

Q&A with Michael Niggel, CEO of ACT I providing Total Acquisition Management, Cyber Security, and Foreign Military Sales Support to the U.S. Government and Allied Governments



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“Employee satisfaction is our number-one metric at ACT I, and we look for people who are mission focused, work well with others, are team oriented, like challenges, and actually thrive under pressure. Our people and organization respond well to tough goals because when we meet a tough goal, the whole team is very satisfied. It truly is a team effort.”- Michael Niggel

CEOCFO: Mr. Niggel, would you tell us about ACT I?

Mr. Niggel: We are a firm in our 21st year and focus on total acquisition management, cyber security, and foreign military sales support to the U.S. Government and allied governments.

CEOCFO: What happens day to day?

Mr. Niggel: Our customers are the Department of Defense, complex Major Defense Acquisition Programs (DoD ACAT I) programs, Department of Homeland Security (DHS) Level I programs and foreign military sales to critical allies, like the United Kingdom, Japan, Korea, and Australia. We are arm-in-arm with the government program office to execute complex technical programs. We provide the foundational engineering, logistics, security, program management, cost analysis, financial management, and contract negotiation in support of the government to oversee the hardware and software or system integration firms, delivering the program on time and within budget.

CEOCFO: What are some of the challenges?

Mr. Niggel: Usually it comes down to the requirements based on the threat. If the threat is difficult, the requirements are challenging. Basically it boils down to delivering the requirements as fast as possible and within budget, in efforts to support and protect the warfighters. We always have to tightly balance requirements, cost and schedule, along with program risks.

CEOCFO: Are projects like this typically managed by an outside company like yours or does an agency sometimes try to do it themselves?

Mr. Niggel: First I would like to say program success does rely on teamwork between the contracted company and the agency. The agency

must have a key program manager and governmental staff over-seeing functions like contracts and the budget. In addition, the agency may have an engineer, a logistician, and someone who can give directions and report to senior government leaders. ACT I perform most of the other functions in support of the program and for the government program leadership.

CEOCFO: *Would you walk us through a typical engagement?*

Mr. Niggel: Normally we compete for a contract and once awarded, we conduct a kickoff meeting where the agency will go through the statement of work and their expectations. We then introduce our team aligning them with the program requirements, to ensure we understand their commander's intent and that everybody is on the same page. Sometimes we work in the same facility and location with the agency and sometimes at our locations. We have, depending on the battle rhythm of the program, daily, weekly, monthly, quarterly reviews and progress checks. It is an intense effort. Often, we are working on large dollar programs under constant review with the executive and legislative branches. There are challenges, but it is also a lot of fun, working with mission-focused people, building teamwork and strategic communications. These are the keys to delivering a project on time and on budget.

CEOCFO: *Are you able to make adjustments as needed or are there more challenges because you are working with the government?*

Mr. Niggel: Adjustments are frequently made, but in general the government officials are tremendously busy so we try to reserve adjustments for major changes. That way their time is used more wisely and we present solutions and not just problems. This allows the customer to make better-informed decisions and helps accelerate the process. Once they decide to make a change then we adjust, it is a constant challenge but that is actually some of the fun parts of the program.

CEOCFO: *What do you look for in your people over and above the technical skills?*

Mr. Niggel: First is mission focus and passion. Employee satisfaction is our number-one metric at ACT I, and we look for people who are mission focused, work well with others, are team oriented, like challenges, and actually thrive under pressure. Our people and organization respond well to tough goals because when we meet a tough goal, the whole team is very satisfied. It truly is a team effort.

CEOCFO: *What are some of the pieces that are easier as technology progresses?*

Mr. Niggel: Security is a challenge right now with the federal government. There are so many people needing clearances and the backlog is huge. The government is trying to improve the clearance processes, and the DoD is about to take back many of the security clearance process roles in 2019. We are looking forward to the security process getting better. There are also issues with lack of clearance reciprocity, meaning the DoD, DHS and Intel communities do not really accept each other's clearance process. The government is trying to work on a more unified 'whole of government' approach so we can increase reciprocity and clearances can be recognized across agencies.

CEOCFO: *Have there been many changes under the current administration or is the level you work at not as affected as other places might be?*

Mr. Niggel: I think the administration and in particular, the U.S. Secretary of Defense James N. Mattis has reemphasized a sense of urgency through a focus on lethality, and the speed to which we deliver products to the warfighter. You can see in the media the threat is real, extensive, and growing. We must respond whether through the DoD, DHS or with systems, and cyber security. There are a lot of challenges and our sense of mission and urgency has increased since the election.

CEOCFO: *Would you tell us about recognition by SECAF for Prestigious Government Project?*

Mr. Niggel: In 2016, we were a candidate for Small Business of the Year in the below \$25 million category, which is the largest of the SECAF (Small and Emerging Contractors Advisory Forum) categories. In 2017, we were a candidate for a Government Program of the Year, in our support to the F-35 Joint Fighter program office. Being nominated by SECAF is an honor unto itself because all the nominees are exceptional companies and potential winners. All of nominees share in the success, because we know a growing and vibrant small government contracting business community is healthy for the country. We enjoy supporting the SECAF organization and working with the other member firms. We have made a lot of friends with other small businesses through the forum, which is a huge benefit.

