Executive Summary

A Publication of the Association of Proposal Management Professionals (APMP) National Capital Area (NCA) Chapter

Special points of interest:

- As an NCA member you have more opportunities for networking and education than anywhere else in the country!

- Access presentations from previous APMP-NCA Roundtables at http://www.apmpnca.org/presentations.html

- Self-update your e-mail address directly on the NCA *Member and Colleague Database* page on NCA's Web site

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President's Corner
Finding a Way Through the Ethical Maze

Michael Scruggs, PPM.APMP

As a capture or proposal professional, how ethical are you? You probably aim for honesty and integrity in all of your business affairs. Yet, we all have to make some tough calls when we're in the process of developing proposals–where we get a bird's eye view of corporate virtue and vice. What do you do when you see bad decisions being made, especially when you are told to support something you think is wrong?

In putting together a staffing plan for a smaller firm years ago, I was directed by a vice president to profile the company's pool of talent using materials located in a file drawer, where I found a collection of resumes with accompanying cover letters. After reviewing them, I realized that most of the resumes were at least a year old—some had been in the drawer for nearly five years. I was new on this job and still learning the ropes, but I knew I had never met, much less seen, any of the bright, skillful people represented by these resumes. A company hiring manager verified that the resumes had been submitted to the

2007 Professional Day Planning Committee Needs You!

Bob Lohfeld

Many of our capture and professional colleagues are still talking about the success of our 2006 Professional Day event. Once again, the APMP-NCA Chapter plans to produce Professional Day. Now is your chance to join the Professional Day Planning Committee in preparing for this important event.

The Professional Day Planning Committee is now being formed and needs APMP members to volunteer to help plan this year's marquee event. As a volunteer, you'll participate in Planning Committee meetings and then help on the day(s) of the event. That's right—the committee may determine to make it a two-day event. This year's event will be held in October, so there is plenty of time to plan the event and give everyone an opportunity to contribute their ideas and suggestions to make this year's program better than ever.

Volunteers are needed to develop the conference agenda, identify speakers, arrange publicity, recruit exhibitors and corporate sponsors, and handle conference logistics. There is certainly room on the committee for anyone who wants to help.

Bob Lohfeld from Lohfeld Consulting Group is chairing this event again and promises to build on the success his team had with last year's Professional Day where 275 people registered to attend. If you are interested in participating on the Planning Committee, please contact Bob at (410) 336-6264 or robert.lohfeld@lohfeldconsulting.com.

The Blended Bid: Synergizing the Written Proposal and Oral Presentation

When proposal writers and oral presenters work together throughout the bidding process, you increase your chances of winning by a long shot!

Find out how to integrate the proposal process so that the written proposal and oral presentations complement each other—and impress the toughest Government evaluators.

Register now at http://apmpnca.org/nl/ for this interactive session for proposal writers and oral presenters.

Come to the May Roundtable and apply new knowledge and skills to your next proposal challenge. When you leave the Roundtable you'll know how to:

- Bring the writing and presenting teams together early in the process to ensure that what's written is optimized by the oral presentation.

- Give presenters what they need to know before they do their first draft of the oral presentation.

- Develop graphics that best showcase the essence of the written proposal and complement the oral presentation.

- Use non-verbal communication and other delivery techniques that have measurable impact on evaluators.

- Anticipate evaluators' questions and reactions through an effective and fun presentation simulation role-play.

Learn how to anticipate evaluators' questions and reactions at NCA's May 23 Roundtable.

Take home the essay *Oral Presentations: The Tie-Breaker for Government Contracts* written by our expert presenter, Larry Tracy, principal of Tracy Presentation Skills.

Join Corporate Partner, P3 Solutions, the Guest Host for this event and network with more than 150 of your colleagues .

Register now at *http://apmpnca.org/nl/*. **Space is Limited!**

Agenda: 5:30 p.m. Networking
6:15 p.m. Dinner (vegetarian entree upon request)
7:15 p.m. Announcements and Program

Registration Fees: $65 (payment received in advance) or $75 (register at the door; limited seats available and will be filled on a first-come, first-served basis.

Corporate Partners: Please RSVP by May 17 even if using a free coupon.

Location: Marriott Fairview Park, 3111 Fairview Park Dr., Falls Church, VA 22042-4550
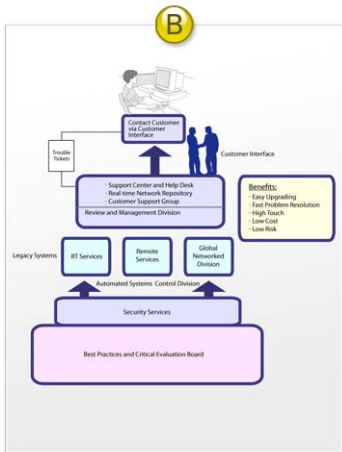703.849.9400

If you plan to attend...*Register now* at *http://apmpnca.org/nl/* and pay online by May 17, 2006 using PayPal or RSVP via email at *rsvp@apmp-nca.org* and mail your check to APMP NCA, POB 3063, McLean, VA 22103-3063.

Join NCA members and learn how to use non-verbal communication and other presentation delivery techniques.

Graphics quickly and significantly affect perception. Based on these two proposal graphics, what is your opinion of Company A versus Company B?

"I do not work with bmps and pngs because of their history of volatility with certain programs...pngs allow for transparency but print poorly and have been known to corrupt entire MS PowerPoint presentations."

Ask the Graphics Guru

Michael Parkinson

Welcome to our new quarterly APMP-NCA column, *Ask the Graphic Guru*, in which Michael Parkinson addresses NCA members' pressing graphics questions. Email your graphics questions to *Executive Summary* Editor, Beth Wingate, at beth@apmpnca.org for possible use in upcoming issues.

What are the top three proposal graphic mistakes?

Many graphics fail for three reasons: too complicated, unclear, and poorly rendered. A visual becomes overly complex when the author attempts to convey too many messages in one graphic or includes more detail than is necessary. The target audience will lose interest and can become frustrated if the graphic is too complicated. Graphics should always identify key elements and explain their meaning and benefits. When the author erroneously assumes that the target audience understands the subject matter on the same level that the author does, they produce an unclear graphic (lacking in identifiers or explanation) and can cause confusion in the audience or send the wrong message. Poorly rendered graphics result in a host of negative outcomes such as miscommunication and the perception that the presenter (the person, place, or thing most associated with the graphic) is unprofessional and may not fully understand the topic.

Can I use photographs and art from the Internet in my proposals?

As soon as you write a paragraph, take a photograph, or create a graphic, you own it. According to a United States ruling, once you make something, it is protected under copyright law. (The challenge has been proving who made it first.) With that in mind, *everything* we find on the Internet is copywritten. You may use it only if you are granted permission (for the purposes you intend) or your organization owns or has purchased the rights to use it. There are some Web sites that offer "royalty-free" graphics at no cost (certain Government sites provide free images), but you need to make sure that the Web site allows free image downloads or else you could face a lawsuit. Also, photographs and art from the Internet are usually at a lower resolution (72 dots per inch [dpi]) than you require for your proposals. To get crisp

and clear graphics (no jagged or pixilated edges) for your oral and written presentations, you need to use images that are between 150–300 dpi. Otherwise, your graphics will look poorly rendered and give your presentation an unprofessional appearance.

Where can I get quality clip art to use in my graphics?

For clip art, I use Nova Development's Art Explosion 750,000 or 800,000 clip art collection. There is a lot of "unusable" clip art in these books, but the few that I use make it well worth the purchase price (about $99). There are other similar clip art libraries available, but I cannot comment on their usability.

For photographs and illustrations, I like:

- Getty Images (*www.gettyimages.com*)
- iStockPhoto (*www.istockphoto.com*)
- Dreamstime (*www.dreamstime.com*)
- StockExpert (*www.stockxpert.com*)
- BigStock Photo (*www.bigstockphoto.com*)

When using Getty Images, be sure to choose only *royalty-free* images versus rights managed. It is far less expensive. For United States military photographs, visit the .mil Web sites. You may use the photographs in their image databases, but they request that you acknowledge where you found the photo and, when possible, acknowledge the photographer (e.g., *Photo courtesy of U.S. Army. Photo taken by Spc. D. A. Dickinson.*). Be sure to verify that the image you are using is cleared for release and is considered in the public domain. This information is usually posted on the same page as the image library or on the "Privacy" or "Security" pages.

