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CONNECTIVE BUSINESS SOLUTION

STRATEGY RE-DEFINED

GOVERNMENT CONTRACTING FOR SMALL BUSINESSES

A strategic roadmap for building a competitive government contracting practice: written by a small business that registered, certified, competed, and won, and still does every week.

Written For

Small Business Owners · Business Development Leaders

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Government is the largest customer in the American economy, and it is legally required to buy from small businesses. Yet most small businesses that enter the market leave within two years, not because the opportunity was false, but because they treated government contracting as sales with extra paperwork instead of what it is: a distinct operating discipline with its own economics, timelines, and rules.

This paper is a working roadmap for building that discipline. It covers the honest go or no-go decision, the registration and certification foundation, the choice of lane between federal, state, prime, and subcontract paths, a tiered screening framework for deciding which opportunities deserve your hours, strategies for winning before you have past performance, the compliance obligations that arrive with every award, and a 12-month build plan with the metrics that tell you whether the practice is working. Everything in it comes from doing the work, not describing it: our firm registered, certified, screened hundreds of opportunities, and won two competitively awarded state term contracts as a small business. The roadmap below is the one we ran.

01 / DECIDE WHETHER GOVERNMENT IS YOUR MARKET

The gate question is not whether government buys what you sell. It almost certainly does. The question is whether your business can operate on government economics.

- **Cycle time:** pursuits commonly run months from first notice to award, and longer to first invoice. The practice pays in year two, not month two. Fund it from an existing revenue base, not instead of one.
- **Cash flow:** government pays reliably but not quickly, and primes pay subcontractors after they are paid. Model the working capital before the first award, not after.
- **Compliance overhead:** registrations, representations, reporting, and audit readiness are permanent operating costs. They are affordable and manageable, but only if priced in.
- **Fit test:** the strongest entrants sell services or products the government buys on repeat, can name the agencies that buy them, and can perform tomorrow with the team they have today. If performance depends on winning first and building after, the market will find out.

02 / BUILD THE FOUNDATION: REGISTRATIONS AND CERTIFICATIONS

Registrations are table stakes

Register in SAM.gov to obtain your UEI, secure a CAGE code, and select your NAICS codes deliberately: they are how buyers find you and how set-asides are sized, so choose the codes that match what you sell and where you can win, not everything you could conceivably do. Then register wherever your target buyers actually purchase, which for state work means the state's own procurement system, such as Florida's MyFloridaMarketPlace. Keep every registration current; an expired registration is invisible at exactly the wrong moment.

Certifications open doors; they do not win work

Set-aside and diversity certifications, such as WOSB, MBE, 8(a), HUBZone, SDVOSB, and state DBE programs, change who you compete against and make you valuable to primes with subcontracting goals. Pursue every certification you legitimately qualify for, and understand their limits: a certification gets you into rooms and onto bid lists. Capability, pricing, and performance still decide who wins. Businesses that lead with certification and follow with capability exhaust the goodwill certifications create.

> FROM OUR OWN PLAYBOOK
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> Our firm holds federal WOSB and Florida MBE certifications, and both contracts we have won were full competitive awards, not set-asides. The certifications earned attention from primes and diversity programs; the wins came from the offer.

03 / CHOOSE YOUR LANE

Federal is not the only, or the first, market

Federal contracting draws the attention, but state and local government is often the better entry lane for a small business: shorter cycles, closer buyers, less national competition, and vehicles a small firm can realistically win. A state term contract or cooperative agreement gives agencies a pre-approved way to buy from you for years, and it becomes provable past performance for the federal pursuits that come later. We won two Florida state term contracts before winning any federal prime work, deliberately, and that sequencing is the single most repeatable strategy in this paper.

Prime and subcontract are both real businesses

Priming means owning the customer, the compliance, and the margin. Subcontracting means borrowing a prime's past performance and pipeline while building your own. Early practices should run both: pursue small direct awards where you can win outright, and build relationships with the supplier diversity and small business offices of primes in your space, who are measured on finding firms like yours. Teaming is not a consolation prize; for the first two years it is often the majority of revenue.

04 / THE OPPORTUNITY DISCIPLINE

Sources sought notices are the real front door

By the time a solicitation publishes, the requirement is largely shaped. The influence phase happens earlier, in sources sought notices and requests for information, where agencies test whether small businesses can perform. Responding well and consistently makes you visible before the competition forms, and can shape whether a requirement is set aside at all.

