

Improve the Line Finding the Right Partner

Kirste Webb, CF APMP Fellow

PQC Solutions



- ▶ You might be the longshot or you might be the favorite, but either way, you can gamble away your winnings if you don't have the right team. Finding the right partner isn't easy. It's not always your best friend, or the company you worked with the last time. Instead, you need to focus on what will win and identify the partner (or partners) that put you in the best position to improve your winning potential.



How to Deal with the Cards

- Stacking the deck – finding the right teaming partner
- How to play it – types of teaming relationships
- Playing your hand – introducing and talking about the team
- Know when to fold – pitfalls to avoid
- Questions



Stacking the Deck

How to Find the Right Teaming Partner

- ▶ Like minded
- ▶ Like hearted
- ▶ Like philosophy



Stacking the Deck

How Do I Win?

- Define what it takes to win
- Identify the key evaluation criteria that your customer will use
- Identify what you have or need to do in order to have what it takes to win
- Identify those gaps
- Define teaming partners

Stacking the Deck The Best Hand Wins

- ▶ What does the best hand look like?

Project lead
has 15 years
experience
running
directly
relevant
projects

Company
has designed
and
constructed
at least three
similar
projects

Approach
exceeds the
requirements
while
minimizing
overall costs

Stacking the Deck In Your Favor – SWOT Analysis

➤ Strengths

- Stronger than most competitors

➤ Weaknesses

- Gaps or performance issues

➤ Opportunities

- Competition's areas of weaknesses that you have

➤ Threats

- Weaknesses that the competition will ghost



Stacking the Deck In Your Favor – SWOT Analysis

- Define your strengths and weaknesses
- Be realistic and hard
- Assess your company on its own merit, not what you think you will be or how you stack up against your competition
- Identify what you need to do to retain your strengths or improve your chances
- Identify what you need to do to minimize your weaknesses



Stacking the Deck In Your Favor – SWOT Analysis

- Opportunities – ghost your competition (point out their weaknesses while demonstrating your strengths)
 - How is your approach stronger, better, different...
 - What lessons learned have you applied
- Threats – how your competition will ghost you and highlight your weaknesses
 - Recognize your gaps and
 - weaknesses
 - Talk to how you have
 - mitigated the weaknesses
- Don't be caught off-guard



Stacking the Deck The Best Hand Wins

- ▶ What does the best hand look like?

Bid Joe Johnson who has 20 years experience management similar programs and has worked with the customer for the past 5 years – outstanding references.

Highlight company's two projects

Identify a team partner who brings this capability

Identify team partner to assist in identifying methods to improve approach and reduce costs

Stacking the Deck

What Cards Do You Need?

- ▶ First step in understanding company's ability to respond
- ▶ Provides a good perspective of full scope for opportunity
- ▶ Becomes the basis for "why this team"
- ▶ Key components include:
 - ▶ Scope
 - ▶ Project requirements
 - ▶ Personnel requirements
 - ▶ Other client requirements (e.g., financial status)



Stacking the Deck

What Cards Do You Need?

- ▶ **Scope requirements**
 - ▶ Services
 - ▶ Products
 - ▶ Deliverables
 - ▶ Performance measures
 - ▶ Schedule
- ▶ **Project requirements**
 - ▶ Size, risk, complexity
 - ▶ Contract type
 - ▶ Scope
 - ▶ Performance
- ▶ **Personnel requirements**
 - ▶ Key positions
 - ▶ Years experience
 - ▶ Education
 - ▶ Certifications/licenses
 - ▶ Types of projects (see project requirements)
- ▶ **Other client requirements**
 - ▶ Bonding
 - ▶ Project/personnel references
 - ▶ Subcontracting
 - ▶ Financials

Stacking the Deck

What Cards Do You Need?

- ▶ Identify companies with capabilities in the various areas
- ▶ Consider other client requirements:
 - ▶ Key personnel have worked together
 - ▶ Companies have worked together
 - ▶ Key personnel have performed on the reference projects



Stacking the Deck

What Cards Do You Need?

- ▶ Add in other concerns/issues:
 - ▶ Financial stability
 - ▶ Past performance issues
 - ▶ Willingness to team
- ▶ Obtain proof to support analysis:
 - ▶ Dunn & Bradstreet reports
 - ▶ Federal government registration databases (e.g., Central Contractor Registration system or the U.S. Small Business Administration)



Stacking the Deck

What Cards Do You Need?

- ▶ Teaming considerations:
 - ▶ Have you worked with that company before?
 - ▶ Where and how was the performance rated?
 - ▶ Has that company worked with other companies on matrix before?
 - ▶ Where and how was the performance rated?
 - ▶ Has that company worked with this client before?
 - ▶ How was the performance rated?
 - ▶ Does that company want to team?



Stacking the Deck

What Cards Do You Need?

