

This paper describes objective technical results and analysis. Any subjective views or opinions that might be expressed in the paper do not necessarily represent the views of the U.S. Department of Energy or the United States Government.

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THE POWER OF PERFORMANCE MANAGEMENT

Sandia National Laboratories is a multimission laboratory managed and operated by National Technology & Engineering Solutions of Sandia, LLC, a wholly owned subsidiary of Honeywell International Inc., for the U.S. Department of Energy's National Nuclear Security Administration under contract DE-NA0003525.

HELLO!

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**U.S. DEPARTMENT OF
ENERGY**



**Sandia
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1. OUR STORY

Streamlined Acquisitions, 2015

STREAMLINED ACQUISITIONS AT SANDIA LABS



"Public sector organizations are identifying the procurement process as a critical core process that should be the focus of their performance measurement effort."

Rene G. Rendon, Ph.D, CPSM, CPSD

STREAMLINED ACQUISITIONS AT SANDIA LABS



Who/What is SNL?

Sandia's vision is to be the nation's premier science and engineering laboratory for national security and technology innovation.

Procurement Ops

Sandia's Procurement Ops are comprised of 9 departments, an estimated 130 subcontract managers, responsible for an estimated \$1.3B spend.

Our Streamlined Story

Seeking to blend customer intimacy and an optimized spend, Streamline Acquisitions was created in 2015 to provide an efficient, effective way to acquire goods and services under <\$250k.



Adoption of a hybrid approach to purchasing has enabled Sandia to *improve cycle time, maintain quality* and *empower staff*



2. KEY CONCEPTS

People first. Then measures and metrics.

LET'S REVIEW SOME CONCEPTS



People

Obtaining buy-in and accountability

Building Trust

Setting a strong foundation of understanding.

Establishing Credibility

Creating a safe place to fail, while having important dialogue on key issues & solutions.

Our KPIs

Not only improve business performance, but employee morale & opportunities

Managing Polarities

Cycle Time vs Quality
Customer Satisfaction vs Supplier Diversity

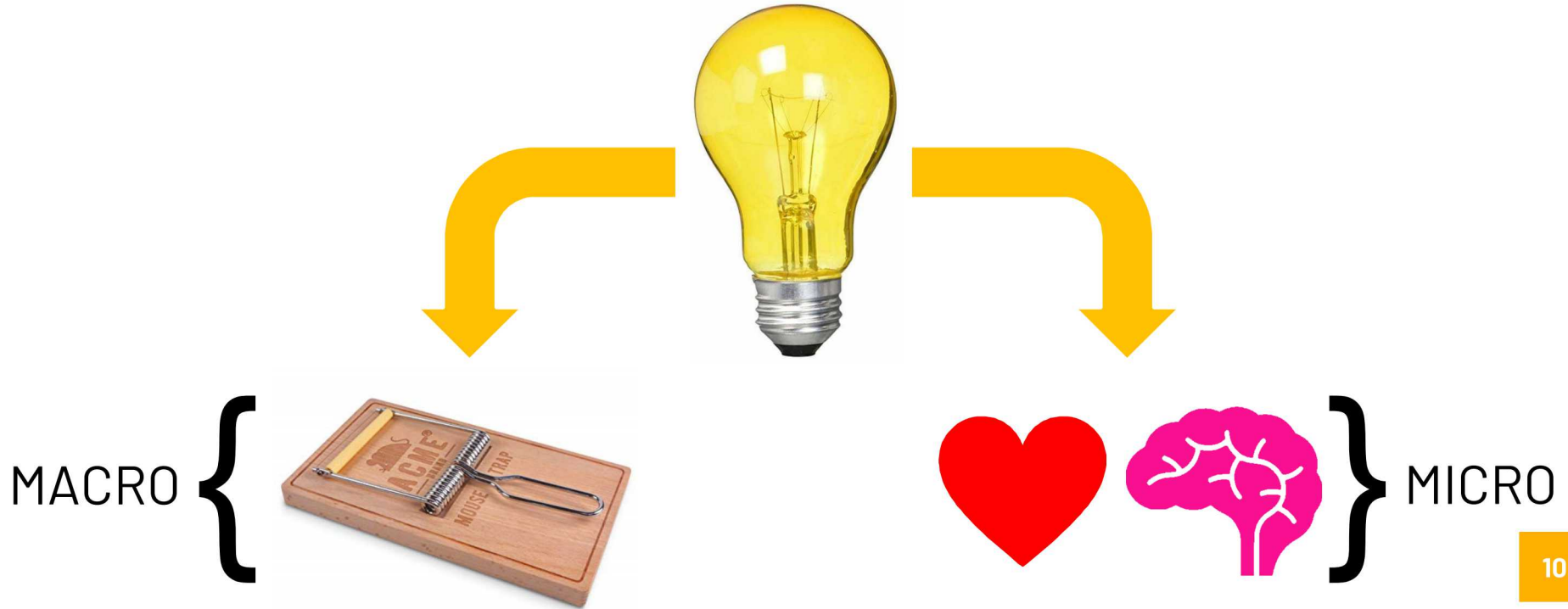
PEOPLE

- Be intentional and selective
- Diversity matters
- It takes time
- Dealing with change

“Never underestimate the value of the party planner.”



BUILDING TRUST



ESTABLISHING CREDIBILITY

- Integrity: Clarify your values and examine your behavior
- Competence: Invest in your career – set the bar for your team
- Judgment: Ask others for input; stay current on your industry
- Relationships: Express concern for others; ask good questions
- Likeable: Be positive and celebrate wins!

USE DIAGRAMS TO EXPLAIN YOUR IDEAS



TRUST



CREDIBILITY



BUY-IN

OUR KEY PERFORMANCE INDICATORS

- **Operational:** Measures that are associated with goals, risks and accountability
 - CSAT
 - Cycle Time
 - Quality
 - Supplier Diversity
 - % Completed
 - Cost to Spend
- **Observational:** Measures that are difficult to impact at lower levels; new measures under consideration for operations
 - Total Spend
 - # of Transactions
 - Retention/ attrition

MANAGING POLARITIES



Cycle Time

We are measured by our ability to commit funding in a timely fashion. There is such a thing as too fast and too slow.

Quality

While we need to be “fast,” we also need to be compliant. And we need to have the tools and people in place to foster a healthful business environment.

MANAGING POLARITIES



Customer Satisfaction

Critical to not achieve a more favorable customer-satisfaction rating at the expense of realizing diversity goals.

Supplier Diversity

Building a diverse supply base offers intrinsic value.



3. HOW ARE WE DOING?

Impacting people. And measures and metrics.

RESULTS



	2016	2017	2018
Cycle Time (days)	17	12	9
Total Volume (\$)	\$74M	\$94.2M	\$120M
Transactions	3,931	4,639	5,664
Customer satisfaction (5 point scale)	4.61	4.81	4.81



HOW DID WE DO THAT?

- Focus on people
- Work smarter, not harder
 - Strategic sourcing, CPAs, long term contracts
- Vision is caught, not taught
- The 3 C's
 - (communicate, communicate, communicate)



8 promotions

That's a lot of promotions

7 professional certs

And a lot of certs

4 freshly minted MBAs

And a lot of degrees!



THANKS!

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