

DEPARTMENT OF VETERANS AFFAIRS
Justification and Approval (J&A)
For
Other Than Full and Open Competition (>SAT)

Acquisition Plan Action ID: 36C24118AP0753

1. **Contracting Activity:** Department of Veterans Affairs, Network Contracting Office 1 (NCO 1), Togus, ME.
2. **Nature and/or Description of the Action Being Processed:** This request is for a new, noncompetitive, firm fixed price, commercial item contract with Iron Sword Enterprises, LLC to equip and enable the VA Medical Centers in the New England Health Care System with the competencies necessary to achieve and sustain transformational culture change and increased employee engagement. VA requires a system wide approach to transformation that encourages and enables information sharing on issues and resulting solutions, and instills a culture of process improvement that is self-sustaining. It is VISN 1's intent to replicate the success from Iron Sword Enterprises, LLC's work in the Oklahoma VA at four VA Medical Centers in the New England Health Care System (VAMC Manchester with Options included to provide services at VAMCs Togus, White River Junction and Bedford). The total estimated cost is \$2,798,400.00.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** This procurement is for a program that promotes culture change. It seeks to identify and implement major transformational initiatives using the Kotter 8-steps for Leading Change methodology. The program will build leadership capabilities through coaching and training, decrease employee fear and improve psychological safety. The vendor will implement a self-sustaining process for motivating and engaging employees in a process of continuous improvement at all levels, increase employees willingness to speak up when they have any patient care concerns, and ensure activities and outcomes are captured and communicated in a way that enables VA to replicate the change at other VA medical centers.
4. **Statutory Authority Permitting Other than Full and Open Competition:** 41 USC §3304(a)(5), 38 U.S. Code § 8127, as implemented by FAR 6.302-5 (Authorized or Required by Statute). COs may use the non-competitive (sole source) procedures authorized in VAAR 819.7007 or 819.7008 up to \$5,000,000. Check the specific VAAR clause used below:

 (X) 819.7007 Sole source awards to a verified service-disabled veteran-owned small business;
 or
 () 819.7008 Sole source awards to a verified veteran-owned small business
5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** In accordance with VAAR 819.7007 (b) The contracting officer's determination to make a sole source award is a business decision wholly within the discretion of the contracting officer. Iron Sword Enterprises, LLC has been determined to be a responsible source with respect to performance. The firm has successfully

performed cultural transformational services for the VAMC Oklahoma. Iron Sword Enterprises LLC is a small business under NAICS 541611 and is a verified Service Disabled Veteran Owned Small Business as confirmed on the Center for Veterans Enterprise Vendor Information Pages (VIP) database at <http://www.vetbiz.gov>.

It is in the best interest of the U.S. Government to award to Iron Sword Enterprises, LLC due to the vendor's demonstrated success at other VA Hospitals. Iron Sword's approach is currently in-use at the Oklahoma VA Hospital and has been validated through other VA team's observation as well as VISN 1 representative observation. Furthermore, it is a process that has the support of Oklahoma VA participants as evidenced through ad-hoc interviews and surveys.


Utilizing a system that is already in-place and demonstrating results will cut costs and inefficiencies to the government by standardizing a single methodological approach to the process of culture change. Accordingly, Iron Sword Enterprise, LLC is capable of providing the supplies and services described above without the Veteran's Health Administration experiencing substantial duplication of cost that could not be expected to be recovered through competition.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Market research indicated that there are other firms that provide change management services. However, utilizing a system that is already in-place and demonstrating results will cut costs and inefficiencies to the government by standardizing a single methodological approach to the process of culture change. Iron Sword Enterprises, LLC's SDVOSB status was confirmed through the Center for Veterans Enterprise Vendor Information Pages. As required by VAAR 819.7007 (Sole source awards to verified service-disabled veteran-owned small businesses), this justification will be posted in accordance with FAR 5.301(d).
7. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** Price fair and reasonableness will be determined by comparing the proposed prices to prices in other government contracts for similar services.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** There are many Change Management Consultant groups. Each of these groups utilizes a particular methodology to effect change in an organization. Utilizing Iron Sword Enterprises, LLC to provide the Kotter Approach, which is successfully in-place with GSA, VISN 19 and Oklahoma VA, would increase standardization bringing efficiencies and cost savings to the VAMC. Therefore, market research was limited to an examination of the acquisition history and experience with the marketplace under previous acquisitions for the same or similar items.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** Iron Sword Enterprises, LLC has brought significant subject matter expertise to work with a core group of senior leaders in the Rocky Mountain Health Care Network and the Oklahoma City VA Medical Center and a significant number of employees in the Oklahoma City VA Medical Center. The ultimate goal has been to equip and enable the Oklahoma City VA Medical Center with the competencies necessary to achieve and sustain transformational culture change and increased employee engagement. VA requires a system wide approach to transformation that encourages and enables information sharing on issues and resulting solutions, and instills a culture of process improvement that is self-sustaining. It is VISN 1's intent to replicate the success from Iron Sword Enterprise LLC's work in the Oklahoma VA at other VA Medical Centers in the New England Health Care System.

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: None

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: Due to need for standardization and therefore decreasing costs through inefficiencies no actions are planned.

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.


Cody Couch
VISN 1 CFO

7/22/18
Date

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

- 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.

TAMMY DAVIS
Contracting Officer, NCO 1

Date

- 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.

Paul Marvin
Branch Chief, NCO 1

Date

- c. VHA SAO HCA Review and Approval: I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval (if over \$68 million) or approve (\$700K to \$68 million) for other than full and open competition.

Brent Goe
Acting Executive Director, SAO East

Date