



Business Pipeline

How to Build and Maintain a Business Pipeline as a Government Contractor

Agenda

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- Different Size Companies – means different approaches to pipeline development
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- Developing Targets
- Capture System Demonstration
- Questions



Speaker Introduction

My story ... Navy enlisted, Navy Officer, First company, Started first firm, fumbled through first acquisition/merger, partial sale, new SB the last 8 operating years. My firm is no longer small for many NAICS. First time it took us 15 years to become a large firm. This time 8 years. What changed – my approach (and less mistakes!!); plus, a couple of books: “What got you here won’t get you there” and “Start With Why”.

Four years in, we stopped to figure out our “Why” with everyone’s help. Once we all agreed (including management) – we set out to grow a company around that purpose – **Not a lifestyle company.**

And grow we have – on average we grow 50-100%+ every two years. This is significantly higher than the 10% average for many businesses in the US. In our case we went from \$5M to \$15, to \$20M then to \$30M. We hope to be at a \$50M run rate soon or merge with another company with the same values.

More importantly, every employee in our company actively drives this growth because we only pursue work that is within our “Why”. If you work with your team to develop your own “Why” and look at your company from a different perspective; simply other than just making money, it is amazing what comes out of that.



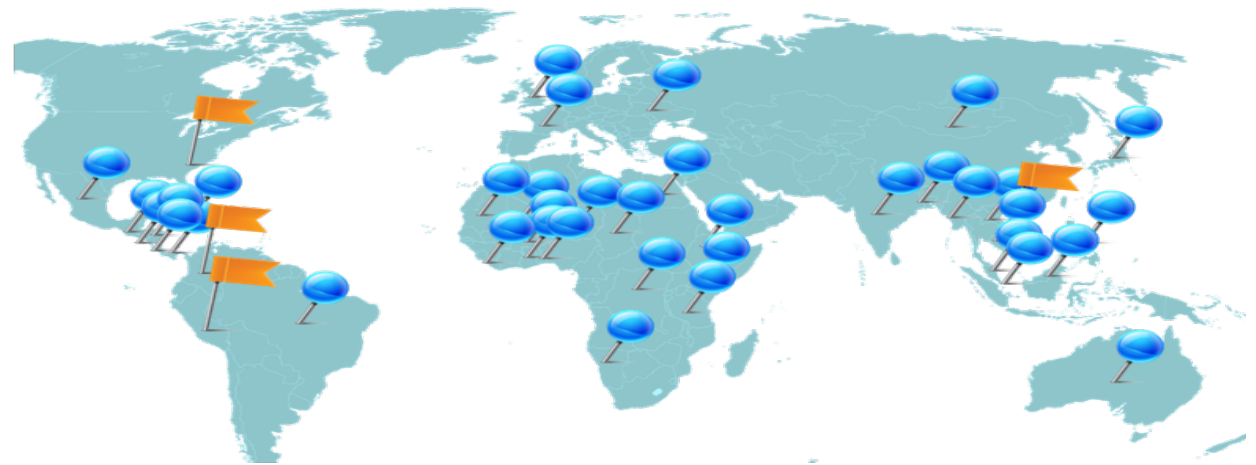
Speaker Introduction (Cont.)



Vysnova Partners, Inc. (Vysnova) is a program management firm focused on supporting federal clients on a worldwide basis. Vysnova provides professional, technical, and administrative support services organized into the areas of:

- Medical Services and Public Health Programs
- Global Program Management and Partnering
- Managing Life Science Research in Infectious Diseases
- Acquisition Management, Logistics Support, and Training

GLOBAL PRESENCE
20 prime contracts **in** **25** countries
(42 countries in the last 3 years)



- | | | | | |
|--------------|-------------|------------|-------------|----------------|
| Australia | DRC (Congo) | India | Mexico | Tanzania |
| Bangladesh | Djibouti | Indonesia | Mongolia | Thailand |
| Brazil | Egypt | Japan | Myanmar | Togo |
| Brunei | El Salvador | Kenya | Niger | Ukraine |
| Burkina Faso | France | Laos | Namibia | United Kingdom |
| Cambodia | Ghana | Liberia | Panama | United States |
| Chad | Guatemala | Malaysia | Peru | Vietnam |
| Colombia | Haiti | Mali | Philippines | |
| Costa Rica | Honduras | Mauritania | Singapore | |



Different Types of Companies – How what you do impacts your ability to grow

Growing your firm – *Lifestyle firm versus growing entity*

The challenge that everyone faces is that; it is easy to grow into a lifestyle company.

Benefits:

- You are the boss – prestige, respect, admiration (easy to love the Kool Aid)
- Making good money, company car, apartments, other toys

Cons:

- Self-limiting in size, scope, impact of the firm – firm can only grow based on the owner's availability to oversee and make decisions
- Micromanaging
- Owners tend to over value their firm – always mentioning intangibles
- Staff get disillusioned
- Owner is exhausted and wants to retire but cannot since the business is not built to operate without them

In order to truly setup your company for success you must understand that being a lifestyle firm will not get you to a successful exit.



