



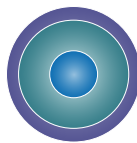
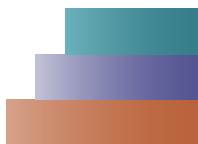
EXECUTIVE summary

Summer 2016 | Volume 23, Issue 3

This Issue's Theme: **Procurement Innovation**

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Procurement Innovation

by Lisa Pafe, APMP-NCA President, CPP APMP Fellow & PMI PMP

Innovation is not simply about new ideas. It is also about responding rapidly and effectively to changing market conditions. The Federal government is gradually emulating successful commercial market innovations such as category management, Agile procurement, and performance-based acquisition. Capture and proposal professionals must understand these trends and respond effectively with new and/or improved strategies and processes.

Category Management

Category management is a purchasing concept whereby like supplies and/or services are grouped into similar categories. The purpose is to achieve more effective competition while reducing costs and risks as well as gaining access to greater innovation from suppliers. Department of Defense (DoD) [Better Buying Power](#) initiatives as well as Office of Management and Budget (OMB) category management policy related to [laptops and desktops](#), [software licensing](#), and [mobile devices and services](#) are all aimed at allowing the Federal Government to act as a single efficient enterprise by sharing best practices and information.

Innovative companies can proactively respond to this change by analyzing which incumbent single and multiple award contracts (MACs) will expire and/or be replaced by favored vehicles such as GSA One Acquisition Solution for Integrated Services (OASIS),

Alliant 2, and Schedule 70; National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V, and National Institutes of Health Information Technology Acquisition and Assessment Center (NITAAC) CIO-SP3 and then developing strategies to capture as many of these vehicles as possible. According to Deltek, in 2015, 56% of IT spending was procured through MACs, and this trend will continue. Innovative companies understand that the shift to category management requires effective capture: listening to customer needs and steering buyers to preferred vehicles. Preferred vehicles are ones you hold as prime, preferably, or at least as a teaming partner.

Agile Procurement

The General Services Administration (GSA) 18F organization is leading the charge to explore Agile procurement methods that reduce risk by buying projects in smaller pieces. 18F procures services and writes solicitations on behalf of other Federal agencies. For example, 18F wrote an RFP on behalf of the Department of Health and Human Services (DHHS) to procure an agile, modular, and user-centered design for a new child welfare system. They bought small pieces of source code through the micro-purchase platform. They created and awarded an [Agile Basic Purchasing Agreement \(BPA\)](#) which will have future off- and on-ramps.

If you want to participate, educate yourself regarding on-ramps and upcoming [procurements](#). Small businesses in particular should watch 18F initiatives as these smaller procurements are a great place to get your feet wet. However, remember that Agile procurements mean speed, and you must tailor your capture and proposal processes accordingly. For example, 18F prefers to four weeks or less from the solicitation to the contract kickoff - amazing speed for Federal procurement. Also be prepared for transparency as all procurement documents and deliverables are posted online as evidenced by the recent Federal Risk and Authorization Management Program (FedRAMP) Dashboard [award](#). Understand that you will not be able to protect proprietary information as in typical Federal procurements, perhaps making yourself vulnerable to competitors.

Performance Based Procurements

Performance-based contracting is about getting results. An effective Performance Work Statement (PWS) focuses on outputs, quality, and/or outcomes and often ties at least a portion of contractor payments, option years, and/or contract renewals to achievement of specific, measurable performance standards and requirements. While this type of procurement is not new or innovative (OMB first issued guidance in 1998), it has proven very difficult to

Procurement Innovation!

implement effectively because the buyer must be able to fully define both requirements and desired outcomes. More agencies are attempting to implement performance-based acquisition methods to better align funds with proven Return on Investment.

So, how to innovate? Understand that performance-based contracting typically includes the use of acquisition methods such as down-selects and oral presentations. It also focuses very heavily on past performance. Contractors need to verify they have referenceable past performance with demonstrated results. Bidders must hone their in-person communication skills. Work with current and past customers to ensure your CPARS ratings are excellent or at least show an upward trend. Get the training and practice you need to respond to

orals – both formal presentations and on the fly Q&A.

Will Procurement Innovation Survive?

