



# Department of the Navy Office of Small Business Programs



# DEPARTMENT OF THE NAVY SMALL BUSINESS ENTERPRISE



## *Strategic Plan* *FY 2017-2018*

**SMALL BUSINESS – THE FIRST OPTION**



# Message from the Director

## Department of the Navy

### Office of Small Business Programs

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In the current environment of shrinking budgets, escalating costs and need for affordability, small businesses represent a significant value that should be embraced. When I became the Director of the Department of the Navy Office of Small Business Programs (DON OSBP), I established a vision to create a culture of small business inclusiveness across the DON. In order to achieve this end, we needed a road map that codifies our values, defines our mission, and gives direction to our efforts. Through the hard work of my headquarters office, the Associate Directors and their staffs, and Small Business Professionals across the DON, we captured the road map in this DON Small Business Enterprise Strategic Plan. This plan will allow us to cultivate a DON-wide community that is inclusive of small business throughout the acquisition lifecycle. Our motto, "*Small Business-The First Option*" is not just a slogan, it is the very essence of everything we do as acquisition professionals by "tapping into" the advantage, innovation, agility, responsiveness and competition that small businesses bring to the fight.

In looking at both our short and long-term objectives, we carefully chose our vision, mission, motto, strategy, focus areas and values that address both the current and future direction of the enterprise.

We believe that small business inclusion is, and will continue to be, an integral part of the acquisition process. This strategic framework ensures a successful mission for DON OSBP and will help create a culture that weaves small business into the fabric of the DON across the requirements definition phase and the acquisition lifecycle to provide better, faster, innovative, and more affordable solutions.

I want to hear your thoughts and ideas on how we can make "*Small Business -The First Option*" a reality. Contact me at [Emily.Harman@navy.mil](mailto:Emily.Harman@navy.mil). Please stay in touch by connecting with the DON OSBP via twitter @DON\_OSBP and Facebook <https://www.facebook.com/NAVYOSBP>. If you want to know how to get involved, please contact us for Rotational and Shadowing opportunities.

Through this plan, we can build a culture that allows us to meet the challenges of tomorrow by leveraging small business as a strategic advantage.



A handwritten signature in black ink that reads "Emily Harman".

Emily Harman



# Message from the Director,

## Department of the Navy Small Business Innovation Research (SBIR)/ Small Business Technology Transfer (STTR)

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Small businesses participation in SBIR and STTR helps fill critical innovation and Research & Development needs for the Department of the Navy (DON). The ultimate goal is to commercialize (Phase III) SBIR-developed technology into a DON platform or weapons /communication system, or for facilities use in expeditionary bases in new “pivot” locales in Africa and Asia.

SBIR/STTR is an acquisition driven process with strong technology pull. We have \$300M+ annual funding supporting small business innovation and research, with a wide range of SBIR/STTR topics driven by Program Executive Officers, Program Managers, and Future Naval Capabilities specific needs.

The SBIR/STTR offices connect small businesses with program managers, science and technology managers and technical warrant holders. We foster the relationship between Navy and the company and teach these companies how to transition or find new ways to apply their technology.

This Strategic Plan will foster a DON culture that builds industry partnerships and advances our pioneering work. By leveraging our strengths and elevating our teamwork, we can realize our vision for the Small Business Enterprise.



A handwritten signature in black ink, appearing to read "Bob Smith".

Bob Smith





# Department of the Navy Small Business Enterprise



The Department of the Navy's (DON) Small Business Enterprise consists of all personnel who work with or are affected by Small Business and Small Business Programs. It is as diverse as the DON itself, touching all aspects of the Navy and Marine Corps, and every demographic. This graphic represents the numerous DON personnel & career fields who are part of the DON Small Business Enterprise:

## *International Acquisition*

Small Business Alternates

**PROGRAM MANAGERS**

**Marines**

Information Technology/Cyber Specialists

Program Executive Officers

Science & Technology Engineers

Acquisition Workforce

**Sailors**

**SMALL BUSINESS PROFESSIONALS**

**CONTRACT SPECIALISTS**

Requirements Officers

life Cycle logisticians

Facilities Engineers

Test & Evaluation Engineers

Small Business Advocates

**Deputy Program Managers**



# Small Business – The First Option

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## Why Small Business is the first option

15 U.S. Code § 631(a)

-“aid, counsel, assist, and protect, insofar as is possible, the interests of small-business concerns in order to preserve free competitive enterprise...”

