc.nasa.gov	(281)483-5933

NATIONAL CONTRACT MANAGEMENT ASSOCIATION

Space City - Houston Chapter
P.O. Box 58513
Houston, TX 77258

ADDRESS CORRECTION REQUESTED

**SEPT 27th
LUNCHEON
RESERVATIONS DUE
BY COB SEPT 21st**