



PRESIDENT'S CORNER

by **Herb Baker**

I hope you all enjoyed our National Education Seminar last week at the South Shore Harbour Resort. I want to thank our two committee Co-Chairs, Helen Ekstrom and Linda Riviera, and all their committee members, as well as Ed Taylor (VP-Education) for all their hard work before, during, and after the Seminar. It went very well. NASA's training budget was drastically reduced from prior years so we actually had to turn away some NASA folks who were not NCMA members who wanted to attend. All NCMA members were given first priority and we conducted a lottery for the remaining open slots among non-members. (Just something to keep in mind when you write that next membership renewal check...).

Thanks to Tom Devitt's untiring efforts as VP-Programs, we were able to get the new JSC Center Director, Jefferson D. Howell, as the speaker for our May luncheon. After making arrangements for our luncheon with General Howell, the JSC National Management Association (NMA) also requested he speak at one of their luncheons. General Howell asked that we arrange a joint meeting with NMA so he could speak to both groups at once. So, our May 23 luncheon will be a joint meeting with our JSC NMA friends. Hope to see you there!

Herb

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JSC NMA and NCMA Space
City Chapter present:

Featured Speaker

**Jefferson Davis
Howell Jr.**

**New Director of Johnson Space
Center**

**(see pg. 5 for more info. on our
speaker)**

at the

May Luncheon Meeting

Thursday, May 23, 2002

11:30 - 1:00

at the Gilruth Center

Seating is limited so please make your reservation early. Reservation deadline is noon Monday, May 20th. To make your reservation, please contact:

Cindy Vourganas at 281-280-6537 or
Cynthia.L.Vourganas@usahq.unitedspacealliance.com.



SPACE CITY - HOUSTON CHAPTER

GALAXY

MEMBERSHIP MEMORABILIA

by Dale Pittman

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

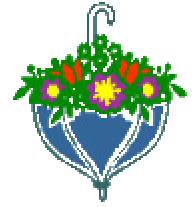
Barbara Boggan	Stewart & Stevenson
Duncan Finlayson	Spacehab, Inc.
Jack Harrison	BATECH
William Lane	Quorum Business Solutions
Vivian West	United Space Alliance

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

10 years	Gerald Prante
	Edelmiro Muniz

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

Annual Spring NES a Success!



by Ed Taylor

The chapter's annual National Education Seminar entitled "Financial Analysis: Contract Management Applications" was held May 2nd at The Southshore Resort and Conference Center. Although we didn't have the pleasure of as many of our NASA folks as usual, attendance was still good. Those who attended got the better part of a college level Financial Analysis course in a little over seven hours. Both of our speakers (Vincent M. Krivda, CPCM, Contract Administration Mgr., American Systems Consulting, Inc. (ASCI), and John Loving, CPA, Loving & Jones) exhibited considerable knowledge on the topic of the day. While exhibiting considerably different styles, both also kept the attention of the crowd. Your feedback has also indicated that NCMA National did a fine job of putting together the books and slides.

I would like to personally thank the entire 2002 NES Committee for a job well done. Helen Ekstrom and Linda Riveria, as co-chairs, led a team that made sure that the event went off smoothly and essentially issue free. Their professionalism and organizational skills kept things running smoothly. The location choice was excellent, as was the luncheon. I'd also like to thank the NASA audio-visual team for a truly superb job with the sound and projection system. Our somewhat nimble-footed first speaker kept them on their toes, but they were more than up to the task.

Last, but certainly not least, many thanks to those of you that turned in your feedback forms. We are pouring over that material now and will be doing our best to incorporate your suggestions into next year's seminar. Thanks for your participation in this year's seminar, and be sure to make plans now to attend the 2003 Spring NES.



UPCOMING EVENTS

May Luncheon Meeting

When: Thursday, May 23, 2002
11:30 – 1:00

Where: The Gilruth Center*

Speaker: Jefferson Davis Howell, Jr.
Director, Johnson Space Center

**Note that an internal gate has been constructed to allow direct access to the Gilruth Center from Space Center Blvd. without entering thru JSC.*

Fall Conference

When: Wednesday, November 6th, 2002

Where: Houston Hobby Hilton Hotel

Speakers: See related article on pg. 5.