What is the difference between jpg and other types of graphics files? When should I use each kind of graphic file?

A filename extension is a suffix to the name of a computer file applied to show its format. A file extension consists of the characters after the "." such as ".doc", ".txt", ".xls", ".bmp", and so on. I will focus only on the following due to their applicability to proposal graphics:
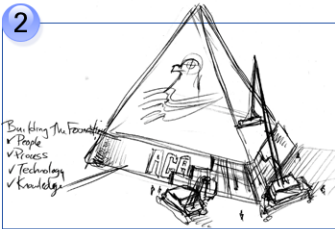
- BMP = Bitmap
- GIF = Graphic Interchange Format
- JPG = Joint Photographic Experts Group
- PNG = Portable Network Graphics
- TIF = Tagged Image File Format
- WMF = Windows Metafile

① "Our company will help build the foundation for AGA's successful future using four elements to manage and evolve the agency's existing infrastructure: people, process, technology, and knowledge."

②

③

Be sure to evolve the concept and get buy in from your team before rendering the final graphic.

Tailor your graphic to your audience.

I use 200 dpi RGB (unless you are printing the files on an offset press) *tifs* for placement in MS Word, Adobe InDesign, and QuarkXPress. It is worth noting that *jpgs* are acceptable in written documents if file size is an issue since *jpgs* are about one third of the size of *tifs* and are only of a slightly lower quality. I use 200 dpi RGB *jpgs* for MS PowerPoint. I prefer 200 dpi images because they look great in print and on screen and can be half the file size of 300 dpi images. I recommend 80% compression when saving your *jpgs* to avoid "pixel garbage" in your graphics. I use 300+ dpi RGB or CMYK files for professional printing like brochures, slicks, folders, etc.

I do not work with *bmps* and *pngs* because of their history of volatility with certain programs. For example, *pngs* allow for transparency but print poorly and have been known to corrupt entire MS PowerPoint presentations. There are many other file types beyond those I have listed, but I have found that *jpgs* and *tifs* are the most accepted, stable, and reliable for proposals. However, if you have had successful results with other file types (like metafiles—which requires an article unto itself), use them. If it isn't broken, don't fix it.

What is the industry standard for graphics development these days? What are the advantages and disadvantages of some of the leading graphics packages?

Most graphic departments and design firms use Adobe Photoshop and Adobe Illustrator. Some use CorelDraw, but it is not the industry standard. Adobe Photoshop and Illustrator are ubiquitous and have a plethora of easy-to-use features that allow for high-end, dynamic graphics—layering, filters (add shadows, outer glows, beveling, embossing to shapes and images), photo touch-up, image blending, text overlay, etc. Photoshop is perfect for creating image collages, touching up team photos, and isolating images. Illustrator is a great package to generate organization charts, process flow charts, barcharts, piechart, etc. With Illustrator, you can save text on a separate layer to make it easier to click on boxes below the words, and you can also add drop shadows and create 3D boxes to make your graphics *pop*. Each element (text, arrows, lines, boxes) within Illustrator can be saved on a separate layer—making it easier to edit. Best of all, you can copy and paste images from Illustrator into Photoshop and vice versa.

The disadvantages to these packages are the higher cost, steep learning curve, and the fact that they are unlikely to be in most non-designer's software libraries—so all edits will have to be done by the designer. When high-end graphics are not needed, most graphic departments generate visuals in PowerPoint, which allows the author to wordsmith and tweak the graphic as needed. Unfortunately, PowerPoint lacks the graphic-specific tools and features that dedicated graphics software offers. As a result, the visuals are usually of a lower quality and, if the author modifies the graphics, they are inconsistent and potentially unprofessional in appearance. There are tricks to using PowerPoint to create higher-end graphics, but they involve using other graphics packages to augment PowerPoint and create a dedicated library of images that can be pulled together to form new visuals as needed.

What packages do I want a graphics person to be expert in if I'm going to bring him/her on board either as a permanent hire or as a consultant?

They should have a working knowledge of Adobe Photoshop and Adobe Illustrator for image and graphic generation and Adobe InDesign or QuarkXpress for page layout of brochures and corporate collateral. If they are familiar with MS Word for written proposals, then that is a bonus. Of course, it depends upon your company's software collection and need. If your organization has invested in CorelDraw, then CorelDraw is the software a new designer should know. If your company needs 3D graphics, then the designer should have a working knowledge of 3D design applications. It is important to note that if a designer has been trained and uses Adobe products, their learning curve on CorelDraw is much lower.

What are the best colors to use in my graphics?

Color choice is mostly subjective and should be made based upon your goals. If your goal is to increase mindshare or to brand your company, stick with your corporate colors. If your goal is to win new work with the Government or another proud organization, use their colors (e.g., green and beige for the U.S. Army). If your goal is to play it safe, I recommend blues and greens. They are calming colors.

If you are creating a new color palette, choose analogous colors. (Analogous colors appear next to one another on the color wheel.) When creating color palettes, I choose three colors (usually the potential client's colors). I specify which color is primary, which is secondary, and which is tertiary.
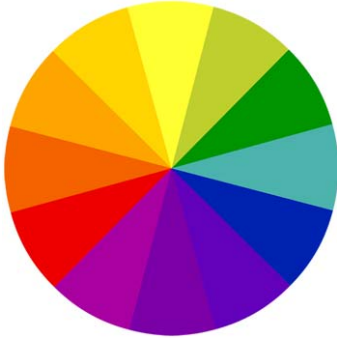
Color is important. Color improves learning by 75%.

I then create swatches of each color with different values so that I have more flexibility without leaving the safety of my color palette.

Should I use a lot of smaller graphics or a few larger ones?

It depends. Let the content drive the size and number of graphics in your proposal. I use graphics for complex concepts, key concepts, and discriminators. However, there is no doubt that evaluators like graphics. Important information can get lost in a sea of words. Like you, evaluators are distracted and, at times, tired. Make it easy for them to find, understand, and remember the most important information by putting it in a graphic.

If possible and appropriate, use a graphic—or a graphic treatment of text (e.g., callout)—on every page. If you have to choose, focus on your complex concepts, key concepts, and discriminators, and shelve the need for a graphic on every page.

What are the best programs to use to create my graphics if I'm not a trained graphics artist?

MS Visio and MS PowerPoint are accepted alternatives for graphic development. For MS PowerPoint, ask a graphic designer to develop a color palette and frequently needed graphic elements that you can use for future projects. If you want a more polished look for organizational charts and process and network diagrams, I suggest OmniGraffle (Macintosh platform) (www.omnigroup.com). You can drag and drop elements from the "palette" and add high-end visual effects when appropriate.

Michael Parkinson is a partner at 24 Hour Company specializing in bid-winning proposal graphics. He recently launched Billion Dollar Graphics (www.BillionDollarGraphics.com) to share best practices and helpful tools with proposal professionals. Contact Michael at mike@24hrco.com.

Government Liaison Committee to Hit Milestone

Michael Scruggs, PPM.APMP

Originally formed in the late 1990s, the APMP Task Force was formed to improve business acquisition-related communications between Federal customers and the private sector. During the past years, the Government Liaison Committee (GLC) led by Jessica Morgenstern has evolved to take the lead in this important initiative. In 2006 the GLC developed a task for the APMP Task Force to examine the touch points between the Government Acquisition Competitive Solicitation Process and Industry's Opportunity Pursuit Process.

The Industry-Government Business Development/ Source Selection Integrated Process Task Force, as this group is known, or Acquisition Task Force for short, is currently evaluating Part One of this two-part project. Part One aims to develop the "as-is" development/source selection process flow charts. The purpose of these flow charts is to show where activities and tasks currently link between the business development and source selection processes, creating interactions with Industry and Government. For example, in the life cycle of a source selection effort, there are specific times when Government reaches out to Industry for feedback or times when Government does something in its processes that causes Industry to react. This task is also defining each activity within

The APMP Task Force was formed to improve business acquisition-related communications between Federal customers and the private sector.

the respective flow charts. A full report is expected to be published in May 2007.

This is not the first time that representatives of the Federal Government and APMP have come together to resolve tough questions. Previously, Jessica worked with the Navy to develop a survey to determine the value of releasing draft request for proposal (RFP) documentation early in the acquisition life cycle. The responses to this APMP-sponsored survey represented a good cross-section of companies with 119 individuals responding from across all levels within these organizations. The survey revealed that Industry favors draft RFP documentation early in the acquisition life cycle to begin to formulate responses to the customer. Industry is aware that changes are inevitable and deals with changes as necessary. A presentation was made on this survey and its results at the 2005 APMP Annual Conference.

