

PRICING

FOR CONTRACT AND GOVERNMENT PROFESSIONALS

April 2023

Working with Different Contractors

Speed to Contract Podcast with Shay Assad

Earn the Rating and Win on Price Too!

by Marsha Lindquist and Lou Kerestesy

Trust Fosters a Productive and Collaborative Work Environment

Speed to Contract Podcast with Soraya Correa

Take the Fear Out of Subcontractor Compliance

by Heather Teed

The Case for Major DoD Regulatory Reform

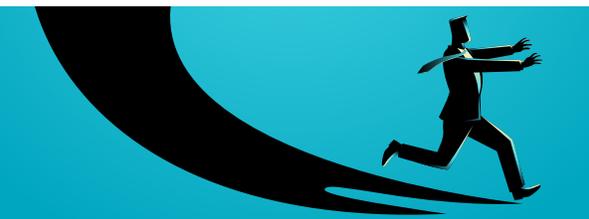
Speed to Contract Podcast with Major General Cameron Holt

Achieving Pricing Excellence

During Uncertain Times

Edition

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Working with Different Contractors

Speed to Contract with Shay Assad



About Us

We are a premier service provider for Acquisition Lifecycle Support, Project Management, and Acquisition Workforce Management. Our leadership has extensive acquisition experience at the Executive level in the private and public sector. We collaborate with and provide support to Federal, state and local governments, and empower small businesses and individuals to achieve their acquisition goals.

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Dear valued colleagues in Contract and Pricing,

As we enter 2023, I wanted to take a moment to reflect on the impact that ProPricer's technological advancements have had on government procurement over the past 30 years. The transformation from manual procedures to our current streamlined processes cannot be overstated. I know many of us recall the laborious and time-consuming efforts required to develop proposals in the past, which resulted in time wasted and response to RFP slow. Thanks to ProPricer's technology team and your customer feedback, we have made incredible progress in managing contracts, pricing, and risk more effectively, reducing errors, and minimizing waste.

The benefits of ProPricer's tools go beyond your company's growth; they also enable you to achieve cost savings, bolster national security, and provide strategic advantages in crafting a winning proposal. With advanced data analytics, we can make better-informed decisions, increase efficiency and transparency, and ultimately decrease costs. This, in turn, allows us to invest in other critical areas that benefit our communities and contribute to a stronger national economy.

I am proud to say that we at ProPricer, are committed to pushing the boundaries of what is achievable in government procurement pricing technology. We strive to provide the best possible value to you, the industry, and taxpaying citizens. By embracing these advancements, we can continue to build a more efficient, cost-effective, and innovative government procurement system.

Thank you for your dedication to this important work. Together, we can continue to make a positive impact in improving speed to contract and also speed to market.

Best regards,

Joseph Shurance
CEO, ProPricer LLC



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Take a look at our
2023 Line Up

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UPCOMING WEBINARS

CohnReznick

TUESDAY, APRIL 25TH, 2023
11 AM PT / 2 PM ET

GovCon Accounting

TUESDAY, AUGUST 29TH, 2023
11 AM PT / 2 PM ET

EOP Consulting

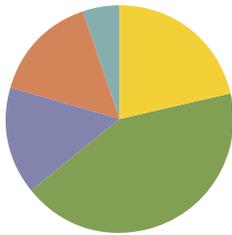
TUESDAY, OCTOBER 24TH, 2023
11 AM PT / 2 PM ET

*Interested in contributing to
our webinar series?*



Pricing Development and Leadership Survey

How have pricing challenges within the economy impacted your business?



21% Severely negatively impacted

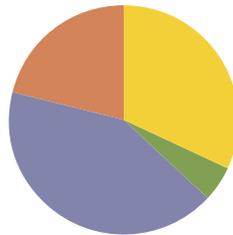
42% Somewhat negatively impacted

16% Minimally impacted

16% No impact

5% Unsure

How has your business responded to inflation?



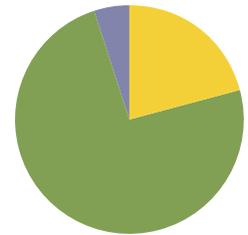
32% Raising prices

5% Cutting costs

42% Both raising prices and cutting costs

21% Other

How prepared are you to navigate the GovCon market?



21% Very prepared

74% Somewhat prepared

0% Not very prepared

0% Not at all prepared

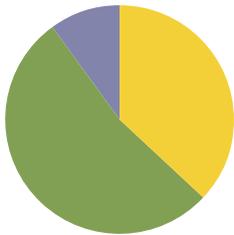
5% Not sure

“We all need people who will give us feedback. That’s how we improve.”

BILL GATES,
Co-Founder of Microsoft



Has your business implemented any A.I. initiatives?



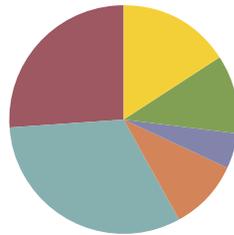
37% Yes

53% No

10% Not sure

0% Other

Which strategies do you use to gain a foothold in the GovCon market?



16% Build relationships with Gov agencies

10% Partner with GovCon firms

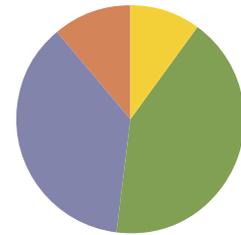
5% Offer competitive pricing

11% Develop specialized expertise

32% Leverage existing customer relationships

26% Other

Select your career level



10% Associate/Non-management

42% Manager/Lead

37% Director

11% C-Suite

0% Other

GCPS Preview

WHAT TO EXPECT AT THIS YEAR'S GOVERNMENT CONTRACT PRICING SUMMIT

Government contracting professionals are a tight-knit community. But opportunities for those in the public sector to rub elbows are only what you make of it. Held again, in 'America's Finest City', sunny San Diego, California, the Government Contract Pricing (GCP) Summit plans to provide a space where leaders, peers, and partners from both government and industry can be brought together.

This hybrid event will feature both in-person and virtual experiences. For those attending the in-person event, expect gorgeous marina or skyline views from the Sheraton San Diego Hotel and Marina.

Attendees have opportunities to share ideas, best practices, and initiatives that can help shape the future of contract pricing. That happens through both plenary and breakout sessions, where attendees can get specific questions answered. Most return from the conference with lessons learned and best practices that can not only benefit their organizations but potentially fast-track their careers as well. Contract pricing and acquisition professionals at any level are welcome at the Summit, from pricing and contracts executives to cost/price analysts to technical evaluators and estimators. And it's the only large conference that offers content specific to these types of positions.

At the heart of
the GCP Summit is... you
guessed it, pricing.
The GCP Summit does not
do Government Contracting
101; everything is focused
specifically on contract pricing
and federal contract pricing
compliance.

JUNE
20-22, 2023



**Technology Champions
Panel Discussion:**
Next Gen
Pricing Solutions

**Government
and Industry
Leadership Panel:**
Agile Solutions During
Uncertain Times

NETWORKING OPPORTUNITIES:

Matchmaking sessions, receptions (on two different evenings), networking breaks, and more. These built-in opportunities allow professionals from both government and industry to come together at a grassroots level and affect policies, procedures, and processes across an entire field. Attendees can see firsthand that it is possible to discuss and collaborate with peers and reps from the other side.

Those willing to get things done are more likely to see lasting improvements.

DAY 2



Maj. Gen. Alice Trevino
Deputy Assistant Secretary
for Contracting,
Office of the Air Force for
Acquisition,
Technology and Logistics

DAY 3



Lt. Gen. Dave Bassett
Director,
Defense Contract
Management Agency

BREAKOUT SESSIONS:

Three full days of over 35 workshops and think tank sessions, where attendee participation will be solicited. Each session will feature a Q&A portion, so attendees can get their questions answered by experts in the field.

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conference.**

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EARN

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RATING...

AND WIN

On Price Too!

By Marsha Lindquist and Lou Kerestesy



PRICING MAGAZINE CONTRIBUTORS



Marsha Lindquist

President of Granite Leadership Strategies, Inc.

Marsha Lindquist has been an expert in GovCon strategic pricing, cost accounting, & contracts for over 30 years. Ms. Lindquist has achieved the distinguished titles of NCMA Fellow, APMP Fellow & APMP Professional (CPP), and Future of Pricing Honoree by ProPricer.



Lou Kerestesy

Owner of Louis Coaching and Consulting, LLC

Lou Kerestesy coaches proposal managers and writers to earn the Government's highest technical ratings, and to build corporate capability to consistently win more work.

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ORDER THE BOOK NOW

Granite
Leadership Strategies

Marsha gives you all the secrets behind successfully incorporating strategic pricing into your proposals - even if you have been pricing Federal contracts for decades or just beginning your journey.



Every company bids to win, but few companies plan their bid to win. Many companies assume they have a strategy to win. They copy their technical approach from another proposal. Then they price the proposal like a baked cake recipe. You can win that way if your competitors do the same—and if the Government bets on the hope of strong delivery in the absence of a compelling offer. But earning the Government's highest technical rating and winning on price is possible, and it is closer than you think. And the best part? Make a few key changes once, and they will serve you in every proposal afterward.

WHY A PROPOSAL PLAN ENHANCES THE PROPOSAL

There is always a plan. It is just that some are better than others. Describing technical methods, phases, and steps plus your successful past performance is a plan. It will get you a technical approach to propose. Estimating hours by task and multiplying by labor category rates is a plan. It will get you a price to submit. You will not be disqualified for this. But you will not earn the Government's highest technical rating or best value determination.

If you want to earn those judgments, you must make them your explicit goal. Everyone must know that is the goal, and everyone must know what's expected of them to meet it. That plan would enhance your proposal and increase your odds of a win. And that is what this article is about.

A good proposal plan includes a strategic pricing plan. A strategic pricing plan is part of the pricing process – every

time—and should always address all the tools available to you. Those are not just wrap rates and profit but also items like impacting your G&A, developing a new cost center for this project, and bidding all costs directly to the project.

A strategic pricing plan will give leadership insight into the key decisions they need to think about and investigate as it fits this procurement. Leadership needs to know all the pricing points that are important to achieve the right price. Giving leadership an early and frequent view of the strategic pricing will move you closer to achieving those high marks.

GET A STRATEGIC TECHNICAL AND PRICING PROCESS

Let us assume you are pursuing an important opportunity. Not a nice-to-have, a must-have. What does it mean to have a strategic technical and pricing process?

For a Government agency, a contract is a means to the end of accomplishing mission objectives. For the offeror, a contract should be a means to accomplishing business strategy and objectives—with before-the-fact intent, not after-the-fact justification. This means you know that the opportunity aligns with and serves your business objectives, and you can articulate how. Plus, you can wisely and judiciously plan your pricing approach rather than just throw the pricing together—it must also be compelling.

The second thing it means to have a strategic technical and pricing process is to be deliberate. This means making technical and pricing decisions and trade-offs knowing how each helps you earn the Government's highest technical rating and favorable price determination. The actual evaluation might be out of your control, but telling the story you think will evaluate best—and the pricing story is part of that telling—is completely in your control. And you should decide exactly how to present your qualifications to evaluate best.

The third thing it means to have a strategic technical and pricing process is collaboration. No single individual can or should make every decision needed to submit a winning proposal. Many people in your company have roles to play and should have room to play them within the business objectives you set and the objectives of the story you want to tell.

A final important ingredient is an ability to use the same process repeated each time. It must be repeatable. Certainly, you will update the process as you discover some things work and others do not. Then you can enhance your process and make it better. It is strategy rich. It improves your probability of winning with each use.

Having a strategic technical and pricing process requires

clear business and proposal expectations, capable people in every role, continuous communication about their roles in the process, and trust that the appropriate delegation of authority to them will produce a proposal that earns the Government's highest technical rating and best value determination.

How do you get a strategic technical and pricing process? Think of this like correcting your golf swing: The most important thing you can do to follow a strategic technical and pricing process is to return to basics. Basics never fail. Doing what is simple is best because you will use a straightforward process each time. When it is complicated, you will shy away from using it.

How you do things today might include the basics or might not. How you do things today likely includes shortcuts you developed to save time, but which might also undo some of the basics. Use the simple steps that got you results before. Make them foundational to your process. For pricing that might include things like developing an internal price model or designing the progression of price from deep dive decisions through investigation and color reviews clear through to responding to evaluation inquiries.

You can swing a golf club any way you want, and you'll score well if the sweet spot of the club strikes the ball in the right plane. It is just that some ways to swing a club make that harder, and some ways make that easier. The next two sections highlight the basics which will make it easier for you to earn the Government's highest technical rating and best value determination.

THE TECHNICAL APPROACH GEARED TOWARD HIGH RATINGS

Winning is your business goal but that does not make "winning" a proposal strategy. To get a winning proposal strategy, explicitly aim your team at a single desired outcome: To earn the Government's highest technical rating.

