



# **Marketing Plan for Profile Partners LLC**

WFED 881 Summer 2020

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## EXECUTIVE SUMMARY

### Purpose

This marketing plan describes Profile Partners' expansion and refocus on providing professional services support to federal research and development agencies with a focus on Army and federal government organizations. The purpose of this document is to provide Profile Partners' leaders a roadmap to developing new business. While this document was developed to fulfill a course requirement for WFED 881, the plan in this document will be operationalized immediately – and the document may be used for increasing our firm's line of credit, which increases our ability to expand. Some rearrangement of content and headings has been done to customize the document for Profile Partners' overall business planning framework. Each section has incorporated ideas and suggestions made by classmates during the summer 2020 semester.

### Company Background

Profile Partners provides professional services consulting and support to government agencies, academic institutions, and nonprofit ventures. Founded in 2009, Profile Partners is a women-owned small HUBZone-certified firm with expertise in public sector change management consulting. Over the years, Profile Partners has developed a set of best practices for transformation, which is encompassed in its unique data-drive approach, TransformGPS™. This process helps leaders envision and create mission-ready organizations where teams are productive, employees effective, strategies bold, and innovation thrives.

Based in Baltimore, Maryland, Profile Partners' four senior and three junior consultants perform leadership and organization development work across the country and have worked with a variety of government, industry, and non-profit clients, including the US Army; Otsuka Pharmaceuticals; Susquehanna Workforce Network; Maryland Emergency Management Agency; Maryland Departments of Labor, Commerce, Education, and Human Services; Universities of Maryland; six public school districts in central Maryland; community colleges; and many corporations and non-profit agencies.

Profile Partners' consultants managed major change initiatives for the U.S. Army, including developing and supporting a safety culture initiative designed to reduce accidents, helping install new entrepreneurial processes to increase reimbursable work, training employees in business development, customer service, and entrepreneurship, and guiding two large-scale strategic planning processes. For a Maryland school system and its adjoining community college, we conducted a workforce needs assessment that led to the retooling of the schools' academic and instruction pathways. And for Sanofi Pharmaceuticals, we built a model to identify high performance benchmarks that provided a framework for hiring an additional 250 diabetes educators.

Profile's primary market in recent years has been state, local, and nonprofit agencies. This market segment is facing severe budgetary contraction in coming years. Diversification in client base is necessary for continued business growth. Also, Profile Partner's mission is to help government agencies create high-performing environments to increase effectiveness, reduce cost, and improve the well-being of government employees. The federal sector, while more competitive, presents more opportunities for fulfilling this mission and having a greater general

impact. This marketing plan lays out a roadmap for expanding Profile's footprint in the federal sector.

### **Mission, Vision, and Values**

Mission: Help government agency leaders create high-performing environments to increase mission effectiveness, reduce cost, and improve the well-being of employees.

Vision: Good government

Values:

- Superior products – We consistently deliver the highest quality products and services, as measured by how well they meet our clients' requirements. Timeliness, accuracy, and insight are all measures of quality.
- Exceptional service – How we go about delivering the work to our clients matters. We listen, respond quickly, and consistently place our clients' best interests at the heart of everything we do. This means placing our clients' best interest above our own financial gain.
- Integrity in business – We go about the conduct of our business in a transparent and respectful manner. Our partnerships are based on trust and honesty and relationships are handled with care. Employee well-being matters and we invest in the communities where we do work.

## **BUSINESS PURPOSE AND POSITIONING STATEMENT**

Government agencies are facing unprecedented change in the 2020s. While COVID-19 has reshaped *how* we work, rapid technological change over the next decade will reshape missions and essential functions. Profile Partners helps agency leaders meet the moment with agile, intuitive, and integrated practices so organizations are positioned for success in this new environment. We are strategists, designers, facilitators, and engineers, whose missions are to help government agency leaders achieve organizational excellence by providing transformational program and professional services support and consulting.

