

Black Hat Review

Outline

- Black Hat Process
- Agenda
- Opportunity Overview
- XYZ Capture Strategy
- Black-Hat Topic Worksheets
- Out Briefs

Black Hat Process

- The black-hat team...
 - Simulates the behavior of our toughest opponent's capture team
 - Assumes that this is a must-win for our side
 - Starts with customer hot buttons, ends with how we will beat XYZ
 - Focuses on discriminators
 - Lists as many ideas as possible
- The capture team should...
 - Look for evidence of our strategy in competitor actions
 - Assess likelihood of occurrence
 - Adjust XYZ's strategy accordingly

Black Hat Process (cont.)

- Independent look at
 - Customer hot buttons
 - Target company's strengths and weaknesses
 - XYZ's strengths and weaknesses
- Presents a competitive hypothesis for the capture team to consider
 - Look for evidence of the black hat strategy in the target company's actions
 - Assess likelihood of occurrence
 - Adjust XYZ's strategy accordingly

Black Hat Process (cont.)

- **Pre-Black Hat Prep Homework**
 - Step 1: Competitor assignments
 - Step 2: Distribute solution templates and instructions
 - Step 3a: Our Team completes templates prior to workshop
 - Step 3b: Competitor teams fill out templates prior to the workshop
- **Black Hat Workshop – Phase 1 “What’s the competition going to do?”**
 - Step 1: Solicitation / customer environment overview
 - Solicitation overview: Sec L, Sec M (eval factors), PWS
 - Customer overview: Organization / hot buttons / buying habits
 - Step 2: Break into Competitor Teams
 - Room assignments, leader assignment
 - Step 3: Complete solution templates as a team
 - Step 4: Brief the Black Hat on competitor solutions
- **Black Hat Workshop – Phase 2 “What do we do about it?”**
 - Step 5: Voting on winner
 - Step 6: Review and Update Win Strategy

Agenda

9:00 – 9:15	Introductions
9:15 – 9:30	Review Opportunity, Customer & Competition
9:30 – 10:15	Brief XYZ Team Initial Position
10:15 – 11:45	Prepare/Revise Template Data
11:45 -12:00	Competition Out-briefing – #1
12:00 – 12:15	Competition Out-briefing - #2
12:15 – 12:30	Competition Out briefing - #3
12:30 – 12:45	Win Strategy Review / Update

Opportunity Overview

- **Customer:** Space and Missiles Systems Center (SMC)
- **End User(s):** various
- **Solicitation Number:** FA8802-14-R-0002
- **Procurement Type:** Technical Risk/Price Trade
- **Contract Type:** Firm Fixed Price
- **Total Contract Value:** \$9-12 Million
- **Competitive:** Tecolote, BTAS (incumbent) and Quantech
- **Place of Performance:** Los Angeles AFB, CA
- **Period of Performance:** February 2022 – January 2025 (Base + 2 years)
- **Proposals Due Date:** 1 December 2021

XYZ Capture Strategy

- Win Themes
 - Re-establish SMC staff agencies as an enabler for the program offices, by centralizing staff functions in PI in order to reduce SMC FTE and become more efficient
 - Help save Directorate funds that pay for PI so they can be used in Directorates
 - (ACE) Provide access to former ACE Director who developed current ACE Strategic Plan being executed to develop future plan
 - (PIF) Develop PIF in to SMC/CC DAG function with new thinking while maintaining same high level of quality personnel
 - (PMAG) Provide Integrated Program Management (IPM) expertise to enable rigorous and defensible analysis that SUPPORTS Directorates
 - (XP) Provide expertise that integrates XP functions with XR during reorganization

XYZ Capture Strategy (cont.)

- Team
 - XYZ Federal (prime) with Canyon Consulting, OMNI Consulting and Hemispheres Consulting
- Technical/Management Approach
 - Increase number of SMEs while reducing overall FTE to increase experience level
 - Contingent personnel will be available according to schedule and within 30 days
 - XYZ is CMMI Level 2 certified which ensures delivery of quality and timely products
- Staffing Strategy
 - Provide quality SMEs and reduce non-essential SME functions to reduce FTE and cost

XYZ Capture Strategy (cont.)