Make sure you catch the Acquisition Task Force's presentation this year at APMP's annual conference in Savannah, Georgia (registration is currently open at www.apmp.org). The presentation is called: "Government Says…Industry Says…Government Thought…Industry Thought…: What's Requested, What's Heard, What's Expected." The presentation will provide information on what each "side" (Government and Industry) does to irk the

In mid-2007, the Acquisition Task Force will begin identifying where improvements can be made—creating more opportunities for Government/Industry interaction throughout the procurement life cycle.

other and what can be done to enhance communications throughout the acquisition process. Using skits, the panel will examine the misalignments and miscommunications that often occur and suggest how to avoid them in the future.

Several Federal acquisition professionals who have presented at recent NCA events, including the General Services Administration's (GSA) Lisa Akers and Department of Homeland Security's (DHS) Gregg Giddens, have indicated their desire to promote knowledge sharing and

communications between the Government and contractors. NCA has connected these Federal professionals and the Acquisition Task Force.

A number of NCA members have expressed their desire to be a part of this activity. "Part two" of this Acquisition Task Force activity will start in mid-2007, and the Task Force will begin to identify where improvements can be made to the current process— thereby creating more opportunities for Government/Industry interaction throughout the entire procurement life cycle. If you are interested in participating in this activity, please contact Jessica at *jessica.morgenstern@apmp.org* or (410) 859-2062.

What Would You Do? Take the Quiz!

Jan Cook Butorac

As a proposal professional, you are faced with ethical questions almost every day—whether you realize it or not. Whether you have been with your current company for years, move around every couple of years, or are a consultant who works for a number of companies serially or concurrently, your decisions are critical to your own credibility and trustworthiness and to the reputation of the proposal profession.

To test your knowledge of the ethics of proposal management and development, I have concocted a number of scenarios in which you can choose what you would do under particular circumstances. Then, like any good magazine quiz, you can see the "right" answers below.

Note: To protect the innocent, company names are modified names from the Yellow Pages!

Scenario #1: You as an employee of Cedar Shakes and Shingles have lunch with a colleague employed by Slanted Roofing, a company that sometimes is a partner and sometimes is a competitor. (Aren't they all?) You are engaged in some "shop talk" about this opportunity and that, and he mentions in passing that his company is teamed with Low Peak Roofing on a huge acquisition for Department of Homeland Security (DHS). You think nothing of it. But later that day, you are in a meeting at Cedar Shakes and Shingles where you discover that your company is going after the same contract. The capture manager is detailing the make-up of different teams and has put a question mark in the column next to Slanted Roofing. What do you do?

- Tell the group that you found out through a reputable source that Slanted Roofing is teaming with Low Peak Roofing.
- Keep your mouth shut.

Scenario #2: You are a consultant who in the distant past developed a remarkably wonderful governance model for the Program Management Plan for Winning Battlefield Roofing. You wrote every word; it was all your idea and was well received by the client at the time. Now you are working for Shingle Roofing, and you have been assigned to write the Program Management Plan. You realize that a sharp governance model would spruce up this plan, but you desperately don't want to have to "re-invent the wheel." What do you do?

- Use the governance model you created, but tailor it to this particular circumstance.
- Start from scratch, using different ideas.
- Check your consulting agreement regarding intellectual property rights.

Scenario #3: At your previous job with Major Discount Roofing and Windows, you developed a detailed description of the Information Technology Infrastructure Library (ITIL) with 100% of the information coming from industry literature that is publicly available. Now you are working for Pink Cedar Roofing, and the proposal calls for a detailed description of ITIL. You would like to re-use the one that you developed for the previous company. What do you do?

Your ethical decisions are critical to your own credibility and trustworthiness and to the reputation of the proposal profession.

The APMP Code of Ethics says that a member must "Protect sensitive information and comply with all legal requirements for the disclosure of information."

- Use the description *as is* because the information came from public sources.
- Write a new description using the same or similar industry documents.
- Write a new description using different industry documents.

Scenario #4: You are working for Middle Standard Roofing and have been assigned to manage a proposal for a contract with the U.S. Forest Service. Old Pioneer Roofing is your company's subcontractor. When it comes time to develop the Contract Transition Plan, Middle Standard doesn't really have any good re-use material, but Old Pioneer does. They send you three excellent transition plans from previous proposals. You would like to use as much of this material as possible. What do you do?

- Pick and choose the best parts of each plan, tailoring the material to make it fully relevant to the Forest Service bid.
- Develop your own Transition Plan, using company resources, without using information from the subcontractor.

Scenario #5: You work for Crumbly Roofing Consultants and are managing a proposal for a contract with the Department of Defense (DoD). Just last month, you fashioned a really great section about security management for Crumbly and would like to re-use it. The contract has not yet been awarded. What do you do?

- Use as much of the material as is relevant to this contract.
- Use none of the material—because the contract has not been awarded.
- Check the company's policy on this and do what is dictated by policy.

Check below for the "right" answers. Don't just take it from me—this article has been reviewed by Shlomo Katz, APMP-NCA's unofficial legal advisor.

How important are these decisions? If it's widely known that you use other companies' intellectual property, what's to say you won't do it to your current employer

Different companies have different policies on using information from proposals that have not been awarded. Be sure to check before you re-use!

when you move on? Being ethical is good business—and it's in your own best interests.

Answers:

Scenario #1: Answer #1: The APMP Code of Ethics says that a member must "Protect sensitive information and comply with all legal requirements for the disclosure of information." Since your colleague is an employee of Slanted Roofing and you are the employee of a competitor, he should not have had an expectation of confidentiality. In other words, is the information that he let into the public domain really "sensitive"? Not if he shared it with a competitor, even inadvertently. To the contrary, you may have a legal duty of loyalty to your employer to share what you know.

Scenario #2: Answers #2 and #3: Don't do anything before checking your consulting agreement. Chances are great that Winning Battlefield Roofing owns the ideas as well as the full contents of that governance model—or start from scratch and write an entirely new one.

Scenario #3: Answers #2 and #3: Both answers are ethically correct. If the information is readily available and public information, it is fine to go back to the source materials. You can also use new source materials. Just don't use the same words—they are the property of Major Discount Roofing and Windows.

Scenario #4: Answers #1 and #2: If you insist on re-creating the wheel, go ahead with #2. But it's perfectly ethical to use information from subcontractors with their permission—with the proper Non-Disclosure Agreement, of course. Check that out with Contracts.

Scenario #5: Answer #3: Different companies have different policies on using information from proposals that have not been awarded. Be sure to check before you re-use!

Jan Cook Butorac serves as the NCA Chapter's Secretary and has more than 25 years' experience in the proposal field. Jan is an independent proposal consultant working with Proposal Management, LLC where she provides proposal writing and management and Federal IT consulting from her Haymarket office. Contact Jan with any questions about this article at jan@apmpnca.org.


APMP and NCA Missions

APMP's Mission is to advance the arts, sciences, and technology of new business acquisition and to promote the professionalism of those engaged in those pursuits. Our Chapter's Mission is to provide our members with information and opportunities to improve their professional performance and advance their careers in Proposal and Acquisition Management.
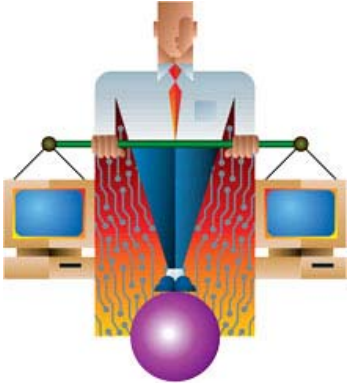
Despite the Government's interest in its contractors' ethics, there has not, until now, been any Government-wide requirement for contractors to have codes of ethics. However, that may soon change.

The FAR Council reports that Federal Agencies' code of ethics policies differ on the contract dollar thresholds and other details.

Legal Corner

Contractor Code of Ethics and Business Conduct

Shlomo Katz

Ethics have always played a role in the award of Government contracts. Before an Agency may award a contract, the contracting officer (CO) is required by Federal Acquisition Regulation (FAR) Subpart 9.1 to make an "affirmative determination" of the prospective awardee's "responsibility." Under FAR § 9.104-1, one element of a responsibility determination is a finding that the contractor has "a satisfactory record of integrity and business ethics."

