

# About Your Federal Market Snapshot Report

The primary reason most small businesses struggle to win a federal contract is lack of knowledge.

In other words, the business can typically provide valuable products and services, deliver on time and on budget, compete on price and quality, and meet or exceed customer expectations.

However, if the leaders of the small business don't understand the federal procurement environment, they won't be able to compete on a level playing field.

The goal of this report is simple. We want to empower every small business federal contractor with the same "inside knowledge" other businesses are leveraging to compete for and win federal contracts.

Knowledge is power. In the federal market, knowledge is the first step on the road toward competitiveness (and ultimately success).

Knowledge will allow you to target effectively. Effective targeting will allow you to develop critical relationships. Relationships will lead to opportunity.

In this report, you'll learn:

- The approximate size of your market in the federal government,
- The percentage of contracts in your industry sector that are awarded to small businesses,
- Whether there is an opportunity to subcontract with large Prime Contractors,
- How many contracts are awarded in your industry that do not get posted for public bid,
- How many contracts are awarded with only 1 bid offer received, and
- The relevance of assets such as set-aside certifications in your industry sector

We hope you find this report informative and valuable as you pursue federal work.





A note about this Snapshot Report - this is a top-level review of federal spending derived from data collected from various sources (your organization's federal profile, website, etc.). In order to execute a comprehensive market assessment, we will need to engage in a more rigorous data collection and validation process.



#### Dataset for this report:

NAICS Codes (suggested):

**541611 Administrative Management and General Management Consulting Services (Primary)** 541990 All Other Professional, Scientific, and Technical Services 611430 Professional and Management Development Training

#### PSC Codes (suggested):

R408 - Support- Professional: Program Management/Support R499 Support - Professional: Other U099 Education/Training - Other U008 - Education/Training- Training/Curriculum Development

#### Keywords (from your SBA profile, website, award history):

Program Management, Instructional Development, Design Facilitation, Training, Curriculum Development, Train the Trainer, Project Planning, Problem Solving, Training Facilitation, Strategic Planning, Operational Planning, Project Management

#### Timeframe:

FY17 - FY21

#### Location:

Continental United States





This Snapshot Report provides an overview of federal spending based on the industry codes and keywords listed on the previous page of this report.

The icons below provide key data indicators about aspects of this federal market dataset, including:



MARKET:

From October 1st, 2016 to September 30th, 2021 the federal government awarded \$2.1B in federal contracts - matching your organizational profile - to 2,279 businesses (including 1,595 small businesses).

These purchases were executed by 2,391 federal buyers representing 134 Federal Agencies within 55 Federal Departments.

#### Step 1 - Research Your Market...it all starts here. Who Buys? | Who Sells? | How Do They Buy? | How Often?

Step 2 - Optimize Federal and Commercial Foundation

Accept Credit Cards | Check Codes | Narrative and Keywords | Google Step 3 - Create / Update Capabilities Statement

Add Images | Core Competencies | Differentiators | Key Data Step 4 - Develop Your Marketing Strategy

Engage Effectively | Make a Good 1st Impression | Build Relationships Step 5 - Schedule Capabilities Briefings

