

2 MANAGEMENT APPROACH

The below Management Approach was prepared by team members and not by consultants.

Our approach to integrating professional support services at NAVSEA to institute best practices and realize cost savings is 1) Identify a client's spoken and unspoken needs; 2) Match the most qualified ID personnel to exceed the desired outcome; 3) Efficiently manage and execute task orders in order to lower the clients costs; 4) Get it right the first time; 5) Accurately report progress and results to concerned client personnel; and 6) Develop a reputation for success.

2.1 Managing the Effort: The Seaport-e PMO

Upon award, ID will establish a Seaport-e Program Management Office (PMO), which will form the base of program management activities. Supporting the Seaport-e PMO are our corporate resources (located in Ashburn, VA), including: Center of Excellence and ID's Technology Center, Enterprise Architecture Group, Contracts, Accounting, Security, Human Resources, Business Development, Graphics/Document Preparation Center, and Conference and Training Facility. Our managers are authorized and enabled to respond quickly. We have a solid program infrastructure for support and time-proven management and quality control processes, as well as streamlined communications between ID and the Navy and stakeholders.

Successful program management requires a solid management team, proven techniques and processes, and effective management tools. ID has all of these in place for Seaport-e. Refined over 18 years, our approach is proven, repeatable, and most-important, effective in an environment like Seaport-e. ID's ISO 9001:2000 certification standards include all aspects of the program management function. We have been certified since 1997 and have successfully passed all semi-annual audits. All our Program Managers are Project Management Institute (PMI) certified and hold numerous qualifications within the program and project management fields.

The PMO is headed by ID's Program Manager. Project Managers will be responsible for planning, managing, and tracking resource expenditures and schedules throughout a project's life cycle to delivery of service. Project Management Plans (PMPs) are prepared for each project and are communicated to program staff. Earned Value Reports are prepared to measure progress. The benefits of our PMO and management approach include:

- The development of a Program Management Plan (PMP) based on ID's ISO 9001:2000 certified quality processes and the Program Management Institute (with individual Project Management Plans for each task order).
- Streamlined corporate organization with clear assignment of responsibility and accountability to capable, qualified individuals.
- Delegates authority, allocating resources to the lowest reasonable management level.
- Implements a WBS to provide current cost/schedule information and EVM reports.
- Ensures visibility of ID performance through the Seaport-e Virtual PMO portal.
- Has an effective planning/control system, including the implementation of a Plan of Action and Milestone (POA&M) system.
- Exercises management/administrative flexibility to quickly respond to tasks.
- Ensures that sufficient, qualified employees are available to fulfill all current and planned contract requirements; and provide incentives to reduce/maintain low employee turnover.

2.2 Preserving Stability and Technical Expertise in the Workforce

2.2.1 Principles of Recruiting, Motivating, and Retaining Employees

Recruit and Retain the Best People: ID ensures high retention rates by applying sound personnel management skills and offering our employees: competitive benefits and compensation packages; personal and professional training incentives; and, most importantly, a positive working environment that encourages long-term tenure. ID's commitment to its employees and their development have been key factors in its ability to retain the highest quality IT professionals.

Motivate Employees: ID offers a variety of incentives, awards and recognition program to reward superior performance and foster client satisfaction and performance. ID is dedicated to evaluating performance at every level of an engagement. We practice performance-based management and assist clients in instituting performance management systems that help them achieve desired results.

Professional Training and Development. ID recognizes that staff training is a critical component of success. Ongoing training is viewed as critical by both our employees and management and are encouraged throughout every division of the Company. Intelligent Decisions created ID University, which is a collaborative effort with colleges, universities and training centers to ensure that employees receive the best training available to maintain their skill sets and foster professional development. Training enables ID's technical staff to be fully capable of working in their assigned environments. This helps retention, improves productivity and allows clear justification for pay increases on an annual basis.

Intelligent Decisions sets aside an impressive \$6,000 annually for employees to utilize in their continuing professional education and training curriculums. Employees work closely with their immediate managers to develop continuous training and certification programs in support of client, company, and personal goals and business requirements. In addition to technical subjects, verbal and written communication skills, project management, customer liaison, business ethics, and quality control are key components of ID training.

