

EFFECTIVE SMALL BUSINESS RESPONSE STRATEGIES TO FEDERAL GOVERNMENT COMPETITIVE PROCUREMENTS

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Practical information and proven-under-fire processes needed to plan, organize, and prepare effective proposals to Federal Government clients are introduced. Emphasis is given to producing highly focused, requirements-driven proposals that respond fully to client success criteria. Proposals are presented as marketing vehicles and as dedicated efforts in information management. Superior proposal writing and presentation techniques are provided, along with successful information management and proposal production scenarios. Winning approaches to strategic planning and long-term marketing relationships are offered. Human and organizational dynamics are shown to drive successful marketing and proposal processes within all companies.

Winning. The Federal Government competitive procurement process¹ is absolutely binary—contractors either win or lose with their proposals. With rare exception, there are no rewards for coming in second. To allocate your company's Bid and Proposal (B & P), marketing, and internal research and development (IR & D) funds to pursue procurements for which there is only a marginal probability of winning is, at best, questionable business planning. Federal agencies often have a variety of domestic as well as overseas² contractor/vendor firms from which to select a specific supplier of goods or services. At a minimum, you have to know your potential client and his or her requirements, and in turn, your client must be made aware of your company's particular technical capabilities, relevant contractual experience, available human talent, and financial stability in the context of an ongoing marketing relationship. One or two briefings from your company to top-level government agency administrators will most likely be insufficient to secure new business in the competitive federal marketplace.

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Many small contracting firms which provide goods and services to the Federal Government are primarily or even solely dependent upon federal contracts for their survival and growth. Consequently, proposal planning, development, management, design, preparation, and follow up are the most important business activities that your company performs. Proposal development constitutes not just a full-time job; it can be a 12 to 16 hour-a-day, six or seven day-a-week effort just to keep from falling behind hopelessly.³ Your company should not start developing a proposal unless it intends to win. An exception to this guideline is if your company wants to propose on a particular procurement in order to gain experience in assembling proposals or to gain recognition from the government as a potential supplier.⁴ The American Graduate University suggests that as many as three-quarters of the proposals received by government procuring agencies are deemed to be non-responsive or inadequate.⁵ If your company competes heavily in the federal marketplace, then *proposals are your most important product*. It does not matter how large your company is. For example, let's assume that yours is a company with \$12 million posted in revenue during the last fiscal year. To simply maintain revenues at that level in the next fiscal year, you will "burn" \$1 million each month in contract backlog. That means that you must win \$1 million each month in new or recompetete business just to keep the revenue "pipeline" full. Yet winning \$1 million per month in new or recompetete business will not allow your company to grow revenue-wise at all!

"Without a plan, the proposal process will be chaotic and the product, at best, will be inferior."⁶ Gone is the time of last-minute, haphazard proposal preparation by a few individuals working in isolation from in-house review and other corporate or divisional guidance. Your company simply cannot compete effectively with the many U.S.-based and overseas contracting firms if every proposal you submit is not your very finest effort. Your company will, of course, not win every procurement—25 to 40% is a reasonable win ratio— but you must strive to have each and every proposal be in the competitive range⁷ from a technical, management, and cost standpoints.

It is important to note that a technically sound and competitively priced proposal is not enough. With content and cost must come readability, appearance, and format. And these elements require dedicated time to accomplish. Cover design, page formatting, editing, generating graphics, wordprocessing/publishing, proofreading, photoreproducing, collating, and assembling are all vital steps in the overall proposal preparation cycle. Put yourself in the role of a government evaluator. That person, along with his or her colleagues, has to look at many proposals for each procurement. Would you enjoy struggling through a poorly written, amateurishly prepared document on the evening or on the weekend? Indeed, there are an increasing number of small and large businesses chasing fewer and fewer federal dollars. Even relatively minor procurements are resulting in 50 or more proposals submitted. Debriefings across a wide variety of agencies suggest that evaluators are spending 15 to 30 minutes on each company's proposal. There simply is no more time available to them. As a result, it is more imperative than ever that your company's proposal stand out in a positive way.

JOURNAL OF BUSINESS AND MANAGEMENT

A fundamental reorientation of your company's collective thinking and attitude will most likely be required to begin the challenging shift from 8(a)-style⁸ procurement to *competitive* federal business acquisition. Changing attitudes can be a difficult and lengthy process. The process of change must begin and be fostered by senior management. Precisely the thinking that proved so successful and comfortable during the 8(a) days of your company's history is often the very thing that thwarts your company's potential for growth in the competitive arena. Entrepreneurial companies are often characterized by informal business organizations and cultures that are functional for *small* companies only. However, if companies are successful and grow in terms of revenue and human resources, they will reach a point at which an *informal* culture and organization is inadequate. This is particularly apparent in the areas of planning, management structure, internal communications, and support infrastructure. Successful, growing companies should reorganize, bring in new senior operations management as appropriate, and develop a strategic planning process.⁹ And management responsibilities and authority should be delegated downward so that a small company's organizational structure is not so "sharply hierarchical."¹⁰

Dedicated effort in accordance with a well-defined plan, broad-based and in-depth knowledge of your clients, and a formalized company organization and communication network all contribute to successful proposals.

SMALL BUSINESS CONSTRAINTS

In terms directly relevant to proposal development, design, and preparation, many small businesses must contend effectively with very limited B & P funds, lack of depth in human resources, a small business base, contract backlog deficit, low level of contractual experience, lack of name recognition in the federal marketplace, and line of credit challenges. A small business base, for example, can lead to higher indirect costs, which in turn can place a company at a competitive disadvantage during procurement efforts. And insufficient staff can translate to few or no people *dedicated* to the tasks of advanced and strategic planning, marketing to particular federal agencies, proposal operations, proposal reviews, proposal editing and proofreading, and proposal publication. Staffing challenges are seen in full-time project managers working 40 billable hours each week for the government client and then additional time to serve as proposal managers of proposal reviewers. (In predominately service-oriented contracting firms, the company's overall profitability is affected by the degree to which its personnel are fully billable. Transfer ratios, that is, billable time versus total time worked, must remain very high.) And thin contractual experience can lead to low scores received for "Past Performance" or "Relevant Experience" sections of the Request for Proposal (RFP), areas that are given increasing weight in federal procurements in the late 1990s.

NEW TRAJECTORIES IN FEDERAL GOVERNMENT PROCUREMENT

The Federal Government spends approximately \$200 billion each year in procuring goods and services. Managing and modifying the complex set of processes known as the Federal Acquisition Regulations (FAR) by which the government procures goods and services has proven to be daunting. David Osborne, a senior advisor to the Clinton Administration and co-author with Ted Gaebler of the best-selling *Reinventing Government: How the Entrepreneurial Spirit Is Transforming the Public Sector* (1992), foresees a profound movement away from large, centralized, command-and-control bureaucracies toward decentralized, entrepreneurial organizations. These new governmental organizations will be driven by competition and accountability to their customers for the results they deliver. Mr. Osborne supported Vice President Al Gore's National Performance Review (NPR), which released a report in September 1993 that recommended sweeping changes in federal policies and procedures. NPR and the concept of "service to the citizen" involve putting people first. NPR played a significant role in the generation of the Federal Acquisition Streamlining Act.

Signed by President Clinton in October 1994, the Federal Acquisition Streamlining Act (FASA, Public Law 103-355) of 1994 repealed or "substantially modified more than 225 provisions of law to reduce paperwork burdens, facilitate the acquisition of commercial products, enhance the use of simplified procedures for small purchases, transform the acquisition process to electronic commerce, and improve the efficiency of the laws governing the procurement of goods and services." FASA took effect on 1 October 1995. It emphasizes the acquisition of commercial-off-the-shelf (COTS) items, streamlines acquisition procedures under an elevated small purchase threshold, implements a government-wide electronic commerce system, establishes uniformity in the procurement system, improves protest and oversight processes, and authorizes specific pilot programs.

The Federal Acquisition Streamlining Act also established the Federal Acquisition Computer Network (FACNET), which requires the government to evolve its acquisition process from one driven by paperwork into an expedited Electronic Commerce (EC) process based upon Electronic Data Interchange (EDI). Federal agencies have been authorized to use EC/EDI for contracts ranging from \$2,500 to \$100,000. One hundred percent of government procurement will be accomplished via EC/EDI by the year 2003, in accordance with FASA. Electronic Commerce/Electronic Data Interchange should not be confused with the Internet. Currently, the Internet is not as secure as it needs to be for contractual transactions.