Create Awareness | Sell Your Company | Fill Their Needs





# The "Why" Behind Unpublished and Single-Offer Contracts

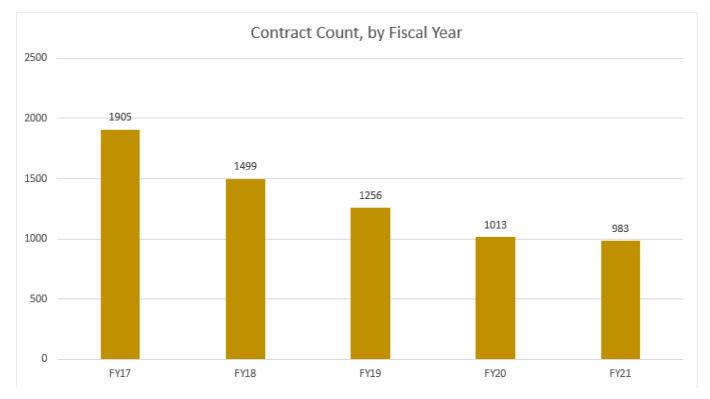
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		Data Initiatives Covid 19	Section 889	Regulations <del>-</del>	Tools -	Policy Network	۹				
Home >	Regulations > FAR > Part 13 - Simplified Acquisition Procedures										
🛞 F	AR FAC Number: FAC 2022-05 Effective Date: 10/25/2022	Part 13 💌 Subpart	▼ Sectio	n v				Ď	$\square$	₿	↓
P	art 13 - <mark>Simplified Acquisition Proced</mark>	<mark>ures</mark>									
»	13.000 Scope of part.										
	13.001 Definitions.										
0	13.002 Purpose.										
Τt	13.003 Policy.										
	13.004 Legal effect of quotations.										
	13.005 List of laws inapplicable to contracts and subcontracts at or below the simpl	lified acquisition threshold.									
	13.006 Inapplicable provisions and clauses.										
	Subpart 13.1 - Procedures										
	<u>13.101 General.</u>										
	13.102 Source list.										
	13.103 Use of standing price quotations.										
	13.104 Promoting competition.										
	13.105 Synopsis and posting requirements.										
	13.106 Soliciting competition, evaluation of quotations or offers, award and doct	umentation.									

(b) If using simplified acquisition procedures and not providing access to the notice of proposed contract action and solicitation information through the Governmentwide point of entry (GPE), maximum practicable competition ordinarily can be obtained by soliciting quotations or offers from sources within the local trade area. Unless the contract action requires synopsis pursuant to <u>5.101</u> and an exception under <u>5.202</u> is not applicable, consider solicitation of at least three sources to promote competition to the maximum extent practicable. Whenever practicable, request quotations or offers from two sources not included in the previous solicitation.

Link to FAR Part 13 - Simplified Acquisition Procedures | Link to FAR Part 13.104 Promoting Competition



This is the 5-year trend for contract count and dollars awarded based on your codes:



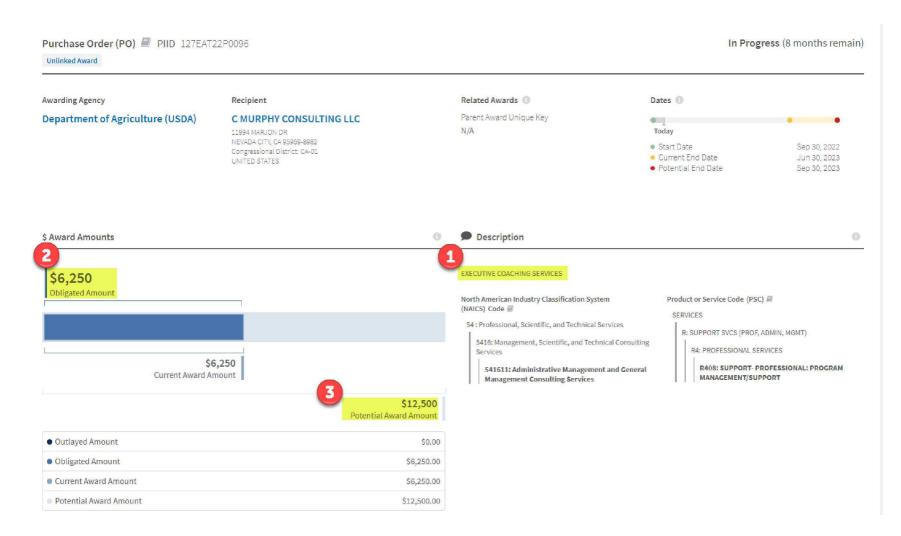






This is a purchase order awarded to a small business for (1) "Executive Coaching Services".

The base amount of the award was (2) \$6,250. The overall potential value with exercised options was (3) \$12,500.







Award link

### FEDERAL MARKET SNAPSHOT REPORT

The award was made using (4) Simplified Acquisition procedures. The office received only (5) 1 offer prior to awarding the contract. Because it was a Simplified Acquisition, the Contracting Officer had the option to (6) "Not Compete" the award. (7) This is the FAR Clause that permits the Contracting Officer to bypass "Full and Open Competition". Since it was not competed, there was no reason to post it (8) at SAM.gov (formerly FedBizOpps) for bid.