ID's Headquarters facility includes a 150-seat, state-of-the-art Training Center for keeping ID staff abreast of current technologies. We routinely receive refresher training in applied technologies, as well as new training on technology advances. There are a minimum of three training events scheduled weekly and ID's training calendar is booked 3-months out. We also arrange and encourage employee participation in "brown bag" lunch sessions, often with presentations by staff experts and our industry partners, to discuss advances and/or issues involving the technologies currently in use. As appropriate, Navy personnel are invited to attend training sessions at no cost to the Government.

Employee Retention. ID's employee retention rate is best exemplified by the length of employment of our vital management staff—an average of 10.2 years. ID's five primary ways to ensure employee retention are to: (1) provide an exceptional salary and benefits package; (2) motivate and reward employees for their performance; (3) provide training and education, including a mentoring program and cross-training staff on projects; (4) provide continuous feedback through annual performance appraisals and an open-door policy by senior staff; and (5) ensure a great working environment and family atmosphere.

2.3 Monitoring and Maximizing Quality

ID develops its management plans based on the principles of Total Quality Management (TQM). Our goal is to provide high-quality products and services within schedule and budget and meet or exceed all contractual requirements, while mitigating risk. ID's management approach reflects our commitment to working closely with the Navy to achieve its goals and objectives. Our approach is based on the following five basic principles:

Risk Mitigation: We understand the need to perform the support transition, while minimizing the risk to its lowest level;

Competence: We will provide experienced personnel who have the skills to perform their assigned tasks efficiently and thoroughly, the first time and every time;

Access: We will make available to the Navy a broad base of resources and expertise that can be tapped for support whenever needed. Moreover, our Program Manager will remain in close contact with the Navy to provide client access to any levels of management, as necessary.

Value: During ID's 18 years in business, we have refined our principles and methods of providing maximum value over a broad range of professional services to include training products, development and delivery.

Sound Fiscal Control Procedures: We have automated tools to assist our Program and Project Managers in fiscal responsibilities, providing up-to-date reporting and cost-tracking assistance through semi-monthly reports and graphics. Our proven, thorough job cost accounting system will be used for this contract. This accounting package, integrated with all other ID accounting software, provides up-to-date job cost data to the Accounting and Finance Department, Contracts Department, Program Manager, upper-level management, and, most importantly, to the Navy. For each project task and sub-task the Program Manager will develop cost and work-hour plans which will be reviewed by senior management. Actual costs are tracked against the plan for each individual task, and for every subtask.

2.3.1 Monitoring Methods

Surveillance Methods. The four basic practices to detect and correct deficiencies or errors include: Inspections, Reviews, Customer Surveys, and Internal Audits; each of these practices is discussed below:

- **Inspections.** ID's inspection process includes the participation of each Project Manager and Task Leader in performing routine self-inspections, cooperating with formal inspections by the Quality Control Manager and Seaport-e clients, ID senior management, and responding in a timely manner to corrective action. Both formal and informal inspections--spot checks, random sampling, walkthroughs, and actual observation of work being performed (in-process)--will ensure that established quality standards, processes, procedures, and established formats are observed. For each Quality Control Plan at the task order level, ID will identify the inspection requirements, tools used (e.g., checklists), logs, and frequency. Identified issues will be managed as appropriate. These inspections will generally occur as phase-independent activities designed to ensure compliance and encourage process improvement feedback.
- **Reviews.** Reviews will focus on ensuring that work complies with the applicable standards, reflects processes and procedures, captures the required metrics, and meets or addresses the

Navy clients' requirements. We will use client-approved outlines for each required document, as appropriate. Documentation will be reviewed and approved using a documentation review process—including such reviews as peer reviews; walkthroughs; and project 'gateways.'

- Surveys. ID is committed to searching for new and innovative ways to increase customer satisfaction. Through joint development involving the customer or stakeholders, survey accuracy levels significantly increase. Our Customer Survey Process ensures the right question is provided to the right person and the response is acted upon with due diligence. This process will constantly alert management to issues before they become systemic problems.
- Internal Audits. In order to ensure policy compliance and foster process improvement feedback, quality control initiatives will be periodically evaluated to ensure that all staff comply with the governing policies and procedures, including the Quality Control Manager. The audit will be conducted by senior corporate personnel or designate and performed semi-annually. The audit process provides objective evidence of compliance of products and processes with standards, guidelines, specifications and procedures. An internal audit can be requested at any time.