- Company meets the requirement and can demonstrate it with multiple proofs
- Capability but it is limited, or still relatively new to the company
- No experience in that area

Developing the Gap Analysis Scope Requirements

Scope of Work	Proof	Rating
Minimize network installation and maintenance costs.	Manage ### network systems for federal and commercial costs, with uptime in excess of 95%, reducing overall maintenance requirements and costs Project ABC – reviewed and identified alternate network systems to reduce lifecycle maintenance requirements and overall cost	Yellow
Minimize amount of hardware to be installed, maintained and/or replaced	Project ABC – identified alternative hardware solution that minimized maintenance and replacement costs Project XYZ – designed and implemented integrated solution that reduced hardware costs by X% over initial estimates	Green
Minimize impacts of extreme environmental conditions on hardware and software	Project ABC – designed enclosures for hardware to minimize risks from extreme heat and dust due to desert environment Project 123 – worked with A/E firm to design inexpensive facility and entry to minimize potential for dust or extreme temperature impacts	Green
Minimize the software operation and ongoing maintenance and training costs	No relevant projects	Red
Maximize partner countries' ability to enhance, customize, modify and further develop system	No relevant projects	Red

Filling the Gaps

Scope of Work	Company A	Company B	Company C	Company D	Company E
Minimize network installation and maintenance costs.	Green	Yellow	Green	Green	Yellow
Minimize amount of hardware to be installed, maintained and/or replaced	Green	Yellow	Green	Green	Yellow
Minimize impacts of extreme environmental conditions on hardware and software	Green	Green	Green	Red	Red
Minimize the software operation and ongoing maintenance and training costs	Yellow	Green	Red	Yellow	Red
Maximize partner countries' ability to enhance, customize, modify and further develop system	Red	Green	Yellow	Yellow	Red

Filling the Gaps

Scope of Work	Company A	Company B	Company C	Company D	Company E	MY COMPANY
Minimize network installation and maintenance costs.	Green	Yellow	Green	Green	Yellow	Yellow
Minimize amount of hardware to be installed, maintained and/or replaced	Green	Yellow	Green	Green	Yellow	Green
Minimize impacts of extreme environmental conditions on hardware and software	Green	Green	Green	Red	Red	Green
Minimize the software operation and ongoing maintenance and training costs	Yellow	Green	Red	Yellow	Red	Red
Maximize partner countries' ability to enhance, customize, modify and further develop system	Red	Green	Yellow	Yellow	Red	Red

How to Play It

Types of Teaming Relationships

- ▶ Reasons for teaming
 - ▶ To respond to all SOW elements
 - ▶ Strengthen quality and quantity of personnel and corporate experience
 - ▶ Long-term strategic partnerships/alliances
 - ▶ Client requirements (may specify stand alone legal entity)
- ▶ Types of teams:
 - ▶ Prime/sub
 - ▶ Joint venture or other newly formed legal entity



How to Play It

Prime/Sub Relationships

- Approach
 - Integrated team – where subcontractor personnel are integrated into the organization
 - Designated subcontract – where subcontractor performs designated scope of work
 - Work best when prime meets most of the client requirements
- Benefits
 - Single point of accountability – both corporate and personnel
 - Ability to control subcontractor performance
- Issues
 - Potential to rely too heavily on a single subcontractor – may be perceived negatively by the client
 - Lack of accountability at subcontractor level



How to Play It

Newly Formed Entity

- Approach
 - Several forms:
 - Partnership
 - Joint Venture
 - Limited liability corporation
 - Required by some clients for larger, more complex projects
- Benefits
 - Provides stand-alone entity for managing larger more complex projects
 - Allows for sharing of risk and reward among all partners
- Issues
 - May be perceived as lacking single point of accountability



Playing Your Hand

Introducing & Talking About the Team

- Based on relationship
- Address the reasons why the team joined forces (*remember the gap analysis*)
- Draw from the best that both companies have to offer
- Talk to past performance in terms of:
 - "Team member Company ABC..."
 - "Company XYZ, our team subcontractor for..."
- Don't hide behind the relationship –
 - Use it to your advantage
 - Ghost your competition by demonstrating your strengths



Playing Your Hand

Introducing & Talking About the Team

- ▶ Past performance:
 - ▶ Acceptable for a procuring agency to consider the relevant experience and past performance of the individual joint venture members
- ▶ For formal joint ventures:
 - ▶ Include documentation on joint venture
 - ▶ Obtain SBA approval, if required, BEFORE submission



Know When to Fold Them

Pitfalls to Avoid

- ▶ Affiliation – one of the primary reasons for disqualifying a small business
 - ▶ Work with your SBA office
 - ▶ Have appropriate paperwork in place AND approved by SBA before submission
 - ▶ Clearly define roles and responsibilities
 - ▶ BEWARE of the ostensible subcontractor rule [13 CFR 121.103 (h)(4)]
 - ▶ Deemed affiliated if there is too much reliance on a single subcontractor



Know When to Fold Them

Pitfalls to Avoid

- Pricing
 - Fee structure – “*fee on fee*” and shared fee pools
- Financials
 - Financial status
 - Bonding capacity
 - Payment terms
- Roles and Responsibilities
- Organization



The Best Hand Wins



QUESTIONS?