



Successful Selling to the Government

JULY 2006

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VOLUME 2 NUMBER 3

Myths about selling to the Federal Government

By Tom Basile, *Seneca Creek Consulting*

Myth: All we need is to hire someone with a great Rolodex!

How many times have you asked or been asked in an interview "Ms. X, tell us who do you know in these agencies." Valid question? Well to some extent, yes. If a company is hiring a sales professional to work a single agency full-time, then hiring someone that has walked the halls and is familiar with the people, culture, and contractual environment is important.

If you are hiring someone to carry your message across multiple agencies chances are that the sales professional will not know everyone. They should, however, fully understand the process for selling into the government and through partners. Ideally, they bring a track-record of past performance in your target agencies.

It goes without saying that the persons track record and integrity are just as important as who they know, maybe more important. You can know a lot of people but if they don't respect you they won't buy from you.

However, even if a person has a lot of contacts it does not mean they are credible. Contacts come and go in the government because jobs change. In the military, people rotate typically on a two year basis. Contacts are great but most importantly you need to understand the particular agency or military command's business and have a compelling message on how you can solve a particular problem.

A good professional sales person will first do their homework to fully understanding how the agency does business and the challenges faced by the agency. If you have the right message, past performance, and solution to a recognized problem then any seasoned, professional sales person can get a meeting with the right person.

However, meetings alone do not close a sale but they are the logical start in the sales cycle to closing business!

The GSA Corner: Contracting Changes at GSA

By Deborah Wolland, *The JDS Marketing Group*

This summer brings a host of contracting changes at GSA, a direct result of the new Administrator's desire to increase GSA's service to its customers.

In early June, a satellite Division of the IT Acquisition Center was established in Kansas City. Known predominately for the administration of the Facilities Maintenance and Management Schedule and Hardware Superstore, Kansas City also provides comprehensive financial determinations for firms looking to negotiate a Schedule contract. This new IT Division is responsible for the review and award of all new offers

under the Schedule 70 solicitation.

In recent weeks it was announced that the administration of the Professional Engineering Services Schedule would be transferred to Auburn, Washington. The seasoned staff in Auburn, it is rumored, was chosen as their Center was a success story for GSA. Offers are negotiated quickly, and the Contracting Officers are well trained, personable, and easy to work with. Key services schedules under the responsibility of Auburn include MOBIS, Environmental Services, LogWorld, Energy Management Services, and Language Services. The addition of the PES contract will round out this offering.

Do You Demonstrate the Value of Your Solution, or, Is Your Offering Perceived As a Commodity?

By Peter Adler, *Seneca Creek Consulting*

According to the dictionary, "value" is: "A fair return or equivalent in goods, services, or money for something exchanged."

How do you represent your "value" to your prospective Government client? We start with the obvious; value is perceived as the solution to a known problem experienced by your client. The problem with this position is that several other offerors may well be perceived in a similar manner.

Assuming your offerings of goods or services can genuinely attack the problem, then you must demonstrate your superior knowledge of the buyer's problem, culture, budget, and, possibly, the political climate in which he or she operates. This in-depth understanding on your part permits you to establish value more easily than a competitor with a similar solution but with lesser knowledge of the buyer's environment.

An example of this circumstance could be where a PM needs a network monitoring software solution and proposed changes to the Government security requirements are "in the works." Your knowledge of this possibility and the ability to tie-in your solution's architecture to this possible change will surely trump a competitor's offering that does not acknowledge this potential change in environment.

Both solutions may satisfy the status quo, but only one offeror demonstrates an understanding of the changes that may be underway and how he will accommodate these changes in his software solution. Invariably, this knowledge and approach to problem solving will trump the competitor who is uninformed about the dynamics of change in the performance requirements.

You have just "lost" your commodity status by virtue of your application of understanding and accommodation afforded by your solution. You no longer look the same as your competitors because your demonstrated concrete understanding of the problem has set you and your solution apart from those lacking this knowledge and approach.

You have just delivered real value!

Can you apply these principles in all sales situations? No, but it is effective in the majority of cases. However, this approach implies serious study and investigation by the offeror who wishes to set itself apart from the competition. Unless they understand truly this value proposition, the odds favor them as a commodity offering while you remain the provider of real value to your Government client.

Back to Basics: Subcontracting on Multiple Award Contracts

By Manny Coplit, *Seneca Creek Consulting*

Recent trends within the federal community point to an ever increasing number of government-wide or agency specific multiple award contracts. Often these contracts are

awarded to multiple companies in both the large and small business categories. The size and breath of services on these contracts typically limit participation to only the large tier 1 system integrators and small businesses with ample revenue, past performance and service delivery capability.

So how about small firms that have one or two niche service or product offerings that can address some of the requirements in a large procurement? These firms must secure a teaming relationship with a large or small business prime contractor or both. Is securing a place on one or more teams enough? Definitely not. All too often we hear about small firms getting on a winning team having provided pricing and past performance that was used in the submission. Then after the contract is awarded, all discussions with the prime cease and no opportunities or revenue are ever seen.

