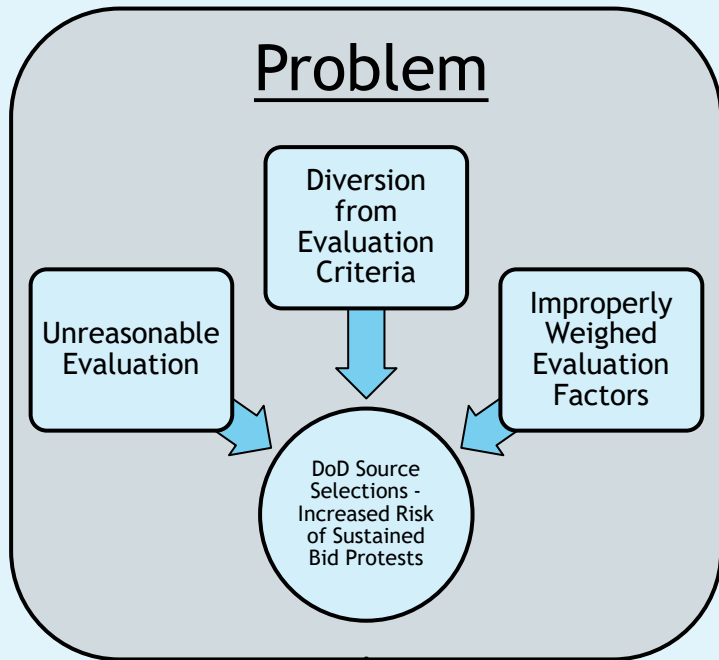


Avoiding the Pitfall
“I’ll Know it When I See it”:
Furthering a Choice-Based Conjoint (CBC)
Model for Government Source Selections

Captain Brittany Thompson

Lieutenant Colonel Daniel Finkenstadt



How Do We Know This?

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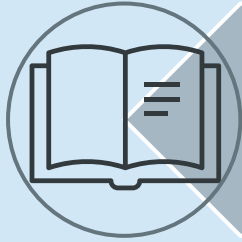
Research Statement

The Department of Defense (DOD) current source selection methods are at an increased risk of experiencing sustained bid protests. The research summarized in this panel explored the following research objectives:

- 1) Determine the degree of disconnect between stated preferences during pre-award acquisition phase and actual choice behavior in defense acquisition source selections,
- 2) Develop a deep understanding of quality attributes in evaluating logistics-based service acquisitions,
- 3) Provide a Choice-Based Conjoint (CBC) framework that the DOD could utilize to enhance source selection criteria development in both logistics and further categories of government spending.

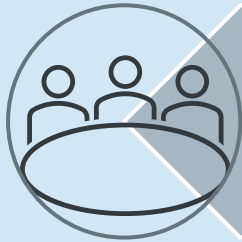
The information gathered from these objectives provides a way forward to empirically deduce the relative importance for source selection evaluation factors, potentially reducing bid protest occurrences in future source selections.

Conjoint methods have been shown to be more realistic than rank order preference.



Literature Review

Educate, Inform, and Build a Foundation for the Study



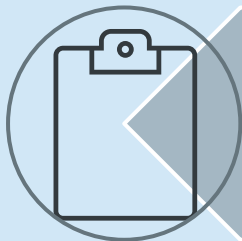
Interviews

Logistics Professionals aided in Determination of Service Quality Attributes for Logistics Services



Spend and Data Analysis

RPM Chosen as CBC Service and Determined Realistic Prices, the Final Quality Attribute for the CBC



Choice-Based Conjoint

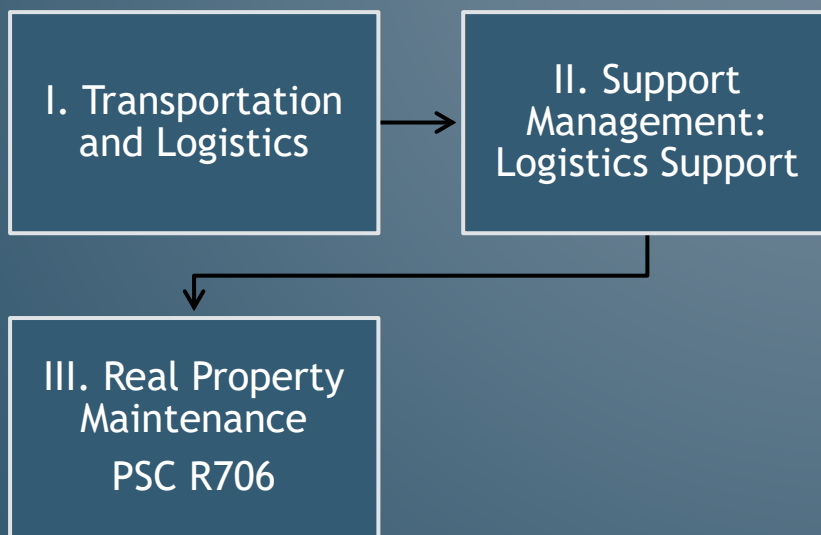
Determine the degree of disconnect between stated preferences during pre-award acquisition phase and actual choice behavior in defense acquisition source selections

