

Small Business Landscape Analysis (SBLA)

Analysis of Fiscal Year 2023
Executive Summary



Section 1: Overview of the Small Business Landscape Analysis (*slides 2 - 6*)

Section 2: Analysis of Fiscal Year 2023 (*slides 7 - 19*)

Section 3: Current Mechanisms to Improve Small Business Utilization (*slides 20 - 24*)

Section 4: Potential Considerations to Bolster Small Business Utilization (*slides 25 - 30*)

Section 5: Appendix (*slides 31 - 51*)

Overview of FY23 Small Business Landscape Analysis

Document Overview:

- **The Small Business Landscape Analysis (SBLA) is an annual assessment to examine the performance of Small Businesses (SBs) within federal procurement**
- **Small Business performance** is defined as the percentage of total federal obligations that were awarded to Small Businesses in a given fiscal year

Analysis Objectives:

- Provide government-wide stakeholders insight into Small Business performance within federal procurement
- Highlight existing mechanisms that bolster Small Business growth and performance
- Leverage insights to develop new methods of promoting Small Business growth in future years

Policy Context:

- Congress mandated a government-wide [Small Business goal of 23%](#) of **total value of prime federal awards** for FY23
- [Executive Order 13985](#) (E.O. 13985) directed government agencies to target Small Disadvantaged Businesses (SDBs), specifically setting a **goal of 15% of federal dollars awarded to SDBs** by FY25
- The Office of Management and Budget (OMB) released [M-22-03](#) in support of E.O. 13985, **broadening the scope of procurement equity efforts to target all Socioeconomic Small Businesses (SESBs)**
- OMB released a [memo on January 25th, 2024](#) encouraging increased **Small Business participation on Multiple Award Contracts (MACs)**

Overview of Federal Procurement Data System (FPDS)

Small Business Landscape Analysis primarily leverages procurement data from the Federal Procurement Data System (FPDS)

What FPDS Data Can Tell Us:

- Spend on prime contracts awarded to both Small and Large Businesses
- Socioeconomic breakout of prime contractors
- Award types, contracts, tier ratings (Category Management), and associated categories

What FPDS Data Cannot Tell Us:

- Some - but not all - awards under the Micro-Purchase Threshold of \$10,000
- Count and details on awards or vendors existing solely under the Micro-Purchase Threshold
- Spend on subcontracts awarded to both Small and Large Businesses, including Department of Energy Small Business obligations that shifted from subcontract totals to prime totals
- Spend through government purchase cards through the GSA SmartPay Program
- Details on businesses that bid on, but did not win, awards
- Size and socioeconomic status of vendors actively seeking awards that are registered in SAM.Gov



Areas of Success

Small Business performance surpassed its federal FY23 statutory goal and continued to maintain success in key performance areas and mechanisms

- The **federal government exceeded its 23% statutory goal by obligating 26.1%** of all government-wide dollars to Small Businesses in FY23, up from 24.1% in FY22
- **SESBs captured 63.0%** of all Small Business obligations in FY23, up from 62.5% in FY22
- **Year-over-year Small Business utilization grew** in nine common categories and five defense-centric categories
- Maintaining a **strong track record, Best-in-Class (BIC)** solutions gave **38.8%** of obligations to Small Businesses
- **Agency-Wide Indefinite-Delivery, Indefinite-Quantity (IDIQ)** contracts continued to significantly **improve their Small Business performance to 36.8%** of obligations in FY23, up from 27.3% in FY22
- Obligations on **Multiple Award Schedule (MAS)** to Small Businesses remained high at **40.3%**



Areas of Opportunity

Small Businesses can continue to leverage available contracting mechanisms and requirements to increase utilization in coming years

- The **number of awarded Small Business vendors has declined** over the last five fiscal years, although the **rate of decline decelerated** from FY21 to FY23
- **Year-over-year Small Business utilization declined** in one common spend and four defense-centric categories
- Collectively, non-BIC contracts experienced a **decline in annual Small Business performance** from **25.6%** of total federal obligations to **24.5%**
- **Simplified Acquisition Procedures (SAP)** are specifically designed to promote Small Business utilization but were not used for nearly **163 thousand potentially eligible contracts** at or under the Simplified Acquisition Threshold, totaling nearly **\$6.1 billion**

Recommendations for addressing these opportunities are included in sections 3 and 4 of this report

Section 1: Overview of the Small Business Landscape Analysis (*slides 2 - 6*)

Section 2: Analysis of Fiscal Year 2023 (*slides 7 - 19*)

Federal SB Performance (slides 8 - 10)

Vendor Analysis (slide 11)

Civilian vs. Defense (slides 12 - 15)

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Section 3: Current Mechanisms to Improve Small Business Utilization (*slides 20 - 24*)

Section 4: Potential Considerations to Bolster Small Business Utilization (*slides 25 - 30*)

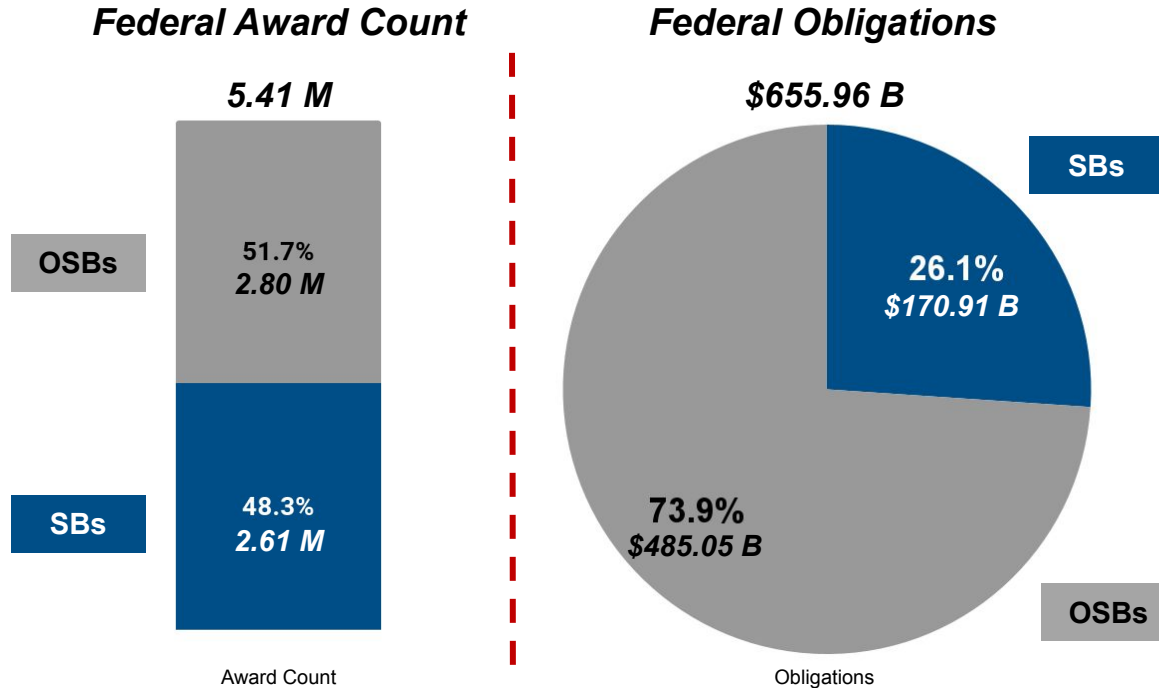
Section 5: Appendix (*slides 31 - 51*)

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

Small Businesses received 26.1% of federal obligations in FY23, surpassing the government-wide goal of 23%

Breakdown of Award Count & Obligations by Business Size

Observations



- Almost half of all federal awards went to Small Businesses in FY23
- Small Businesses received \$170.91 billion in FY23 federal obligations
- From FY22 to FY23, both total federal dollars and Small Business obligation capture increased (see slide 9)

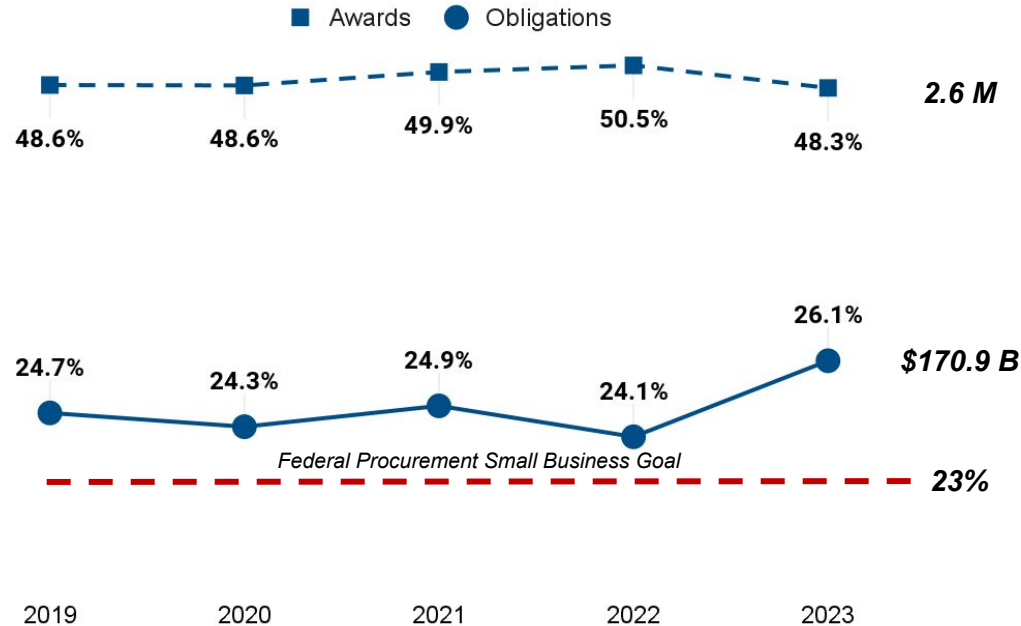
Chart Source: FPDS FY23

Analysis Notes: Small Businesses are denoted as 'SBs' and included businesses flagged as "S" under "CO Business Size Determination" in FPDS or flagged as an SESB type. Other than Small Businesses, denoted as 'OSBs', are vendors that were not determined to be Small Businesses for a contract's NAICS and the associated SBA Business Size Standards.

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

From FY22 to FY23, the proportion of Small Business awards decreased while the proportion of Small Business obligations increased

Trends for Small Business Award Count & Obligation Capture (FY19-23)



Observations

- Small Business performance has met its statutory goal of 23% every year since FY19
- Proportion of Small Business obligations has overall increased from FY19 to FY23
- Over the last five fiscal years, the proportion of Small Business awards decreased
 - As award capture fell, Small Business obligation capture grew over the last five fiscal years

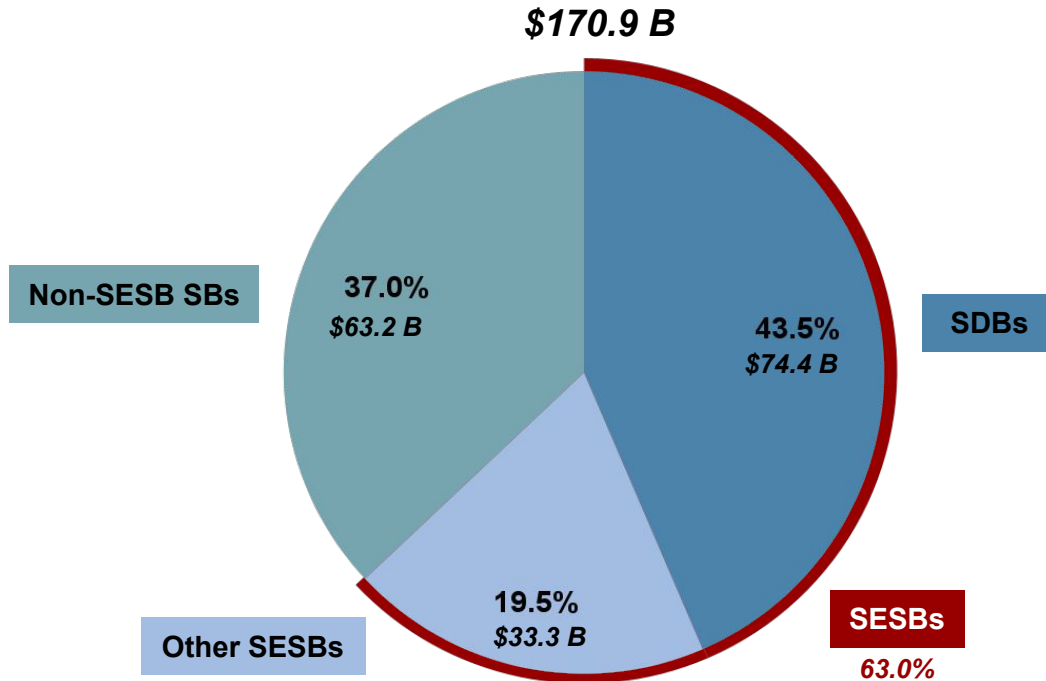
Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: Small Business award and obligation capture are determined as a function of the number of federal awards or obligations won by Small Businesses relative to the total number of federal awards or obligations distributed. Awards are identified by distinct Unique Award IDs.