To avoid this common problem, make sure your solution is unique enough to negotiate a teaming agreement that guarantees you participation in all task orders that involve your solution area. This assumes you will see all task orders, so picking a prime that is committed to distributing task orders is critical. Also, before teaming, understand how the prime contractor intends to work with its subcontractors to bring business to the contract and share in the business with its subs.

However, do not expect that business will be handed to you just because you are on a team and you negotiated a favorable teaming agreement. You must put forth effort to market the contract in conjunction with the prime as well as other team members. It is commonplace on multiple award contracts that team members "eat what they kill"!

If you are on a team, put together a marketing plan that the prime approves then work the plan. Don't expect business without sales effort.

Government Marketing: Branding my business – Is that really important?

By Albert Pines, Seneca Creek Consulting

Try standing in front of a group of people and introducing yourself using someone else's name. Does it feel uncomfortable? Do you feel a little "out of touch" with yourself? Are you afraid that you have confused your listeners – perhaps they will be unsure as to who you really are?

What you have just done is to tinker with an important element of "your" brand. Certainly, it is not the only element, and gee "what is in a name, surely I am more than that?" Yes, you are, but you have spent many years weaving the picture of who you are and this mosaic has become clearly defined at a very emotional level within you. However, your name is your principal moniker, so when it is messed with a lot of "other" stuff feels messed with as well.

Congratulations – you did a great job of branding yourself. In addition, for all the reasons that you invested a lot of energy in "your brand" you need to consider doing the same for your company.

Branding your firm is a crucial part of your overall marketing strategy. Establishing a brand involves defining your company, knowing exactly what niche you serve in your industry and convincing your potential customers that your product or service is the best solution to their problem.

The smaller the enterprise, the more important branding is because small firms have fewer resources for both marketing and sales, therefore, placing your company in a position to leverage those resources better is crucial to growth and financial success.

If you have established a strong brand you will not have to work as hard to attract potential customers. This means, that to have the greatest impact branding needs to be done before you consider any other marketing or sales activity.

When branding is successful it makes the telling of your story easier, allows you to separate yourself from the crowd, draws the customer into your sphere of influence, and builds the customer's confidence in your company as 'the right solution'.

In a very critical way, it convinces the customer both emotionally and intellectually, that they do not have to look any further. Once you have captured their attention in this way

a competitor will have a very difficult time changing their mind.

Not only does it increase your potential for doing business with a particular customer but research shows the clearer your brand message is the more likely that the potential customer will tell others about it, including why they think you're the right solution to buy. Once this "messaging" process begins it increases your leverage, enabling you to further increase the effectiveness of your marketing and sales investment.

Procurement Spotlight – Security Clearances

By Warren Corbett, *Set-Aside Alert*

The Defense Security Service has resumed accepting applications for security clearances at all levels.

Bracing for a flood of applications, DSS asked contractors "to prioritize and regulate their submissions over the next weeks to prevent an unmanageable influx of requests."

DSS stopped accepting applications from industry for more than two weeks last spring because it had run out of money to process them. It partially lifted the moratorium in May, but was still not accepting applications for Top Secret clearances.

In its July 10 announcement, DSS said it has "worked through its funding difficulties" and is accepting applications for all initial investigations and periodic reinvestigations. The Defense Department pays the Office of Personnel Management to conduct background investigations.

OPM also handles investigations for most civilian agencies, except intelligence agencies. Officials said requests for Top Secret clearances have more than doubled over the past two years, to 7,000 a month. Requests for Secret/Confidential clearances have risen to 34,000 per month, compared to 14,000 two years ago.

The agency projected it will process 1.7 million requests during this fiscal year, up from 1.4 million last year.

At a forum for industry and agencies July 11, OPM officials said the average time for completing a Top Secret investigation is now 161 days, compared to 341 in 2004.

The 2004 Intelligence Reform and Terrorism Prevention Act requires that 80% of all initial clearance investigations must be completed within 90 days by the end of this year. Clay Johnson, deputy director of the Office of Management and Budget, called that an "aggressive" goal.

Kathy Dillaman, who heads the Federal Investigative Services Division for OPM, insisted, "We are well on our way to meeting" the goal.

This month the agency awarded new contracts to five companies that will conduct background investigations. They are CACI International Corp, Chantilly, VA; Kroll Government Services Inc., New York; Systems Application & Technologies Inc., Landover, MD; and US Investigative Services, LLC, Annandale, VA.

Before those contracts were awarded, Dillaman had said 8,600 investigators were working on clearance applications. But industry officials said many of the investigators are free-lancers who work for more than one contractor, so the actual number was probably around 5,000. (SAA, 6/2)

Industry officials estimated in May that the backlog of applications had reached 300,000. Contractors say they have been paying premiums of up to 25% above normal salary to hire people with active clearances.

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