Advanced Tactics: Making the Leap from Sub to Prime

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President, CEO

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- Celebrating 22 years in business!
- Clients have won over $5 billion in federal contracts in just the last seven years
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AGENDA

• Expertly understand your market
• Leverage expertise, experience & past performance
• Fast-track aggressive federal market growth
• Targeting opportunities for a higher P-Win
• Tips to calculate P-Win
• Differentiators that matter to decision-makers
• Mitigate risk in eyes of decision-makers
Expertly understand your market

- Changing marketplace
- Contract process and vehicles critical
- 37 Best-in-class contracts
- Proactive relationship-building critical
- Data-scraping tools used by government and contractors
Deltek Clarity Study:

TOP BUSINESS DEVELOPMENT CHALLENGES

- Limited Business Development Resources: 59%
- Increased Competition: 56%
- Customer Using Contract Vehicles we are not Associated with: 46%
- More Restrictive Spending Environment: 35%
- Not Enough Time to Assemble High-Quality Responses for RFPs and RFIs: 33%

First | Second | Third
--- | --- | ---

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Deltek Clarity Study:

HISTORICAL AND PLANNED GROWTH RATES

- 2018 (actual): Small 12%, Medium 7%, Large 9%
- 2019 (current): Small 14%, Medium 10%, Large 5%
- 2020 (target): Small 15%, Medium 10%, Large 6%
Deltek Clarity Study:

### CHANGE IN FEDERAL CONTRACTS

<table>
<thead>
<tr>
<th>Category</th>
<th>Decreased</th>
<th>Stayed the Same</th>
<th>Increased</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>13%</td>
<td>50%</td>
<td>37%</td>
</tr>
<tr>
<td>Small</td>
<td>14%</td>
<td>59%</td>
<td>27%</td>
</tr>
<tr>
<td>Medium</td>
<td>11%</td>
<td>51%</td>
<td>37%</td>
</tr>
<tr>
<td>Large</td>
<td>14%</td>
<td>31%</td>
<td>55%</td>
</tr>
</tbody>
</table>
DOD and Civilian MAC Spending at 5 Year High

Source: Bloomberg Government contracts data as of April 30.

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DOD MAC Spending by Bureau

Source: Bloomberg Government contracts data as of April 30.

©2019 BGOV LLC
Civilian MAC Spending by Bureau

MAC Total | Remaining Agency Total
---|---
VA | $12 | $15
HHS | $9 | $15
DHS | $8 | $11
STATE | $3 | $7
TREAS | $3 | $2
DOJ | $3 | $5
GSA | $2 | $3
ED | $2 | $1
USDA | $2 | $5
DOC | $2 | $3

Source: Bloomberg Government contracts data as of April 30.
# Win Probability Matrix

<table>
<thead>
<tr>
<th>Generic Rank</th>
<th>Bid Consideration</th>
<th>Rating Criteria</th>
<th>Consideration Rating 10-0</th>
<th>Consideration Weight (1)</th>
<th>Net Score (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Your ability to respond</td>
<td>10</td>
<td>Can meet/exceed every requirement</td>
<td>0</td>
<td>0.1</td>
</tr>
<tr>
<td>2</td>
<td>Background experience and overall technical capability</td>
<td>9</td>
<td>Strong in-house experience and/or technically superior</td>
<td>0</td>
<td>0.1</td>
</tr>
<tr>
<td>3</td>
<td>Proposed team and personnel (subs are an option)</td>
<td>8</td>
<td>Best and available (could be sub-enhanced)</td>
<td>0</td>
<td>0.1</td>
</tr>
<tr>
<td>4</td>
<td>Price strategy</td>
<td>7</td>
<td>Honest, credible, and within known limits</td>
<td>0</td>
<td>0.1</td>
</tr>
<tr>
<td>5</td>
<td>Customer rapport</td>
<td>6</td>
<td>Good working relationships</td>
<td>0</td>
<td>0.1</td>
</tr>
<tr>
<td>6</td>
<td>Competition</td>
<td>5</td>
<td>Sole source or customer knows and prefers you</td>
<td>0</td>
<td>0.1</td>
</tr>
<tr>
<td>7</td>
<td>Market intelligence</td>
<td>4</td>
<td>Inside track, good workup</td>
<td>0</td>
<td>0.1</td>
</tr>
<tr>
<td>8</td>
<td>Company’s resources available for proposal and for contract execution</td>
<td>3</td>
<td>Not needed</td>
<td>0</td>
<td>0.1</td>
</tr>
<tr>
<td>9</td>
<td>Facilities</td>
<td>2</td>
<td>Available, favorably located or no facility required</td>
<td>0</td>
<td>0.1</td>
</tr>
<tr>
<td>10</td>
<td>Program’s potential strategic advantage(s)</td>
<td>1</td>
<td>High</td>
<td>0</td>
<td>0.1</td>
</tr>
</tbody>
</table>

(1) Each bid consideration should be weighted according to evaluation emphasis/priority/scoring percentage. If unknown, consider each with equal weight. Total weight must equal 1.

(2) Net Score = Rating x Weight.