CEOCFO: *How do you decide which projects to bid on?*

Mr. Niggel: We have a strategic plan and a goal. We call it ACT I 2020 and we look to our core competencies and where the future of different programs are going. Our approach is at a strategic level so large programs like F-35, DHS's Cyber Security and Communications Office (CS&CO), and Customs and Border Protection (CBP) in the Enterprise Program Management Office (ePMO) are right in our wheel house and that is where we add the greatest value, working on complex programs requiring good integrated program management.

CEOCFO: *Are you able to ramp up should a number of projects become available at the same time?*

Mr. Niggel: Yes, that has been our challenge and it is one of our goals, scalability. Back in 2015 and 2016 we were approximately fifty technical staff and now we are over two hundred. The projects we are bidding are bigger so we are combining people, processes and tools that are more robust and scalable. We have stood up several program offices with as many as seventy-five people in as little as thirty days. It is a challenge to recruit and onboard quality staff, however, we are very process driven. ACT I is ISO 9000:2015 certified and soon to be CMMI Level III certified which enables us to respond quickly and effectively. The key to our success in scaling is people, processes and tools working together.

CEOCFO: *ACT I recently celebrated the 20th anniversary. Does history matter when an agency is looking at engaging with you?*

Mr. Niggel: It absolutely matters especially on the larger and more complicated programs. The government needs to be confident a contractor can perform so that means past performance, and more projects of similar complexity, and similar challenges enhance our credibility. We have done similar projects and have the people, processes and tools in place to support them. The challenge, is accomplishing these affordably. Sometimes the government has a

limited budget and elects to go with the lowest cost solution. We are extremely efficient and usually are not the low cost solution provider, because of our high technical skills and vast expertise. We continually reinforce the 'enterprise value' for the government program and the value in doing it once, properly, and well. We believe that is the extra value customers receive with Team ACT I.

CEOCFO: *When you are working with a foreign country, are some locations easier than others to put a program in place?*

Mr. Niggel: Each country is unique and they all have special challenges. There is a big difference between Japan and Australia versus Chad and Cameroon. The industrialized nations have the infrastructure and are usually well prepared to implement. In the developing world, it can be a little more challenging in that we often help the country develop their requirements and plan, while they are struggling with threats and physical infrastructure limitations. For example, we have staff in Chad and Cameroon and they have additional challenges besides the technical and programmatic work. They have day-to-day work environment challenges as well as dealing with limited infrastructure and capabilities. We enjoy supporting our allies and working with them in a coalition environment with the U.S. We are teaching them how to be interoperable with the U.S. and our allies. Which is a critical skill for the all U.S. partners.

CEOCFO: *How do you spend your day as CEO?*

Mr. Niggel: Most of my day's start early and end late. Arriving early allows me time reflect and think before my day unfolds. We create a rhythm of results-oriented events looking at our top twenty metrics of the firm. I am usually trying to work on our top five metrics: employees' satisfaction, customer satisfaction, sales, building enterprise value, and constructing an integrated ERP toolset for the employees to be able to do their job as efficiently as possible. We have C-Suite meetings on Monday and operational meetings on all the contracts on Tuesday, Business Development meetings on Wednesday, and the rest of the time I am focused on trying to train and help the corporate staff and Project Managers do their jobs more effectively. Hiring the right people, training the right people, and mentoring future leaders, is where I spend much of my time.

CEOCFO: *What has changed in your approach over time and what have you learned?*

Mr. Niggel: When we grew from a staff of fifty people to two hundred the strategic planning process became much more important as we focus on where we are going and where we can help the government. Our goal is to build the people, processes, and tools to provide the best results and services for our customers. My job has gotten more enjoyable over time. I worked programs for twenty years and I love doing that. We have been on the F-35 program for twenty years. We have been with some other customers for twenty years. It has been a wonderful time. Our 20th anniversary was fabulous; we had a lot of customers there and many of our local and remote employees. It was a good opportunity to communicate our strategy and to recognize and reward the people who have been with ACT I for quite a long time and were instrumental in building the company we have today.

CEOCFO: *Why choose ACT I?*

Mr. Niggel: The reason customers choose ACT I is because we focus on their needs, the mission. We provide integrated acquisition

management so we do not leave anything out. We have a holistic approach with people representing the various departments and functions, acquisition strategy, business, engineering, logistics, finance and cyber security. We are problem solvers and look at the customer's problem and develop solutions that are balanced, affordable, meet the requirements, all done in a decisive, agile manner. We do not have conflicts of interest because we do not accept work with hardware, software, or systems integration firms. The result is the government can count on us to always provide our knowledge and skills to the U.S. Government or our allied governments. We do that affordably and with a positive teamwork approach.

