

Headquarters U.S. Air Force

Integrity - Service - Excellence

NDIA -- 9th National Small Business Conference



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Overview

- **G**ame Strategy-- Bring your “A Game”
- **R**ules of the Road-- Know your Audience
- **O**utreach– Engage early and focus
- **W**inning Attitude-- Your VOICE matters
- **T**ell Success Story– SB Successes Need Heard
- **H**elp Others– teaming, mentor protégé, joint ventures

Accelerate your Growth in Today's Contracting Climate



Bring Your “A Game”

Game Strategy

- *Performance Matters Most*
 - Highly competitive Federal marketplace
 - Reputation and performance go hand-in-hand
 - Do your homework -- understand Federal Procurement Processes
 - Know where your products / services fit
 - Know your limitations – prime contracts generally require a relevant past performance record
 - Pursue subcontracting experience first if needed

In the Game of Competition --the Best ‘Athletes’ Win

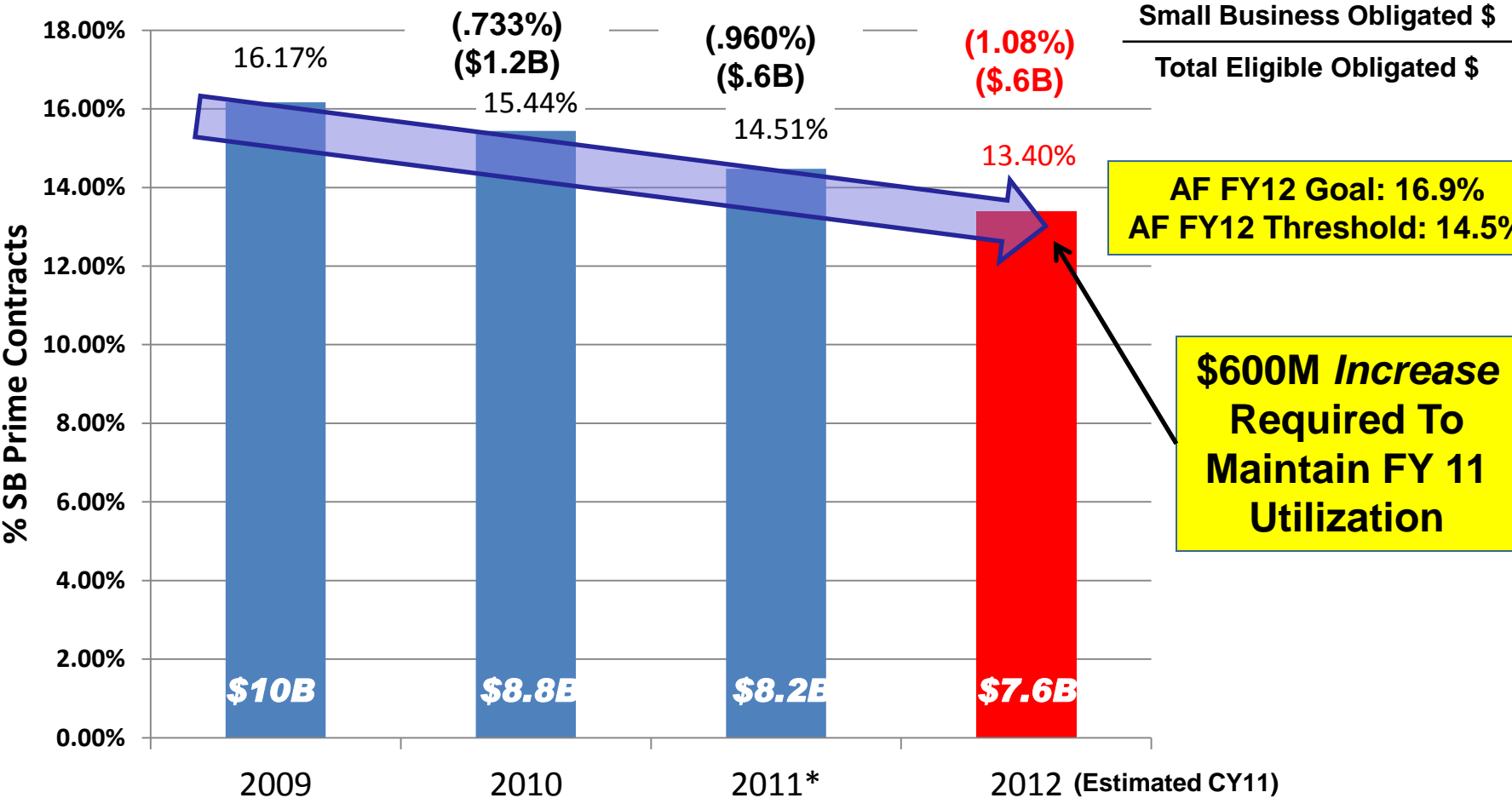


Air Force – AFMC 70% AF Dollars Obligated

Know Your Audience

Rules of the Road

Concerns drove need for AF SB Improvement Plan, signed 10Feb12



* : FPDS-NG Small Business Achievement Report a/o 14 Jan 2012

FY11 AFMC \$4.1B / \$40B



SB Market Segment Comparison

Rules of the Road – Know Your Audience (cont'd)

Market Segment		Air Force		Army		Navy		DoD Average	
		FY11	FY08-11	FY11	FY08-11	FY11	FY08-11	FY11	FY08-11
Aircraft Mfg	SB %	4.92%	5.2%	6.49%	5.16%	2.08%	1.85%	5.29%	5.16%
