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Value Added Solutions



Small Business Workforce Strategies to Win Contracts



HOUSEKEEPING NOTES AND TIPS

- ✓ Take Note of Emergency Exits
- ✓ Silence Your Mobile Devices
- ✓ THANK YOU to our Sponsors
- ✓ Questions will be addressed during allotted time.

Who am I?



Who are you?



Why are we here?

One of the Government's biggest concerns with awarding contracts to small businesses is their ability to recruit and retain their workforce during the performance period.



FAR 9

9.104-1 General standards.

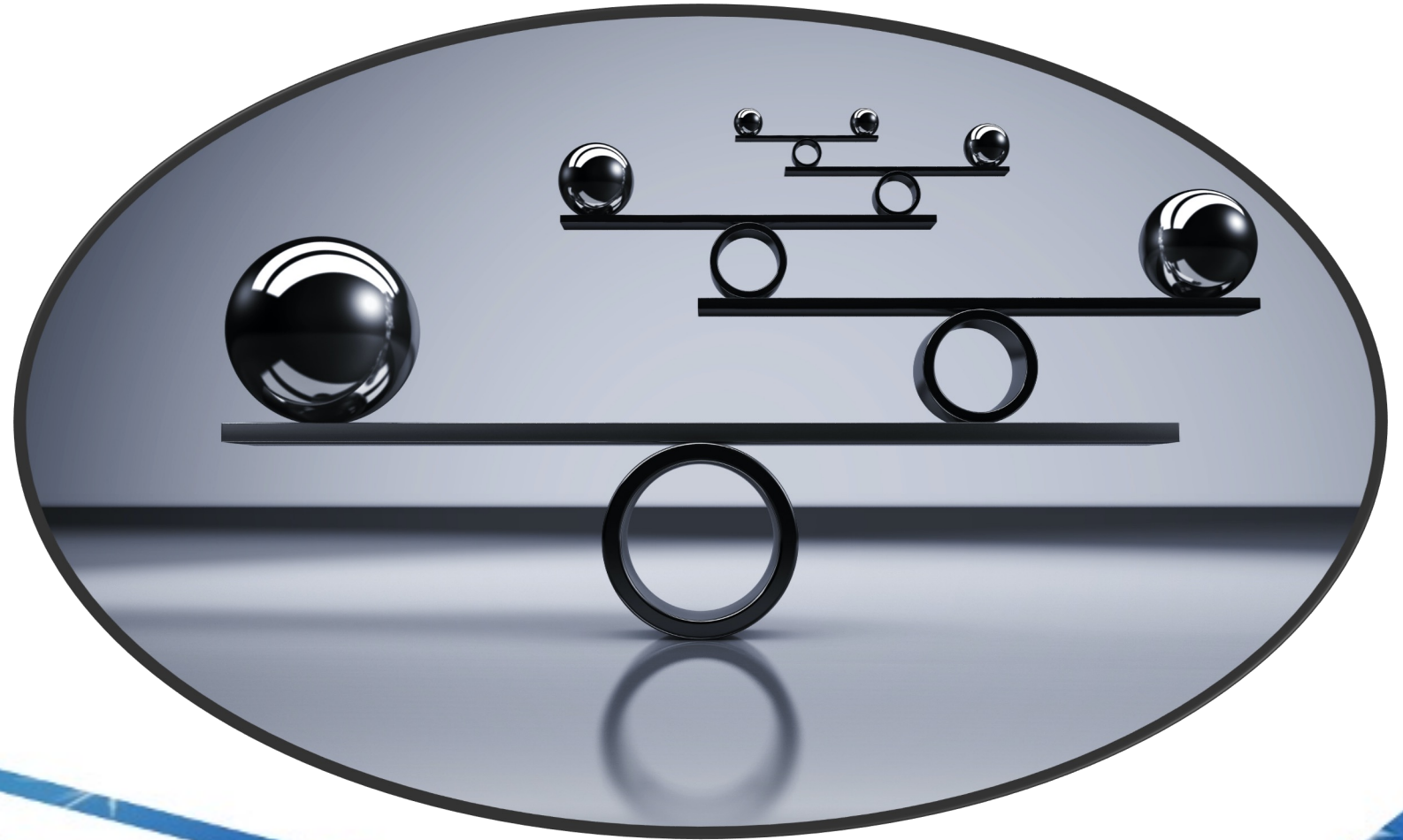
(e) Have the necessary organization, experience, accounting and operational controls, and **technical skills, or the ability to obtain them** (including, as appropriate, such elements as production control procedures, property control systems, quality assurance measures, and safety programs applicable to materials to be produced or services to be performed by the prospective contractor and subcontractors). (See [9.104-3\(a\)](#).)

9.104-3 Application of standards.

(a) *Ability to obtain resources.* Except to the extent that a prospective contractor has sufficient resources or proposes to perform the contract by subcontracting, the contracting officer shall require acceptable evidence of the prospective contractor's ability to obtain required resources (see [9.104-1\(a\)](#), (e), and (f)). Acceptable evidence normally consists of a commitment or explicit arrangement, that will be in existence at the time of contract award, to rent, purchase, or otherwise acquire the needed facilities, equipment, **other resources, or personnel.** Consideration of a prime contractor's compliance with limitations on subcontracting shall take into account the time period covered by the contract base period or quantities plus option periods or quantities, if such options are considered when evaluating offers for award.

