



The Art of Defense Business Development

Every company has (or should have) a series of processes to follow for managing and monitoring business development activities of their employees. The processes will vary from one company to another, but typically they are relatively similar in nature. They guide you through a series of activities and require you periodically report your status to management. However, there is another side to business development that is not process driven. It is the Art of Business Development. Many people have written books about the art of business develop but everyone must develop their own methods and techniques that work with their individual personality. You can learn a lot by studying what experts say about marketing and selling but in the end your personality and the personality of your potential customer are what defines how you approach business development.

Understanding What You Are Selling

The challenge of selling services is selling a product that can't be seen or touched or held. Selling a product can be just as challenging because you can't always pull one out of your bag for the customer to see. The only thing a customer can see is you. So, you must sell yourself before you can sell the company's services or capabilities. This is where the Art of Business Development begins. Viewing yourself as the "product" being sold is a new concept to many people. As you build your network of customers and contacts you want them to view you as a source of solutions to their biggest problems, not a business development rep working for a company. It is difficult to tell you how to accomplish this because the techniques that work for you may not work for somebody else. In addition, every person you talk to has different concerns and problems they need a solution for. They also have different personalities which must be approached in different ways to earn their trust and respect. Despite all your efforts, some people are not going to like you, but you must maintain a relationship with that contact and continue to attempt to work with them. Patience is a big part of the Art of Business Development.

Relationship building

I identify three levels of relationships you need to develop to be successful in business development:

- **Acquaintance** – Someone who is in a position of knowledge but doesn't have the authority to make a decision or influence an award decision.
- **Supporter** – Doesn't have the authority to make a decision but may be able influence a decision maker.
- **Ally** – Has the authority to make a source selection decision and favors your company.

You can argue there are other levels of business development relationships to be developed and you would be correct. However, since I'm the one writing this paper and for the sake of simplicity, there are only three.

An acquaintance is the worker who is not in any decision chain but may have useful information. Frequently this person can provide insight into current problems or issues the government is having that need to be resolved. An explanation of a current problem may be useful in marketing efforts



or even during the development of a proposal. An acquaintance is not part of the source selection process but is an important contact for technical information and can be a good ally.

The supporter is typically a very experienced individual who has worked with your company in the past and has a positive impression of the company. The supporter may be a former employee who left on good terms or a government person who worked a project with your company's personnel. He may not be in the source selection process but knows who is and will talk to them on your behalf. The support may be able to influence one or more people on the source selection team by sharing their experience and opinion of your company's capabilities and high probability of success. This may also be a good source of solicitation status information. They may be able to ask those directly involved about plans for release dates and award dates and share the information. A supporter is a critical relationship to develop. These relationships are frequently where much of your capture information comes from.

The ally, or sometimes referred to as a champion, is a senior person who frequently oversees the development of, or personally develops, the PWS and other contract documents. This person can help ensure the PWS includes legitimate requirements that your company differentiate yourselves from the competition. The ally may also be part of the source selection process and be able to influence the final decision in your company's favor. An ally is an extremely valuable contact to maintain.

Developing and maintaining business development contacts is not an easy process and requires continuous effort to maintain your network of contacts. One common mistake I have seen made by multiple business development reps is being too aggressive. Your contacts and potential customers get just as tired as you do of telemarketers and door to door salesmen. If you're constantly calling or showing up at their offices asking for information, they will become resentful and avoid talking with you. I have seen more than one individual ban from calling or visiting an office for being too aggressive. Visiting and talking to them is a privilege, not a right. Treat it like a privilege and don't abuse it.

Your contacts are people just like you. Sometimes we forget that. If every time I see you all I want to do is talk about what information you can give me or what you can do to help me you will begin to dread my visits. Remember, you're not the only person visiting looking for information and help. There is an army of people doing the same thing you are doing for other companies. Find a way to make your visits enjoyable. When you walk into a room full of cubicles you want them to yell your name and ask how you're doing (think Norm walking into Cheers)

It's important to find a way to make your visits a two-way conversation. If you discretely look at the items on their desk you will frequently see picture, models or something that can be used to start a non-business conversation. For example, one gentleman I know, who was not very friendly to me, has a picture of a late model stockcar on his desk. I asked about the picture and it turns out his son races stockcars. I have raced stockcars in my past, so we had an hour-long conversation about racing cars. I had several conversations with him before I ever asked a single business-related question and he turned out to be a valuable contact. Don't make every visit and every conversation about "what do you know" and "can you help me". I usually suggest making only 1



out of every 3 visits about business. The rest of the time make social visits. As you get to know your contact you will know when you can ask the business questions without offending or damaging the relationship. These people see business development representatives all the time. They select who they share information with and it's usually not the guy who only talks to them when he needs something. Be careful, you're building a professional relationship not finding a group of best friends. If your relationship becomes too friendly it can put the government employee in a difficult situation.

Gathering Intel

The primary purpose of business development is to gather market intelligence information to give your company an advantage over your competitors. Some people may think that definition is too simplistic, but for this discussion it's all we need. In many cases early information is the key to gaining an advantage over our competitors. I have identified three types of information that we will discuss:

- General Information
- Specific Information
- Pre-Proposal Information

I was recently reminded of a very important skill everyone in business development must develop. You must learn to listen. In the original Superman movie Lex Luthor said "Some people can read War and Peace and think of it as a simple adventure story, but others can read the ingredient on a chewing gum wrapper and unlock the secrets of the universe". Listening to someone talk is the same way. They can say words to you for ten minutes, but if you're not listening you may miss the one important word or phrase that unlocks the secrets of a new opportunity. Give someone the opportunity to talk, draw them into a conversation, then keep your mouth shut and listen to every word. If you have done good business development, they will give you a useful piece of information that fits into your business development puzzle. General information is the corner pieces of your puzzle.