Contracts can be won or lost based on the above rule. An extreme example is represented by the decision in *Southwestern Bell Telephone Company*, B-292476, 2003 CPD ¶ 177, in which the General Accounting Office (now the Government Accountability Office or GAO) sustained a protest against an award. In that case, the Agency had found that two offerors had essentially equal past performance, but the Agency had failed to consider the awardee's record of integrity and business ethics. Specifically, three members of the family that were the majority shareholders of the awardee's former parent corporation, and the parent corporation itself, had been charged by the Securities and Exchange Commission (SEC) with violating various provisions of Federal securities laws. Subsequently, five individuals associated with the company were criminally indicted by a Federal grand jury—each on 16 counts of securities fraud, five counts of wire fraud, two counts of bank fraud, and one count of conspiracy. Under these circumstances, it was unreasonable to find that the awardee was "responsible."

Surprisingly, despite the Government's interest in its contractors' ethics, there has not, until now, been any Government-wide requirement for contractors to have codes of ethics. However, that may soon change. On February 16, 2007, the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (jointly known as the "FAR Council") published a proposed amendment to the FAR that, for the first time, would require all contractors with contracts above a certain size, other than contracts for commercial items, to promulgate a "code of ethics and business conduct." The proposal was published at volume 72 of the Federal Register, page 7588. Interested parties may submit written comments on the proposed rule to the FAR Council on or before April 17, 2007.

In the preamble to the proposed rule, the FAR Council explains that FAR Part 3 provides guidance on

improper business practices and personal conflicts of interest, but it does not discuss the contractor's responsibilities with regard to code of ethics and business conduct and the avoidance of improper business practices. Currently, three Agencies—Departments of Defense (DoD), Veterans Affairs (VA), and Environmental Protection Agency (EPA)—maintain policies relating to contractor codes of ethics and business conduct and contractors' responsibility to avoid improper business practices. With few exceptions, the Agencies' clauses and prescriptions are very similar to one another in that they establish Agency policy and recommend contents of a contractor's system of management and internal controls in connection with Government contracts; establish contract dollar thresholds for display of the Agency Office of Inspector General (OIG) poster; provide instructions for obtaining the hotline posters; and provide exemptions to displaying posters. However, the FAR Council reports, the Agencies' policies differ on the contract dollar thresholds and other details.

In view of the significant sums of Federal dollars spent by Agencies to acquire goods and services, the FAR Council has deemed it appropriate to establish a clear and consistent policy regarding contractor code of ethics and business conduct, responsibility to avoid improper business practices, and procedures for displaying an Agency OIG Fraud Hotline poster to facilitate reporting of wrongdoing in Federal contracting. To accomplish this, the proposed rule would amend the FAR to add FAR Subpart 3.10, Contractor Code of Ethics and Business Conduct. Among other changes, the FAR, as amended, would:

- Include policy stating that contractors "should'" have a code of ethics and business conduct.

- Exclude commercial item contracts awarded pursuant to FAR Part 12 from the requirements of the rule because the rule will not implement statute or executive order and because ethics programs and hotline posters are not standard commercial practices as stipulated by the Federal Acquisition Streamlining Act.

- Provide that contractors receiving awards in excess of $5,000,000 that have performance periods of 120 days or more shall have a written code of ethics and business conduct within 30 days after contract award.

- Require contractors to promote compliance by establishing, within 90 days after contract award, an

employee ethics and compliance training program and an internal control system proportionate to the size of the company and extent of its business with the Federal Government.

- Provide that contractors receiving awards in excess of $5,000,000 shall display the Agency OIG fraud hotline poster and, when appropriate, any special disaster relief poster from Department of Homeland Security (DHS), at work locations in the United States and at the company web site if the contractor has established a company web site for the purposes of providing information to employees.

- Provide alternates to the basic clause to accommodate those Agencies that do not have posters and to accommodate Agencies that choose to require the display of a fraud hotline poster at contract award thresholds at or below $5,000,000.

- Include a flowdown provision that applies to subcontracts at the same dollar level as the prime contract.

- Provide for remedies if the contractor fails to comply with the clause including withholding of contract payments and loss of award fee (profit).

The proposed rule *does not* say what must be in a code of ethics and business conduct. Instead, contractors are directed to establish codes appropriate for their size and circumstances. The proposed rule *does* give examples of internal control program contents:

- Periodic reviews of company business practices, procedures, policies, and internal controls for compliance with the contractor's code of ethics and business conduct and the special requirements of Government contracting.

- An internal reporting mechanism, such as a hotline, by which employees may report suspected instances of improper conduct, and instructions that encourage employees to make such reports.

- Internal and/or external audits, as appropriate.

- Disciplinary action for improper conduct.

- Timely reporting to appropriate Government officials of any suspected violations of law in connection with Government contracts or any other irregularities in connection with such contracts.

- Full cooperation with Government Agencies responsible for investigation or corrective actions.

What does this mean for proposal process participants? On the most basic level, companies will have to factor costs of compliance with this rule into the cost of doing business. This may be a minor impact once the code and internal controls are up and running. Because the rule would apply to companies, rather than to contracts, the costs of compliance would most likely be included in overhead or G&A, rather than in direct costs. Another impact will be that the obligation to flowdown the Contractor Code of Ethics and Business Conduct clause to subcontractors will place a burden on teaming and subcontracting managers to enforce compliance.

A more serious consequence of the rule may be the potential loss of business to companies under ethical clouds. Also, it remains to be seen whether the rule's hotline and internal control requirements will generate whistleblower activity or charges of retaliatory personnel actions.

Shlomo D. Katz is Senior Counsel in the Washington, DC office of the national law firm of Epstein Becker & Green, a Corporate Sponsor of APMP-NCA. If you have any questions about these or other proposal issues, please contact him at (202) 861-1809 or skatz@ebglaw.com.

On the most basic level, companies will have to factor any costs of compliance with this ethics rule into the cost of doing business.

The proposed rule does not say what must be in a code of ethics and business conduct. Instead, contractors are directed to establish codes appropriate for their size and circumstances.

Exciting Update—NCA Job Board

As an added value to our members, APMP-NCA is expanding the posting timeframe of our job board listings. Effective May 1, 2008, job postings will run on the board for 90 days (versus the current 21 days). The price per posting will only increase to $60 (from the current 45 days). Check out www.apmp-nca.org/redesign/jobs/applicantresults.cfm.

Sr. Corporate Recruiter
TeleCommunication Systems, Inc.
Kim Jester
Annapolis, MD 21401
kjester@telecomsys.com

Opportunity Mgr./ Proposal Mgr. 3
Microsoft
Julie Baha
Irving, TX 75039
jbaha@microsoft.com

Public Sector Marketing Mgr.
Gemalto
North Wales, PA 19454
Hr3@gemalto.com

Proposal Writer/ Coordinator
American Operations Corp.
Ellen Perrine
Chantilly, VA 20151
eperrine@aocwins.com

Added Value: NCA Roundtable Helps Complete CEUs

With your attendance at APMP-NCA's six Roundtable events planned for 2007, you can earn up to 30 CEUs annually.

Michael A. Scruggs, PPM.APMP

With more and more NCA Chapter members becoming involved with the APMP Accreditation Program, participants want to know how to acquire the Continuing Education Units (CEUs) to maintain accreditation levels. Starting in 2007, attendance at an NCA Roundtable is worth five CEUs. With your attendance of our six Roundtable events planned for 2007, you can earn up to 30 CEUs annually.

First, some background. The Accreditation program has been around for a couple of years, and each of its three accreditation levels requires an educational/learning component to foster continuous professional development. Until recently, APMP had not defined this requirement.

The APM Group (APMG) is the organization that oversees the framework and standards of APMP's Accreditation Program. In January 2007, APMG approved a Continuing Professional Development (CPD) program that defines how an individual can maintain his/her knowledge and skills required to sustain their level of accreditation. Although their names appear similar,

there is no corporate relationship between APMG and APMP—APMG is a London-based international accreditation, certification, and qualification organization.

With the establishment of the CPD program, accredited individuals must now collect and meet CEU requirements to maintain accreditation. Those at the Foundation level are required to collect 20 CEUs over the next two years, and those at the Practitioner or Professional level must collect 40 CEUs over the next two years. This is a new requirement and does not apply for the period from the time of your accreditation to December 2006. It does apply now. Learn more at *www.apmp.org/fv-425.aspx*.