You cannot be sure evaluators will give you that, but that is not why you set the goal. The purpose is to focus your team on one question: "What's the best corporate story to tell to earn the Government's highest technical rating?" Do not think your story is your story. It is not. Your core capabilities carry over from contract to contract, even as you mature them. But, if you drew 10 Venn diagrams of your capabilities against 10 technically similar requirements, the diagrams would look alike. That is not what we are talking about.

The reality is, you evaluate 10 ways against 10 sets of business objectives, and that means you tell 10 stories. Ten opportunities mean 10 specific ways to demonstrate the low-risk capability to meet the



requirement—as a means to the end of meeting the Government’s business objectives. And doing that, especially when competitors do not, makes you stand out.

How does taking a strategic approach to proposals to get you there? Let us say the opportunity is a recompetete you want to win to not forgo a sizeable portion of revenue. And let us add business objectives to that such as building organizational capability in an area of the emerging need for your client (imagine certain technical and business needs were secondary during your incumbency but will be primary in the recompetete) and building a solid past performance in this work for future opportunities in other agencies. Add staff for this work, particularly certain labor categories, because you want to offer the Government an attractive total price while being very profitable in those labor categories.

With “win the recompetete to retain revenue” as your primary business objective, your proposal team can get strategic. One obvious, strategic proposal message could be, “Based on our existing relationship, no one is better positioned to understand and help you control the risks you’ll face” as you innovate, engage stakeholders, enhance customer experience—whatever the objective of the recompetete.

But the delivery team knows the story the customer tells itself, so collaborating with them and getting specific also makes what you write very deliberate aiming at their hot buttons.

The delivery team knows best how the client views the relationship, by whom, and for what reasons. They know where respect and admiration are, and where the incumbent relationship might feel dated or overstayed. Does the customer trust your company and the personnel? If so, talk about it. Are there trust issues even though performance has been good? Then do not use the word trust to describe the relationship. What has been the interaction about innovation, stakeholder engagement, or customer experience during your incumbency? Who on the team does the Government like to work with, and not like to work with? What impression did how you handle filling vacancies or invoicing leave with your management approach?

These questions are not new to you, but they are not supposed to be. We use them to illustrate the point that if you take a strategic business approach to the proposal from the outset, collaborating with people who have relevant, specific information related to the story you want to tell—and price—gets information on the table early so the proposal team can write it into the offer in the most advantageous ways. Strategically. Deliberately.



THE STRATEGIC PRICING GOLDEN HOME RUN

Strategic pricing is a must for every proposal regardless of “must win” status or otherwise. We addressed why a well-developed process is so important. Now we will talk about how strategic pricing can turn your proposal into a golden home run too.

While pricing is rarely assessed as an evaluation factor by itself, generally the price may be a determining factor in a best-value procurement. How do you help make the price a home run, so you add to the Government’s high marks for your proposal? The simple answer is to go beyond arriving at the price you bid and give the Government reasons to choose your company and your proposal.

Price is important to every proposal even if the price is not separately evaluated. Make pricing engagement of

your team an early endeavor. To increase your probability of winning, early pricing involvement is critical to the investigation of long lead items, competitive assessment, key leadership decisions, design of a dynamic internal pricing model, and most importantly your pricing story and the resulting monetized value proposition.

Most government contractors arrive at what they believe is the right price. By presenting your merits in a strong message in the written price proposal, you stand a better chance of convincing the reader of your worth. And their willingness to recommend your bid as the winner.

Describing your value proposition is so critical to making your price story part of the best value you give, that if you miss the opportunity to do so in the price proposal, you miss the chance to call attention to all that your company's price gives your customer. Merely stating the features and benefits of your price is not enough.

Creating a meaningful difference for your customer, monetized, and expressed visually, right up front in your written business proposal will beat your competition every time. Why is it so important? Because your Government customer needs to be convinced that the value you bring is more than just the dollars you bid. If you want to win that award, that reader needs your monetized visual representation and information of the worthiness that you are the best answer to their needs.

Make it easy for them to draw the right decision by giving them reasons to choose your offer over your competition. Do it in the price proposal right up front in the price proposal executive summary.

Why there? The government evaluator should not need to hunt for the reasons to choose your company. You want them to find your important value immediately when they open the price proposal. Give them substantiated benefits in both visual and pricing themes to show them you are innovative, a leader, unique and forward-thinking. You want the evaluator to use your words to validate their choice. Make your offer powerful. Then you make it a golden home run for the customer and your company.

DECISIONS

From the time a company decides to pursue an opportunity to the time an award, the proposal process will rack up scores or even hundreds of decisions. They range from small to large. They occur within and across technical to pricing. They can even occur after the proposal is submitted. Singly and in combination, they produce your technical rating, the Government's opinion of your pricing approach and price, and a best-and-final negotiation. Leadership makes only a small number of these decisions. The proposal team makes



most of those decisions. It is hard for an owner, executive, or proposal manager to know how their decisions will produce a winning offer.

We see proposal teams all the time whose win themes, key messages, and pricing strategy are not settled until color reviews. We all know leaders who decide an opportunity meets strategic business objectives without a clear articulation of how and why. Or fails to consider equally valid contrary views between leaders, project managers, and financial executives.

Humans are creatures of habit. Behavior change is challenging and the demands of proposal development make it a hard time and place to change habits. Engaging the proposal team early about the company's strategic pricing goals, and how an opportunity meets the company's overall business objectives, positions it to be more deliberate and collaborative in every following conversation. There is no guarantee of Government high marks, but there never is. A strategic approach to proposal writing and pricing increases your odds of earning higher marks. That is what all Government contractors want.

Templated Contracts Increase Speed To Contract / Speed To Market



In today's fast-paced business environment, time is a precious commodity. Standardized or templated contracts are one way that government agencies and contractors can save time in their operations to better support the warfighter. A standardized or templated contract is a pre-drafted agreement that sets out many of the terms and conditions of a transaction. By using standardized contracts, the Government and businesses can eliminate the need for a brand-new contract each time a similar transaction occurs, thereby saving significant amounts of time and resources.

David Cade, a recent guest on the Speed to Contract / Speed to Market podcast currently serves as vice president of US Government Services Business Transformation for the Boeing Company and has led the way in standardizing contracts to save time and money.

During the interview, Mr. Cade explained it this way, *"Back when I got to Boeing in 2008, my internal client was supplier management. And eventually, I ended up going onto the business side and being in supplier management. And one of the things that we talked about was all of the transactions that were occurring with our suppliers. It was the same suppliers and we were having the same negotiations. The contracts were all unique and it really depended on who was involved (in negotiating the contract). And so, one person had a particular proclivity, and they wanted their contract a certain way at Boeing when dealing with the supplier. And*

you could have the exact same procurement two months later with a different person. And there were different things emphasized in that contract. And so, you never had any one contract look common. And so, it required a lot of personnel. It really required reading a contract and going through details to understand if there was a dispute and what was happening. One of the first things we did when I got there, was we formed pattern or templated contracts. So, we recognized right off the bat with our suppliers, we are going to see each other again, and we are going to keep having a fight. It's a lot of mental energy being wasted on the same issue over and over again. And so, I think that was a step function that really promulgated or pushed the supplier management function forward."

Mr. Cade previously served as vice president of Corporate Contracts as the company's representative to government and industry regarding acquisition and industrial policy issues. He guided all related strategies, policies, procedures, and compliance activities. Prior to that, he was the functional leader for almost 600 professionals in Boeing Global Services as the VP for the Contracts Estimating and Cash Management group. He has also served as the Vice president of Contracts, Pricing, Estimating, and Supply Chain Finance for Boeing's Defense Space and Security Business Unit. Mr. Cade began with Boeing by joining its law department in September 2008. Previously, he spent 10 years as an in-house counsel for General Motors Corporation.

GOVERNMENT CONTRACTS COULD BE STANDARDIZED TO INCREASE SPEED TO CONTRACT

David then focused on the potential of standardizing government contracts,

“On the flip side we have not done that enough, if at all, on the side with the Government customer. I think when we talk about speed to contract, again, it is the same issues we had before. You can buy the same part or sell the same part. It depends on who the contracting officer is. And again, they rotate (and), we rotate internally. It depends on the volume. It depends on who might be the program officer or where the functional direction is coming from the Government. It could be things such as what is the use of the product. If it is an F18 and it is in theater, there is going to be a lot more attention paid to it versus when they're not running them.”

So, I think that's the first place we need to look at, how do we get past these issues that use up so much mental energy? They become so emotional for people. And at the end of the day, most of the time, like a tug of war, you end up in the same place. I think if we recognize that right off the bat, we could avoid a lot of these problems and really focus on the things that are critical, which is what is the delivery date, what is the price, what are things that we can do to tweak, maybe to get better pricing if it's a longer term or a greater quantity buy. But we do not end up focusing on that. We focus on limitation of liability and everything else that is out there.”

START AT THE TOP AND BUILD TRUST

When asked his thoughts on the steps to implement standardized agreements with government contracts, his response included a smile, *“How much time do you have?”*

But then in a very succinct manner stated, “I would say the tone always starts at the top. And really you would need to get the head of an agency, one of the service branches and someone at the top of Boeing, or one of our competitors, and they would have to have a meeting of the minds. But that sometimes happens, but then they assume it has filtered down through the ranks and it's at the negotiation level and commander's intent and it will be done. And usually, it is like the game of telephone, and you whisper in someone's ear, and you come around the circle, and the original message is so garbled, it's not recognizable. So, I would say if you really wanted to have change, start at the top, and recognize that you are going to have trust first and foremost.”

As I spoke at the conference, we have to assume that our Government—our partners—want the best for the war fighter, and they want a healthy defense industrial base. At the same time, they have to recognize and say, yes, these industrial companies want to turn a profit, but they also want to support the war fighter.”

THE MESSAGE HAS TO FILTER DOWN WITH LEADERS STILL PRESENT

David continued, *“And, those notions are not mutually exclusive, but then it has to filter down. And the easy way for the message to filter down is to have the leader of one of the services, the contracting side and one of the defense leaders to sit down and have people who've been negotiating be there with them and not just have a small meeting where some ideas are thrown around, they agree and say yes and assume it's done. But actually, have the working teams that are hearing the message and then, having those particular senior leaders talk, so that every two weeks, four weeks, there's a report out that states, where are we on this?”*

And, then they have their standard meetings. Now, obviously that's time and everything else that entails, but that is the way you are going to drive the trust necessary because everyone knows the senior leaders are agreeing on the message, we are in the room, we're hearing the message, and then you go forth.”



To hear Mr. Cade's complete interview on the Speed to Contract / Speed to Market podcast, please scan the code.





Industry News

MEET PAVILION: THE DISRUPTIVE AND INNOVATIVE MARKETPLACE FOR SHAREABLE CONTRACTS IMPACTING GOVERNMENT CONTRACTING

Pavilion is a company transforming the government procurement industry with innovative solutions. They aim to improve government purchasing and make it more accessible by creating a de facto marketplace for shareable contracts. As a result, public buyers can save time and money by purchasing from suppliers who are pre-qualified by other public entities through their services. Pavilion's services are expected to considerably impact the industry, with \$190 billion already flowing through shareable contracts, and more spending power for state and local governments expected in the recent infrastructure bill passed under President Biden.

Pavilion's unique application of technology to serve the government procurement space, coupled with government agencies' increased adoption of technology, has led to a shift towards shareable contracts for procuring essential goods and services. This, in turn, has enabled public servants to deliver better, faster public

services from a more diverse group of businesses. Moreover, Pavilion is pushing the envelope to make government procurement more accessible, as evidenced by their recent announcement of "diversity filters" that enable public entities to bring diversity and equality to the forefront of their procurement efforts.

Looking ahead, Pavilion intends to continue improving its search technology to deliver an excellent search experience to public servants. In addition, they aim to expand their services to include other areas of gov-tech, such as technology that supports governments in tackling the country's most pressing challenges, including climate change and cybersecurity. With its innovative solutions, Pavilion is poised to usher in a new wave of innovation and disruption in the public sector, enabling governments to take smarter bets on new solutions and connect with more innovative companies.



<https://www.forbes.com/sites/garydrenik/2023/02/24/this-startup-wants-to-bring-new-efficiency-to-government-in-2023/?sh=4366d16d2b48>

<https://www.withpavilion.com/>

US DEPARTMENT OF STATE ESTABLISHES NEW TECH DIPLOMACY OFFICE TO SHAPE DIGITAL REVOLUTION

The Department of State has recently announced the establishment of the Office of the Special Envoy for Critical and Emerging Technology, which started its operations in January this year. The Office of the Special Envoy for Critical and Emerging Technology creation aims to revamp the Department of State's approach to technology in diplomacy and foreign policy. Secretary Blinken emphasized the increasing significance of critical and emerging technologies in shaping the world, and acknowledged the need for the US to be at the forefront of the competition in developing and deploying these technologies.