-“maintain and strengthen the overall economy of the nation. “

*“Small businesses are the backbone of our economy and the cornerstones of our communities. They create two of every three new jobs in America, spur economic growth, and spark new industries across the country. We will continue to create new incentives to help small business owners hire new workers, promote growth and do what America does best - invest in the creativity and imagination of our people.”*

President Barack Obama

*“Small businesses remain one of DoD’s most productive sources of innovation - in services as well as in products.” -Better Buying Power 3.0*

The Honorable Frank Kendall,  
Under Secretary of Defense  
for Acquisition, Technology and Logistics

*“Small businesses provide a competitive alternative for better or more innovative capabilities at sometimes exponentially lower costs.”*

The Honorable Janine Davidson,  
Under Secretary of the Navy

*“The evidence is overwhelming that where affordability is paramount, a strategy that involves Small Business creates affordable outcomes and promotes innovation and technical advancement.”*

The Honorable Sean J. Stackley,  
Assistant Secretary of the Navy  
(Research, Development and Acquisition)



# Small Business 101

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## History

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Congress recognized in the Small Business Mobilization Act of 1942, that small business did not have "economies of scale" necessary to compete with large companies and that a price differential might be required to keep such companies mobilized in support of war efforts. The Armed Services Procurement Act of 1947 established "...a fair proportion of total Federal purchases and contracts be placed with small business concerns" in peacetime and wartime. The 82nd Congress in 1951 determined in the early years of World War II that 100 large corporations received 67% of Federal prime contracts while 1/6th of Nation's small businesses closed their doors. Congress declared this mistake must not be repeated and that our mobilization program must extend down to small businesses because they are the major source of our productive strength. The Small Business Act of 1953 created the Small Business Administration (SBA). It was later revised in 1978 to establish Federal prime contract and subcontracting goals.

Federal Acquisition Regulation (FAR) 19.201 – The Government's (Department of the Navy's) policy is to provide "maximum practicable" prime and subcontract opportunities to small business. Goals & targets are assigned in various small business categories to ensure this policy is fulfilled. The Department of the Navy's Office of Small Business Programs (DON OSBP) actively supports the Secretary of the Navy's objective to "identify and develop small business concerns that support the Navy-Marine Corps force for tomorrow" through outreach, training and counseling.

## Socio-economic Small Business Programs

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### **Veteran/Service Disabled Veteran Owned Small Business Program (VOSB/SDVOSB):**

The Veterans Benefit Act of 2003 created a procurement program to enhance business opportunities for small business concerns owned and controlled by service-disabled veterans to provide Federal contracting opportunities. The Act enables service disabled veteran owned small businesses (SDVOSB) to participate in restricted competition and receive sole source contracts for goods and services used by the U.S. Government.

### **Women-Owned Small Business Program (WOSB):**

The Small Business Act implemented procedures to help ensure a level playing field on which Women-Owned Small Businesses (WOSB) can compete for Federal contracting opportunities. The WOSB Program is a program that authorizes contracting officers to restrict certain requirements for competition solely amongst WOSBs or economically disadvantaged women-owned small businesses (EDWOSBs).

### **Historically Underutilized Business Zone Small Business Program (HUBZone):**

The Historically Underutilized Business Zone (HUBZone) Program encourages economic development in HUBZones. Its purpose is to promote economic development and employment growth in distressed areas by providing Small Business Concerns (SBC's) in those areas access to more federal contracting opportunities. Program benefits include restricted competition/set-asides and sole-source awards for federal procurements, and price evaluation preference on unrestricted procurements.



# Small Business 101

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## Socio-economic Small Business Programs (continued)

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### **Small Disadvantaged Business (SDB) & 8(a) Business Development Program:**

A Small Disadvantaged Business (SDB) is a small business owned and controlled by socially and economically disadvantaged individuals. The following designated groups are presumed to be disadvantaged: African Americans, Hispanic Americans, Native Americans (American Indians, Native Alaskans, Aleuts, and Native Hawaiians), and Asian Pacific Americans. SDB status makes a company eligible for bidding and contracting benefit programs involved with federal procurement. One of these benefits is the opportunity to apply/qualify for the 8(a) Business Development Program. Named for Section 8(a) of the Small Business Act, this program was created to help small and disadvantaged businesses compete in the marketplace. Participants can receive sole-source contracts, up to a ceiling of \$4 million for goods and services and \$6.5 million for manufacturing.

