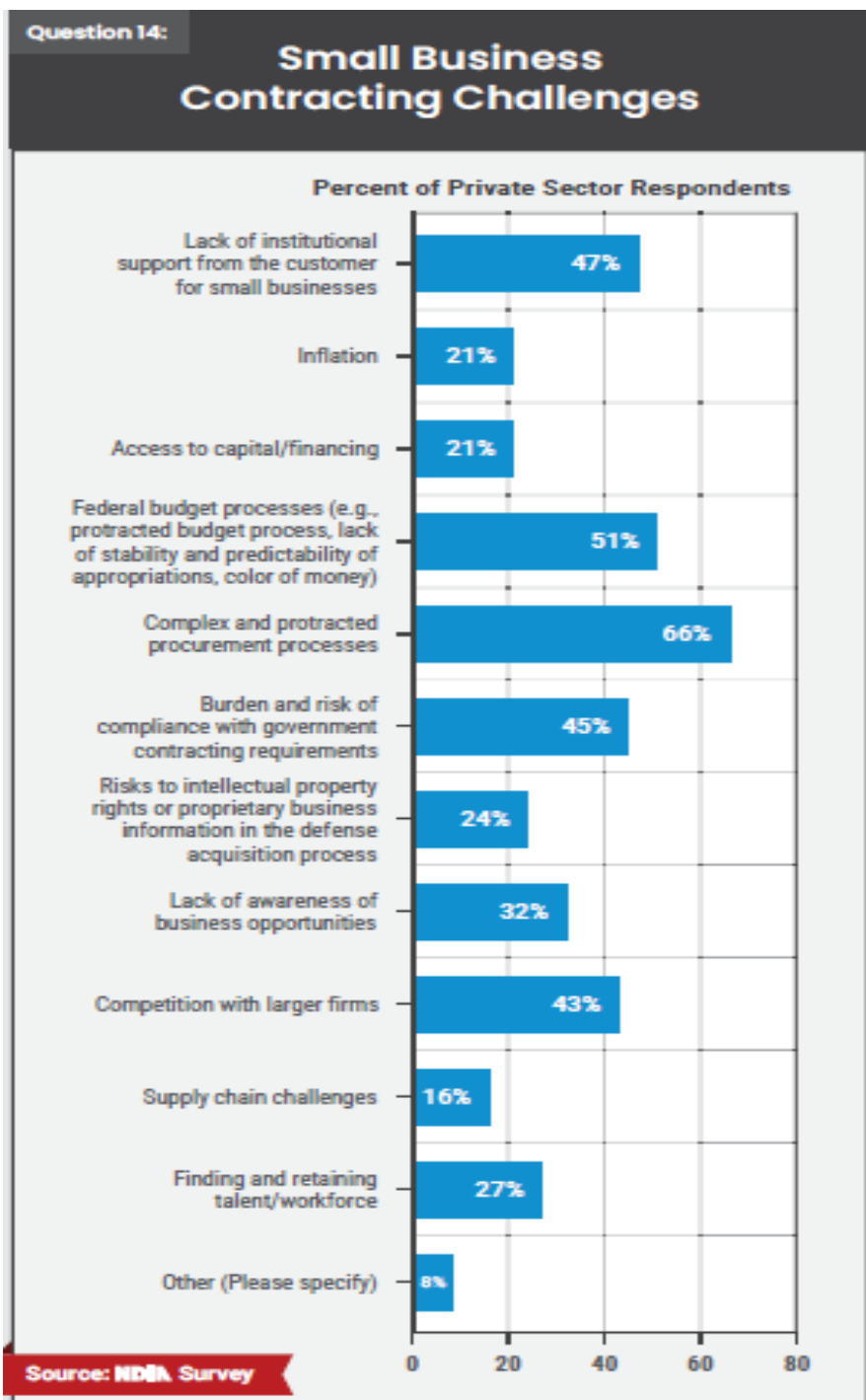


Abstract

Small businesses are vital to defense innovation and supply chain resilience, yet participation in Naval Supply Systems Command (NAVSUP) contracting has declined significantly over the past decade. This thesis examines the barriers that impede small business engagement with NAVSUP Fleet Logistics Centers (FLCs) across the continental United States. Using a mixed-method model of quantitative and qualitative data, discrepancies between federal policy intent and field-level execution were identified. Additional performance disparities were found across the FLCs that further contradicted both quantitative and qualitative data. Overall, these systemic issues create information gaps and erode small-business confidence in naval contracting. This thesis recommends that improving the accuracy and accessibility of NAVSUP small-business resources, enhancing customer training in requirement development and market research, and simplifying internal communication processes can reduce unnecessary barriers.

Methods



3. What role does small business play in the economy?

Small businesses comprise:

- 99.9% of all firms
- 99.7% of firms with paid employees
- 97.4 % of exporters (271,241 businesses)
- 45.9 % of private sector employees (59.0 million workers)
- 43.5% of gross domestic product
- 39.0 % of private sector payroll (\$3.2 trillion)
- 38.9 % of private sector receipts (\$14.6 trillion)
- 34.9 % of known export value (\$541.6 billion)

Source: SUSB, NES, ITA, SBGDP, Advocacy US Profile

- Quantitative analysis of comprehensive data from SAM.gov from FY 2015-2024
- Qualitative analysis of questionnaires provided to FLC representatives
- Analysis/Review of prior data collected by FLCs
- Analysis of National Defense Industrial Association (NDIA)’s Vital Signs 2024 report

Results & Impact

- Identified systemic, recurring barriers across NAVSUP FLCs
- Revealed major disparities in small business participation across NAVSUP FLCs
- Confirmed alignment between literature-identified barriers and real-world experiences of KOs, SBRs, and small businesses
- Identified a critical process-awareness gap for small businesses
- Discovered that discrepancies between government and small business perspectives are not awareness, but capacity and execution

Future Research

- How requirement quality correlates with small business participation.
- Impacts of Federal policy on small business participation, focusing on identifying which policy areas most discourage participation.
- The viability of Other Transaction Authorities (OTAs) for NAVSUP.



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