

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A)

For

Other Than Full and Open Competition (>\$150K)

Acquisition Plan Action ID: VA701-18-AP-0408

1. **Contracting Activity:** Department of Veterans Affairs, Veterans Health Administration (VHA), Program Contracting Activity Central (PCAC), 6150 Oak Tree Blvd, Suite 300, Independence, OH 44131. Veterans Health Administration (VHA) National Center for Organization Development (NCOD) offer this Justification for Other Than Full and Open competition. Purchase Request Number is 101-18-3-3783-0138.
2. **Nature and/or Description of the Action Being Processed:** This procurement is for PROSCI™ developed models, tools, training courses, and other materials based on PROSCI™ change management research and methodology with an Independent Government Cost Estimate (IGCE) of approximately \$511,600.00. The proposed action is to provide training that the National Center for Organization Development (NCOD) employees require in order to enhance the use of the PROSCI™ site-wide license, tools and methodology, to help become better equipped to implement organizational change. The proposed action is for a new single award firm-fixed price contract with one (1) 12-month base period plus two (2) 12-month option periods, to be exercised at the discretion of the Government, in accordance with FAR 13.5 Simplified Procedures for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2. The total estimated value of the proposed action is approximately \$511,600.00 inclusive of options.
The total value of the action is \$479,910.00.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The PROSCI™ methodology, combines a framework for individual change readiness with strategies, tactics, and tools for facilitating change. The PROSCI change management methodology is utilized by the Veterans Health Administration (VHA) NCOD employees, including a site wide license for PROSCI™ methodology and tools. The specific services required to meet the agency's needs are standardized trainings, certifications, and workshops, such as PROSCI™ Change Management Certification Program, PROSCI™ Train-the-Trainer Program, Accelerator for Change Practitioner Coaching, Advanced Immersion Workshop, and other miscellaneous program supplies, services, and support, which includes access to the following:
 - Prosci™ Train-the-Trainer Facilitator Guide
 - Prosci™ Train-the-Trainer Support Site
 - Access to live, on-demand support, helping Prosci Change Management Certification graduates implement the Prosci 3-Phase Change Management Methodology
 - Prosci ADKAR® Model and Prosci Change Management Tools
 - One-on-one tailored coaching

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- Access to five (5) PROSCI Portal tools (Change Scorecard, CMROI Calculator, PCT Analyzer, ADKAR Dashboard, and eBest Practices Audit)
- Program workbook and assessments
- Best Practices in Change Management
- Employee's Survival Guide to Change
- Change Management: The People Side of Change
- ADKAR: A Model for Change in Business, Government and our Community
- A subscription to the Prosci Practitioner eToolkit for change managers

The required period of performance is: One (1) 12-month base period plus two (2), 12-month option periods to be exercised at the discretion of the Government.

Base Year: [REDACTED] 09/17/2018 - 09/16/2019
[REDACTED]
[REDACTED]

4. Statutory Authority Permitting Other than Full and Open Competition:

- () (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
- () (2) Unusual and Compelling Urgency per FAR 6.302-2;
- () (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
- () (4) International Agreement per FAR 6.302-4
- () (5) Authorized or Required by Statute FAR 6.302-5;
- () (6) National Security per FAR 6.302-6;
- () (7) Public Interest per FAR 6.302-7;

FAR 13.5 Simplified Procedures for Certain Commercial Items: The authority for applying the Simplified Procedures for Commercial Items of FAR 13.5 is 41 U.S.C. 1901 and is implemented by restricting competition on this procurement via FAR 13.106-1(b)(2).

- 5. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** Leadership within both VA and VHA recognizes the need for improved change management capability and frequently requests NCOD to provide change management support and consultation. This proposed action will immensely expand these services and build field capacity; however, it is critical that the training be compatible with currently used methodology, tools and existing practice and infrastructure in the VA. Since 2013, NCOD has provided individual, project-based consultation using proprietary Prosci™ methods and tools, which were available through prior investments in Prosci's individual user licenses and basic certification training. In 2016, the VA purchased a site wide license for prosci methodology and tools for the VA. NCOD would like to enhance upon this by purchasing additional training to better support and equip NCOD and VA employees as they use the methodology and tools procured in the site wide license to support changes directly and consistently, using a "common language" for change, through the Prosci™ ADKAR® model and tools.

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NCOD has spent the past eight years using ADKAR® as the foundation of change management services, building its expertise in Prosci's change management methodology, and promoting these concepts in both client work and in large-scale presentations, and national level change projects, ultimately building awareness of and desire to apply this method to various critical VA projects and initiatives. With purchase and use of the site wide license, NCOD has continued to expand the change competency of the VA with the use of the Prosci tools and methodology. NCOD has also worked to build a network of VA employees willing to engage in change management as change agents and consultants. NCOD requires additional training opportunities to prepare these individuals to take on greater responsibility related to change management in the across the VA. Such training is only available through Prosci.

Procuring another training for another method that offers some comparable resources and tools, will result in significant disruption, costing both time and money and erosion of previous investments. To contract for similar training for the services offered by Prosci, would cost \$3,500/person for an accreditation program (total of \$336,000 plus travel expenses for 96 participants) plus \$5,300/person for the instructor training (total of \$79,500 plus travel expenses for 15 participants) plus an averaged \$4,800/person per day for individual coaching (total of \$144,000 for one day of coaching for 30 participants). Assuming one coaching engagement a month for 12 months (as offered by Prosci), the cost of coaching from a comparable source would be \$1,728,000. Thus, the total cost of the contract with a comparable source for similar Prosci services (excluding the proprietary change portfolio workshop) would cost a total of \$2,143,500 (change management certification program at \$336,000 plus advanced change management trainer-the-trainer course at \$79,500 plus change practitioner coaching at \$1,728,000).