Recipient Details	
Acquisition Details	
Competition Details	
Solicitation ID	
4 Solicitation Procedures	SP1: SIMPLIFIED ACQUISITION
5 Number of Offers Received	1
6 Extent Competed	G: NOT COMPETED UNDER SAP
Other Than Full and Open Competition	SAP NON-COMPETITION (FAR 13)
Set-Aside Type	NO SET ASIDE USED.
Commercial Item Acquisition Procedures	A: COMMERCIAL PRODUCTS/SERVICES
Simplified Procedures for Certain Commercial Items	NO
Evaluated Preference	NO PREFERENCE USED
8 Fed Biz Opps	NOT APPLICABLE
Small Business Competitiveness Demonstration Program	FALSE

#### ••• Additional Details

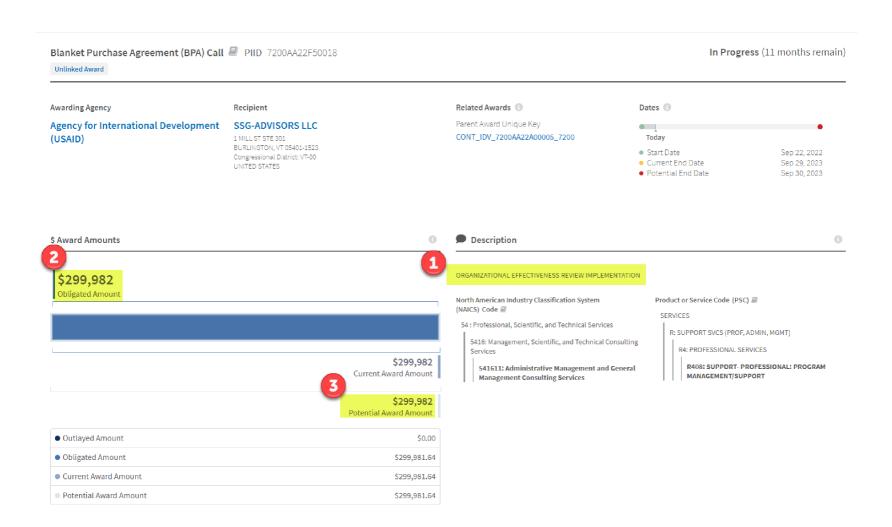
Executive Compensation





This is a Blanket Purchase Agreement Call awarded to a small business for **(1)** "Organizational Effectiveness Review Implementation".

The base amount of the award was (2) \$299,982. The overall potential value was also (3) \$299,982.







The award was made using (4) Simplified Acquisition procedures. The office received only (5) 1 offer prior to awarding the contract. Because it was a competition under Simplified Acquisition Procedure (SAP) (6) there was limited competition before award. (7) Even though it was "competed", there was no reason to post it (8) at SAM.gov (formerly FedBizOpps) for bid - because it was a call against a Blanket Purchase Agreement.

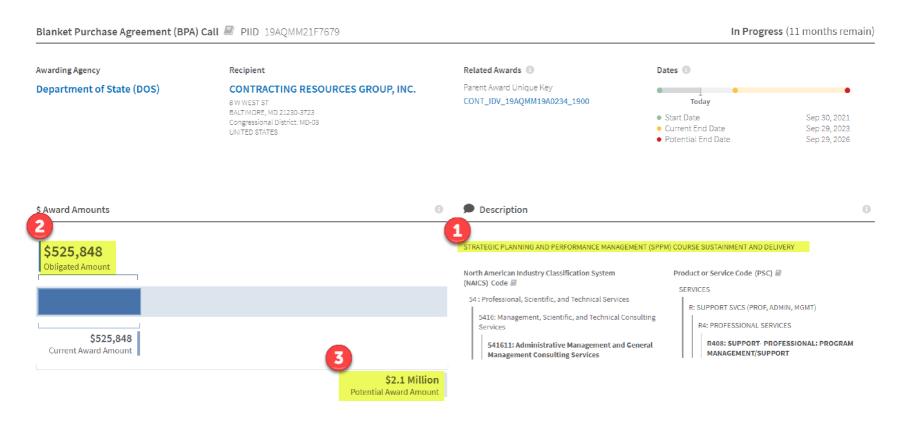
Recipient Details		>
Acquisition Details		>
Competition Details		~
Solicitation ID		
4 Solicitation Procedures	SP1: SIMPLIFIED ACQUISITION	
5 Number of Offers Received	1	
6 Extent Competed	F: COMPETED UNDER SAP	
Other Than Full and Open Competition	-	
Set-Aside Type	NO SET ASIDE USED.	
Commercial Item Acquisition Procedures	A: COMMERCIAL PRODUCTS/SERVICES	
Simplified Procedures for Certain Commercial Items	NO	
Evaluated Preference	NO PREFERENCE USED	
7 Fed Biz Opps	-	
Small Business Competitiveness Demonstration Program	FALSE	
••• Additional Details		>
Executive Compensation		>