Many contractors argue that current acquisition initiatives will not survive the change in administration so there is no need to adjust or transform. Others argue that with no enforcement of these policy initiatives, agencies will continue to procure goods and services in a stove-piped fashion with little focus on performance-based outcomes.

However, acquisition innovations related to category management, Agile procurement, and performance-based contracting are just common sense. With tight budgets, regardless of a change in administration, Federal agencies will need to leverage these

or similar proven commercial best practices in order to maximize dollars spent. Figure out where best to play, realizing that contracts won now will impact the next 5-10 year of revenues irrespective of a new administration. Adjust capture and proposal processes and innovate accordingly to maximize wins.

Lisa Pafe is a CPP APMP Fellow, PMI PMP, speaker, LinkedIn Publisher, and ISO Internal Auditor with more than 24 years of capture and proposal experience for small to large companies serving civilian and defense agencies. She is the current President of the APMP NCA, and served on the board previously as Vice President for two years, and the Chapter's Speaker Series Chair for two years. Prior experience includes: VP of Corporate Development at Ace Info Solutions, Inc., President of Vision Consulting, Inc.; VP of Business Development for GovConnect, Inc.; and Director of Marketing for MAXIMUS, Inc. She holds a BA from Yale University, MPP from Harvard University, and MIS from The George Washington University.

[Click here to check out APMP-NCA upcoming events!](#)

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Strongly disagree Neutral Strongly agree

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Strongly disagree Neutral Strongly agree

3. In what other forums would you prefer to read the eZine's content? Select all that apply.

Blog posts on APMP-NCA website

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(click to answer the 4 question survey)

As always, feel free to drop us a line at ezine@apmpnca.org or contact Julia directly at 571-421-7766. We look forward to hearing from you!



Responding to Innovation by Understanding, Evaluating, and Proposing Value

by H el ene Courard, APMP-NCA Vice President, JD, CF APMP

As a bid and proposal professional, how can we most effectively plan for and respond to procurement changes? Quite simply, the role of the bid and proposal team is *exactly the same as it has always been*: to provide value to our prospective clients based on what their goals are; help our clients meet their needs.

What does that really mean? The first step is to take time to understand why our client—an individual client or a larger client group such as GSA, the US Federal market, the banking industry, etc.—is making the change. Understanding our client’s goals in implementing an innovative procurement approach gives us insight as to the overall business environment of that client. For example, if a client is implementing an automated proposal evaluation software tool, is the motivation:

- **Cost** – the number of person-hours required by their staff to read and evaluate proposals is significant, translating into hundreds of billable or mission-focused hours being diverted to source selection?
- **Schedule** – implementing the automated evaluation tool can cut review times in half?
- **Performance** – the quality of the evaluations was inconsistent from reviewer to reviewer resulting



in source selections that did not always perform as expected based on the evaluator focus?

Once we determine the motivation for their new procurement approach, we can address these “soft requirements” in our proposal via a value proposition that takes these client constraints into account. If they are motivated by schedule, we could highlight how our offer will also enable the focus on the mission-impacting activity such as pre-defined workflows for various customer sets to speed decision making and minimize administrative disruption. If it’s a cost-driven innovation, we should highlight the cost-effectiveness of our offer, or discuss the overall greater value our offer imparts on the client organization.

The second step is to understand the rules and functions of the new procurement approach and/or tool and how that affects our

response. For instance, if the client is introducing the use of a checklist we would need to understand the order of the evaluation criteria and mirror that in our response. But even more importantly, this insight could indicate that their processes are not very mature on the CMMI spectrum. As a result, we should prepare an offer that is not overly specialized for their environment.

Whatever innovation your client presents, you should pursue its significance and implications to the logical end. For instance, if the client has purchased or adopted an automated reviewing software, how does it function? Can you purchase an instance and use it in your proposal review cycle? What are the constraints of the tool and how do we maximize our ability to score according to the tool?

Consider the GSA’s category management initiative. How will the services

or tools acquired through GSA be integrated within the client organization and work with other contractors present in the office or agency? I would venture the issue of program management and intra-agency cooperation and collaboration presents a challenge as the Federal market consciously decouples the services it acquires from the contractor community from the overall management of the mission and objectives of the office or agency. Understanding how that challenge impacts the client's procurement for different categories of services as well

as the client's day-to-day operations should be foremost in our mind as we respond to their RFPs. Our proposed solutions must take into account these risks and offer mitigation plans.