APMP Accreditation Director Cathy Day, PPM.APMP, recently confirmed that attendance at an NCA Chapter Roundtable earns an attendee five CEUs. Attendance at NCA's 2007 Professional Day event will earn an attendee 10 CEUs. So, if you attended NCA's *Getting Graphics Right the First Time* Roundtable in January 2007 and our *How to Get What You Need From the Top to be a Proposal Superstar* Roundtable in March 2007, you've already earned 10 CEUs.

Join APMP in Savannah May 29 – June 1 for the 18th Annual APMP International Conference

From Best Practices to Body of Knowledge

Beth Wingate

APMP is holding its 18th Annual APMP International Conference and Exhibits, May 29 – June 1, 2007, in Savannah, Georgia.

This year's two and a half-day conference brings you presentations and discussions that will provide the latest and greatest information on the processes, procedures, standards, and methodologies that compose the proposal management body of knowledge and best practices. Presentations are scheduled for every level of proposal professionals from Entry-Level, Intermediate-Level, and Advanced Proposal Professionals to Proposal Writers to Senior Management to those seeking APMP accreditation to Virtual Proposal Managers/Teams to Capture Managers and Business Development Managers. Topics and presenters include:

- Rapid Response to Omnibus and IDIQ Task Orders, Mary Ann Anelli
- Building Storyboards 101: A Hands-On, Interactive Workshop, Dr. Arthur Bass
- Results from the 2006 Green Sheet Survey, Ruth Belanger
- Creating a Proposal Resource Center: A Case Study, Lynda Benjamin and Terri Horn
- Getting Results through Negotiations, Tony Birch
- Institutionalizing Proposal Best Practices into ISO and CMM Processes, David Bol and Mitch Reed
- Proposal Prestidigitation: Lessons from the Magician's Art, Mitch Boretz
- Quantifying or Qualifying Your Bid/No-Bid Decision, Tim Budzik
- Coaching for Capture Management Success, Melissa Church-Lawton
- Performance-Based Logistics Statements of Work, Edith Crane
- Tips and Tools II: The Best of Utility Software, Heather Deavers
- So, What Part of "Instruction" Don't You Understand, Dr. Lynn Diamant
- Introduction to the BD-KnowledgeBase™, Charlie Divine
- Understanding E-Sourcing, John Doodokyan
- Wordman's Microsoft Word Q&A, Dick Eassom
- Getting Your Story Straight: The Path to Blue Team, Robert S. Frey

- Banzai!! A Small Business' Approach for Shaping Their BD Pipeline, Dennis Gilbert
- But I Want To Do It All…, Melanie Gould
- Body of Knowledge Hits from the 80s, 90s, and Today, Eric Gregory
- Turning Sales Knowledge Into Sales Results, Kym Harrington
- Campaign to Win!, Jay Herther
- Effective Oral Presentations: A Live Demo, Deborah Hurley, Helane Jeffreys, Sandy Ann Lentz
- Proposal Pictionary! How to Turn Your Words into Pictures!, Colleen Jolly and Mike Parkinson
- Past Performance Volumes, Catherine Hall
- Your Proposal's Slip Is Showing, Nancy Kessler
- Getting Your Presentations to Truly Sell and Win, Tom Leech
- Knowledge Management and BD Excellence, Dr. Ginger Levin
- Creating a Successful BD Metrics Program, Dr. Ginger Levin and Howard Nutt
- The Church of Proposal Excellence, BJ Lownie and Jon Williams
- When Your Team is VIRTUAL: How to Effectively Use SharePoint in Support of Your Proposal Team, Sandy Luttrell
- Protect the Emotional Connection to Your Customers Through Brand Compliance, Amy McManus and Amy Skapek
- What Do They Want? An Inquiry into Understanding the Drivers of RFPs, Martin Moller
- Government Says…Industry Says…Government Thought…Industry Thought…: What's Requested, What's Heard, What's Expected, Jessica Morgenstern
- Keys to Successful Capture Management, Bruce Morton
- Incumbent vs. Challenger: Who Has The Advantage?, David Murphy
- The Key to Career Independence for Proposal Professionals, Michelle Norman
- The Vital Link between BD Maturity and Reduced Program Risk, Howard Nutt
- Proposals: A Good Write (Not) Spoiled – Proposal Lessons from the Golf Course, Keith Propst

APMP's 2007 International Conference will provide the latest and greatest information on processes, procedures, standards, and methodologies composing the proposal management body of knowledge and best practices.

Be sure to read Betsy Blakney's informative travelogue of her reconnaissance trip to Savannah at *www.apmp.org/Savannah-Experience---A-Travelogue/av-39.aspx*.
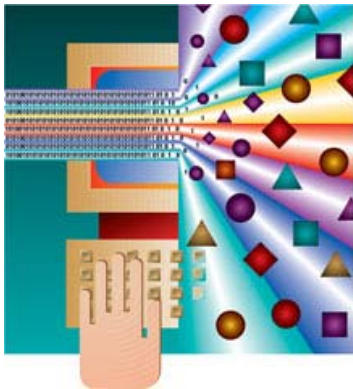
Conference presentations are scheduled for every level of proposal professionals from Entry-Level to Advanced Proposal Professionals to Senior Management to those seeking APMP accreditation to Business Development Professionals.

- Create Career Paths for Your Proposal Team Members, DeVon Rightley-Tucker
- And the Survey Said…Solutions to Everyday Challenges, Robin Ritchey
- An Overview of Proposal XML (P-XML), Graeme Robson
- Killer Win Themes Every Time: A Disciplined Perspective, Bill Russo
- Sharing a Chapter's Secrets: Inside the National Capital Area (NCA), Michael Scruggs and Beth Wingate
- Customer/Program Requirements Identification, Dan Shumway
- No More Late Nights and Cold Pizza, Marlene Slusser
- Preparing and Conducting Highly Effective Kick-Off Meetings, Olessia Smotrova-Taylor
- Using Technology to Reinforce Best Practices, Brian Vass
- The Five Biggest Mistakes of an Oral Proposal—and How to Avoid Them, Chris Witt

A pre-conference workshop on Orientation to BD-CMM Concepts and Implementation Workshop will be held May 29 by the Business Development Institute International (BDII). Visit www.apmp.org/Pre-conference-Workshops/ca-103.aspx for more details.

Post-conference workshops on June 1 include APMP-approved accreditation coaching for the Foundation level Examination with an opportunity to sit the exam, as well as a Practitioner level coaching workshop offered by Shipley Ltd. Visit www.apmp.org/Post-conference-Workshops/ca-104.aspx for more details.

The popular APMP Book Store will be open again during the conference so you can pick up some proposal and business development beach reading material!

The 18th Annual Conference will be held at the Savannah International Trade and Convention Center next to the Westin Savannah Harbor resort. There is a wide variety of dining, shopping, cultural, and tourist attractions a free 90-second ferry ride across the harbor from the Convention Center. For more information about Savannah, visit the Savannah Area Convention and Visitors Bureau at www.savannahvisit.com. Be sure to read Betsy Blakney's informative travelogue of her reconnaissance trip to Savannah at www.apmp.org/Savannah-Experience---A-Travelogue/av-39.aspx. After reviewing Betsy's article, looks like we'll all be doing a lot of walking, shopping, eating, and sightseeing after each day's informative presentations!

Get more information and sign up now for the conference at www.apmp.org/ca-29.aspx.

Most companies that cut ethical corners are crummy places to work, even before you stumble onto their real problems—such as moral failure.

company from individuals responding to the company's past recruitment efforts.

I went back to the vice president to share my concerns. "Just identify the best people and put them in the proposal. No need to call them. I do it all the time," the executive commanded.

Making my next decision was not that difficult. As you may have already noticed in your own careers, most companies that cut ethical corners are crummy places to work, even before you stumble onto their real problems—such as moral failure. I couldn't get out of the door fast enough.

I left that assignment because it violated my personal standards of what I define as right and wrong. I wouldn't want my resume part of a company's business proposal without my knowledge, so I saw the use of dated resumes where a company had no intention of hiring the individuals as unethical.

But the meaning of "ethics" is hard to pin down. The vice president may have thought that the use of the resumes was reasonable and not an ethical violation.