## This is a Blanket Purchase Agreement Call awarded to a small business for (1) "STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT (SPPM) COURSE SUSTAINMENT AND DELIVERY".

The base amount of the award was (2) \$525,848. The overall potential value was also (3) \$2.1M.







The award was made using (4) Simplified Acquisition procedures. The office received only (5) 1 offer prior to awarding the contract. Because it was a under Simplified Acquisition Procedure (SAP) (6) there was no competition before award. (7) This is the clause that allows the Contracting Officer to bypass competition. Since it was not competed, there was no reason to post it (8) at SAM.gov (formerly FedBizOpps) for bid.

#### Award link

Recipient Details		>
Acquisition Details		>
Competition Details		~
Solicitation ID		
Solicitation Procedures	SP1: SIMPLIFIED ACQUISITION	
5 Number of Offers Received	1	
6 Extent Competed	G: NOT COMPETED UNDER SAP	
7 Other Than Full and Open Competition	SAP NON-COMPETITION (FAR 13)	
Set-Aside Type	NO SET ASIDE USED.	
Commercial Item Acquisition Procedures	A: COMMERCIAL PRODUCTS/SERVICES	
Simplified Procedures for Certain Commercial Items	NO	
Evaluated Preference	NO PREFERENCE USED	
8 Fed Biz Opps	NOT APPLICABLE	
Small Business Competitiveness Demonstration Program	FALSE	