General information

General information is just what it sounds like. Every opportunity begins with a problem or a need. In general conversations you can learn a lot about current problems and needs. Listen for comments about aircraft being grounded because of XX, or equipment being taken out of service due to XX. Statements like that are where we find opportunities to fix a problem. These types of "needs" or "requirements" can be easy for a government program manager to define and get the contracting process started.

Defining a "need" can be a very touchy subject for a contracting officer. A need is something the government can't currently do with the systems/equipment they currently have. For example: Your company has a product that is a newer version of an existing piece of test equipment. Your tester can perform tests quicker and it's easier to use. You demonstrated your tester to maintenance personnel and they really like using it. However, you have not created a need. This is where many small businesses fail. They don't understand the government's definition of a "need". When you



understand what constitutes a need you can help the government define the need. Explain how your product, provides a new capability, reduces cost, reduces aircraft downtime, and provides the capability to do something useful they currently can't do. This sounds easy and straight forward, but it's not a simple as it sounds. It's not enough to be very knowledgeable of your product, but you also need to be very knowledgeable of related products currently in use. Every product will be different and require a different marketing technique, but here are some key points you should have in mind:

- How does your product improve mission capability?
- How does your product reduce downtime?
- How does you product reduce maintenance cost?
- Quantify cost savings in a logical and defensible estimate.

Your job is to convince the decision makers they “need” your product. That sounds easy, but don't underestimate the challenge it can be. Always try to define a reduction in operating/sustainment cost, improved mission capability and a reduction in aircraft/equipment downtime. Those are 3 major factors the government considers when deciding the value of a need.

Specific Information

So, you have taken a general piece of information, researched, studied it, and determine it is a possible opportunity for your company. Now it's time to start gathering specific information. This is a very important phase of the intelligence gathering phase. During this time, you may be able to influence the solicitation. Let's use a C-5M Flux Capacitor with DMSMS issues as an example. While the information you need and the questions you ask will vary from one opportunity to the next there are some basic data points that are very useful. Below is a list of basic information you should be looking for:

- Details about the issue or the desired service
- What do they want a solution or service to include?
- Is there an incumbent or someone else already working the issue?
- Who else has been asking about this opportunity?
- Where is the government in the acquisition process?
- Who will be writing the PWS?
- What is the government's acquisition strategy? (What type of contract will it be)
- What is the timeline? (When will the RFI/Draft RFP or Final RFP be released?)

Using the basic information gathered you can begin to develop a basic plan of execution. Before the RFP is release you can openly discuss a planned contract with the government. The goal is to discuss a unique top-level solution to the customer and allow them to provide input to your solution. This discussion may actually influence the requirements in the PWS. Be very careful to not share any proprietary or company secret information. Remember you're not the only business development rep talking to the government.



Pre-Proposal Information

Acquisition Strategy is key Pre-Proposal Information you need as soon as it can be discovered. The government must develop an Acquisition Strategy which defines the type of contract they will put out for bid and what contract vehicle they may use. By type of contract, I'm talking about Firm/Fixed/Price (FFP), Cost-Plus Fixed Fee (CPFF), Time and Material (T&M) or one of the other types of contracts. Also knowing whether the award will be Lowest Price Technically Acceptable (LPTA) or Best Value will help in your decision-making process. If it's planned to release the solicitation on a contract vehicle such as GSA-OASIS or another IDIQ contract vehicle you may not even be eligible to bid.

Much of this information will be released publicly through sam.gov. If you have done good capture, you will know most of this information before anything is released. If a contract is released on an IDIQ contract vehicle and you're not on that contract vehicle already you need to figure out how you're going to resolve that problem. Maybe you can find a teammate on the contract vehicle to partner with. 40% of something is better than 100% of nothing.

SAM.gov is a good source of information. You can research past contracts awarded to any company by contract number, CAGE code, or award by administering contracting office code. It is limited to contracts which have been completed. There is a lot of good historical information on this site. This information can help you develop your pricing strategy.

Dibbs is a DLA website that you can use to research purchase history on consumable items.

Assist Quick Search is a good site to find mil-spec documents that may be referenced in a solicitation.

DAU website and the Defense Acquisition Guidebook are good places to learn more about the defense acquisition process. A common question I have been asked over the years is "why does it take so long to award a contract". Study the Defense Acquisition Guidebook and it won't be long before you understand why it takes so long.

The Federal Acquisition Regulations (FAR) and Code of Federal Regulations (CFR) are also good sources of information. Often the regulations have changed, but everyone continues to do things the way they have always done it. It's not uncommon to find the regulations have changed in the contractor's favor.

Search Google for the Integrated Defense Acquisition, Technology, & Logistics Life Cycle Management Framework. You will find an interesting flowchart that illustrates the acquisition process.

Recognizing Opportunity

Everything you hear is not an opportunity. You must be able to evaluate all the information you have gathered, analyze, and decide if this may lead to a worthwhile opportunity. This is the capture process of business development. Be careful, sometimes what you hear from someone in your network is something they want to do, or think should be done. It's not always a need. As you become more comfortable with your network you will begin to recognize hopes and dreams from



reality. As an opportunity begins to form your network can help to shape that opportunity into something that favors your company over your competitors.

Conclusion

Every company must do business development to grow and stay in business. Many small businesses win a contract and thrive for several years. Government contracting is very competitive so when their current contract is over, their company closes because they haven't put enough effort into follow-on contracts. Business development doesn't stop at contract award.