How do we demonstrate this?

- Recruiting
- Developing
- Retaining



How do we demonstrate this?

It's a precarious balance but much like this device pictured it isn't evenly balanced.

In *Work Rules!: Insights from Inside Google That Will Transform How You Live and Lead* by Laszlo Bock the former Chief People Officer from Google they discuss a 10-year internal study with tens of thousands of employees they came to the conclusion that 50% of the value of People Operations or Human Resources comes from a strong Recruiting Program. 50% of the remaining value is from their Retention Program. 50% of the remaining value is from Training and Development. Nearly 90% of the value of a HR department is from these three areas.

Normally HR people want to talk about compliance, process, administration, and so on. While that makes up such a small percentage of their business value. I'm a business focused person so I want to have HR programs that add value to the business and give a return on the investment of time and money.



Recruiting

- Sourcing
- Screening
- Selecting



Sourcing

- Brand
- Channel
- Network



Brand Sources

Broad reach sources such as the Company Career page, Indeed, Glassdoor, and LinkedIn.

- Employee Value Proposition
- Employment Culture
- Brand Ambassadors



Brand Sources

EVPs are not just wages and benefits, but purpose of work, culture, growth, etc. The statistics vary but generally the purpose of work is 2-3 times as attractant as anything else in the value proposition. People want to know that what they do is important. Government Contracting its super important to the Nation, the Corps of Engineers probably has saved more lives than we realize through ensuring we have dams and levies that are maintained, hospitals built, and all the other infrastructure that goes on making the economy work.

Organizations with strong senses of culture (or a high rate of Corporate Zealots) such as the Marine Corps, Zappos, Google, etc. have performance measurements approximately 4x their industry counterparts.

Brand Ambassadors are the employees related to the hiring process, meaning nearly all Management and Human Resources personnel, specifically Recruiters. They require training on the actionable operations and management regarding the brand message, the hiring process, and available opportunities. Given the prevalence of LinkedIn and the hiring process, their LinkedIn page should mirror and promote the brand message as over 90% of applicants review a recruiter and/or hiring manager's LinkedIn profile and only 59% of applicants visit a company website.

Channel Sources

Correctional, educational, labor, and military institutions where constant flows of semi-educated/trained personnel consistently enter the job market.

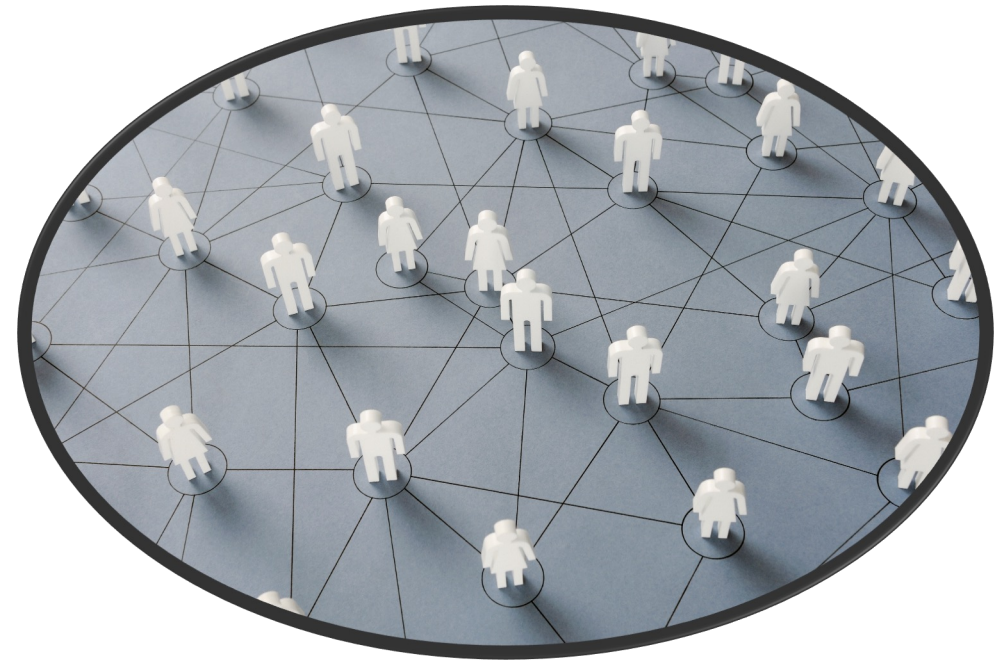
- Colleges & Universities
- Certification/Licensing Organizations
- Military Transitions & Military Spouses



Networking Sources

Associations, groups, industry colleagues, etc. where relevant industry professionals go for career advancement, continual training, business development, etc.