#### ••• Additional Details

#### Recutive Compensation



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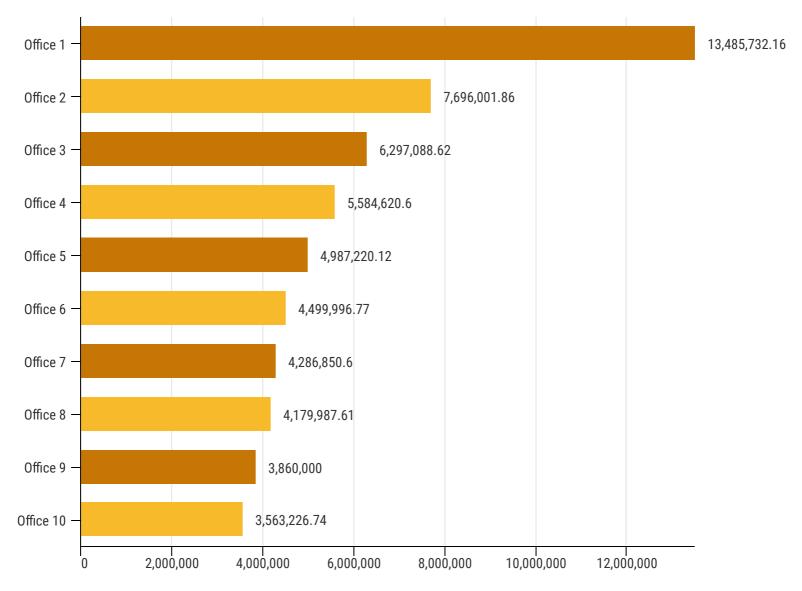
Description	Value	Offers	Posted for bid?	
STRATEGIC PLANNING/PERFORMANCE MANAGEMENT TRAINING SUPPORT SERVICES ( <u>Link</u> )	\$402,534   \$1.8M	1	NOT APPLICABLE	
EDCMO PROGROM MANAGEMENT SUPPORT (Link)	\$22.5M   \$66.1M	1		
STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT (SPPM) COURSE SUSTAINMENT AND DELIVERY ( <u>Link</u> )	\$525,848   \$2.1M	1	NOT APPLICABLE	
OPERATIONAL AND MANAGEMENT SERVICES FOR THE NATIONAL NETWORK TO ELIMINATE DISPARITIES IN BEHAVIORAL HEALTH (NNED) (Link)	\$249,999   \$249,999	1	NO	
THE PROPOSED ASSESSMENT WILL EXAMINE ITPS INTERNAL OPERATING ENVIRONMENT, AUTHORITIES, WORKFLOWS, POLICIES AND PROCEDURES, STRUCTURE, SYSTEMS, AND DATA ELEMENTS TO REDUCE OR ELIMINATE INEFFICIENT PROCESSES AND SYSTEMS. (Link)	\$398,924   \$398,924	1		
INSPECTION STRATEGIC ANALYSIS SUPPORT (Link)	\$630,286   \$970,621	1		
DS/EX/HRM SEEKS TO CONDUCT AN END-TO-END ASSESSMENT OF THE POSITION DESCRIPTION CLASSIFICATION AND WORKFORCE PLANNING PROGRAM, WITH THE GOAL OF IDENTIFYING TARGETED RECOMMENDED ACTIONS TO IMPROVE AND MAXIMIZE INTERNAL PROCESSES TO ACHIEVE THE PROGRAM (Link)	\$341,210   \$341,210	1		
SOP BEST PRACTICES SUPPORT SERVICES (Link)	\$250,062   \$519,846	1		
THIS IS A BPA CALL FOR MANAGEMENT SUPPORT SERVICES, AN ANALYSIS OF ALTERNATIVES ( <u>Link</u> )	\$96,916   \$96,916	1		
THIS CALL IS ISSUED AGAINST PROGRAM MANAGEMENT SUPPORT SERVICES (PMSS) BPA #19AQMM19A0234 ( <u>Link</u> )	\$906,820   \$23.7M	1		
E014042 DIU BUSINESS ADMINISTRATIVE MANAGEMENT AND CONSULTING SERVICES ( <u>Link</u> )	\$847,925   \$847,925	1	NOT APPLICABLE	
MANAGEMENT ADVISORY SERVICES AND STRATEGIC PROCESS OPTIMIZATION CONSULTATION TO THE NIMH OFFICE OF MANAGEMENT AND EXECUTIVE OFFICE (Link)	\$21,375   \$24,500	1	NOT APPLICABLE	
WORKING CAPITAL FUND STRATEGIC SUPPORT (Link)	\$194,004   \$194,004	1	YES*	

\*Coded as "G: NOT COMPETED UNDER SAP" (so, not entirely sure why it was listed at SAM.gov)





Here are the top 10 offices (and total award amounts) from FY17-FY21 for single-offer, unpublished awards in your federal data sector.



Top Offices (Single Offer, Unpublished Awards)





## What does it mean?

Most small business leaders that are registered for federal contracting feel frustrated. They don't feel confident that the time and effort they are investing in pursuing federal contracts will ever pay off.

They're not even sure if they are on the right path.

The first step in overcoming this challenge is knowledge. If you want to compete for federal work, you need to know the rules of the game.

In this report, we break down each of the data points listed on the first page in an effort to provide context and meaning.

For each data point, we'll cover three primary questions - "What?", "Why?" and "How?"

"What does it mean?" | "Why is it so?" | How do I move forward?"

We'll also provide an "Insider's Insight" for each data point.

Hopefully, you'll find this report to be informative and instructive in your pursuit of federal work.







# Fiscal Year (FY)

### What does it mean?

Each year, the federal government proves to be the world's largest consumer of products and services.

The government "Fiscal Year" starts on October 1st and ends the following September 30th. This is how annual federal contract spending is tracked.



