



# Homeland Security

## **Synopsis of the Department of Homeland Security's Reverse Industry Day III: Building Bridges – Understanding Industry Drivers and Motivators in the Acquisition Lifecycle**

January 10, 2017, 9:00 a.m. – 5:00 p.m.

The Omni Shoreham Hotel, Washington, D.C.

### **OVERVIEW**

The Department of Homeland Security (DHS) held Reverse Industry Day III on January 10th at the Omni Shoreham Hotel, in Washington, DC. There were approximately 461 DHS personnel in attendance (on-site and virtual) for the internal training event, which was held in support of Acquisition Innovations in Motion (AIiM) and the Secretary's Unity of Effort initiative. The goal of the event was to improve DHS's understanding of industry practices related to identifying, tracking, pricing, bidding, winning, and performing on DHS contracts. The event included three plenary sessions, and two breakout sessions. All panel discussions were comprised entirely of industry personnel (approximately 30 total), and included representatives from small, mid-tier, and large firms. The topics and industry participants were identified as a result of an Acquisition Innovation Roundtable (AIR) on specific issues of interest to both DHS and industry.

Following AIiM industry engagement events, the Office of the Chief Procurement Officer provides a survey to attendees to identify potential best practices, as well as areas recommended for improvement. Questions are consistent across events where appropriate, in order to facilitate a comparison of how effective events are in relation to one another. Survey responses were received from 30% of the event attendees, and were overwhelmingly positive. 95% of the attendees rated the event at 'Very Satisfied' or 'Somewhat Satisfied', and a significant portion of the survey comments focused on the transparency and candor of the industry panelists ("The interaction between government and industry appealed to me the most. Having Contracting Officers, program officials, and industry all come to the table and having a dialogue is crucial to changing the landscape of industry communication") and the overall concept of the event ("The event was well organized from the opening remarks, discussions to the closing remarks,")

Comments regarding improvements to the event focused primarily on additional time for breaks between sessions, striking a balance between IT services and other vendors, and

allowing for greater Q&A and conversation amongst the panelists and attendees. Many attendees also noted that handouts and slides prior to the event would be beneficial, and a consistent interest in holding another event was evident in the survey results. As a result, OCPO plans on sponsoring similar events in the future.

## **WELCOME AND INTRODUCTION**

- *Soraya Correa, Chief Procurement Officer*
- *Mathew Blum, Associate Administrator, Office of Federal Procurement Policy*

Chief Procurement Officer (CPO), Ms. Soraya Correa opened the event and welcomed the crowd to the third Department of Homeland Security (DHS) Reverse Industry Day. The focus of the day was on building bridges between government and industry in order to better understand industry drivers and motivators in the acquisition Lifecycle. Topics included: how industry decides to bid or not; engaging with industry to conduct effective market research; understanding the factors that influence contract execution; and the importance and value of debriefs, and understanding the factors that drive protests. Ms. Correa also discussed the importance of candid conversation between industry and DHS so discussions can be held on how things are working today and how they can be improved in the future. Mr. Blum continued to stress the importance of open lines of communication and discussed a recent myth buster memo regarding debriefings. He emphasized the benefits of briefing unsuccessful competitors, so the risks of protest may be reduced.

After the introduction and opening remarks, participants attended various plenary and breakout sessions featuring panels of industry representatives providing a diverse perspective on challenges facing small, mid-tier, and large businesses.

### **Plenary Session 1: Mock Bid/No-Bid Review**

- *Ed Yost, Serco - "CEO Perspective"*
- *Diane Ashley, Accenture - "BD/Capture Manager Perspective"*
- *Frank Anstett, Vencore - "Operations & Technical Perspective"*
- *Zhenia Klevitsky, PwC - "Finance/Pricing Perspective"*
- *Amy Krause, Leidos - "Risk, HR, Legal Perspective"*
- *Martin Cummings, ISSI - "Teaming Coordinator"*

This panel provided a Mock Bid/ No–Bid Review in the form of a role playing exercise to set the stage for determining a business development metric for trend cycles, including a government acquisition lifecycle as well as an industry business development lifecycle. The panel also discussed determining if the necessary key resources had been identified, including especially technical and management resources. Overall the panel shared key

areas of interest for industry such as corporate stakeholder responsibilities, decision authority, business development, finance, risk, operations, human resources, and pricing. The panel also discussed teaming and the importance of building a team that compliments everyone, socio economic categories, legacy relationships, technical capability, and past performance. The question and answer segment addressed issues such as communicating to industry in a full and open environment, and early on during the requirements information gathering phase, in order to ensure industry is able to provide the best solution.