(3) If wired, the only reason to offer a bid is competition advocacy and continued relationship with the customer (usually important in government proposals).
### What Are Your Increased Revenue Goals?

- Would you like to add a zero to your revenue?

<table>
<thead>
<tr>
<th>Starting Point</th>
<th>Next One Year Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>$500,000</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>$2,500,000</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$50,000,000</td>
</tr>
<tr>
<td>$10,000,000</td>
<td>$100,000,000</td>
</tr>
</tbody>
</table>

More?
What Are Your Increased Revenue Goals?

- Fast-track aggressive federal market growth
- New federal contracts/revenue goals

- Year 1
- Year 3
- Year 5

________  ________  ________
What is YOUR Score?

• Today, how does your firm score
• In the eyes of your federal targets and decision makers?
• Will you get through the gate?
• Will data scraping tool find you?
Scoring System: To Get Through The First Gate

• A = clearly set yourself apart from competitors, not risky, memorable, government sees benefits of working with you—you can be found by data scraping tool

• B = possible chance
• C = average = failure
• D = life support
• F = dead in the water
What Really Works:
-- Market Research, Business & Financial Plan
-- Network, Communication, & Relationships
-- Past Performance & Continuous Marketing
-- Being Prepared, Patient, & Persistent

Small Businesses:
-- Create Jobs
-- Are Leaders of Innovations & Technology
-- Increase Competition – Decrease Costs

Large Businesses:
-- Important Partners of the Equation

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The Impact of Customer-Based Research

Source: “Inside the Buyers Brain” (email me for entire book as PDF)
Published by Hinge Research Institute
• Leverage expertise, experience & past performance

• Institute a trackable, repeatable, measurable and scalable process
Case Study: Engineering Firm

• Situation:
  – Experienced in federal market, but flat federal revenues

• Proposed Solution
  – Create a plan or roadmap to reach goals
    • Actionable, results-oriented, measurable,
    • Repeatable, scalable, adaptable
  – Executable by internal team

• Results
  – ROI: _______________
New Federal Business GOALS:
1 YR-$3M; 3\(^{rd}\) YR $10M; 5\(^{th}\) YR $30M

- Plan: Market Research
- Position: How to get noticed—positively!
- Pursue: Marketing, business development, capture
- Win!

Case Study: Goals
### Results in Awarded Contracts

#### GOALS in New Contracts
- Year 1: $3M
- Year 3: $10M
- Year 5: $30M

#### Results in New Contracts
- Year 1: $10M
- 18 months: $30M
- 24 months: $40M
- Year 3
- Year 5

ROI $\rightarrow$ *over 1,333 : 1*
Case Study: How They Got Noticed

• Be professional
  – Ex: DUNS, CAGE, email, registrations, web site–YOUR SCORE
• Know your niche!
• Do not try to be all things
• Lead with your expertise
• Prove it!
• Mitigate risk
• Relentless, appropriate marketing!
Case Study: Marketing Tools Used

- Government registrations
  - SAM, SBDS, Agencies (ARC)
- Business card
- Capability statement
- Web site
- White papers, case studies

- Public relations
- CRM system
- Contract vehicle

Not recommended:
- Advertising
- Telemarketing
- Buying lists
Specific Steps/Timeline

• As a prime
• As a teaming partner or sub
• Using a contract vehicle
• Agency relationship building process
• Sources Sought Notice / RFI process
Sample Proactive Marketing Program Planning Schedule

- **CORE STRATEGIES**
  - Reactive Strategies
  - Proactive Strategies
    - Unique Opportunities: Exclusives, Large Contracts

- **AUDIENCE**
  - Current Customers
  - Add new customers and prospects

- **SAMPLE EVENTS**
  - HHS
  - CMS
  - GSA Expo
  - Applicable Event
  - Applicable Event

- **ONGOING**
  - Newsletter and Emails
  - News Releases
  - Social Media
  - Webinars
  - Networking

- **AVERAGE / MONTH**
  - x visits
  - x webinars
  - x conferences
  - x networking
  - x calls
  - x emails

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Never reach out to any decision-makers for a meeting
This includes all targets!
   - Agencies, Primes, Teaming Partners
Until:
   - You have identified at least three solid opportunities to discuss
   - Be prepared, no matter with whom you are meeting, to discuss at least 3 upcoming opportunities
   - Use: Forecast, sources sought, recompetes, FPDS, EZGovOpps, USASpending
Promised Documents

✓ Session Slides
✓ VA Procurement Readiness Reference Guide
✓ VA Doing Business With VA Reference Guide
✓ Capabilities Statement Template
✓ Best in Class Contracts Summary
• Inside the Buyer’s Brain eBook:  

• Best CRM Systems:

•  https://www.business.com/categories/crm-software/
• Learn more about VA OSBDU: http://www.va.gov/osdbu
• VA Vendor Information Pages (VIP): https://www.vip.vetbiz.va.gov/
• VA Kingdomware Information: https://go.usa.gov/xKsp5
• How to Get Verified: http://www.va.gov/osdbu/verification/index.asp
• National Veterans Small Business Engagement: http://www.nvsbe.com
Connect with Gloria and TargetGov

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