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Risk Based Source Selection

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Panel Approach

- ***A Case Study*** using the DDG 1000 program as an example of RBSS implementation
- ***Objective:***
 - Communicate the business approach
 - Illustrate the benefits via actual program outcomes
- ***Panel Composition:***
 - Skip Hawthorne—OUSD(AT&L)/DPAP
 - Joe Horvath—DDG 1000 Dep Tech Director
 - Chris Deegan—Navy Cost Estimating Staff
 - Brian Wells—Raytheon Systems Engineering and Requirements



Risk Based Source Selection in Context

- **Definition**
 - AT&L Led DoD “Implement Now” QDR Initiative
- **Scoping**
 - One of Acquisition “Tool Kit” Initiatives
- **Projected Outcomes**
 - Reduced technical and managerial risk, refined requirements, improved cost estimation, and informed source selection
- **Relationship to Tactical Acquisition Management**
 - One of the Program Managers’ and Milestone Decision Authorities’ Tools



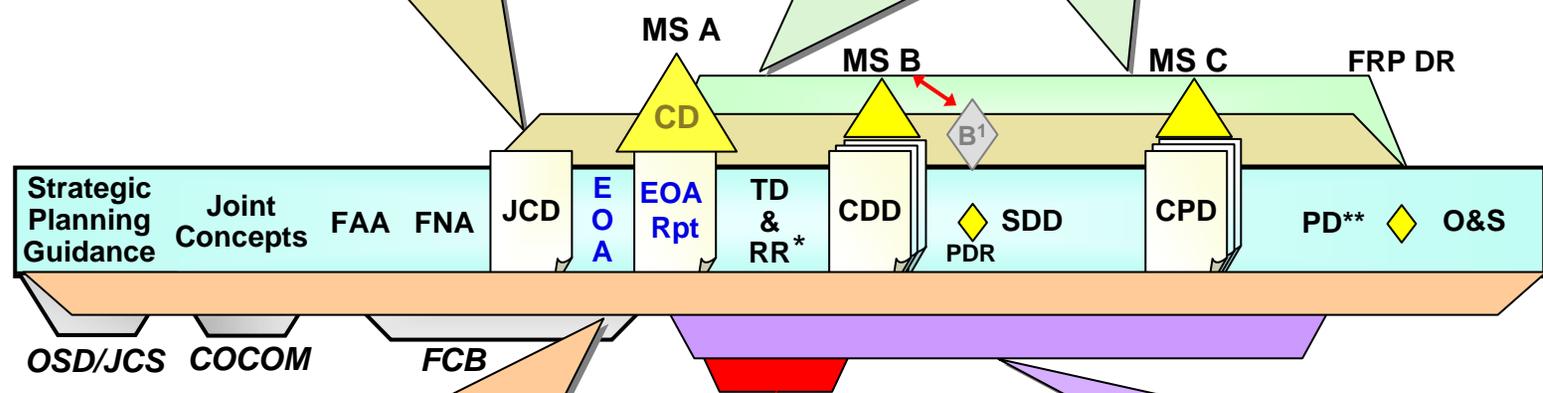
Improving Strategic & Tactical Acquisition Excellence

An Evolving Toolkit

1. TRI-CHAIR CONCEPT DECISION / TIME-DEFINED ACQUISITION

3. TRI CHAIR INVESTMENT BALANCE REVIEWS
4. PROGRAM BASELINE ASSURANCE

2. CAPITAL ACCOUNTS



5. SYSTEMS AND SOFTWARE ENGINEERING CENTER OF EXCELLENCE

7. RESTRUCTURED DAES
8. DAB / OIPT OPTIMIZATION
9. AWARD FEE POLICY

6. RISK BASED SOURCE SELECTION

10. ACQUISITION OF SERVICES

* Technology Development and Risk Reduction

** Production and Deployment



A “Working” Description of the Process

One or more approved and funded pre-initiation efforts designed to reduce technical risk, enhance requirements definition, improve cost estimation, refine evaluation criteria, quantify proposal risk, and improve post-initiation program stability.