The new office aims to bring additional technology policy expertise,

diplomatic leadership, and strategic direction to the department's approach to critical and emerging technologies. It will focus on developing and coordinating critical and emerging technology foreign policy on biotechnology, advanced computing, artificial intelligence, and quantum information technologies. The office will also work closely with other bureaus and offices across the department to engage foreign partners on these topics, which are essential to US foreign policy.

In Blinken's words, "We want to shape the standards that govern new technology, so they ensure quality, protect consumer health and safety, facilitate trade, respect people's rights. We want to make sure the technology works for democracy, fighting back against disinformation, standing up for internet freedom, reducing the misuse of surveillance technology."

Establishing the Office of the Special Envoy for Critical and Emerging Technology is a significant step towards shaping the US approach to critical and emerging technologies in diplomacy and foreign policy. The office's focus on biotechnology, advanced computing, artificial intelligence, and quantum information technologies, and its engagement with foreign partners, will help the US stay competitive in the global technology landscape. The challenges the office may face include:

- Ensuring technology works for democracy.

- Fighting against disinformation.
 - Reducing the misuse of surveillance technology.
- The office's efforts in tackling these challenges can contribute to shaping the standards governing new technologies, which can safeguard consumer health and safety, promote trade, and uphold people's rights.

<https://www.state.gov/establishing-the-office-of-the-special-envoy-for-critical-and-emerging-technology/>

<https://fedscoop.com/state-department-launches-special-envoy-focused-on-diplomacy-and-emerging-tech/>

BIDEN ADMINISTRATION REQUESTS LARGEST-EVER PEACETIME DEFENSE BUDGET

The Biden administration in March submitted an \$842 billion defense budget request for 2024 to Congress, which is being lauded as the largest peacetime budget ever for the Pentagon. Here are the key details of the proposal overall:

- The budget request is \$25 billion more than Congress allocated for 2023.
- The procurement request of \$170 billion is the highest ever, covering new bombers, intercontinental ballistic missiles, and ballistic missile submarines that form the nuclear triad.
- Multiyear procurement contracts for five missile types—Naval Strike Missile, SM-6, AMRAAM, JASSM-ER, and LRASM—are also included.
- The budget includes \$145 billion for research-and-development projects, the most considerable amount ever.
 - There is \$29.8 billion for missile defense, \$11 billion for long-range missiles and hypersonic weapons, \$13.5 billion for cyber activities, \$1.8 billion for artificial intelligence-related efforts, and \$1.4 billion for joint all-domain command-and-control projects.
 - The budget does not allocate any money or weapons for Ukraine. A senior defense official notes this could change before the budget is approved.

Army

The Army's 2024 budget includes funding for active-duty soldiers, National Guard, and the reserve. Additionally, \$273 million is allotted for the Precision Strike Missile research and development. Funding is set for 17,112 rifles, 1,419 automatic rifles, and 14,932 fire control systems for the Next Generation Squad Weapon.

Navy and Marine Corps

The Navy has outlined plans to acquire nine ships:

- One Columbia-class submarine
- Two Virginia-class submarines
- Two Arleigh Burke-class destroyers
- Two Constellation-class frigates
- A submarine tender replacement vessel
- A John Lewis-class fleet oiler

Notably, the budget proposal did not allocate funds for any amphibious vessels. As a result, some containers, such as guided missile cruisers, three dock landing ships, and two littoral combat ships, will be decommissioned earlier than anticipated. Meanwhile, the Navy and Marine Corps have requested 35 F-35 fighter jets.

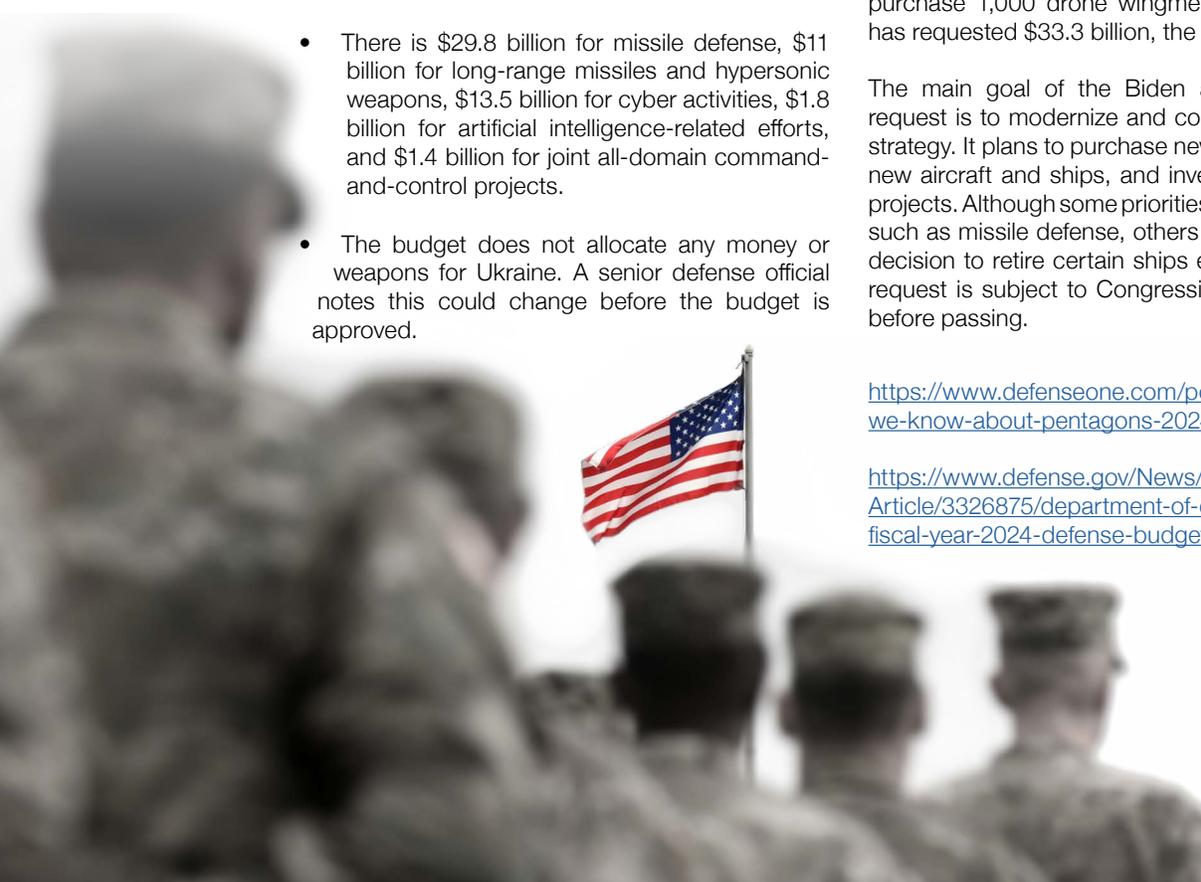
Air Force and Space Force:

The Air Force's 2024 budget for research-and-development projects surpasses its procurement request. It aims to develop a new refueling tanker to fly in more contested airspace, and purchase 1,000 drone wingmen. Additionally, the Space Force has requested \$33.3 billion, the largest-ever budget for space.

The main goal of the Biden administration's defense budget request is to modernize and continue its China-focused defense strategy. It plans to purchase new weapons and missiles, develop new aircraft and ships, and invest in research-and-development projects. Although some priorities in the budget remain unchanged, such as missile defense, others have shifted, such as the Navy's decision to retire certain ships earlier than planned. This budget request is subject to Congressional approval and could change before passing.

<https://www.defenseone.com/policy/2023/03/heres-everything-we-know-about-pentagons-2024-budget-proposal/383892/>

<https://www.defense.gov/News/Releases/Release/Article/3326875/department-of-defense-releases-the-presidents-fiscal-year-2024-defense-budget/>



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Consulting



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Technology



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Education



The Naval Postgraduate School is a graduate research university offering master's and doctoral degrees in more than 70 fields of study to the U.S. Armed Forces, DOD civilians and international partners. The Naval Postgraduate School provides defense-focused graduate education, including classified studies and interdisciplinary research, to advance the operational effectiveness, technological leadership, and warfighting advantage of the Naval service. Learn more at www.nps.edu.

Media



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Regulatory Change Starts at the Top



The Department of Defense (DoD) is the largest buyer of goods and services in the world, and its acquisition process is complex and highly regulated. As such, implementing changes within the DoD can be a challenging and time-consuming process. However, having the support of leaders across the administrative and executive branches of the Government is crucial for achieving regulatory change. Elected leaders, such as Vice President Gore in the mid-1990s and Senator John McCain in 2017, are two examples of high-ranking officials, who had the opportunity to drive change by introducing legislation, advocating for policy revisions, and working with stakeholders to build support for new initiatives. Without assertive leadership commitment, achieving real change within the DoD acquisition system can be difficult, if not impossible.

In the 1990s, Vice President Al Gore played a significant role in streamlining of the acquisition regulations across the federal Government enabling real change to how agencies and particularly the Department of Defense acquire goods and services. Specifically, he led the effort to overhaul the Federal Acquisition Regulation (FAR), which had become overly complex and unwieldy. The FAR is the set of regulations that govern the acquisition of goods and services by the entire federal Government. Gore recognized the need to streamline the acquisition process and reduce administrative burden, and he believed that the FAR was a critical area in need of reform. Working closely with industry

experts, government officials, and other stakeholders, Gore led a comprehensive review of the FAR and introduced numerous changes designed to improve the efficiency and effectiveness of the acquisition process. The regulatory changes introduced by Gore helped to streamline the acquisition process, reduce costs, and improve competition among vendors.

Dave Drabkin was involved with the team that made the changes to the FAR under Vice President Al Gore. He was recently interviewed on the Speed to Contract / Speed to Market podcast and stated, *“The process for changing the FAR is a very tempered, deliberate process and the rules for making a change to the FAR require at a minimum publication of a proposed rule, a period of time for public comment, then a review and addressing of those comments before you can issue a final rule. That’s the normal process and which could take anywhere between 12 and 24 months.”*



SCAN ME

To hear Mr. Drabkin’s complete interview on the Speed to Contract / Speed to Market podcast, please scan the code.

Additionally, Dr. William (Bill) Greenwalt was a key advisor to Senator John McCain on defense policy and played a crucial role in the development of the Middle-Tier Acquisition Authority (MTAA) legislation. As a former Deputy Under Secretary of Defense for Industrial Policy, Greenwalt had

extensive experience in defense acquisition and procurement and was well-suited to help McCain develop the MTAA provision.

Greenwalt worked closely with McCain to develop the MTAA legislation, providing advice and guidance on the most effective approach to streamline the acquisition process and encourage competition among DOD vendors. He drew on his extensive experience in the defense industry to identify the most significant barriers to entry for small and mid-sized businesses and helped to develop strategies to overcome these challenges.

Greenwalt also played a critical role in building support for the MTAA provision among members of Congress and other stakeholders. He worked with industry groups and government officials to raise awareness of the MTAA and its potential benefits, emphasizing the need to increase competition and encourage innovation at speed in the defense industry.

Greenwalt's efforts were instrumental in the passage of the MTAA provision in the National Defense Authorization Act (NDAA) of 2017. His expertise and guidance helped to shape the final version of the MTAA legislation, which has since provided a new avenue for the DoD to deliver new capabilities to the warfighter in two to five years by streamlining the acquisition process, reducing costs, and increasing competition.

Greenwalt played a vital role in the development of the MTAA concept. His extensive experience in defense acquisition and procurement, as well as his ability to build support for the MTAA among key stakeholders, were critical in the development and passage of the law. The MTAA is a testament to the value of collaboration between government officials and industry experts and serves as an example of how public-private partnerships can drive positive change in the government procurement process.

Dr. Greenwalt was also a guest on the Speed to Contract / Speed to Market podcast and gave this example of what the MTAA authority was based on and was attempting to encourage in its application by DoD, "The Falcon 9 was created by the Government and SpaceX. What's fascinating about this example is that there was a company that promised the Government that it was going to do something at 10% of the costs that essentially a traditional defense contractor

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SPEED TO MARKET.

WITH DAVID DRABKIN

would do. Frankly, all this is in a public cost estimate, which is a very interesting thing as well. So, 10% of what the traditional defense contractor would do and would deliver 10 times the productivity as measured by getting the cost of something into space. And the fact that we were able to do that, and it was done not under a traditional contract, it was done by NASA Space Act Authority. And so essentially, they could vertically integrate. They didn't have to deal with all the complexity of the contracting, oversight regime that just layers on costs and so on, and actually did exactly what they said they were going to do. They achieved it 10% of the time, at 10% of the cost. That is an amazing example."



To hear Mr. Greenwalt's complete interview on the Speed to Contract / Speed to Market podcast, please scan the code.

