



Commercial Solutions Openings Leveraging Innovation



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Based on NPS Master of Science in Contract Management (MSCM)
Capstone Project by Mary Beth Colavito and Eric W. Washburn.
Advisors: E. Cory Yoder, and Dr. Rene Rendon

Mary Beth Colavito is the Services Division Director and a Contracting/Agreements Officer with an unlimited warrant in the Contracts Management Office of the Defense Advanced Research Projects Agency (DARPA). She oversees a \$2.5 billion ceiling portfolio with more than 100 active contracts/orders. She graduated with her Bachelor of Science from the University of Maryland – College Park and her Master of Science in Contract Management from the Naval Postgraduate School.

Eric W. Washburn is a graduate of the Naval Postgraduate School and a Branch Chief with Air Force Test Center at Eglin Air Force Base, Florida. Mr. Washburn serves as Unlimited Contracting Officer, Agreements Officer, and Branch Chief for the Enterprise Services and Innovative Solutions Contracting Branch, managing a diverse portfolio of contracts critical to the national defense including Electronic Warfare Test Systems, Hyper-sonics, Artificial Intelligence, and F-35 support.



Commercial Solutions Openings Leveraging Innovation Research Questions

This research is framed by the understanding that traditional FAR techniques can be ineffective at acquiring innovative solutions. This research explores opportunities and flexibilities of CSOs as a solicitation technique to acquire innovative solutions and seeks to answer the following questions:

1. What are CSOs' strengths as a solicitation technique?
2. What are CSOs' weaknesses as a solicitation technique?
3. What are best practices for utilizing the CSO solicitation process?
4. What is the statistical difference, if any, in the procurement lead times of contracts awarded from a CSO and those awarded from a FAR-based solicitation, and what inferences can be made of this difference?



Commercial Solutions Openings Leveraging Innovation Methodology

Research designed to assess the strengths, weaknesses, and best practices of CSOs as a solicitation technique in acquiring innovative solutions.

Feedback captured from CSO Cross Talk meetings among DOD agency POCs with CSO practical experience and/or are working to develop CSO policies and procedures - feedback meetings led by Secretary of the Air Force Acquisition Office (SAF/AQC). Information included, but not limited to strength and weaknesses of:

- training
- information sharing
- internal agency processes (protocols)
 - solicitation definition
 - industry interaction

Varying interpretation and implementation of the flexible CSO process informed the categorization of strengths and weaknesses.

Additionally, the research examined FPDS data to determine any statistical difference between CSO and traditional FAR-based solicitations.



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Methodology - CSO Cross talks

Research team examined Cross Talk Bulletins categorizing commentary into strengths and weaknesses utilizing four overarching categories:

1. Training and Information Sharing – how the workforce is educated on this solicitation technique,
2. Internal Agency Processes – how individual DOD agencies structure their facilitation of evaluating and awarding CSOs,
3. Solicitation Definition – how various Contracting Officers draft individual CSOs, and
4. Industry Interaction – how the government advertises to and receives information from potential offerors.



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Methodology – Procurement Lead Time Analysis

Defense Innovative Unit (DIUx) has realized notable decreases in their acquisition timelines by using CSOs.

This research examined DOD's procurement lead time efficiencies using data from the FPDS.

The procurement lead time analysis does not support that CSOs are an expedited acquisition technique. The analysis of procurement lead time discussed in this is constrained by the quality and quantity of the available data.



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Findings Overview

In total, 66 individual observations of strengths, weaknesses, and best practices. Within those observations we identified 27 strengths, seven weaknesses, and 43 best practices in the documented findings of the CSO data.

The total quantities of strengths and weaknesses by category were captured. The protest findings, especially, are a very telling representation of the significant advantage that CSOs may have over FAR-based solicitation techniques in that so few protests have been filed, and none have been sustained that were filed based on the CSO process itself.



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Category	Strengths	Weaknesses
Training and Information Sharing	1	1
Internal Agency Processes	2	4
Solicitation Definition	2	0
Industry Interaction	1	0
Expanded Solution Horizons	4	0
Industry Participation and Competition	3	0
Cost/Price/Budgeting	1	1
Schedule and Planning	1	1
Process Flexibility	7	0
Scope of Litigation	5	0



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Findings Overview

The CSO strengths greatly outweigh the weaknesses.

Agencies can equip themselves with the best means and processes to execute successful CSO solicitations.

We find that the CSO solicitation technique also has applications beyond the R&D arenas and can be used to identify innovative means to accomplish operations, sustainment, and even maintenance tasks, potentially providing total lifecycle cost savings to the government as a result.



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Recommendations Overview

1. Federal Procurement Data System Modification (2 recommendations)
 - Include Solicitation Technique as a reporting criterion,
 - include of Initial Proposal Receipt Date as a reporting criterion
2. Expand Contract Type Options to include T&M use in CSOs. expand the language of Section 803 provisions of expanded contract types in awards from CSOs
3. Formal Training through the Defense Acquisition University - standalone training course on CSOs
4. Invest in Commercial Solutions Opening Center of Excellence



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Recommendations Overview

5. Addressing Resource Strain through Organizational Structuring - separate CSO divisions and additional personnel may be necessary to ensure the potential efficiencies can be maximized
6. Publication of Requirements and Industry Involvement – expand beyond traditional means
7. Improve Reporting of Negotiation Documentation to Capitalize on the Department's System of Systems - Contract Business Analysis Repository (CBAR) tool in the government's Procurement Integrated Enterprise Environment (PIEE) suite of applications (DFARS PGI 215.4)
8. Caution Against Wide-Sweeping Changes in Policy - maintain the flexibility of CSOs, future policy should avoid unnecessary restrictions in the CSO process



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Send Comments and Questions

E. Cory Yoder

Senior Lecturer

MS Naval Postgraduate School, MA Naval War College, BS Indiana University

**Naval Postgraduate School - Department of Defense
Management (DDM)**

Monterey, CA 93943

e-mail: ecyoder@nps.edu

Phone: 831-656-3619