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## Other Small Business Programs

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### **Mentor-Protégé Program:**

The DON Mentor-Protégé Program assists small businesses (Protégés) to successfully compete for prime contract and subcontract awards by partnering with large companies (Mentors) under individual, project-based Agreements.

### **Small Business Innovation Research (SBIR) / Small Business Technology Transfer (STTR):**

The Small Business Innovation Research (SBIR) program was established by Congress in 1982 with a statutory purpose to strengthen the role of innovative small business concerns (SBCs) in Federally-funded research or research and development (R/R&D). Through the Department of the Navy's (DON) Small Business Innovation Research (SBIR) Program, small businesses of 500 employees or less have the opportunity to address naval needs in more than thirty science and technology areas.

Specific program purposes are to:

1. Stimulate technological innovation
2. Use small business to meet Federal R/R&D needs
3. Foster and encourage participation by socially and economically disadvantaged SBCs in working in technological innovation
4. Increase private sector commercialization of innovations derived from Federal R/R&D, thereby increasing competition, productivity and economic growth

Similar to the SBIR Program, the Navy Small Business Technology Transfer (STTR) Program fosters transitions of joint efforts between qualified small businesses and research institutions to the Navy and Marine Corps. A major difference in the two programs is that the STTR requires the small business to have a research partner consisting of a University, Federally Funded Research and Development Center (FFRDC), or a qualified non-profit research institution. Although the DON's SBIR and STTR programs are a component of the overall Department of Defense (DoD) SBIR/STTR program, the DON's program is targeted at addressing the needs and areas of interest to the DON and its System Commands (SYSCOMS).

# Department of the Navy Small Business Enterprise Strategic Framework

## VISION

*To influence change and create a culture of small business inclusiveness across the Department of the Navy*

## MISSION

*The DON Small Business Enterprise fosters acquisition opportunities where small businesses can best support Sailors, Marines, and their families through policy, advocacy, counseling & training*

Motto

**“Small Business – The First Option”**

Strategy

Foster a DON-wide culture that meets the challenges of tomorrow by leveraging Small Business as a strategic advantage

Focus Areas

Professional Workforce Development

Build Partnerships in the Acquisition Process

Optimize Communications

Values

Leadership  
Professionalism

Integrity  
Customer Focus

Advocacy  
Innovation

**SMALL BUSINESS – THE FIRST OPTION**







# Department of the Navy Small Business Enterprise Focus Areas & Objectives

## Professional Workforce Development

### Objectives

- Implement the New Small Business Career Field
- Establish a Mentoring Program for DON Small Business Professionals
- Create a Cadre of Small Business Advocates Through Rotational Opportunities to DON OSBP and within the Commands
- Establish the Small Business Knowledge Management Portal

## Build Partnerships in the Acquisition Process

### Objectives

- Help Program Managers Identify Small Business Break Out Opportunities
- Increase Collaboration between Small Business Innovation Research Program Managers and Small Business Professionals
- Assist Heads of Contracting Activities & Program Executive Officers with Small Business Strategies
- Provide Tools for the Acquisition Workforce to Enhance Market Research
- Improve Visibility of Small Business Data within the DON
- Provide Training for Acquisition Career Fields on Small Business Programs
- Promote Awareness of the Evaluation of Small Business Participation in DON Procurements through Collaboration, Examples and Training Materials for DON Small Business Professionals

## Optimize Communications

### Objectives

- Develop and Implement a Strategic Communication Plan to Engage All Stakeholders
- Optimize Internal & External Guidance and Communication on Small Business Related Policy/ Topics
- Build Partnerships with Small Business Administration Procurement Technical Assistance Centers (PTAC), Small Business Development Centers (SBDC), and Regional Innovation Clusters
- Create & Implement Guidance/ Training to Correct Systemic Deficiencies Identified during Procurement Performance Reviews & Surveillance Reviews



# Small Business Professional Values

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*Core values give a community an identity and build an organizational culture. They are the foundation for the organization, and the bedrock on which our strategy is built. Here are the values that epitomize the Department of the Navy's Small Business Professionals.*

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## **Leadership**

Leadership involves establishing a clear vision, encouraging others so that they willingly follow the vision, providing tools to realize that vision, and coordinating and balancing the conflicts among stakeholders. As a leader we will embrace change, and remain adaptable and flexible even in difficult situations.