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

Of the FY23 federal obligations that went to Small Businesses, 63% went to Socioeconomic Small Businesses (SESBs)

Composition of Small Business Obligations



Observations

- SESBs captured a majority of federal Small Business obligations in FY23
- Of the federal obligations that went to SESBs in FY23, the majority went to SDBs

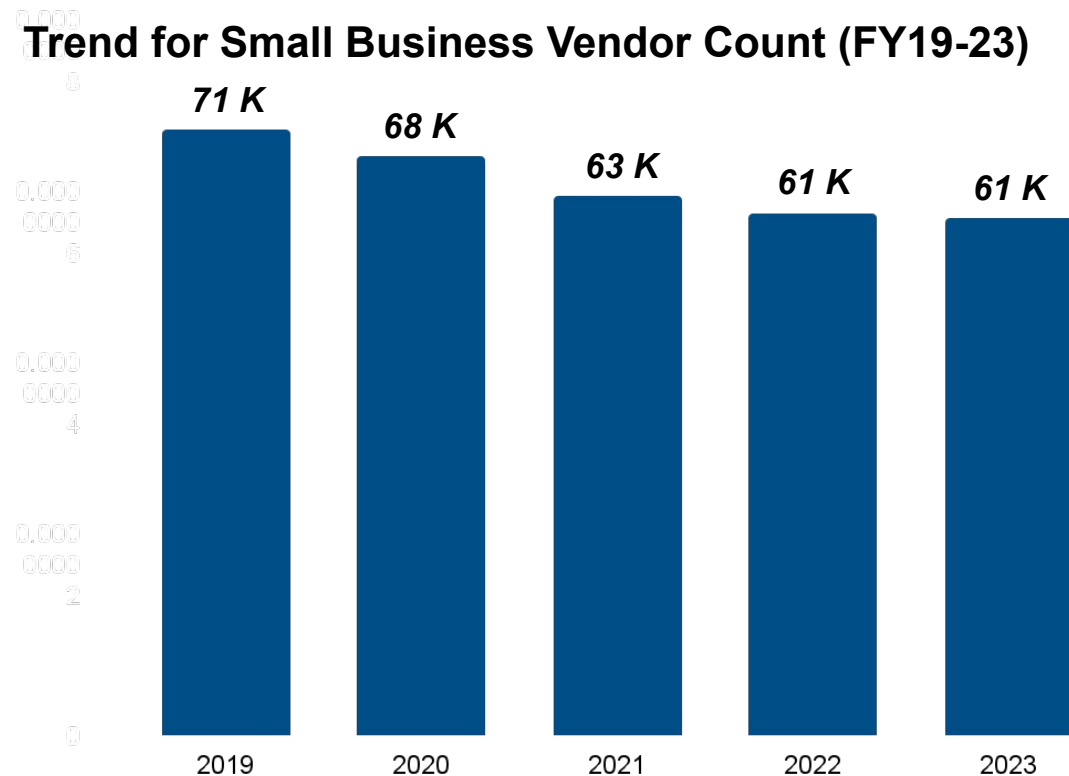
Chart Source: FPDS FY23

Analysis Notes: SESB includes SDB and Other SESBs (WOSBs, SDVOSBs, and HUBZone SBs). Non-SES SBs are Small Businesses that are not SESBs (neither an SDB or Other SESB).

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

The number of awarded Small Business vendors declined over the last five fiscal years, although the rate of decline decelerated from FY21 to FY23

Trend for Small Business Vendor Count (FY19-23)



Observations

- The number of awarded Small Business vendors has declined over the last five fiscal years
- The rate of Small Business vendor pool decline decelerated from FY21 to FY23

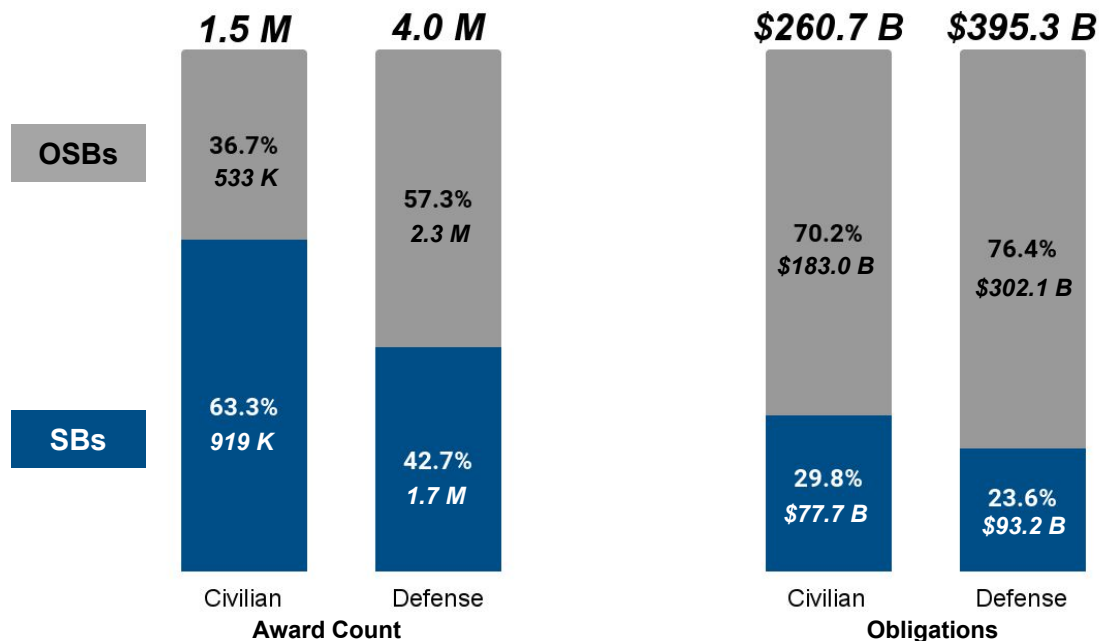
Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: Awarded Vendors with FPDS-reported FY19-23 obligations equating to or below \$0 were excluded from the vendor count.

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

Small Businesses captured 29.8% of civilian obligations and 23.6% of defense obligations in FY23

Breakdown of Civilian vs. Defense Small Business Award Count & Obligations



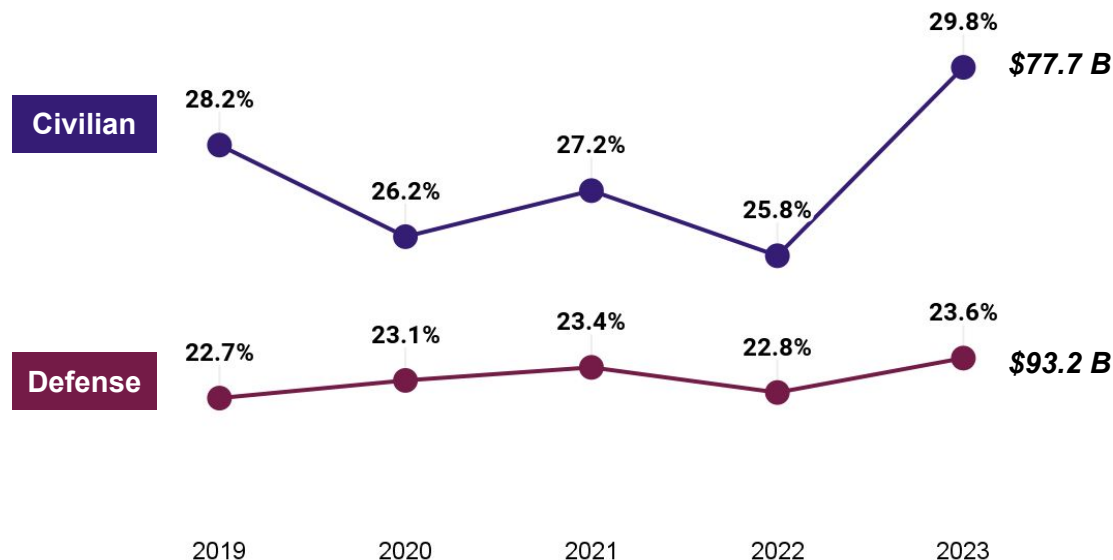
Observations

- Small Businesses captured 29.8% of civilian obligations with \$77.7 billion in obligations
- Small Businesses captured 23.6% of defense obligations with \$93.2 billion in obligations

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

Civilian Small Businesses performance increased from FY19 to FY23, while defense Small Business performance remained relatively consistent

Trends for Small Business Obligation Capture Across Civilian & Defense Agencies (FY19-23)



Observations

- Civilian agency Small Business obligation capture increased significantly from FY22 to FY23, with an overall increase over the past five fiscal years
- Defense Small Business obligation capture has remained relatively consistent since FY19, with an overall increase over the past five fiscal years

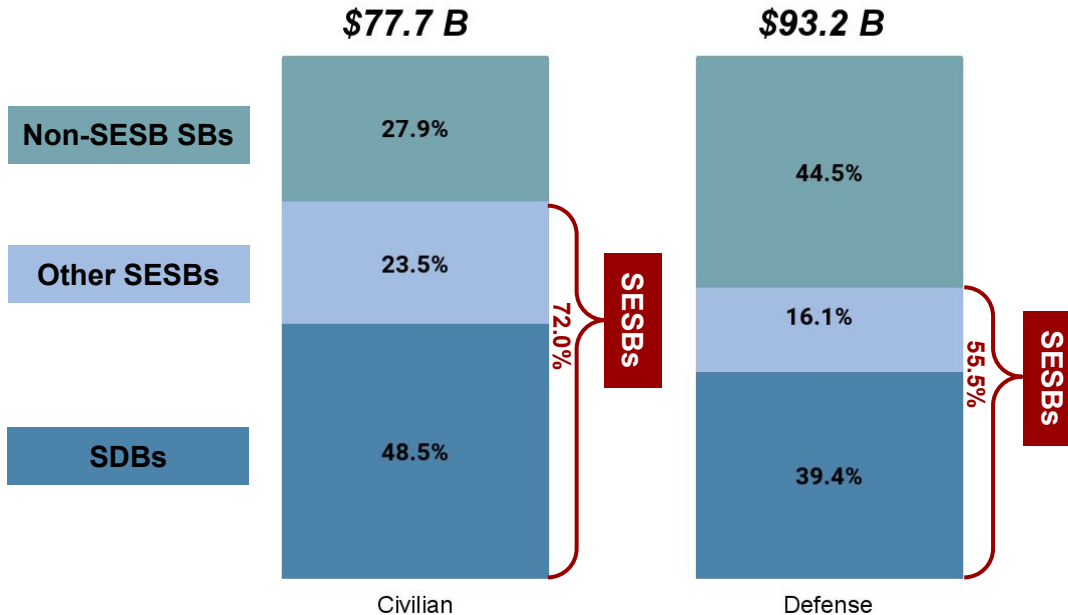
Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: Small Business obligation capture is determined as a function of the number of obligations won by Small Businesses relative to the total number of obligations distributed within an agency group.

