



Attachment 2

Industry Outreach Session Questions and Response Summary

1. What are some of the key issues or challenges you see with the current process for evaluating Past Performance?

- It's often unclear who is preparing the rating. It could be the CO, COR, or even the PM. However, the person writing the rating should know, in detail, what the contract requirements really are, and was done under the contract.
- Timeliness of CPARS ratings continues to be an issue. Many CPARS are 6 months to 3 years late, if they're ever issued. Often late CPARS are rated satisfactory only because no one from the Government is still available to provide a more reliable assessment.
- Need for more CPARS training and for government employees to better understand their roles and responsibilities, best practices, and how to use available resources.
- Government ratings tend to default to satisfactory, assessing officials should base the rating on the chart in FAR 42.1503.
- Lack of transparency, accountability, or any response by government in response to contractor "non-concur" submissions.
- Government focus on "getting evaluations done" versus "doing them right".
- Government attitude that CPARS is a burden rather than a valuable tool.
- Many CPARS users don't understand the process for preparing a contractor performance evaluation – more in-person training should be provided.
- Suggestion was made to feed contract data directly from FPDS/SAM.gov to reduce the errors in contract numbers, period of performance, and other frequent issues.
- Recommend using AI to produce "rater profiles" for industry to see how government officials compare with each other.
- A number of participants indicated that they no longer bid on contracts in certain organizations because they tend to rate lower than the FAR standard, and never over satisfactory.

2. If the data in CPARS was more accurate and complete, how do you envision Government better using Past Performance data to make informed decisions?

- Better data, including detailed narratives justifying the appropriate rating, could help procurement and program officials make better vendor selection decisions.
- Government could use CPARS data to inform the best value analysis in source selections; i.e. Government might be willing to pay a little more for consistently higher performers.
- The data could be used to inform more and better dialogue between the government and contractors. The data should not be used blindly. Government should focus more on the supporting narrative and less on the rating. For example, if something went wrong on a

contract and the company fixed it and it worked well, the narrative could credit the corrective action taken and improved results versus just getting a lower rating.

- Artificial Intelligence and Machine Learning could be used for deeper analysis of inconsistencies, e.g. between ratings and supporting information, and biases, e.g. comparing average ratings between agencies.
- Better CPARS data would allow Program Managers and Oversight bodies to use this information as a part of a Program Review.

3. If you could freely change the way CPARS data is captured and used today, what opportunities and suggestions do you have to make CPARS (or Past Performance evaluations) better?

- Increase the frequency of updates and interactions between government and contractors (more proactive, agile, and continuous) rather than current infrequent, after-the-fact, too-late-to-fix-it approach. Discussions and agreement between government and contractor should occur prior to entering written results in CPARS.
- Add more operational metrics more clearly tied to SOO/RFP requirements.
- Shift evaluation from focusing on outputs to focusing on outcomes.
- Tailor evaluation criteria and resulting ratings to different types of work rather than a one-size-fits-all approach.
- Add more standard questions and use simple yes/no questions to increase consistency of data while making the questions quick and easy to answer.
- Add a system feature in CPARS to identify when the current evaluation is lower than the previous, and if so, require additional supporting information.
- Create an anonymous “rate-the-rater” capability for industry input to counteract the impacts of new, inexperienced, or biased government raters (similar to Acquisition 360).
- Change rating from mandatory to optional, focus on the most important procurements (e.g. reduce or eliminate ratings required for standard commercial items and focus on fewer, more complex, strategic and important contracts) triggered by contractor submission or request to correct rating. Require government to address all ratings initiated by industry.
- Industry needs the real opportunity to rebut erroneous, biased, or damaging government data with real accountability for government to consider, respond, and explain/justify final decisions.
- Use AI to populate key performance elements in the contract description. This provides greater opportunities to identify relevance and shows complexity better.
- AI could be used to fill data gaps in the CPARS report and make the data searchable.
- CPARS could be used to conduct market research on well performing small businesses in a very specific area of work.
- Key customers and stakeholders need to have more input, if not a primary role, in the evaluations and ultimate ratings.