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## **Professionalism**

Professionalism is the level of excellence or competence that is expected of a professional. In order to attain and maintain excellence, we must engage in life long learning.

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## **Integrity**

Integrity is the adherence to moral and ethical principles. We must have integrity and be accountable for our actions.

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## **Customer Focus**

We strive to put the customer at the focus of our efforts, ensuring we support them at all times. This includes service after the sale, continuing to follow up with the customer to ensure that they are not forgotten afterwards, and always being responsive.

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## **Advocacy**

We advocate for small business, ensuring we are not merely meeting a goal, but leveraging Small Business as a primary option due to their affordability, agility and innovativeness.

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## **Innovation**

Our Sailors and Marines require solutions that are increasingly complex, interoperable and highly technical. We need to be more innovative in order to meet and exceed the warfighter requirements to achieve mission success. We are building partnerships to foster this culture of innovation.



# Small Business Professional Government Customer Expectations

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"As Small Business Professionals, our jobs are to build relationships within DoD and industry."

Mr. Kenyata Wesley  
Acting Director, Department of Defense  
Office of Small Business Programs

*Small Business Professionals (SBPs) are responsible for leading the acquisition workforce to maximize small business opportunities and achieve success in DON mission and goals.*

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## **What should government customers expect from DON Small Business Professionals?**

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Program managers should expect Department of the Navy's (DON) Small Business Professionals to justify any recommendations for the use of small business in terms of how it benefits the program and the Defense industrial base, not simply in terms of meeting small business annual goals. DON Small Business Professionals should provide recommendations that use the advantages of small businesses to directly increase the strategic strength, effectiveness, or efficiency of the program.

Your Small Business Office should provide you with the following:

- An overview of Small Business Programs, such as SBIR or Mentor-Protégé Program, which may be relevant to your program.
- Near-expert insights on the providers of products and services in the part of the industrial base associated with your program.
- Meet with small businesses to ensure they are ready to meet with you.
- Assistance in conducting Market Research to support Acquisition Strategies and to stay abreast of the industrial base in general, particularly the Small Business industrial base.
- Insights on how Prime contractors are using small businesses as subcontractors.
- Small business goals for your organization and your program's contribution to achieving small business goals.
- Answers to any process questions associated with an Acquisition Strategy such as Subcontracting considerations.
- Answers to any process questions associated with Contracting such as the responsibilities associated with completing the Small Business Coordination Record (DD 2579).
- Advice regarding contract bundling or consolidation.