	Total Obs (B)	\$20.964	\$83.053	\$9.720	\$38.075	\$16.627	\$72.652	\$51.508	\$208.294
Guided Missile	SB %	0.13%	0.24%	1.10%	0.49%	0.59%	0.51%	0.48%	0.04%
	Total Obs (B)	\$3.473	\$15.748	\$1.855	\$10.520	\$1.905	\$8.892	\$8.081	\$36.861
R&D	SB %	17.39%	20.24%	36.29%	31.34%	24.57%	23.66%	20.75%	21.10%
	Total Obs (B)	\$9.002	\$33.396	\$5.422	25.607	\$4.979	\$19.440	\$25.941	\$104.421
Engineering Services	SB %	6.06%	6.43%	9.54%	9.77%	18.44%	17.65%	13.38%	13.19%
	Total Obs (B)	\$4.578	\$18.978	\$11.003	\$48.489	\$14.116	\$57.277	\$31.051	\$129.958
Communications Equipment	SB %	5.06%	4.18%	12.60%	10.45%	13.02%	9.64%	11.94%	9.36%
	Total Obs (B)	\$4.269	\$18.659	\$6.255	\$32.120	\$5.931	\$23.932	\$17.381	\$78.084
Prof/Scientific Services	SB %	12.90%	13.28%	22.12%	22.55%	16.74%	20.87%	18.38%	19.55%
	Total Obs (B)	\$2.347	\$10.124	\$4.282	\$18.157	\$1.659	\$6.370	\$9.410	\$38.715
Info Technology	SB %	21.41%	26.47%	28.04%	32.65%	29.35%	25.64%	25.91%	29.59%
	Total Obs (B)	\$4.036	\$17.434	\$6.547	\$28.960	\$4.537	\$16.377	\$20.125	\$79.326
Facilities Support	SB %	40.46%	43.41%	41.35%	37.65%	58.50%	51.43%	45.58%	41.96%
	Total Obs (B)	\$1.050	\$4.435	\$2.312	\$10.528	\$0.989	\$3.489	\$4.400	\$18.634
Construction	SB %	59.91%	30.02%	52.24%	53.90%	42.90%	42.83%	50.39%	43.43%
	Total Obs (B)	\$2.033	\$10.611	\$16.368	\$85.204	\$6.597	\$28.263	\$25.181	\$125.379

AF Best Practice (≥5% over Avg)
AF 5-10% Below Leading Svc
Other Svc Best Practice
AF ≥10% OR More Below Leading Svc