Different Size Companies – means different approaches to pipeline development

Stage Assumptions:

Revenue Stage	Assumptions	Priority #1	Primary Pursuit
1. Startup Stage (\$0-3M)	No staff = 1099, Owner is billable, No Operations, Financing via factoring	Revenue, Revenue, Revenue!!	Subcontracts (100%)
2. Small Business (\$3-10M)	Very limited OH staff, Owner is partially billable, informal ops policies and procedures, Small bank line	Revenue, increase staff while reducing 1099, implementing basic OPS, basic recruiting	Pipeline targets: Subcontracts (80%) Prime contracts (20%)
3. Small Business (\$10-20M)	Contract PEO or limited OH staff, Owner is not billable, Start of repeatable policies and procedures, bank financing	Expanding Revenue, more advanced OPS, Recruiting becomes a major priority	Pipeline Targets: Subcontracts (20%) Prime (80%)

Different Size Companies – means different approaches to pipeline development

Stage #1 and # 2 Companies – Approach to opportunity Identification (Pipeline Development)

- Identify 3-5 Agencies / Departments / Divisions / Programs that would present option #1 opportunities
- Identify 10 major contractors (i.e., GDIT, Leidos, Parsons, etc.) supporting these agencies.
- Look in FPDS at what contracts they won 3 years ago. This means that they will come up for recompetes 2 years before contract end. This is typically when LB start their capture process.
- If available, get a copy of the previous RFP from SAM.gov. Then review the RFP and look at what value proposition you can bring to the large Prime (i.e., look for a small role and keep from making big statements).

Different Size Companies – means different approaches to pipeline development

Stage #1 and # 2 Companies – Approach to opportunity Identification (Pipeline Development)

- How to approach an Agency – Contact the Agency Office of Small Business Utilization (OSDBU/Small Business Office) and ask for help setting up a meeting with the Program Manager. Do not think that they can get you a contract – they cannot.
- If successful in getting your meeting, go in and LISTEN to what they tell you about their program.
- Lastly, present your capabilities (same as you will present to the large Prime) and make sure whatever you propose applies to his/her program.

Different Size Companies – means different approaches to pipeline development

Stage #1 and # 2 Companies – Approach to opportunity Identification (Pipeline Development)

- How to approach Large Businesses – Contact the large business Small Business Liaison Officer (SBLO) and ask for help with setting up a meeting with the PM managing their contract. Do not think that they can get you a contract – they cannot.
- If you meet the SBLO present your value proposition and how you can help them win their recompetes. This will normally get you a meeting with the PM. If successful in getting your meeting, go in and LISTEN to what they tell you about their program. Focus on your value proposition.

Do that with all major Primes and all Agency Contracts.



Different Size Companies – means different approaches to pipeline development

Stage #2 Companies -- Approach to opportunity Identification (Pipeline Development)

- When research past contracts or upcoming RFPs for Prime bids target opportunities within your financial operating capabilities (Realism)
- Make Prime awards about 20% of your BD targets
- Partnerships with other businesses (Large and Small) and other partners become key to your ability to grow to the next stage
- Bank Relationship becomes very important to sustain growth if successful

Lack of research is the #1 reason people have a hard time building a real pipeline

Different Size Companies – means different approaches to pipeline development

Stage #3 Companies -- Approach to opportunity Identification (Pipeline Development)

- NAICS become part of your targeting method when researching past contracts or upcoming RFPs for Prime bids – Pivoting into new areas becomes a consideration (Example: looking at employee-based NAICS opportunities versus revenue based)
- Make Prime awards about 80% of your BD targets
- For companies in the \$20-30M range pursuing “Unrestricted” opportunities becomes your focus
- Partnerships with other businesses (Large and Small) and other partners are key to your success in becoming “Other Than Small”

Pipeline Essentials – Developing Goals and Targets

- Importance of develop business goals based on your type of business
- Developing your own approach to attaining goals based on your stage
 - Prime (Agencies) or Subcontract (Large Primes) focus
 - Importance of partnerships – effectiveness versus everyone else
 - Importance of staff development
 - Tools and techniques
- Developing Targets
- Developing Financial Goals
- Understanding backlog burn rate

Developing Goals and Targets (Continued)

Bid Goals – 15 Minute Online Exercise

FY-23 Bid Targets, Target Revenue, and Bid Costs (B&P Costs)					
Sample scenario: Your company is doing \$5M a year and you have \$20M in backlog over 4 years. Your target is to grow at a respectable 10% per year.					



Capture System Demonstration

**Tools for Managing a Pipeline - 30-minute Live
Demo**

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Questions



Arming Vets to WIN

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