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

When obligating to Small Businesses, both civilian and defense agencies obligated a majority of dollars to SESBs

Composition of Civilian vs. Defense Agencies SESB Performance



Observations

- Civilian agencies awarded 72.0% of Small Business obligations to SESBs
- Defense agencies awarded 55.5% of Small Business obligations to SESBs

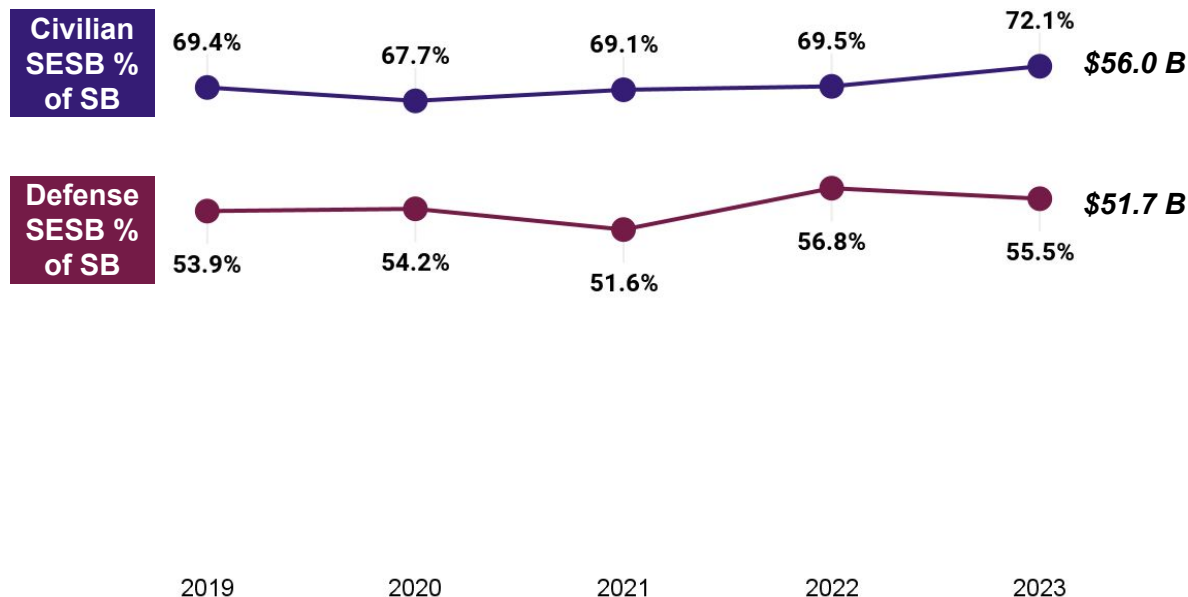
Chart Source: FPDS FY23

Analysis Notes: SESB includes SDB and Other SESBs (WOSBs, SDVOSBs, and HUBZone SBs). Non-SESB SBs are Small Businesses that are not SESBs (neither an SDB or Other SESB).

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

SESB capture of Small Business obligations grew in both civilian and defense agencies over the past five fiscal years

Trends for SESB Capture of Small Business Obligations within Civilian & Defense Agencies (FY19-23)



Observations

- SESB capture of civilian obligations to Small Businesses grew from 69.4% in FY19 to 72.1% in FY23
- SESB capture of defense obligations to Small Businesses grew from 53.9% in FY19 to 55.5% in FY23

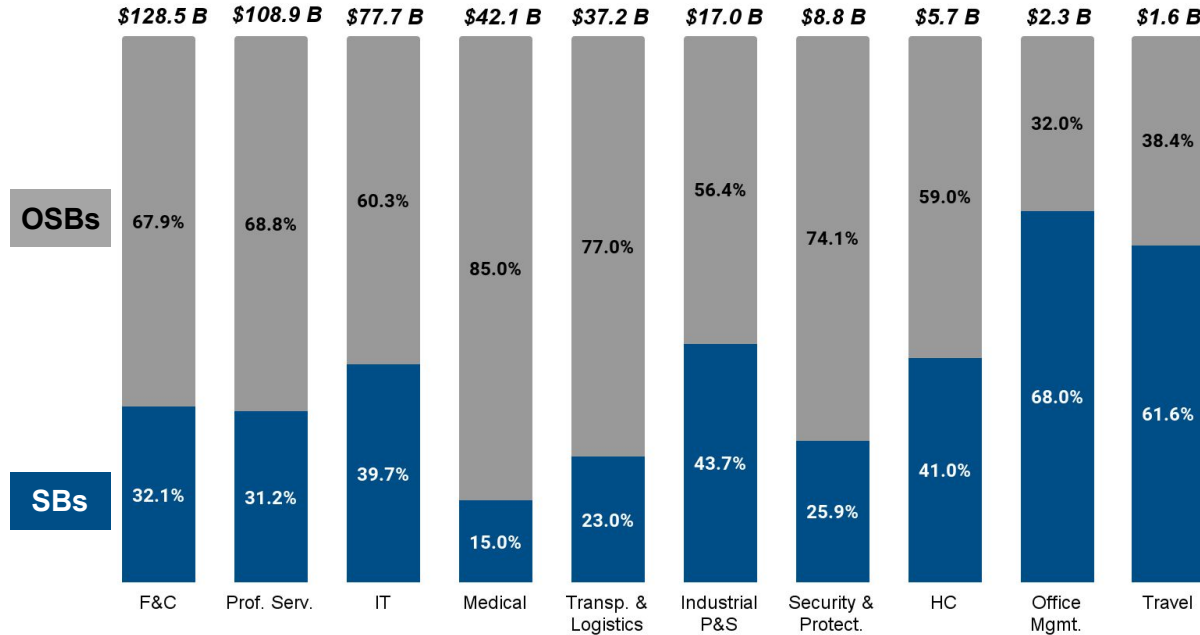
Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: "SESB capture of Small Business obligations" refers to the proportion of all Small Business dollars within civilian or defense agencies obligated to SESBs, rather than as a proportion of civilian or defense spend to all businesses. SESB includes SDB and Other SESBs (WOSBs, SDVOSBs, and HUBZone SBs).

GOVERNMENT-WIDE CATEGORY MANAGEMENT

Common categories varied in their FY23 Small Business performance

Breakdown of Small Business Obligations Across Common Categories



Observations

- The largest category by total dollars obligated, Facilities and Construction, obligated 32.1% of its dollars to Small Businesses
- Two smallest categories by total dollars obligated, Office Management and Travel, obligated the greatest proportion of dollars to Small Businesses

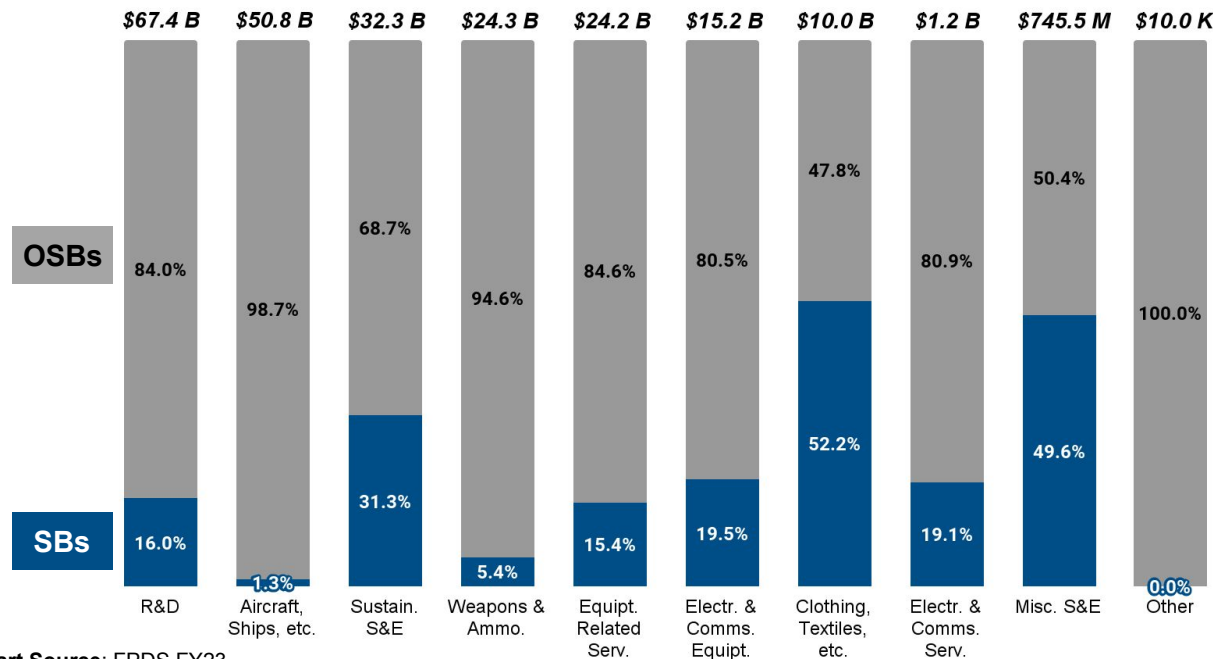
Chart Source: FPDS FY23

Analysis Notes: Category bars are arranged in order of descending category size. Common categories were identified as "GWCM" under the "Level 1 Category Group" flag in FPDS. Some PSC codes were not categorized in FPDS under a Level 1 Category. This analysis included the following PSC codes into the IT category: 5805, 5810, 5811, 5820, 5821, 5850, K070, L070. Also included in the IT category were contracts under "GWCM" in the "Level 1 Category Group" flag and the "Other" category under "Level 1 Category."

GOVERNMENT-WIDE CATEGORY MANAGEMENT

Defined defense-centric categories varied in their FY23 Small Business performance

Breakdown of Small Business Obligations Across Defense-Centric Categories



Observations

- Clothing, Textiles, etc. and Miscellaneous S&E obligated the greatest proportion of dollars to Small Businesses
- Aircraft, Ships, etc. and Weapons & Ammunition obligated the lowest proportion of dollars to Small Businesses

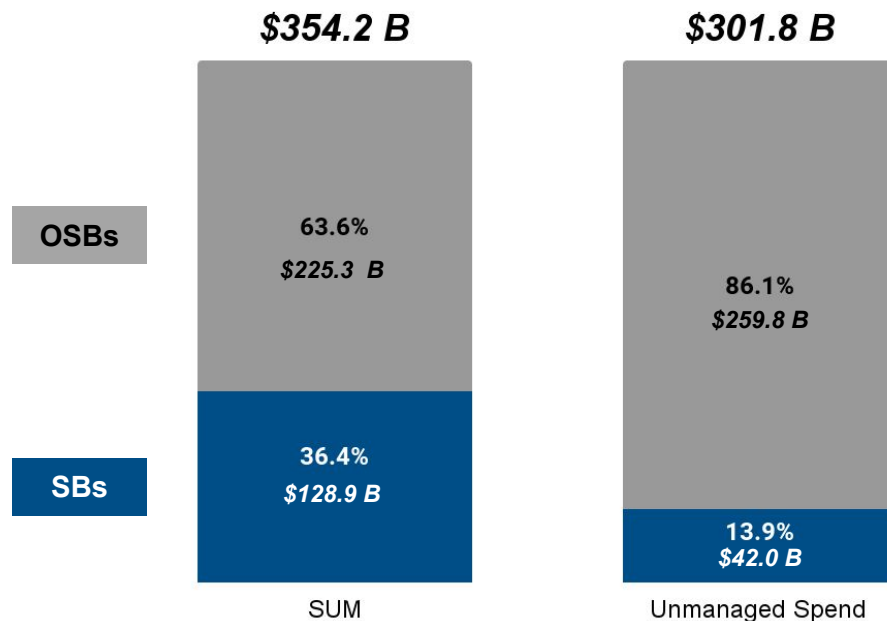
Chart Source: FPDS FY23

Analysis Notes: Category bars are arranged in order of descending category size. "Defense-centric categories" identified as "defense centric" under the "Level 1 Category Group" filter in FPDS. The 'Other' category, excluded from the count of categories, includes DoD contracts with 'null' contract names and 'null' Level 1 Categories in FPDS data. Uncategorized PSC codes beginning with "A" were included in "Research & Development"

