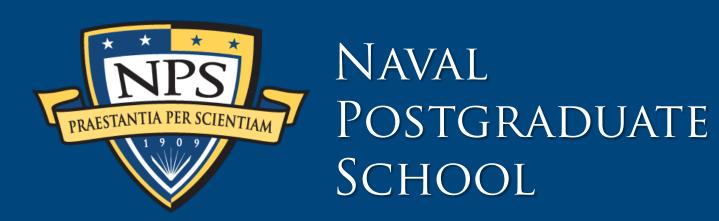
OPTIMIZING MAJOR WEAPONS SYSTEMS COST/PRICE ANALYSIS AND CONTRACT NEGOTIATIONS IN THE UNITED STATES AIR FORCE: A CASE STUDY OF INNOVATION AND CHANGE IN ADOPTING PROPRICER GOVERNMENT EDITION



Abstract

A persistent communication gap between the defense sector and industry stems from divergent languages, risk perceptions, and objectives. These disparities often result in misjudged requirements, suboptimal cost analysis, extended negotiations, and delayed delivery of critical capabilities, compromising military readiness. This research investigates the adoption of ProPricer Government Edition (GE) at the Air Force Life Cycle Management Center (AFLCMC) at Eglin Air Force Base as a case study for innovation in defense acquisition processes. The case study evaluates ProPricer GE's impact on cost/price analysis, contracting workforce competency, and procurement acquisition lead times (PALT). Findings reveal significant improvements: enhanced transparency in cost analysis, standardized negotiation processes, and a reduction in PALT of up to 50%. ProPricer GE also accelerated workforce skill development and decision-making confidence among contracting professionals. However, challenges such as IT integration and resistance to change highlight the need for comprehensive planning and support. Recommendations include phased implementation, targeted training programs, and expanded adoption across acquisition centers to leverage ProPricer GE's potential for transforming defense contracting practices. This study underscores the value of standardized tools in fostering efficient, transparent, and collaborative acquisition processes, ultimately advancing national defense objectives.

Methods

- The study employed a **case study methodology** to explore the implementation of ProPricer Government Edition (GE) at the AFLCMC Armament Directorate, Eglin AFB.
- The methodology focused on understanding the tool's impact on PALT, workforce competency, and cost/price analysis processes.

Surveys:

- Included Likert scale and open-ended questions to capture quantitative and qualitative data.
- Designed to evaluate perceived changes in transparency, efficiency, and workforce competency post-implementation.

Semi-structured Interviews:

- Conducted to gather in-depth qualitative data and contextual insights.
- Focused on exploring individual experiences and detailed perceptions of ProPricer GE's impact.

Results & Their Impact

1. What is the perceived impact on cost/price analysis and contract negotiations from implementing ProPricer GE?

- 100% of ProPricer users reported improved transparency in cost/price analysis and contract negotiations.
- 75% strongly agreed that ProPricer GE enhanced their ability to analyze costs.
- ProPricer GE facilitated traceability of cost elements from contractor proposals to key cost categories.
- Exchange of ProPricer files during negotiations improved understanding and expedited closures.

2. How has the implementation of ProPricer GE affected acquisition workforce (AWF) personnel competency in cost/price analysis and contract negotiations?