Screen everything; pursue little

The scarcest asset in a small contracting practice is qualified pursuit hours. We run every opportunity through a four-tier screen before any hours are spent:

TIER	DEFINITION	ACTION
TIER 1	Direct capability fit, requirements you meet today, buyer or vehicle you can access, winnable competition.	Full pursuit. Tailored response, buyer contact, teaming secured where it strengthens the offer.
TIER 2	Strong fit with one solvable gap, such as a teaming partner needed or a registration to complete.	Pursue after closing the gap. The gap-closing step comes first, not the writing.
TIER 3	Partial fit, useful buyer, low near-term win probability.	Relationship response only: brief, honest capability statement to get on the buyer's map. Minimal hours.
TIER 4	Disqualifying requirement: clearance level, facility, bonding, geography, or scope you cannot meet.	Hard pass, logged with the reason. No exceptions for exciting dollar values.

The discipline is volume with ruthlessness: screen a steady weekly flow of notices, and let the tiers, not enthusiasm, allocate the hours. The log of Tier 4 passes is as valuable as the wins; it is the record of time you did not waste.

05 / WINNING BEFORE YOU HAVE PAST PERFORMANCE

Every new entrant faces the same paradox: work requires past performance, and past performance requires work. Four honest ways through it:

- **Principal experience, framed truthfully:** your leadership's delivery history inside larger organizations is legitimate evidence when presented as exactly that. Specific and defensible beats broad and vague; one scoped accomplishment with numbers outweighs a paragraph of adjectives.
- **Subcontract deliberately:** pick subcontracts that build the past performance you need for the prime pursuits you want, not just the ones that pay soonest.
- **Win where entry is realistic:** state vehicles, small simplified acquisitions, and micro-purchases build a record that federal evaluators can verify.
- **Make the capability statement do real work:** one page, buyer-specific, leading with identifiers, vehicles, and certifications a contracting officer can verify in a minute. A capability statement that cannot survive a skeptical read is marketing; one that can is evidence.

06 / THE COMPLIANCE REALITY OF WINNING

An award is the beginning of obligations, not the end of the process. Before signing anything, know what performance requires.

- **Standing obligations:** contracts carry reporting duties with real deadlines and real financial consequences for missing them, from periodic sales reports to transaction fee remittances on state vehicles. Calendar them the day the contract is signed.

- **Registrations never lapse:** renewals for SAM, state systems, and certifications are annual operating tasks with owners, not reminders that find you in time.
- **Audit readiness is cheaper before:** keep pursuit records, pricing bases, and performance documentation as you go. Reconstructing them under review costs multiples.
- **Never accept what you cannot perform:** an award you fail to deliver damages your record more than a hundred losses. Walking away from a bad award, or declining to bid a requirement you cannot staff, is a competitive act, not a defeat.

07 / A 12-MONTH BUILD PLAN

Quarter 1: Foundation

- Complete SAM and state registrations; select NAICS deliberately; begin every certification you qualify for.
- Produce the corporate capability statement and a one-page teaming profile for primes.
- Define your target buyer list: the agencies and primes that repeatedly buy what you sell.

Quarter 2: Pipeline

- Stand up the weekly screening rhythm with the four-tier framework and a pursuit log.
- Respond to every Tier 1 and Tier 2 sources sought in your lane; open conversations with three primes' small business offices.
- Identify the state vehicles and small solicitations you will compete for this year.

Quarter 3: First wins

- Compete for the accessible vehicle or small award identified in Quarter 2; secure at least one teaming agreement.
- Tighten pricing from real competition feedback; refine the capability statement per buyer type.

Quarter 4: Operate and compound

- Stand up compliance operations for anything won: reporting calendar, renewal owners, performance files.
- Review the pursuit log: win rates by tier, cost per pursuit, and where hours produced nothing. Cut those lanes.
- Set year-two targets from evidence: the buyers who responded, the tiers that converted, the teams that performed.

08 / THE METRICS THAT MATTER

- **Screening volume and tier mix:** a healthy practice screens consistently and passes on most of what it sees.
- **Win rate by tier:** Tier 1 pursuits should win at a meaningfully higher rate; if they do not, the screen is miscalibrated.
- **Cost per pursuit:** hours and dollars per response, trending down as templates and evidence mature.
- **Revenue mix:** the prime versus subcontract balance, moving deliberately toward your target, not drifting.
- **Compliance record:** zero missed reports, zero lapsed registrations. This metric has no acceptable non-zero value.

THE HONEST SUMMARY

Government contracting rewards firms that treat it as an operating discipline: registered and certified without illusions, ruthless about which pursuits deserve hours, honest about what they can perform, and flawless on the obligations that come with winning. None of that requires size. All of it requires system.

ABOUT CONNECTIVE BUSINESS SOLUTION

Connective Business Solution is a Business Performance and Advisory Firm based in Orlando, Florida, and a working small government contractor: federally certified WOSB, Florida certified MBE, SAM.gov and MyFloridaMarketPlace registered, and holder of two competitively awarded State of Florida term contracts for IT Staff Augmentation and Management Consulting Services. We advise small and mid-size businesses on the roadmap in this paper because we ran it ourselves.

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