How Do I know When I’m Procurement Ready?
Pre-Test #1

What is the outcome of being procurement ready?

a. A sole source contract or task order
b. A contract with lots of profit
c. Great CPARS
d. Companies lined up at my door wanting to partner
e. Nothing, it’s just another fad
f. Confidence in my ability to bid and win
g. All of the Above
h. Some of the Above
i. None of the above
Pre-Test #2

I know I’m Procurement Ready When:

a. I have more than three recent past performance examples with great CPARS that I can use in my proposals
b. We understand the requirement and we can do it in our sleep
c. I have the needed contract vehicle(s)
d. I’ve been in business for two or more years
e. We have the financing and infrastructure to deliver
f. I’m CVE verified
g. All the above
h. Some of the Above
i. None of the above
What Are Your Expectations?

I want to

• Find a checklist of what I need to be procurement ready
• see practical examples of procurement readiness
• see how I can use my CVE verification to demonstrate procurement readiness
• Understand how my competition is becoming procurement ready
• See if the presenter is as clueless as I am
Overview

• The pre-tests were rigged - Most of you likely “failed”
• If you walked in with expectations on the previous list, I’m unlikely to meet them
• I will try to change your perspective and understanding of procurement readiness
• I will give you a framework to assess where and when you are procurement ready and how to get there
In Simple Terms...The What

• Procurement Readiness, like beauty, is in the eye of the beholder
• The beholder is your potential client and stakeholder(s)
• It’s not one size fits all
• In simple terms, it’s the customer’s belief that you can deliver the required products or services, meet the required quality, cost, schedule and performance with minimal risk.
In Simple Terms...The How

• It’s knowing the questions to ask to assess when the customer has a warm and fuzzy feeling about your company for a specific set of requirements

• More importantly,
  • it’s knowing how to change the customer’s perception of your capability, compatibility and risk
  • It’s getting to a state of I know you, I like you, I trust you and you have a way I can get to you
  • It’s improving on your score and answers for whatever you use as a bid/no-bid checklist

• Most importantly, it’s getting to a position where the customer perceives you are qualified to perform the contract successfully
Definitions

- **Capability** – includes technical knowledge and skills to address the requirements

- **Compatibility** – includes Vendor characteristics that are important to the customer, e.g. geographic presence, certifications, number of employees, revenue, prime experience with contracts of similar size, scope and complexity, etc.

- **Risk** – includes Track record of delivering quality products/services on time, within budget; required financial capacity (lines of credit, payroll, DCAA compliant system, etc.), management, infrastructure (systems, benefits, reporting, insurance, etc.), HR (recruiting, staffing)
Say it again, SAM

Procurement readiness is getting to a position where the customer perceives you are qualified to perform contract successfully

• It doesn’t mean you are competitive, only that the customer has the warm and fuzzies that you have the capability, compatibility and an acceptable risk.

• The challenge and confusion is that each customer has a different set of expectations and each requirement has a different threshold for capability, compatibility and risk.

• The customer is typically the CO and COR. As acquisition size increases there are often more stakeholders with input.
Some Simple Truths

• Micro-Purchases (Under $10K) have the lowest thresholds for procurement readiness

• Simplified acquisitions (Under $250K) have achievable thresholds for many new businesses.

• Multi-year, multi-million dollar programs require robust capability, compatibility and risk scores to demonstrate procurement readiness

• Procurement readiness is a strategic journey with your potential customer for each of his/her requirements. It’s how you present and package your brand, capability, compatibility and risk to those requirements.
The way forward

• Procurement readiness is a strategic journey with your potential customer for each of his/her requirements. It’s how you present, package and adapt your brand, capability, compatibility and risk to those requirements.

• Find a framework you feel comfortable with to assess procurement readiness - Bid/no-bid decision criteria

• Start early and maintain a strategic customer focus – The Capture Process
  • Build relationships – help them to know you, like you and trust you
  • Ask what his/her procurement readiness criteria and thresholds are
  • Continually assess your capability, compatibility and risk from your customer’s perspective

• Identify where you can influence change and get your scores to an acceptable level. If you can, move forward. If you can’t, move on.
Isn’t there a lot to know?

• The larger the procurement the more you need to know.

• Smaller procurement (e.g. Simplified Acquisitions, Micro-Purchases), subcontracts and Mentor Protégé can be good places to learn and grow

• Eat an elephant
  • One bite at a time
  • Watch out for the lions
  • Ask for help about the best parts and where the lions are

• What you may look for in the elephant herd (The Government Procurement Process)
  • How government buys services and products
  • Understanding of different contract types and how awards are made
  • Small Business Size Standards and how they are determined and applied
  • Government procurement process
  • How to respond to an RFP or RFQ
  • Understand what the agency being targeted buys
  • Be prepared to float costs for up to 3 months or more [work for 30-days, submit an invoice, then get paid 30-days later] – have sufficient line of credit or cash in the bank
  • Ensure you understand the legal obligations inherent on a government contractor and consequences of failing to comply
  • Etc.
Where Can I go For Help?

• NVSBC Coaching Program
• Mentor Protégé Relationship
• Join Industry Associations (e.g. NVSBC, PSC, ACT-IAC, etc.),
• Join CEO Organizations (e.g., Vistage, IncCEO Project, YPO, etc.),
• Take classes offered by SBA, PTAC, Montgomery County Chamber of Commerce Veteran Institute For Procurement (VIP), etc.
• Take Online training from SBA, other Agencies
• Ask