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

Small Businesses received a larger proportion of obligations through Spend Under Management than through unmanaged spend

Breakdown of SUM vs. Unmanaged Obligations



Observations

- Small Business vendors received 36.4% of Spend Under Management (SUM) obligations
- Only 13.9% of obligations through unmanaged spend went to Small Businesses

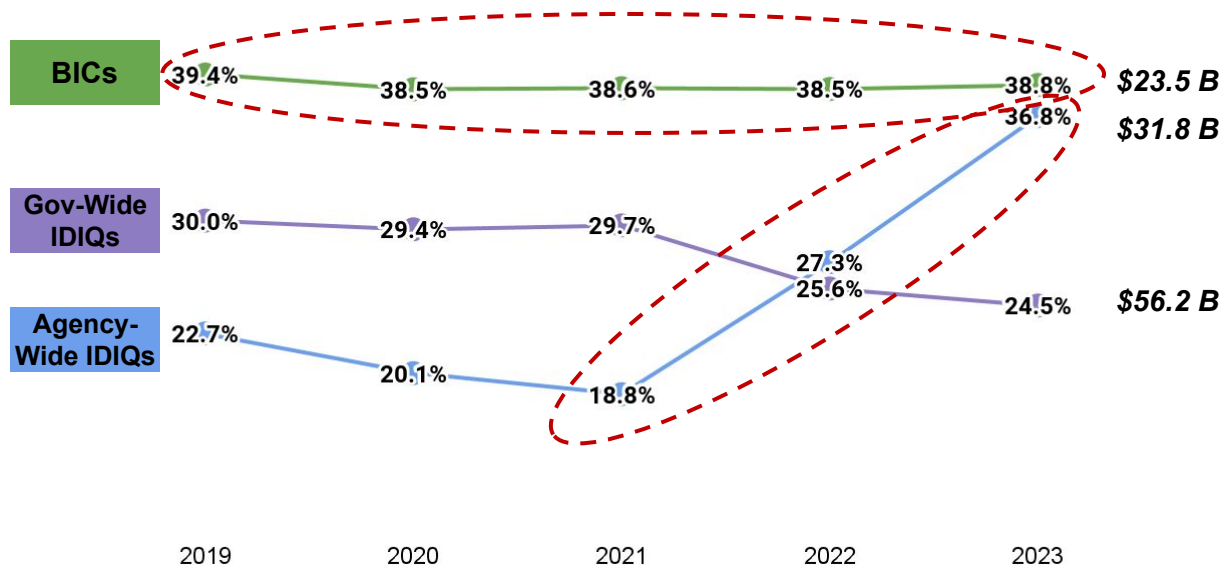
Chart Source: FPDS FY23

Analysis Notes: SUM includes obligations categorized under Tier 1, Tier 1-SB, Tier 2, Tier 2-SB, or Tier 3. Unmanaged spend includes obligations categorized under Tier 0. Small Business obligation capture is determined as a function of the number of obligations won by Small Businesses relative to the total number of award distributed within an agency group.

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

Small Business obligation capture increased under agency-wide IDIQs and fell under government-wide IDIQs since FY21, while BICs were consistent

Trends for Small Business Obligation Capture Across Contract Groupings (FY19-23)



Observations

- Continued focus on BICs and agency-wide IDIQs to target Small Businesses has resulted in consistent or increased Small Business performance
- BICs obligated a stable and large proportion of dollars to Small Businesses since FY19
- In FY23, agency-wide IDIQ Small Business obligation capture continued to increase, surpassing government-wide IDIQ obligation capture

Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: IDIQs were identified as IDC, FSS, GWAC, or Other Transaction IDC "Master IDV Types" through FPDS. Agency-wide IDIQs were identified as IDIQs with a only one funding department, while government-wide IDIQs were IDIQs with multiple funding departments. Awards through the open market, BOAs, and BPAs were excluded from this analysis. Small Business obligation capture is determined as a function of the number of obligations won by Small Businesses relative to the total number of obligations distributed within a contract group.

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Section 2: Analysis of Fiscal Year 2023 *(slides 7 - 19)*

Section 3: Current Mechanisms to Improve Small Business Utilization *(slides 20 - 24)*

Section Overview (slide 21)

Simplified Acquisitions (slide 22)

Set-Asides (slide 23)

Multiple Award Schedule (slide 24)

Section 4: Potential Considerations to Bolster Small Business Utilization *(slides 25 - 30)*

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Section Overview

Mechanisms identified in this section already obligate **significant dollars to Small Businesses** and have **room for further utilization across the government.**

Overview of Current Mechanisms for Further Utilization

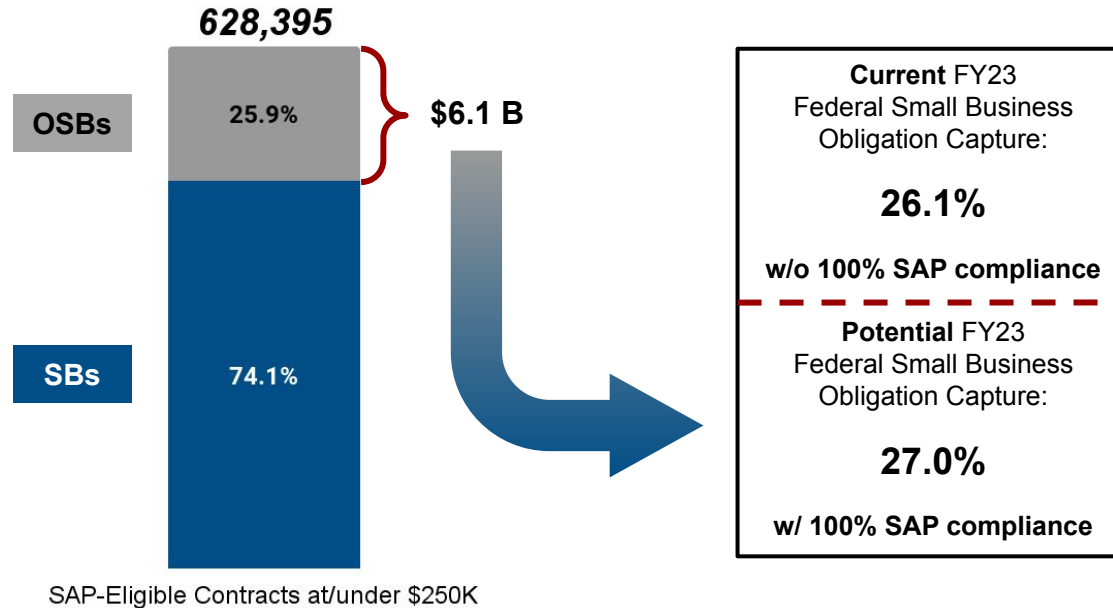
1. **Simplified Acquisitions**
2. Best-in-Class (BIC) Solutions
3. **Set-Asides**
4. **Multiple Award Schedule (MAS)**
5. Agency-Wide Contracts
6. Blanket Purchase Agreements (BPAs)

Current mechanisms 2, 5, and 6 are reviewed in the full report

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

If all SAP-eligible contracts were awarded to Small Businesses in FY23, federal Small Business performance would have increased

Breakdown of Simplified Acquisition-Eligible Contracts & Potential Impact by Business Size



Observations

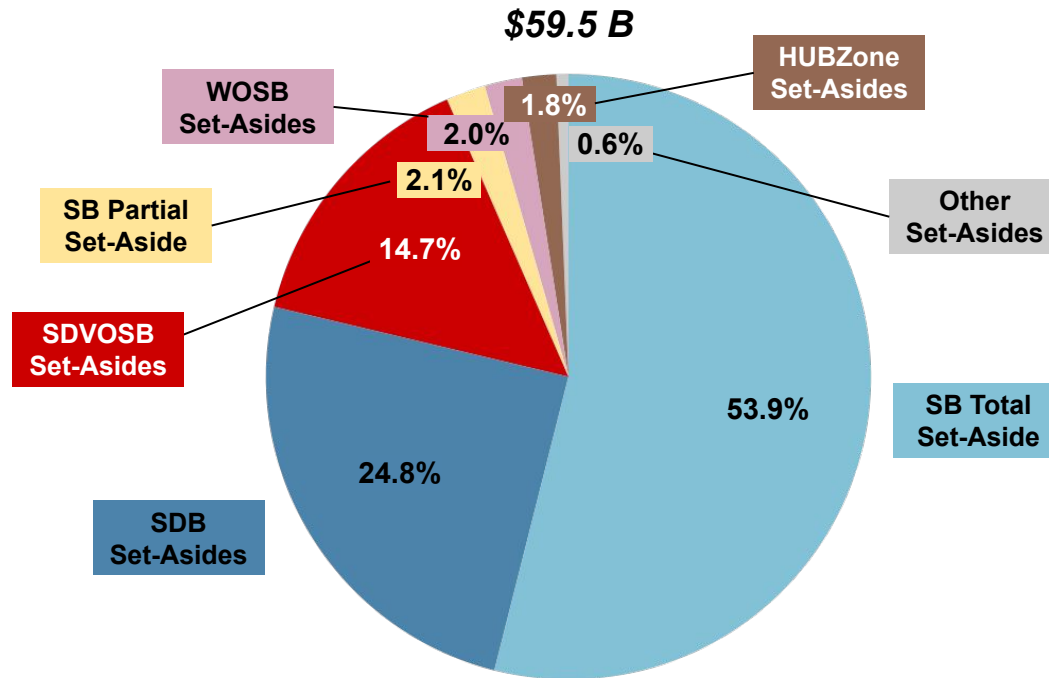
- Despite being required to be awarded to Small Businesses, 25.9% (163 K) of all federal SAP-eligible contracts were awarded to Other than Small Businesses in FY23
- If those contracts, worth \$6.1 billion, were instead obligated to Small Businesses, federal Small Business obligation capture would have jumped from 26.1% (\$170.9 B) to 27.0% (\$177.0 B)
- [OMB's January 25th, 2024 Memo](#) directs maximal SAP implementation across agencies

Chart Source: FPDS FY23

Analysis Notes: 'SAP-eligible contracts' were identified as Open Market contracts that were not required sources of supply (Federal Prison Industries, Committee for Purchase from People Who are Blind or Severely Disabled, and Federal Supply Schedule contracts). Contracts were identified by "Unique Contract ID" in FPDS.

