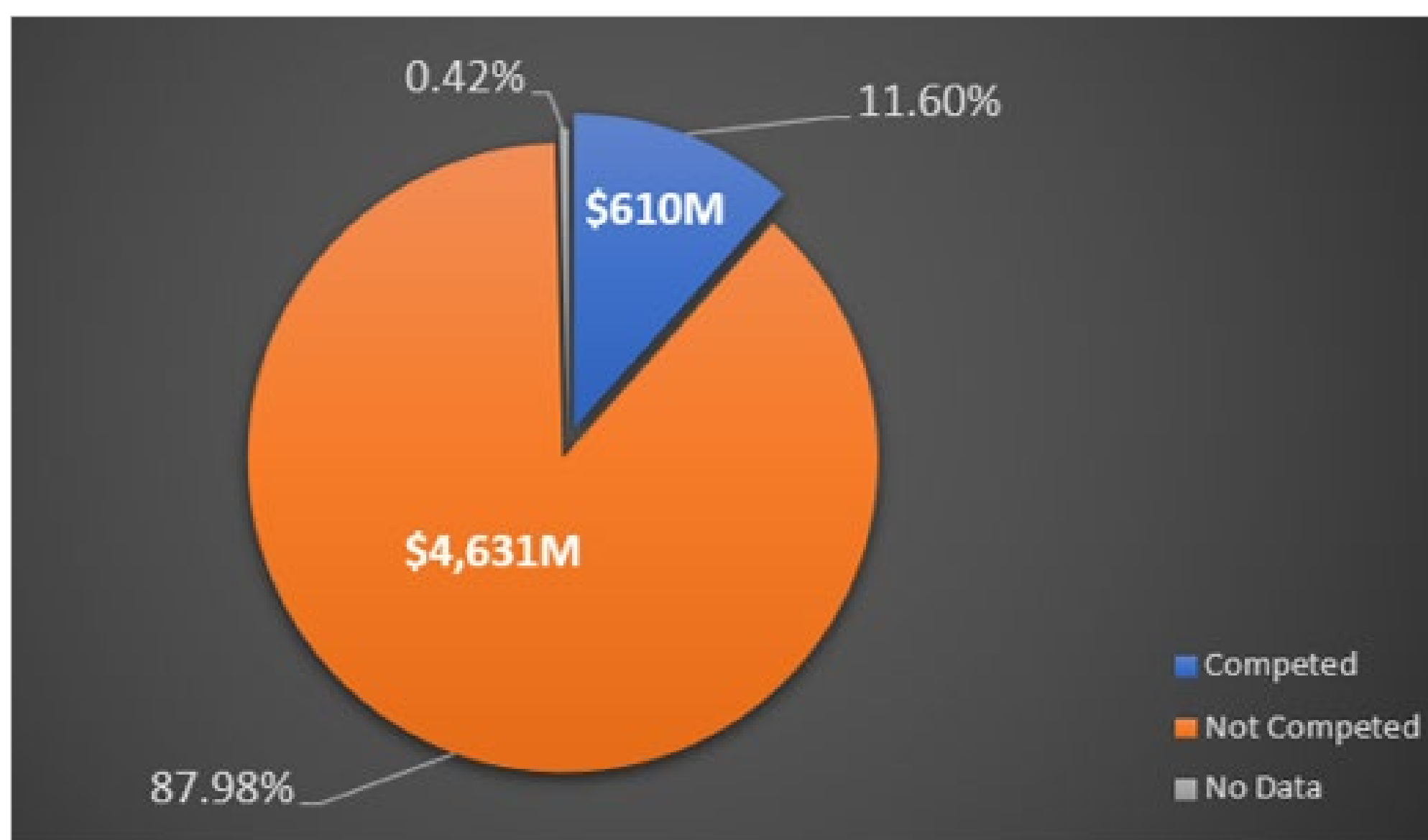


## Abstract

This research was derived from a Naval Supply Systems Command Weapons System Support (NAVSUP-WSS) problem statement which identified that over 80% of WSS contracts occur in a sole-source environment. Following the resource dependency theory framework, we used a qualitative and quantitative mixed method approach to analyze more than 62,000 WSS contract actions for FY19-FY20. We also used Kraljic's supply matrix to review the WSS contracting operation. Our results identified the top four items frequently procured under sole-source conditions, the percentage of awards and dollar amount awarded to the top WSS contractors, and the policy and operational conditions that contribute to the WSS sole-source environment. Lastly, we developed a NAVSUP-WSS supply matrix to apply methods for increasing defense contractor competition for selected items that were identified as a result of our spend analysis.

## Methods



Overall WSS contract competition by dollar amount FY19-FY20

- NAVSUP-WSS provided over 62,000-line items of contracting data for fiscal years 2019 and 2020.
- We conducted extensive data cleaning to identify and correct missing information, duplicate data entries, grammatical, and typographical errors.
- Once data cleansing was complete, we conducting a spend analysis to identify patterns and created visualizations using Microsoft Excel to describe critical trends for NAVSUP-WSS expenditures.