2.4 Responsiveness and Cooperation with Customers

ID understands that our performance does not rest solely in the metrics or statistics gleaned from our Quality Control Plan, but the satisfaction of customer stakeholders have with our work, day-to-day interactions, and our teambuilding approach. A plan—no matter how good the tools and measurement data are—is only as good as the staff that implements it—and the communication methods, content, and frequency between all personnel. Communication with the client and between ID staff is a part of our culture, and, in fact, is a separate function in our Quality Control Plans. ID will ensure that communications between the Government and the ID team, as well as within the team, are open, frequent and meaningful. We intend to operate as a partner with Seaport-e clients, and understand the role that communication, listening, and requirements understanding plays in successful execution. Client interaction includes:

- Single point of contact for the Government
- Monthly meetings with key stakeholders, or more frequent as required
- Corporate open door policy
- Actively solicit client feedback
- Includes ID's Business Development staff for Seaport-e outreach efforts

Although we have a large portfolio of contracts that require the management of numerous task orders and use proven processes, we do not provide 'cookie-cutter' approaches to client needs; we work closely with our clients to provide best-of-breed solutions that are most effective in their individual environment. ID's management approach employs repeatable services and metrics that will be created for each Seaport-e task order.

2.5 Problem Resolution

Quality Control assures that some or all of inherent problems are prevented from occurring. ID's Quality Control personnel ensure the reliability of measurement data by performing scheduled and unscheduled inspections and audits, as well as reviews and customer survey results for

trends. Submission of records and reports will be provided directly to project and program management and posted on the Seaport-e Virtual PMO portal. Surveillance methods will be used to ensure that ID is performing the services satisfactorily as they relate directly to critical performance objectives. These may be in the form of work packages that include instructions, procedures, and control directives.

ID's process includes a management alert and reporting system for each performance objective. We understand the necessity for timely, corrective action of any deficiency. All problems will be investigated to identify a root cause with corrective action tracked. For each performance threshold, a control level will establish Yellow and Red Flag reporting and action:

Yellow Flag reports when measured performance is within 10% of threshold limits;

Red Flag reports when measured performance is within 5% of threshold limits.

2.5.1 Escalation

Escalation for Seaport-e customers is in accordance with the following sequence. Please note that the necessity of the Project and Task Manager functions will be determined at the issuance of the Task Order. Not all Task Orders will require both a Project and Task Manager and not all Task Orders will require even one of the two. The Program Manager, as does our CEO, has an open-door policy that provides immediate senior-level problem resolution access.

1. Task Manager(s). Task Managers will be responsible for the management, supervision, reporting, and documentation of all activities and personnel within their task assignment, including coordinating activities, monitoring performance, scheduling, and escalation of all non-compliant activities to the Project Manager. They will be responsible for ensuring that best-practices are performed, and will stay abreast of industry developments within their area.

2. Project Manager(s): Project Managers will be responsible for project reporting, budget, quality, metrics, and performance. The Project Managers will also maintain a roster of cross-trained staff for critical functions.

3. Program Manager: The Program Manager will serve as the primary liaison and central point of contact for the Navy. As shown, there are no unnecessary layers of management or hierarchy to the executive level; he will be responsible for coordinating the management of all work performed under this contract. He is vested with the authority to make immediate decisions and control the infrastructure and resources.

4. Quality Control Officer: As an ISO certified contractor, Mr. Eldon Frederick, plays an integral part of our program and project management. In concert with ISO guidelines, Mr. Frederick will serve as an independent reporter of quality assurance, reporting to the Program Manager and not Project Manager(s). We are pleased to propose a seasoned QC Officer, who will be responsible for the collection and reporting of metrics, the monitoring of activities, as well as serving as a repository for such documentation. Mr. Frederick will escalate noncompliance issues and report trend identification and analyses.

5. ID CEO: Selecting ID provides the Navy with value in our streamlined organization and direct hands-on top management participation. Corporate responsibility for this rests directly with Mr. Harry Martin, CEO. He will be available at all times to contribute to the Navy and task order progress.