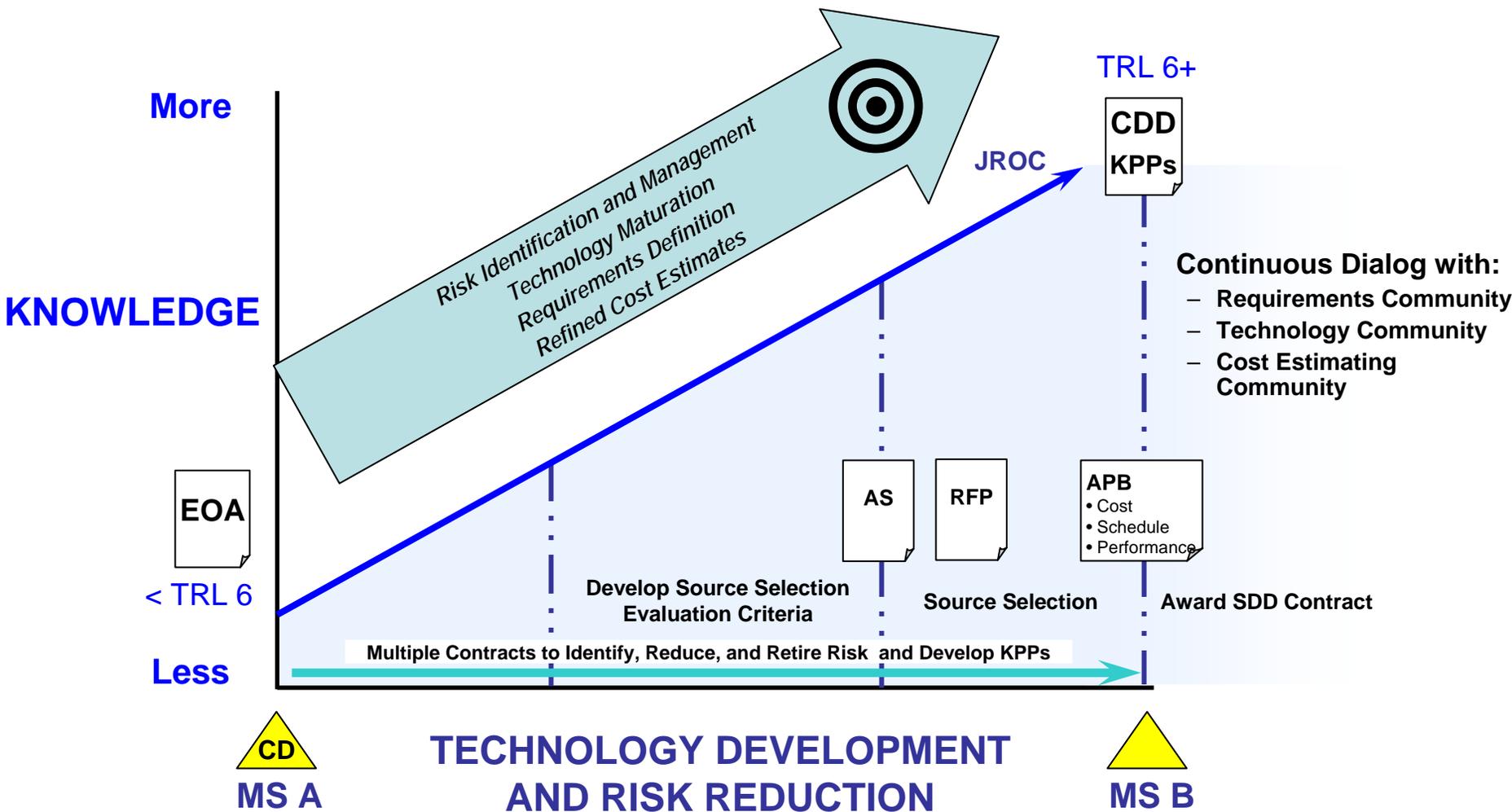
Why do Risk Based Source Selection?