#5

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WITH WILLIAM GREENWALT

Industry Events

-  [Space Symposium](#)
-  [DigiMarCon Midwest](#)
-  [GHX Summit](#)
-  [Cyber Security & Cloud Congress](#)
-  [ProPricer Government Contract Pricing Summit](#)
-  [NCMA World Congress](#)
-  [National Homeland Security Conference](#)
-  [GMIS Meets Conference](#)
-  [Air, Space, and Cyber Expo](#)
-  [Dreamforce](#)
-  [Deltek ProjectCon](#)
-  [FutureCon CyberSecurity Conference](#)
-  [Pricing & Contracting Fall Training Series](#)
-  [SecureWorld](#)



Apr 17, 2023	In Person / Virtual
Mar 3-4, 2023	In Person / Virtual
May 9, 2023	In Person
May 17-18, 2023	In Person / Virtual
Jun 20-22, 2023	In Person / Virtual
Jul 23, 2023	In Person / Virtual
Jul 24, 2023	In Person
Aug 20, 2023	In Person
Sep 11, 2023	In Person / Virtual
Sep 12, 2023	In Person / Virtual
Oct 16-19, 2023	In Person / Virtual
Oct 18, 2023	In Person / Virtual
Nov 2, 2023	Virtual
Nov 8-9, 2023	In Person

DOUBLING REVENUE OUTPUT WITH LESS RESOURCES



IT'S NOT ABOUT CREATING ANOTHER AUTHORITY, PROCESS OR REGULATION

Simply adding more authority, processes, or regulations may not always be the answer to resolving a problem. Instead, it may be more beneficial to assess the current system and find ways to improve or optimize it. This approach can lead to greater efficiency, effectiveness, speed, and agility within an organization. Moreover, it can prevent the creation of unnecessary bureaucracy and reduce costs associated with implementing new regulations or processes. By focusing on continuous improvement and optimization, an organization can achieve its desired mission outcomes in less time and with less resources.

Based on his past experience, this was the overriding theme that Hondo Geurts shared as a recent guest on the Speed to Contract / Speed to Market podcast:

From 2017 until 2021, after his presidential appointment and unanimous senate confirmation, Mr. Geurts served as assistant secretary of the Navy for Research Development

and Acquisition. As the Department of Navy's most senior acquisition official, he was responsible for a 140 billion annual budget and ensured the effective procurement and sustainment of the platform systems, technology, and services to enhance the capabilities and readiness of the sailors and marines serving around the globe.

WHEN YOU ARE FOCUSED ON THE MISSION, IT'S ABOUT ACHIEVING OUTCOMES

During the podcast, Mr. Geurts stated, *"In my experience, both leading acquisition in the Air Force, at US Special Operations Command during most of the war, and then for the Navy Marine Corps team, when I saw a real transformational change that stood out to me, I would characterize it as having a laser focus on the mission. Too many times bureaucracies get caught up measuring activity and not outcomes. When you're really focused on the mission, it's about achieving outcomes."*

INCREASED CONTRACT OBLIGATIONS FROM \$75B TO \$150B WITH LESS RESOURCES

Achieving significant growth in contract revenue with fewer resources can be challenging, but Hondo and his team were able to achieve the stated mission outcome with laser focus.

"When I got the great opportunity to lead the Marine Corps and Navy acquisition team, based on earlier successes, I wanted to try the experiment again. And in that case, in less than four years, we went from \$75 billion a year on contract to nearly \$150 billion a year on contract with 20% less contracts and approximately 10% less people."

WE DIDN'T HAVE A GOLDEN PROCESS—WE DIDN'T INVENT SOMETHING NEW

"The really interesting thing about that experience, we didn't change. We didn't have a golden process. We didn't invent something new. I didn't have to get a new congressional authority. We just got really focused again, focused on mission outcomes, on learning velocity, on building and energizing a great network, and then having an abundance mindset, focusing on maximizing everything we had."

This mission outcome is a tremendous example of how increasing trust, collaboration and communication among teams can lead to greater productivity and efficiency.

TRUST TILL IT HURTS—IF YOU CREATE TRUST YOU CAN MASSIVELY DECENTRALIZE

One foundational point of his team success that Hondo shared during the podcast interview, is the importance of building trust amongst your team and network.

He said, "At Special Ops, we used to say trust till it hurts. If you aren't uncomfortable with the amount of trust you're giving somebody, you're probably not trusting them enough. And trusting people, even if they don't look like you or have the same color skin as you or have the same gender or they came from the same service as you, or whatever the difference may be. If you can create that element of trust in your organization, then you can massively decentralize your organization. If you can massively decentralize your organization, instead of one plus one equals two, you start doing multiplication, and you synergize. And that's where you start to experience exponential returns."

Creating additional authority, process, or

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regulation is not always the solution to a problem. Instead, it may be more beneficial to assess the current system and find ways to improve or optimize it. Mr. Geurts took this approach and it led to greater results within his team and the department he managed.



To listen to the entire Hondo Geurts Speed to Contract / Speed to Market interview, please scan the code.

#9

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WITH JAMES 'HONDO' GEURTS





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THE CASE FOR MAJOR DoD REGULATORY REFORM



THE CASE FOR MAJOR DOD REGULATORY REFORM

The Department of Defense (DoD) is responsible for ensuring the security of the United States and its allies against adversaries. To achieve this goal, the DoD must

optimize its combat capabilities and enhance its acquisition system. Nonetheless, numerous leaders feel strongly that a major regulatory change is necessary to streamline and modernize the procurement procedures of the Department of Defense.

The current global security environment demands a focus on innovation, increased efficiency, and reduced bureaucracy to accelerate the delivery of cutting-edge technologies and capabilities to the warfighter. The regulatory change must prioritize these factors to ensure the United States maintains its technological advantage over its adversaries.

A leader who has dedicated the remainder of his professional career to increasing the United States' combat capabilities and enhancing our acquisition system that includes regulatory change is Major General Cameron Holt (retired). General Holt was the inaugural guest on the Speed to Contract / Speed to Market podcast and his work and

insights on this topic motivated the creation of the podcast.

Currently, he is the president and founder of Holt Consulting Group. The focus of his work is to bring together the best of America industrialists, technologists, and capital investors with innovation, innovative problem solvers and Government to tilt the scales in favor of America and its allies against the adversaries of freedom. Mr. Holt recently completed 32 years of military service, including his last four years as Deputy Assistant Secretary for the Air Force and Space Force. And that capacity oversaw a global contracting portfolio valued in excess of 825 billion, and over 8,000 contractors that executed the full range of operational enterprise sourcing in major weapons systems worldwide. Mr. Holt serves on the board of directors of the National Contract Management Association, and as a member of the PPBE Reform Task Force that's sponsored by the American Society of Military Comptrollers.

When interviewed on the inaugural episode of the Speed to Contract / Speed to Market podcast, General Holt's replies concerning the threat posed by China and his justification for the necessity of regulatory reform within the DoD to enhance support for our warfighters are as follows:

"That's where it all starts for me, is the threat. And as you look at our great nation, it is very popular these days for a lot

to question, is this a good nation? Is it a great nation? I think that there's been a lot of doubt created in that both internal to our own country and frankly, by design, by the Chinese Communist Party, inserting messages either with bots into our social media or through other means.

Regarding Hong Kong, they committed to keep it free and keep capitalism for 50 years. But for China, it's not an ethical issue to break their own commitments. It's not an ethical issue to steal intellectual property. We often think about these things in ethical terms. They truly believe that if anything was created on the planet, it's theirs by definition, and that other governments in the world exist with their temporary permission. And it's this paradigm that we really need to start considering that this adversary, that is determined and patient, but very sophisticated has been literally at war with our way of life, not just recently but for decades.

I don't know if it will make sense to other people, but as I've thought deeply about this, I call it *The Silent War*, because China is not going to make the same mistake that either Japan made back in 1941 or Al-Qaeda made on September 11th.

This notion of unalienable rights that both precedes and supersedes any government, over other people. That is the flag in this capture-the-flag game. And they know full well how to dismantle us from the inside out, using our own fractures and our own system against us. They know how to pull together all four instruments of national power, diplomacy, information, military, and economics into one force, yet without triggering some act that would coalesce us. And stop the divisions that so many politicians or people in the media, or really anybody that benefits for more eyeballs and sensational stories have been able to manage, to try to divide us and divert us from being who we are as Americans. And frankly, that breaks my heart.”

Chinese Communist Party. And in fact, for years, there's been a progression of technology transfer from United States to China. And some of that, of course, has been made headlines about it being illegal transfer of technology and, espionage and stealing. Frankly, a lot of it has happened voluntarily, through our open economic system that China has taken advantage of by listing false companies on our stock exchanges, and watching Americans invest their hard-earned money into fantasies by not being transparent, in fact, completely untruthful about the status of economics and markets inside of China. And by passing laws that the Chinese Communist Party has passed, that if you want to do business in China, which is a very attractive thing for many of our business leaders with 1.5 billion people and a growing spending power economy, very attractive indeed.”

WAR IS NOT ALL ABOUT MILITARY-ON-MILITARY FORCE

“But to be able to participate in that economy, you have to follow Chinese communist law, which states clearly that any company operating inside of China must be compelled to support the intelligence needs and the national security needs of the state, even if that means spying on their own home country. And so, as we look at how exposed we are to those kinds of things, both legal and illegal, coercion in the economic space, we really need to start understanding that this war is not just about military-on-military force. It certainly has a component of that, but far larger weapons are being used like the Belt and Road Initiative that erodes our diplomacy in the world.”

THERE DOES NOT HAVE TO BE EXPLOSIONS FOR CHINA TO WIN THE SILENT WAR

General Holt continued, “I will tell you that the sophisticated plan that they are involved in is succeeding. And if you could think about it from their perspective, they don't need to capture our territory. They don't need to destroy anything. There doesn't need to be explosions for them to achieve all of their objectives, to make sure that all of the governments of the world, the government leaders of the world, the business leaders of the world, and increasingly even individuals, are compliant, and loyal to the objectives of the

#1

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WITH MAJOR GENERAL
CAMERON HOLT

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WE GLOSS OVER CHINA'S PLAN TO MANIPULATE GOVERNMENTS

"And so, these kinds of things that our own media and some politicians like to gloss over, it is the war. It is a Silent War, but the end of it could result in not just the ability for the Chinese to manipulate and coerce governments as is true today through the Belt and Road Initiative and not just businesses as a result of their gargantuan growth and economic investment and, the opportunity that exists to doing business in inside of China, but also through various other means, military and otherwise, to keep us silent, to keep us below the level of what most Americans would define as war and to keep our politicians complacent."

THE NEED TO PUT OUR ACQUISITION SYSTEM ON A WARTIME FOOTING

"Many people are probably tired of hearing from me about the threat, but that is where it must start. And frankly, if I were to be fair, I do not see anywhere close to the same sense of urgency, either in our DoD leaders, in our White House, or in our legislative branch of Government. I do not see the kind of urgency that I would see if they really did believe that we were at war and an existential war at that. So, everything short of that, we should force people to say, well what do you believe is the situation? I believe for one, that we need

to put our acquisition system on a wartime footing. I mentioned all of the other instruments of national power."

MOVING AT A WARTIME PACE HAS AN ENORMOUS DETERRENT VALUE

"I could give other examples of how they've used that. But I still do believe that the military instrument of national power is important because it underwrites the other instruments of national power. And I frankly believe that if we can move faster than China could ever keep up with in moving one generation of technology after the other, of military technology and capability as fast as American ingenuity would allow us to do, if we could drop the barriers to entry, and the institutions that protect people politically in a peace time environment, but are not suitable for war time, if we could drop that and really move at a war time pace, I am convinced that increase in capability would have enormous deterrent value against the activities of China, both militarily and otherwise.

And that's what I've dedicated the remainder of my professional career to, whether that's in uniform or out.

In fact, I would note that as we start to think about from the beginning to the end in the acquisition process and the contracting process that supports our national defense, I would even start well before an RFP comes out. In fact, what I would recommend to you as a part of this podcast, I think over time, it would be really fascinating to attack all of those areas that prevent speed to contract. And what I mean by that is not just

the contracting process. A lot of people recognize that the contracting process is way overly complex. And, over time, more and more rules have been added by Congress over and over again without anybody finding the repeal button. And as more of those laws are added and added, of course, they all have to be put into regulations.”

SAME ISSUES THAT PREVENT SPEED TO CONTRACT PREVENTS SPEED TO MARKET

“And so, the bureaucracy that ensues is enormous. However, I would tell you that same affliction is affecting other parts of the process that prevent speed to contract, that prevent us moving in what I would call speed to market, to moving as fast as we could, to compete with trying to deploy new generations of military technology and divesting ourselves of old rapidly. And so, for me, it starts all the way back into where the combatant commands and the services assess the intelligence and decide in the future, where are their key capability gaps between our adversaries and the United States that must be solved either through material solutions or non-material solutions. And then as you move forward in time where they actually document in the joint capability, integration, system, the adjacent system, our requirement system, where you actually document what those capability gaps are, and if it's going to be a material solution that has to be approved at very high levels in the Department of Defense.”