### Why is it so?

The federal government relies on outside contractors and suppliers to fulfill most of its needs.

Each year, the Executive Departments submit budget proposals to Congress for approval. Once the budget requests are approved, the funds are appropriated to various projects and programs based on the priority initiatives of each Agency.

As those funds are allocated, the Agencies hire commercial firms to fulfill many of these requirements.





# Fiscal Year (FY)

### How do I move forward?

First, you need to identify your "Ideal Government Client".

This is accomplished by finding the specific agency within the federal government where your core value offering aligns with their specific needs.

This can be accomplished by:

- Researching previously awarded contracts to find the agencies that have recently and routinely purchased similar services,
- Researching agency forecasts to identify future opportunities that align with your offerings.



### **Insider Insight**

If you don't already have an established relationship with your target agency, consider starting small - credit card purchases and purchase orders.

Why?

Federal buyers are typically risk-averse. They want to know you are able to perform the work before they are willing to make a significant buying commitment from you.

An effective way to introduce your offer is to offer a relatively low-risk, smaller "trial" engagement that allows the purchaser an opportunity to better understand your business, your solution and your fit in helping them solve their problems or achieve their goals.







## Small Business Contracts

### What does it mean?

Small businesses win a significant percentage of federal contracts.

If a small business has the experience, acumen, and curriculum sought by the federal government, the fact that they are a "small" business does not preclude them from consideration or award.

In fact, a high percentage of these contracts awarded to small businesses did not include a small business "set-aside". This means the small businesses that won the contracts competed head-to-head with large firms and won.

### Why is it so?

From the SBA:

Government contracts are a tremendous financial opportunity for small businesses.

The U.S. government is the largest customer in the world. It buys all types of products and services — in both large and small quantities — and it's required by law to consider buying from small businesses.

The government wants to buy from small businesses for several reasons, including:

- To ensure that large businesses don't "muscle out" small businesses,
- To gain access to the new ideas that small businesses provide,
- To support small businesses as engines of economic development and job creation,
- To offer opportunities to disadvantaged socio-economic groups,









## **Small Business Contracts**

### How do I move forward?



Start by identifying the federal agencies that have a track record of awarding these types of opportunities to small businesses.

Next, identify the key people within the agency that can help you get connected to stakeholders and decision-makers.

Finally, prepare your business to work specifically with your target audience within your target agency.



### **Insider Insight**

Every federal agency has at least one (and sometimes several) "Small Business Liaisons".

These individuals are responsible for assisting small businesses in understanding how to work with the agency.

In order to maximize your opportunities with a particular agency, do your homework and be prepared to demonstrate your knowledge about the agency's procurement preferences to the small business liaison.

Make a great first impression and demonstrate that you've done your homework, and your small business liaison will advocate for you within the agency.



## Subcontracting

### What does it mean?

Just as federal agencies have small business preference program goals (such as small business, HUBZone, Service Disabled Veteran, Women etc), prime contractors performing work on federal contracts valued over certain dollar thresholds have similar goals built in to their contracts.

In addition to marketing to the right Government agencies, marketing to other larger target prime contractors will maximize your opportunities and allow you to leverage your business ownership status.

### Why is it so?

Large firms typically must include a Small Business Subcontracting Plan with their proposals when the contract's value is expected to exceed \$750,000.

The rules state that these firms must give the "maximum practicable opportunity" to eligible small businesses to participate in the project.





## Subcontracting

### How do I move forward?

1. Identify the major prime contractors that do significant work for Federal agencies where there may be a logical fit for the services you provide.

2. Research the company and identify not only the contracts they have performed but also their main mission, vision, and market. Identify their specific company goals, as well as company successes.

3. Research their small business and diversity initiatives.

- 4. Identify the Small Business Liaison Officer or Diversity Officer within the company.
- 5. Contact the small business person you have identified.



### **Insider Insight**

Demonstrate to the Prime Contractor that you've done your homework and come to the meeting prepared.

Research the types of contracts they typically win, review forecasts of upcoming opportunities they may be interested in, and bring some potential teaming opportunities for review during your initial meeting.