CBC Selected Quality Attributes

Attribute	Explanation from Interviews	Description to Respondents
Competence	Multiple interviewees stressed the importance that contractors needed to demonstrate capability and they have the capacity to perform the required service.	Real Property Maintenance firm's employees applied existing best practices to execute requirements on past contracts.
Reliability	Multiple interviewees stated they seek contractors that perform how they state they [contractors] can perform.	Real Property Maintenance firm demonstrated an ability to perform dependably and accurately on previous contracts
Tangibles	Multiple interviewees stated they need contractors that can accurately and demonstrably provide the manpower and materials required to perform the needed service.	Real Property Maintenance firm demonstrated they have the facilities, equipment, personnel, and communication materials needed to complete the service.
Responsiveness	Multiple interviewees stated that contractors chosen through LPTA evaluations failed to provide the needed qualitative, technical capabilities. Interviewees now aim to find those firms that understand the requirement and will take their service to the next level to meet that requirement, even if that means a higher price.	Real Property Maintenance firm demonstrated willingness to help customers and provide prompt service on previous contracts.

Results -
Interviews &
Spend/Data
Analysis

CBC Selected Service



CBC Selected Price Attributes

Attribute Levels	Total Contract Price with 6-Month Service Extension [Description to Respondents]
Low Price (1)	\$4.12 Million
Low Price (2)	\$4.37 Million
Average Price	\$4.94 Million
High Price (1)	\$5.09 Million
High Price (2)	\$5.14 Million

If these were your only options, which would you choose? **Note: You can hover over ALL attributes (left) to review definitions of each.**

(1 of 12)

	Contractor 1	Contractor 2	Contractor 3
Price	\$4.12M	\$5.09M	\$5.09M
Tangibles	Low	Reasonable	Neutral
Reliability	Reasonable	High	Reasonable
Responsiveness	Low	Neutral	Neutral
Competence	High	Reasonable	High
	Select	Select	Select
Option 4			
NONE: I wouldn't choose any of these.			
Select			



CBC Choice Scenario Example

CBC Attribute Level Ratings

Streamlined Scale Rating	Adjectival Rating from DOD Source Selection Guide Table 5	Description to Respondents
High	Substantial Confidence	Based on the offeror's recent/relevant performance record, the Government has a high expectation that the offeror will successfully perform the required effort.
Reasonable	Satisfactory Confidence	Based on the offeror's recent/relevant performance record, the Government has a reasonable expectation that the offeror will successfully perform the required effort.
Low	Limited Confidence	Based on the offeror's recent/relevant performance record, the Government has a low expectation that the offeror will successfully perform the required effort. [NOTE: A low rating does not mean the offer is unacceptable]
Neutral	Neutral Confidence	No recent/relevant performance record is available, or the offeror's performance record is so sparse that no meaningful confidence assessment rating can be reasonably assigned. The offeror may not be evaluated favorably or unfavorably on the factor of past performance.

Layout of Choice-Based Conjoint Exercise

Rank Order Exercise

The team is interested to know what you believe are the most important aspects of selecting a logistics-based service provider in a price performance tradeoff. Below are (7) responses that include five (5) perceived quality attributes, price, and an option for "Other option not listed". Please place each item in order of importance from 1-Most important to 7-Least important.

Items to Rank	Most Preferred
Price	
Firm has the facilities, equipment, personnel, and communication materials needed to complete the service.	
Firm demonstrates an ability to perform dependably and accurately.	
Firm has a willingness to help customers and provide prompt service.	
RPM firm's employees applied existing and innovative best practices to execute requirements on past contracts.	
Other Option Not Listed.	
	Least Preferred

Respondent 2	1	2	3	4	5
CBC Rank	Price	Reliability	Competence	Tangibles	Responsiveness
# Matched	2 of 5		Position(s) Held: Program Manager w/out RPM or USTRANSCOM-Related Svc. (18 Years)		
% Match	40%				

The disconnect between the stated preferences of respondents and actual choice behavior could be confirmed and measured at over three times the rate at which respondents, and their stated level of attribute importance, matched their choice behaviors.

Overall Match Rate Trends:

0 of 30 Respondents got 100% Match Rate (5 of 5 Matches)

0 of 30 Respondents got 80% Match Rate (4 of 5 Matches)

5 of 30 Respondents got 60% Match Rate (3 of 5 Matches)