AN ARCHAIC ACQUISITION SYSTEM—CREATED BY ROBERT MCNAMARA IN 1961

“And then, moving from that into the planning, programming, and budgeting and the execution system of the PPBE system that is so archaic and arcane. It was created by Robert McNamara in 1961. And that is still the process we're using in the 21st century to fight a 21st-century adversary that is using economics against us, at speed.

So, we have to look in the mirror at that process and say, do we really have time in the way and how fast commercial technology moves on the planet today to think about putting a budget three years prior to when it would be executed? Does anybody really even know what the best technologies are that far back to be able to justify putting money into the budget process for it? And then as we move towards execution year, few people understand that almost every bit of investment dollars, and what I mean by that is RDT & E (research, development, evaluation, and test or production money), all of that money has the program name on it from statute all the way down. And not just that the program elements that are in the statute are so specific and narrow that even within a program, a program manager cannot move money between even the phases of the program and a program executive officer (PEO), it's ironic to me that we

even say that because that name is patterned after a CEO.

But if you could imagine a company CEO not being able to move money between one product line to another within their company, and that is exactly what goes on in defense. A PEO cannot move money from one program to another inside of their own portfolio. It's illegal to do it. And so, in that process, it makes us extraordinarily slow. And companies that might have a game changing emergent technology, our PEOs would not be able to say yes to it in execution year. It would be illegal to do it. You mentioned that I'm on a PPBE reform task force that's sponsored by the American Society military comptrollers.”

BOLD IDEAS WITH ENORMOUS LEVERAGE TO CHANGE EVERYTHING

“We plan to offer some bold ideas and those bold ideas will have enormous leverage for changing everything throughout the rest of the system that I just named. In giving a PEO authority to move money in execution year, does not need to mean necessarily that Congress has given up its rights to oversight as is their constitutional responsibility and duty. I believe that can be modernized. I would argue that the free cash flow model and capital reinvestment in publicly traded corporations is a fantastic model to use. It's proven and frankly, Wall Street analysts have enormous oversight, power over publicly traded corporations. But they don't restrict the movement of money within the corporation beforehand. And so, I think if we adopted that kind of model where Congress realized, perhaps it would be much more effective if we got a quarterly update from those program executive officers on how each are optimizing the spend across their portfolios, not how each are just spending all the money as fast as they can in the narrow accounts that we gave it to each in.

But doing that requires a lot of courage on behalf of those elected officials. because they will get a call from that one constituent company that is really upset that their sole source negotiation was where the money was pulled from because they wouldn't provide cost data or some other reason.

But frankly, I think that if we can continue to discuss the urgency of us moving faster than China and really get some courageous appropriators, and authorizers together around those solutions, I really believe we can make change in a very short amount of time.”

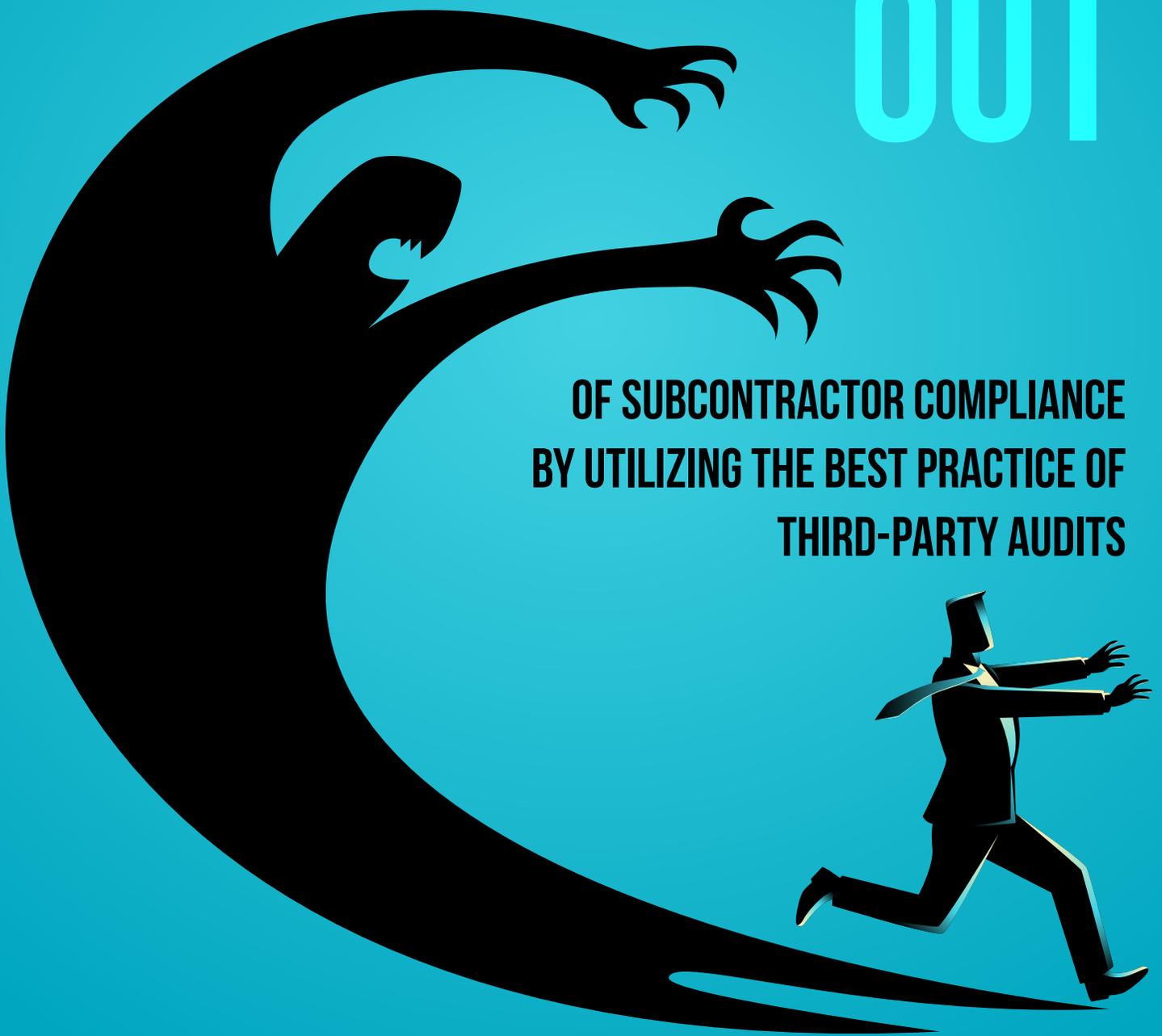


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Heather Teed

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Ms. Teed, a Cost/Pricing Subject Matter Expert, has 30 years of experience in management consulting, cost/pricing, proposal development, BOEs, and business analysis/market intelligence.

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Third-Party Audits of Subcontractor Proposal Sealed Packages are a best practice that government contractors can employ in their cost & pricing tool kits to achieve pricing excellence. The uncertainty of whether our subcontractors understand the sealed package instructions and what is required of them is a real concern for prime contractors, since requirements can vary drastically between new commercial start-ups to experienced government contractors. Even the most experienced government contractors may have a newly acquired division that is not at the same level of pricing excellence as the parent company.

Having a 100% compliant proposal from the prime contractor and their subcontractors enables the Government to make an award faster. With Third-Party Audits of Subcontractor Proposal Sealed Packages, you can rest easy knowing that your subcontractors are compliant, and the Government

does not need to ask questions that need to be resolved before an award because your subcontractors left items out of their proposal packages or inserted confusing data or have errant calculations. The only clarifications from the Government you should see before award are where the Government was unclear and wants an adjustment based on clearer instructions from their point of view.

There is Case Law/Protests that prime government contractors have been involved in where you can see how the subcontractors caused the loss of the contract to the prime contractor and there was nothing they could do, as they could not see the subcontractor sealed packages and the subcontractor's proposal(s) were noncompliant.

▶ A small business prime contractor, teamed with multiple subcontractors to submit a proposal for garrison support services at

various Army installations. The solicitation asked offerors to submit a breakdown of their costs, including direct labor rates, fringe benefits, and G&A, along with the total cost. The small business submitted a proposal containing their own cost breakdowns, but not the cost information for some of its subcontractors. Instead, the proposal only included the total cost, with fee, for the subcontract work. The agency eliminated the small business' proposal from the competition for failing to include the required cost information for its subcontractors. The GAO denied their bid protest, holding that the agency reasonably rejected the proposal for failing to include information required by the solicitation.

▶ In a case with a large business prime contractor, the RTOP instructed offerors to submit a cost volume as part of their proposals.



Offerors were required to identify the components of their labor rates and were specifically cautioned that “[t]he prime is responsible for ensuring that the subcontractor provide a full and complete labor rate build that provides complete transparency for the direct labor rate component and each indirect rate applied to it along with profit or fee regardless of contract type.” The agency rejected the prime contractor’s proposal as noncompliant because one of its subcontractors did not identify the components of its labor rates. The GAO denied the prime contractor’s protest allegations because the agency reasonably rejected the firm’s proposal in accordance with the solicitation’s evaluation criteria.

These examples are why Third-Party Audits of Subcontractor Proposal Sealed Packages are a best practice in cost & pricing. We can find these issues of noncompliance and correct them before submittal. Savvy prime contractors do this to ensure that their

subcontractors are not the reason they lose the bid after investing all the time and money they and their team members expend in a proposal just because one subcontractor did not read or understand the prime contractor’s RFP requirements and/or templates provided.

Not only does a Third-Party Audit of Subcontractor Proposal Sealed Packages ensure that subcontractors aren’t the cause of a loss, but Third-Party Audits also create better teaming partners on future cost & price proposals. A Third-Party Audit is effectively mentoring subcontractors in cost & pricing excellence—an area they may struggle with—and are very appreciative that the prime contractor’s offer this learning opportunity to them. As a Third-Party Auditor myself, I often remind subcontractors of how awesome the service their prime contractor is providing to them is. Your subcontractors truly don’t know what they don’t know about cost & price, and they are scared to ask their

prime contractor’s questions they feel they should know how to answer. So being able to ask a Third-Party Auditor these cost & price questions in a safe environment is a huge benefit to them and the prime contractor. In my experience as a Third-Party Auditor, I am witness to subcontractors that do not understand how to explain how they got to the price they are now proposing after negotiations with their prime contractor. And they have no idea how to support the negotiated price with back-up data. A Third-Party Auditor makes sure a subcontractor can explain their price. The last thing we want to see is made up pricing and stories from subcontractors, not knowing that they are creating issues for their prime contractor.

A Third-Party Auditor will drive to compliance, doing what it takes to educate and provide examples to your subcontractors, so that your subcontractors can see what a compliant, well written and well supported cost/price volume looks

like—they can see pricing excellence.

In RFPs, the Government often requests that subcontractors provide cost & pricing data at the same level as the prime contractor in their sealed packages (even when the subcontractors are T&M, FFP LOE or Labor Hour), meaning the subcontractors must show a complete or partial cost build-up. When the Government requests sealed packages for subcontractors, prime contractors are required to perform the price analysis on the subcontractor unsealed packages. However, the Government receives the subcontractor's sealed packages and the prime contractor submits the sanitized versions incorporated into their pricing—the two versions—sanitized and sealed pricing from the subcontractors - need to match and the cost & price support from the subcontractor for the cost & price they offered to the prime contractor must be supported in accordance with the requirements of the government solicitation.