In addition to FASA, further modifications to government procurement occurred with enactment of the Federal Acquisition Reform Act (FARA, included in Defense Authorization Act) of 1996. The most significant change introduced by the 1996 procurement rules is that federal officials have been given more latitude to award contracts based upon a contractor's performance or expertise, rather than price alone.

JOURNAL OF BUSINESS AND MANAGEMENT

The Federal Acquisition Computer Network (FACNET) is the Federal Government's EC/EDI for the acquisition of supplies and services. This pivotal network will facilitate electronic data interchange of acquisition information between the government and the private sector. It employs nationally and internationally recognized data formats and provides universal user access. FACNET is a universal electronic capability that will permit potential contractors to, at a minimum, obtain information on proposed procurements, submit responses, query the system, and receive awards on a government-wide basis. The system, which should be fully functional in five years, is being designed to inform the public about federal contracting opportunities, outline the details of government solicitations, permit electronic submission of bids and proposals, facilitate responses to questions about solicitations, enhance the quality of data available about the acquisition process, and be accessible to anyone with a personal computer and a modem.

EDI is intended to increase business opportunities through wider diffusion of procurement information. There are to be fewer errors in data, reduced processing times, less reliance on human interpretation of data, and reduced unproductive time. Greater competition and reduced prices to the government are the ultimate goals. Savings are to be realized through reductions in inventories, mailroom sorting/distribution time, elimination of lost documents, and reduction in postage and other mailing costs. EDI will also facilitate the flow of better and more up-to-date information for enhanced management decision making.

Given the trajectory of FASA (1994) and the Federal Acquisition Reform Act of 1996, the trend in federal acquisition is clearly toward electronic commerce, electronic data and information interchange, procuring commercial items, and streamlining the complex procedural framework of the FAR and associated regulations.

SMALL BUSINESS STRENGTHS

Small businesses—corporations in the manufacturing field that employ less than 500 people, or corporations in the services arena that generate less than \$5 million in gross annual receipts—constitute 99 percent of U.S. enterprises. These companies have certain competitive advantages: they are lean in terms of administration, they can position themselves in a market niche that large corporations cannot fill, and they can offer superior service to customers.¹¹ In addition, small businesses have the potential to respond rapidly to emerging business opportunities because of fewer layers of management approval. Company policies can be modified quickly to meet client requests and requirements.¹² Small businesses can carefully control their growth in terms of acquiring technical talent and penetrating new market sectors. The opportunity for excellent in-house communications up and down the "ladder of authority" exists with small businesses. And because of the staffing deficit, people tend to become cross-trained and proficient in a wide variety of tasks. More people are given the chance to understand

the “big picture” of the proposal life cycle and of specific business targets. Conversely, in large, multi-divisional corporations, very few staff fully understand the multi-dimensional complexities of massive procurement targets.

ORGANIZING YOUR COMPANY TO OBTAIN NEW BUSINESS

To support your company’s efforts to obtain new and follow-on federal business, it would be well to consider forming a Business Development or Advanced Planning group.¹³ In many smaller firms, marketing and proposal efforts are handled exclusively through each division or line organization. One division may or may not be aware of such duplication with other divisions as marketing efforts, related contractual experience, and human talent in another division, and so forth. The formation of a centralized corporate Business Development Group (BDG) should not preclude a given division’s involvement in its own business planning and proposal development. Rather, the BDG can serve to focus, channel, and support divisional business-related activities in accordance with your company’s formalized Mission Statement¹⁴ and Strategic Plan. Because of its corporate vantage, the BDG can help identify and make available the appropriate human talent, material resources, and information resident throughout your *entire* company in order to pursue a business opportunity. The functional charter of the BDG can also extend to include the following closely related activities:

- Strategic, business, and marketing planning
- Business opportunity/*Commerce Business Daily* tracking and reporting
- Intelligence gathering: Marketing support/Client contacts
- Formalizing the process of establishing business objectives, gathering data, analyzing data, prioritizing, and action planning
- Acquisition Team formation and guidance
- Coordinating the bid/no bid decision making process
- Coordinating teaming agreements
- Cost strategizing for proposals
- Company information management, distribution, and archiving (including Proposal Data Center)
- Proposal and documentation standards development and dissemination
- Proposal coordination and production
- Company image development and public relations, as well as reputation management¹⁵
- Corporate communications (newsletters, etc.)
- Marketing and proposal management training

To ensure adequate connection with and visibility from senior management, a full-scale BDG should be under the leadership of a Vice President (VP) for Business Development. The

JOURNAL OF BUSINESS AND MANAGEMENT

most appropriate candidate for this pivotal position is an individual with an advanced technical degree coupled with at least five years of demonstrated *competitive business development experience* in the Federal Government arena. Contacts alone are a necessary but insufficient gauge of a business developer's successful performance.

Even under the constraints faced by very small companies (less than \$5million in annual revenues), this VP functions most effectively when he or she is not obligated to be an "on-the-road" company marketeer as well as a business-development planner, organizer, and administrator. (In addition, an administrative assistant seems absolutely essential to enhance the functionality of the VP position.) Under this VP's guidance would be two primary functional groups: External and Internal Sales Support. The External Sales Support element might include full-time a corporate marketeer(s) as well as a key Division Manager(s).

The Internal Sales Support element might be subdivided further into Proposal Development/Production and Information Management, as depicted in Figure 1-1. Proposal Development/Production should logically include proposal publication. Proposal development and design becomes extremely challenging if it does not include oversight of the priorities and resources of the publications group. And finally, Information Management might include corporate communications, public relations, and corporate library activities. The function and focus of both the External as well as the Internal Sales Support elements are to project a professional, client-oriented corporate image. Understanding your client's business and demonstrating that understanding in every proposal you prepare is absolutely critical to your success in the federal marketplace in the mid-1990s and beyond (see Figure 1-2).

It has been the author's observation that small companies tend to undergo oscillations, and even convulsions, between *centralized* business development and control, and *de-centralized* divisional business activities. Instead of utilizing the BDG as a vital corporate support structure, some companies prefer to dissolve or "de-scope" the BDG, even after the one to two year extraordinary level of effort generally required to establish the BDG in the first place. Maintaining a full-time corporate business development staff can be significantly more effective than employees assigning to BDG support on a part-time basis only.

Figure 1-1

Suggested Business Development Group (BDG) Organization

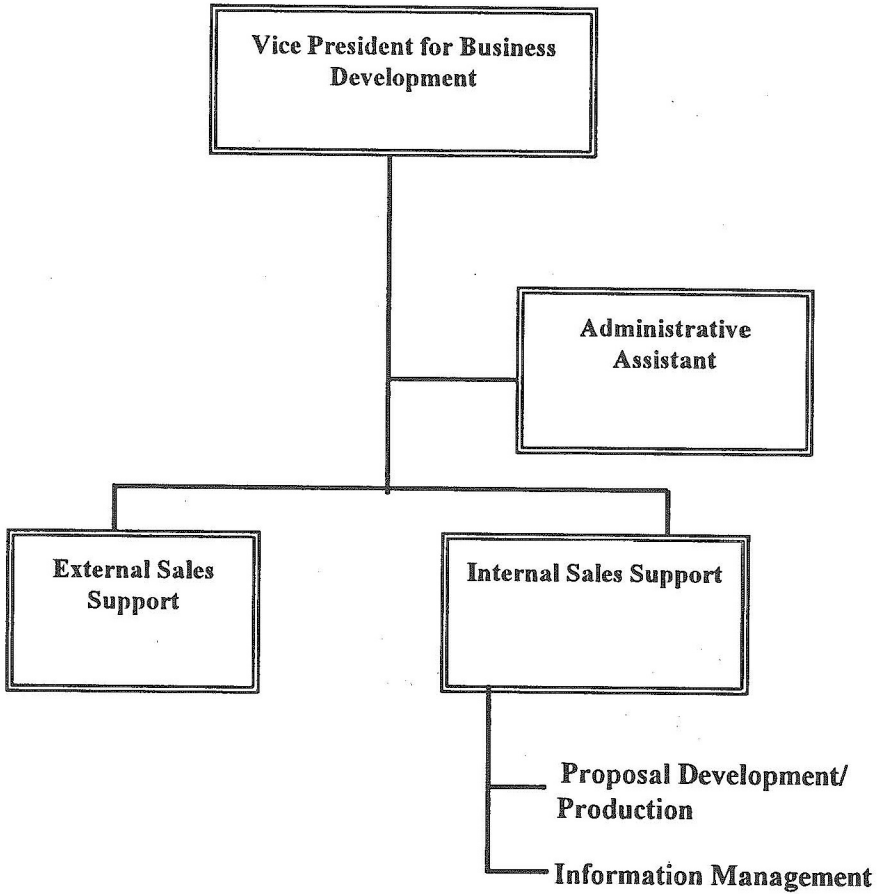
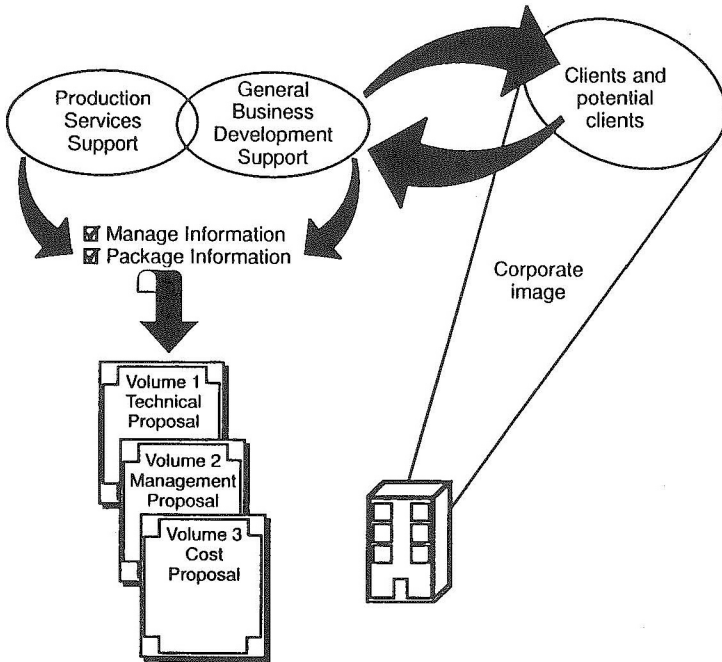


