3.2 and 3.2.a: Increase percentage of master contracts and utilization with Washington small businesses

3.2/3.2.A: INCREASE PERCENTAGE OF MASTER CONTRACTS AND UTILIZATION WITH WASHINGTON SMALL BUSINESSES

Department of Enterprise Services

Farrell Presnell
Assistant Director

November 7, 2016
Measure 3.2 & 3.2a: Increase percentage of master contracts and utilization with Washington Small Businesses

Background:

Intent of measure: Increase the amount of state business procured using Washington small businesses

New measures = more meaningful and accurately aligns with intent/goals

A movement from a number to relative percentages and utilization of Washington small businesses

Why relevant?
Driving Washington’s economy
Strengthen Washington’s businesses & workers

Current State:

The charts demonstrate the significant growth in both the number of contracts with Washington Small Businesses and the utilization of those contractors.
Problem/Opportunity:

- Under-utilized master contracts awarded to Washington small business
- Benchmark = 2.9%
- Goal = 5% utilization by 12/31/18

Strategies:

Opportunities/Strategies we are working on...

- Developed a list of targeted contracts to experiment with the following strategies:
  - Develop a process for small business friendly lead time and notification of procurements
  - Developing companion contracts
  - Use of inclusion plans
  - Outreach
  - Targeted mini-tradeshows
  - Improved/enhanced vendor on-boarding process
  - Provide technical assistance
Detailed Action Plan:
The following projects have been included in the program’s 17-19 Business Plan; and identified as the one of the top 3 priority areas. The next steps are to identify when the program has capacity to move to the “Doing” line, at which time a lead, team, and due dates will be assigned. The team will report out each week at the program’s weekly team results meeting.

<table>
<thead>
<tr>
<th>Task</th>
<th>Expected Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop a process for small business friendly lead time and notification of procurements</td>
<td>Encourage Washington small business participation in solicitations</td>
</tr>
<tr>
<td>Developing companion contracts</td>
<td>Increase the number of master state contracts with Washington small businesses</td>
</tr>
<tr>
<td>Use of inclusion plans</td>
<td>Increase the use of Washington small businesses providing services to state government</td>
</tr>
<tr>
<td>Improved/enhanced vendor on-boarding process</td>
<td>Increase the utilization of Washington small businesses who have been awarded master state contracts</td>
</tr>
<tr>
<td>Targeted mini-tradeshows</td>
<td>Increase the utilization of Washington small businesses who have been awarded master state contracts</td>
</tr>
<tr>
<td>Provide technical assistance</td>
<td>Encourage Washington small business participation in solicitations</td>
</tr>
<tr>
<td>Outreach</td>
<td>Encourage Washington small business participation in solicitations</td>
</tr>
</tbody>
</table>
**Assistance Needed:**

- How can the goal council or governor help?

The state doesn’t have a mechanism in our current environment to accurately capture the efforts around contracting with Washington small businesses. The ask is to support the implementation and use of electronic resources/tools (i.e. eMarket center, eProcurement solution (ERP-compatible)) to capture accurate spend data, to include the subcontracting spend. The result will be much improved data, which is critical for making decisions; greater transparency; and strategic direction.
Stakeholder/Partner:

- Awarded Master State Contract #08212 in 2013
- As a result of the contract:
  - Increased business sales by 65%
  - Opened new stores in Lacey, WA
  - Added 10 new jobs in Washington

Jeff Crane
Vice President
Genuine Auto Glass