The Government's requirements for subcontractor sealed packages can be very detailed (three years of historical indirect data, support for direct labor, escalation, fee, hours bid/BOEs, BOMs, etc.) or minimal (current indirect rates, support for direct labor, escalation, fee, hours bid, etc.) or very minimal (supported with past invoices or existing published rates on contract vehicles). A Third-Party Audit helps catch areas of noncompliance, incorrect calculations, and lack of supporting backup. A Third-Party Audit also catches subcontractors that forgot to tell their prime contractor that they are offering a commercial item (the subcontractor has no backup for their pricing except for past prices paid—invoices). The Third-Party Audit makes sure the prime contractor is aware in the event a commercial item subcontractor puts the bid in jeopardy with the end client (i.e., the end Government client does not consider a commercial item relevant—meaning this is really an item only the Government procures—this

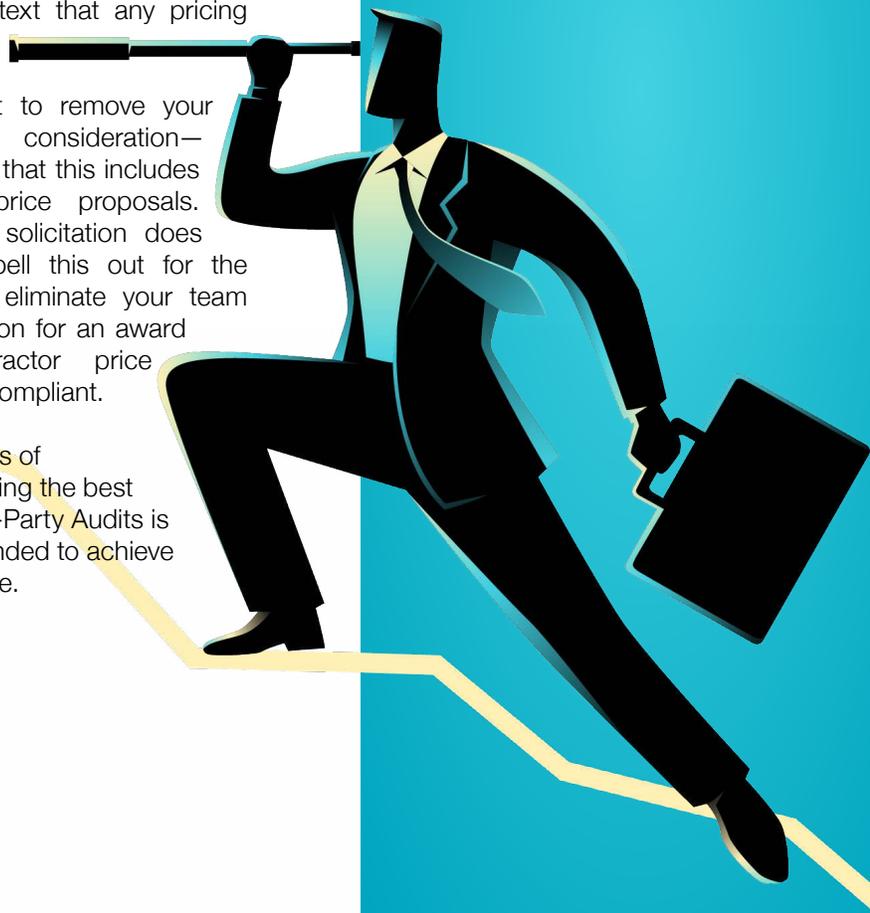
is especially true for work requiring clearances).

Cost & Pricing data is highly proprietary, so your subcontractors rightfully so do not want to share that with their prime contractors, therefore using an independent Third-Party Auditor allows us to help them and report to the prime contractor on compliance. If subcontractors do want to share their proprietary data, often the prime contractor's internal pricing staff are spread thin with their own work on the proposals they are supporting and cannot answer endless questions from multiple subcontractors while they are trying to finish the prime contractor proposal which incorporates all the data from the subcontractors.

Any proposal response with subcontractors does put the burden on the prime contractor to ensure that the entire proposal submission—both the prime contractor and their subcontractors'—is compliant. You will see language in solicitations clearly stating in bold text that any pricing noncompliance is cause for the Government to remove your proposal from consideration—and you will see that this includes subcontractor price proposals. But again, the solicitation does not need to spell this out for the Government to eliminate your team from consideration for an award if a subcontractor price proposal is noncompliant.

So, in these times of uncertainty, utilizing the best practice of Third-Party Audits is highly recommended to achieve pricing excellence.

A Third-Party Auditor will drive to compliance, doing what it takes to educate and provide examples to your subcontractors, so that your subcontractors can see what a compliant, well written and well supported cost/price volume looks like—they can see pricing excellence.





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WORKING WITH DIFFERENT CONTRACTORS REQUIRES DIFFERENT SKILLSETS



The Defense industry is unique in many ways, including the fact that traditional Defense companies operate differently than commercial companies. These differences can be seen in everything from the way that companies develop their products, the financial subsidies they receive from the Government, how or if they invest their own capital to develop products, and ultimately how they handle pricing and risk.

One of our country's most recognized experts in Defense procurement, acquisition, policy making, and the differences between traditional defense contractors and non-traditional contractors (commercial contractors) is Shay Assad.

Mr. Assad was a recent guest on the Speed to Contract

/ Speed to Market podcast and showcased his vast experience from the contractor's point of view as well as government agencies. And he outlined the different skillsets that are required to work effectively with these different types of contractors.

He has a unique breadth of executive experience spanning over 45 years in the defense and commercial industrial sectors as well as the government sector.

Among his Government roles, he served as the Director of Defense and Acquisition Policy (DPAP) and as the Director of Defense Pricing, being responsible for contract pricing matters within the Department of Defense (DoD). He served as the Principal Advisor, the Undersecretary of

Defense for Acquisition Technology and Logistics, and the Defense Acquisition Board on Acquisition and Procurement Negotiation Strategies for all major weapons systems, programs, and major automated information systems programs.

Prior to that, Mr. Assad served in a variety of executive positions at Raytheon to include Senior Vice President, Contracts and as an Executive Vice President and Chairman and CEO of Raytheon's engineering and construction businesses with 11 offices worldwide and revenues of 2.7 billion and 15,000 employees.

LOOKING AT THE ISSUES THROUGH 3 DIFFERENT PRISMS

Mr. Assad's following insights are several of the key points he made during his Speed to Contract / Speed to Market interview.

"I think when you look at speed to contract, you have to look at it through several different prisms. One is the 'traditional', what I call traditional procurement, the existing weapons systems, the existing military items that we're buying today in the environment of dealing with traditional Defense companies.

The second, which is extremely important and has been for several years, is how do we bring a commercial innovative environment into our defense work. How do we get that brought to the table in a big way? And the third is what I'll call very traditional commercial companies. We're buying the same products that folks buy every day from these commercial vendors. And really, all three are totally different. You have to have three different totally different views, and you have to have different skill sets to deal in those three environments."

DON'T OPERATE IN ALL 3 ENVIRONMENTS WITH THE SAME RULE SET

"And I think that the most important thing in terms of speed to contract, I used to call it deliberate speed, right? And that means that you can in fact take risk. Taking risk is not something that we should avoid, but it's deliberately thought out. It's not just, I'm going to decide I did it because it would just make things go faster. It's, I had a plan. I executed that plan, and yes, I took some risk. Why I took the risk. And here's the benefit that the taxpayers and the war fighters got for it. If you can operate in that environment, you can be very successful. The problem that we have is that we're

trying to deal with all three of those environments with the same rule set. It's not going to work."

DEFENSE COMPANIES OPERATE DIFFERENTLY THAN COMMERCIAL COMPANIES

"It's just not going to work. And I think the department is kidding itself if it thinks that it's going to be able to get commercial innovative technologies brought to bear by significant commercial companies, when we try to apply the same set of rules that are applied to the defense industry. The defense industry for a variety of reasons is the beneficiary of a number of different policies that some would say are subsidies, financially that commercial companies just don't take advantage of. They can't take advantage of it because they're not in that environment. The risk posture of a commercial company is completely different than the risk posture in a defense company. And a lot of people think that there's significant difference between the accounting practices of commercial companies versus the accounting practices of a defense contractor.

But the reality of life is many of the accounting practices are very similar."

"It's just the manner in which those companies decide to proceed with business. In the case of defense industry for the traditional defense company, they want a contract in hand and funding in hand, and then they'll build to whatever that contract tells them to build. Whereas in a commercial environment, they're really building to a forecasted risk-based revenue projection. And that's a totally different animal than what the defense companies deal with. But if we're under some kind of an assumption that commercial companies don't understand what things cost, that's a fool's paradise.



It's different. They collect their costs a little bit differently, but in many ways it's the same on the commercial side, which is strictly, I'm going to buy a commercial item that everybody else buys.

That's the simplest thing for us to deal with. We've got either pricing information that says, this is what a variety of different buyers pay for that item. And in general, the department's position has always been, we're going to pay what a variety of customers pay for any particular item. If it's competition, totally different, where I see the speed can come in, let's first talk about the traditional environment.

One of the main ways that defense companies differ from commercial companies is in the way that they develop their systems. While commercial companies may focus on developing products that are designed to be sold to a wide range of customers, defense companies often develop systems that are customized to meet the specific needs of the military."

PROPRICER DEVELOPED A COMMERCIAL SYSTEM THAT IS USED IN DEFENSE

One example of a company that has developed a commercial system that is used in the defense industry is ProPricer. This software is designed to help companies manage their pricing and cost estimating processes, which can be particularly useful in the defense industry where accurate pricing is critical.

What I'm suggesting is that we shouldn't force companies to translate their data into some format that the Government will accept. But there are certain fundamental elements of costs that can be identified. Like costs for material, overhead, G&A or direct engineering labor.

Companies like ProPricer and others that can provide systems, or the companies themselves, any particular company that can simply say, 'I'm going to be able to extract that information from my accounting records and present it to you.

Then you can say, this was what we proposed, this was the expected result, which is what we negotiated, and here's the actual result, and is there a correlation between the two? And where I think the Government should go, is establishing if there's a high degree of correlation. Let's ask the companies, not the Government, to demonstrate to the Government that they can develop an estimating model which has as its foundation, the disclosure of factual, actual costs. That states, if you use my model, you put these actual inputs in it, and the assumption is that we have so much indirect or so much variable and fixed cost, and we're going to go down a learning curve—and here's how it's going to impact those things and here's the number. And at the end

of the day, I think companies ought to be able to say is if you use my model, here's what we negotiated for the fiscal year.

THE NEED FOR PRIMES AND SUBS TO PRESENT A MODEL FOR DATA CORRELATION

In addition to developing their own systems, defense companies often work with subcontractors and other companies to develop their products. In these cases, it is important for prime contractors and subs to present a pricing model that creates data correlation. This means that the pricing model should be based on accurate data and should be able to be replicated across different projects.

An estimating model should also demonstrate an actual costs foundation. This means that the model should be based on real-world data rather than just estimates or assumptions.

Another way that the defense industry differs from the commercial world is in the way that non-traditional companies are dealt with. Non-traditional companies are those that do not have a background in the defense industry but may provide solutions that could be useful to the military. When these companies submit proposals, they need to be evaluated differently than traditional defense companies to account for the completely different business risk posture and the innovation and speed to practical application that commercial companies can bring technology to the Department of Defense.

Finally, it is worth noting that defense companies receive enormous cash flow subsidies in the form of cost type contract reimbursement, progress payments, and unaudited performance based payments. In addition, defense companies take very little or no financial risk when developing products for the military as the Government essentially makes the entire investment from R&D to end-user.

When comparing defense companies and high-technology commercial companies the playfield is completely uneven. Unless or until those playing field, inequities are addressed in an equitable way, the thought of getting meaningful high-technology companies to participate in the Defense sector is not realistic.



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TRUST FOSTERS A PRODUCTIVE AND COLLABORATIVE WORK ENVIRONMENT



When employees feel that their leaders trust them and value their contributions, they are more likely to be motivated and engaged in their work. They are also more likely to take risks and to share their ideas and insights

with others, which can lead to innovation and improved outcomes.

On the other hand, leaders who adopt a culture of recrimination, where blame and criticism are the norm, can create a toxic work environment that stifles creativity and innovation. When employees feel that their leaders are constantly looking for ways to find fault and assign blame, they are less likely to take risks or to share their ideas with others. This can lead to a culture of fear and defensiveness, where employees are more concerned with protecting themselves than with contributing to the success of the organization.

A leader who created a trusting, productive and collaborative work environment is Soraya Correa, a former Homeland Security Chief Procurement Officer, and Senior Procurement Executive. Soraya was recently interviewed on the Speed to Contract / Speed to Market podcast and shared this about how she built trust within her team.

"If they succeed, they get all the awards and all of the accolades. But if they fail, I own that, Soraya Correa, not anyone else. I will stand and take the hit for them. And I will make sure that people understand what they did, why they did it, and what the learning was that came from it."

Soraya Correa served as the department Homeland

Security Chief Procurement Officer and Senior Procurement Executive, whereby she was responsible for the implementation of acquisition policies, regulations, and standards of the agency. Her work included direct oversight of all procurement operations, including the work of over 1500 procurement professionals assigned to the 10 heads of contracting activities that provided contracting services to DHS components, organizations, and offices. Under her watch. The DHS procurement portfolio exceeded 25 billion per year and consisted of the acquisition of the necessary spectrum of services and products. Soraya is a recognized transformational leader who designed several groundbreaking programs, including the Procurement Innovation Lab (PIL) at DHS that was adopted by other federal agencies to improve business processes.

THE PROCUREMENT INNOVATION LAB—CREATED TO SOLVE PROBLEMS

The Procurement Innovation Lab (PIL) is a groundbreaking program that was created to address some of the most pressing challenges faced by the Department of Homeland Security (DHS) in its procurement processes. The program was designed to foster innovation, experimentation, and collaboration within the DHS procurement community, with the aim of improving business processes and delivering better outcomes for the agency.