Figure 1-2

Projecting An Appropriate Corporate Image



STRATEGIC AND MISSION PLANNING

To ensure a *planned pattern* of growth for your company, strategic and mission planning are crucial considerations. According to Thompson and Strickland, a Strategic Plan is “a comprehensive statement about the organization’s mission and future direction, near-term and long-term performance targets, and how management intends to produce the desired results and fulfill the mission, given the organization’s overall situation.”¹⁶ Formulating, articulating, and implementing a meaningful Strategic Plan is critical for obtaining lines of credit through banking institutions, and for demonstrating to government auditing agencies that planned business growth over a period of time justifies an expansion in business base and therefore a long-term reduction in company overhead costs. Important questions to keep in mind when formulating a Strategic Plan for your company are listed below:¹⁷

- What are your company’s core competencies?
- Who are your company’s principal clients?
- What are your principal services and/or products? What services or products do your clients *perceive* you to be selling; these may be different than your internal perceptions?
- Where is the intersection of what your clients value, and what your company does extremely well? What are the key commonalities shared by what your clients value?¹⁸
- Where does your company want to be business-wise in five years? Develop a vision of the future state of your business.
- What are your company’s strengths and weaknesses (business, technical, human resources, public relations, fiscal, etc.)?
- What business/economic opportunities and challenges face your company now? (Challenges include the entry of new competitors into the marketplace, adverse government policies, adverse demographic changes, etc.)¹⁹
- Who are your primary competitors? Understanding how your competition thinks and acts is critical to your success. (Competitor analysis).²⁰

EFFECTIVE MARKETING

Effective marketing involves far more than just *selling*. It is a long-term commitment and associated process that includes learning your clients’ requirements, constraints, and concerns, and understanding your clients’ respective business cultures. In the case of federal procurements, your company must determine that the particular target program is real and will be funded, that the RFP will be issued, and that political conditions within the specific government agency will allow for genuine competition in the case of a re-competition. Learn which civil servants will be on the evaluation board for your procurement. Does the client expect to get the strongest proposal for the projected budget, or the most cost-effective solution?

JOURNAL OF BUSINESS AND MANAGEMENT

In effect, is *budget* or *price* the real driver of the acquisition? Over time and in a variety of ways, inform the client about your company's human talents, technical capabilities, past and present contractual experience, and financial stability in ways that demonstrate how you can help with his or her requirements. If your potential client does not know your firm, he or she is less likely to buy from you. Interact with your client at a variety of levels—from marketing and senior management staff to mid-level technical personnel and project managers.

One of the best ways to get information is to give information. *Talk with your client; he or she is another human being who tends to respond to communication.* Give your prospective client a chance to participate in your presentations. Get your technical people in front of the client to have meaningful discussions on issues prior to the release of the RFP. Introduce and reinforce themes or sales messages that will appear later in your proposal as authenticated assertions that set your company apart from your competitors. Indeed, a case could be made that the *sale* is made pre-RFP and that the proposal only closes the deal. A reasonably good proposal will not make up for inferior technical homework, poor management plans, and/or high costs.²¹ To which should be added inferior marketing intelligence about your client, teaming partners, and competitors. To be useful at all, the marketing information that your company collects must be analyzed, distributed, and archived so that it can be retrieved and updated easily. All information gathered that is relevant to a given procurement should be copied to the appropriate Proposal Manager. Appropriate marketing information must shape, and be fitted directly into, your proposal.

One potentially effective technique of intelligence gathering and analysis is for your company's external sales support staff and division managers to visit the contracting offices of your primary federal client agencies in order to obtain specific information on existing contracts. Learn the contract title and numbers of existing contracts, the incumbent contractor(s), the projected contract renewal date, and the nature of the work, as well as the staffing size, contract dollar amount, contract duration, and contract type. Ask for the names and telephone numbers of the Contracting Officer's Technical Representative (COTR) and Contracting Officer (CO) for each contract. When you obtain this marketing intelligence, record it in a table, such as the one presented in Table 1-1. Try to gather information on both short- and long-term opportunities. One to two years is not too long a lead time for business planning.

Table 1-1

Sample Client Target Tracking Table

US Army Corps of Engineers

#	Project Title	Acquisition Manager	Incumbent(s)	Contract #	Anticipated RFP/CBD Synopsis Release Date	Duration of Contract	Prime/Sub	Estimated Level of Effort (LOE) per Year
1								
2								
3								

Once Client Target Tracking Tables are compiled for a given federal agency, preliminary bid/no bid decisions can be made in a planned and rational manner. Capture plans and associated call plans (direct contact plans) can then be generated to pursue the "qualified" list of targets. The types of information your company wants to collect in its capture plans include:

1. Project Name (according to government sources, i.e., use the client's name for this project)
2. Client Name (to the level of the line organization) and Organizational Chart
3. Client Mission Statement and Recent Developments in the Client Environment
4. Incumbent Contractor (if applicable)
5. Potential Competitors
6. Specific Services or Products Being Procured
7. Key Evaluation Factors for Award/Client Success Criteria
8. Anticipated RFP Release Date
9. Anticipated Contract Award Date
10. Source Evaluation Board (SEB) Membership
11. Relevant Contractual Experience (for your company)
12. Proposed Project Manager (for your company)
13. Other Key Staff (from your company)

Call Plans

A call plan should be designed to clearly indicate who within your company will be visiting the client, as well as when, why, and at what level of the client organization. Information gathered from direct client contact should include the following:

- Government organization and key personnel
- What is the client currently doing technically
- What is planned for the future
- Relevant documents/articles government and incumbent contractor personnel have published
- Strengths and weaknesses of the incumbent.
- Whether your company can hire incumbent personnel
- Whether government personnel will sit on the SEB
- Who the competition is. What your company knows about it/them
- Whether your company is qualified to bid alone, or must team as a prime or sub
- What your company's strengths and weaknesses are on the particular opportunity.
Whether you can correct your shortcomings in time

A very practical and relatively easy marketing technique applicable to contracts on which your company is the incumbent is for members of your company's executive and division-level management to visit the government staff as well as your on-site personnel on a regular basis. Build communication networks at both professional and appropriate social levels. Let your client know that his contract is important to your company by showing a real physical presence at his job site.

In addition, know your teaming partners, their technical expertise, human talent, cost strategies, contractual performance, financial stability, liabilities. Ask your client what they think of your prospective teaming partner. Consider the benefits and disadvantages of exclusive versus non-exclusive teaming arrangements.