**Snapshot Based on FPDS-NG as of 6 Dec 2011
using MAXPRAC TOOL**

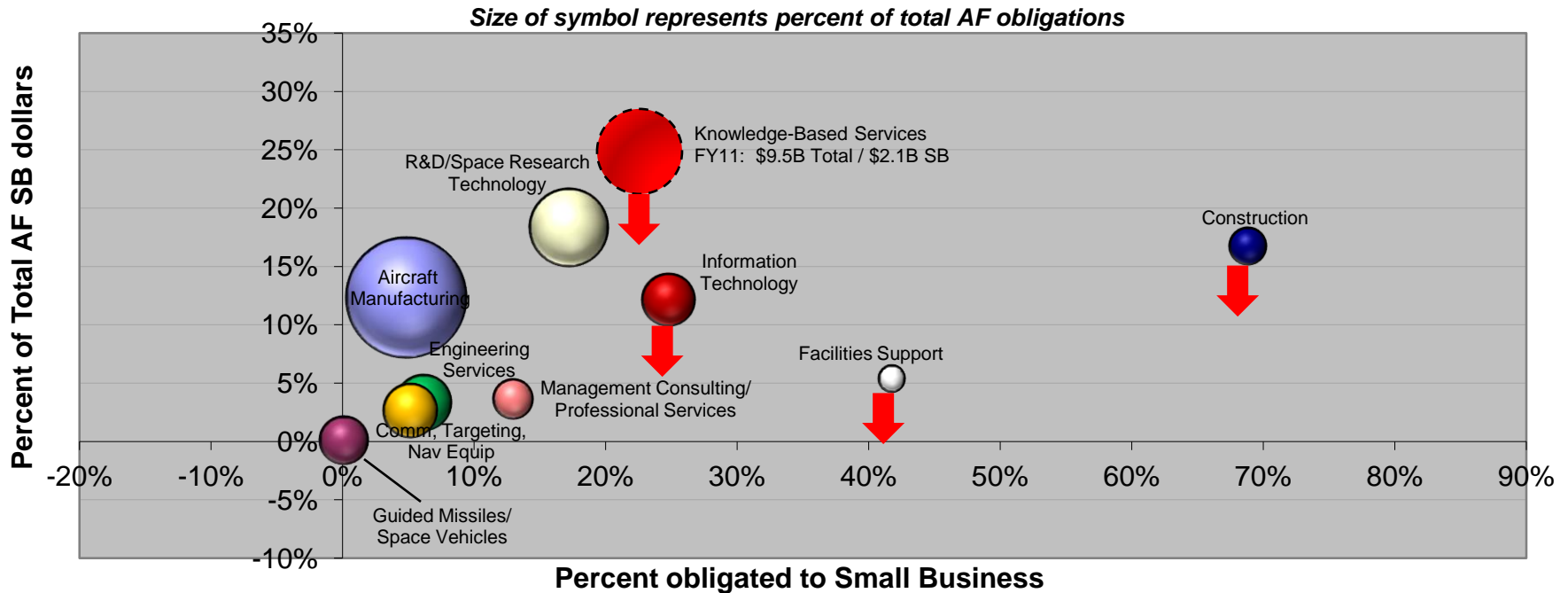


Analysis of AF NAICS–FY11 Dollars Obligated

Rules of the Road – Know Your Audience (cont'd)

Source: FPDS-NG Small Business Achievement Report a/o 03 Mar 2012

Analysis of Primary AF Industries-Dollars Obligated



NAICS Code	NAICS Description	Total Dollars	SB Dollars
336411-3, 48819, 611512, 561990	Aircraft Mfg (inc. engines, parts), Air Trans Support, Flight Training	\$21,232,086,295.91	\$1,037,111,831.46
336414, 19	Guided Missile and Space Vehicle Manufacturing (inc. parts)	\$3,476,154,871.80	\$4,497,011.20
5417, 927110	R&D; Space Research and Technology	\$8,943,850,790.41	\$1,541,941,837.99
541330	Engineering Services	\$4,592,661,283.80	\$281,255,371.77
3342, 334419, 334511, 333314, 81121	Communications Equipment; Search, Detect, Nav Sys & Instruments	\$4,286,780,576.66	\$221,557,038.12
5416, 541990	Professional, Scientific, Tech Services/Management Consulting	\$2,371,192,886.82	\$307,593,905.53
5415, 517110, 5179, 33411, 44312, 5174, 511210	Information Technology	\$4,115,336,520.49	\$1,021,267,790.14
561210	Facilities Support	\$1,074,094,937.05	\$448,981,968.36
23, 5629, 54131	Construction, Civil Engineering	\$2,045,341,057.20	\$1,408,805,285.67



AF Small Business Improvement Plan

Rules of the Road – Know Your Audience (cont'd)

- **Developed with data-driven analysis, significant field engagement and Senior Leader buy-in**
- **Jointly signed by SAF/SB and SAF/AQ, Feb12**
- **Comprehensive plan to stop decline, reverse trend with game changers and systematically review SB Program resources & alignment**
- **Applicable to all mission areas within Air Force**
 - **Program Executive Officer (PEO) programs**
 - **Supplies and Services– all mission areas**
- **Senior Leaders and workforce, including SB personnel, engaged in execution of the plan**