# Department of the Navy Small Business Professionals

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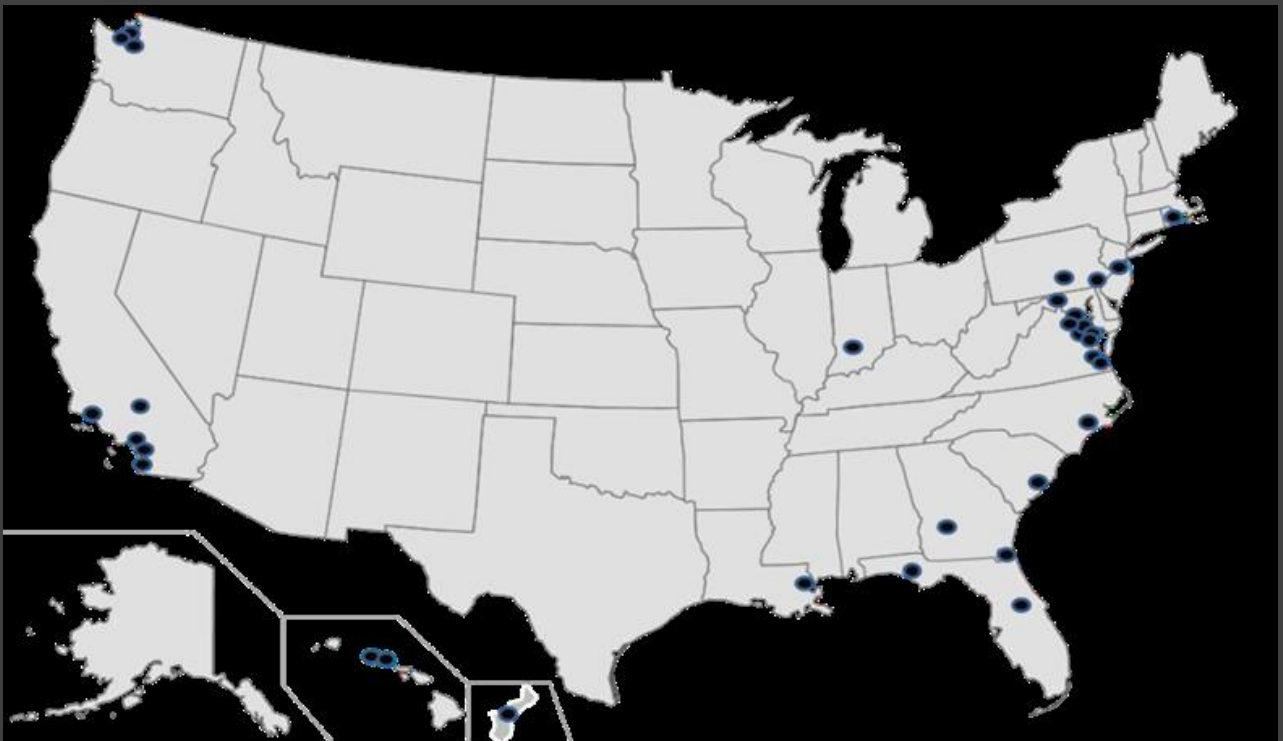


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## Where can I find Department of the Navy Small Business Professionals?

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Department of the Navy (DON) Small Business Professionals are located in all 10 of the DON's buying commands, in the DON Office of Small Business Programs, and other locations. Below is a map showing the principal SBP locations throughout the United States.



Contact information for Small Business Professionals can be found at the DON OSBP website:

<http://smallbusiness.navy.mil>

**SMALL BUSINESS – THE FIRST OPTION**



# Small Business Advocates

## Who are Small Business Advocates?



In the Department of the Navy (DON), the Small Business Professional (SBP) is the primary catalyst for building the culture of inclusiveness for Small Business. However, with only 76 SBPs in the Navy and Marine Corps, we can't do it alone. The DON needs a cadre of supporters who can educate and advocate for Small Business. These Small Business Advocates are you, me, and everyone else who understands the importance of Small Business. Together we will build a new culture that will achieve the vision of small business inclusiveness across the DON.

## How do I become a Small Business Advocate?



You become a Small Business Advocate by educating yourself or others on the agility, responsiveness, innovativeness, competitiveness, and affordability of Small Business. With their solutions, Small Businesses not only provide products and services to Sailors and Marines, they also build a robust industrial base and spur economic growth for America. Through Department of the Navy Office of Small Business Programs (DON OSBP) Rotational assignments, we are creating more Small Business Advocates who are returning to their parent commands or going on to new assignments with the knowledge, understanding and support of Small Business Programs.



## DON OSBP Rotational Assignments



We need YOU to help us create a culture of small business inclusiveness across the DON!

The DON OSBP's Rotational Excellence Program (REP) provides developmental opportunities for military and civilian government employees. Rotation assignments are temporary and can vary in duration and participants return to their original position at the end of the assignment. Rotational assignments offer the participant an opportunity to gain a broader perspective of the DON's Small Business Program, insight into Small Business's contributions to the defense industrial base and the DON's mission, the workings of the legislative process, and enhanced communication skills.

Contact the DON OSBP at [small\\_business@navy.mil](mailto:small_business@navy.mil) or (202) 685-6485, or your Command's OSBP Associate Director for more information on the program, including how to apply for the REP.



# Department of the Navy Office of Small Business Programs



# SMALL BUSINESS



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<http://smallbusiness.navy.mil>  
<http://www.navysbir.com>



<https://www.facebook.com/NAVYOSBP>



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