At its essence, then, responding to procurement innovations within our markets requires the application of the same core principles that guides all aspects of proposal development: understand your client, evaluate the risks, and propose a value proposition that is an appropriate fit for your client's environment and helps them

meet their stated – and unstated – requirements to achieve their mission objectives.

With nearly 20 years' experience leading and motivating teams to success, H el ene has been engaged with APMP-NCA since 2007. She has chaired several committees, mentored junior members through the NCA Mentor-Prot eg e program, and is currently serving as NCA's Vice President. She is the Director of Unisys Corporation's Global Proposal Center, leading a team of more than 30 professionals in the preparation and delivery of winning proposals worldwide for national, state, local, and commercial clients. She holds a BA from Saint Joseph's University, and JD from Santa Clara University School of Law.

APMP-NCA Mentorship Program

The NCA Chapter of APMP is having a great year. The mentors and prot eg es are actively participating in our meetings, holding separate discussions with their designated mentor/prot eg e pairing, and working toward their goals. For example, one prot eg e saw a strong improvement in her annual performance review this past quarter. In addition, other prot eg es have taken on more senior roles and are now managing proposals for the first time!

At our last meeting, our guest speaker, Debi McGhee (Director of Proposal Development at Information Innovators Inc.), talked about proposal writing styles and strategies. All attendees, including our very accomplished and talented mentors, learned from the presentation. We had a very interactive 45-minute Q&A session afterwards. All APMP-NCA members can view Debi McGhee's presentation by clicking [here](#).

This past quarter, we also added a social mixer to our quarterly in-person meeting. This turned out to be an invaluable addition to the program's structure. It allowed mentors and prot eg es to get to know other members of the program, deepen their network, and learn from each other in a more informal setting. We are excited about this new element of the program.

If you are a member of APMP-NCA and interested in learning more about the Mentor-Prot eg e program, or want to join the program next year, please email mentorship@apmpnca.org. We welcome your participation!





Ask the Graphics Guru

A Proven Way to Innovate Your Proposal Career

by Mike Parkinson, CPP APMP Fellow

Over my 20-year career, I have often left my comfort zone. I said yes to learning computer design when I had been a fine arts major, creating paintings and sculptures. I said yes to proposals, which required a different skillset than computer design. I said yes to public speaking, marketing, business development, solution architecture (“solutioning”) and instructional design—allowing me to tap into design principles and other best practices to help others reach their goals through primarily through visual communication.

Whenever a client asked me to assist them in a new area, I read books and articles, took classes, and listened to anyone with real-world experience. I bugged folks smarter than me and learned a great deal (thank you!). I began writing and giving workshops on design because my clients needed help understanding and using visuals in their proposals. Before I began presenting, I took a Dale Carnegie class on public speaking and even asked a friend who is an actor to coach me on my delivery. After my presentations, I’ve received critiques from colleagues such as raising and lowering my voice while I’m speaking to keep the audience’s attention. To enhance my communication skills, I’ve read books on marketing and behavioral psychology to understand how to create content that inspires action in my audience.



Read more about these zones in the Forbes article hyperlink below.

These seemingly disparate skills—painting, business development, marketing, behavioral psychology, public speaking—have given me a different perspective on established industry challenges. This perspective helps me solve problems in new, exciting ways. After applying and sharing what I learned my reputation grew and, as a direct result, so did my career.

I owe part of my success to embracing these new skills and—this is critical—delivering measurable value.

When identifying a new skill worth pursuing, passion was my measuring stick. If I was energized to learn more about a particular subject, I would make the time to grow in this area. If I’m eager, it isn’t work but rather an investigation that feeds my soul. Sometimes it’s a calling. (Not all skills are created equal. It has taken years for a potential skill to graduate from a low- to a high-priority learning objective.)

Once I had a solution or innovation worth sharing, I did so. My goal was (and is) to evolve existing industry best practices and build a reputation as someone who helps others achieve their goals.

Leaving my comfort zone, embracing new skills, and sharing new innovations and solutions has proven a recipe for success for me. I hope it does the same for you.