- **Mature Technology Critical at Program Initiation**
- **Early Opportunity to make Requirements Trades**
- **Actuals-based Cost Estimation**
- **Refined Requests for Proposal**
- **Informed Discussions with Industry**

More Stable and Predictable Program Outcomes



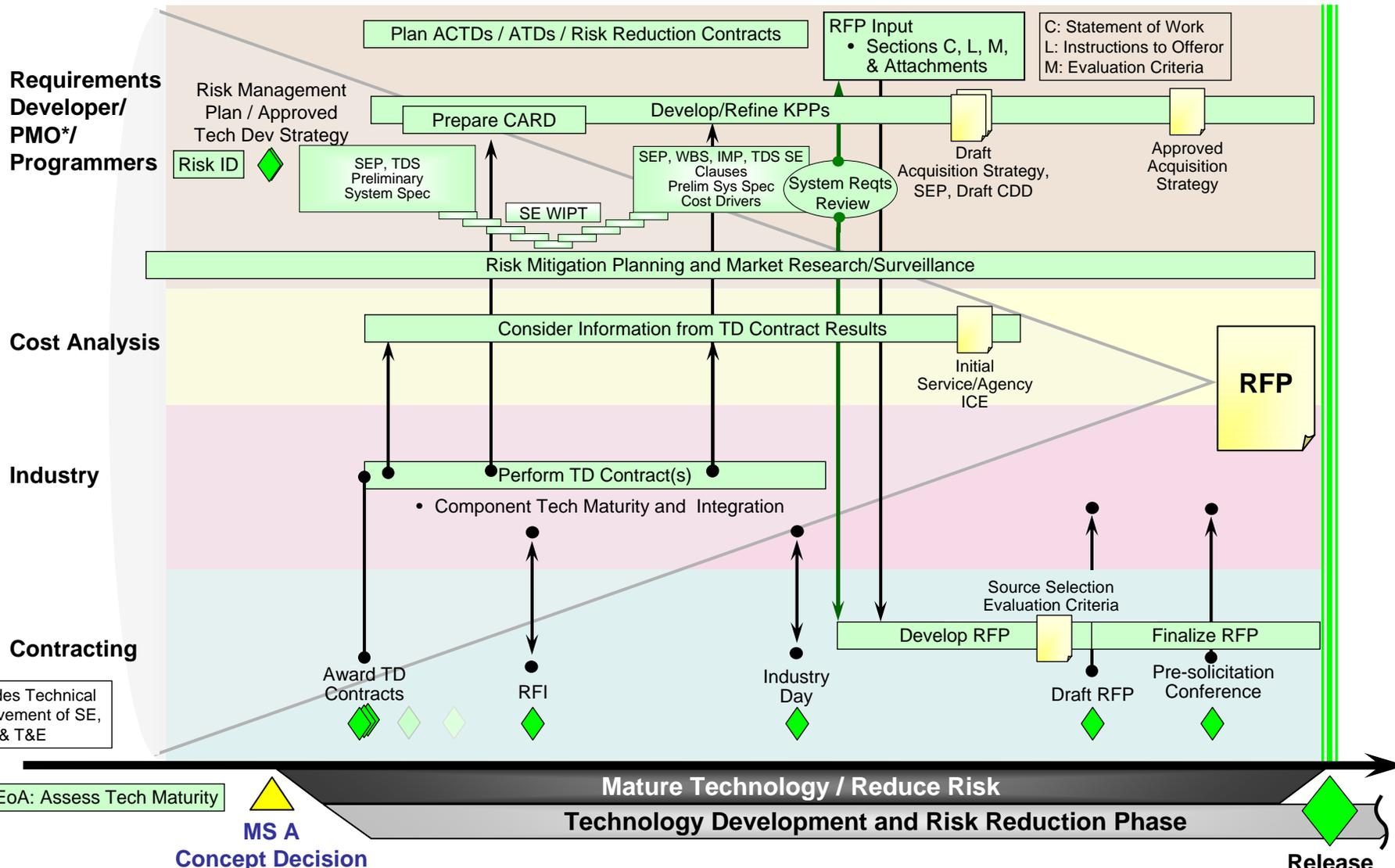
RBSS Notional Approach





