







Top 10 Signs You're Headed for Your Own Swimming Pool

1. *You become so obsessed with an unrealistic goal that you make bad near-term decisions*
2. *You are more focused on where you are going than how you get there*
3. *You are more interested in the trappings of success than building enterprise value*
4. *You do not care how many Wilsons your friends trample while getting what you want*
5. *Your win parties cost more than your proposals*
6. *Your associations raise eyebrows and purse lips among customers and partners*
7. *You let emotions overly affect your decisions regarding roles and responsibilities*
8. *You make B&P investments based on how much you want the win versus how much it's actually worth*
9. *When you discover someone on your team has fallen short or broken the rules, you hide the evidence instead of solving the problem*
10. *Customers and teammates do not reciprocate your affections*

Gatsby's Lessons for Surviving Small Business Graduation

-  Everyone has not had your advantages, so brace for resentment and lend a hand to the next group of aspiring small businesses
-  Pick attainable goals – the green light will always be across the bay; never target more agencies or IDIQs than you can actively work
-  Success is built on structure – have a plan, work with the plan, and know when and how to update it to keep your growth on track

-  Pick your friends well – they will shape the way customers, partners, and talent view your capabilities and your ethics
-  Be an active listener – when you know people's hopes and dreams, it is easy to attract customers and talent, and you will need both
-  Don't let someone else drive – you never know when another's actions at the wheel of your company will come back to haunt you

Look Here, Old Sport

The federal sector, like Fitzgerald's depiction of the Jazz Age, still maintains an orderly class system. Even when Jay Gatsby strikes it rich, his new money is frowned upon by the landed aristocracy. Similarly, the 8(a) businesses that routinely adorn the top of the Fast 50 lists endure a chorus of derisive commentary from their full and open competitors. Set-aside programs are not the literal equivalent of the illicit business pursuits that built Gatsby's fortune, but meteoric revenue growth rates fueled by easy money will neither break down class boundaries, nor will they create enduring enterprise value. In order to survive graduation and flourish in unrestricted competition, you need a mix of strategic planning, investment in talent and capabilities, and dogged determination. Survivors learn from Gatsby, ignore Buchanan, and avoid becoming Wilson.

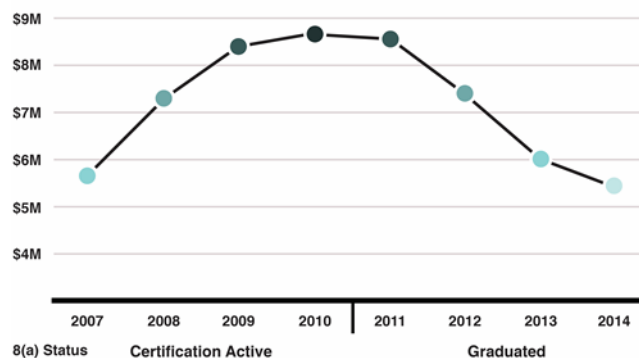
Escaping Your Past

The valley of ashes is scattered with set-aside companies who failed to transition to full and open work, and lifestyle businesses who never tried. Their annual rhythm is monotonous, seeking coverage not growth, forgetting that "there are only the pursued, the pursuing, the busy, and the tired." At the other end of the spectrum, some companies get so big so fast that they blow through graduation before they are ever ready to compete on their own. They graduate flush with cash from large set-aside programs, but with the realization that what once made them attractive to customers is gone. As these companies fall back out of orbit, it is hard not to picture Gatsby's possessions being boxed up to settle debts. Depending on how sharp the elbows were that got them there, many may find those they pushed aside on the way up aiming to exact their revenge.

Through the Twilight

The green light of Gatsby's obsession serves as an important lesson to SB leaders in the federal sector. Once a vision is set and goals are established, you must drive ceaselessly towards them. Resources must be focused and strategic decisions made through the lens of those goals. There will be detours along the path – certainly Gatsby did not arrive in West Egg in a linear fashion – but he arrived by keeping focus on the end state. The opportunistic growth and running to daylight that may have provided altitude and airspeed as a SB will not

Average Prime Awards: 2010 8(a) Cohort



Analysis of nine years of prime contract awards for sixty-one vendors that graduated the 8(a) program in FY10 chronicles the difficulty of transitioning to full and open competition.

Source: fpds.gov, Small Business Directory, and Wolf Den analysis

be a winning strategy in full and open competition. Focus BD around core customers, invest in a select few capabilities, and scavenge resources for proposal pursuits where you have a clear advantage. Differentiate the company and avoid overextending yourself, especially when your objective is across the bay.

Handing Over the Keys

Hiring accomplished leaders and empowering

them to grow your business is critical, and you want to foster a "best idea wins" culture, but not at the expense of fragmenting your strategy or your authority. Letting the wrong people drive can lead to disastrous results, and the company you keep attaches directly to your brand and informs the way customers and partners do business. Especially in leadership and BD roles, reputation is reality. Maintain the highest standards of integrity, versus just collecting people who have been successful before, and actively avoid people who could damage your brand. When growing through small business transition, it is normal to oscillate between leading efforts and lending your name to others. A word of caution: ultimately you will have to answer for everything your partners say or do in your name, so choose wisely.