



Military Sealift Command

Small Business Strategy

2020 ♦ “Small Business – The First Option” ♦ 2021



Edition 2
1 Oct 2019

Our "Small Business Strategy" is formulated to clearly identify how Military Sealift Command will incorporate and promote Small Business participation as prime contractors and subcontractors across the breadth of contracts under our purview.

MISSION

Department of the Navy's (DON) Small Business Enterprise fosters acquisition opportunities where small businesses can best support Sailors, Marines, and their families through policy, advocacy, counseling & training.

VISION

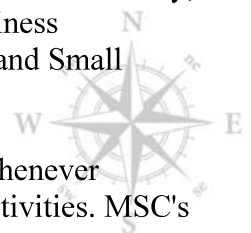
At Military Sealift Command (MSC), we actively seek small business opportunities to leverage the innovation, agility, responsiveness and competition that small businesses bring to empower our global warfighting effectiveness.

INTENT

The intent of our Small Business Strategy is to significantly promote small business as our first option throughout all phases of the acquisition life cycle, as we sincerely believe a healthy industrial base is vital to the long-term success and affordability of the DON as well as our national security.

MSC is committed to exemplary stewardship and efficiently and economically expending the taxpayer's resources that have been entrusted to us by our government. It is our responsibility and in our best interests to establish, foster, and maintain partnerships with small businesses in order to ensure future healthy, economic and competitive markets. To this end, the intent of the 2020-2021 MSC Small Business Strategy is to significantly promote small business participation as prime contractors and subcontractors. ASN (RDA) provided a strategic framework to create opportunities for small business to be competitive and to utilize small business capabilities to accelerate DON innovation. Additionally, ASN (RDA) reinforced the designation of all Deputy Program Managers as "Small Business Advocates" and encourages greater use of Small Business Innovative Research (SBIR) and Small Business Technology Transfer (STTR).

As a Head of Contract Activity (HCA), MSC has direct responsibilities to ensure that whenever possible, small business interests are protected and promoted in all of our contracting activities. MSC's



□ Pending

▣ In Work

■ Steady State or Complete



Office of Small Business Programs (OSBP), is the small business advocacy and advisory office responsible for ensuring small business concerns are afforded maximum practicable opportunities to participate in MSC's acquisition requirements as prime contractors and subcontractors. The OSBP is also responsible for facilitating achievement of MSC's Small Business Program targets and maintains an active outreach program to identify potential Small Business Program participants by attending and participating in government-industry conferences throughout the United States. In addition, the OSBP provides individual and group procurement advisory counseling to the small business community. A major role in the implementation of our Small Business Program involves advising and assisting Contracting Officials, Program Managers, and Functional Directors in acquisition planning and reviewing all acquisitions for possible Small Business Program set-asides and subcontracting opportunities.

Our Small Business Strategy highlights how we implement small business into MSC's culture, processes, communications, and assessments. We will continually strive each and every day to promote an atmosphere throughout this command that promotes the utilization of small businesses in our acquisitions, as we recognize that small businesses offer the innovation, flexibility and affordability necessary to support the achieving of dominant capabilities and ensuring the long-term success of the DON.

FOCUS AREAS

Our Small Business Strategy includes four focus areas, which provide the ways, means and ends to the achievement and success of our commitment to providing maximum practicable opportunities to small business in our acquisitions. By fostering a small business friendly culture and providing advice and assistance to our Contracting Officials, Program Managers, and Functional Directors, we will make MSC the Small Business partner of choice and track our progress along the way. MSC will continue to maintain a culture of small business inclusiveness, where small business is always considered as our first option to achieve our desired success in providing maximum practicable opportunities to small business and promoting a robust industrial base.

FOCUS AREA 1: CULTURE – Foster a Small Business friendly culture.

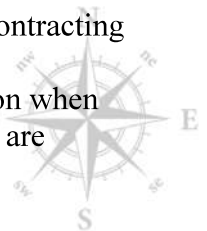
- Small Business is considered as our first option for each and every contract action.
- Small Business Professionals (SBP) are included in all high-level meetings with private sector large and small businesses involving higher authority.
- ▣ In an effort to identify new requirements suitable for small business participation, the OSBP will participate in long-range acquisition planning sessions for expanding the opportunities of small business firms in prime and subcontracting opportunities.
- ▣ Analyze requirements for opportunities to utilize Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) and Mentor Protégé Program (MPP).
- ▣ Establish working relationships with the DON SBIR/STTR Program Management Office to find new and innovative ways to leverage the use of SBIR or STTR projects for MSC ships.
- ▣ All Program Managers complete the Defense Acquisition University's web-based continuous module, entitled "Fundamentals of Small Business for the Acquisition Workforce" (CLM 059) within FY20.