If you want to learn more, the following is a helpful article about professional discomfort from Forbes.com: <http://www.forbes.com/sites/margiewarrell/2013/04/22/is-comfort-holding-you-back/#78f97ef43d91>.

Mike Parkinson, CPP APMP Fellow is an internationally recognized visual communications guru and proposal expert, professional trainer, and award-winning author. He is a partner and head of marketing at 24 Hour Company (24hrco.com) specializing in bid-winning proposal graphics. His *Billion Dollar Graphics* book and website (BillionDollarGraphics.com) share best practices and helpful tools with professionals. Contact Mike at mike@24hrco.com or call 703-533-7209.



Category Management: Danger for Industry?

by Russell Smith, APMP-NCA Speaker Series Chair

The APMP-NCA July 22 breakfast focused on how the Category Management program will affect industry contractors. Category management (CM) is a game changer that threatens many of the contractors now in place. CM is a new initiative jointly led by the Office of Federal Procurement Policy (OFPP) and GSA. The purpose of the program is to make common item procurement more efficient by using centralized buying and distribution for economies of scale. The concept was adapted from such successes as the UK Government and US department stores.

During the event, we had a lively panel discussion. The panelists drew on their senior executive backgrounds to provide an insightful and lively discussion. The discussion was moderated by, Jason Miller, an executive editor and reporter with Federal News Radio. The panelists included:

- **Leslie Anne Field** - Deputy Administrator for Federal Procurement Policy in the Office of Management and Budget (OMB), Executive Office of the President
- **Laura Stanton** - Assistant Commissioner of the Office of Strategy Management Service at GSA
- **Ken Brennan** - Deputy Director for Services Acquisition in the Office of Defense Procurement and Acquisition Policy



Left to right: Jason Miller, Laura Stanton, Lesley Field, and Ken Brennan

To provide context on the new CM procurement system, Jason opened with his findings from a recent survey of government procurement leaders. Overwhelmingly, the survey respondents agreed that CM is slowly catching on, and one of the top priorities this fiscal year is taking advantage of CM tools. However, the respondents were less certain than last year that CM will dramatically change the way they acquire products and services.

To underscore Jason’s survey findings, Ms. Field offered her experiences within the Office of Management and Budget. For example, she has found that thousands of contracts offer the same commodity but can differ in price by as much as 300%! The government would be well-served by consolidating and organizing the acquisition of the \$270B in common items that are currently purchased individually by 40,000 contracting of-

ficers in more than 3,300 procurement offices. The individual purchasing amounts to about 15 million contract actions a year.

...thousands of contracts offer the same commodity but can differ in price by as much as 300%! The government would be well-served by consolidating and organizing the acquisition of the \$270B in common items that are currently purchased individually by 40,000 contracting officers in more than 3,300 procurement offices.

But, how can Contracting Officers carry out these monumental tasks and organize billions of dollars' worth of spending?

Ms. Stanton, part of the CM Gateway buildout, describes just the tool to get it done. The Gateway connects the contracting officers directly to the CM program. It includes items such as government strategies, best practices, and contract templates and will later include an area for contractors. This program has a 350-person team working with 10 government category managers and has the strength to carry this program forward to completion.

The government is not changing for the sake of change. There are real cost savings to bundling some of these procurements. However, when the cost to reform a product or service procurement exceeds potential cost savings, the contracting officers will leave the current procurement process in place. To determine this cost savings, the government will perform Life Cycle Cost analyses and

determine the best course of action from those results.

As humans, we tend to resist change. The government is no different. The most difficult part of migrating to CM is cultural change. To combat this resistance, careful planning and execution is needed. The tools in the CM Gateway will help procurement personnel do many facets of their job better and more effectively. Through this portal, personnel will be able to collaborate across similar communities for the first time, and that alone will be powerful.

From their discussions, CM makes sense for the government, but where does it leave contractors? In regards to protecting small businesses, CM includes a commitment to baseline the current participation of small businesses (in dollars) and maintain that level of participation. There is also unconfirmed talk of developing a baseline of number of small businesses participating to maintain a fair playing field. In addition to small business concerns, the govern-

ment understands the concern that many contractors will lose work opportunities due to the decreasing number of contracting vehicles. Mr. Brennan assured the audience that any contractors who do not get on a vehicle can re-propose and get on later through an on-ramp or later cycle of the contract. The government is also conducting an assessment to open more regional contracts.

