Perceptions on the Feasibility of Implementing Innovative Cost and Price Analysis Software Across NAVSEA

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Abstract

A universal problem in most organizations centers on adopting innovations. According to the Diffusion of Innovation Theory, organizations should consider five factors when deciding on adopting an innovation: relative advantage, compatibility, complexity, trialability, and observability. While some government agencies have successfully adopted innovative cost or pricing software, it is unclear if it is feasible to adopt innovative cost and price analysis software at Naval Sea Systems Command (NAVSEA).

Parameter	Effect
Relative Advantage	Higher benefit anticipated leads to faster adoption
Compatibility	More familiarity leads to an easier adoption
Complexity	Ease of perceived use leads to faster adoption
Trialability	Incremental adoption provides easier adoption
Observability	Visibility of positive results leads to faster adoption

Diffusion of Innovation Theory - Factors That Influence Adoption.

Methods

- The purpose of the qualitative research study is to explore NAVSEA acquisition leadership's perception on the feasibility of adopting and implementing ProPricer across their organization in Fiscal Year (FY) 2023.
- Utilizing the research contained in the literature review, the researcher presented to NAVSEA acquisition leadership to allow them to understand the capabilities of ProPricer and to explore their perceptions on the feasibility of implementing ProPricer

Findings & Their Impact

- The U.S. DOD Sole Source Streamlining Toolbox introduced ProPricer as a software that can "expedite the modeling process and facilitate constructive communications between the Government and the contractor during proposal evaluations, fact-finding, and negotiations"
- Multiple Government agencies and the top 10 largest defense contractors have implemented ProPricer.
- Utilizing the Diffusion of Innovation Theory & The Coping Model of User Adaption the leadership was presented with a pathway to success as well as potential roadblocks to implementing a new technology, such as ProPricer.

Emotion Categories in CMUA. How employees view new technology.

Recommendations

1. **Cross-Organizational team attends virtual demonstration of ProPricer capabilities**
- ProPricer offers virtual demonstration as part of implementation/training process.
- Helps with Observability in DOI Theory & movement towards Top Right of CMUA table.

2. **Phased Implementation of ProPricer**
- Implementation in 1 of the 4 contracts directorates limits risk associated with technology implementation to the command.
- If implementation is successful, other 3 branches benefit from all 5 diffusion of innovation metrics.

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