- Collect and disseminate "good news" stories, where small businesses have helped MSC achieve the mission at reduced cost or more innovatively as prime or subcontractors.
- Publish "MSC Small Business Program Commanders Intent" each fiscal year that contains the small business targets (goals) and encourages the command to explore small business first; to increase the use of small business reserves; and to foster a culture that is friendly to small business.
- Integrate a contracting-focused brief into the weekly MSC Battle Rhythm meetings to include quarterly discussion of Small Business Program acquisition issues.
- Establish Small Business Awards Program recognizing those acquisition professionals and teams who have made significant contributions to MSC Small Business Programs.
- Establish a “Small Business in the Spotlight” award recognizing valued small business partners in their involvement to fulfill MSC mission.
- Establish a Rotational Program with MSC OSBP to provide developmental opportunities for personnel, to include training and hands-on experience working in the MSC OSBP.
- Appoint Alternate SBP or SBP Authorized Representative to provide adequate OBSP support to MSC Headquarters and its Ship Support Units.
- Locate OSBP spaces strategically within the command to allow for optimal interaction between acquisition staff, technical staff, and the SBP.

FOCUS AREA 2: PROCESS – Incorporating Small Business Program successes into MSC business processes.

- OSBP perform thorough reviews of proposed acquisition strategies to ensure adequate market research is conducted and documentation is provided that fully supports the proposed strategy.
- Advise Program Managers and Contracting Officers in establishing realistic, challenging, and attainable small business subcontracting goals, consistent with efficient performance, in full and open competitions and sole source contracts with other than small business.
- Streamline the acquisition process applying FAR Part 13 Simplified Acquisition Procedures to the maximum extent practicable and utilizing small business set-asides in accordance with policy.
- Ensure acquisition staff is kept current and up-to-date on small business legislation and regulatory changes.
- Ensure acquisition staff conducts adequate and meaningful market research that can be reviewed by MSC OSBP for possible small-business set-aside, including addressing set-asides within the small business socio-economic categories.
- Conduct Small Business Advocate Training for all Program Managers and Functional Directors and make this an annual requirement.
- Increase small business subcontracting opportunities to include evaluating small business participation in competitive source selections and incentivizing small business subcontracting when appropriate.
- Apply a tiered/cascading evaluation approach to promote small business participation when practicable, where only small business is evaluated if two or more reasonable offers are received from responsible small business concerns in accordance with FAR 19.5.





- Conduct Contract Review Boards (CRB) and Services Requirements Review Boards (SRRB) and include OSBP as an active participant to advise on small business matters, including analyzing historical utilization of small business.
- Include OSBP as a team member in all Procurement Performance Measurement and Assessment Program (PPMAP) assessments to ensure compliance with acquisition laws and regulations related to the Small Business Programs.
- Assist N10 staff and Program Managers with electronic Subcontracting Reporting System (eSRS) and Contractor Performance Assessment Reporting System (CPARS) reporting requirements to ensure small business utilization is properly documented.
- Provide biannual Small Business Program training to contracting staff across all N10 offices.
- Assist in various acquisition trainings, to include Associates Training and Brown Bag Training.
- Arrange small business capabilities meetings with Program Managers and Functional Directors.
- Conduct biannual meetings with Program Managers and Functional Directors to discuss Small Business metrics & optimal usage of small businesses to meet our mission.
- Develop and monitor key performance indicators (KPI) related to Small Business Program performance to identify areas for improvements aimed to maximize small business utilization.
- Collaborate with N101 Contracting Policy Division to ensure current and future updates to contracting policy effectively consider and incorporate Small Business Programs policy.
- Sponsor a Subcontracting Workshop in FY20, in collaboration with DAU and N10, for the acquisition workforce.

FOCUS AREA 3: COMMUNICATIONS – Enhance communications to inspire public and stakeholder confidence making MSC the Small Business partner of choice.

- Update and post to the MSC public website (<http://www.procurement.msc.navy.mil/>) known procurements of services and ship support opportunities over the next two years in excess of one million dollars and continue to provide updates annually.
- Update the MSC public website for the Office of Small Business Programs providing useful and relevant information for current and future MSC Industry Partners.
- Effectively communicate strategy decisions resulting from our sources sought notices and market research referencing sources sought identification numbers in resulting solicitation.
- Establish a MSC OSBP intranet portal page to share resources related to training and program updates accessible to the MSC community.
- Host four Industry Days annually focused on exchanging ideas with industry partners to address capability gaps in the areas of operating and chartering, shipyard and ship repair, IT and cyber, and innovation.
- Provide a dedicated panel session during Industry Day to discuss opportunities for MPP.
- Post announcements of Industry Days on FBO.gov, MSC’s public website, and social media when appropriate.
- Utilize Industry Days for specific procurements of large dollar value to better inform vendors of MSC’s requirements and solicit feedback about the planned procurement prior to solicitation release.