Ethics in Marketing and Business Development

Ethical conduct in all business activities, whether domestic or international, should be your company's corporate standard at all times.²² The development and implementation of a formal set of ethics rules that prohibit any type of procurement fraud by employees, agents, or subcontractors would be a prudent step. Indeed, DoD FAR Supplement (DFARS) 203.7000, entitled "Contractor Responsibility to Avoid Improper Business Practices," notes that a contractor's management system should include a written code of business ethics and conduct, as well as an ethics training program for all employees. In their important work entitled *Formation of Government Contracts*, George Washington University law professors John

Cibinic, Jr. and Ralph Nash, Jr. discuss standards of conduct in two broad categories: “those dealing with improper influence on Government decisions and those requiring honesty and disclosure of relevant facts in dealing with the Government.”²³

Part 3 of the Federal Acquisition Regulation (FAR) presents guidance regarding “Improper Business Practices and Personal Conflicts of Interest.” One example, the Anti-Kickback Act of 1986 (codified at 41 U.S.C. 51-58 [1988]) discussed in FAR 3.502-2, is legislation designed to deter subcontractors from making payments and contractors from accepting payments for the purpose of improperly obtaining or rewarding *favorable treatment*²⁴ in connection with a prime contract or a subcontract relating to a prime contract. The term “kickback” means any money, fee, commission, credit, gift, gratuity, thing of value (e.g., promise of employment), or compensation of any kind. Unlike its precursor in 1946, the 1986 Act includes all types of government contracts. Finally, the 1986 Act places new reporting requirements on prime contractors and subcontractors. “Possible” violations of kickback laws must be reported in writing to the Inspector General (IG) of the appropriate federal agency, the head of the contracting agency if the agency has no IG, or the United States Department of Justice.

The Procurement Integrity Act, about which there is considerable confusion on the part of both civil servants and contractors, provides that the government cannot impart information to one bidder or proposer without making that information public to all potential bidders or proposers. And the False Claims Act Amendment of 1986 facilitated prosecution of complex defense procurement fraud cases.

Let us now take a closer look at what proposals really are; how they fit into a small business total marketing life cycle; and the planning, decisions, organization, and reviews required to prepare a successful proposal.

WHAT IS A PROPOSAL IN THE COMPETITIVE FEDERAL MARKETPLACE?

Technically, a *proposal* is an offer prepared by a contractor (such as your company) to perform a service, supply a product, or a combination of both in response to an RFP document issued by a procuring agency of the U.S. Federal Government. Functionally, a proposal is the final exam of your company’s business acquisition effort. A proposal is designed to sell both technical and managerial capabilities of a company to accomplish all required activities on time and at a reasonable cost. Your company’s proposal document(s) is scored, literally, by government evaluators against formalized, specific standards. A proposal is, first and foremost, a sales document. To be sure, it includes a host of technical, programmatic, institutional, pricing, and certification information, but it should remain sales oriented.

JOURNAL OF BUSINESS AND MANAGEMENT

A proposal involves *marketing* your company to the federal government. It is a closing *sales presentation*, concretely supported by traceable and auditable credentials and tailored to persuade your client to select your company for the award because you are best-qualified to achieve the results your client wants to achieve.²⁵ A proposal is, hopefully, *continued* dialogue with your customer. Proposals are the primary vehicle for winning new federal government business in the competitive arena.

To reiterate, a proposal (as well as a bid, i.e., a response to an Invitation for Bids [IFB]) is an offer or response.²⁶ A proposal is not necessarily a contractual document. But under specific circumstances, an offer *can* be made into a contract by the government. The client uses your proposal and those of your competitors as the primary source of information upon which to base the selection of a winning contractor. Government evaluators are in no way obligated or encouraged to review publicly available material about your company that is not included within your proposal. That means that you have to ensure that all relevant and salient materials are included along with your proposal within the parameters of any page limitations.

A proposal is a package of carefully orchestrated arguments. Each section of a proposal should present arguments and meaningful evidence to convince your client that you should be awarded the contract because of the superiority of what you are proposing. To do this, you have to support the following messages in writing:

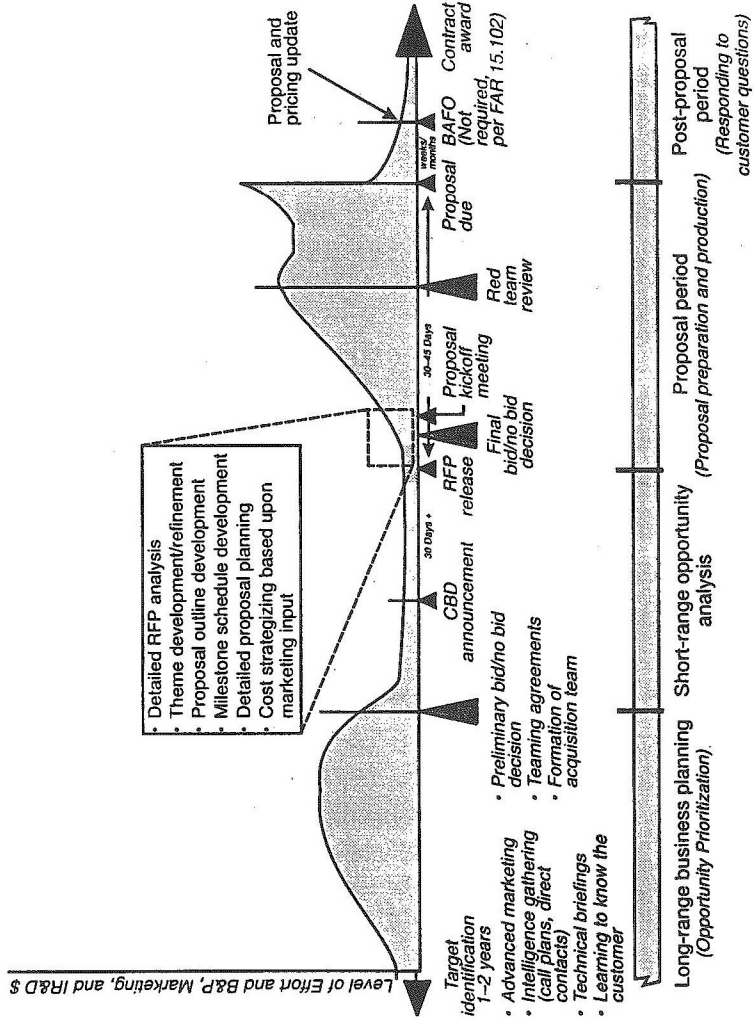
- You understand your client's project requirements, critical issues, and success criteria.
- Your approach satisfies all requirements (be careful not to imply that your approach *exceeds* requirements; this can result in the client thinking that you are proposing and charging for more than they are asking for).
- Your approach offers tangible benefits to the client.
- Your approach minimizes schedule and cost risk.
- You are better (i.e., more reliable, more experienced, less expensive, etc.) than your competitors.

"Why us? and why not our competitors?" These are the simple yet profound questions that internationally known and respected proposal consultant Hyman Silver²⁷ says proposals must answer effectively. Through the vehicle of your proposal, your company must *finish* the process of convincing your client to select you over your competition.

Proposals are important deliverable products. One carelessly written and poorly presented proposal can damage your company's reputation with your client or potential client. Experience suggests that clients tend to remember contractors which have submitted inferior proposal responses.

Figure 1-3

Overview of the Marketing and Proposal Lifecycle



JOURNAL OF BUSINESS AND MANAGEMENT

The proposal life cycle (in particular, for procurement efforts on which your company is the prime contractor) begins well before the actual writing and production of a response to an RFP. Figure 1-3 presents an overview of the entire marketing and proposal life cycle.

THE RFP: AN OVERVIEW

The RFP is the culmination of a lengthy planning, budgeting, and approval process on the part of the Federal Government. It is a solicitation document issued by the government to obtain offers from contractors that propose to provide products or services under a contract to be awarded using the process of negotiation. The RFP is a complex document, often prepared under proposal-like conditions. That is to say, it is written and reviewed by a variety of civil servants under tight schedule constraints and is subject to delay caused by late inputs, protracted legal reviews, program modifications, changes in contractor support of the Statement of Work (SOW) development,²⁸ etc. RFPs often contain conflicting or ambiguous requirements, particularly in Section L (Instructions to Offerers). This may result in part because RFP documents are often assembled using government “boilerplate” materials from previous or similar RFPs.