- SAME
- Project Management Institute
- Society of Professional Engineers



Screening

Selection assessment methodologies

- Designed to limit the amount of resources needed to identify the best talent available within the shorted amount of time.
- The four most predictive screening mechanisms that have the least correlation to bias:
 - Work Samples/Credible References - 29% predictive
 - Cognitive Ability Tests – 26%
 - Job Knowledge Tests – 21%
 - Structured Interviews – 26%

Screening

Work Samples/References are 29% predictive. The term reference here specifically is meant as a known credible source regarding the performance of an individual at a certain task or type of tasks. Think a college degree, a certification, an engineering manager who has seen the work of this person as an engineer. Work Sample tests range from portfolios of previous work, or new exercises such as a coding sample, or troubleshooting a system error.

Cognitive Ability Tests are 26% predictive. For clarification these tests are not brainteasers or vague style IQ tests, however ones with specific factual answers. These tests tend to identify how a person adapts and learns to new environments.

Job Knowledge Tests are 21% predictive. These tests are specific questions that verify specific job-related tasks.

Structured Interviews are 26% predictive. These screening mechanisms include phone screens, subject-matter-interviews, managerial reviews, and customer interviews. Other than the phone screen interviews should consist of two or more personnel. These are generally a resources heavy screening mechanism and the process should be designed to limit unnecessary resource costs.

While the total predictive value lists 99%, they do not linearly compound and no screening mechanism or combination is 99% effective.

Selecting

The selection process of personnel is one of the areas that is prone to bias, liability, and inconsistency.

By utilizing a weighted metric based on the correlative factors in the screening mechanisms it enables the Company to have a collaborative , data-based, and uniform selection process for personnel.

There is strong evidence to demonstrate that leaving hiring decisions in a single persons' authority is no predictive of future performance. While some personnel can clearly predict technical knowledge, cultural fit, etc. the general wisdom is that 'none of us are as smart as all of us'.

Development

The growth and develop of people is the highest calling of leadership.

- Harvey Firestone, Founder of Firestone Tire

- Onboarding
- Reading Lists
- Continual Education
- Mentorship
- Management



Development

Beyond the org charts, benefits paperwork, etc. a true onboarding programs takes individuals and indoctrinates them into the Company. It is designed to not only give the employees a sense of the Company, its organization, and modus operandi, but delivers the brand message in a significant way.

At each stage are encourage and can be rewarded by testing for during performance reviews. All of which reinforce the subject matter expertise as well as create cultural bonds within the company regardless of what shift, division, etc. they work in.

Aligned with the sourcing mechanism of Network Sources individuals who are identified as having potential (for management or key technical roles) should be sponsored for continual education pursuant to their specific trade or discipline. This is not only a training tool, to ensure personnel are on the cutting edge of their craft, but is also a tool used to source high potential individuals within the field of discipline.

Development

Mentorship are a system where employees are teamed up with a more senior member that is not in their direct chain of command, that helps the employee develop professionally and gives an outside the box view on work-related matters. This is an important aspect of a Succession Planning operation as it allows for a more subjective identification of key employees and successors. Moreover, it creates a cross departmental network within the Company which strengthens the bonds of key employees for the future.

The tasks of selection, determination of expectations, motivation, and development of personnel are strongly correlated with the essential tasks of great managers. Developing a training program to not only train management on how to do so, but on resources they can rely to aid them (recruiting, production, human resources, training, etc.) builds the core of the Company.

Retention

- Culture
- Employee Relations
- Career Pathways



Retention

In addition to the documented performance benefits of having a 'zealot culture', the retention in companies with high senses of culture are extremely high also. As an example, some companies (Zappos) that have a strong tie culturally with their employees offer incentives to voluntarily leave the workforce. While a seldom few individuals to accept the offer the personnel that align with the culture are intrinsically loyal to the company.

A strong talent development and succession operation are essential to fostering the type of culture that creates brand zealots and goodwill ambassadors. It is nearly impossible to develop a strong culture without the resources, focus, and efforts placed on these areas.

Employees who have what they consider as poor management are 40% more likely to exit the workforce. The concepts of integration, management training, etc. should greatly impact the positive relationship the employees have with their direct manager. Additionally, onboarding and cultural initiatives will aid the relationships that employees have with each other.

Employees who have a promotion opportunity within 2 ½ years are 60% less likely to voluntarily exit. Whereas employee who only receive a raise (with no increase in responsibility, scope, or title) only have a 10% decrease in the likelihood to exit the workforce.

How to Implement

The formula is going to be a bit different for each firm.

Internally your HR people should be able to help you with this. They should be able to provide a good description of their platform so that you can showcase it.

Externally, because not everyone is going to have the ability to implement a strong platform internally you can team with a firm that specifically provides these services. There are a lot of PEOs, Professional Employer Organizations that focus on GovCon business. They're great teaming partners that leverage significant strength in these areas and generally can provide some good past performance of similar contracts where they've supported engineering firms.

How to do it?

- Before or during the Sources Sought stage.
- One or two page write up.
- It is a capability differentiator.
- Follow up with the Small Business Offices.



One Last Thing

The Tri-Cities Field Chapter Inaugural Event

- June 16th and 17th
- Tri-Cities Washington





Q & A

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