APMP provides us a *Code of Ethics* that we as APMP members are expected to follow. Until I started this article, I was unaware of the code, so don't feel alone if this is the first you've heard of it. As an APMP member, we are expected to:

- Comply with rules, government regulations, and laws in their respective countries, as well as other appropriate private and public regulatory agencies.
- Ensure compliance with all rules concerning interaction with clients and Government liaisons.
- Protect sensitive information and comply with all legal requirements for the disclosure of information.
- Avoid conflicts of interest, or the appearance of same, and disclose to our employer or client any circumstances that may influence their judgment and objectivity.
- Ensure that a mutual understanding of the objectives, scope, work plan, and fee arrangements has been established before accepting any assignment.
- Represent the proposal profession with integrity in our relationships with employers, clients, colleagues, and the general public.
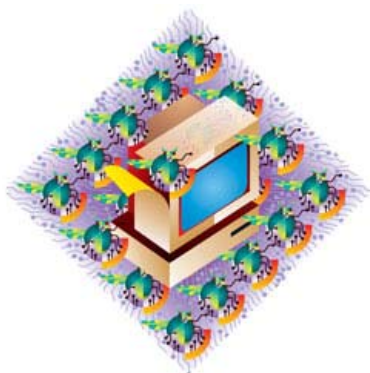
According to APMP's Code of Ethics, we really don't have a choice but to identify a falsehood or misleading statement...once something is identified as unethical, few are willing to defend it.

When in doubt about how to resolve an ethical dilemma, confer with a person you trust—one who is not directly involved in the outcome.

There is a lot of wise guidance here, and I can see how the code can help you in ethical dilemmas. For example, if you're asked to do something unethical—regardless of magnitude—you can always whip out the code and state that as a proposal professional you have to follow this code.

Most of the companies we work for also have similar codes of ethics. In researching this article, I visited many Federal contractor Web sites to identify specifically if they had codes of ethics or ethics programs. Almost all did.

Most of the larger Federal contractors seem to have the deepest ethics programs. Perhaps this reflects the large amount of Government business they receive and the necessity to keep business aboveboard.

I was refreshingly shocked on my first day on the job at SAIC several years ago. At the orientation session, the facilitator explained there were several different channels through which an employee could seek assistance with ethical issues. At the time, there was an independent Employee Ethics Committee composed of mid-level professionals who promised objectivity and privacy. That seems a lot more comfortable than writing to the CEO or Board of Directors about an issue. There was also a confidential Ethics Hotline that would connect you to a knowledgeable person to help with an ethical dilemma.

On the flip side, you have a company like Enron**,** whose 65-page official *Code of Ethics* published in 2000 began with a letter from Enron founder and former CEO Kenneth Lay, who stated that he conducted business "in accordance with all applicable laws and in a moral and honest manner." He also advised, "We know Enron enjoys a reputation for fairness and honesty that is respected. Enron's reputation finally depends on its people, you and me. Let's keep that reputation high."

Do these programs work, or are they only window dressing? Most researchers in the field state these programs work because they eliminate unethical or questionable practices. At a very low cost, business ethics boosts output, promotes recruitment and retention, and reduces misconduct and employee fraud.

It seems to me that it's ultimately up to each of us to be responsible for our actions and to enforce ethical standards within our own business area of influence.

Most researchers state that ethics programs work because they eliminate unethical or questionable practices.

It's up to us to use the available tools and resources and take action, instead of waiting for others to make the first move.

Let's look at some of the everyday areas where ethics plays. Are the Certifications and Representations submitted with your proposal honest and accurate? In fact, is everything being submitted accurate, and is the company being true to its word? According to APMP's *Code of Ethics*, we really don't have a choice but to identify a falsehood or misleading statement. In my experience, once an erroneous statement is identified as unethical, few are willing to defend it.

How about some of the ethical questions those of us working as consultants face?

Russell Smith, owner of Organizational Communications Inc. (OCI), sees conflict of interest as a real problem among proposal consultants. He cites knowledge of consultants that work for more than one company on a bid. When such instances are found, consultants that blatantly violate conflict of interest norms—such as working for two direct competitors on the same program—are likely to have a short shelf life in the proposal consulting industry.

So remember—when signing the customary non-disclosure agreement, or NDA, the written legal terms identify all conflict of interest clauses to which the consultant is obligated.

Sharing client information and, in particular, past proposal materials, is also an industry sore spot. Reuse of proposal materials from past clients with future clients is a recurring problem according to Jayme Sokolow of The Development Source, Inc. He sees proposal reuse as a reoccurring problem, despite the confidentiality agreements of the NDA.

When signing the NDA, the consultant agrees that the work developed during the term and scope of the agreement belongs to the organization hiring the consultant. Consultants should not use previous proposal materials until permission is granted from the company that owns the material.

While breaking the NDA is a black and white situation, conflict of interest can manifest itself in shades of gray. For example, consider an IDIQ program where 50 contracts are to be awarded. Does it matter if the consultant works with more than one firm? Consider the further issue: What if a single program has more than one bid category or functional category. Is it permissible for the consultant to work for two bidders when bidding different categories? Ultimately, the contractor has to make the decision in these gray areas.
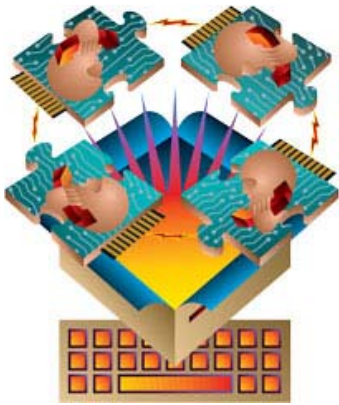
Should a firm that works with multiple clients be precluded from sending consultants to multiple clients for the same bid?

High ethical and moral standards should be the guide when in these moral mazes. When in doubt, proposal professionals should refer to our code.

What about contractor placement with clients? Contractors should not work for more than a single contractor on the same bid. But should a firm that works with multiple clients be precluded from sending consultants to multiple clients for the same bid?

The answer might lie with the size of the placement firm. Smaller firms tend to be exclusive to a client, while larger firms might find an exclusivity provision against their business model. Obviously, a firm that is providing a full team to support a client's bid effort would have a conflict supporting a second client proposing on the same bid.

But what about larger placement firms with many consultants and multiple sales personnel? Many of these firms follow the practice of assigning different sales personnel to different accounts and serving multiple customers on the same bid. The theory is that as each client comes in, you simply provide the best solution given the requirements.

This situation might be a conflict of interest in the case of two customers competing and buying whole proposal support. However, in cases where the customers are ordering staff augmentation, there may not be a conflict of interest.

There are still other cases in which the client considers any help provided to a competitor—even in a multiple award situation—to be a conflict of interest. In those cases, the proposal services firm needs to make a decision and to be aboveboard. Clients need to know the situation. For the firm, the heart of the issue is how can it provide the same talent to multiple clients bidding on the same bid and still maintain good ethics?

Payment of consultants presents another common dilemma. Like everyone else, consultants have the demands of paying a mortgage and providing food on the table. So, nothing is worse to hear than "the check is in the mail" week after week. The payment process goes like this. The client pays the proposal placement firm and the proposal placement firm pays the

consultant. This is not a terribly difficult process. Why does something so easy not work all the time?

Companies of all sizes can have issues with paying for services on time. Large companies often wait until the 30th day of billing before a check is issued—sometimes later—while enjoying the cash flow benefits of late payment. While the majority of these companies know the rules of the road, some recognize that smaller firms awaiting payment have little recourse but to wait (and wait, and wait). Late payment is better than costly litigation, especially when the firm wants to keep the big business client.

Some smaller companies also pay late, but for other reasons. These clients view the cost of the consultant as significant, and have trouble paying full value as agreed. In some cases, they believe they received imperfect service because the consultant didn't deliver a winning bid or was unable to provide an unreasonable quantity of work.

An uncommon number of small businesses, according to Russell Smith, will enter into a deal not expecting to pay the full value of services. Such businesses have the idea of waiting until the work is complete and then finding faults as an excuse to reduce the payment due—sometimes as much as 50%. And at the bottom of it, there is nothing more at work here than an ethically challenged business principal who does not want to pay full value. These individuals know the amount and circumstance would not permit successful litigation. So they get away with it, but the word-of-mouth eventually catches up with them.

A bad pricing model can also be a culprit. Firm fixed pricing of a proposal effort can be disastrous because some proposal managers are unable to manage the demands of the proposal effort and a fixed budget at the same time. Hourly billing gives flexibility and is far more equitable, especially when unforeseen forces such as proposal amendments or modifications are issued or the proposal due date is extended.