Profile Partners' core competencies include organization development, program management, learning and development, public outreach and communications, and innovation and entrepreneurship consulting. After researching existing federal contracts that include scopes of work that include Profile's core competencies, we've decided to categorize ourselves as a professional services firm – a broad umbrella that encompasses a wide variety of management consulting disciplines, which will allow us to add capabilities as needed.

Existing capabilities and services are listed in Figure 1.

Figure 1: Profile Capabilities and Service



Our work is delivered to our clients in two ways – we provide off-site expertise for short- and long-range client engagements, and we provide contractual personnel with professional services expertise to supplement agency workforces. Undergirding our work is our commitment to exceptional service, superior products, and integrity in business.

## Target market and customer profile

Profile Partners existing customer profile is a state or local government leader, with responsibility for an office or division of 30-100 people. On the non-profit side, our customers are executive directors of nonprofit agencies in the \$10-\$50 million range. Typically these executive directors report to a Board of Directors so at times our ultimate client are people we don't work directly with. Most Boards delegate procurement to executive directors. For the purposes of this marketing plan, we have identified a new target market and customer profile. For this marketing plan, our target customer is a senior leader in a federal agency. The government market is large, however, so I've prioritized my target market using a series of concentric circles, with the inner most circle being the most descriptive and representing our most narrowly targeted market. This is to prioritize and focus marketing efforts so that we're gradually methodically targeting the potential market instead of just shotgunning our marketing resources all over the place. The levels of prioritization are depicted in Figure 2.

First tier target profile is a senior leader at the GS-15 or Senior Executive Service level. This is roughly equivalent to a Colonel or a 1-2-star General in the Army. This person manages a large group of people – large and complex enough that she/he has senior-level direct reports and is concerned about its effective operations... probably 50-100 people or more. This person also commands a budget with discretionary funds that can be spent on short- and long-term consulting contracts, training, facilitation, and contractual staff. My first tier profile is someone who works in an Army research and development organization. This includes a potential pool of about 100 organizations across the country. Typically, these customers will look for capabilities

Figure 2: Prioritization of Target Customers



like ours when they are in the midst of a major transformation or when they are recompeting an existing long-term contract. While the senior leader identifies the need, the actual purchase is made through government contracting officers who make sure the procurement is legal and legitimate.

Second tier profile is the same as above, but works for an organization that is Army, but not research and development. This organization may be focused on acquisition, sustainment, or policy. She/he too commands a staff and a budget large enough to cause concern about its effectiveness.

Third tier profile is a senior leader who works for a federal agency. This agency may be Department of Education, Commerce, Labor, or other civilian-focused mission.

The fourth priority marketing target profile are senior leaders at state and local government agencies. They are very similar to the other target profiles except their range of influence may be smaller and their budgets more restricted. Much of my work so far has been with this target market and so expanding here is easy, but does not represent high growth for my business. Consulting services are not treated as essential services in this market and as our recession deepens we can expect all discretionary funding at the state and local levels to be cut dramatically.

Second type of target customer group is potential prime contractors that will hire us to support large omnibus contracts. They may do this either because we offer a complementary skill set, because we offer access to a strategic opportunity, or because they need to fulfill certain small business set-aside requirements. While this target market is worthy of a separate marketing plan because it is a conduit to our ultimate high priority customer, in this marketing plan we've covered this issue under business strategies.

## COMPETITIVE ANALYSIS

### Current competitors

To identify competitors in my target market, I used GovTribe.com to research contracts awarded in the past few years by the Army Contracting Command in my North American Industry Classification System or NAICS codes. These codes are six-digit numbers that identify the specific product or service you offer. My primary NAICS code is 541611 – Administrative Management and General Management Consulting Services. This research resulted in new and surprising information about my competition.

There are two types of firms that are performing work similar to my capabilities – large management consulting firms like Booz Allen Hamilton and Deloitte, and firms that qualify for government set-aside programs. Within this latter category, I came across numerous women-owned and 8a-certified firms. Also, there were several Alaskan- and Hawaiian-owned small disadvantaged businesses (SDBs). Fortunately, my firm possesses its own set-aside certifications – HUBZone, WOSB, EDWOSB, and SDB – so my company is eligible for set-aside and sole-source contracts.

