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## Lisagor: Urban legends

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With its multibillion-dollar information technology budgets and long-term contracts, the federal marketplace can be a tremendous revenue source for commercial IT services companies. However, doing business with the government is not a walk in the park. So, I'd like to debunk some common myths.

**Myth 1:** A new salesperson should be able to deliver signed contracts in three to six months. Beware the job candidate who promises you substantial business in the first six months. Rainmakers are a poor substitute for a sound federal marketing strategy. Also, beware the chief executive officers who expect this kind of quick result. New market entrants should expect to spend three to six months just figuring out what's going on.

**Myth 2:** Make a few sales calls and you will be flooded with orders. Unlike a commercial enterprise, where just one or two individuals might make the buying decisions, government agencies have a cadre of stakeholders — influencers, decision-makers and contracts specialists. Each of them must be visited and convinced that a company is reliable and can meet their program requirements. This doesn't happen overnight, and it can take considerable overhead and patience, but the rewards are substantial.

**Myth 3:** All we need is a General Services Administration schedule contract and the business will roll in. There is some truth to this. At least the "all we need is a GSA schedule contract" part. Without one, the business probably won't even trickle in. Nonschedule holders are usually relegated to playing a niche role in a single agency. Or if they have a unique offering, they might find work as subcontractors. Subbing isn't a bad market entry strategy and it can be part of a business portfolio, but it is a painful way to sustain a business.

**Myth 4:** A marketing budget isn't necessary when selling to the government. Government buyers have many choices. Company officials make their businesses stand out in the crowd. Articulating how their solutions meet unique government challenges and program requirements is crucial.

This requires professional marketing materials, active participation in industry associations such as the Association for Federal Information Resources Management and the Industry Advisory Council, and some public relations initiatives.

**Myth 5:** We need to respond to as many requests for proposals as possible. I once had a chief operating officer who every morning forwarded random RFPs and asked why we weren't bidding on them. For every RFP that comes out, usually at least two of the bidders are already doing business with that client. So, company officials who count on winning more than a small percentage of these types of bids would be better served investing their money in Las Vegas.

Lisagor is program chairman for the November 2004 Program Management Summit, sponsored by FCW Events. He founded Celerity Works in 1999 to help IT executives accelerate and manage business growth. He lives on Bainbridge Island, Wash., and can be reached at [lisagor@celerityworks.com](mailto:lisagor@celerityworks.com).

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