

How Integrated Product Teams Can Improve Performance and Save Money

By Mike Ipsaro, PMP CCE/A

An IPT is composed of representatives from appropriate functional disciplines working together to build successful programs, identify and resolve issues, and make sound and timely recommendations to facilitate decision making.

—Acquipedia

In this time of tight budgets and mandates to do more or the same with less, the need for innovation through greater communication and cooperation is greater than ever. To that end, the intelligent use of Integrated Product Teams (IPTs) may be an important catalyst. By creating an organizational climate of cross-functional collaboration through the use of multi-disciplinary teams, you can drive innovation throughout your processes. This is accomplished by having the *right* team making the *right* decisions at the *right* time. To meet missions by delivering tangible results, teamwork based on well-designed and executed IPTs facilitates meeting objectives for cost, schedule, and performance.

WHY TEAMWORK MATTERS

Teamwork is needed in nearly all walks of life, including the world of government contracting. It continuously proves to be an essential ingredient for success. For example, whether sending a human to the moon, researching and developing a cure for a disease, building an aircraft or ship for national defense, or implementing an IT system to mobilize for emergencies, you will find teamwork mentioned as a key lever in executing complex programs successfully and more cost effectively. Across many industries, [research has shown](#) a direct correlation between a team's energy and its productivity: as team engagement rose, so did productivity and employee satisfaction.

I think we've all witnessed a case where a system was deployed that did not meet user needs and requirements. Or, the system did not deliver on advertised performance standards. To boot, it came in way over budget and substantially behind schedule. Often, when post-mortem studies are

conducted, it is revealed the adverse results are linked to factors that could have been overcome by high performing Integrated Product Teams

IPT'S IN GOVERNMENT

In the Federal sector, I've seen firsthand that leveraging effective Integrated Product Teams (IPTs) can save an organization at least 10% in cost over the life cycle of the mission by reducing rework, improving efficiency, and promoting effective issue resolution. In government contracting, for more than two decades, the IPT has been used as a formal structure or vehicle for teamwork. In 1995, then-Secretary of Defense William Perry issued a memorandum directing use of IPTs "throughout the acquisition process to the maximum extent practicable." He explained that IPTs are the key to making Integrated Process and Product Development (IPPD) work. IPPD is a management technique being used successfully in industry and by the Services on select programs. The technique involves integrating acquisition activities via use of multi-disciplinary teams to optimize process efficiency resulting in reduced life cycle and quicker delivery to the field.

Since 1995, there have been many changes, as the world has opened up and moved to a digital age. As a result, the importance of IPTs as a lever for collaboration and cooperation is even increasing. For example, in a June 2012 [TED talk](#), Don Tapscott, author and founder of the international think tank New Paradigm, speaks about four principles for the open world, including collaboration and empowerment. He says, "I don't think it's an information age. It's an age of collaboration. It's an age of participation."

Also, since 1995 IPT implementation has evolved, as lessons learned have been documented and studied. For example, the Under Secretary of Defense (Acquisition and Technology) recently identified critical changes that must take place within the Department of Defense (DoD) in order for successful IPTs to be formed. In a [March 2013 paper](#) he said DoD must:

“...move away from a pattern of hierarchical decision-making to a process where decisions are made across organizational structures by integrated product teams. It means we are breaking down institutional barriers. It also means that our senior acquisition staffs are in a receive mode - not just a transmit mode. The objective is to be receptive to ideas from the field to obtain buy-in and lasting change.”

He identified the two most important characteristics of IPTs, and those needed for this change, as cooperation and empowerment.

WHAT IS AN IPT?

Let's break down the Acquikipedia definition of an Integrated Product Team.

Part I – “Composed of representatives from appropriate functional disciplines”

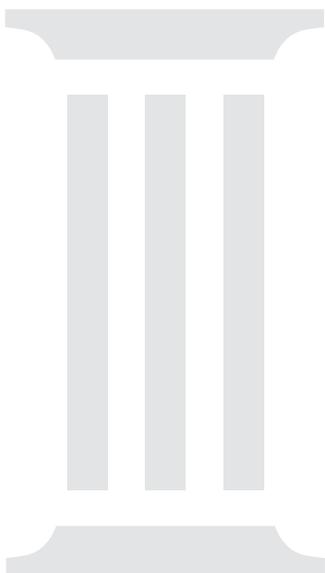
Having appointed representatives ensures you incorporate many perspectives in what may be a vast life cycle. For example, if your team is building a product, having representation from the user community or the logistics community on your IPT early in the process ensures you

fully capture the needs and requirements before development begins. This can increase your odds of delivering the right product to the right people, at the right time, thereby potentially saving time, money, and credibility, and avoiding redesign, rework, or folly. A best practice is to have a few representatives from different functional areas (e.g., program management, contracting, budgeting and finance, IT, Enterprise Architecture, oversight) who can think holistically or understand other functional perspectives (e.g., cross-trained), based on training and experience.

