

# **Ten USAID Partnering Best Practices for Subcontractors**

*Prepared by Konektid International*

## Ten USAID Partnering Best Practices for Subcontractors

Konektid is always talking with organizations that want to partner with USAID. Though breaking into this market is rarely a quick and easy process, we hope this white paper will help you best direct your resources as you explore funding opportunities with this agency. USAID is the largest bilateral foreign aid donor, and Konektid's mission is to help bring new ideas and approaches to the important development and aid work it does around the world.

As a USAID advisory firm, we have years of experience understanding our clients' partnering challenges and helping them find the right fit in the agency's market. Many of these clients are not in a position to be the prime implementer of large projects; as a subcontractor or subgrantee, however, they can add value to a bid and support implementation with their niche expertise.

Below are 10 best practices Konektid has identified through our experience helping clients to enter and grow in the USAID market. We hope you find them useful as you look for opportunities to deliver positive impact globally while building your business.

### USAID Subcontracting Do's

#### *1. Do Track Results*

Track data, results, and testimonials from all of your projects. If you haven't been doing this, start today. Both USAID and prime implementers ("primes" as they're often called) expect their partners to have a portfolio that illustrates past performance and showcases successes. Be prepared to share your experience working in countries where USAID operates and provide data to back up your results.

It is also ideal to supplement your data with anecdotal quotes, especially if you have testimonials from USAID staff, government officials, or others who don't have a buy-in to your company. Make sure to request feedback and get permission to use a quote about your work and the contact's name from relevant successful past projects.

#### *2. Do Know USAID's Priorities*

A good place to start building your USAID strategy is by reviewing the agency's business forecast. You can find the anticipated funding opportunities to which you can target your qualifications statements. Your statement needs to focus on what's relevant to the project, and it is best to use the same language that USAID uses (e.g., "scopes of work" instead of "terms of references").

Pay close attention to requirements. For instance, if USAID says a project manager must have 10 years of experience in a particular area, that is a real requirement, not merely a suggestion; do not propose a candidate with eight years of experience. You can also start building your

roster of independent consultants with USAID experience in your core technical areas who can supplement your past performance and make you a more attractive partner.

### *3. Do Focus on What You Have Done, Not What You Could Do*

A lot of companies tell us they're interested in a project because they have completed similar work in a different region and are confident they can deliver the same results anywhere. Though this can be the case, know your limitations. If USAID requires experience you don't possess—working with local municipalities in a specific country, for example—then your experience in another region might not be relevant.

USAID and their prime partners are used to hearing new and potential partners say that they can do everything. Of course, this is seldom the case. Differentiate your team from the crowd by focusing on the niche(s) where you have strong past performance and excel in delivering results.

### *4. Do Keep Your Pitch Relevant*

It is important to keep your conversations with prime contractors relevant. Focus only on the bids you want to partner on, know what role you can fill in the consortium, and clearly express your value when reaching out to primes. The goal is to make it as easy as possible for the prime to see the value you would add to their team.

Additionally, keep your past performance statements relevant to the bid's technical and geographic scope. For example, if you are negotiating a role on a project in Indonesia, chances are your work in Canada won't be relevant.

### *5. Do Build Long-Term Relationships*

Focus on building long-term relationships. As you reach out and connect with primes, realize that you might not see any results from meetings or inquiries about specific procurements. However, know that you will start to build relationships, and that you should put processes in place to build on over the next 12-24 months.

Moreover, make sure to cultivate a diverse network at each prime contractor. Your individual contacts may be traveling, busy with other proposals, or have moved on to other USAID partners. Having multiple contacts at each prime can help you get your partnering pitch to the right people at the right time. Also, staff in one region may not be in touch with colleagues in other regions. For example, if you are interested in one bid in Asia and one in Africa, it's best to have a contact both regions.

## USAID Subcontracting Don'ts

### *1. Don't Underestimate the Importance of Timing*

It usually isn't productive to approach a prime after a proposal is "live," let alone after it's been submitted. Primes often invest thousands of hours—and dollars—in preparing a proposal and almost always aim to have partners on board well in advance (3–9 months before a solicitation is released for standing procurements and 12–18 months for IDIQs). Checking in regularly with primes and tracking the USAID business forecast can help you stay ahead of this curve.

### *2. Don't Sell Your Idea*

Many organizations struggle to break into the USAID market when they try to sell their idea or product. Your first step should be to learn USAID's priorities, then assess how you can add value. Only then can you succinctly and compellingly explain to USAID and its partners how you can add value to their work.

Remember, USAID sets the impact goals and priorities, then releases procurements to bring on partners to help it reach them. The best "sales pitches" focus on a specific procurement, the value you would add to it, and your documented past performance doing similar work. No matter how groundbreaking, innovative, or impressive your approach or technology is, your path to partnering will be challenging if you don't fit it into USAID's priorities.

### *3. Don't Expect Quick Revenue*

We emphasize this point with start-up clients who may have only a few months sign a contract and generate revenue. USAID can be a great partner, but your strategy should focus on building relationships that pay off in the longer term (1–3 years). For example, it usually takes 9–12 months to go from a signed pre-teaming agreement to a signed subcontract; it isn't reasonable to expect this procurement or "sales" cycle to move faster.

However, subcontracts are typically 3- to 5-year agreements that can generate six-figure income annually. Given the long procurement cycle, a good model for measuring USAID partnering progress is to focus on building your pipeline of pending partnering opportunities.

### *4. Don't Rely Exclusively on Any One Relationship*

As you diversify your pipeline of opportunities, work to build relationships with different primes. Not only can this help you customize your strategy to every procurement you pursue, it often makes sense to partner with different primes that have experience in the same technical or geographic areas as you. Furthermore, a broad network can help increase your partnering options as you consider which prime to work with and other strategic decisions, such as exclusivity vs. non-exclusivity.

### *5. Don't Expect a Prime to Follow up with You*

Large primes have countless organizations trying to partner with them, and their focus often shifts in reaction to changes in USAID procurement timing. Do not expect a prime to remember you or to follow up with you. Instead, be proactive with regular, polite follow-up to check on their current priorities. Even if the project they're bidding on isn't a fit for you, you may be able to recommend another organization. This is the essence of networking and relationship-building. People like to do business with organizations that are good to work with and always strive to add value to projects.

*Konektid hopes this white paper deepened your understanding of the USAID partnering process. Our mission is to help more great partners, approaches, and products enter the USAID market and to support the agency's important work around the world.*

*If you want to learn more about partnering with USAID, set up a free consultation by emailing Konektid at [connect@konektid.com](mailto:connect@konektid.com). We would be happy to discuss your organization's needs and how you might become a USAID partner.*

### **Bonus content: Next steps to build your USAID strategy**

1. Review USAID's business forecast to identify opportunities that match your experience and expertise.
2. Identify what your specific value and past performance is for each.
3. Reach out to relevant contacts at the primes. (LinkedIn is a great resource for this).