National Directors Report

by Sam Morthland, CPCM and Fellow



--**Introduction** Our National President again presented a long, detailed report of NCMA actions since she took over on 1 July 2001. It is posted on the NCMA home page under Members Only/Governance. You should read it.

--**Membership** is down slightly to 21,244 as of March 31st, but retention remains high, above 85%. Since the final quarter is traditionally high in membership renewals and reinstatements, we should finish the year on June 30th above the 21,383 we started with last July.

--**World Congress 2002** in Long Beach Jul 19-24 continues to firm up. Over 100 proposed papers have been submitted and the final program tracts are detailed in the program that was mailed to each of us earlier in April. It promises to be a really first rate affair and you should try to attend!

--**Contract Management Institute** is supporting our Certification revival project. It has provided a grant of \$ 15K to help start the Body of Knowledge update project that is needed to provide a basis to structure the certification development. All chapters with surplus funds in their treasuries have been requested to consider sending some of these dollars to help fund the total project.

--**Publications** *Contract Management (CM)* is bigger, and better than it has ever been. It now has 70-78 pages per issue and includes commercial contracting content. One proof is that revenue from advertising is now at \$100K per year. Plans are for the June issue to feature Certification and the September issue to memorialize the impact of September 11th on our Contract Management people. Good articles are still needed! We have also found a better source to provide additional copies of articles.

Journal - Plans are complete for the renewal of our Journal to start slowly, with the first issue publication in February 2003 containing five or six scholarly articles. CMI is participating as a joint effort. As with CM, the Journal is seeking articles/papers from us volunteer members, not a paid professional staff!

--**Finance/Budget** The National HQ Building has not yet been sold. We had one contingent offer that fell through.. Our financial position is still improving slowly. FY 02 (Jul01-Jun02) is currently in a loss position of \$290K should improve to a final position of a \$28K loss if expected membership renewals and NES receipts hold true to previous history.

The budget for the next fiscal year was presented and approved. It reflects a very small surplus of \$28K, **even with a proposed increase in dues to \$100/year. This was the single most debated issue at the meeting.** A motion to increase dues to an even higher **\$125/yr** was narrowly defeated after a roll call vote that I stared.

A ballot is being mailed to each chapter National Director to seek their approval to increase dues as follows:

New Member-\$115	Member Renewal-\$100
Associate Member-\$40	Retired Member-\$30

During this discussion, our Treasurer pointed out that while the National Treasury is still strapped by assets in brick and mortar and cannot now pay many outstanding bills, our individual chapters are holding cash reserves of more than \$1.5 million more than they really require to support their yearly operating needs. We need to investigate this further.

--**Leadership Meetings**

Regional in Oklahoma City, 21-23 June at the Westin Hotel., rate \$85/night.

National in Reston VA 15-17 August at Hyatt Regency, rate \$109/nioght. (This replaces the annual Presidents meeting)



The Lessons of Enron and the Essential Elements of Leadership

by Tom Devitt

In April, our chapter's featured speaker was Ms. Nancy Rapoport, Dean of the University of Houston Law School. Dean Rapoport has had a distinguished legal and academic career and specializes in bankruptcy ethics and professional responsibility. She has been an avid supporter of the Space City Chapter for several years and has been a featured speaker at NCMA functions on numerous occasions.

Leadership Failure at Enron

Nancy began her speech by talking about the Enron situation and the lessons it teaches about poor leadership. She rejected arguments by Enron senior management that the series of events that lead to the downfall of the company were "the perfect storm" or a series of unique circumstances that could not have been avoided. She also rejected claims that Enron senior management did not know what was going on. She attributed Enron's bankruptcy to greed, a breakdown in corporate self-governance and in short, poor leadership.

