**General Design of a Technical
Assistance Program to Help
DOE/Prime Contractor Buyers
in Doing Business with Small
Disadvantaged Businesses**

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GENERAL DESIGN OF A TECHNICAL ASSISTANCE
PROGRAM TO HELP DOE/PRIME CONTRACTOR
BUYERS IN DOING BUSINESS WITH SMALL
DISADVANTAGES BUSINESSES

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IN DOING BUSINESS WITH SMALL
DISADVANTAGED BUSINESSES

EXECUTIVE SUMMARY

This report offers a design and recommendations for implementing a program of education to assist Department of Energy buyers and procurement officers in increasing the quality and quantity of small disadvantaged business (DB) participation in their contracted work. The recommendations are based on a previous companion report, "Issues in Contracting with Small Minority Businesses," from which technical assistance and related needs were derived. The assistance program is based on buyer and disadvantaged-business needs, as determined from synthesizing the results of interviews with over two dozen minority business leaders and procurement officers.

The primary issues identified in the previous report concerned both businesses' and buyers' perceptions of difficulties in contracting with each other. The disadvantaged businesses' problems occur because they are small and because they are disadvantaged. The "small business" issues reflect:

Knowledge of users' needs. Businesses cannot match DOE needs when the fit between needs and capabilities is not known and acted upon.

Access to first contract. Tendencies of buyers to use preferred suppliers and not take risks, make it difficult for the businesses to demonstrate success.

Business competition. Price competition and stereotypes make it difficult to compete. Small disadvantaged businesses need limited competition, technical assistance, and cooperation with large contractors.

Solicitation process. There is a need for greater flexibility and timeliness in DOE's solicitation process, but also a reduction in the variability among buyers' procurement practices.

Financial difficulties. Businesses need prompt payment, business-management assistance and bonding/financing support to ease capital and cash-flow problems.

Additional issues associated with being disadvantaged (minority-owned) had to do with awareness and sensitivity among buyers and large businesses, and their attitudes toward, and motivation to use disadvantaged businesses. The business people believe they are not well understood and that greater information exchange is needed. Negative attitudes toward disadvantaged businesses, which are based on misunderstandings of credibility, equality and performance, generate neglect or exclusion of those businesses from contracts.

Procurement officers expressed concerns that "minority-emphasis" programs may conflict with their business efficiency and put added pressure on their "middleman" role between their own management and the technical users of the services/products that they procure. Difficulties experienced by buyers included: lack of disadvantaged business sources; lack of (businesses') knowledge about working with DOE; inadequate responses, pricing, delivery; inadequate or unknown business capabilities; and a lack of technical assistance and organizational support for the buyers.

As a basis for an assistance program design, the report begins with a review of fundamental requisites for such a program to be effective. The assistance must be:

- Content-driven
- Related to salient problems
- Encouraging of buyer participation
- Transferrable to the job with feedback to the buyers
- Accepted by buyers and people with whom they work
- Strategically organized for efficiency

The assistance program is designed for a two-day seminar format and organized into seven training sessions lasting 1-2 hours.

- Purpose, Goals and Ownership. Session leaders and buyers review program goals, experiences and priorities to establish "ownership" and commitment.

- Matching Buyers' Needs with MB Services. Buyers engage in exercises to identify their needs, identify disadvantaged businesses, and match needs with suppliers.
- Qualifying DBs as a Supplier Base. Buyers are educated in opportunities for communications and technical assistance to help DBs meet contract qualifications requirements.
- Knowledge, Awareness and Sensitivity. Assistance focuses on attitudes and expectations about disadvantaged businesses and how buyers can take risks and be creative in contracting.
- Helping Disadvantaged Businesses Perform. Buyers are given techniques for assisting DBs with time-and-money savers and for providing feedback and support to the DB.
- Working With the "System." This session deals with ways that buyers can work with regulations, goals and solicitation processes to enhance opportunities for DB involvement.
- Working With the Organization. This segment concerns buyers' links with their organizations in setting goals, providing incentives, and monitoring disadvantaged-business efforts.

Activities and materials to present the substantive content of assistance include presentations and discussion, individual- and group-exercises, role-playing activities, case studies, and forms that buyers can use. The particular learning mechanisms are geared to the content of each training session. Attachments to the report provide examples of some of these activities and materials.

The report concludes with two sets of recommendations. The first set comprises eight steps for assistance-program implementation, including: refinement, logistics, leader/facilitator selection, buyer selection, evaluation design, pilot-testing, implementation, and evaluation. The second set of recommendations offers suggestions for DOE actions that would support the assistance effort by maintaining strong efforts to contract with small disadvantaged businesses. Those actions include outreach and technical assistance programs for businesses; centralized sourcing and communications activities; and support for buyers' procurement activities.

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GENERAL DESIGN OF A TECHNICAL ASSISTANCE PROGRAM TO HELP DOE/PRIME
CONTRACTOR BUYERS IN DOING BUSINESS WITH
SMALL DISADVANTAGED BUSINESSES

RATIONALE FOR ASSISTANCE PROGRAM

One fundamental approach for dealing with problems of lack of small disadvantaged business participation in DOE-contract work involves working with procurement officers to increase their successful utilization of small disadvantaged businesses (DBs). Part of that approach can incorporate direct training and education of buyers to make their relationships with DBs easier, more frequent, more productive, and more rewarding to the buyers and their organization.¹

In this report, we generally describe what such a buyer-assistance program ought to contain, as directed by the findings of our interviews of disadvantaged business persons and procurement officers. It must be noted at the outset, however, that this approach addresses only one (albeit important) part of an overall DB-participation-enhancement program. It focuses on one part of the content domain (interview-based problems and issues), one target audience (buyers), and one development vehicle (education). Other efforts could be undertaken directly with disadvantaged businesses (seminars, training, etcetera), who comprise the "other side" of the DOE/DB relationship equation. Moreover, as indicated in our report of interview findings, and suggested in a later "general recommendations" section, some remedial activities/emphases can be initiated or continued by DOE or contracting organizations to supplement direct assistance to buyers. In short, not all the solutions involve buyers or education, but working with buyers is an important aspect of DOE's disadvantaged-business efforts.