Contractors should not assume that the RFP reveals the full intent of the client’s preferences, sentiments, or requirements. By the same token, care must be exercised to respond precisely to the RFP requirements and not build in additional levels of quality or uncalled-for services that will inflate your company’s costs when compared with your competitors. Don’t propose a Mercedes when the client wants a Buick! And a general rule is to take no deviations or exceptions to the stated RFP requirements and do not submit alternate proposals, even though they may be allowed.

RFPs can range from a few to thousands of pages and attachments for major aerospace and defense procurements. Certain RFPs are now being distributed via electronic media (diskettes, Internet, Federal Acquisition Computer Network [FACNET], and agency electronic bulletin boards [BBSs]) instead of in hard copy form. Some contractors elect to scan the RFP into electronic files using some type of optical character recognition (OCR) or intelligent character recognition (ICR) technology. Scanning can facilitate electronic searches for RFP requirements, which in turn can be transferred to electronically stored “storyboard” templates. A word of caution regarding scanning—time must be allotted to spell check electronically, review, and correct the scanned file. Scanning accuracy levels vary widely depending upon the scanner technology itself and the physical quality of the hard copy document.

In accordance with the Uniform Contract Format (UCF) established at FAR 15.406-1, government Contracting Officers (COs) must prepare and assemble RFPs in a specific manner as enumerated below.

PART I — THE SCHEDULE

- Section A:** Solicitation/Contract Form (Standard Form 33)
- Section B:** Supplies or Services and Prices/Costs
- Section C:** Description/Specifications/Work Statement

(The SOW may include system specifications, contractor tasks and services, products, contract end items, data requirements, schedules, etc. It is an essential part of the RFP.)

- Section D:** Packaging and Marking
- Section E:** Inspection and Acceptance
- Section F:** Deliveries or Performance
- Section G:** Contract Administration Data
- Section H:** Special Contract Requirements

PART II — CONTRACT CLAUSES

- Section I:** Contract Clauses

PART III — LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

- Section J:** List of Attachments

PART IV — REPRESENTATIONS AND INSTRUCTIONS

- Section K:** Representations, Certifications and Other Statements of Offerors (“Reps and Certs”)
- Section L:** Instructions, Conditions, and Notices to Offerors
- Section M:** Evaluation Factors for Award

(Used to determine proposal page allocations, writing emphases, and thematic structure.)

Presented a slightly different way, the RFP—

- Describes the requirement in Sections B, C, D, E, F, and (J)
- States the government agency’s terms in Sections A, B, G, H, I, K, and (J)
- Describes the evaluation criteria in Section M
- Prescribes the proposal format and content in Section L
- Provides process information in Sections A and L

JOURNAL OF BUSINESS AND MANAGEMENT

The contractor's response to the government's RFP is called the *proposal*. Managing the proposal response process is a complicated and demanding task. Companies generally appoint a proposal manager to accomplish this task.

THE IMPORTANCE OF SECTION L

Section L of the RFP generally provides the specific instructions for preparing and structuring the proposal document. Margin requirements, font family and size, number of foldout (11" x 17") pages permitted, page count, and double-sided photocopying are among the publication parameters covered in this important section. In Section L you may also find specific guidance as to how your proposal should be structured in terms of the outline and numbering conventions. For example, you may see that your technical volume should consist of six major sections, each numbered according to the convention I.A, I.B, I.C, and so forth. Outlining of the proposal volumes should take into account guidance from Section L as well as Sections M and C, and other parts of the RFP as appropriate. Remember to use the verbiage from the RFP itself, particularly Section C, for building your proposal outline. Evaluators and their support staff will be looking for those same words.

SECTION M: THE EVALUATION CRITERIA

The general criteria by which the government will evaluate your proposal are presented in Section M of each RFP. In some cases (such as NASA RFPs), points are clearly allocated for each *scored* portion of the proposal. However, many times the evaluation criteria must be derived from somewhat vague narrative, as in the following example from an actual RFP.

CRITERIA	WEIGHT
1. Offeror's understanding of the problem and proposed technical approach.	Most important
2. Offeror's applications-related experience.	Less important
3. Experience and training of individuals who will work under the contract.	Same importance as 2 above
4. Offeror's general experience in developing software of comparable size, complexity and content to this project.	Same importance as 2 above
5. Offeror's general experience in maintaining and operating (M&O) a computer-based system of comparable size, complexity, and content to this project.	Less important than 2 above
6. Offeror's proposed management plan.	Less important than 5 above

Your company's strategy for responding to an RFP should definitely take into account the evaluation criteria. For example, if key and other résuméd personnel will count 50 out of 100 total points, then résumés and biographies should receive significant emphasis. Evaluation criteria should also serve as a guide for page allocations. Heavily weighted items should have an appropriately high number of pages allocated to them.

PRESENTING PROPOSALS IN EVALUATOR-FRIENDLY FORM

Publication of a set of high-quality proposal volumes is a *professional-level*, time-consuming, dedicated effort. It is not a lower-level clerical function that can be accomplished adequately and consistently by marshaling the secretarial and administrative support available within your company. Senior management is well served to recognize and support the publication professionals they have on staff, even if they number only two or three people. Support is most meaningful in the form of senior management's proactive involvement in answering that the proposal response schedule is met at every milestone. Otherwise, publication staff are faced with compensating for schedule slippages along the way. And when schedules are missed on a regular basis, and significant levels of night and weekend publication time become routine, publication staff morale is at risk. Turnover among publication staff can be highly detrimental to your company's ability to prepare outstanding proposal documents every time.

Proposal efforts are not complete when Technical and Management Sections are written and reviewed and the costing is completed. There remains:

- Editing
- Proofreading
- Electronic and hardcopy configuration management
- Word processing/Desktop publishing
- Graphics generation/Preparation of prints for photocopying²⁹
- Outside printing coordination
- Photoreproduction
- Collation
- Assembly/Binding (3-ring vubinders, Velobinding, GBC, plasticcoil, etc.)
- Quality checking
- Delivery

It is recommended that proposal publication be a centralized corporate function. Continuity of publication staff promotes uniformity of the image of the proposal documents from proposal to proposal. A core group of staff should become intimately familiar with and cross-trained in

JOURNAL OF BUSINESS AND MANAGEMENT

the document preparation process. Policies and procedures are much more easily implemented in a centralized working environment.

Document Configuration Management

Once sections of a proposal are written, it is critical to control the internal *release* of and *changes* to those sections throughout the proposal life cycle. Your centralized Publications Department should consider maintaining a master proposal book for each volume in three-ring binders. Such binders allow for quick page replacements. One set of master proposal books should be made available to the proposal manager, and another should be under the direct control of the Publications Department. The pages from a third and final master copy should be hung on the walls of your secure “war room” to facilitate comment and review. Then, as new proposal sections are created and existing ones modified with the authorization of the proposal manager, the Publications Department should be responsible for generating the change pages, inserting them in the master proposal books and hanging them on the walls of the war room. Establishing and maintaining a “living” master proposal document that iterates during the course of the response cycle will be of valuable assistance to the proposal contributors.

Your company’s Publications Department should maintain electronic and hardcopies of the proposal documents at each review stage. For example, when the Publications Department produces the Red Team³⁰ draft, all electronic files should be copied to a storage medium such as high-density diskette, compact disk (CD), or floptical (optical diskette). One hardcopy should be retained in the exact form and format of the Red Team draft. Then, if a computer hard disk fails, the network crashes, or electronic files are corrupted in some way, the last major draft version will be available, unmodified, in both electronic and hardcopy forms. It is advisable to back up all electronic proposal files to storage media at least once each work day.

A key aspect of proposal document configuration management is the use of time, date, file name on the hard drive, and diskette/CD/magneto-optical disk number headers on *all* draft proposal pages. Headers can be in a small font, and of course must be removed prior to submittal to the government. An example of a useful header for a page in the Technical Volume of a proposal to the Federal Aviation Administration (FAA) is provided below:

09:23 Tuesday, March 11, 1997 c:\proposal\A-1-3.FAA CD: Tech-A.1

Such headers allow easy identification of when a particular page was last modified, and on which storage medium the backup file for A-1-3.FAA resides. Another beneficial configuration technique is the use of colored paper for various proposal drafts—pale blue paper for the Blue Team³¹, pale red for the Red Team, and so forth. Finally, do not discard draft proposal sections until after the proposal has been submitted. You can never be sure that you will not want to

refer to an earlier version of the proposal. For security, keep all such materials in locked storage, and shred them when the proposal is submitted.