The Five "C's" of Leadership

Nancy provided what she believed were the five essential elements of effective leadership. She referred to them as the Five "C's". Without the first three of these C's you have nothing - the last two are highly desirable:

Credibility – A necessary part of leadership. Be direct and honest. This is necessary to building trust in the people you are seeking to lead. Enron Senior Management was talking up the future of the company to employees while at the same time selling large amounts of stock.

Consistency – Follow a code of ethics and do not waiver from it. Nancy pointed out that in the case of Enron, senior managers were actually granted waivers from complying with established company standards and controls. If these ethical standards had been followed, Enron would not be in the situation it is today.

Compassion – Be in touch with the needs of the people you are responsible for leading. Nancy pointed out that within days of voting themselves large retention bonuses, Enron management laid off large numbers of people with very small severance benefits.

Challenge – A leader must constantly challenge his/her people. Being challenged on a regular basis brings out the best in people and helps avoid stagnation within an organization.

Stagnant organizations are unable to adapt to a changing environment.

Charisma – Get people excited about what they do. Create this excitement through your personal example.

The Importance of Leadership

Senior management is what keeps people with a company. Senior management that is credible, consistent, compassionate, challenging and charismatic instills a sense of confidence and loyalty in a workforce and helps make it an employer of choice. Conversely, organizations with poor leadership experience high attrition rates and an underperforming workforce.

How Does A Leader Know When He/She Is Creating A Positive Work Environment?

To answer this question Nancy suggested going not to the leader but to the people that person leads. The "Q-12" are questions that an employee should ask him/herself about their current work environment. If the responses to these questions are positive for a significant majority of the organization's workforce, then a leader can feel relatively confident that they have created a positive work environment.

- (1) Do I clearly understand what is expected of me?
- (2) Do I have the materials and equipment necessary to do my job?
- (3) At work do I have an opportunity to do what I do best?
- (4) In the last seven days I have received praise?
- (5) Does my supervisor care about me as a person?
- (6) Do I receive regular encouragement for my work?
- (7) Do my opinions seem to count at work?
- (8) Does my organization make me feel important?
- (9) Are my fellow employees committed to doing good work?
- (10) Do I have a co-worker who I can confide in about work issues?
- (11) Has someone discussed my performance with me in the last 6 months?
- (12) Has the job provided me an opportunity to grow?

Final Thoughts

"Spend time with your strengths" – People do certain things well and other things not so well. They need to be honest with themselves about what their strengths are. Nancy said that people should spend as much time as they can cultivating their strengths and not in pursuit of things they simply are not good at.

"Work as a team at things – combine individual strengths" - Different people are good at different things. Form teams of dissimilar people to create a team that is multi-talented.

"The lesson of Enron is that we need to return to character" – Enron has and will continue to pay an enormous price for its loss of leadership character. Companies need to do it right and always with character.



2002 Fall Conference.... Reserve Your Budgets!!!!

Attention everyone! Your calendars should be marked by now for the 2002 Fall Conference on November 6th from 8:00 a.m. to 4:30 p.m. at the Houston Hobby Hilton Hotel.

We have scheduled some wonderful speakers. They include Ralph C. Nash, Jr., Ph.D., National Law Center of the George Washington University, as our conference Keynote speaker. His topic will be "Changes to the Status Quo, the 21st Century Contracts Manager. Joining him will be Mike J. McCormick, J.D., Ph.D., Assistant Professor of Psychology, Industrial Organization, University of Houston Clear Lake and Marty Berman, Ph.D., Professor, University of Phoenix – to name a few. The 2002 Fall Conference Chairman, Tom Scott, will give the closing address that day.

The conference topic is "*The Road Ahead, Leadership for Change*" and the speakers will address such topics as skills needed for the future, new tools/resources, and redefining contracts management leadership. Your \$150 registration fee includes a two-day event that begins Tuesday evening, November 5th, with cocktails from 6:00 p.m. to 7:00 p.m. and dinner from 7:00 p.m. to 11:00 p.m. in the Moody Ballroom. Wednesday, we will see you at 7:00 a.m. for a Continental breakfast, and the speakers begin at 8:00 a.m. Lunch and snacks will also be provided.

