



**Improving Small  
Business Opportunities  
to Create Cost  
Management and  
Control**

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## OUTLINE

- **Introduction**
- **Part 1 - Value of Small Businesses to DoD PMs**
- **Part 2 - Challenge: How PMs/PEOs can Increase Small Business Participation**
- **Part 3 - Small Business Initiatives for PMs**

# **Part 1 - Value of Small Businesses to DoD Program Managers**

## Why is Small Business Important?

- **Small Business is Important to “Our” Business**
- **Success of Small Business in DoD is in Your Hands**
  - Leaders of the DoD Acquisition Community
  - Only You Can Make a Real Difference
- **Small Business is an AT&L Priority**

## **Value of Small Businesses to DoD Program Managers**

### **Myths**

- Small Businesses Can't Do the Work**
- Don't Have Enough Resources or Personnel**
- Small Businesses Aren't Innovative**
- Small Businesses Cost Too Much – Cost More Than Large Ones**
- Small Businesses Can't Meet Schedules or Milestones**
- Small Businesses Increase Risk**

## **Part 2 – “How-to”**

## **How PMs/PEOs Can Increase Small Business Participation**

- 1. Use Your Small Business Specialist**
- 2. Leverage Small Business Program Advantages**
- 3. Minimize Risk Through Market Research**
- 4. Be Proactive in Finding Prime and Subcontracting Opportunities**

## **Acquisition Planning**

“Acquisition planning means the process by which the efforts of all personnel responsible for an acquisition are coordinated and integrated through a comprehensive plan for fulfilling the agency need in a timely manner and at a reasonable cost. It includes developing the overall strategy for managing the acquisition.” (FAR 2.101)

## Use Your Small Business Specialist

- **Experts on Small Business Matters**
  - Small Business Laws, Regulations, Programs
  - Small Business Industrial Base
  - Small Business Subcontracting
- **Small Business Factors in Source Selection**
  - Develop Criteria
  - Assist in Evaluation
- **Responsible for Reviewing Every Procurement Action**
  - Assist With Acquisition Plans
- **Assist in Preparing for Milestone Reviews**
  - Technology Development Strategy
  - Acquisition Strategy
- **Independent of Contracting Organization**

## **Leverage Small Business Programs**

- **Small Business Advantages**

- **Favorable Contracting Procedures, including Sole Source Authority**
- **Set-Aside Funding: SBIR, STTR, MPP, IIP**
- **Agility, Flexibility**
- **Innovation**

**Some Limitations: Can't Do Some Things That Large Businesses Can Do (Large Systems); More Sensitive to Cash Flow Issues**

## Leverage Small Business Programs - SBIR

- **\$1.4B for Innovative R&D Using a Small Business**
  - **\$1.2M Typical per Requirement**
  - **Greater Amounts Available with Matched Funding**
- **3 Solicitations Each Year**
- **Accelerate by Leveraging a Phase II Technology**
  - **Direct Phase II Contract**
- **Sole Source Authority for Phase III**
- **Support to a Program of Record is Preferred**

## **Minimize Risk Through Market Research**

- **Market Research - collecting and analyzing information about capabilities with the market to satisfy agency needs. (FAR 2.101)**
- **Acquisition Team Effort and Not One Individual's Responsibility**

## **Minimize Risk Through Market Research**

- **Conferences**
- **Focused Outreach Events**
- **Industry Days/open houses/vendor/trade fairs**
- **Pre-proposal conferences/pre-solicitation conferences**
- **Request For Information (RFIs), Sources Sought Notices**
- **Issue draft Request For Proposals (RFPs)**
- **Arrange for site visits**

## **Finding Small Business Opportunities**

- **Find Small Business Prime and Subcontracting Opportunities**
- **Engage Your Small Business Specialist**
- **Participate in Vendor Days**
- **Meet With Small Businesses to Learn Their Capabilities**
- **Use Small Business for Program Office Support**
- **Consider: Break-out Strategy – Identify Parts of System Suitable for Small Business – When It Makes Sense to Add Value**

## **Part 3 - Small Business Initiatives for PMs**

## **Small Business Initiatives for PMs**

- **Review of Technology Development Strategy (TDS)/ Acquisition Strategy (AS) by OSBP**
  - Address All Small Business Requirements in DoDI 5000.02 and Defense Acquisition Guidebook (DAG)
- **OSBP Included in Peer Review Process**
- **AT&L Better Buying Power**
  - Evaluation of SB Subcontracting Plans
  - Evaluation of Past Performance in SB Subcontracting
  - Fee Construct
  - Increase Service Contracts to SB (Multiple Award/IDIQ)
- **SB CLM for PM Certification**
- **Rapid Innovation Fund**

## What Can You Do

- **Make Small Business a Priority WHENEVER**
  - **Procurement Action is Discussed**
    - Future Contracts
    - Existing Contracts
  - **Technical Solutions are Required**
    - Small Business Innovation Research
    - Small Business Technology Transfer

**Small Business Specialist - Procurement Actions**  
**SBIR Manager – Technology Strategy**

DEPARTMENT OF DEFENSE

**OSBP**

OFFICE OF SMALL BUSINESS PROGRAMS

**Use Your Small Business Specialist**

**QUESTIONS?**

DEPARTMENT OF DEFENSE

**OSBP**

OFFICE OF SMALL BUSINESS PROGRAMS

**END**