## Not Everything is Posted at SAM.gov

### What does it mean?

In reviewing SAM.gov vs. USA Spending.gov posted data from 2017 through 2021, more than half of the purchases the federal government makes are completed without a publicly-listed bid or quote notification.

If you use public bid websites such as sam.gov as your primary way of finding new bid opportunities, you are missing out on approximately half of your potential opportunities.

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	<b>AO</b>

### Why is it so?

The federal government has rules that determine when they are required to post contracting opportunities in the federal domain.

Many of the purchases for federal consulting services fall outside the parameters that require a public bid notification. Therefore, government buyers do not post opportunities for public bid. Instead, they reach out directly to potential vendors to request quotes directly.





## Not Everything is Posted at SAM.gov

### How do I move forward?

Start by identifying the agencies that utilize Simplified Acquisition Procedures ("SAP") to purchase professional consulting services.

SAP awards are easier to win and easier to fulfill. In many cases, purchases are executed with credit cards or purchase orders. Quotes can be provided over the phone or via email. The Contracting Officer has full discretion as to whether the opportunity will be posted publicly.



Many federal buyers will tell you they post all contracting opportunities at sam.gov.

This may be technically true (for "contracting" opportunities) - but they do not execute every purchase through sam.gov.

Be sure to conduct market research before you engage an agency. Know what does - and doesn't - get posted in the public domain.







## **Small Businesses Win Big Contracts**

### What does it mean?

Small businesses generated significant revenue from federal contracts over the last 24 months.

In the last 10 years, the average small business contract value has increased from \$217,255 to over \$300,000.

During that same timeframe, the federal government has increased the ceiling for permitting small business contracts to be awarded without full and open competition.

UPDATE: <u>According to the SBA</u>, small businesses earned a record \$154 billion in direct federal awards in FY212.

### Why is it so?

As technology evolves and becomes an ever-increasing element of day-to-day business activities, the federal government relies on small businesses to provide agile and innovative solutions.

Additionally, there are significantly more small businesses than large, and the small business community as a whole is significantly more specialized in what they do than the large business community, making small businesses a better fit for many projects.

Finally, the federal government supports small businesses because it's great for the economy.









## **Small Businesses Win Big Contracts**

### How do I move forward?



Make sure you begin with a commitment you can fulfill on time and within budget. For most small businesses, the best opportunity to start working with a new agency comes in the form of a credit card (micro-purchase) or purchase order (Simplified Acquisition).

These types of opportunities are easier for new contractors to win, because they are low-risk ways for an agency to evaluate performance.

### **Insider Insight**

As stated earlier, an alternative to working directly with the federal government is to subcontract with a large Prime Contractor.

Large businesses that pursue federal contracts are typically required to subcontract a percentage of the work to small businesses.

For this reason, most large federal contractors have programs to help small businesses subcontract. This is also a way for a small business to earn "Past Performance" credit without having to win the contract directly.





## Federal Buyers Often Only Received 1 Offer

### What does it mean?

Even though a large percentage of federal contracts are coded as "Full and Open Competition", in reality, the Contracting Officer only receives one offer on average about 1/3rd of the time.

For contracts awarded to small businesses, the percentage of single-offer awards is typically even higher.

### Why is it so?

There are several explanations for why such a significant percentage of federal awards only receive a single offer.

First, there are rules in place that allow federal buyers to streamline the buying process for certain types of products and services (especially for purchases under \$250,000). In these situations, Contracting Officers may be allowed to proceed after only receiving one offer.

Second, purchases under \$250,000 are not required to be advertised, publicized, or otherwise communicated. Therefore, the majority of eligible businesses do not submit an offer due to a lack of awareness.







## Federal Buyers Often Only Receive 1 Offer

### How do I move forward?

You have to find the buyers that are buying your services from your competition using these "Simplified Acquisition" methods.

You need to gain a strong understanding of who is buying your services, how they buy, who they buy from now, and what factors they consider when determining who to buy from in the future.

### **Insider Insight**

The key to gaining opportunities with a new federal buyer is to schedule a "Capabilities Briefing".

During a Capabilities Briefing, you have an opportunity to communicate directly with your targeted federal buyer, learning about their needs and explaining how your solution(s) may benefit them.