Below are a sample of firms that have recently performed work in my capability area and in my target market. While they are all competitors, only two of them are companies that I would want to emulate. Abrams and Group for OE possess robust capabilities behind their set-aside certifications. The two others are questionable in that they seem to be marketing their set asides as opposed to their capabilities. Our strategy is to rely on our excellence, not our set-asides, to compete in the marketplace.

- Laulima Government Solutions (laulimags.com) is part of a family of companies designated as Native Hawaiian Organization-owned. They call themselves a “total solutions” provider and market themselves primarily on their ability to accept sole source contracts through their 8a certification vehicle. Their capabilities in professional support services are similar to mine, though they seem to reside in a separate company.
- Anyar, Inc (anyarinc.com) is a government solutions provider that provides research and development and professional services staff support. This is what is called a “butts in seats” company. They are woman-owned, minority-owned, and small disadvantaged business.
- Abrams Learning and Information Systems (<https://www.alisinc.com/>) provides support services in workforce development, planning, training, education, and exercises. This company seems to have substantial experience and is not strictly relying on its set-aside certifications for work. They may be a potential partner for future procurements.
- The Group for Organizational Effectiveness (groupoe.com) provides consulting, research, and tools in OD, change management, learning and development, and HR. Their clients are primarily in the private sector, though they have worked with the US Navy, US Army, and US Air Force.

**Necessary differentiators include:**

- “Train the Trainer” approach to consulting: we help clients strengthen in-house capabilities.
- Decades of experience working with federal, state, & local agencies as employees, senior leaders, and as consultants, and deep understanding of unique impacts of change on public sector organizations.
- Specialized expertise in helping leaders create and sustain a culture of innovation and entrepreneurship in the public sector.
- Emphasis on diagnostics that encompasses leadership, team and individual performance, and customer relationships.
- Small business certifications and contractual vehicles that make it easy for government agencies to work with us.

**Strategic Issues/Business Environments to Watch**

- Agencies not meeting goals in small disadvantaged business set-aside category is an opportunity for us.
- Organizations having to rapidly change to hybrid teams – both virtual and in-office – creates unique management challenges for bureaucratic organizations.
- Many of these smaller firms had branded organization development or management consulting products that they offered. It appears they simply branded their own unique process for working with customers. Creating a branded product may be a strategy to pursue.
- To compete on certain contracts, I will need to get Facility Security Clearance for Profile Partners and individual security clearances for employees. Also need DCAA-compliant accounting system in place.
- Explore potential mentor/protégé relationships with established firms.

## **BUSINESS ESTABLISHMENT**

Before we can successfully compete in this marketplace, we need to strengthen several structural parts of the business. This section reviews the critical infrastructure to put in place so we can pursue our marketing strategy. Create fruitful partnerships, mature our business systems, and build a supportive, celebratory company culture are three important steps.

### **Build partnerships**

There are two primary reasons we need to invest time in strengthening old and building new partnerships – one reason is to get in a position where we can hire people who are economically disadvantaged or live in HUBZones. This is necessary to continue to meet certification requirements. Secondly, forming subcontracting partnerships with larger companies will help us bring in more work, while expanding at a steady but manageable rate.

- Reach out to Mayor’s Office for help identifying HUBZone candidates
- Contact internship and co-op offices at colleges and universities in Baltimore to get to know them and how to advertise opportunities
- Develop partnerships with graduate offices at local colleges and universities where there are programs that produce likely candidates for my business
- Identify companies that will have a reputation for positive subcontracting relationships and that have a prime position on major omnibus contracts
- Re-educate existing partners on capabilities and focus
- Continue shopping for mentor joint venture relationship with facility security clearance

### **Mature company infrastructure**

My company’s infrastructure is perfect for that of a 4-5- person business, but not that of a 20-person business. Creating systems that can be accessed by multiple people and are compliant with federal requirements is essential. Also, with a larger staff, inequities in race and gender are very apparent and need to be corrected.