Before you think that November might bring around some changes in administration who many not want to implement this change—Ms. Stanton assured everyone that the advantages of this program are “so strong” that a new administration would want to move it forward.

Russell Smith has been president of Organizational Communications Inc. (OCI) in Reston, Virginia for 31 years. Russell has been an active member of APMP-NCA since 1994. He served as president in 2004. Additionally, he served as Chair of the Speakers Series Committee from 2001 – 2003 and from 2014 – present.

Proposal Tip...

Use innovative procurement styles as an opportunity to remind your teams of the importance of writing a proposal to the evaluation criteria. What we think makes a good proposal doesn't matter; our proposals are driven by the evaluation criteria—no matter how new or unconventional the evaluation criteria are!



Metaphors Matter!—From “Proposal Engines” to “Proposal Knowledge Teams”

by Dr. Robert S. Frey, APMP Fellow, PMP

After working across 96 different organizations during the past nine years, too often I hear executive leadership talk in terms of aspiring to have their proposal staff function as a “well-oiled machine.” This metaphor conjures up ideas of interchangeable and replaceable cogs. Mechanistic models associated with early 20th-century scientific management thinking tend to induce people to behave in predictable ways. These models are best suited for organizational components that experience stable, relatively unchanging environments. That’s not the way the Federal proposal world works today. Changing the metaphors by which proposal teams are perceived, as well as the lens through which they view themselves, will be valuable to Federal contractors.

The dynamics of proposal development life in 2016 and beyond strongly suggest that the “well-oiled machine” metaphor misses the mark. There are three types of procurements that fly in the face of mechanistic proposal models:

- **Rapid-fire task orders** emerging from vehicles such as GSA’s OASIS, VETS, 8(a) STARS II, Navy’s Seaport-e, and NASA’s SEWP V
- **Mission-focused procurements**, such as the Army’s ITES-3S IDIQ



- **A new generation of innovative Federal procurements**, represented initially by GSA/18F’s Agile Blanket Purchase Agreement (BPA) process and its associated 24-hour product development challenge

In order to respond to these procurements, companies must migrate beyond the machine models and encourage innovation, speed, and dexterity.

We should describe proposal professionals as value-added, knowledge-rich service providers. If we change the way we talk about proposal teams, employees could change their behavior in a way that will drive up Probability of Win (PWin) increase productivity, generate innovative ideas, and enhance staff retention and institutional knowledge.

New metaphors could also raise the profile and value of proposal professionals within a given organization. Executive leadership will reap the benefits of igniting and promoting this profound shift.

In moving forward to face the challenges of significant change within the Federal procurement environment—where innovation, speed, knowledge-sharing, and collaboration are critical success factors—it’s time to change the optics of our perception. “Engines” are fundamentally not adaptive. “Commodities” are inherently not innovative. On the other hand, proposal team “social systems” will be able to shift and evolve to thrive in an evolving Federal contracting environment. Human-centric metaphors such as social systems promote flexibility; people can initiate change and adapt and adjust rapidly to evolving

Metaphors Matter!—From “Proposal Engines” to “Proposal Knowledge Teams”

conditions like we see in the Federal marketplace. The metaphor of proposal team as an adaptive and dynamic social system encourages innovative behavior. This, in turn, contributes to professional and personal growth. It also encourages “*organizational ambidexterity*,” as described by Charles O’Reilly, and corporate-level success, as measured by stakeholder return on investment (ROI) or the Balanced Scorecard (BSC).

With this in mind, what if executive leadership used new metaphors to identify and characterize our proposal

groups, such as “*Proposal Knowledge Teams*” (PKTs), “*Proposal Innovation Centers*” (PICs), or “*Proposal Knowledge Integrators*” (PKI). These forward-leaning organizational titles—and the mental pictures or symbols they put forward—would serve to elevate the value of the professionals who comprise them—as they certainly deserve to be. These new titles will help to drive positive perception, and importantly, the business, professional, and interpersonal actions that follow directly on the heels of that new perception.