There are many other ethical issues that are not included here, and there is an unbelievably deep pool of knowledge on the subject of ethics in business. This article is only a starting point, and I challenge other APMP members—especially those working for larger firms—to submit articles that continue the ethical discussion started here.
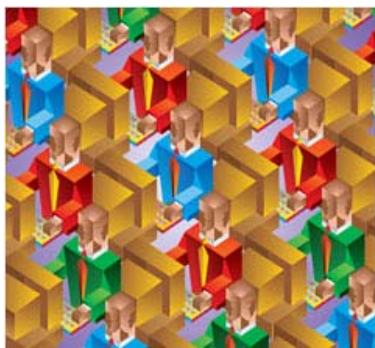
Many large firms follow the practice of assigning different sales personnel to different accounts and serving multiple customers on the same bid.

What Keeps You Awake at Night?

If you have recommendations on subjects for upcoming Roundtables that would be helpful to you or your team—or better yet—if you also know of a potential guest speaker, please contact APMP NCA at *www.apmp-nca.org/aboutapmp-nca.html* or send your ideas to *info@apmp-nca.org*.

The Ethics of Competitor Information

Proper handling of competitor information requires attention to detail and an understanding of the principles of honesty and integrity.

Kerrie L. Shuster, Ethics Officer, Lockheed Martin Information Systems & Global Services

In the business world, questions surrounding competitor information can arise almost daily. For Lockheed Martin employees, the corporation's expectations are clearly explained in a Corporate Policy Statement. The policy states that, even if not specifically covered by a law or regulation, the corporation prohibits the receipt or use by employees, as well as consultants and agents, of both Government and privately owned information under either of two sets of conditions: 1) when such possession or use is not consistent with the integrity of the U.S. Government competitive bidding system, or 2) when there is reason to believe that Lockheed Martin should not possess the information. Employees who are uncertain as to whether the receipt, possession, and/or use of information is permitted are directed to seek immediate guidance from the corporation's legal department.

Lockheed Martin takes violations of this policy very seriously. A violation of these requirements may result in disciplinary action, up to and including termination from employment. Further, no perceived company benefit, competitive or otherwise, will be accepted as justification for non-compliance with this policy.

Lockheed Martin has adopted this policy not only because it provides a healthy corporate environment and a strong culture of ethics, but also because it is a sound business strategy. Consider the following analogy. Let's say that a Lockheed Martin employee receiving Government or competitor information to which the company is not supposed to be privy is akin to the employee "catching a cold." Whether this cold is a simple case of the sniffles or a more serious illness depends on how the employee received the information and what that employee does after realizing that he or she possesses it. If the employee received the information inadvertently—a surprisingly common occurrence in today's electronic environment—and promptly brought the situation to the attention of the legal organization without either reviewing the information in detail or sharing the information with others, that employee has a "cold" that most likely will go away quickly.

On the other hand, in the event the information was intentionally and improperly obtained, or inadvertently obtained but thoroughly analyzed and shared with other members of his or her program capture team (who have now caught the employee's

illness), then that employee and potentially the others who've had access to the information might have a serious "illness." Such employees may be precluded from working on the program or could be subject to termination—situations that have the potential to harm both the employees and Lockheed Martin.

So what are some of the case studies that Lockheed Martin employees review to ensure they understand the corporation's stance on this issue? The following are two of the scenarios that are discussed when employees are trained on handling competitor information.

Case 1: As a subcontractor and a Lockheed Martin employee, you receive at a Program Review a copy of the prime contractor's report that is not marked "proprietary." Some of the information in the report can be found via an Internet web search, but other information in the report cannot and appears to be of a type that typically would be considered proprietary. Can you share the information in the report within your company but outside of the unit of your company that is participating in the program?

Resolution: Lockheed Martin employees are given guidance to contact the prime contractor employee who presented the material and verify that the information is in fact not proprietary. The employee should also operate under the assumption that the material is probably program-specific and should not be shared outside the program.

Case 2: You're a Lockheed Martin employee on a proposal capture team, and at a break in a meeting you overhear in the hallway two Government employees on the source selection team discussing their negotiating strategy on your proposal. What should you do?

Resolution: The employee should report the situation to the Lockheed Martin legal department, who would instruct the employee not to share the information with anyone else. In addition, a corporate legal representative should advise the Government of what happened.

Clearly, proper handling of competitor information requires attention to detail and an understanding of the principles of honesty and integrity. Lockheed Martin employees believe that a commitment to the highest standards of ethical conduct, in Business Development as well as in all other aspects of business, is a key ingredient in maintaining a reputation that encourages others to want to do business with us.

Lockheed Martin employees believe that a commitment to the highest standards of ethical conduct...is a key ingredient in maintaining a reputation that encourages others to want to do business with us.

Why It's Time to Evolve Beyond the Red Team

Carl Dickson

Last October I presented on the topic of "Why Your Red Team is Broken and What To Do About It" at an APMP conference hosted by the Georgia Chattahoochee Chapter. The more I thought about it, the more I became convinced that new approaches are needed to improve proposal quality. When I gave the presentation, I asked the audience if anyone felt their proposal Red Team reviews were consistently effective. **No one raised their hands.** I was expecting to get at least a couple.

I realized that the way we review proposals today is not very different from the way we did it 20 years ago. **If in that time, no one in** our **entire industry has ever come up with an approach that is consistently effective, then there is something inherently wrong with the way we approach proposal reviews.**

After the conference I published a series of articles on the topic in the *CapturePlanning.com* newsletter, which has a circulation of more than 42,000 people involved in business development and proposal writing. **Again, no one stepped up** to **say that the Red Team approach was consistently successful for them.** The feedback I got was from people pointing out the problems they have with their Red Teams.

The conclusion I have reached is that it's time to throw out the Red Team and come up with something new. **It's not something that we can make a little better each time until it works.** It was a good first attempt, but if it hasn't been made to work in 20 years, it's not going to work. Little by little, it's going nowhere. It's time to evolve past the Red Team and replace it with something that does work.

Why the Red Team is Broken

The scope is not well defined. Most Red Teams try to review capture strategies, the proposal outline, production quality, compliance, accuracy, effectiveness of the approach, persuasiveness of the writing, completeness of the document, how you stack up against the evaluation criteria, implementation of win themes, and incorporation of customer/solution/competitive awareness. Is it any wonder they finish feeling incomplete? Or that you have trouble focusing their attention?

Participants do not add value. Red Teams do not help people win. They are typically positioned as a quality control function whose job is to find problems. They play little or no role in preventing problems, resolving problems, or in helping the proposal team to

win. The best you can hope for is some helpful suggestions on how to fix something that you already know has problems.

There is no good time to have a Red Team. You can have your Red Team too early, or you can have it too late. If you have it too early, you are asking people to review a document that is incomplete and different from what the customer will see. If you do it too late, the document will be more mature, but you will be out of time to make changes. This is why people add "Pink Team" reviews, or have follow-up "Redder-Than-Red Team" reviews. Neither approach works.

Inexperience and lack of training. The Red Team concept relies on highly experienced staff to advise the proposal team. However, these people are rarely available. And when they are, they usually can't dedicate the time that a good review requires. It is not realistic to expect senior staff to be available to participate in an unlimited scoped review of every proposal a company produces.

Lack of purpose. Most Red Teams are hunting expeditions where reviewers see what they can find. Red Teams like this do not produce results on purpose—they produce them by chance. Proposals should be purpose-driven documents that are validated explicitly and intentionally.

Lack of leadership. Who oversees the Red Team, holds them accountable, calls them to order, instructs them in their mission, and teaches them how to do their job? Does that person have the authority to direct the "gray beards" selected to participate? Usually it defaults to the Proposal Manager to direct the Red Team. Leadership by default is not a best practice. Every step in an effective workflow must have oversight, accountability, guidance, and training. This is the role of a leader and effective reviews require them.

It's Not Just the Red Team— All Color Teams Have the Same Problem

People have tried to overcome the limitations of the Red Team by inventing a host of other "Color Teams." A pre-writing strategy review might be called a "Pink Team." A formal draft review is typically called a "Red Team." Pricing reviews are "Green Teams." Final reviews are "Gold Teams." Some companies have Blue Teams, Purple Teams, and occasionally other colors. Color team labels mean so many things to different people that they have become meaningless.

Most Red Teams are hunting expeditions where reviewers see what they can find. Red Teams like this do not produce results on purpose—they produce them by chance.

[Red Teams] play little or no role in preventing problems, resolving problems, or in helping the proposal team to win.

What we really need...