- Increase racial and economic diversity among staff by expanding network and advertising positions in new places
- Continue onboarding financial employee and create SOP for onboarding others
- Install new project management systems that allows multiple users
- Work with bank to expand line of credit to allow for rapid hiring of full-time personnel and update business plan with revised estimates
- With new financial person, improve customer reporting and invoicing system, update rate build for federal and state work
- Share responsibilities for marketing with key employees. Make sure all employees are aware of marketing objectives

### **Build celebration into company culture**

Sometimes I race from one thing to the next and forget to celebrate. I want to be more mindful of pausing to savor the milestones.

- Celebrate each success by keeping a visual log (bulletin board?) and posting on company LinkedIn page.
- Be generous with praise and rewards for those around me. Give lots of gifts and send hand-written notes of appreciation.

## MARKETING OBJECTIVES

This marketing plan positions PPLLC as a pioneering professional services firm preferred by government agencies for change management support. The marketing objective is to develop a robust pipeline of projects that will help the firm triple its size by end of CY 2024. Specific objectives include:

- Develop market research process to prioritize marketing efforts
- Mature internal tools to support marketing and business development efforts equal to a weighted pipeline value of \$750,000 to \$3 million.
- Build relationships with prime contractors, contracting officers, mentors, and small business advocates that result in 10 new contracts per year
- Launch ongoing public relations campaign to ensure awareness of PPLLC and its capabilities as measured by number of engagements with stakeholders
- Launch customer care program to increase client retention and growth so that 50% of revenue is from existing/past customers.
- Develop or update marketing collateral for use in marketing initiatives

### Marketing Tactics and Tools

- Develop market research strategy to prioritize marketing efforts
  - Use Ansoff model to identify products and clients. Cost: 4 labor hours
  - Create a set of criteria to guide what we pursue. Cost: 2 labor hours
  - Develop process for go/no-go decision. Cost: 2 labor hours
  - Hire external BD professional for introductions. Cost: \$1,200/month
- Mature internal tools to support marketing and business development efforts equal to a weighted pipeline value of \$750,000 to \$3 million
  - Install and populate CRM program. Cost: \$500/year plus 12 hours/month upkeep
  - Develop new web & collateral material. Cost: \$2,000 plus 24 hours labor
  - Explore entering into mentor/protégé relationship. Unknown cost.
  - Create early warning and monitoring process for upcoming solicitations. Cost: 12 hours/month.
- Build relationships with prime contractors, contracting officers, mentors, and small business advocates that result in 10 new contracts per year
  - Identify contracting vehicles with related scope of work and meet with primes' POCs to evaluate teaming opportunities. Cost: 12 hours/month.
  - Give four capability briefings/month. Cost: 4 hours/month.
  - Ask friends for referrals to primes and KOs. Cost: 2 hours/month.
  - Connect with staffers. Cost: 2 hours/month.
  - Board position on related professional association. Cost: 6 hours/month.
  - Membership in professional associations – HUBZone Council, AUSA, AFCEA, NMTC, WID. Cost: \$1,500/year.
  - Attend 4 events/month in community. Cost: 8 hours/month. \$120/month registration fees
  - Attend two conferences/year. Cost: 2 hours/month plus travel costs of \$2,400/year and registration fees of \$2,000
- Launch ongoing public relations campaign to ensure awareness of PPLLC and its capabilities as measured by number of engagements with stakeholders

- Speaking engagements that result in 20 new connections/month. Cost: 2 hours/month.
- Social media presence that results in 10% more engagement per month. Cost: 12 hours/month.
- Four articles/year in appropriate publications. Cost: 1.5 hours/month.
- Content-based outreach pushed out through email/blog/social media. Cost: 4 hours/month.
- Launch customer care program to increase client retention and growth so that 50% of revenue is from existing/past customers.
  - Monthly email communication that spotlights other customers' work. Cost: 2 hours/month.
  - Monthly phone call to past customers to check in. Cost: 4 hours/month.