Dr. Robert S. Frey, APMP Fellow, PMP®, is co-owner and principal in the consultancy Successful Proposal Strategies, LLC. During the past 9 years, he has provided hands-on support to customers that contributed directly to more than \$5 Billion in contract awards. His comprehensive book, *Successful Proposal Strategies for Small Businesses* 6th Edition (Boston: Artech House, Inc.), reflects highly practical insights, lessons learned, and best practices from his 29 years of professional proposal development. rfrey@proposal23.com; Tel. 410-812-1177.



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Pipeline Reporting: Best Practices for Increasing Team Effectiveness (Part 2)

by Chris Simmons, APMP Fellow

Too many companies chase after too many deals. They burn out their business development teams by trying to capture ‘must win’ opportunities with ‘make do’ resources. The dream of winning new business becomes a recurring nightmare of losses because of poor planning, lack of resources, and ad hoc processes. A simple pipeline report can go a long way toward increasing your team’s effectiveness, building a winning culture, and boosting the morale of your response teams.

Part 1 of this 2-part series—available in the [Spring issue of the eZine](#)—included definitions of a pipeline report and a key pipeline reporting metric (PWin), a basic PWin calculation, and supporting PWin examples as the basis for increasing response team effectiveness and morale. Part 2 explores more sophisticated PWin criteria and calculations to achieve even higher levels of response team efficiency and effectiveness.

A More Sophisticated PWin Calculation

The factors that determine win probability are more complicated than simply assigning a percentage rating that is often based on the optimistic gut feeling of a salesperson. Companies with higher BD/capture maturity levels use multiple factors to determine PWin. Consider using the following three win probability factors

and related questions as a starting point to get a well-rounded and precise picture of your PWin.

1. Internal

- Capture team organization and resources (Is the team in place? Is there a sufficient number of resources? Do these resources have the requisite skills, experience, and time to support the bid?)
- Proposal team organization and resources (same questions as capture team)

2. Customer

- Customer relationships and solution shaping (How well do we know customer users, influencers, evaluators, and other stakeholders? To what extent have we used these relationships to shape the RFP and our solutions? Do we have high customer satisfaction/survey scores?)
- Understanding customer requirements (Are the requirements defined in sufficient detail? Are there any missing, conflicting, or low priority requirements? Do we understand the requirements better than the customer does?)
- Understanding customer hot buttons (What do we know about expected customer benefits, required solution features, or unwritten wants or desires that didn’t make it into the RFP for some reason?)

- Alignment of solutions with customer requirements and hot buttons (Do our solutions align well with all the customer’s requirements and hot buttons? Are there any gaps? Do we have an approach to fill those gaps with solution enhancements, teaming, or other approaches?)
- Price to Win (Do we have sufficient knowledge of the customer’s budget, historical project costs in legacy or related projects?)

3. Competition

- Knowledge of relative competitive strengths and weaknesses (Do we really understand the competitive landscape at a detailed level and the solutions competitors are likely to propose? How does our approach compare to the competition across likely evaluation criteria and weightings?)
- Integration of competition knowledge into customer solutions and ghosting (Have we integrated our knowledge of the competition into the proposal in a meaningful and effective way to enhance our relative strengths and mitigate our relative weaknesses?)
- Price to Win (Do we really understand the likely pricing strategies of our major competitors to determine a proposed price that will win?)
- Carefully evaluate the internal, customer, and competition factors

to determine if they provide an accurate representation of your sales environment and are good indicators of what's important to your customer. Add, change, or omit factors as appropriate, but keep the factors to a manageable number (target 8-12). Once the factors are determined, the next step is to assign a percentage PWin to each.

Not All PWin Factors Are Created Equal

If you give equal weighting to your "Capture Team Organization" and the "Price to Win" factors in the example, your PWin will be a less accurate predictor of success. An equal weighting for these two factors places too much weight on an internal factor ("Capture Team Organization") and not enough weight on what is typically one of the most highly rated factors ("Price to Win"). Create a more accurate PWin calculation by assigning relative weightings to each factor.

Example

*Capture Team Organization = 0.7 **

PWin

*Price to Win = 1.3 * PWin*

Other PWin calculations

The PWin calculation is a useful metric over the entire sales lifecycle. In addition to bid/no-bid and pipeline opportunity tracking, it helps to assess your relative positioning against likely competitors during the final capture

and proposal phases of the sales cycle. Consider using a subset of the bid/no-bid and pipeline factors to compare your probability of winning with your major competitors. This typically means eliminating the internal factors and focusing more on the likely proposal evaluation criteria and weightings provided by your customer.

