



Successful Selling to the Government

APRIL 2006

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VOLUME 2 NUMBER 2

Back to Basics: The Use of Seminar Selling

By Tom Basile, *Seneca Creek Consulting*

If you wish to augment your sales efforts and increase your company's exposure across selected agencies and to key decision-makers to include Agency Heads, Chief Information Officers, Chief Financial Officers, Program Managers, Chief Security Officers and Senior Acquisition Managers, then seminar selling may be right for you.

The goal of an "executive" level seminar is to create a forum for the exchange of information while positioning your company as the subject matter experts that can bring solutions to pressing issues facing government executives. Issues can be mandated by law such as the Government Security Reform Act or the agencies desire to improve services to their customer base.

Note: This is not an opportunity for your company to conduct a sales presentation; however it is an opportunity for your company to be viewed as a partner bringing value and information to the targeted audience. Conducted properly, the seminar will provide a forum to strengthen your relationship with key buyers and differentiate your company from your competition.

Seminars are a great forum to separate quickly the buyers from the lookers. A properly targeted seminar can move a prospect down the sales cycle faster. It can take many meetings with key decision-makers to achieve the same results you can get with a single seminar. Your company will forever be viewed as the "trusted adviser," not just a company trying to sell something.

There are many formats for conducting seminars. Choose a location in close proximity to many government agencies with convenient Metro access. Don't over target and attempt to fill the room. Remember these are high level decision-makers. Target from 10 to 15 attendees at most, this way you will have an opportunity to spend some time with each attendee. An effective room presentation is utilizing a U shaped table set-up. This way the presenters and attendees can better engage each other.

Much debate is given to the appropriate time to run a seminar. Consider early morning since it may be easier to get a senior executive's time before they venture in the office. A sample time line may include starting registration at 8:00 with full sit down breakfast at 8:30, followed by the kicking off the program at 9:00. End the program at 11:00 a.m. Remember to leave time during the program for discussions among participants for the exchange of information and ideas.

Having guest speakers is highly encouraged. Draw on individuals from government and industry that are recognized as subject matter experts for the particular theme of the seminar. If you are planning to present your solution, consider doing so through a combination of presentation and demonstration on how it has directly benefited other agencies. The preferred approach is to have one of your customers present your solution in the form of a case study. This will avoid being viewed as "selling" and will maintain

the seminar's main theme of an exchange of information.

Consider four to six seminars over a calendar year since this will provide the proper amount of exposure across selected agencies and target buyers. It goes without saying that there is a lot of "back office" work required in order to pull off a successful seminar. You must create a target database, develop an appropriate agenda and corresponding presentation materials, create hardcopy and email invitations, arrange speakers, coordinate the development of handouts and evaluations, act as seminar moderator, and take good notes throughout the seminar.

How do you measure success? A successful seminar perhaps can be defined by achieving the following:

- Attendees openly shared future plans and buying agenda
- Based on seminar evaluations and verbal feedback, attendees find value in attending the seminar
- Identifying who the real prospects in the group are
- Moving key prospects further down the sales cycle
- Establish relationships with key prospects and arranging follow-up meetings

Finally, and most importantly, document and assign follow-up tasks to your sales staff. You will only see the benefit of your seminar program when you have good consistent follow through.

The GSA Corner: Pitfalls in Applying for a GSA Schedule

By Robert Kelly, Principal, Client Dimensions/TurboGSA

Over the past five years, Federal agencies have increasingly used GSA Schedule contracts to procure goods and services. These government-wide contracts enable businesses to sell to any government agency and related organizations. GSA Schedules offer several benefits to companies:

- Helps avoid open competitions and minimizes Federal contracting complexities
- Provides you with a five year contract (with three 5-year options) to market to any Federal agency
- Provides marketing cache and makes it easier for Agencies to buy from you
- Has become the contracting vehicle of choice for procurement officers
- Shortens the time for Agencies to issue contracts to you (about 15 days compared to 268 days for conventional Federal contracts)
- Provides you with GSA marketing support and listing in GSA Advantage

While applying for a GSA Schedule contract is similar to responding to other Federal RFPs, there are some unique differences and pitfalls.

Many business managers are overwhelmed with the amount of paperwork that needs to be completed, along with a host of supporting documents that must be submitted. Many of the solicitations also contain requirements that are so buried in the minutiae, that they are often overlooked. Completing the complex proposal is not the end of the process, rather merely the beginning. Upon submission, GSA begins its review, or due diligence, which can average 4-6 months – and frequently longer. During this time, an applicant will need to answer numerous questions from the assigned Contracting Officer (CO), and can encounter a myriad of pitfalls:

- Contract Term Awareness – While you are not required to be a contract law expert to obtain a Schedule, you need to have a basic understanding of the contract terms. This is important so that your lack of knowledge is not exploited

by the CO during negotiations.

- Pricing – Negotiating a fair but profitable price is key to your success. You are required to disclose your commercial sales practices accurately and GSA will use this information to negotiate “Most Favored Customer” status, meaning the best discount. However, this does not necessarily mean ending up with an unprofitable contract or necessarily giving the Government the best discount you ever provided a commercial client. There may be valid reasons for granting greater discounts to others. Your distributors might deserve a better discount, and you are not precluded from engaging in occasional loss-leader or similar discounting practices. Being prepared with a negotiation strategy in advance is crucial.
- When to Push – Once submitted, your proposal can seemingly be lost in bureaucracy for long periods of time. Certainly many CO’s are legitimately busy, but there are a small number that may need to be “nudged” a bit. A delicate balance must be struck between being too pushy and being too passive.
- Expect more Paperwork – toward the end of the process, following negotiations, expect another flurry of paperwork. You will need to prepare a Final Proposal Revision outlining changes you have agreed to, prepare a price list according to rule FSS-600, upload your contract and pricing information to GSA Advantage (no easy task using the government’s software), and other related issues.