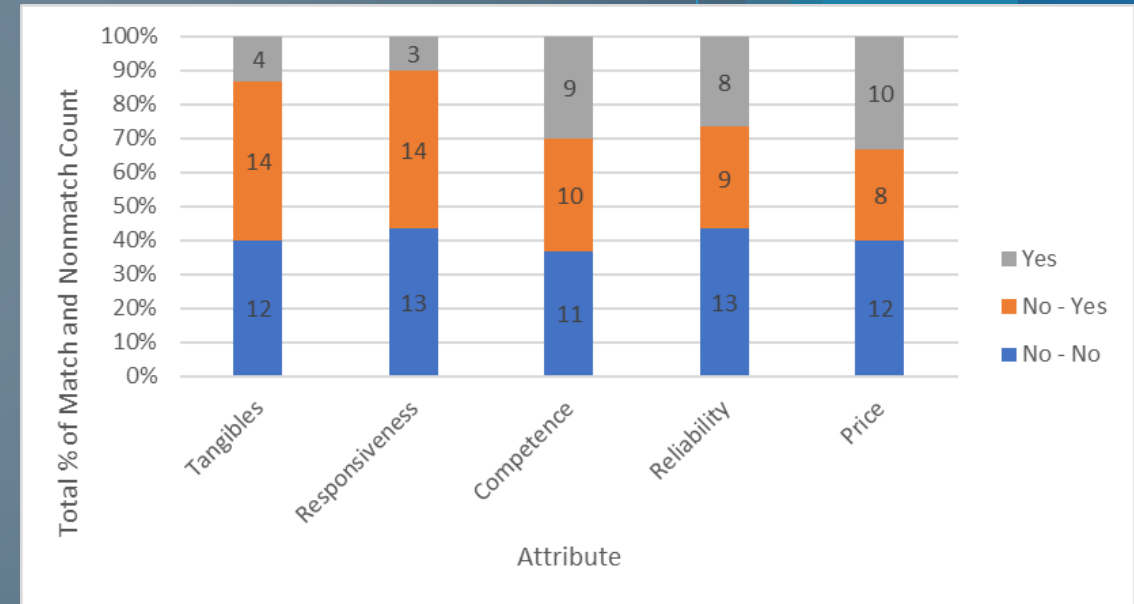
5 of 30 Respondents got 40% Match Rate (2 of 5 Matches)

10 of 30 Respondents got 20% Match Rate (1 of 5 Matches)

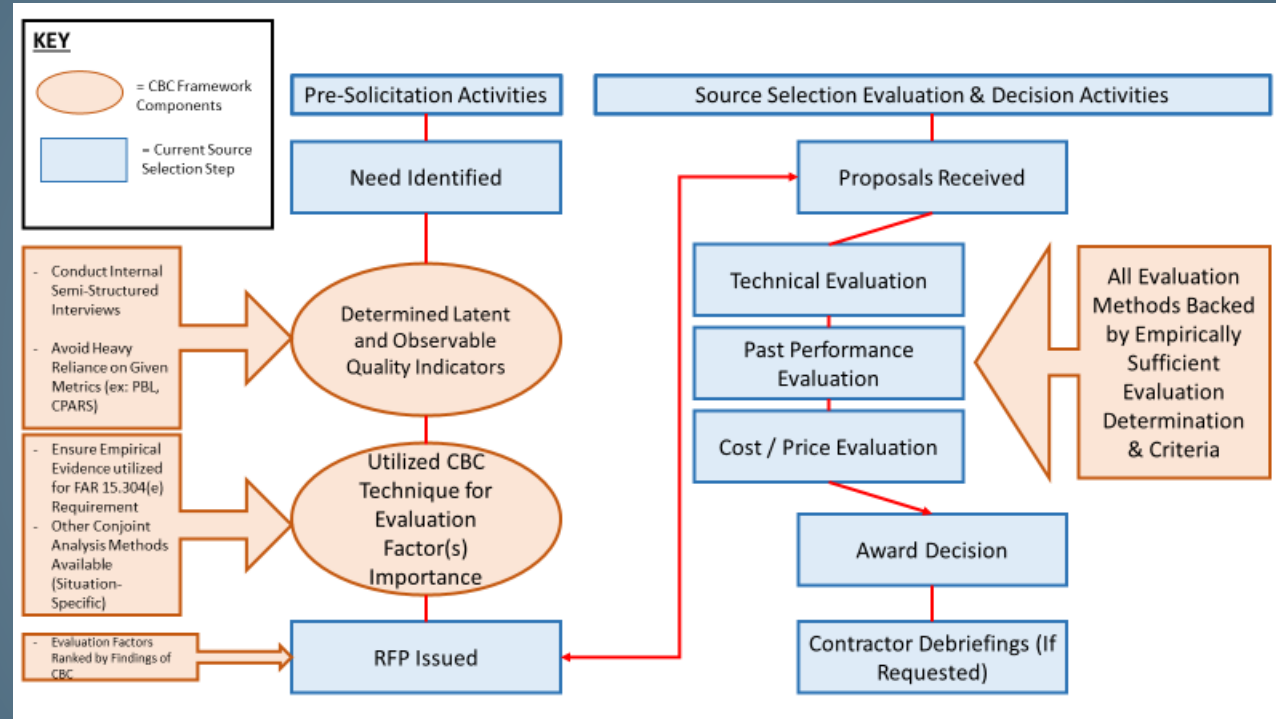
10 of 30 Respondents got 0% Match Rate (0 of 5 Matches)

Results -
Choice-Based
Conjoint

Inclusive Proximal Match Comparison by Attribute



CBC Framework for Current DoD Source Selection Procedures



Recommendations
&
Takeaways

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