**See the AF Small Business Improvement Plan
at this weblink:**

<http://www.airforcesmallbiz.org/about/beyond-goals.php>



AF Small Business Improvement Plan

Rules of the Road – Know Your Audience (cont'd)

■ **Significant Results / Progress to Date**

■ **Stop the Decline – Reverse the Trend**

■ **AFMC/CC Direction (Jan 12) for SB Eligibility Review -- all Services requirements -- Requirements Appr Docs (RADs)**

- *Supports BBP mandates– increase SB in services*
- *Developed new NAICS/PSC Research Tool - % SB \$*
- *Facilitates Market Research as early indicator for SB utilization & promotes standardized application of NAICS/PSC codes for similar buys*
- *Inadvertent discovery of miscoding –able to fix*
- *Early SB engagement– turnaround of several RADs to SB*

■ **Significant AF/AFMC SB involvement in Services acquisitions (early strategy sessions, industry day prep, ASPs, support with solicitation language for SB advocacy)**

- *FY11 AFPEO/CM portfolio: AFMC programs– \$106B / 75 programs (40 programs over \$500M)*



AF Small Business Improvement Plan

Rules of the Road – Know Your Audience (cont'd)

■ ***Significant Results / Progress to Date***

■ **Stop the Decline – Reverse the Trend (cont'd)**

- *AF Senior Leader Rapid Improvement Event, Mar 12*
- *AF Implementation of DEPSECDEF mandate complete-- AF SES performance criteria includes mandatory SES performance requirement for FY12 SB goals*
- *Monthly monitoring FY12 vs FY11– executing ahead of FY11 in all categories except Hubzone (awards in pipeline)*
- *Deep dive analyses below SAT-- AF/AFMC SB Set-Asides much higher than the SBA average of 50%*



AF Small Business Improvement Plan

Rules of the Road – Know Your Audience (cont'd)

■ **Significant Results / Progress to Date**

■ **Stop the Decline – Reverse the Trend**

- **15 Jun 12 SB Policy Memo (prime contracts) jointly signed by SAF/SB and SAF/AQ**
 - *Early awareness of expectation / pending AF Memo to ensure General Officers held accountable similar to SES's*
 - *Establishes expectation-- AF lean forward and first consider / use SB Set-asides (full and partial)*
 - *Establishes use of Rule of 2 in MACS*
 - *Requires SB involvement when Sources Sought synopses used—sets minimum mandatory posting times-lines / thresholds*
 - *Much more in Memo – look for it on “AFSmallBiz.org” website*
- **14 Jun 12 SAF/AQ Memo to AT&L– transmits AF Plan in response to AT&L Memo (Mar12) requesting Agency Plans to improve SB Utilization in Services contracts**



AF Small Business Improvement Plan

Rules of the Road – Know Your Audience (cont'd)

■ ***Significant Results / Progress to Date***

■ **Assess the SB Workforce and Organizational Alignment**

- *USECAF Memo issued 21May12 directing AF conduct an agency-wide SB Program Manpower Study with initial feedback to the USECAF within 60 days*
 - *Initial engagement / telecon with SAF/SB, AF Manpower stakeholders and SB field reps initiated*
 - *Initial study scope documents, MOA in work*
 - *AF plan to brief early look at fall 4-star summit*

- ***Many other SB Improvement Plan objectives in work and at differing stages of progress***



Engage Early & Focus

Outreach

- **Know what opportunities you're pursuing– leverage IT**
- **Take Advantage of earliest FedBizOp Notices that fit your product / service mix and your capabilities (i.e., ready to prime– or need relevant experience via subcontracting)**
 - Sources Sought Synopses
 - Pre-solicitation Synopses and/or Requests for Information
 - Industry Day Notices and Events
- **Be responsive – you can't make a difference if you don't**
 - Waiting until a solicitation comes out is TOO late
- **Ask specific questions if you need help navigating (contracting officer/buyer, SB office, etc.)**



Your Voice Matters

Winning Attitude, Tell Successes, Help Others

- ***Use your VOICE to influence-- make a difference***
 - **Winning Attitudes are positive – persevere**
 - **Tell your SB success stories over & over**
 - Bad news travels fast– easily taints program
 - Good SB success stories help promote program
 - **Help Others**
 - Network-- look for SB teaming partners– LARGER acquisitions require SB teaming, use of joint ventures to prime
 - Consider Mentor Protégé Program
 - Pursue Large business opportunities – they NEED SBs to help meet subcontracting plan requirements



Questions?