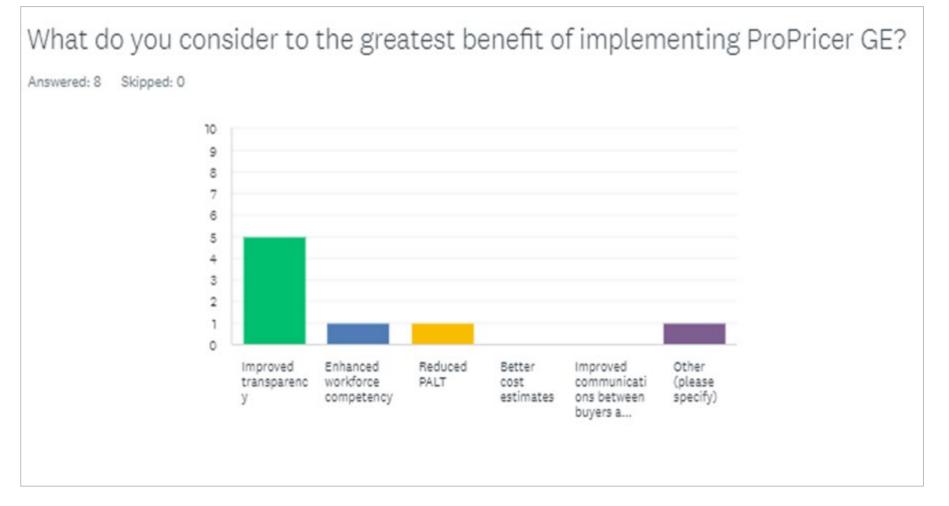
–75% of users reported improved competency in cost estimating and negotiation skills.

–87.5% agreed that ProPricer GE reduced the learning curve for cost/price analysis tasks.

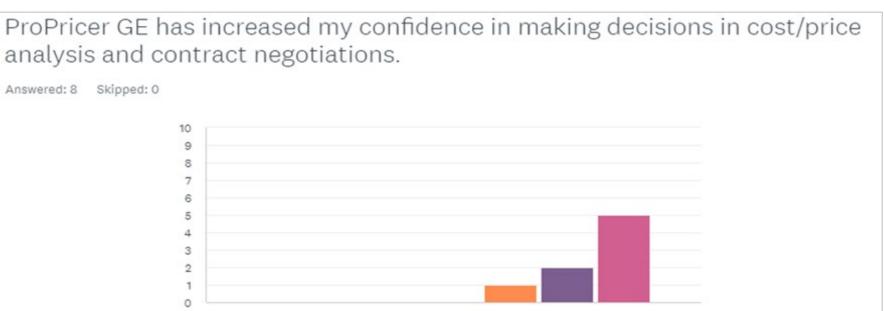
–Enhanced ability to ask targeted fact-finding questions during negotiations.

–Consistency in ProPricer GE facilitated quicker skill development among new personnel.

3. What is the perceived effect of the implementation of ProPricer GE on



ProPricer GE's Greatest Benefit



procurement acquisition lead times (PALT)?

–62.5% of users reported PALT reductions of 11-25%; 25% observed reductions exceeding 50%.

–Time for cost modeling reduced from an average of two weeks to one day.

–Real-time data capabilities allowed faster adjustments to negotiation scenarios and rate changes.

4. What recommendations can we provide to AFLCMC Eglin AFB, the Air Force, and the Department of Defense regarding adopting ProPricer GE in acquisition centers?

–Standardized processes reduced manual errors and improved collaboration with contractors.

–ProPricer GE enabled better understanding of contractor proposals, aiding negotiation efficiency.

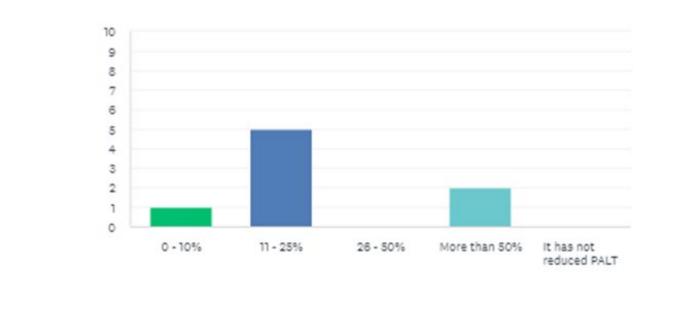
–Recommendations included expanding adoption to other acquisition centers using a phased approach, enhancing training programs, and addressing cybersecurity integration challenges.

	(no label)		
Strongly Di	E Disagree	Undecided	

ProPricer User's Confidence Scale

In your experience, by what percentage has ProPricer GE reduced Procurement Administrative Lead Time (PALT)?

Answered: 8 Skipped: 0



PALT Improvement

Acquisition Research Program www.acquisitionresearch.net



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