



INFO ALERT

Issue 305

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22 May 2001

Best Value Analysis (BVA) for System Support Decisions

The Department of Defense (DoD) acquisition reform initiative emphasizes finding "Best Value" alternatives to supporting major weapon systems over their lifecycle. Acquisition program managers are tasked with adopting support strategies that evaluate whether DoD sources or commercial support sources can be leveraged to provide requisite support within their programs.

LPD 17 BVA Background.

The LPD 17 Program Office (PMS317) Best Value Team was established to develop a tool that would assist the LPD 17 Program Office in evaluating system support alternatives (government vs. commercial) and assist in selecting the alternative that provides the best value to the government. The team has just released a report on the preliminary development of their

Best Value Opportunity Screening Process (BVOSP) which provides a framework for making this determination.

The BVOSP is still under development and further proofing of concept is ongoing. The purpose of this Info Alert is to make other program offices aware of LPD 17's efforts to date. Please send your comments on this process and recommendations for improvement to LCDR Grisell Collazo, collazogf@navsea.navy.mil, 202-781-0504.

The Screening Process.

As shown in Figure 1, the BVOSP model is divided into two phases. Phase I, Commercial Support Screening, is used to determine if commercial support is available and the extent of commercial interest. If commercial capability

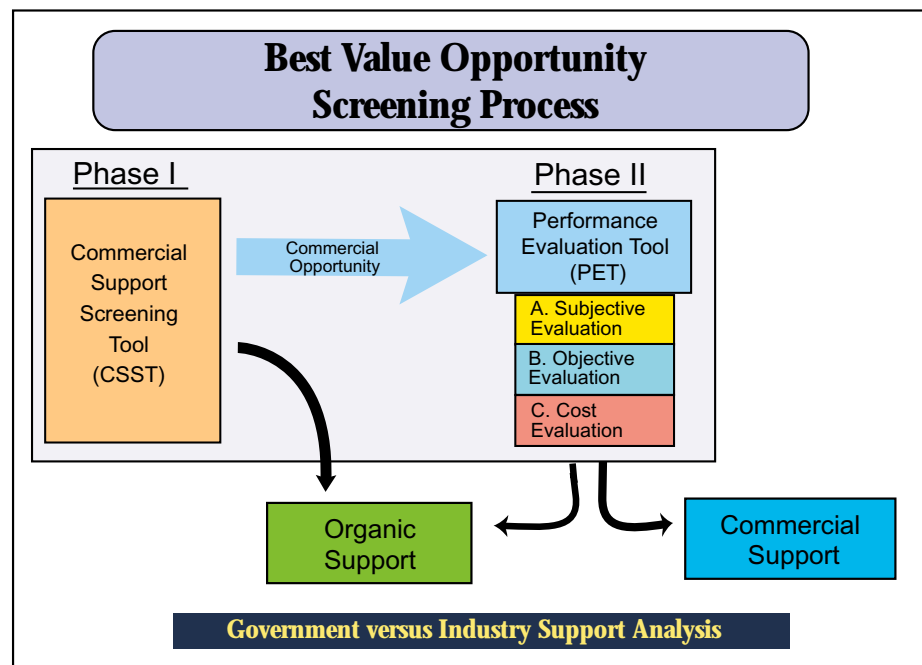


Figure 1. BVOSP Flowchart

Categorization of System Support Opportunities

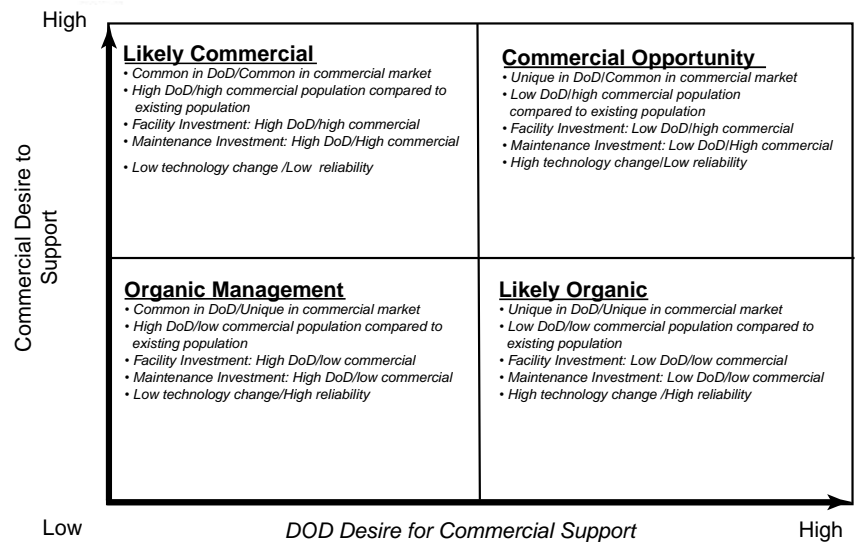


Figure 3. Best Value Opportunity Index

is limited or interest is low, the decision may be to support the system with organic assets. If there is solid commercial capability and interest, the evaluation moves into Phase II, Performance Evaluation. During this phase, the government compares commercial and organic approaches to system support, business practices, performance, cost, and risk to determine which will provide the best value over the life cycle of the system. (Phase II of the process is still under development and concept testing on LPD 17 systems will begin shortly.)

The Phase I (CSST) process is rather mature and is a good tool to quickly narrow down a large universe of systems to a focused list of potential commercial candidates. Figure 2 depicts the CSST process. Figure 3 details the Best Value Opportunity Index (BVOI) portion of the CSST.

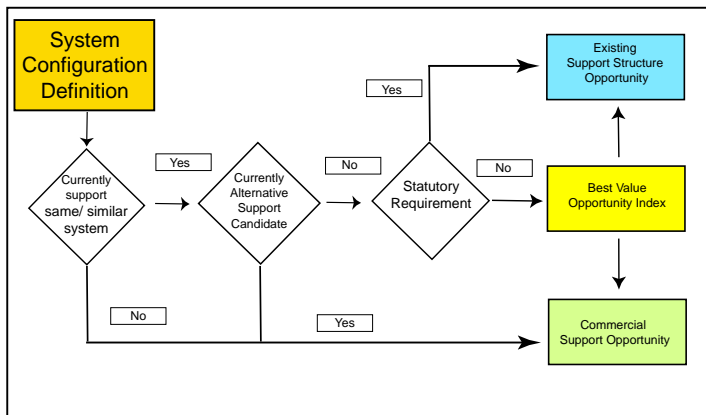


Figure 2. CSST Flowchart

The Acquisition Process.

Figure 4 shows how the concept of BVOSP should fit into the acquisition process.

Best Value Acquisition Process

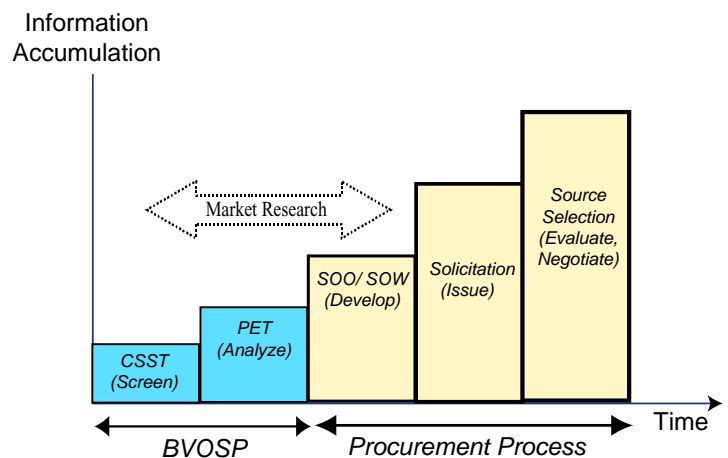


Figure 4. The Best Value Acquisition Process

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