## Results

**Question 1. Why is WSS operating in a sole-source environment?**

WSS is constrained by DFARS policy and operates in the sustainment phase of the acquisition life cycle.

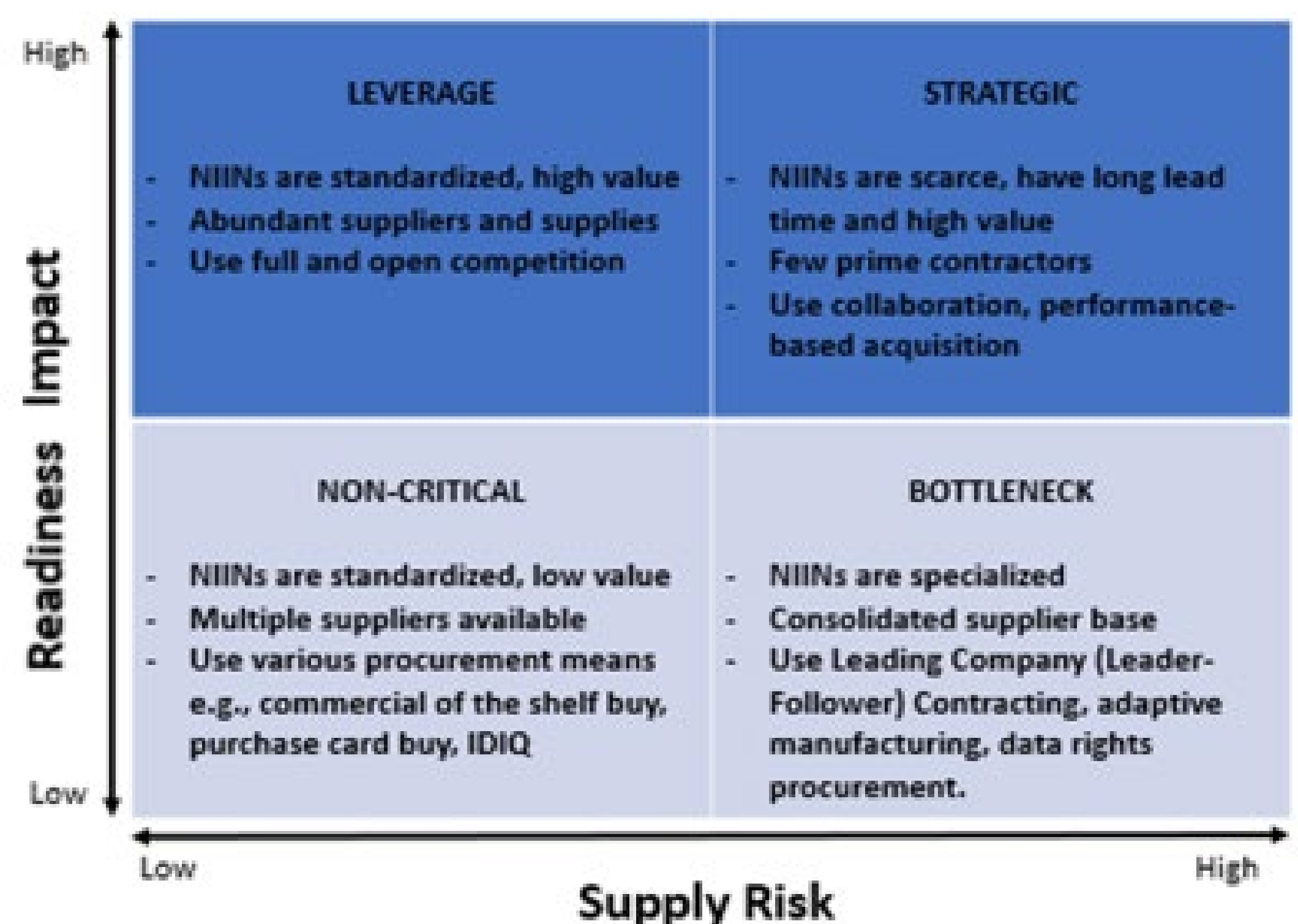
**Question 2. What is the current WSS strategy for increasing defense contractor competition?**

WSS utilizes small business office engagements and set-asides, industry day events, streamlined source selection and approval processes and NSS-Supply initiatives.

**Question 3. How can WSS increase contractor competition in a predominantly sole-source environment?**

As a result of our spend analysis, we identified several NIIN candidates and methods for increasing contractor competition. (See the recommendations section).

Supply Matrix for NAVSUP-WSS. Adapted from [Kraljic](#).



## Recommendations for increasing competition

- Acquire intellectual property and data rights.
- Pursue reverse engineering
- Adopt additive manufacturing
- Apply leader company contracting (FAR 17.4)