- **Well defined review scopes that validate specific items.**

- **A methodology that defines the review requirements according to the needs of each particular business and proposal.**

- **An approach that incorporates guidance for review team members.**

- **Approaches for conducting reviews that better fit what circumstances require.**

- **Less impact on proposal workflow—reviews that can be conducted without freezing the baseline or requiring a wasted production cycle.**

- **A way to determine what level of review is sufficient.**

- **Traceability from issue through validation.**

- **Quality assurance and quality control (they are two different things).**

- **Reviews that add value.**

- **Reviews that help the proposal win.**

What exactly is a "Red Team?" Ask 20 people and you'll get 20 answers (if not more). Then ask them what a "Blue Team" or a "Pink Team" is, and you'll get even more varied answers. People have so many goals for their Color Teams that they can't agree on which goals apply at any given time. The result is that most Color Teams do not achieve any goals. **And while I am sure that *you*, gentle reader, know what a Red Team, a Pink Team and a Blue Team are supposed to be, it doesn't do any good unless all of the stakeholders share a common set of expectations.**

While it may be possible to narrowly define a set of reviews and give them color labels, you still will not have an approach that can be effective across your organization.

- You cannot take a poorly scoped review and make it better by having more of them.

- If the Red Team review does not add value, then having more colors will not either.

- The Color Team model is based on problem detection and not on helping to win or adding value.

- The Color Team model imposes sequential milestones on a process that is not sequential.

- Reviews should focus on what needs to be validated, not on the state of the document at a moment in time.

- If experienced and trained reviewers aren't available for the Red Team, how do you think you are going to get them for the other colors?

- Most Color Teams practice leadership by default. The result is usually a lack of leadership. This means the review team is not accountable, directed, or trained.

Why the Color Team Model Can't Be Fixed

The problem is that the Color Team model does not add up to a completely validated proposal. Color Team reviews were designed around a sequence of milestones. The reason they cannot be made to work is that **you cannot define the scope of Color Team reviews in such a way that they meet the need of the proposal for validation.**

Color Team reviews were created with good intentions. But they fail in implementation. **Without positive results after 20 years, Red Teams can no longer be considered a best practice. Does it make sense for the entire industry to accept a**

process that no one can implement with consistent success? In spite of the good intentions, and in spite of the need, Color Team proposal reviews are a waste of time and resources.

People have been unwilling to get rid of Color Teams because an ineffective attempt at quality it is perceived as better than no attempt. **Is this the best that the industry can come up with?** We can throw out the Red Team and still achieve quality. Indeed, we must throw out the Red Team in order to achieve quality.

Not only do Color Teams fail to meet the need for proposal validation, they get in the way. It's time to drop Color Teams and replace them with some real validation. Color Teams are obsolete. Call it evolution.

Thanks for Getting Us This Far

At many organizations it is universally accepted that every proposal should have a Red Team. It is worth recognizing that this is progress. There was a time when organizations did proposals without a process to ensure quality. Today, it's a safe bet that if the Proposal Manager doesn't mention it, someone will ask "When will we have the Red Team?"

As an industry, we have trained people to expect a "Red Team" as a means to ensure quality. **This was a good first step. Now we need to teach them that a "Red Team" is not a total solution for proposal quality.** In fact, "Red Teams" get in the way of quality proposals. It's time to teach them how to validate our proposals explicitly and not leave it up to chance.

Evolving Beyond the Red Team

If you want to take your organization to the next level, instead of dumbing down by using Color Team labels, educate people in what it means to validate a proposal. Instead of lumping everything into a "Red Team," validate specific items such as:

- The capture plan and proposal readiness (pre-RFP);

- The outline and content plan;

- The validation plan and production plan;

- Win themes and strategies;

- Compliance;

- Accuracy (proofreading and assembly);

- Effectiveness of the approach;

- Pricing;

- Persuasiveness of the writing;

- Completeness of the document;

- Implementation of win strategies in the document;

- How you stack up against the evaluation criteria; and

- Incorporation of customer and competitive intelligence.

Validate each of them purposely and explicitly. While you are at it, feel free to add to the list. **Every question, judgment call, tradeoff, and decision made during the proposal should be subject to validation.**

It is more important that you know specifically what you want to validate than how you go about doing it. First, make a list of everything you want validated. Then for each item, pick any approach —email, a meeting, a signoff, one-person, multiple people—just make sure it is sufficient to provide the validation you need. You can validate your proposal one item at a time, or validate them in groups. Just don't lump them all together in a single meeting and hope to accomplish anything.

The goal is a winning proposal. But that decision is out of the hands of the author. So we seek a "quality proposal" instead. A quality proposal is defined by what you validate. If you don't validate explicitly, then you have not defined what a quality proposal is.

Turning Down Requests for Red Teams

From now on, when I am asked "When will we have the Red Team?" I will answer: We are not having a Red Team. Red Teams are no longer a best practice. Instead we will explicitly identify what we are going to validate before submitting the proposal, and we will validate each and every item. Some may require a meeting, some may just be a sign-off. I will prepare a Validation Plan that identifies each type of validation and how it will be performed and submit it for approval. When we execute the Validation Plan, people will know what is expected of them and receive appropriate guidance. This will add more value than I've ever seen a Red Team deliver.

What Should Replace the Red Team?

We have developed a methodology for Proposal Quality Validation that turns these concepts into a set of procedures to explicitly validate every aspect of the proposal. Because of limited space in the newsletter, we can't provide it here. But, you can get a copy of the white paper that this article came from at www.captureplanning.com/whitepaper.

Feel fee to pass a copy on to your friends and colleagues. Discuss it. Come up with your own solutions. We'd love to hear about what you come up with. Carl Dickson, Publisher, CapturePlanning.com can be reached at carl.dickson@captureplanning.com

Instead of *dumbing down* by using Color Team labels, educate people in what it means to validate a proposal.

How Do I Become An NCA Member?

It's easy to join the National Capital Area (NCA) Chapter, and it's free. If you are just joining APMP (https://www.apmp.org/siteSpecific/customer/register_accountData.aspx), simply note on the APMP application that you wish to affiliate with the NCA Chapter. That's all you need to do— APMP will provide your information to NCA, and we will include you in our mailings.

If you are currently an APMP member and want to join the NCA Chapter, simply go to www.apmpnca.org/affiliate.html and complete the online form.

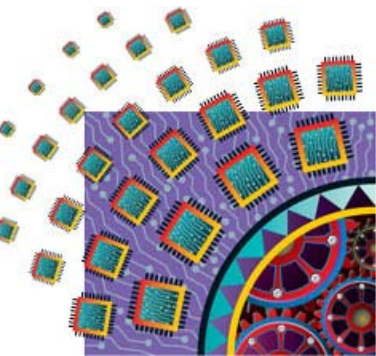With almost 600 members, NCA is APMP's largest chapter. Joining the NCA allows you to learn about our latest networking and presentation events. Best of all, it's free.

Many people can benefit from APMP membership:

- **Senior executives** leading proposal quality initiatives in their organization.

- **Proposal managers** looking for the latest tools, tips, techniques, and other career enhancements.

- **BD/capture managers** preparing to win new contracts.

- **Corporations and Agencies** responsible for proposal development, production, and evaluation.

- **Anyone who wants access to the best** state-of-the-art proposal knowledge.

Access the Proposal Management Body of Knowledge

Published and Presented by APMP and the NCA Chapter

You can access videos, slides, and handouts from previous NCA Roundtables at the NCA's Body of Knowledge web page.

The *Executive Summary*—NCA's Bimonthly E-newsletter
(*www.apmpnca.org/e-newsletter.html*)

- Access most current and back issues
- Reach proposal professionals through ads in the *Executive Summary*
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APMP-NCA Education Programs (*www.apmpnca.org/presentations.html*)

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Journal of the APMP—APMP's Biannual Journal (*www.apmp.org/ca-26.aspx*)

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APMP-NCA Board of Directors Meetings Open to Members

The Board of Directors for APMP NCA meets the first Tuesday of every month. Every other meeting is a virtual meeting-telephone conference. These meetings are open, and APMP members may attend.

Anyone interested in the topic is invited to attend our meetings. You do not have to be an APMP member or even a proposal specialist to attend an NCA Roundtable. If you are interested in proposals, business development, and professional development, we'd like for you to join us!

Mark Your Calendar for 2007 APMP-NCA Events

May 23	Roundtable
May 29 – June 1	APMP Annual Conference—Savannah, Georgia
July 18	Roundtable
September 19	Roundtable
October 17	Professional Day (Projected date)
November 14	Roundtable

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