"99% of all statistics only tell 49% of the story" (Ron DeLegge II, Gents with No Cents)

Metrics are easily manipulated to tell the story you want to tell—typically this is also the story your stakeholders want to hear. What looks like a rosy pipeline picture to you and your team may be a different story for your management or other stakeholders. The use of PWin, or any metric used to assess performance, should take external forces into account. These may include things like executive-level mandates ("we are bidding no matter what"), requirements in your core competency ("our main competitor is vulnerable and it's time to strike"), changes in competitive positioning, product/service line extensions, market share vs. profit decisions, and other forces. These forces are out of your control but can have a significant impact on your perceived results.

It's only the beginning!

At a minimum, PWin will help you prioritize your sales team's activities and help you track how your

estimated pipeline changes over time. Once you have a standard approach in place, it's time to determine if your PWin is an accurate predictor of sales results. Did you meet your overall revenue targets as projected by your PWin totals?

Compare the PWin for each opportunity at the time of proposal submission to the actual results of the bid to determine PWin effectiveness and pipeline integrity. Analyze the factors involved in the win (or loss) and adjust your PWin model over time.

The PWin represents the proverbial tip of the iceberg when it comes to metrics. As your organization becomes more BD-mature, there are scores of other useful metrics that will help your sales team win more and work less. For the pipeline function, these include sales funnel conversion rates, win rates, slippage, duration, pipeline by employee, historical trends, average proposal value, capture ratio, proposals bid ratio, capture no-bid ratio, and more.

Chris Simmons is an APMP Fellow, former vice president of the NCA Chapter, and frequent contributor to both the *APMP Journal* and the *NCA eZine*. He is also the founder and principal member of Rainmakerz Consulting—a business development solutions company helping customers win more and work less. Contact Chris at chris@rainmakerz.biz, 202.255.2355, or visit www.rainmakerz.biz.



DoD's Stress Reliever: A New Forecasting Tool to Ease Fourth Quarter Buying Spree

by Jason Miller, Executive Editor of Federal News Radio

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Bloomberg Government says on average the government spends about 32 percent of their contracting budget during July, August, and September.

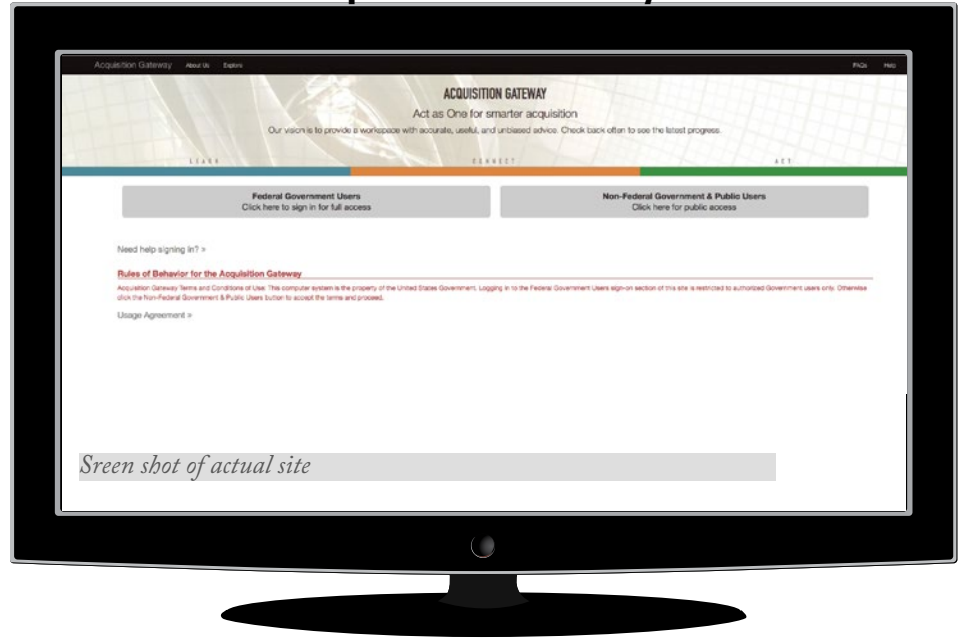
The Department of Defense (DoD), which usually leads the way when it comes to year-end spending, is trying to improve the process on both ends of the equation.