As mentioned, Ms. Correa is credited with founding The Procurement Innovation Lab. She explained how it started, *"I went to my policy shop, and said, 'Here's what I want to do. I want to create a safe space for people to bring me their very good ideas. I'm talking about the people that bang on the keyboard, the contracting officer, the contract*

specialists, not their bosses. I want them to bring me any good ideas they have on how we can do our work better. What are the steps that we can cut down on? How can we be more efficient, more practical, and more innovative in how we buy? And I want us to take a look at their ideas, make sure that there are no problems with those ideas, that they're not violating any regulations, because we have to stay within the four corners of the law. And then let's cultivate that idea. We're going to call this thing some kind of innovation hub.' They came up with the name Procurement Innovation Lab or PIL."

One of the key features of the PIL is its focus on problem-solving. The program encourages procurement professionals to identify and tackle the most critical challenges facing the agency, and to develop innovative solutions that can be applied across the organization. By taking a collaborative and experimental approach, the PIL has helped DHS procurement professionals to think creatively about their work and to develop new and more effective ways of delivering value to the agency.

GOOD LEADERSHIP RELATIONSHIPS HELPED AFTER HURRICANE MARIA

The response to Hurricane Maria in Puerto Rico provides a powerful case study in leadership relationships.

Here is how Ms. Correa unpacked the value of trust and solid relationships in an emergency situation. "I went down to Puerto Rico to support, we were successful in many areas, despite what others might think, we were successful in all these areas because I was able to quickly assemble teams to solve problems. I was able to pick up a phone and call my CFO, my CIO, the Chief Readiness Support Officer, the Chief Security Officer, and say, 'we have a problem. Here's what I'm trying to do. Where is your play in this? Does this affect you? How can I help you? What do you need from me?' My point is if you really understand those around you, and you've built those relationships, you can move quickly in an emergency."

These examples demonstrate the importance of leadership relationships in times of crisis. By building trust, communicating effectively, and collaborating with others, leaders can overcome challenges and achieve better outcomes for the people they serve.

DIVERSITY INCLUDES DIFFERENT WAYS OF THINKING-SEEING-PERCEIVING PROBLEMS

Diversity is often thought of in terms of demographic characteristics such as race, gender, and ethnicity. However, true diversity goes beyond these surface-level differences to encompass a range of perspectives, experiences, and ways of thinking.

Soraya explained her view on team diversity this way, "When we talk about the diversity of the team, it's about the diversity of the disciplines that they represent. But it's also the diversity of the cultures. Because it's not just that people come from different areas, business areas, but it's also different ways of thinking and seeing and perceiving problems. The different experiences that we've had, the experiences that I've had as a female growing up 40 years in government, it is very different from the experience of a female 40 years growing up in industry. As a minority, as a white person, as an Indian, somebody who studied abroad and perhaps worked abroad initially. My point is that diversity has to go across everything because sometimes we focus on the diversity of disciplines and not the diversity of the people's thinking."

In the context of problem-solving, diversity is particularly valuable because it enables individuals to approach problems from different angles and to identify solutions that might not be apparent to others. By embracing diversity of thought, organizations can tap into a wider range of perspectives and insights, which can lead to more innovative and effective solutions.



To listen to the complete Speed to Contract / Speed to Market podcast interview with Soraya Correa, please scan the code.





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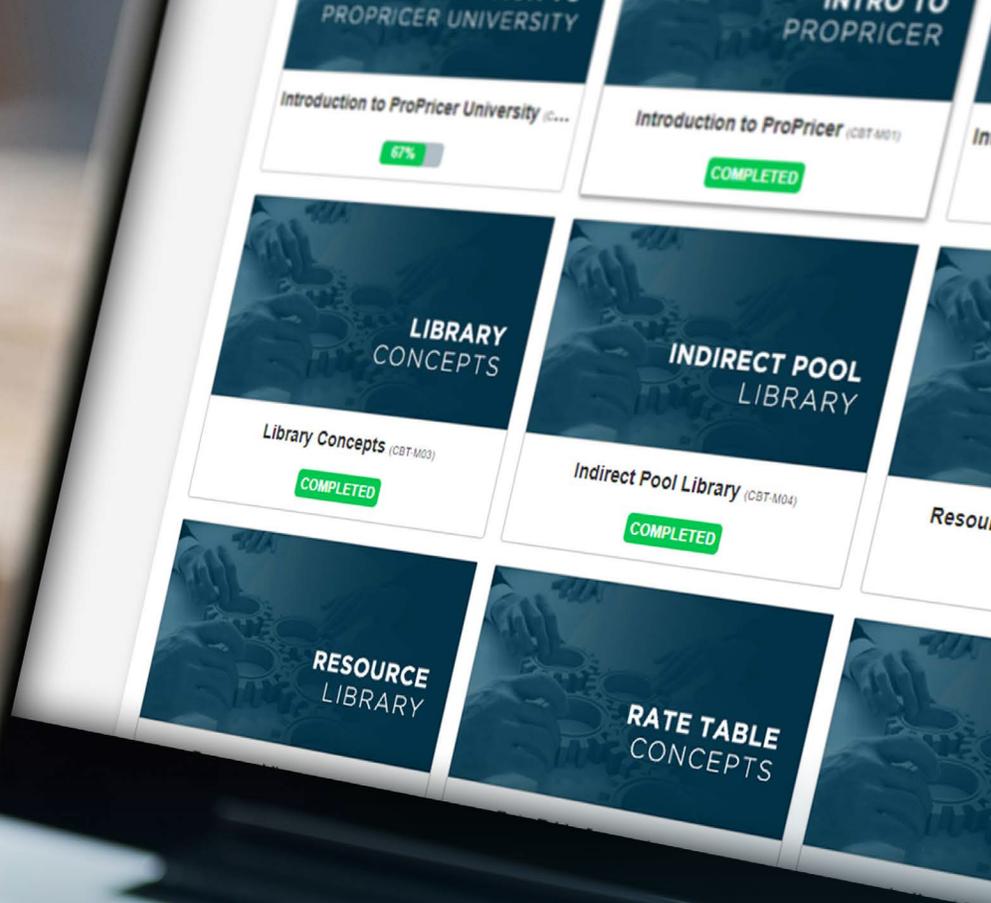
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In a recent interview on the Speed to Contract / Speed to Market podcast, Michael Weaver, the director of corporate strategy at ProPricer discussed why ProPricer's technology and products significantly increase speed to contract / speed to market for government agencies and contractors, to better arm our warfighters.

PROPRICER REDUCES 7 TO 8 WEEKS OF WORK TO 30 SECONDS

Weaver shared, "When we're sitting in the room with government agency managers we ask, 'When you get a new proposal that's submitted to you by a contractor, how do you review it? Are you clicking into a new Excel workbook and then looking at that contractor's workbook, and then trying to recreate that data cell by cell and trying to see if you can come up with the same number, to verify that the formulas are correct or that you've captured everything correctly?'

That process of the re-creation of the proposal submittal process, is really not about evaluating the proposal. It's about double checking and verifying the Excel file. It's not about verifying that any of those numbers are correct. When I ask this question, 'Is that what you do?' They almost always say yes. Then I follow up immediately with, 'How long does that take you? Is that a seven-to-eight-week process?' The absolute answer is always, 'Yes, it takes us seven to eight weeks.'

When you get that proposal file from the contractor, the ProPricer user, and you restore it in the ProPricer government addition, you're talking about 30 seconds. You're able to convert seven to eight weeks of time down to 30 seconds of time. That savings of time gives teams the ability to be much more productive."

The incredible time-saving features of ProPricer described above is for one proposal example. Consider if you multiply that savings of time over every proposal developed and

submitted over the course of a year within the defense and aerospace industry, the speed to contract and speed to market to better support our warfighters would exponentially increase.

MASSIVE TIME SAVINGS WHEN BOTH PARTIES USE PROPRICER

Weaver emphasized, *“When both the contractor and the government agency use ProPricer, there is a massive time-saving benefit. The software eliminates the need for back-and-forth communication and manual adjustments, allowing both parties to generate and review estimates quickly and accurately. This streamlined process speeds up the contracting process, reducing the time it takes to finalize a deal and complete a project.”*

EXAMPLE OF A COMPANY’S 12 MILLION DOLLAR ERROR—THEY HAD TO EAT

Before using ProPricer, one customer learned the hard way about the importance of accurate pricing estimates for government contracts. Weaver shared how this played out, *“This happened to a client that we had modeled some data for as part of their discovery process to decide if they should come on board with us. We were demonstrating all the different features of ProPricer, how we can get their data to quickly tie out. There was one section on a WBS where we said, ‘We can’t get ProPricer to match to your number. We’re off by about \$12 million.’ As they carefully studied their Excel sheet, they realized they had made a formula error in the Excel file that caused them to submit a proposal with an error that totaled approximately \$12 million, a cost they had to eat. That was a proposal that they had submitted and unfortunately won.*

That initial discovery and due diligence conversation with them immediately showed the benefit of using an application like ProPricer. It was a \$12 million lesson of why they needed better technology and tools. They came on board shortly thereafter.

Moving data from one disparate system to another is a breeding ground for errors. The risk of human error is high when manually transferring data, which can lead to inaccurate pricing estimates and compliance issues. ProPricer’s software eliminates that risk by automating the data transfer process and ensuring accurate, compliant pricing estimates.”

WHY THE TOP 10 PRIMES MOVED FROM HOMEGROWN TOOLS TO PROPRICER

ProPricer has become the industry standard pricing software, with the top 10 prime defense contractors and government agencies using it to generate accurate pricing estimates. These companies have abandoned their homegrown tools and turned to ProPricer’s reliable and effective software.

Weaver unpacked how this happened with the large contractors. *“Besides Excel worksheets, the other competitor we have is the homegrown tool or internal legacy software system. That’s where a large contractor has a team of people that have defined exactly how they build their contract responses, all of their special pricing details that they do and their competitive advantage that may set them apart. They build a software application that goes into production and gets used for X number of years. Eventually, like all software, it reaches an end of life.*

One of the things that’s going on right now is, especially with how fast technology is moving, is most of these larger enterprises are undergoing what’s called a digital transformation. That’s a buzzword that you hear everywhere right now. It means to align their IT resources to better help facilitate factory floor, or just in time procurement and delivery of items and keep all of their suppliers and vendors sending them the parts that are needed, on schedule.

They want to realign their internal IT assets to those environments, rather than creating a new software tool to make those decisions, they find there’s a generic proposal pricing software tool that exists on the market that their competitors are using.

The Excel workbook can be prone to errors. The homegrown



tool reaches its end of life. With a homegrown tool like a legacy software application, they then have to ask themselves, 'Do we go and rebuild it, or do we buy a proven software application that everyone else is using?'

That's why 10 of the top 10 government contractors are using ProPricer. We currently serve over 50% of the top 100 contractors in our industry and that number is growing. ProPricer has become the de facto industry standard."

BOE PRO IS PROPRICER'S LATEST PRODUCT THAT SAVES TIME AND MONEY

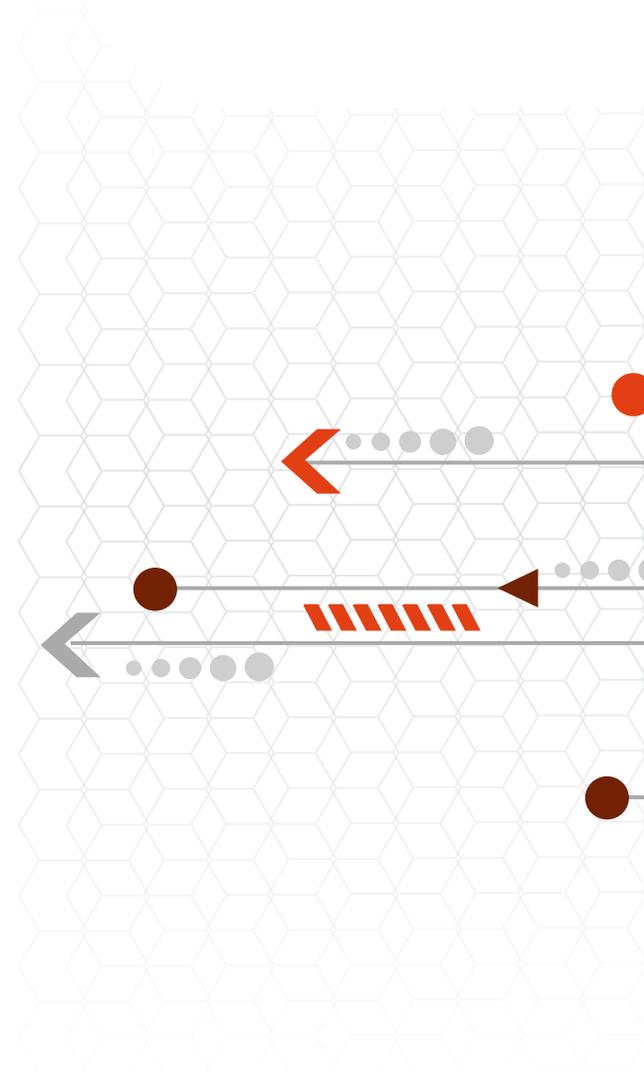
ProPricer's latest product, BOE Pro, is a game-changer in the government contracting industry. BOE Pro is a cloud-based tool that enables businesses to easily create and submit compliant and accurate Basis of Estimates (BOEs). With BOE Pro, businesses can save time and money while ensuring compliance with government regulations and instant access to previous estimates.