Graphics Are an Integral Part of the Proposal

Graphics, photographs, and appropriate images of all kinds will increase the government evaluators' interest in and positive response to your company's proposal. It is essential to prevent submitting a boring, lackluster proposal to the government. Well-designed graphics can convey complex information in an easily understood format. And in page- or word-limited proposals, graphics can present significant quantities information in very limited space. Most proposals benefit from and many in fact require graphical presentations of Personnel Skills, Contractual Experience, Client-Contractor Interfaces, Company Organization, Project Organization, and Project Milestone Schedules. Photographs might be added to personalize your company's resumes, particularly if your client knows your key proposed staff. Appropriate photographs of company facilities, specialized computer equipment, engineering and manufacturing centers, off-the-shelf (OTS) products, and design prototypes can also greatly enhance your proposal's sales value. Photodocumentation brings projects and products to life.

INCORPORATING TECHNICAL BRILLIANCE UP TO THE LAST MINUTE

One of the most challenging aspects of responding to a federal RFP is incorporating the very best materials into the final document within a very limited time frame. Technical and programmatic input, tailored boilerplate plans, marketing intelligence, nuances of corporate image, résumés, project descriptions of past performance, cost and pricing data, and legal opinion—all of these elements must be brought together quickly and effectively. However, precisely because the proposal preparation cycle must be a *controlled, choreographed process* of planning, analysis, writing, multiple review and publication, potentially brilliant technical or programmatic ideas might not be incorporated into the final document. There simply may not be enough hours to integrate the change(s) into the text from a publication standpoint. Technical, management, and cost volumes of a proposal are "ecological" in the sense that a change in a system design concept affects cost, and an alteration in the Work Breakdown Structure (WBS) and Bid Task List affects the Program Plan and perhaps the cost as well. These wide-ranging changes take time to identify and make consistent across the proposal volumes in both the text and graphics. Unfortunately, the publication staff invariably are caught in the crossfire of last-minute changes. Their task is to generate a document, which in final form always takes more time to produce than in draft form.

The balancing act for the proposal manager is to allow the entire proposal process to remain fluid enough to accommodate evolutionary change, while simultaneously maintaining firm commitment to milestone schedules and completion of action items. Human and organizational

JOURNAL OF BUSINESS AND MANAGEMENT

dynamics come into play in graphic relief during the proposal process. Management commitment of sufficient human and material resources, bonus and incentive programs, effective cross-training, and the infusion of a winning attitude all can be brought to bear on the often arduous schedule of responding to federal procurements.

PIVOTAL ROLE OF YOUR PUBLICATIONS DEPARTMENT

A small company's Publications Department is often tasked with multiple responsibilities—proposals, contract deliverables, presentations, marketing brochures, and so forth. The core staff should be cross-trained in a variety of operations, software applications, communications protocols, and hardware platforms. And it is critical that the Publications Department be able to accept, incorporate, and manage "outside" assistance. The Department's policies and procedures, software, and hardware should not be tailored so that temporary employees or other in-house staff cannot support the Department effectively and efficiently during "crunch" (crisis) documentation periods. The supervisor or manager of your company's Publications Department might consider maintaining an active list of local freelance, part-time graphic artists, wordprocessors, desktop publishers, editors, and proofreaders for on-call requirements. And keep updated lists of local photography/visual imaging vendors and photoregraphics houses.

The continuity of Publications Department core personnel is very important for smoothly operating proposal efforts. Proposal managers benefit from seasoned, competent documentation staffers. Having established successful proposal production departments from the ground up for four federal contracting firms, I can testify to the benefits of human continuity within the publication group. Continuity, cross-training, and a positive attitude are salient elements in proposal publication success. Loss of skilled and cross-trained staff can cut deeply into productivity and inflate overall proposal publication costs.

In order to facilitate a smooth proposal operation, your company will need to determine the document *throughput capacity* of the Publications Department. How many new proposals of average size (for your firm) per month can be handled adequately with the core staff? If your bid/no bid process causes additional proposals to enter the publication "pipeline" each month, will additional staff, computer equipment, and floor space be needed? Keep in mind that an informed, aggressive bid/no bid process is the checkpoint that controls proposal document flowthrough. Your company should avoid overloading your Publications Department and your business development infrastructure with proposal efforts that have low-win probabilities. That practice wastes B & P money, and can be very detrimental to morale. Preparing and submitting proposals on a "law of averages" basis—the more we submit the better the chance of winning—is a devastating and debilitating practice.

MODIFYING YOUR THINKING TO WIN

Your company's entry into the arena of *competitive* federal procurements brought with it the requirement for a fundamental shift in thinking and business-related behavior throughout the ranks of management as well as the professional and support staff. Senior management, for example, must appreciate the importance of federal proposals and proactively support the development and enhancement of the proposal response infrastructure. And each division of your company must make full use of the collective human and contractual expertise resident throughout the entire firm. Divisions cannot operate effectively in isolation from each other or from corporate direction. The dynamics of *teamwork* take on accentuated meaning in the competitive marketplace. People at all levels within the company must work together to collect and assess marketing intelligence, write proposals, review proposals, and publish proposals.

Proposals do not follow a fully democratic process. Companies must recognize that effective proposal management follows from authoritative, informed decision making. A proposal effort can become mired if people are not instructed to heed the guidance of the proposal manager. And senior management must clearly and repeatedly reinforce the role and authority of the proposal manager and the importance of meeting the schedule milestones.

BUILDING A CLIENT-CENTERED WORK ETHIC

It is likely that your company's very existence and future growth depends upon winning 25-40% of the federal proposals you submit. There is no more important corporate activity than proposal development. Every resource in your company must be made available to the successful completion of any and all proposals. There are many details that must be attended to in the course of preparing a proposal which do not require the direct, hands-on attention of the proposal manager. Such activities include electronic searches of the résumé and project description subdirectories or data bases to determine appropriate staff to meet position descriptions and to ascertain relevant company contractual experience. Technical editing and tailoring of résumés, project descriptions, and the actual proposal volumes would be of invaluable assistance. In addition, administrative support in the form of photocopying, meal arrangements for evening and weekend work, and "text-entry" word processing are each vital to the overall success of the proposal preparation process.

No one person can address all of the details of technical content quality, writing consistency and compliance with the RFP. Therefore, your company would probably benefit from more people being trained and available on an as-needed basis to assist in the preparation of the proposal in addition to the technical authors, proposal manager, and Publications Department. The burden of preparing winning proposals must be shared among all professional and support staff. Everyone's future depends upon winning!

JOURNAL OF BUSINESS AND MANAGEMENT

PROPOSALS ARE IMPORTANT SALES DOCUMENTS

The essence of effective proposal writing is responding to the RFP requirements while convincing the client that your team, contractual experience, and technical and management approach are the very best. Remember that proposals are, first and foremost, *sales documents*. They are not technical monographs or user's manuals.

Proposal managers must articulate clearly to their technical writing team exactly what their expectations and acceptance criteria are. The proposal manager must foster ongoing communication and feedback not only to himself, but also among all of the writers. This will help to ensure a consistent approach and mitigate rewriting.

Most proposals for a given procurement look and read essentially the same. The challenge is to incorporate well-substantiated information in your proposal that *only* your company can say. Identify precisely what will separate your company from the competition. If your company is the incumbent contractor for a particular project, use the names of your incumbent staff people throughout your proposal. Write to a level of technical detail that exceeds what non-incumbents could gain from your project monthly reports (obtained through the Freedom of Information Act [FOIA]),³² published articles, and conversations with government staff. Demonstrate that your company understands the technical risks as well as the success criteria.

Strive to have your proposals not be boring. Contributors should keep in mind the "ABCs" of proposal writing:

- Accuracy
- Brevity
- Clarity

Twenty-five pages of thematically integrated, well-constructed, and compliant prose are much preferred to 50 pages that contain most every technical detail the writers happened to know. Technical "data dumps" glued together produce a very uneven and most likely non-compliant proposal. Keep your ideas focused on the client's requirements as stated in the RFP, and keep your sentences short. This author has seen sentences in proposal narrative that have exceeded 80 words.

Active Voice Adds Strength and Saves Space

Proposal writers should make every effort to employ the active voice. "We accomplished XYZ," not "XYZ was accomplished by us." The active voice adds strength to the proposal

presentation, and can save as much as 14% in terms of space as compared with the passive voice.

Contributors should also attempt to vary sentence and paragraph structure. If you examine a proposal and most of the paragraphs on a page begin with “The” or your company’s name, the narrative requires editing to infuse variety.