- Technical Risk Mitigation
 - Provide resumes that meet or exceed Staffing Matrix Experience levels
 - Increase number of SMEs while reducing overall FTE to increase experience level
 - Contingent personnel will be available according to schedule and within 30 days
 - XYZ is CMMI Level 2 certified which ensures delivery of quality and timely products
- Experience & Past Performance
 - Team does not have SAFS Past Performance so we will not submit any
 - Unknown Past Performance is evaluated as Acceptable
- Pricing strategy
 - Reasonable price that is not considered unbalanced
 - Provide less FTE with more qualified people to reduce head count and costs

XYZ Capture Strategy (cont.)

- Discriminators
 - Prior ACE Director on staff
 - Former ACE Deputy Director on staff
 - XYZ provides IPM which benefits PMAG
 - XYZ provides LENS tool for EVM support to PMAG (recognized by SMC)
- Ghosting BTAS
 - As incumbent they will most likely bid the full staffing matrix number of 24.5 FTE
 - They will try to drive price very low to ensure win by reducing salaries and creating separate cost center to lower OH costs
 - Provide access to various SMEs for special studies (tough to do on FFP)

Black-Hat Topic Worksheets

- Customer Hot Buttons
- Influencing the RFP
- Image campaign
- Political Strategy
- Investments & commitments
- Teaming
- Technical/Management Approach
- Staffing Strategy
- Technical Risk
- Experience & Past Performance
- Pricing strategy
- Discriminators
- Ghosting Competition
- Ghosting XYZ
- Win Themes

Competitor _____

Customer Hot Buttons

- What does the customer believe is essential to success?
- How will they distinguish winners from losers?
 - Technically acceptable (TA)/ lowest risk/ lowest price of TA & lowest risk
- Is price really all that matters?
 - No; however Price is important

Competitor _____

Influencing the RFP

- Requirements and Criteria already in RFP
 - Evaluation changed from LPTA to Technical / Price Trade.
 - ACE, PMAG, XP, PIF, PI and EN requirements
 - Are some of these going away? Are some not needed?
- What requirements and criteria would we like to see in the RFP?
- What would we like to keep out?

Competitor _____

Image Campaign

- What are our key relationships with customer? (how will we take advantage of them?)
- How will we attack the Incumbent Team?
- How will we make ourselves look like the ideal choice?
- Target audience?

Competitor _____ Political Strategy

- What's our message?
- To whom do we deliver it? How?

Competitor _____ Investments and Commitments

- What resources will we commit?
- What investments will we make? Have we made?

Competitor _____ Teaming

- Who is on our team?
 - Canyon Consulting
 - Has incumbency on task
 - Proposed PM, Grace Yang was previous ACE Director
 - Established relationships with SMC, PI, ACE, PIF, XP and EN leadership
 - OMNI Consulting
 - Established relationships with incumbent personnel
 - Hemispheres
 - Past Performance in areas that XYZ is weak in (i.e. facilities, VTC, etc.)

Competitor _____

Factor 1 - Technical/Management Approach

- How satisfy customer hot buttons?
- How hit our price target?
- How organized?
- Communications with customers? With subs?

Competitor _____

Factor 1 – Technical/Management Approach

- What are the 3 key features of our approach to Cost Estimating?
- What is the benefit to the customer of each key feature?
- How will we substantiate that we can address each feature successfully?
 -
- What is the major risk in our approach? / How will we mitigate?

Competitor _____

Factor 1 – Staffing Strategy

- Who is our program manager candidate? (what are their qualifications?)
 - Who are our key personnel?
 - If we don't have names, describe ideal history, credentials, skills

Competitor _____

Factor 2 - Technical Risks

- What risks do we have in our approach?
 - Technical Approach
 - Staffing Experience
 - Staffing Levels
 - Transition
 - Pricing
- How do we avoid/mitigate those risks?