Ken Brennan, the deputy director for services acquisition in the Office of Defense Procurement and

Acquisition Policy in DoD, said the Pentagon is rolling out a new forecasting tool to better describe what it's buying and who is buying it. *"We shared it with the broader community, but it's not significantly robust yet. We need to know what folks are looking to buy so we can identify them and connect them to a solution that meets their requirements,"* Brennan said at an event hosted by the APMP-NCA in Vienna, Va. on July 20. *"We believe this holds great promise for us. We have a long way to go and a lot of things that happen in the fourth quarter are discretionary so we are really trying to see how we keep that appetite in check."*

DoD is building the forecasting tool based on work done in the small business arena to leverage the software they are using. Brennan said the military tested the broader tool a few weeks ago and it's moved out of the beta stage. *"There are opportunities*

Acquisition Gateway



for DoD to connect like consumers and maybe through category management consolidate buying," he said. *"We are concerned and aware of bundling. For vendors, it will tell them what requirements are available, what quarter the solicitation will come out and there will be some scope size in there, probably a range of potential price of the effort."* He said DoD likely will make the forecasting tool public in the coming months.

In addition to DoD's own forecasting tool, Brennan said the Pentagon also plans on using the General Service Administration's (GSA's) Acquisition Gateway hallways during the fourth quarter to spend more efficiently. *"Our obligations due to the vagaries that were put into place regarding appropriate management of appropriated dollars results in a lot of spend in September. A*

lot of that is to obligate the money first and foremost, and if we get some benefit out of it, all the much the better," he said. *"By using the hallways and by making these things available to people who have the requirement to help them understand they can solve two of their problems instead of one, the obligation of money, they get the capability they really need at an effective price."*

Brennan said because money many times is "time discretionary"—meaning it will expire if not used—the better coordinated buying will meet DoD's needs more effectively. The Acquisition Gateway hallways also have a forecasting tool for vendors. Laura Stanton, the assistant commissioner in GSA's Federal Acquisition Service's Office of Strategy Management, said her office is pulling data from several Offices of Small and Disadvantaged

DoD's Stress Reliever: A New Forecasting Tool to Ease Fourth Quarter Buying Spree

Utilization (OSDBU), including GSA and the State Department, and putting it into a searchable format.

Stanton said this new tool came online in mid-June and is available on the public portion of the Gateway.

“That is one of the areas where we are beginning to make those opportunities more visible through the tool,” she said. “This is not the contract opportunity or the request for quotes or request for proposals, this is beginning to lay out what we anticipate.”

The fourth quarter will be a good test to judge the value of the Acquisition

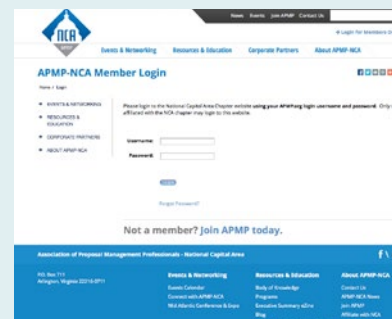
Gateway, which Stanton said is getting more popular. She said there are almost 9,000 government users, more 11,000 users coming through the public portal and 120 publicly visible contracts that were awarded and are considered best practice contracts. She said about 50 percent of the government users are not from GSA. *“This gives the insight and begins to connect instead of relying on a personal network to understand what’s happening,” Stanton said. “When I have a requirement as a program lead, my first step was to always to figure out who had bought this before and who could I call*

to get them to send me their statement of work. It’s not perhaps the best way to get to the best practices.”

Jason Miller has been executive editor of Federal News Radio since 2008. Jason directs the news coverage on federal technology, procurement, finance and human resources issues. He has also produced impactful and insightful news reports and series on whistleblower retaliation at the SBA, the overall impact of President Obama’s first term, cross-agency priority goals, shared services and procurement reform. Contact Jason as jpmler@federalnewsradio.com, 202-895-5282, or follow him on twitter@[jmillerWFED](https://twitter.com/jmillerWFED).

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