Part II – “Working together to build programs, identify and resolve issues and make sound and timely recommendations”

Working together means the ability to deliver results through collaboration in support of shared goals. Collaboration is needed for innovation, problem-solving, and decision-making. The path to collaboration begins with a clear charter from an appointing body that specifies purpose and alignment of team with mission, vision, and objectives. To identify and resolve issues, the team must devise clear procedures and triggers they can use to spot risks and problems affecting stakeholders, and communicate them in an appropriate and timely way. Finally, having clear goals that are shared by the team drives accountability amongst the team so they mitigate risks and resolve issues in an efficient and effective manner.

An Agile Acquisition Support Team (AST) will encounter and work with a number of participants and stakeholders.



CHARTER A KEY TO IPT IMPLEMENTATION

A charter can help lay out the “rules of the road” for the team. Further, it can serve as a touchstone for your team by documenting the structure, boundaries, and blueprint of how it will perform.

TENETS OF A SUCCESSFUL IPT CHARTER

	<p>Open discussions based on reason. Have fact-based dialogue and mitigate subjective judgments unless supported with valid evidence. Encourage respectful disagreement.</p>
	<p>Empowered, dedicated, and committed team members. Ensure team members have the authority to speak for their organizations, and ideally make decisions and commit resources. Also, the greater the shared vision and goals, the greater the chance of more dedicated and committed participants</p>
	<p>Overriding support for majority/consensus solution. Ensure procedures are in place to let the dialogue unfold into a consensus solution. This will boost the odds of implementation success if the representatives of each organization participate in solution ownership.</p>
	<p>Respect for minority opinions. Rather than dismissing or outright rejecting any opinions or ideas that are not in favor with the majority, showing respect for minority opinions builds camaraderie and solidarity among the group and encourages more open discussions on other topics and ideas. Find common ground and build together on it.</p>
	<p>Efficient procedures to resolve issues in a manner perceived to be fair. Employing the principles above usually result in streamlined procedures for raising and resolving issues in a fair manner. As a touchstone, procedures should be documented in the charter. For example, what will happen when the group is at an impasse?</p>

The greater the shared vision and goals, the greater the chance of more dedicated and committed participants.

Finally, to ensure empowered, dedicated, and committed team members, clarify roles and responsibilities of IPT members. This is important whether the IPT is for a traditional acquisition program, or for newer acquisition approaches like Agile. For example, in 2012 guidance the Office of

Management and Budget (OMB) encouraged the use of IPTs and suggested IPT Responsibilities for Modular Approaches. See *“Contracting Guidance to Support Modular Development”* for more information on the roles and responsibilities of each functional area of an IPT.

IPTS GET RESULTS

An effective IPT can promote clarity, spur creativity and innovation, and speed execution. Establishing an environment in which one person from a particular trade or discipline can talk to another person from a different area may reveal insights that both can apply to their trade. The Integrated Product Team is a way your organization can build intersections into its cultural roadmap to foster innovation. By ensuring your IPT is cross-functional, including people from all parts of your organization, you gain the benefit of many perspectives and ultimately will help build consensus. Since many perspectives from empowered IPT members are considered up front, decisions can be made faster and mistakes can be avoided, resulting in more rapid delivery of capability.

Integrity Management Consulting, Inc. has been instrumental in establishing and leveraging IPTs based on the principles above to help turn around three (3) major DHS Acquisition programs. This led to achievement of successful milestone reviews which expedited delivery of capability to support the mission, supported the award of major contracts that were needed to avoid gaps in critical capabilities and services delivered to the public, and delivered an investment portfolio that scored the best in class, thereby communicating the return on investment and defending against

potential budget cuts. Several key customers and stakeholders cited the tangible benefits of time and subsequent cost savings from the use of high-performing cross functional teams as key drivers in making these results possible.

There are others who laud the IPT experience. For example, IPTs were described in interviews with program managers for the Multi-functional Information Distribution System (MIDS) Program, the Navy Theater Wide (NTW) Theater Ballistic Missile (TBMD) Defense Program and the AEGIS (PMS 400G) Program. All three programs spoke of the “ability of IPTs to facilitate open discussion and consensus development as well as develop and share innovative and cost saving acquisition and contracting techniques.”

Integrated Product Teams are more important than ever as organizations navigate this new dynamic environment requiring the continuous acceleration towards greater innovation and efficiency. Leveraging recommendations and lessons learned from IPT inception can synchronize the disparate goals of your organization. Believing and applying the tenets and best practices prescribed in sources such as those identified in this paper, can help your organization’s business processes continuously improve, resulting in the more efficient delivery of higher quality capabilities that exceed goals.

ABOUT INTEGRITY MANAGEMENT CONSULTING

Integrity Management Consulting, Inc. is an award-winning provider of acquisition, program, financial and investment management support services that enable federal agencies to efficiently and effectively manage their programs.

Integrity supports a wide range of federal agencies, contributing to missions of national importance in defense, homeland security, and health services. Our extraordinary team of credentialed and cleared subject matter experts solves complex challenges with innovative strategies that save time and money. Integrity is committed to advancing the acquisition and program management discipline through ongoing dialogue and thought leadership.

Headquartered in Northern Virginia, Integrity serves federal government clients nationwide with numerous contract vehicles that ensure fast and flexible service.

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