Thus, procuring all four services (change management certification program, advanced change management trainer-the-trainer course, change practitioner coaching and change portfolio workshop) from Prosci would result in a cost savings of over \$1,600,000 (\$2,143,500 - \$492,860) to the VA.

The time invested for the NCOD staff to learn the Prosci approach has been considerable. The consultant team members have spent time preparing for and attending the certification class, reviewing materials and concepts through in-service retreats and peer coaching, and on-the-job application of these methods in working with clients. Combined, there has been hundreds of work hours devoted to learning and practicing these methods throughout VHA. Additionally, these VA employees have received some training and gained experience on how to use the tools and methodology related to the Prosci methodology. Although there is some amount of conceptual overlap between Prosci™ and comparable sources methodologies, the specific frameworks and language used by each method represents a significant departure from one another so as to be starting over. Any other approach, would require a major step backward from the initial investment of time spent learning and practicing so far; moreover, the time spent learning a new method would disrupt current client work, causing delays of several months or more, and significantly disrupting current change management efforts within the VA, thus causing harm to the government.

NCOD has been working closely with various VA organizations to promulgate awareness, desires and some knowledge of change management methods into routine practice. Since 2016, NCOD has trained over 50 VA employees in the use of the Prosci change management methodology. NCOD has also presented the Prosci methodology to VHA National Leadership Council and partnered with VHA

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program offices (Office of Policy and Planning, Office of Strategic Integration) to apply Prosci change management concepts and tools in support of VHA's operational plan. To start over with another method would create a considerable delay in the ability to support these organizational objectives of at least six months before staff were trained and practiced in a different approach, plus having to develop awareness within and gain buy-in from VHA senior leadership regarding a new method/approach.

Prosci's change management methodology, tools and training are connected to the ADKAR® model of individual change. This method is already used by NCOD in the course of client consultations. Any other methodology will not be compatible with efforts to date.

Accordingly, Prosci is the only firm capable of providing the supplies and services described in Section III above without the Veteran's Health Administration experiencing substantial duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** A special notice was issued announcing the contract action was posted to www.fbo.gov, the Government's point of entry. The Notice of Intent to Sole Source was posted on 08/06/2018. There were zero responses received after posting the Notice of Intent to Sole Source.

Other Actions: By staying connected to the field of change management and associated research, NCOD staff will be aware of changes in the marketplace that would enable future actions to be competed.

7. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** The contracting officer will perform the required analysis to ensure that the price is fair and reasonable. The price analysis will be based on published price lists, offered discounts if any and comparable pricing for similar, web-based resources.

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market research, in accordance with FAR Part 10, was conducted as follows:

(a) FBO.gov

An intent to sole source was posted August 6, 2018, requesting responses to be submitted on or before August 17, 2018 at 2:00 pm EST. Zero responses were received as a result of this posting.

(b) VetBiz.gov

The vendor information page (VIP) at www.vetbiz.gov was queried on August 6, 2018, in an attempt to locate Service-Disabled-Veteran-Owned-Small-Business (SDVOSB) & Veteran-Owned-Small-Business (VOSB) concerns utilizing NAICS code 611430. The search produced 1557 results. One (1) capability statement was submitted. Upon review of the one (1) capability statement received, it was not found capable of Prosci change management methodologies and tools.

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Small-Business (VOSB) concerns utilizing NAICS code 611430. The search produced 1557 results. One (1) capability statement was submitted. Upon review of the one (1) capability statement received, it was not found capable of Prosci change management methodologies and tools.

(c) Small Business Administration Small Dynamic Business

The SBA Dynamic Small Business Search (SBA – DSBS) at <http://dsbs.sba.gov> was queried on August 6, 2018, in an attempt to locate a small business concern utilizing NAICS code 611430 with keywords “Prosci.” The search produced three (3) results. Upon review of the results, zero (0) vendors were found capable of offering the Prosci change management methodologies and tools.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** According to the market research conducted, the various proprietary change management services can only be provided by the manufacturer, Prosci, Inc. There are no resellers of the required materials, trainings, certifications, or workshops.

10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** There was one (1) response received.

- a. Company name: Paradigm Shift – Life Coaching, LLC
Cage code: 73P04
Dun & Bradstreet number: 079220491
Company address: PO box 24701, Dayton, OH 45424
[REDACTED]
Phone number: 1-888-773-5364
[REDACTED]

11. **A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required:** In order to remove or overcome barriers to competition in future acquisitions for this requirement, Industry will be continually perused to see if other solutions are feasible and can be considered as a viable alternative.

12. **Requirements Certification:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

[REDACTED]
[REDACTED]

Date

[REDACTED]
Organizational Development Psychologist
National Center for Organization Development (NCOD)

13. **Approvals in accordance with the VHAPM Part 806.3 OFOC SOP:**

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- a. **Contracting Officer or Designee's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

[Redacted Signature]

Date

Contracting Officer
Program Contracting Activity Central (PCAC)

- b. **One Level Above the Contracting Officer (Required over \$150K but not exceeding \$700K):** I certify the justification meets requirements for other than full and open competition.

[Redacted Signature]

Date

Supervisory Contracting Officer
Program Contracting Activity Central (PCAC)

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