

# Comparison of Acquisition Efficiency on Subsistence Contract Management Between the U.S. and Japan



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## Abstract

The objective of this research is to identify and analyze efficient acquisition process in acquiring subsistence (food) by comparing the militaries between the United States and Japan. This will be accomplished by reviewing the entire process of subsistence contract management beginning from procurement planning, solicitation planning, solicitation, source selection, contract administration, and contract closeout. Through this analysis, metrics are developed that can measure which country's contracting system is more efficient in terms of process flow in regards to acquiring subsistence. Due to the differences in operational commitments, this thesis will focus on dynamic operational environment in the Pacific theater.

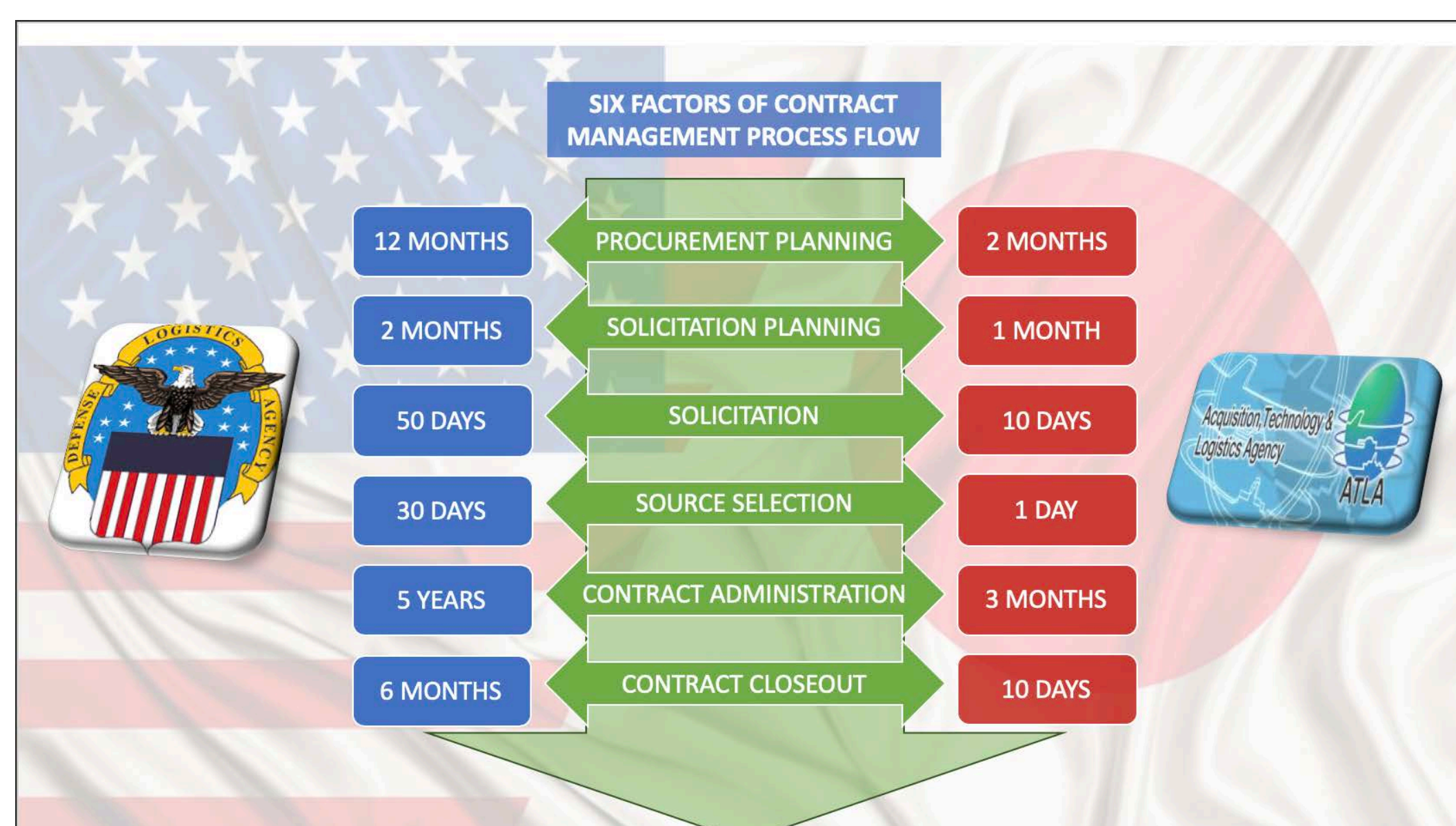
United States	Elements of Contracting Process	Japan
U.S. registered companies (Buy American Act)	Market Research	Focus on vendors available in local market capability
Confirm a company is responsible. Food Sanitation Qual.	Vendor Qualification	Publicly invite qualified vendors for upcoming subsistence contract prior to the official solicitation
Fixed Price with economic price adjustment	Contract Type	Firm Fixed Price
Contract by negotiations	Contract Method	Open Tender (Sealed Bidding)
Five years	Period of Performance	Three months
Ongoing communication	Solicitation	Five-percent deposit required by a tender participant
Trade-off	Best-value Continuum	Lowest Price Technically Acceptable
Upon submission of all required documents and invoices including the claim settlement	Contract Closeout	Upon submission of the invoice and payment is complete

Elements of Contracting Process

## Methods

- In absence of literature related to this research, methods focuses on contracting guiding principals by reviewing a fundamental legal framework and applicable laws which guide the government contracting process.
- Interviews with contracting representatives from Defense Logistics Agency (DLA) Pacific HQ, Acquisition, Technology & Logistics Agency (ATLA), Japanese Maritime Self-Defense Force (JMSDF)
- Analysis of the contracting process flow as basis of the comparison between countries in order to identify effectiveness and efficiency

## Results



Timeline of the Subsistence Contract Process

Level	Six Factors of Contract Management Process					
	Procurement Planning	Solicitation Planning	Solicitation	Source Selection	Contract Administration	Contract Closeout
Level 5 (Optimized)						
Level 4 (Integrated)	● (US) ● (JAPAN)	● (US)			● (US) ● (JAPAN)	● (JAPAN)
Level 3 (Structured)		● (JAPAN)	● (US) ● (JAPAN)	● (US) ● (JAPAN)		● (US)
Level 2 (Basic)						
Level 1 (Ad Hoc)						

Contract Management Maturity Model

## Recommendations

- In general, each country possesses a comparative advantage at certain factors in the contracting process and established a matured contracting management system. For specific recommendations are:
  - Reduce the timeline of each factor throughout the contracting process flow
  - Adjust the period of contract performance ( 5 years vs. 3 months)