The Small Business Total Set-Aside program was used to obligate the majority of FY23 Small Business dollars received through Set-Asides

Composition of Small Business Set-Asides



Observations

- In FY23 Small Businesses received \$59.5 billion of their \$170.9 billion in federal obligations through Set-Aside programs
- Small Business Total Set-Aside program was used to obligate the majority (53.9%) of FY23 Small Business dollars received through Set-Asides (\$59.5 B)
- Of all socioeconomic Set-Asides, SDB Set-Aside programs were used to obligate the largest share of FY23 Small Business dollars received through Set-Asides

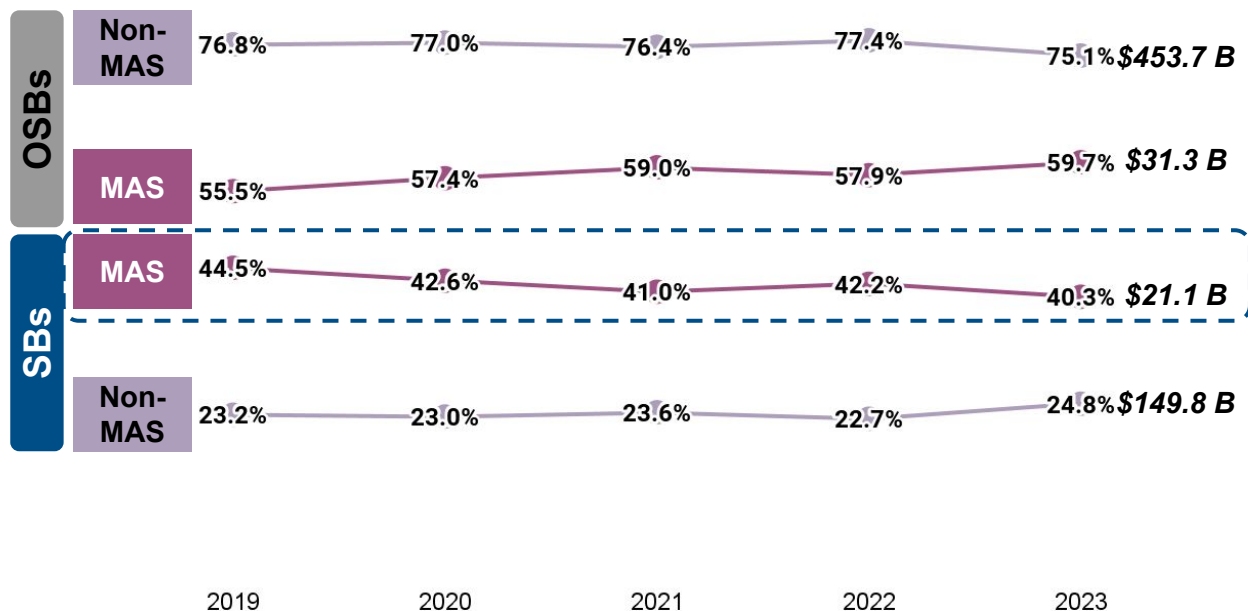
Chart Source: FPDS FY23

Analysis Notes: 'Other Set-Asides' are composed of Indian Small Business Economic Enterprise, Buy Indian, Veteran, and Veteran Sole Source Set-Aside programs. 'SDB Set-Asides' are composed of 8(a) Sole Source and 8(a) Competed Set-Aside programs. Set-Aside FPDS data may not align with SBA Set-Aside data.

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

Since FY19, Small Businesses have captured around 40% of MAS obligations

Trends in MAS Obligation Performance (FY19-23)

Observations

- Small Business performance under the Multiple Award Schedule has been consistent since FY19
 - Since FY19, Small Businesses have captured around 40% of MAS obligations

Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: MAS is identified as 'FSS' via the 'Master IDV Type' filter and 'MAS' under 'Schedule Number' in FPDS. VA Schedule contracts with PIIDS beginning with '36' 'V' and contracts corresponding to VA Schedule numbers were excluded.

GOVERNMENT-WIDE CATEGORY MANAGEMENT

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
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Section Overview

To increase Small Business utilization, **there are administrative actions and legislation** that could be considered, where feasible, to potentially **increase obligations to Small Business vendors** (see slides 26 - 29 for more details).

Administrative Actions and Legislation		Corresponding Potential Actions for Consideration
<u>Executive Order 13985</u> <u>OMB Memo-22-03</u> 	➔	1. Expand the number and diversity of Small Businesses participating in the federal vendor pool
<u>OMB January 25th, 2024 Memo</u> 	➔	2. Broaden Best-in-Class (BIC) solution vendor on-ramping 3. Promote market research best practices and tools
<u>Bipartisan Infrastructure Law</u> <u>Inflation Reduction Act</u> 	➔	4. Target Small Businesses through Bipartisan Infrastructure Law / Inflation Reduction Act Spending

Expand the number and diversity of Small Businesses participating in the federal vendor pool

Opportunity for Small Businesses

- Retaining Small Businesses currently participating in the federal marketplace and expanding the supplier base will **result in a more diverse pool of vendors**
 - [M-22-03](#) urged agencies to adopt practices to address the decline in the federal Small Business supplier base
- **New Small Businesses entrants** into the federal marketplace allow more Small Businesses to do business with the federal government and potentially win **long-term, stable contracts**
 - [M-23-11](#) urged agencies to create a more resilient federal supplier base by increasing the participation of new entrants

Recommendations

- Encourage agencies to **tactically target Small Business utilization** through their **annual Category Management plans**
- **Leverage tools** to track the federal vendor pool ([Supplier Base Dashboard](#)) and Small Business performance ([GWCM Small Business Dashboard](#))
- **Decrease the administrative burden** on Small Businesses while ensuring solicitations accurately capture requirements (i.e asking for targeted and achievable **past performance requirements** and relevant **security clearances**)
- **Increase Small Business on-ramping** opportunities, where feasible, on various contract mechanisms (see *slide 19*)

Benefit

- Further expand the number and diversity of awarded Small Business vendors

Broaden Best-in-Class (BIC) solution vendor on-ramping

Opportunity for Small Businesses

- BICs obligate a **high proportion of dollars to Small Businesses**
- In order to compete under BICs, **vendors must satisfy defined criteria** that maintain the ease, transparency, and quality of BICs
- Vendors may only be awarded contract access during **occasional on-ramping periods** for select BICs
 - Vendors that may satisfy BIC vendor criteria could **miss opportunities if not awarded access during on-ramping**

Recommendations

- As directed by [OMB's January 25th, 2024](#) memo, encourage agencies to develop plans to increase Small Business participation by **increasing frequency and expand duration of on-ramping periods** for applicable BICs with on-ramping periods
 - *Consideration:* Broadened on-ramping should not impact the intentionally rigorous standards for vendors that maintain BICs' ease and quality
 - *Justification:* Longer on-ramping periods for applicable BICs will **provide opportunity for vendors** who satisfy the standards to onboard

Benefit

- Expand pool of available Small Business vendors on high-performing contracting vehicles
- Increase obligations to Small Businesses by utilizing expanded vendor pool

Promote market research best practices and tools

Opportunity for Small Businesses

- The FAR requires that agencies conduct **market research to determine whether a Small Business can perform the tasks** in a planned request for proposal (RFP)
 - This mandate was further reinforced by [OMB's January 25th, 2024 Memo](#)
- If the market research shows two or more available Small Business vendors, agencies **must set aside the contract for Small Businesses** in compliance with the [Rule of Two](#)

Recommendations

- Encourage **utilization of resources** like the [Government-Wide Procurement Equity Tool](#) to improve Small Business targeting, as noted in [M-23-11](#)
- Utilize trainings which allow COs to **improve their understanding of the Small Business environment and vendor availability**
- Promote increased utilization of **socioeconomic Set-Aside programs** to support **annual SESB contracting goal achievement** (see slide 23)
- Increase **responsiveness and transparency** following the completion of market research

Benefit

- Strengthen Rule of Two compliance and Small Business set-aside utilization

Target Small Businesses through Bipartisan Infrastructure Law and Inflation Reduction Act spending

Opportunity for Small Businesses

- The **Bipartisan Infrastructure Law (BIL)** allocates \$1.2 trillion for infrastructure funding
- The **Inflation Reduction Act (IRA)** targets approximately \$400 billion in federal spending across industries
- Spending through these initiatives intends to **target Small Businesses and build upon E.O. 13985**
- **Significant number of contracts have yet to be awarded** under the BIL and IRA
- There will be a **delay between the adoption of these initiatives in FY21 - FY22 and their impacts**, which will result from associated spending in the future

Recommendations

- In accordance with [OMB's January 25th, 2024 memo](#), encourage agencies to utilize **Rule of Two** and prioritize **Small Businesses and SESBs Set-Asides** for BIL and IRA projects
- **Monitor BIL and IRA spending** over the next 10 years to ensure Small Businesses are consistently awarded contracts
 - Consider a FPDS flag that would better enable tracking of contracts and vendors participating in BIL and IRA projects

Benefit

- Strengthen Rule of Two compliance and Small Business set-aside utilization
- Increase value and proportion of federal dollars obligated to Small Business and SESB vendors

GOVERNMENT-WIDE CATEGORY MANAGEMENT

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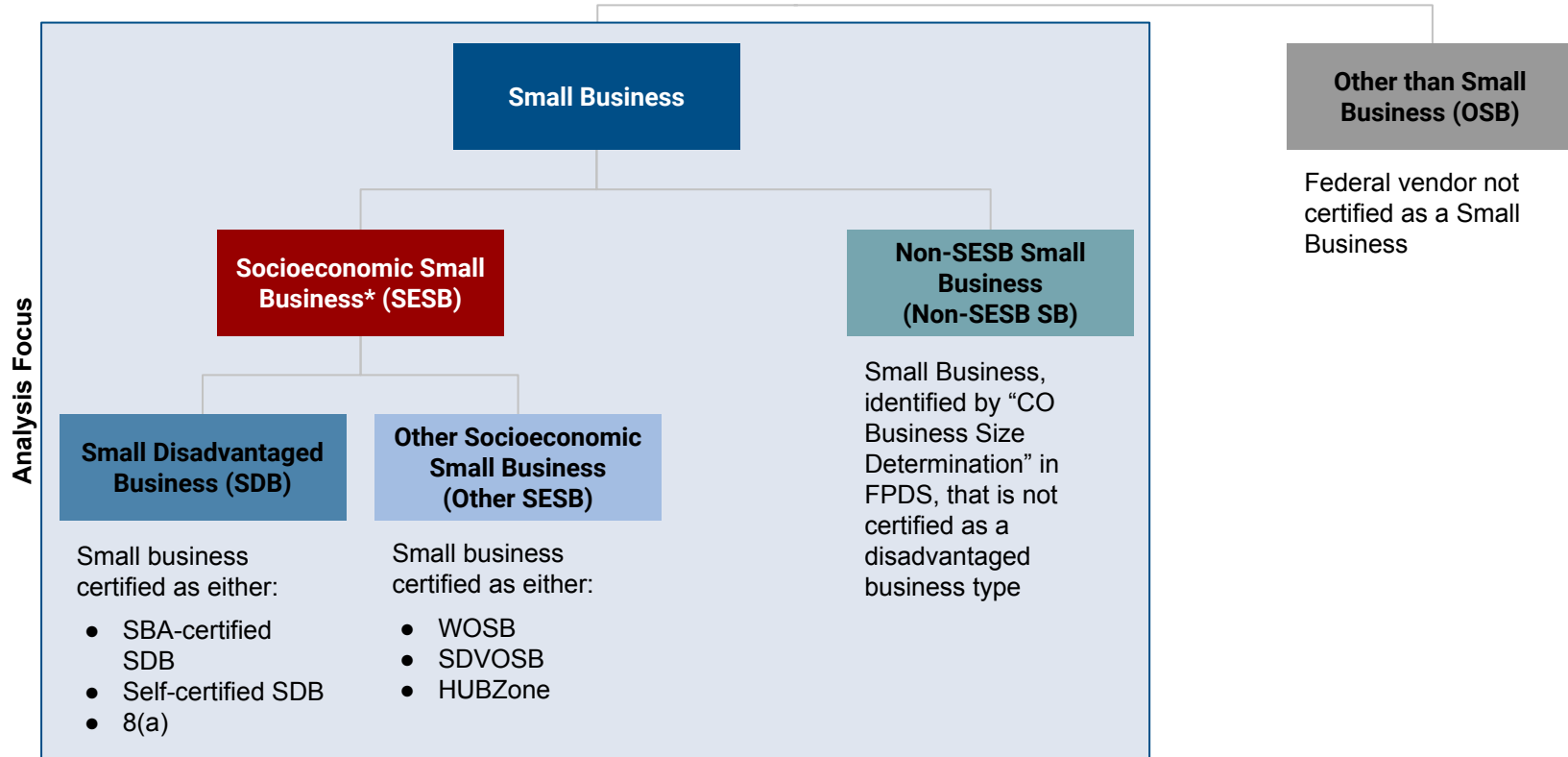
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Business Type Definitions



Notes: Definition according to guidance from M-22-03, which clarified E.O. 13985 that “government will structure its approach to procurement in a manner that increases access for socioeconomic small businesses.”