Writers should also attempt to employ strong and descriptive verbs, adjectives, and adverbs, such as in the following examples:

- Our incumbent personnel all exceed the stipulated requirements . . .
- Over the course of 11 years of successful service to the Air Force Space Command, our senior programmers developed and implemented . . .
- Our company offers field-tested prototyping experience . . .
- Fifteen analysts embody a knowledge base and legacy of experience that is unmatched . . .
- We are a people-oriented firm with a very low turnover rate as measured against the industry standard in the Washington metropolitan area . . .
- We will maintain technical continuity on this important Department of State program . . .
- Our technical understanding is greatly enhanced by our past performance on two critical contracts for the Office of Personnel Management . . .
- With an extensive inventory of ADP equipment that includes both Silicon Graphics and Sun workstations to support off-site data processing, our company . . .
- Eight years of progressive support of the VA in Texas validates our company’s commitment to . . .

Guide the Government Evaluators Through Your Proposal

Formulate ideas precisely, concretely, and simply. To include most every technical detail each writer knows about a certain topic will probably not result in a successful proposal. This is where bullet drafts come into play—to guide your writers in preparing an even, thematically consistent response. Proposals must appear as if written by a single, well-organized individual. Your proposal narrative must contribute to fast and easy comprehension by a variety of government evaluators. Use frequent subheadings to break up text and to facilitate the evaluation of your proposal.

Contributors should write from the *general* to the *specific*, from the easy-to-understand to the more difficult to comprehend. Proceed from an overview of each major topic to the finer-grained technical and programmatic details. Writers should identify and discuss tangible *benefits* to the client of your company’s technical and management approach. There is a natural

JOURNAL OF BUSINESS AND MANAGEMENT

tendency to dwell on familiar ground. Often, this is of the least significant as far as the RFP requirements are concerned. Demonstrate how the *features* of your approach translate into benefits. Use facts—support all statements with concrete examples. Include:

- What your company will do for the client.
- How your staff will do it.
- Why you will do it that way.
- What you did in the past, i.e., previous or current contractual experience. Highlight relevant lesson learned from similar contractual experience.

Summarize the content of each proposal section in the first paragraph of discussion. Write for a variety of readers, including the “skim” or executive-level reader. To be a winner, a proposal must contain concise, understandable, and closely related thoughts. Identify the critical technical areas. In discussing them, use a level of detail that exceeds what a non-incumbent could use, but do not drown the reader in jargon or equations. Your proposal should be built upon *solution-oriented writing*. Writeups should be risk-aware and solution-oriented, and demonstrate an understanding of the evolutionary changes likely to occur over the life of the contract.

Make your company’s responsiveness apparent to the evaluator over and over again. Use RFP terminology exactly (or in shortened form) for your proposal headings and subheadings. Employ the RFP terminology as a point of departure for further *original* writing. Do not simply recite the RFP verbiage in the actual narrative of your proposal. A DoD COTR once told me that he felt personally insulted when contractors, both large and small, merely replaced the words “the contractor shall” that appear in the SOW, with “our company will.” Such an approach demonstrates no technical understanding whatsoever.

Define acronyms and abbreviations the first time they are used in each major proposal section. Not all evaluators see the entire technical and management proposal volumes, so re-definition is certainly acceptable. Avoid sectional or page references in the text because references must be changed each time the section or page numbers change. References such as “See Section 5.1.1 on page 5-34” should not be used. Let the compliance matrix³³ and table of contents assist the evaluators in locating specific pages or sections. In addition, avoid fifth-order headings (e.g. Section 4.3.1.3.1).

Proposal writers should attempt to think graphically as well as in words. Every proposal section should have a figure or table associated with it that is referenced and discussed clearly in the text. Figure captions should appear centered beneath the appropriate figure. Table legends should appear centered above the appropriate table.

WELL-PLACED MANAGEMENT SUPPORT ENHANCES PROPOSAL SUCCESS

Small firms are in the enviable position of being able to respond rapidly to changing business environments. You should maximize the opportunity to establish as soon possible in your corporate history appropriate mechanisms and patterns of business thinking and behavior that will facilitate winning proposals in the federal marketplace. Genuine teamwork is a critical element of success in the federal contracting arena. Proposalmanship is a capability that needs to be cultivated throughout the levels of your organization in order to fully harness the talent and energy located there. Many companies struggle because only a few of their staff are trained and experienced in proposal management, design, and development.

Ongoing, positive communication throughout your company is a second measure of your successful business culture. That *bi-directional* communication extends between the Acquisition Team and the Proposal Team, Business Development staff and technical staff, Business Development staff and your client, proposal manager and senior management, proposal manager and proposal writers, and proposal manager and publications staff.

Management support must necessarily assume many different forms. But it must be manifested clearly in order to be fully effective. That support should be present in ensuring that efforts to build appropriate résumé and project summary files on your company's staff and contractual history are met with complete and timely support throughout the technical and programmatic ranks. Management support should take the shape of assisting the proposal manager in enforcing the proposal milestone schedule, and of underwriting the proposal manager's authority for a given proposal effort. And management involvement and support also lies in committing the resources—human, financial, equipment, floor space, and so forth—to make every proposal your company elects to pursue a superior sales document.

As entrepreneur the senior business leader, you are able to infuse an ethos of rational and formal planning into your company's business development and proposal development infrastructure. Expend the time and effort early in your firm's history to develop a mission statement and strategic plan. Generate and have all of your management team follow written, albeit revisable, business development protocol. This applies particularly to bid/no bid decision making. Too many times, small and large businesses dilute their collective resources in pursuing marketing opportunities that do not support their lines of business. Planning also extends to developing the proposal Kickoff Package prior to conducting the formal Kickoff Meeting. Upfront planning, analysis, and decision making yield significant dividends downstream in the proposal process.

And finally, recognition.³⁴ People need to know in a variety of ways that they are meeting your company's business and proposal development expectations. They need to be recognized when they contribute in any one of several ways to a proposal victory. Senior management

JOURNAL OF BUSINESS AND MANAGEMENT

should develop and implement a definitive recognition and incentive plan that is communicated clearly to everyone in your company. Success should be noted in a big way. Those people in your firm who are *thinking to win* should be recognized and should receive tangible benefits. *We must remember that people are the most important ingredient in any company's success in the federal marketplace.*

NOTES

1. See Federal Acquisition Regulation (FAR) Part 6. Established for the codification and publication of uniform policies and procedures for acquisition by all executive agencies, the Federal Acquisition Regulations System consists of the FAR, which is the primary document, and agency acquisition regulations that implement or supplement the FAR. The FAR System is articulated in Title 48 of the Code of Federal Regulations (CFR). The FAR is organized into Chapters, Subchapters, Parts (of which there are 53), Subparts, Sections, and Subsections. Example—25.108-2: Part 25, Subpart 1, Section 08, and Subsection 2. The FAR is issued and maintained by the Department of Defense (DoD), the General Services Administration (GSA), and NASA under several statutory authorities of those agencies. Any critical understanding of the FAR must include the protest decisions of the Comptroller General and the General Services Board of Contract Appeals (GSBCA).
2. Competition is growing from Japanese, Western European, and emerging Eastern Bloc nations for U.S. Government contracts.
3. "Do-It-Yourself Proposal Plan," TRW Space & Defense Proposal Operations, Rev. 3, February 1989, p. iii.
4. Rodney D. Stewart and Ann L. Stewart, *Proposal Preparation* (New York: John Wiley & Sons, 1984).
5. *Proposal Preparation Handbook* (Covina, Calif.: Procurement Associates, Inc., 1989), p. 1-2 (Vol. II).
6. "Do-It-Yourself Proposal Plan," p. ii.
7. See FAR 15.609. Competitive range consists of those proposals that have a reasonable chance of being selected for contract award. Win percentages can be presented in two very distinct ways: in terms of numbers of proposals won versus total number submitted, and also in terms of dollars awarded versus total potential dollars for all procurements on which you company proposed.
8. 8(a) refers to the U.S. Small Business Administration's (SBA) program to assist qualified small, woman-owned, and minority-owned businesses during the early years of their operation. 8(a) refers to Section 8(a) of the Small Business Act (15 U.S.C. 637(a)), which established a program that authorizes the SBA to enter into all types of contracts with other agencies and let subcontracts for performing those contracts to firms eligible for program participation based upon the criteria established in 13 CFR 124.101-113. The SBA's subcontractors are referred to as "8(a) contractors." (See FAR Subpart 19.8.) Eligibility in the program focuses on those groups that have been historically denied access to capital, educational resources, and markets. In 1995, the SBA listed 5,500 8(a) firms throughout the United States.
9. H. S. Cranston and Eric G. Flamholtz, "The Problems of Success," *Management Decision* 26 (September 1988): 17.
10. Curtis Hartman and Steven Pearlstein, "The Joy of Working," *INC.*, November 1987, p. 62.