Competitor _____

Factor 3 – Past Performance

- What are our top contract quals for this job?
- What has been our performance on each?
- How will we counter poor performance?
- What makes us look like the low risk choice?
- How does our experience contribute to successful performance?

Competitor _____

Pricing Strategy

- What is the customer's notional budget?
- What is our approach to price to win?
- What is our winning target?
- How will we get there?
 - Buy-in? Get-well plan?
- What is the major risk? / How will we mitigate?

Competitor _____

Potential Discriminators

- How will customer justify award to our team?
- How will we distinguish ourselves from our competitors?
- What will we offer that no one else can?
- How will we prove that we can deliver?

SMC Acquisition and Financial Support (SAFS)

Potential Discriminators	Hot Buttons	Key Technical/Management Issues

Competitor _____

Ghosting BTAS - Strengths

- Incumbent Strengths
 - These are the usual strengths held by an incumbent
 - Challengers need to off-set these strengths as well as displaying their own

Typical Strength	What offer can off-set these strengths?
Established and client feels comfortable.	
Available off-site or local facility	
Existing procedures	
Client interfaces established	
Existing equipment	
Corporate capabilities	
Long term involvement and satisfaction.	
Ongoing tasks	
Low cost of transition	
Established subcontractor relationships	
Excellent benefit packages	
Existing library/databases	
Existing security clearances	
Existing facility clearances	
Lower transition risk	
Lower performance risk	
Established client/contractor relationships	
Existing commendations	
Current staff - trained and known to client.	

Competitor _____

Ghosting BTAS - Weaknesses

- Incumbent Weaknesses
 - These are the standard weaknesses that incumbents acquire in their contract performance
 - Challengers will ghost these incumbent problems in their bids

Typical Weaknesses	What offer takes advantage of these weaknesses?
Tendency to live in the past.	
Lack of innovation	
Non-availability of SMEs	
Non-availability of additional facilities.	
Non-availability of additional capabilities	
Demonstrated inflexibility or lack of responsiveness.	
Lack of local autonomy and authority	
Lack of investment in facilities	
Lack of investment in staff	
Excessive staff turnover	
Staff openings not filled in timely manner.	
Client dissatisfaction - Lack of responsiveness.	
Key staff retirement	
Not staffed to meet future needs	
Staff lacks updated technology awareness.	
Lack of administrative support. Or too much.	
Inability to handle staffing surges. Never fast enough.	
Existing personnel overpaid - Salary creep.	
There are always some performance problems that can be exploited.	
Not using the best resources of the company.	
Lack of process improvement.	
Not managed in disciplined, professional manner.	

Competitor _____

Ghosting XYZ- Strengths and Weaknesses

- Ghosting XYZ
 - What are XYZ's weaknesses?
 - What strengths do we have that make XYZ look weak?
 - How will we counter XYZ's strengths?
 -
 - How cancel out XYZ's discriminators?

Competitor _____

Win Themes

Win Theme	
Features	Benefits

Win Theme	
Features	Benefits

Win Theme	
Features	Benefits
MEC 5 Consulting Inc	

Out Briefs

- XYZ Team Out-brief
 - Elevator speech (top 3 reasons why they will pick us – performance, cost or schedule)
 - Back up (templates)
- Competitor 1 – BTAS Out-brief
 - Elevator speech (top 3 reasons why they will pick us – performance, cost or schedule)
 - Back up (templates)
- Competitor 2 – Tecolote Out-brief
 - Elevator speech (top 3 reasons why they will pick us – performance, cost or schedule)
 - Back up (templates)
- Competitor 3 – Quantech Out-brief
 - Elevator speech (top 3 reasons why they will pick us – performance, cost or schedule)
 - Back up (templates)
- Voting – who wins and why (gap assessment)

XYZ Win Strategy Update

- Win Strategy review
- Win Strategies impacted
 - What actions do we need to take?
- Discuss Pricing and Staffing Strategies
 - What actions do we need to take?