4. As a means to reduce the CPARS burden on both Government & Industry should there be a Streamlined CPARS (CPARS Lite) for various types of contracts, and if so, how should it look? (i.e., FFP Product Delivery, FP under a \$500K, etc.) Note: FAR 42.1502 (e)

currently requires CPARS on Construction contracts above \$700,000 (optional below this amount).

- The vast majority of attendees voted yes. However, an extensive rollout and training program would be required .
- Some additional qualifiers to the “Yes” vote include:
 - “you have to get it right”. There are risks of insufficient information leading to poor use or results or unintended consequences. Both government and industry should always have the option to require a full CPARS.
 - There should be clear policy on when the CPARS Lite applies, and not an agency by agency choice.
 - Source selection Officials cannot discriminate against CPARS Lite ratings. Source selections decisions should consider a regular CPARS rating and a CPARS Lite rating on par with one another.
 - A few felt that a CPARS Lite rating should keep the same rating categories as a full CPARS rating. However, that may negate the value of the “Lite” element.
 - Use of CPARS Lite should not be driven solely by a dollar threshold. Alternate situational criteria e.g. type of service, first of its kind, etc., should be used to decide when to use CPARS Lite. Consider different thresholds for different contract types and dollar values e.g. Product Delivery, Fixed Price, Architecture & Engineering, and Construction.
- It was recommended that the CPARS system include examples, prompts, etc. to determine when a CPARS Lite is appropriate (since most users don’t refer to the user guide).

5. Should there be a requirement for Contractors to submit a self-assessment to the assessing official before the CPARS rating is prepared? If so, should it be “Mandatory“, “Encouraged” or explicitly “Authorized”?

- The vast majority voted in favor of “Encouraging ” the use of contractor self-assessments.
- Many participants felt that the Government doesn’t have the information or resources to do a proper CPARS assessment without some contractor input. It’s a generally accepted best practice in HR performance management and should be adopted for CPARS.
- Contractors need to be more proactive, there’s nothing in the regulations that prohibit it now, and its encouraged in the seldom read CPARS guide. This should be a quick win.
- Self-Assessments done periodically throughout the rating period (Quarterly/Semi-annually) would allow the both parties (Government or Contractor) to make course corrections and result in better mission outcomes.
- When a self-assessment is provided, then the government must consider it and address it in the rating.
- If a self-assessment is provided, it should not be part of the official contract record, but it should be stored and available for future analysis and use. However, if the contractor does not concur with the Government’s ratings the “non-concur” and basis should be included in the CPARS rating.

6. Should there be a way for major subcontractors to receive a CPARS rating? If so, how should it look (i.e. CPARS lite)?

- The vast majority of attendees voted no and explained that there were issues with privity of contract for the government, and most primes prefer not to differentiate the prime contractors from the subcontractors staff on a contract.
- Prime contractors are responsible and accountable for sub-contractor performance.
- Prime contractors may have incentives or motives to suppress and/or blame sub-contractors for performance problems. The government would risk taking on even more work and getting in the middle of performance disputes and finger-pointing between prime contractors and sub-contractors.

7. How can we better align CPARS narratives with Contract outcomes and QASPs?

- This is a big current problem; the solution is to develop better quality QASPs aligned with the contracts and the CPARS and periodically update them during the life of the contract.
- Unfortunately, many contracts fail to identify specific outcome targets, this would have to be resolved through training.
- If tied to QASP, the CPARS should also consider overarching contract objectives too.
- Some companies include language in their proposals about periodically revisiting and adjusting QASPs during the term of the contract.
- Some of the participants felt that the current AI pilot will help address this issue.
- There participant's consensus was that this is an aspirational goal for the future not feasible or practical in the near term.

8. Should the Government be able to see a composite CPARS rating for vendors under a Best-In-Class contract vehicle or Department-wide multiple award IDIQ contract?

- Two thirds of respondents said Yes, one third said No.
- Concerns included: how would it be calculated, what it would mean, how would it be used, reduced relevance (more data is better to evaluate), what the minimum sample size would be, and how results from large samples and small samples would be compared.
- The capability to drill-down to see and understand the data what underlies the composite rating.
- It should not be pursued if it involves additional burden or costs on contractors.
- Some of the participants felt that the current AI pilot will help address this issue.