Since every company is unique, predicting what specific pitfalls you might encounter is difficult. References may not check out, your financials may be deemed weak, your discounting practices may be too complex or prices too high, or some products or services may be ruled out of scope with the schedule you are seeking. While the process can be disconcerting at times, obtaining a schedule contract has been beneficial to many companies and worthwhile in the long run.

For more information visit the web site at: www.TurboGSA.com.

Government Sales – The Myth of “Low Hanging” Fruit

By Peter Adler, *Seneca Creek Consulting*

How often have you heard this phrase from members of your enterprise team? Typically, there is the proverbial low-hanging fruit if you are in commodity sales and your timing in contacting the client is precisely in line with their timing.

This myth most likely contributes to more misunderstanding and frustration than any other single belief about the Government markets. Virtually all Government contracts of significant size require the obvious – the entire sales process must be worked in its entirety prior to the realization of sizable revenue from these markets.

Given the budget and decision-making processes inherent in the Government business model, it is imperative that a sales organization work with the proven Management-By-Objective model. MBO provides senior management with a timeline and a score-keeping record by having each step of the sales process documented in advance and assigned a time-to-completion statement.

Examples of this MBO approach are:

- *Within 90 days conclude 2 strategic alliances for teaming on the upcoming Super Widget GWAC from the Department of Homeland Security.*
- *Identify 3 opportunities over the next 6 months that will permit our bidding as a prime contractor based on our past performance record.*
- *Conduct 6 presentations to Government Program Managers on our solutions for their Agency in the first quarter of the Government fiscal year.*

These are rather basic examples of a plan based on MBO. The important point is that there are clear steps, timelines, and goals that address the essential steps in the Government sales cycle. Simply stating revenue goals in the absence of a roadmap detailing the necessary steps is akin to sending a soldier into battle with out a rifle.

While a small minority of sales people will respond successfully with a revenue quota and no roadmap, the odds of success are heavily in your favor if the Government sales process is well documented step-by-step so that your sales people will always have a clear picture of their next step and of your expectations based on the MBO roadmap.

Procurement Spotlight

Turmoil Continues at GSA: Lee Leaving, Will Tackle FEMA Procurement

By Warren Corbett, *Set-Aside Alert*

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The Federal Emergency Management Agency has tapped one of the government's most experienced procurement leaders, Deidre Lee, to help straighten out its widely criticized disaster response and recovery efforts.

Lee was named acting deputy director of operations, effective next month. She currently serves as assistant commissioner of GSA's Federal Acquisition Service, overseeing IT and professional services procurement. She was formerly the Defense Department's director of procurement and acquisition policy and served as administrator of OMB's Office of Federal Procurement Policy.

Lee's departure from GSA after only seven months is the latest in an exodus of top managers as the agency struggles to reverse a slowdown in sales growth. GSA's administrator, the heads of the Federal Supply Service and the Federal Technology Service, and the acting commissioner of the new Federal Acquisition Service have all left in recent months. GSA has announced it will eliminate up to 400 jobs because some of its procurement vehicles are losing money. (*SAA, 3/10*)

On the same day Lee's appointment to FEMA was announced, March 16, the Government Accountability Office reported that federal agencies have wasted tens of millions of dollars on contracts for disaster relief after Katrina. After examining contracts awarded by FEMA, GSA and the Army Corps of Engineers, GAO cited inadequate planning and preparation; poor communications among federal, state and local agencies; and inadequate deployment of personnel to oversee contracts.

In announcing Lee's appointment, Acting FEMA Director David Paulison said, "She arrives at an important time for FEMA as we are working to bolster procurement efforts in support of continued rebuilding in the Gulf Coast and future disaster response operations."

The agency said Lee "will work closely with FEMA's chief procurement and financial officers, as well as response and recovery division heads, to develop and oversee FEMA's acquisition programs in support of efforts to reinvigorate disaster response and recovery operations. She will also provide input and counsel to the DHS Chief Procurement Officer and Under Secretary for Management, communicating FEMA's mission, priorities, and business needs for the future."

Congressional oversight committees have criticized FEMA for not having contracts in place before the 2005 hurricanes to provide basic relief supplies, and GAO concurred. "The government's response to Hurricanes Katrina and Rita depended heavily on contractors to deliver ice, water and food supplies; patch rooftops; and provide housing to displaced residents," the GAO report said. "FEMA did not adequately anticipate needs."

FEMA is already moving to remedy that. The agency has issued pre-solicitation notices for contracts to provide base camps and to operate a disaster-assistance call center. (*Details, page 4.*)

Hundreds of millions of dollars were awarded in sole-source contracts after the hurricanes. Inspectors general are examining those contracts; GAO did not address whether they were properly awarded.

GAO said FEMA delegated some contracting authority to the Army Corps and GSA, but the three agencies were often unclear about who was supposed to monitor contractor performance. The investigators found some agency officials did not understand the requirements of the Stafford Act, which gives procurement preferences to local companies in a disaster area.

Committees of both the House and Senate have issued scathing assessments of the Katrina response, and even the White House has joined the criticism. Its report, issued Feb. 23, contained a laundry list of 125 recommendations to improve response in future disasters.

But the Bush administration has resisted calls to remove FEMA from the Department of Homeland Security and make it an independent agency, as it was before the creation of DHS.

The GAO report is GAO-06-461R.

Partner Corner

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