RBSS Business Practice: Pre-RFP

COMMUNITIES

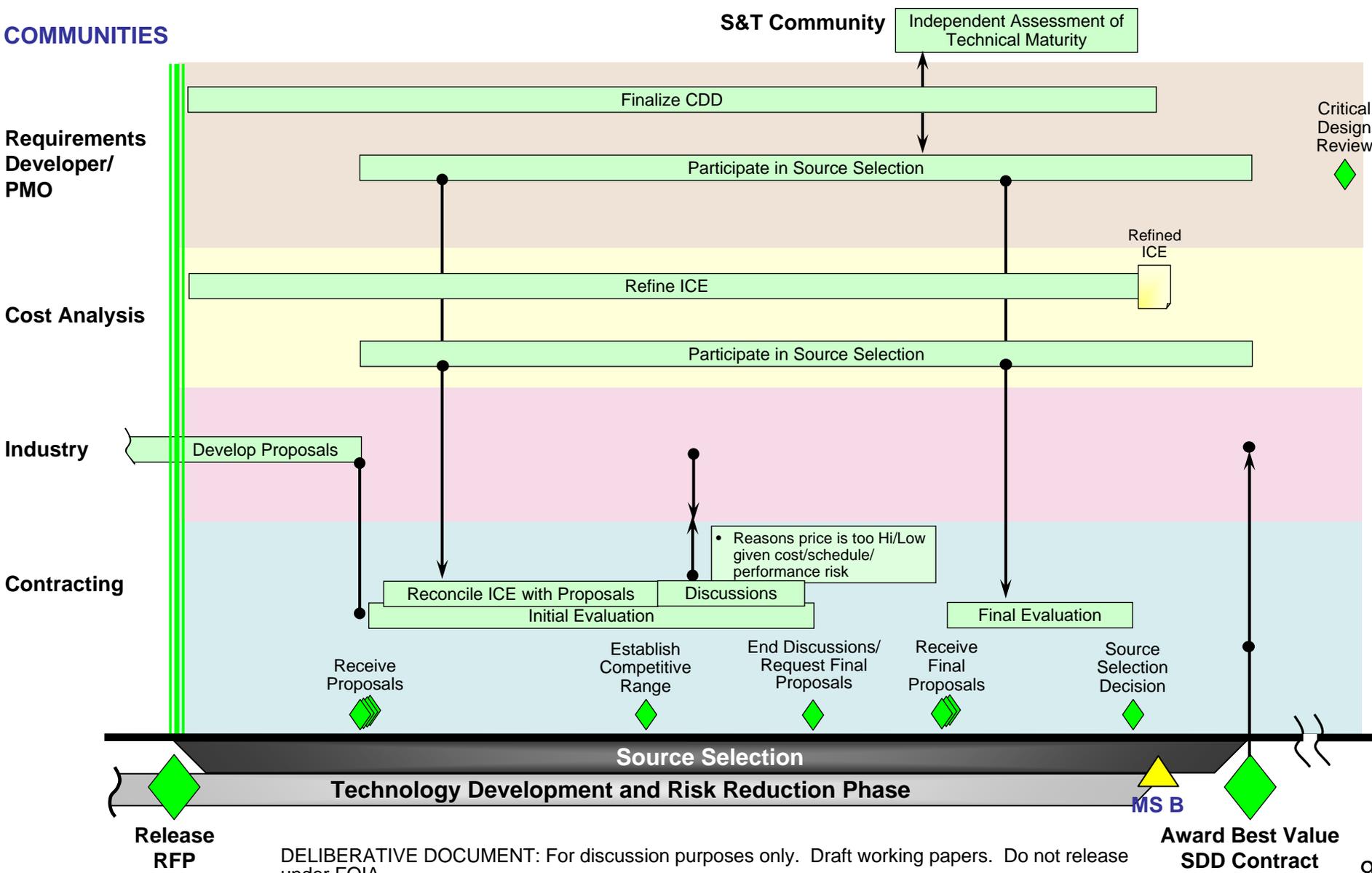


* Includes Technical Involvement of SE, Log, & T&E



RBSS Business Practice: Post RFP

COMMUNITIES





Next Steps

- **Refine Concept / Business Rules**
- **Consider Implementation Issues**
- **Craft Policy Language**
- **USD(AT&L): Identify “Case Studies”**
 - **DDG 1000**