JOURNAL OF BUSINESS AND MANAGEMENT

11. Harold W. Fox, "Strategic Superiorities of Small Size." *Advanced Management Journal* 51 (Winter 1986): 14.
12. Hartman and Pearlstein, "The Joy of Working." p. 67.
13. The name of these business and planning groups varies from company to company. Some are called Business Development Groups (BDGs), Advanced Planning, Strategic Planning and Business Development Groups (SP & BDGs), Special Programs groups, Marketing Departments, etc.
14. A Mission Statement is a concise, written expression of a company's long-term business, technical, and programmatic goals. It is a narrative "outline of 'who we are, what we do, and where we are headed.'" (Arthur A. Thompson and A. J. Strickland, *Strategy Formulation and Implementation: Tasks of the General Manager*, 4th ed. (Homewood, Ill. and Boston: BPI/IRWIN, 1989), p. 23.) Once formulated, this Statement should be communicated publicly to employees, clients, vendors, etc. One effective mechanism is to add a "pull quote" from your company's Mission Statement to your marketing brochures, annual reports, company letterhead, or newsletter. Some companies have poster-sized copies of their Mission Statement displayed prominently in their facilities to clearly convey their identity.
15. See Shari Caudron, "Forget Image: It's Your Reputation That Matters," *Industry Week*, 3 February 1997, pp. 13-14, 16.
16. Arthur A. Thompson and A.J. Strickland, *Strategy Formulation and Implementation*, p. 19.
17. Certain elements in this listing were adopted and modified from Thomas S. Piper (1989). "A Corporate Strategic Plan for General Sciences Corporation." Paper presented at the University of Maryland, College Park, Maryland.
18. See W. Chan Kim and Renée Mauborgne, "Value Innovation: The Strategic Logic of High Growth." *Harvard Business Review* 75(1)(January-February 1997): pp. 103-104.
19. For additional business challenges, as well as opportunities, strengths, and weaknesses, see Thompson and Strickland, *Strategy Formulation and Implementation*, pp. 109-11.
20. Benchmarking is a rigorous process for linking competitive analysis to your company's strategy development. Benchmarking is a method measuring the performance of your "best-in-class" competitors relative to your industry's key success factors. It also is a mechanism for determining how the best-in-class achieve those performance levels.
21. "Selected Viewgraphs from Judson LaFlash Seminars on Government Marketing and Proposals," Government Marketing Consultants, July 1980.
22. For a variety of articles that all focus on business and professional ethics (including international marketing ethics), see *BRIDGES: An Interdisciplinary Journal of Theology, Philosophy, History, and Science* 2(3/4) (FALL/WINTER 1990), entire issue.
23. John Cibinic and Ralph C. Nash, *Formation of Government Contracts*, 2^d ed. (Washington, D.C.: The George Washington University, 1986), p. 107.
24. According to Ropes & Gray, examples of "favorable treatment" that are illegal include receiving confidential information on competitors' bids, obtaining placement on a bidders'

list without meeting requisite qualifications, obtaining unwarranted waivers of deadlines, obtaining unwarranted price increases, and recovering improper expenses. Contractors should also be aware of the "Fraud Awareness Letter" issued in September 1987 by the DoD Council on Integrity and Management Improvements, which identified "'indicators of potential subcontractor kickbacks'". See "Complying With The Anti-Kickback Act: Guidelines and Procedures," *Developments in Government Contract Law* No. 10 (September 1990).

25. Herman Holtz and Terry Schmidt, *The Winning Proposal: How to Write It* (New York: McGraw-Hill, 1981).
26. The IFB, or "sealed bid" procedure, should result in a firm fixed price contract. This procedure is especially well-suited for government purchases of commercial off-the-shelf (COTS) items. Bids are opened publicly and the award is made immediately to the lowest priced, responsible, responsive bidder. No discussions are allowed, and no exceptions may be taken by the contractor.

The concept of "responsiveness" was developed in sealed bidding, wherein a Contracting Officer is prohibited from considering any bid that deviates from the IFB. This prohibition does not apply to negotiated procurements. (See Cibinic and Nash, *Formation of Government Contracts*, pp. 523-24).

An RFP, which results in "competitive proposals" for competitive acquisitions under Public Law 98-369 (Competition in Contracting Act of 1984), is a more flexible approach used in sole source or competitive situations. Any contract type from fixed price to cost reimbursement can be used. The government opens and reviews proposals privately. The number and identity of offerors is not revealed (immediately), and award may be based upon considerations other than price. Considerable discussion between the government and the offeror may or may not take place. The offeror may take exception to the solicitation terms or may submit alternate proposals. And modifications to proposals by the offerors are permitted.

27. This phrase was coined in 1975 by Hyman Silver. Mr. Silver, President of H. Silver and Associates (HSA) based in Los Angeles, California, held senior engineering and marketing positions with McDonnell Douglas and Rockwell International before founding HSA.
28. Many Statements of Work (SOWs) and Specifications are researched, written, and prepared by contractor personnel under separate contract to the government procuring agency. Companies which have contracts to prepare SOWs cannot legally compete on particular procurements for which they have prepared the Statement of Work.
29. For the best reproduction quality without scanning technology, black-and-white as well as color prints should be "statted" and "screened" prior to being pasted down and photocopied. Most printing companies can prepare your photos for photocopying for a nominal charge. And certain photocopiers come equipped with a specialized capacity to reproduce prints with reasonable quality.

JOURNAL OF BUSINESS AND MANAGEMENT

With a flatbed scanner, both black-and-white and color prints can be scanned directly into such applications as WordPerfect and Adobe PhotoShop. In a two-step process, these same prints can be scanned and imported into CorelDRAW!, Aldus Persuasion, and Aldus PageMaker.

30. The Red Team functions as an internal Source Evaluation Board, critiquing the proposal for compliance with RFP instructions and evaluation criteria (as found in Sections L and M, respectively, of the RFP). The Red Team looks for consistency and continuity among sections and volumes (inter-volume compatibility), inclusion of sales messages and win strategies, presence and substantiation of themes, clarity of text and artwork, and overall believability and persuasiveness. The Red Team serves as a recommending group. Red Team reviewers should include a number of people from within your company with appropriate technical competence and persons with a high degree of marketing and management competence. No reviewer should have participated in the proposal writing effort.
31. Blue Team evaluations are generally early course correction reviews. The fundamental technical architecture and programmatic direction of your company's proposal should be evaluated at this stage, deficiencies identified and articulated, and corrective action offered.
32. Freedom of Information Act (5 U.S.C. 552, as amended) provides that select information is to be made available to the public either by publication in the *Federal Register*, providing an opportunity to read or copy records, or providing copies of records. FOIA requests should be made to the appropriate agencies in written form. Letters should contain only one specific request. The reason for this practice is that an agency could decline to process one item of a multi-item request, and then the entire request would be returned to the contractor and the process would have to begin again. It is suggested that you begin your request with, "Pursuant to the Freedom of Information Act, 5 U.S.C., Section 552 as amended, Company XYZ hereby requests a copy" Keep an electronic log of each FOIA request, and place follow up calls to the agencies after 2 weeks has elapsed.
33. Compliance, cross reference, or traccability matrices are all terms for tables that clearly *map* the RFP requirements (from Sections C, L, M, and H as well as the Contract Data Requirements List (CDRL), Data Item Descriptions (DIDS), and RFP attachments as appropriate) to the specific sections within your proposal in which your company responded to a given RFP requirement. These matrices generally appear in the front matter of your proposal volumes, but may be placed at the very end of each proposal volume as an 11" x 17" *foldout page* that will allow the government evaluators to be able to refer constantly and easily to the matrix.
34. In a recent reward and motivational survey conducted by Jo W. Manson of the Andrulis Research Corporation in Arlington, Virginia, it was determined that during the actual proposal response life cycle, special meals were used as a motivator by 25% of the respondents. After a proposal had been submitted, expressions of appreciation, bonuses, and time off were used as motivational tools. The survey was distributed to 400 members

SUMMER 1997

of the Association of Proposal Management Professionals (APMP) and resulted in a 25% response rate. Expressions of appreciation included letters, verbal praise, win parties, and publicity within the company.

JOURNAL OF BUSINESS AND MANAGEMENT

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