Data Source

- **Federal Procurement Data System (FPDS)**

- FPDS GWCM Current Locked Data
 - Data table verified, cleaned, and locked by the data team within the Government-Wide Category Management Program Management Office (GWCM PMO) in February 2024
 - Verification: GWCM PMO's data team collaborates with SBA to align on Small Business Goaling guidelines and certifies contract inclusion and related contract information with federal agencies
 - Cleaning: GWCM PMO's team reduces extraneous fields, simplifying the data source for ease and usability
 - Once data is fully verified and cleaned, GWCM PMO team freezes the data to ensure long-term consistency
- Leveraged both common and defense spend
- Data does not include Department of Energy Small Business obligations that shifted from subcontract totals to prime contract totals

- **Supplier Base Dashboard**

- Utilized for New Entrants data (*see slide 14 in SBLA full-length deck*)

Time Period

- Fiscal Years 2019 - 2023

Note. FPDS contains obligations data of prime contracts. Awards with a value of \$10,000 or less are below the Micro-Purchase threshold and may not be counted in this analysis as they are not required to be reported in FPDS. Government purchase card data through the GSA SmartPay Program is also not reported in FPDS.

Assumptions, Filters, and Fields

Filters

- SBA Small Business Goaling (SBG) Eligible ('Sbg flag' = Y)

Data for Fiscal Years 2019 - 2022

Assumptions

- Analyzed **only awards** eligible for Small Business Administration (SBA) Small Business Goaling
 - SBLA data may not match SBA scorecard
- Included **only awards** and **excluded all grants, exclusions, & intergovernmental agreements**
- Identified departments & agencies by 'Funding Department' or 'Funding Agency' instead of contracting

Fields

- For FY19 - FY22, all obligated dollars were identified using field '**dollars obligated**'

Data for Fiscal Year 2023

Assumptions

- Analyzed **all awards and grants** eligible for Small Business Administration (SBA) Small Business Goaling
- For FY23, **included all awards, grants, exclusions, & intergovernmental agreements**
- Identified departments & agencies by 'Funding Department' or 'Funding Agency' instead of contracting

Fields

- For FY23, all obligated dollars were identified using field '**sbg_credit_dollars_obligated**,' in close alignment with SBA's Small Business Goaling guidelines

Term	Abbreviation	Definition
Award		A contract, delivery order, or purchase order won by a vendor under which the federal government will obligate payment upon contract completion, as identified by Unique Award ID in FPDS, which refers to PIID and Reference PIID
Basic Ordering Agreement	BOA	A statement of understanding containing pre-negotiated contract clauses that will be used for future procurements. It includes a description of the product or services and the method for determining pricing, issuing, and delivering of future orders.
Blanket Purchase Agreement	BPA	Contracting mechanisms used to fulfill anticipated recurring buyer needs in order to streamline ordering procedures and reduce acquisition time
Category Management	CM	An OMB-implemented, government-wide effort to reduce redundancies in contracts and to encourage the federal government to purchase as a single enterprise

Term	Abbreviation	Definition
Federal Supply Schedule	FSS	Government-wide contracting vehicle managed and awarded by the GSA that includes both Multiple Award Schedule (MAS) and Veterans Affairs contracts
Historically Underutilized Business Zone Small Business Vendor	HUBZone SB	A vendor that was a Small Business with its principal office and at least 35% of its employees located in a HUBZone
Indefinite Delivery Contract	IDC	A contracting vehicle that allows for an indefinite quantity of supplies or services during a fixed period, where the buyer places individual orders for requirements as needed

Term	Abbreviation	Definition
Master Indefinite Delivery Vehicle	Master IDV	A parent contract that had no set period for delivery of services, and under which multiple vendors could receive awards
Obligation		Funds that the federal government committed to a vendor in exchange for products or services
Other than Small Business	OSB	Vendor not classified as Small in accordance with size and revenue standards set by the SBA
Service-Disabled, Veteran-Owned Small Business	SDVOSB	A Small Business concern that was 51% or more owned and controlled by one or more service-disabled veterans
Small Business	SB	“Small business concern,” or federal vendor that was independently owned and abides by size and revenue standards set by the Small Business Administration

Term	Abbreviation	Definition
Small Business award capture		The number of awards won by Small Businesses relative to the total number of awards distributed within the applicable scope
Small Business obligation capture		The number of obligations won by Small Businesses relative to the total number of obligations distributed within the applicable scope
Small Business performance		Small Business obligation capture (see above); the proportion of relevant federal procurement obligations that were awarded to Small Businesses
Small Disadvantaged Business	SDB	A Small Business concern that was 51% or more owned and controlled by a person that is socially and economically disadvantaged
Socioeconomic Small Business	SESB	Per M-22-03, a collective term to refer to an SDB, WOSB, SDVOSB, and/or HUBZone SB

Term	Abbreviation	Definition
Spend Under Management	SUM	Federal contract vehicles that aligned with category management principles and were therefore classified as Tier 1, Tier 2, or Tier 3 spend
Subaward		Award provided by a primary vendor (or pass-through entity) to a subrecipient for the subrecipient to carry out part of the federal award received by primary vendor
Unmanaged Spend		Federal contract vehicles that did not align with category management principles and were therefore classified as Tier 0 spend
Woman-Owned Small Business	WOSB	A Small Business concern that was 51% or more owned and controlled by one or more women

GOVERNMENT-WIDE
CATEGORY MANAGEMENTNine common spend categories improved Small Business performance
between FY22 and FY23

Common Category	Awards			Obligations		
	FY23 Small Business Performance	Δ FY19 to FY23 (5 Years)	Δ FY22 to FY23 (1 Year)	FY23 Small Business Performance (descending)	Δ FY19 to FY23 (5 Years)	Δ FY22 to FY23 (1 Year)
Office Management	91.0%	0.8%	1.2%	68.0%	8.7%	3.0%
Travel	42.5%	-3.1%	-1.9%	61.6%	8.3%	0.6%
Industrial Products & Services	50.8%	-3.6%	-3.3%	43.7%	-3.3%	2.1%
Human Capital	50.0%	0.8%	-1.0%	41.0%	-1.1%	1.2%
IT	46.8%	-10.2%	-2.7%	39.7%	3.8%	2.0%
Facilities & Construction	52.5%	-16.1%	1.8%	32.1%	3.0%	1.3%
Professional Services	56.4%	1.4%	0.8%	31.2%	-2.2%	2.5%
Security & Protection	46.5%	5.1%	5.7%	25.9%	1.0%	-0.8%
Transportation & Logistics	44.1%	-2.7%	-3.1%	23.0%	1.5%	2.0%
Medical	10.7%	1.2%	-0.5%	15.0%	0.9%	4.9%

Chart Source: FPDS FY19, FPDS FY22, FPDS FY23

Analysis Notes: "Common categories" identified as "GWCM" under "Level 1 Category Group" field in FPDS. See appendix slides 42-45 for full data.

GOVERNMENT-WIDE
CATEGORY MANAGEMENTFive defense-centric categories improved Small Business performance
between FY22 and FY23

Defense Category	Awards			Obligations		
	FY23 Small Business Performance	Δ FY19 to FY23 (5 Years)	Δ FY22 to FY23 (1 Year)	FY23 Small Business Performance (descending)	Δ FY19 to FY23 (5 Years)	Δ FY22 to FY23 (1 Year)
Clothing, Textiles, etc.	68.6%	-3.9%	-5.2%	52.2%	5.0%	7.1%
Miscellaneous S&E	71.4%	16.0%	-4.8%	49.6%	2.8%	3.7%
Sustainment S&E	41.7%	1.4%	1.9%	31.3%	6.3%	2.6%
Electr. & Comms. Equip.	69.9%	1.5%	-1.1%	19.5%	2.1%	4.3%
Electr. & Comms. Serv.	60.1%	-2.3%	-0.2%	19.1%	-5.5%	-1.1%
Research & Development	44.7%	-7.8%	-1.7%	16.0%	-1.6%	-3.5%
Equipment Related Services	47.8%	-0.5%	0.7%	15.4%	1.7%	-1.3%
Weapons & Ammunition	53.7%	-6.6%	-2.1%	5.4%	0.8%	1.3%
Aircraft, Ships, etc.	24.0%	0.0%	-2.9%	1.3%	0.0%	0.0%
Other	0.0%	0.0%	-0.3%	0.0%	0.0%	-0.1%

Chart Source: FPDS FY19, FPDS FY22, FPDS FY23

Analysis Notes: "Defense-centric categories" identified as "defense centric" under "Level 1 Category Group" filter in FPDS. 'Other,' excluded from count of categories, includes DoD contracts with 'null' contract names or Level 1 Category in FPDS. Uncategorized PSCs beginning with "A" were included in "Research & Development". See appendix slides 47-50 for full data. 41

GOVERNMENT-WIDE CATEGORY MANAGEMENT

Common Spend Categories: Defined Inclusions

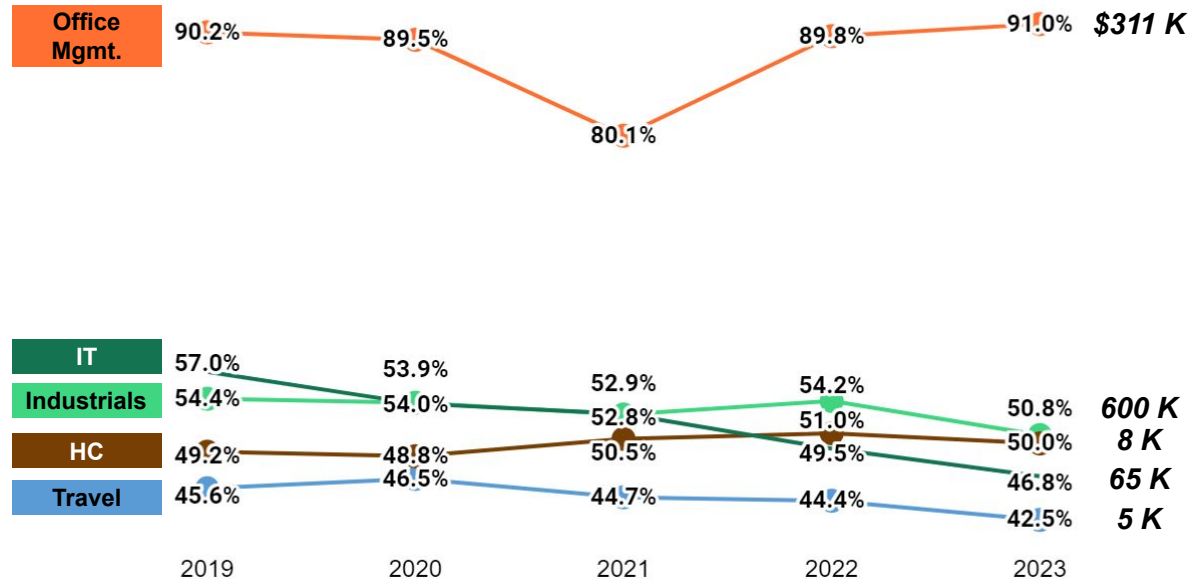
Facilities & Construction (F&C)	Human Capital (HC)	Industrial Products & Services (Industrials)	IT	Medical
<ul style="list-style-type: none"> Construction Related Materials Construction Related Services Facilities Purchase & Lease Facility Related Materials Facility Related Services 	<ul style="list-style-type: none"> Compensation and Benefits Employee Relations Human Capital Evaluation Strategy, Policies, and Operations Plan Talent Acquisition Talent Development 	<ul style="list-style-type: none"> Basic Materials Fire/Rescue/Safety/Enviro. Protect. Equip. Hardware & Tools Industrial Products Install / Maintenance / Repair Machinery & Components Oils, Lubricants, & Waxes Test & Measure. Supplies 	<ul style="list-style-type: none"> Capability as a Service IT Professional Services Other Products 	<ul style="list-style-type: none"> Drugs and Pharmaceutical Products Healthcare Services Medical Equipment and Accessories and Supplies
Office Management (Office Mgmt.)	Professional Services (Prof. Serv.)	Security & Protection (Security)	Transportation & Logistics Services (T&L)	Travel
<ul style="list-style-type: none"> Furniture Office Management Products Office Management Services 	<ul style="list-style-type: none"> Business Administration Financial Services Legal Services Management & Advisory Services Marketing & PR Research & Development Social Services Technical & Engineering Services 	<ul style="list-style-type: none"> Ammunition Protective Apparel and Equipment Security Animals & Related Services Security Services Security Systems Weapons 	<ul style="list-style-type: none"> Fuels Logistics Support Services Motor Vehicles Package Delivery & Packaging Transportation Equipment Transportation of Things 	<ul style="list-style-type: none"> Employee Relocation Lodging Passenger Travel Travel Agent & Miscellaneous Services

Analysis Note: Categories are identified in FPDS by Level 1 Categories. Defined inclusions are identified by their respective Level 2 Categories. Header colors track to charts in subsequent slides.