We will be looking for volunteers to help with the conference soon. If you are interested, please contact Tom Scott at 281-280-32787.



Meet Jefferson D. Howell, Jr.

NASA Administrator Sean O'Keefe named Jefferson D. Howell, Jr., as the new Director for NASA's Johnson Space Center (JSC), effective April 1st. Howell is only the eighth person to serve as Director in the center's 40-year history.

Administrator O'Keefe stated, "General Howell is a true patriot and leader with more than three decades of executive management and financial management experience. Throughout his military and civilian careers, Jeff has been a leader, an innovator and a team builder. He's the right person to lead the NASA center that's the cornerstone of our human spaceflight operations."

Howell, a retired U.S. Marine Corps Lieutenant General and former commander of Marine Forces, Pacific, had been serving as Senior Vice President, Science Application International Corporation (SAIC), and Program Manager for the Safety, Reliability, and Quality Assurance contract at JSC. Howell had been with SAIC since February 1999, when he first served as Deputy Program Manager of the safety contract. He was named Program Manager in August 1999. Howell managed more than 525 people in support of a contract focused on safety and mission assurance in support of the Space Shuttle and International Space Station programs.

He retired from the U.S. Marine Corps in 1998 as Marine Forces Pacific Commander, reporting to the four star Commander in Chief, Pacific.

"Howell's military service is exemplary and he has a legacy of organizational and financial expertise," concluded Administrator O'Keefe. "I am proud that he has accepted the opportunity and responsibility to lead JSC."

During his distinguished military career, Howell was awarded the Navy Distinguished Service Medal, the Defense Superior Service Medal, the Legion of Merit, a Bronze Star, and the Air Medal with two individual and 25 strike flight awards, and the Navy Commendation Medal. In 1980, he received the John Paul Jones Award for Inspirational Leadership from the Navy League of the United States.

He earned a bachelor's degree in Political Science and a master's degree in Economics at the University of Texas.



SPACE CITY - HOUSTON CHAPTER

GALAXY

Key Contact Points

President – Herb Baker, 281-483-4126

herb.baker1@jsc.nasa.gov

VP/President Elect – Alan Hyman, 281-212-6002

alan.m.hyman@usahq.unitedspacealliance.com

VP Education – Ed Taylor, 281-336-2723

cetaylor@us.ibm.com

VP Programs – Tom Devitt, 281-280-3770

tom.devitt@usahq.unitedspacealliance.com

Chapter Secretary – Kathy Whitaker

Chapter Treasurer – Carolyn Biggerstaff, 281-280-6503

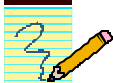
carolyn.c.biggerstaff@usahq.unitedspacealliance.com

Contractor Reservations – Cindy Vourganas, 281-280-6537

cynthia.l.vourganas@usahq.unitedspacealliance.com

NASA Reservations – Claire Cox, 281-483-0743

claire.a.cox1@jsc.nasa.gov



CHAPTER MEMBERSHIP

Submit address/mail code changes to:

Carolyn Biggerstaff, 281-280-6503, FAX 281-212-6178

Mailcode @ USA: USH-110D

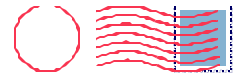
e-mail: carolyn.c.biggerstaff@usahq.unitedspacealliance.com

Submit requests for membership to:

Harold McCracken (281)282-4089

e-mail: harold.d.mccracken@USAHQ.UnitedSpaceAlliance.com

GALAXY EDITORS



Karen Pennington, 281-226-6295; FAX 281-226-4060

Mailcode @ Boeing (DCMA): HS2-40

e-mail: kpennington1@dcmdw.dcma.mil

Liz Lawler, 281-461-2305; FAX 281-486-8454

EASI, 16903 Buccaneer, Suite 250, Houston 77058

llawler@easiwww.com

National Contract Managers Association

Space City – Houston Chapter

PO Box 58513

Houston TX 77258

Address Correction Requested