### **Marketing activities**

I have revised the language I use about my capabilities to more closely align with federal procurement norms so now I need to update existing collateral and develop new collateral material for marketing. It is also necessary to develop new management/tracking systems for marketing that keep things from falling through the cracks.

- Package new products and services and continue building library of specific capability statements that are focused on specific opportunities and markets
- Continue having conversations with contracting officers and small business representatives and get my capability statement in the hand of everyone I meet
- Expand network in Army markets through professional associations like Industrial Reps Association and AUSA
- Create checklist for market research so I regularly scan sites for opportunities and create system for triage, assessment, and tracking of opportunities and bids
- Develop customer list that I regularly use for customer care purposes. Create method of highlighting a customer project so existing and past clients understand our full capabilities. Similarly, refine website to reflect new areas of focus and positioning
- Create publishing schedule for blog and LinkedIn and add more case studies to my website

### **Customer Retention**

Improving our systems for retaining customers is very important to future business health. In addition to making sure that clients know our full range of capability, there are several ways to make sure we are taking excellent care of our customers. First, we will make sure that it is easy for our customers to do business with us. This means that we must send out invoices on a timely basis and that provide information about overall budget and burn rate. We also must provide contract and progress reports that exceeds expectations and makes their jobs easier. Second, we can leverage our intelligence systems to provide them insight into funding and partnership opportunities.

### **Cost of marketing program**

Overall cost of this marketing plan: 44 labor hours to launch plus ~88 hours/month of labor to fully implement. Other direct costs (printing, subcontractor, travel, registration fees) will cost approximately \$1,900/month. Implementation may be gradual to reduce cost.

### FINANCIAL PROJECTIONS

#### Background

We are in year one of our growth plan, which included making a couple of strategic hires, buckling down to relearn the business side of things, adding more lucrative customers to our portfolio, and earning key certifications that give us a competitive advantage in the government marketplace. As part of this growth plan, we’ve overhauled how we price our work and calculate earnings.

#### Cash Flow Projections

In a professional services business, you are selling time and expertise. In the government contractor world, you are also selling “butts in seats,” which is a pejorative term for helping government agencies fill staffing needs. An example of this is where the U.S. Department of Education needs a grants manager to help organize their grant-making process. Instead of hiring this person as a government employee, they put this person’s labor on contract because it is faster and less expensive than if they hired a full-time person. So, we hired someone to do this job. She works for our company but is on contract to the Department of Education.

We calculated the five-year cash flow projections by calculating how many people we will hire in that period of time. To estimate the revenue of each person, we grouped them by labor category, assigned hourly rates, added overhead, then estimated the revenue growth by each added person. Figure 4 is a list of labor categories and rates for a proposal we recently submitted and is the table used to complete the five-year estimate.

Figure 4: Labor Categories and Rates Year 2

CY2021									
Labor Category	Staff	Base rate	Annual Equivalent	Loaded Rate	Fee %	Loaded-with-Fee Rate	Annual Loaded Cost	Number of people in each LCAT	Total Annual Revenue
Executive Coach	Mike	\$ 150.00	\$ 312,000	\$225.00	6%	\$ 238.50	\$ 496,080	0.5	\$ 248,040
Consultant I	Brandon, Beth, Cynthia	\$ 45.00	\$ 93,600	\$ 67.50	6%	\$ 71.55	\$ 148,824	2	\$ 297,648
Consultant II	Nancy, Ella	\$ 65.00	\$ 135,200	\$ 97.50	6%	\$ 103.35	\$ 214,968	2	\$ 429,936
Senior II/ Master Consultant	TBD	\$ 100.00	\$ 208,000	\$150.00	6%	\$ 159.00	\$ 330,720	0.5	\$ 165,360
Executive Consultant	Joan	\$ 120.00	\$ 249,600	\$180.00	6%	\$ 190.80	\$ 396,864	1	\$ 396,864
<b>Total</b>							\$ 1,587,456	6	\$ 1,537,848