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

Below are trends of Small Business **award** capture for five common-spend categories with the strongest FY23 Small Business performance

5 Year Trends for Small Business Award Capture Across Common Spend Categories (FY19-23)



Observations

- Office Management had the largest proportion of Small Business awards from FY18 to FY22
 - Office Management had significant jump in from FY21 to FY22 which continued in FY23
- IT saw a continual fall in Small Business award capture through FY23
- From FY19 to FY23, Industrial Products & Services, Human Capital, and Travel Small Business award capture was stable and strong

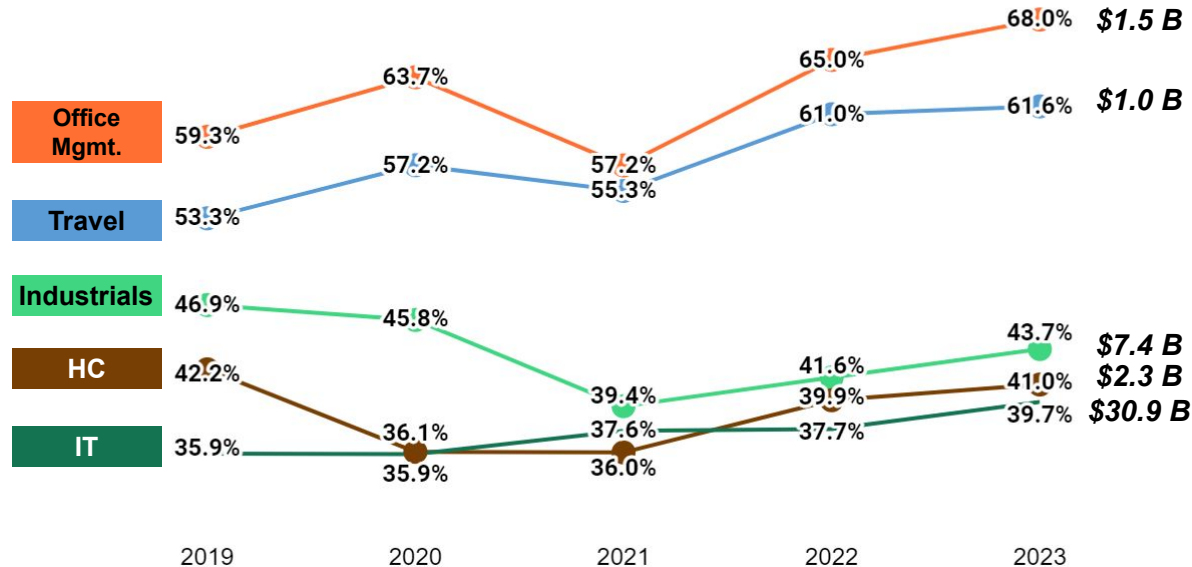
Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: "Common categories" identified as "GWCM" under "Level 1 Category Group" field in FPDS.

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

Below are trends of Small Business **obligation** capture for five common-spend categories with the strongest FY23 Small Business performance

5 Year Trends for Small Business Obligation Capture Across Common Spend Categories (FY19-23)



Observations

- Office Management awarded the large proportion of dollars to Small Businesses since FY19
 - Trends in proportions of Office Management Small Business award capture translated to an increase in Small Businesses performance
- IT Small Business obligation capture improved in both FY22 and FY23
 - Increased despite fall in Small Business award capture over same period

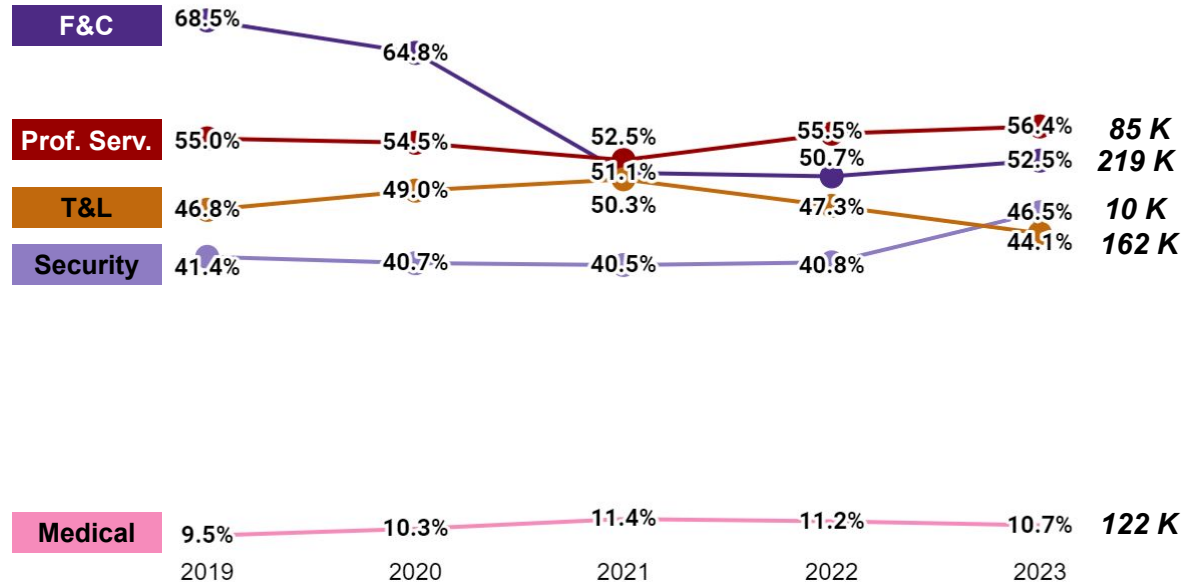
Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: "Common categories" identified as "GWCM" under "Level 1 Category Group" field in FPDS.

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

Below are trends of Small Business **award** capture for the remaining common-spend categories

5 Year Trends for Small Business Award Capture Across Common Spend Categories (FY19-23)



Observations

- Over the last five fiscal years, Facilities & Construction Small Business award capture has decreased
- Small Business award capture under Professional Services, Transportation & Logistics Services, and Security & Protection has been stable and strong
 - Professional Services and Security & Protection Small Business award capture increased to a five year high in FY23
- Medical consistently gave a low proportion of its awards to Small Businesses

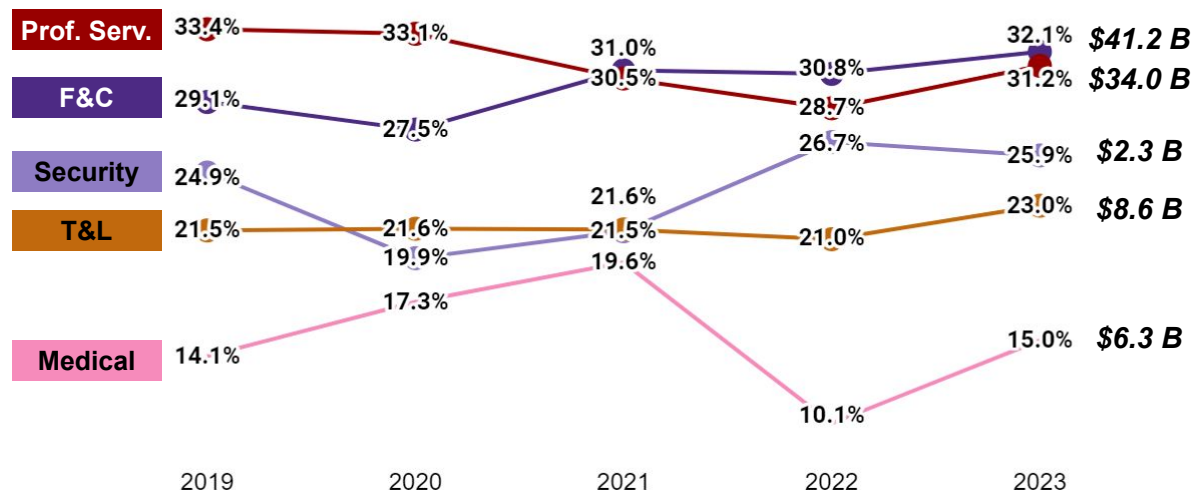
Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: "Common categories" identified as "GWCM" under "Level 1 Category Group" field in FPDS.

GOVERNMENT-WIDE
CATEGORY MANAGEMENT

Below are trends of Small Business **obligation** capture for the remaining common-spend categories

5 Year Trends for Small Business Obligation Capture Across Common Spend Categories (FY19-23)



Observations

- Facilities & Construction Small Business obligation capture varied from FY19 to FY23
 - FY23 uptick mirrored increase in Small Business award capture
- Professional Services Small Business performance has declined over the past five fiscal years
- Security & Protection Small Business performance declined in FY23
- Medical Small Business performance fell sharply in FY22 but increased in FY23

Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: "Common categories" identified as "GWCM" under "Level 1 Category Group" field in FPDS.

GOVERNMENT-WIDE CATEGORY MANAGEMENT

Defense-Centric Categories: Defined Inclusions

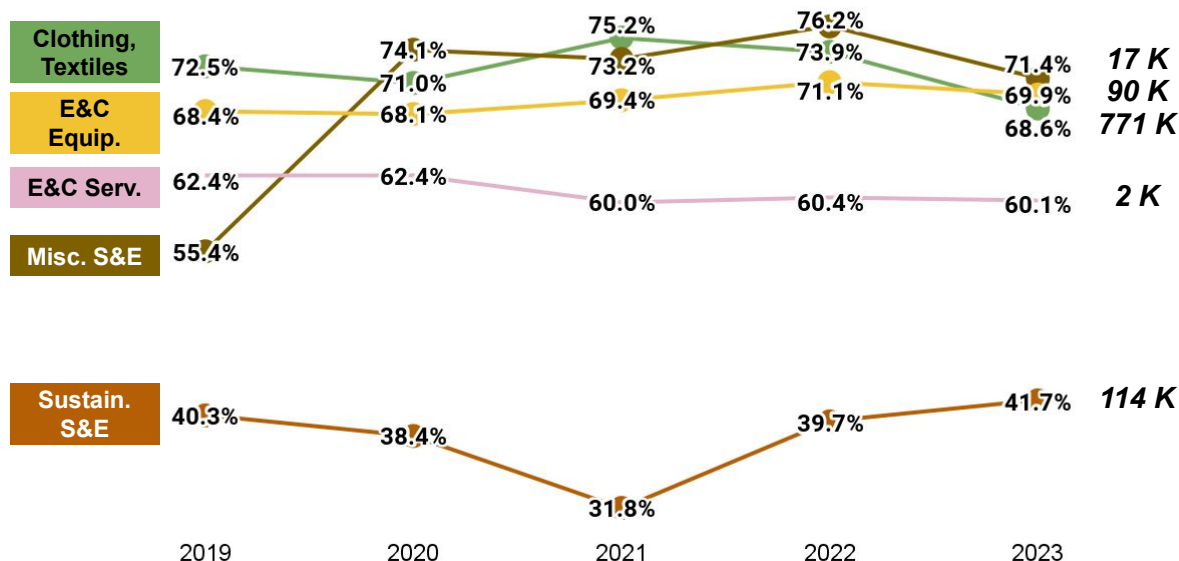
Aircraft, Ships / Subs. & Land Vehicles (Aircraft, Ships, etc) <ul style="list-style-type: none">• Aircraft• Land Combat Vehicles• Ships & Submarines• Space	Clothing, Textiles & Subsistence S&E (Clothing, Textiles) <ul style="list-style-type: none">• Subsistence• Textiles, Clothing & Equipage	Electronic & Communication Equipment (E&C Equip.) <ul style="list-style-type: none">• Communication Equipment• Detection & Coherent Radiation Equipment• Electrical & Electronics Equipment• Night Vision Equipment	Electronic & Communication Services (E&C Serv.) <ul style="list-style-type: none">• Equipment Leases• Equipment Maintenance	Equipment Related Services (Equip. Related Serv.) <ul style="list-style-type: none">• Equipment Modification• Installation of Equipment• Maintenance, Repair & Overhaul• Purchases & Leases• Quality Control• Salvage Services• Technical Representative Services
Miscellaneous S&E (Misc. S&E) <ul style="list-style-type: none">• Non-Food Items for Resale• S&E Not Classified Elsewhere	Research & Development (R&D) <ul style="list-style-type: none">• Commercialization• Operational Systems Development• Systems Development• Technology Base• Undefined	Sustainment S&E (Sustain. S&E) <ul style="list-style-type: none">• Drones• Engines, Components & Spt. Equipment• Materials• Supply Parts• Support Ships & Small Craft• Training Aids and Devices	Weapons & Ammunition (Weap. & Ammo.) <ul style="list-style-type: none">• Ammunition & Explosives• Fire Control• Guided Missiles• Guns• Nuclear Ordnance• Weapons	