Weaver enthusiastically explained the software's benefits, "This is a web-based application where you have the capability to create a BOE template that exactly mirrors how your subject matter experts currently do their job. It's not about them learning a new software application. It's about them having a template that lays out your methodology and your rationale, your estimating method, your calculation, all of your justification pieces in the same exact format that they are used to, and then ProPricer has the capability to read through that text and generate the calculation, the price piece to eliminate that capture process.

Depending on the size of your contract, that's another 3 to 7 weeks of time savings. You don't have to spend the time to read through all of those disparate BOEs, trying to put them together and find those total values and then get them to the price data.

You think about the impact that has, not just the capture piece of it, but the impact that it has on the rest of the process. Because when you spend 3 to 7 weeks trying to take that data from one system and configure it and price it up to get it into another, the pricing teams don't spend that time to make sure the numbers are right, not only for their internal process, whether it's peer review or management review, but all those areas where they have to go back and double check those inputs."

When it comes to speed to contract / speed to market, utilizing the right technology and the right tools definitely matters.

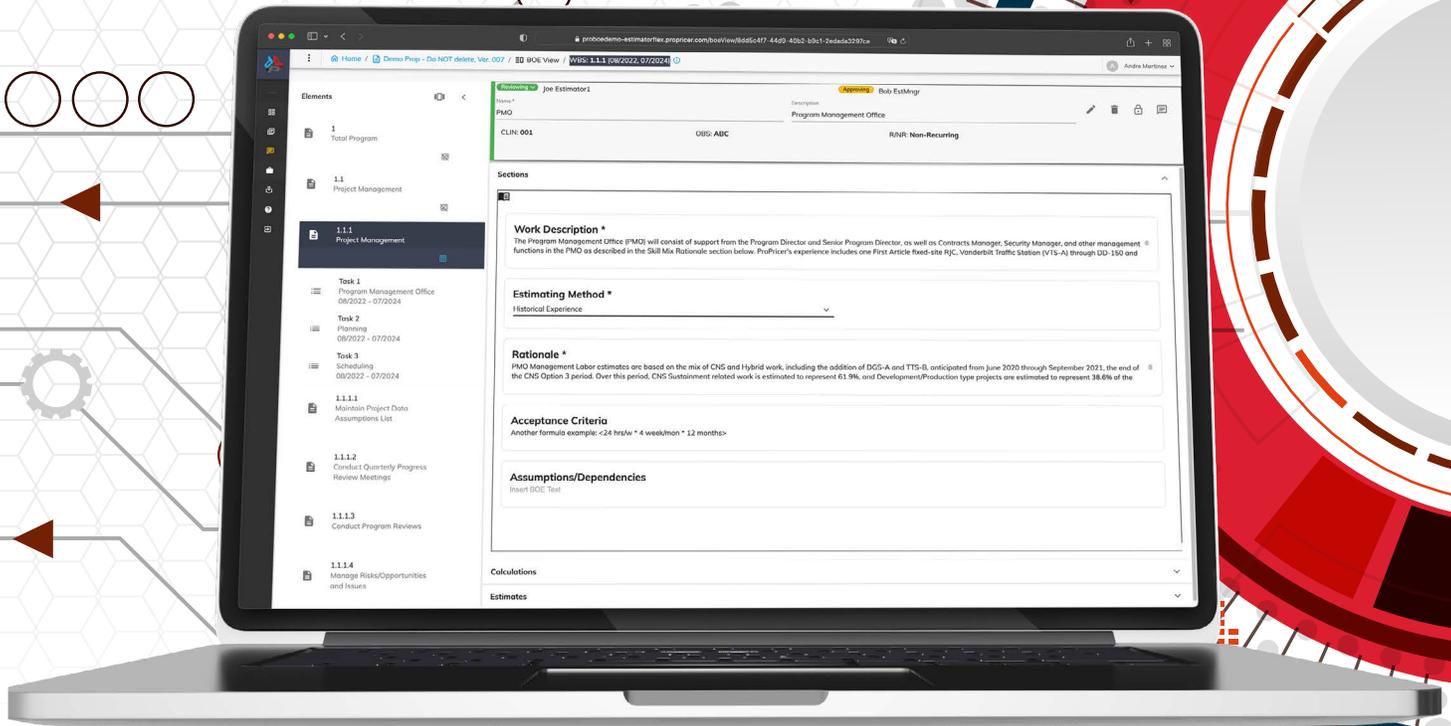


BOE Pro

TAKE YOUR PROPOSAL TO THE NEXT LEVEL

BOE Pro is a simple, web-based solution that ties text based estimate narratives to your pricing data in ProPricer. It saves time for your teams, creates visibility into pricing methodologies, and reduces risk from data silos and inaccurate data.

[Learn More](#)



Achieving pricing excellence during uncertain times

Dear Reader,

As the Vice President of Corporate Communications for the Government Contract Pricing Summit, I am thrilled to announce the wonderful content being prepared for our upcoming summit event held every June. The summit will bring together industry leaders, government officials, and experts in contract pricing to share knowledge and discuss best practices.

This year's summit will be filled with valuable content, including keynote speeches, panel discussions, and workshops that will cover a wide range of topics related to government contract pricing. Attendees will have the opportunity to learn from some of the brightest minds in the industry, and to share their own experiences and perspectives.

Beyond the educational value, the summit will provide an unparalleled opportunity for attendees to network and connect with other members of the community. Many attendees will take advantage of this chance to forge new relationships and strengthen existing ones, which will undoubtedly prove invaluable in the years to come.

As we look forward to the future, we will already be planning for the next Government Contract Pricing Summit. We hope that all attendees from this year's event will make plans to join us again next year, and we encourage them to invite their colleagues and team members to join them. The more voices we have at the table, the richer and more diverse our discussions will be.

Thank you to all of the attendees, speakers, and sponsors for participating in this year's summit to insure a resounding success. We will look forward to seeing you all again soon.



Ken Silver

VP Corporate Communications, ProPricer LLC.



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951-693-0440

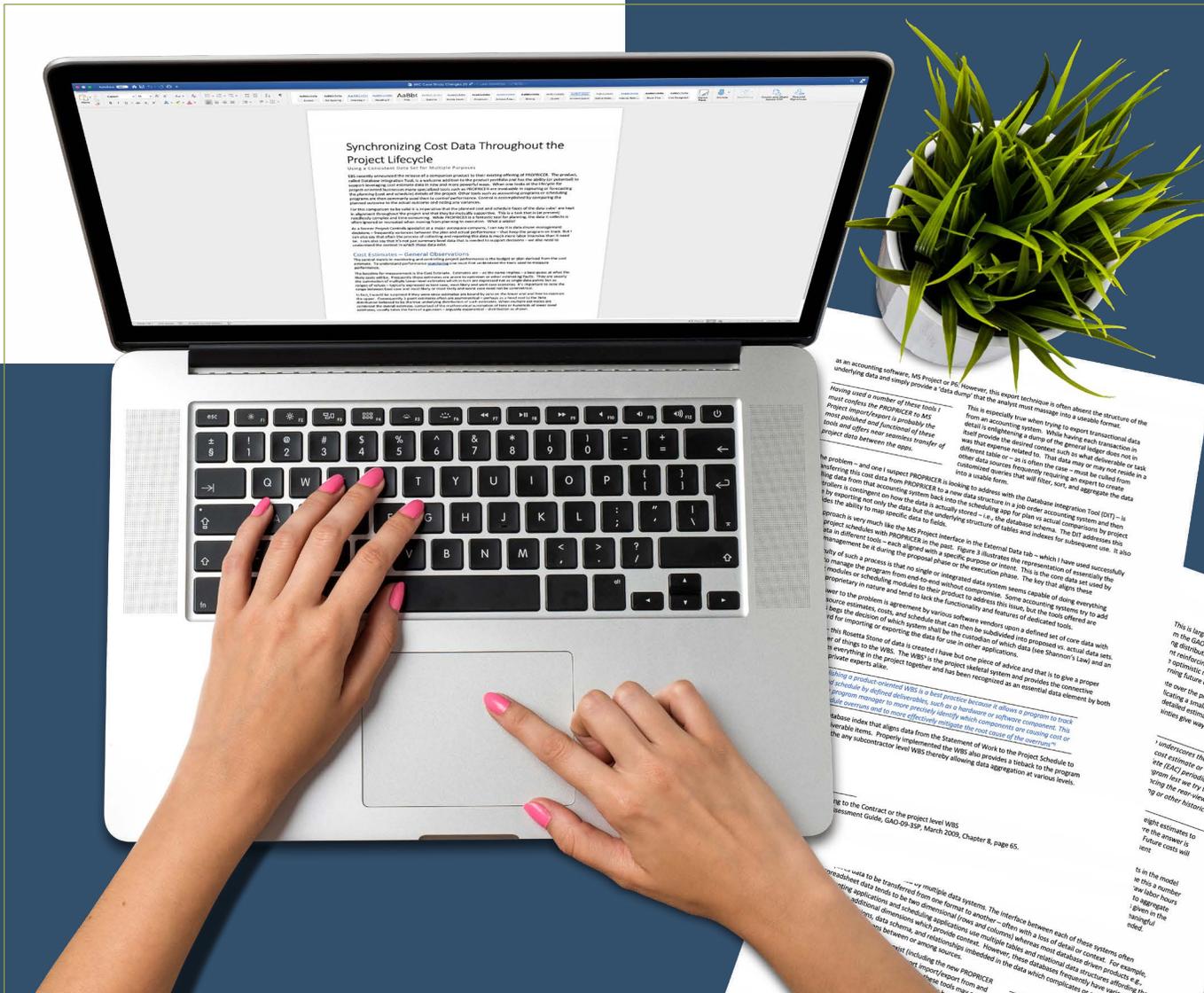
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Future Issues of Pricing Magazine for 2023

• October 2023



Synchronizing Cost Data Throughout the Project Lifecycle

Using a Connected Data Set for Multiple Purposes

Cost data is a critical component of project pricing and is often used for multiple purposes. This article discusses the challenges of using cost data for multiple purposes and provides a framework for addressing these challenges. The article is divided into three main sections: Cost Estimation - General Observations, Cost Estimation - Specific Observations, and Cost Estimation - Best Practices. The article is intended for project pricing professionals and is a valuable resource for anyone involved in project pricing.

Cost Estimation - General Observations

Cost estimation is a complex process that involves a number of factors, including project scope, project complexity, and project risk. The article discusses the challenges of cost estimation and provides a framework for addressing these challenges. The article is divided into three main sections: Cost Estimation - General Observations, Cost Estimation - Specific Observations, and Cost Estimation - Best Practices. The article is intended for project pricing professionals and is a valuable resource for anyone involved in project pricing.

in an accounting software, MS Project or Primavera, this report technique is often absent the structure of the underlying data and simply provide a "data dump" that the analyst must massage into a useable format.

Having used a number of these tools I must confess the PROPRICER to MS Project export is probably the most polished and functional of these tools and offers near seamless transfer of project data between the apps.

The problem - and one I suspect PROPRICER is looking to address with the Database Integration Tool (DIT) - is that by exporting cost data from PROPRICER to a new data structure in a job order accounting system and then trying to import that data into the scheduling system for plan vs actual comparison by project is often a very difficult task. The DIT addresses this by providing a way to export cost data from PROPRICER to a new data structure in a job order accounting system and then import that data into the scheduling system for plan vs actual comparison by project.

It is especially true when trying to export transactional data from an accounting system. While having each transaction in itself provide the desired context such as what deliverable or task different tasks are - as is often the case - must be pulled from a customer source frequently requiring an expert to create custom queries that will filter, sort, and aggregate the data into a usable form.

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is a large distribution of costs over the project lifecycle. This is a key factor in determining the project's profitability and is a key factor in determining the project's risk. The article discusses the challenges of cost estimation and provides a framework for addressing these challenges. The article is divided into three main sections: Cost Estimation - General Observations, Cost Estimation - Specific Observations, and Cost Estimation - Best Practices. The article is intended for project pricing professionals and is a valuable resource for anyone involved in project pricing.



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