A quick explanation of this chart:

- Base rate is the hourly rate of each employee. This is their before-tax hourly rate.
- Annual equivalent is the hourly rate multiplied by 2080 hours (yearly hours worked)
- Loaded rate is the base rate multiplied by what is called a “wrap rate,” which is a percentage that includes all of the expenses that a business incurs in employing that person – a desk, computer, health insurance, vacation time, etc. In this case, the wrap rate is ~47%, which means that if I pay someone \$100/hour, it costs me \$147 per hour. This percentage is on the low end, meaning that many other businesses have higher expenses, and consequently higher multiples. When I worked for Booz Allen, it was over 100%.
- Fee is profit and sometimes government clients want it calculated separately.
- Loaded hourly rate with fee is the next column. This is what the client is charged.

- Then the loaded hourly rate annualized (x2080 hours).
- To create a five-year estimate of cash flow (revenue) for this assignment, I estimated how many people would be added over that five-year period of time.

*Figure 5: Labor Categories and Rates Year 6*

CY2025									
Labor Category	Staff	Base rate	Annual	Loaded	Fee %	Loaded-with-Fee	Annual	Number of	Total Annual
			Estimated	Rate		Rate	Loaded Cost	People	Revenue
Executive Coach	Mike	\$ 150.00	\$ 312,000	\$225.00	6%	\$ 238.50	\$ 496,080	3	\$ 1,488,240
Consultant I	Brandon, Beth, Cynthia + 3 more	\$ 45.00	\$ 93,600	\$ 67.50	6%	\$ 71.55	\$ 148,824	18	\$ 2,678,832
Consultant II	Nancy, Ella + 2 more	\$ 65.00	\$ 135,200	\$ 97.50	6%	\$ 103.35	\$ 214,968	12	\$ 2,579,616
Senior II/ Master Consultant	TBD	\$ 100.00	\$ 208,000	\$150.00	6%	\$ 159.00	\$ 330,720	6	\$ 1,984,320
Executive Consultant	Joan	\$ 175.00	\$ 364,000	\$262.50	6%	\$ 278.25	\$ 578,760	2	\$ 1,157,520
							\$ 1,769,352	41	\$ 9,888,528

These figures depict a fairly rapid rate of growth. In defense of the estimate, this rate of growth is not uncommon for similar businesses in my market, especially businesses with set-aside certifications. These firms also offer information technology solutions so I will have to evaluate adding that as a capability in the future.

For the purposes of this exercise, I estimate that half of our revenue will be made up of work that comes from existing or previous clients and half is new work.

## CREDENTIALS

- 20 years of experience working with federal, state, & local agencies, and deep understanding of issues and requirements unique to public sector organizations
- Specialized expertise in helping leaders create and sustain a culture of innovation and entrepreneurship in government agencies
- 15 years of experience leading teams in both government and private sectors, and supervising employees ranging in seniority and expertise from senior engineers to interns
- Academic credentials include Master's of Professional Studies in Organization Development and Change (Aug. 2021)
- Multiple awards from professional organizations: Two-time international Athena Award finalist, Visionary Leader Award from Maryland Tech Council, Excellence in Government Award from the Federal Executive Board, MARCOM Platinum Award, seven Telly Awards for video production.

## Business credentials and past performance:

- SBA Certified HUBZone, Women-owned Small Business. Department of Transportation-certified Minority Business Enterprise, Small Disadvantaged Business, and pre-qualified for Small Business Reserve
- Clients include: U.S. Army Combat Capabilities Development Command; USAMMDA; U.S. Army MANSCEN; Maryland State Departments of Education, Labor, Human Services, and Emergency Management; Washington College; University of Maryland; Harford Community College; Harford County Public Schools; Teledyne Brown Engineering; Otsuka Pharmaceuticals; Susquehanna Workforce Network. Personal past performance includes multiple federal agencies – DHS, NARA, EPA, U.S. Army, DoJ