### **Breakout Session A: The Importance of Sections B, C, L, and M to the Industry**

- *Bradley Saull, VP, Civilian Agencies, Professional Services Council*
- *John Roman, Vice President of Contracts, LMI*
- *Madhu Beriwal, President / CEO, IEM*
- *Jeff Shen, Vice President, Red Team Consulting*
- *Hagen McHenry, Director Capture, Raytheon*

This session emphasized the need for due diligence when completing market research to identify relevant bidders and solutions. Industry perception of the statement of objective and statement of work can lead to a no bid decision if either seem to be written for an incumbent. It was noted that the evaluation criteria is the “most important part” of the request for proposal because it allows competitors to assess their “P-Win” (probability of winning) success options based on facts that will apply objectively to all bidders. They also cautioned that evaluation criteria should not be created in a “bubble,” but must represent collaboration between the program manager and the contracting officer. A common challenge presented was that Section L should align with sections B, C, and M; when they do not, it increases the bid proposal costs and ultimately the price of delivering the solution to the government. The panel further noted that Section L requires bidders to look for “what are the three most important things that the government is looking for?” The section should also be structured and prescriptive to elicit better proposals. Industry also noted that it focuses heavily on the evaluation criteria, more so than the statement of work. Finally, align heading and subheadings in section L to promote consistency in proposals and to streamline the evaluation of the proposals.

## **Breakout Session B: Engaging with Industry to Conduct Effective Market Research**

- *Lori Stallard, Vice President, Business Development, Leidos*
- *Jerry Buckwalter, Senior Director Corporate Strategy, Northrop Grumman*
- *Ann-Marie Johnson, Vice President, ASI Government*
- *Andrea C. McCarthy, President, HARP*
- *Lee Ann Anderson, Vice President, Federal Civilian Sales, Unisys*

The session focused on the methods industry and government use to do market research, how they parallel, and how market research is a key part of the acquisition process. The importance of being an “acquisition detective” by asking questions during the market research process was emphasized. It was explained that when engaging with industry, during the market research process, the focus should always be on the mission. Early conversation will result in more investment resources for the mission needs. For industry, the process is broken down into near term (getting to specific requirement), 1 to 3 year time frame (good risk management/not risk avoidance), and 3 plus years out (more complex and highly integrated solutions). The panel also highlighted the importance of innovation in the acquisition process. The session wrapped up by describing how effective market research requires finding out what commercial capability is available.

## **Plenary Session 2 - Understanding the Factors that Influence Timely Contract Execution**

- *Robert Gearhart, Principal Consultant, GCS*
- *Andy Weis, Vice President, Aveshka*
- *Richard Roth, Chief Financial Officer, Sevatec*
- *Brandon LaBonte, Chief Executive Officer, Ardent MC/EAGLE*
- *Rachel Kliewer, Director, GDIT*

This session focused on how training can play a major role in making sure that all parties involved understand the factors that influence timely contract execution. In the transition process from award to post-award, contractors have one chance to make a first impression. The post-award transition process should range from 30 to 90 days, noting that it is beneficial to have a longer transitional period. The continuity of services provision is a clause that each Contracting Officer should take the time to include in their awards moving forward because it gives the party performing the work more flexibility. Continuing conversations about process improvement and overall open communication is helpful in having vision for the future.

## **Plenary Session 3 - The Importance and Value of Debriefs and Understanding the Factors that Drive Protests**

- *Marc Pearl, President & CEO, Homeland Security & Defense Business Council*
- *Bill Morrissey, Director, Civil & Health, Harris*
- *Barry Landew, Co-Founder, Wolf Den Associates*

- *Donnie Scott, Vice President of Business Development, National Defense Segment, HPE*
- *Garth Arevalo, CEO, Lukos*

The session opened with a candid discussion of “hopes and dream” from industry’s perspective and “to how to gauge themselves from DHS/government eyes.” A vendor is less likely to file protest if they understand what happened via open and honest feedback and if there are people available who can answer questions. The speakers raised concerns based on the existing lengthy process for them to follow and the dissatisfaction over the reasons/factors for the negative decisions. The point was also brought up that it is important to be able to have a candid conversation with government once the protest period is over. The panelists had recommendations for useful debriefs to include weaknesses and strengths, and noted that weaknesses is a very important item because if there were no weaknesses, then why was the bid unsuccessful. The key takeaway from this session is that industry would like to understand why the winning company was selected so that they may improve their process for the future.

### **Recap and Closing Remarks**

- *Nina Ferraro, Executive Director, Strategic Programs Division, Office of the Chief Procurement Officer*
- *Bradley Saull, VP, Civilian Agencies, PSC*
- *Soraya Correa, Chief Procurement Officer*
- *Chip Fulghum, Deputy Under Secretary for Management*

The recap touched on industry’s willingness to help before a solicitation is published. Engagement with industry can help result in a better solicitation, which results in better proposals. They also emphasized the importance of timing, especially regarding requests for information which normally only allow a five day response period.

Ms. Correa closed the afternoon by introducing Deputy Under Secretary for Management (DUSM) Chip Fulghum. He spoke on the importance of continued conversations with industry and that by building on the relationships we will be better suited to achieve the overall mission. DUSM Fulghum also noted that DHS is not looking to get into the business of building software, but would like to acquire IT in hopes to deliver capabilities faster and better. By understanding what industry has to offer through frequent, open communications these goals can be achieved.