

## Why businesses need consulting services for Government procurement opportunities

### A Daunting Experience

Are you preparing your business to bid on government contracts, or have you previously failed on winning such contracts? Bidding with the federal government is an entirely different animal than working business-to-business (B2B) or business-to-consumer (B2C). Even if you have decades of small business experience, government contracts are notoriously challenging due to their complex nature and stringent requirements.

The procurement process involves navigating a maze of regulations, strict compliance standards, and detailed documentation. Companies must ensure they meet precise specifications and timelines, which often demand substantial upfront investment in time and resources. Additionally, the competitive bidding environment can be fierce, with numerous established contractors vying for the same opportunities. Beyond competing against companies with past performance in government contracting, some contracts are selected based on the lowest price technically acceptable (LPTA). That means that the government will choose the lowest priced proposal that meets all technical requirements. Despite these challenges, securing a government contract can be highly rewarding, offering stable and significant revenue streams for those who successfully navigate the process.

### Small Business Possibilities

The opportunities for small business are prevalent and you do not want to miss any chances. Before a government solicitation is released, the contract officer determines if it will be a small business set-aside. A small business set-aside is a contract that is set-aside for competition between small businesses. On the importance of small businesses, President Biden stated: “Just imagine if, instead of denying millions of entrepreneurs the ability to access capital and contracting, we made it possible to take their dreams to the marketplace to create jobs and invest in our communities.”<sup>1</sup> Government contracts are different than your normal business operations. As we will discuss later in this article, it is black and white operations for fixed price contracts, which is the type of contacts that most small businesses deal with.

Government procurement opportunities will not decrease anytime soon. In 2023, the US government set a record for awarding over 28% of eligible federal contract dollars to small businesses! You can see the table below, showing this increase.<sup>2</sup>

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<sup>1</sup> U.S. Small Business Administration, “SBA Releases FY 2020 Disaggregated Contracting Data,” 1 Dec 2021, <https://www.sba.gov/blog/sba-releases-fy-2020-disaggregated-contracting-data>.

<sup>2</sup> Miller, Jason, “Agencies set records for small business contracting in 2023,” 29 Apr 2024, <https://federalnewsnetwork.com/contractsawards/2024/04/agencies-set-records-for-small-business-contra>

Category	Goal	2021		2022		2023	
		\$(B)	%	\$(B)	%	\$(B)	%
<b>Small Business</b>	26.02%	\$154.2	27.23%	\$162.9	26.50%	\$178.6	28.35%
<b>Small Disadvantaged Business</b>	10.54%	\$62.4	11.01%	\$69.9	11.38%	\$76.2	12.10%
<b>Service-Disabled Veteran Owned Small Business</b>	4.28%	\$25.0	4.41%	\$28.1	4.57%	\$31.9	5.07%
<b>Women-Owned Small Business</b>	4.85%	\$26.2	4.63%	\$28.1	4.57%	\$30.9	4.91%
<b>HUBZone</b>	2.44%	\$14.3	2.53%	\$16.3	2.65%	\$17.5	2.78%

## Sorting the Abundant Opportunities

While there are abundant opportunities in government contracts, the challenge lies in managing the sheer volume of solicitations. It can feel overwhelming to sift through numerous postings and identify the ones that best align with your business. Effective monitoring of government solicitations is essential for discovering the right opportunities. This process involves diligently tracking various government databases, such as the System for Award Management (SAM). By keeping a close eye on these platforms, businesses can identify relevant procurement notices, requests for proposals, and contract awards. This vigilant approach ensures they stay updated on potential projects and opportunities that align with their expertise and capabilities. Additionally, leveraging automated tools and subscription services can streamline the monitoring process, providing timely notifications and detailed insights into emerging government needs. Ultimately, meticulous monitoring of government solicitations allows businesses to strategically position themselves for success and secure valuable contracts.

## Asking for Help – It is OK!

While it may seem feasible to handle everything in-house, having a team of experts review your proposals can greatly enhance your chances of success. These professionals bring invaluable experience and insights, ensuring that your proposal meets all requirements, stands out to the contract officers, and addresses any potential pitfalls. Whether you hire consultants or build an internal team, this investment can make a significant difference in securing government contracts. It's a competitive arena, and the extra layer of scrutiny and expertise can be the key to winning. In addition, as discussed in the previous section, it is much easier to use a monitoring service who is already checking SAM regularly.

The DM Procurement team understands that it is not a “one size fits all” world. We can tailor our services anywhere from a small piece of the puzzle to leading the project from the ground-up. We can help you with strategic consulting where we organize your thoughts and game-plan,

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reviewing your business-written proposal, or writing, packaging & pricing your entire proposal package. Our team also offers a monitoring service to send you at least weekly updates on SAM solicitations and possible matches for your business; our consultants will

Such a multi-faceted approach ensures that businesses, regardless of their experience level, can get the support they need to succeed. It's all about providing the right level of assistance to maximize their chances of securing those coveted government contracts. Offering this tailored support can make a significant difference in helping businesses achieve their goals.

Are there any challenges you've noticed that businesses frequently face during this process? Or reach out if you have more questions on the DM Procurement Team!