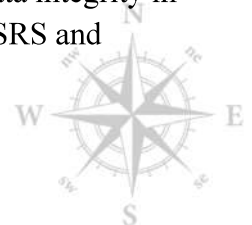




- ☐ Establish Vendor Days allowing prospective MSC small business contractors to present their capabilities to Contracting, Programs Managers, and Functional Directors, with an emphasis on vendors within the small business socio-economic categories.
- ☒ Ensure MSC OSBP is represented at industry events.
- ☒ Attend local and national events identified below with OSBP and relevant MSC personnel within acquisitions and technical staff to meet and identify small business entities who are interested in our procurements.
- ☒ Attend monthly Tidewater Government Industry Council Meeting.
- ☒ Attend annual Navy League's Sea Air Space Symposium, National Harbor, MD.
- ☒ Attend annual Navy Gold Coast Small Business Procurement Event, San Diego, CA.
- ☒ Attend annual Tidewater Tech Expo Business 2 Government Conference, Hampton, VA.
- ☒ Attend annual National Defense Transportation Association (NDTA) event, St. Louis, MO.
- ☐ Attend National Ship Repair Industry Conference (NSRIC), Washington, D.C.
- ☐ Attend Armed Forces Communications & Electronics Association (AFCEA) West Conference, San Diego, CA.
- ☒ Attend DON IT-AFCEA East Conference, Norfolk, VA.
- ☒ Attend at least one national outreach conference each year focused on socioeconomic programs (i.e.: 8(a), HUBZone, WOSB, SDVOSB).
- ☐ Engage in informal debriefings between offerors and MSC leadership to promote meaningful consideration of procurement issues by leveraging value gained during vendor feedback into future procurement actions.

FOCUS AREA 4: ASSESSMENT – Tracking our progress to better understand our Small Business Program successes and lessons learned.

- ☒ Provide monthly small business metric reports to acquisition leadership.
- ☒ Provide quarterly reports on small business progress to command leadership.
- ☒ Provide annual DON Executive Summary Input to DON OSBP Office.
- ☒ Provide annual Validated Metrics Report to Small Business Administration (SBA) Procurement Center Representative for MSC.
- ☒ Submit requested information to DON OSBP on established DON OSBP KPI metrics.
- ☒ Provide monthly updates on small business progress to acquisition staff.
- ☒ Post small business monthly dashboard metrics in acquisition and technical offices.
- ☒ Report small business metrics gleaned from SRRBs, to include planned actions for small business as primes and identify opportunities for small business subcontracting.
- ☒ Review and enhance training to incorporate lessons learned and develop corrective actions as a result of various audits (PPMAPs, SBA Surveillance Review, IG audits, N10 internal reviews). Collect and assess metrics related to Small Business Program compliance and data integrity in order to gauge current state and improvement efforts (e.g. timely and accurate eSRS and CPARS reporting).
- ☒ Submit Small Business Strategy on time, as requested.





The table below provides MSC’s Small Business targets and achievements:

| Category | FY17 Achievements | FY18 Achievements | FY19 Achievements | FY20 Goals ** |
|---|-------------------|-------------------|-------------------|---------------|
| Small Business (SB) | 43.82% | 41.55% | 48.09% | 42.50% |
| Small Disadvantaged Business (SDB) | 1.97% | 3.22% | 2.75% | 2.60% |
| Service-Disabled Veteran-Owned SB (SDVOSB) | 2.31% | 1.74% | 1.63% | 1.80% |
| Women-Owned SB (WOSB) | 1.34% | 1.34% | 2.09% | 1.75% |
| Historically Underutilized Business Zone (HUBZone) SB | 1.15% | 0.61% | 1.29% | 1.25% |

** FY20 goals subject to adjustment by DON OSBP.

Below are MSC’s acquisitions in excess of \$1M anticipated to be set-aside for small business:

| Anticipated FY20 Procurements to Small Business | | | |
|---|---------------|-------------|-------------------------------------|
| Program | Contract Type | FY of Award | Set-Aside (Socio-Economic Category) |
| USAF Prepositioned Ammunition Charter | FFP | FY20 | 100% Small Business |
| Hospital ship IT Support | FFP | FY20 | 100% Small Business |
| Admin & Human Resource Support | FFP | FY20 | 8(a) Set-Aside |





The majority of our large dollar procurements are spent on ship repair and ship chartering requirements. The majority of these requirements are advertised as UNRESTRICTED due to either financial capability requirements or facility requirements, as there are few small business shipyards that have the capability of docking our larger ships. To ensure maximum practicable opportunities for small business concerns, we ensure the acquisition staff conducts adequate and meaningful market research, which is highly scrutinized by our SBPs to ensure any decision to either set-aside the requirement for small business or not set-aside a requirement is fully supported by the documentation provided. MSC has a proven track record of awarding in excess of 40% of our dollars obligated to small business for the previous 5 years. MSC will continue with our commitment to ensure maximum practicable opportunities are provided to small business in our acquisitions.

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If you have specific questions regarding this Strategy or the Small Business Programs, please do not hesitate to contact the MSC OSBP.

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