Analysis Note: Categories are identified in FPDS by Level 1 Categories. Defined inclusions are identified by their respective Level 2 Categories. "S&E" is an official abbreviation for "Supplies & Equipment." Header colors track to charts in subsequent slides.

GOVERNMENT-WIDE CATEGORY MANAGEMENT

Below are trends of Small Business **award** capture for five defense-centric categories with the strongest FY23 Small Business performance

5 Year Trends for Small Business Award Capture Across Defense-Centric Spend Categories (FY19-23)



Observations

- Clothing, Textiles, & Subsistence S&E decreased Small Business award capture from FY19 to FY23
- Miscellaneous S&E achieved the highest Small Business award capture in FY23
- Sustainment S&E increased Small Business award capture in FY23
- Electronic & Communications Equipment award capture is stable and strong
- Electronic & Communications Services maintained a high Small Business award capture

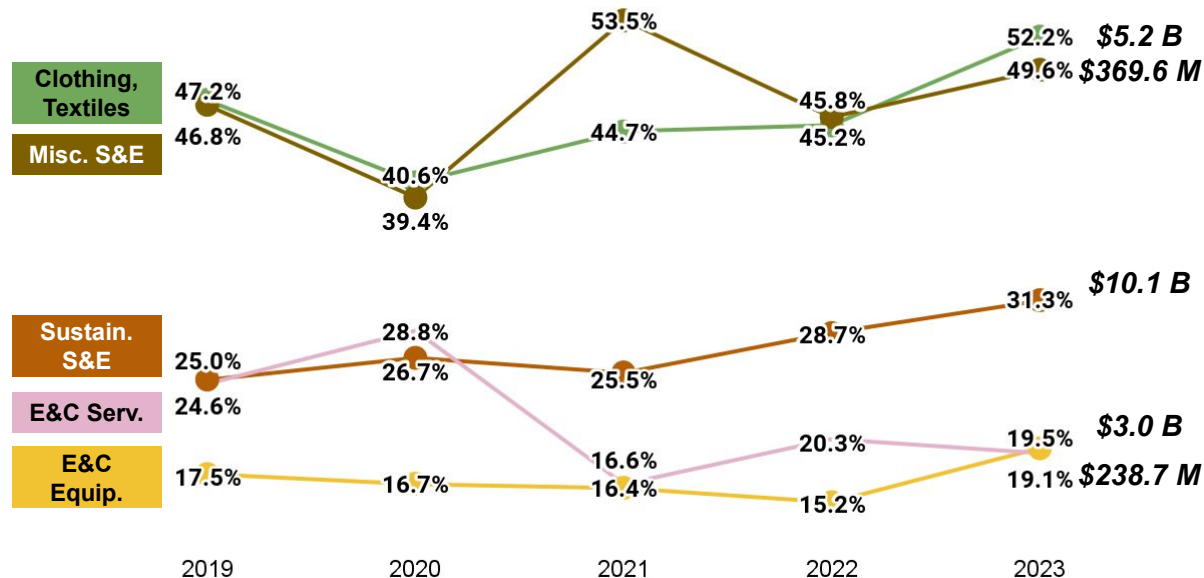
Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: "Defense-centric categories" identified as "defense centric" under "Level 1 Category Group" filter in FPDS. 'Other,' excluded from count of categories, includes DoD contracts with 'null' contract names or Level 1 Category in FPDS. Uncategorized PSCs beginning with "A" were included in "Research & Development".

GOVERNMENT-WIDE CATEGORY MANAGEMENT

Below are trends of Small Business **obligation** capture for five defense-centric categories with the strongest FY23 Small Business performance

5 Year Trends for Small Business Obligation Capture Across Defense-Centric Spend Categories (FY19-23)



Observations

- Clothing, Textiles, & Subsistence S&E Small Business performance rose in FY23
- Sustainment S&E Small Business performance increased since FY19
- Electronic & Communication Equipment Small Business obligation capture increased since FY19
- Small Business performance varied greatly since FY19 for both Miscellaneous S&E and Electronic & Communication Services

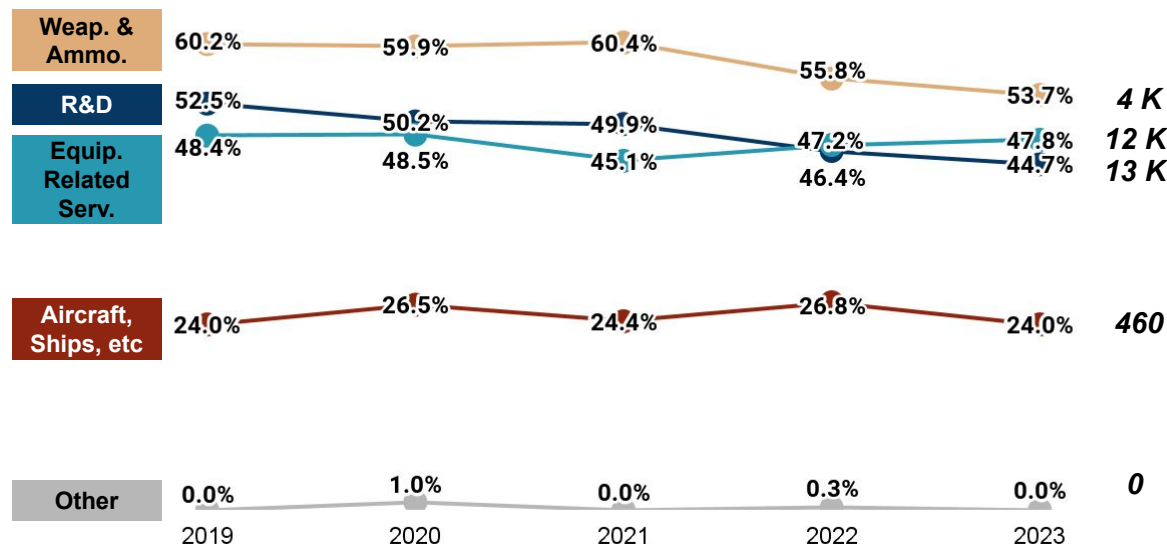
Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: "Defense-centric categories" identified as "defense centric" under "Level 1 Category Group" filter in FPDS. 'Other,' excluded from count of categories, includes DoD contracts with 'null' contract names or Level 1 Category in FPDS. Uncategorized PSCs beginning with "A" were included in "Research & Development".

GOVERNMENT-WIDE CATEGORY MANAGEMENT

Below are trends of Small Business **award** capture for the remaining defense-centric categories

5 Year Trends for Small Business Award Capture Across Defense-Centric Spend Categories (FY19-23)



Observations

- Weapons & Ammunition Small Business award capture has decreased since FY19
- Small Business award capture remained stable for Research and Development and Equipment Related Services since FY19
- Aircraft, Ships / Subs., & Land Vehicles Small Business award capture has remained stable since FY19

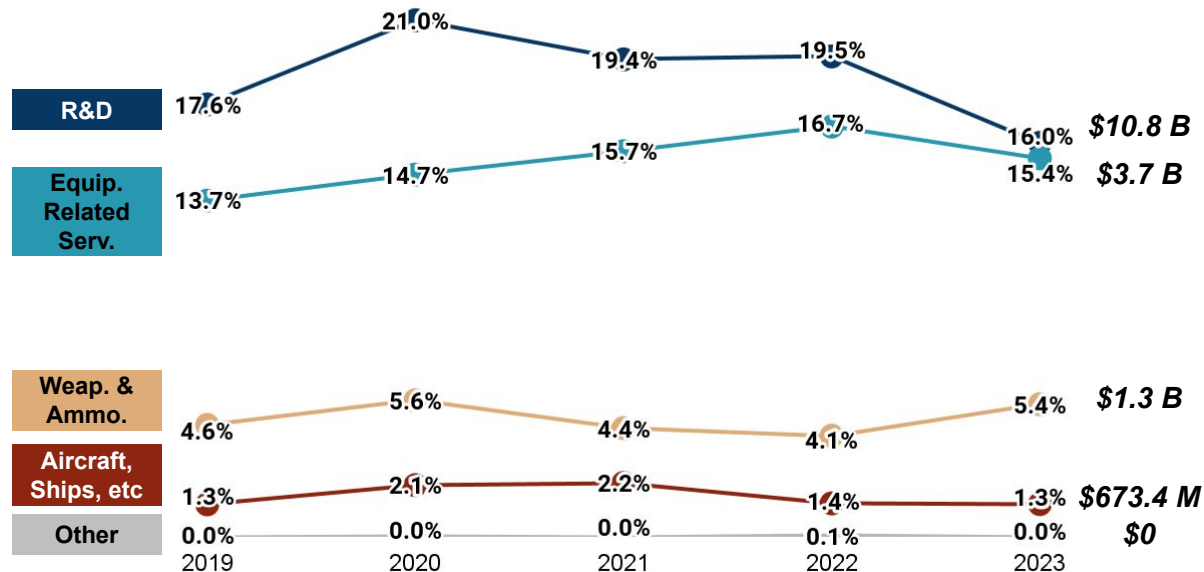
Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: "Defense-centric categories" identified as "defense centric" under "Level 1 Category Group" filter in FPDS. 'Other,' excluded from count of categories, includes DoD contracts with 'null' contract names or Level 1 Category in FPDS. Uncategorized PSCs beginning with "A" were included in "Research & Development".

GOVERNMENT-WIDE CATEGORY MANAGEMENT

Below are trends of Small Business **obligation** capture for the remaining defense-centric categories

5 Year Trends for Small Business Obligation Capture Across Defense-Centric Spend Categories (FY19-23)



Observations

- Research and Development Small Business performance fell in FY23
- Equipment Related Services Small Business obligation capture increased consistently from FY19 to FY22 but dropped in FY23
- Small Business performance for Weapons & Ammunition rose in FY23 despite a decrease in Small Business award capture
- Aircraft, Ships / Subs., & Land Vehicles Small Business performance remained low and fell further in FY23

Chart Source: FPDS FY19, FPDS FY20, FPDS FY21, FPDS FY22, FPDS FY23

Analysis Notes: "Defense-centric categories" identified as "defense centric" under "Level 1 Category Group" filter in FPDS. 'Other,' excluded from count of categories, includes DoD contracts with 'null' contract names or Level 1 Category in FPDS. Uncategorized PSCs beginning with "A" were included in "Research & Development".