¹ In this report we use the term "disadvantaged business" to replace the term "minority business", which was used in the earlier report "Issues in Contracting with Small Minority Businesses." Following the suggestion of business owners and buyers interviewed for that report, we prefer to avoid the perceived connotations of the "minority" designation and broaden the reference to businesses which may be disadvantaged by many causes, including ethnicity, in their initial business efforts.

FUNDAMENTAL CHARACTER OF BUYER ASSISTANCE PROGRAM

For maximum effectiveness, any assistance program should have several basic properties. Those properties, and how the buyer-assistance program would incorporate them, are as follows:

- The education must be content-driven. The essential material of training is the information, knowledge or skills that need to be conveyed. The particular procedures for transferring that information depend upon the content.

The buyer assistance program will be designed around content-thematic areas focusing on the kinds of things that buyers can know and do to improve their business relations.

- The program must address salient problems related to the audience's needs. The topics must be relevant and important.

Meeting this objective for DOE buyers requires deriving training content from the issues considered to be important by both disadvantaged business people and the buyers themselves. Thus, the training topics relate directly to the issues identified in the interviews of over two dozen DBs and buyers.

- The activities must incorporate trainee participation. Involvement heightens awareness, motivation, and application.

In an indirect sense, a sample of buyers has already contributed to designing the assistance program. The direct participation of the buyers who are involved in the program will be achieved through a combination of procedural mechanisms that encourage all buyers to take part actively in training sessions.

- Learning must be transferred to the job and provide feedback to the buyers. Transfer means that the things learned in training can be applied on-the-job. Feedback means that buyers get information on how the program has helped them do their jobs effectively.

Transfer will be facilitated by having groups of buyers together learning and doing things that pertain to their on-the-job tasks. Transfer and feedback will also be encouraged through post-training followup mechanisms recommended as part of the implementation process (e.g., tracking DB activities).

- The program must be accepted by its users. This requires involvement of the management and technical leaders of organizations whose people are being exposed to the program.

For the buyer-assistance program this requires commitment, support and interest of the buyers, management and people with whom the buyers interact. A principal element of that commitment is the use of time for training and supporting its results in job behavior.

- The program must be strategically organized so as to optimally use resources and link assistance with organizational goals. This means integrating technical assistance within the broader function of developing small-business partners, affirmative action, and sound business practice.

GENERAL CONTENT AND FORMAT OF BUYER ASSISTANCE

An initial buyer-assistance effort to address disadvantaged business problems is envisioned as a two-day activity in a meeting/seminar type of format. The participants would be groups of procurement officers (buyers, managers) from prime contractors and DOE. Although the assistance might be given internally in a particular buying organization, the ideal arrangement would bring together representatives of different organizations and functions (e.g., buyers of different kinds of goods and services) to share information and learn from each other. The preferred setting would consist of 15-20 buyers in a meeting environment away from the daily work site. A suggested assistance-leader team, to share seminar duties and provide multiple perspectives, would consist of: (1) a contracting officer experienced with small businesses; (2) a disadvantaged-business person/leader; and (3) an instructional psychologist or other type of training leader to focus on group-process activities.

The content of the program would be organized into four basic half-day topic-areas and several sessions, driven by the question of "with whom or what do buyers have to work to make their DB programs click." The sessions would broadly cover:

1. Purpose, Goals, and Ownership of the Program
2. Matching Organization Needs with DB Services
3. Working with Disadvantaged Business People
4. Working with "The System" of contracts and regulations
5. Working with Contracts and Technical Organizations

Within each of these domains, pertinent content based on buyer and disadvantaged business problems would be emphasized. The following sections describe the recommended substance of each of the assistance sessions. The descriptions contain the general areas of required knowledge and skill for buyers (e.g., Awareness and Sensitivity to DB Concerns and Capabilities); specific content within that area (e.g., breaking traditions and stereotypes); and mechanisms for assistance (delivering the message) regarding that content (e.g., a role-reversal exercise).

Day One: Session 1. Purpose, Goals, and Ownership

The first hour would be spent establishing buyers' ownership of the program. After traditional welcomes and program overviews, the leaders would review the purposes and goals of the assistance, which are basically to: (1) assist buyers in working with DBs; (2) enhance their understanding of DB and business goals; and (3) improve the quantity and quality of small DB participation in their contracting work. The trainees and trainers would generate consensus on the goals by sharing issues and problems. The buyers would share from their experience, and leaders would relate concerns to the general issues identified in the previous "Issues" report.

Activities

1. Presentation briefing/introduction by leaders.
2. Individual issue-prioritization exercise (participants would write down their three biggest concerns in DB contracting, share them with the group; leaders would relate to general issues and training topics).
3. Group discussion of professionalism and social goals.

Session 2. Matching Buyer Needs with DB Services

The content of this session is based on understanding and communicating organization product/service needs and communicating them to potential disadvantaged suppliers. One to 1 1/2 hours would be spent in a three-phased exercise to: (1) identify needs; (2) identify DBs; and (3) match needs and suppliers. The content of the first phase would involve identifying long-term, repetitive kinds of needs (e.g., nuts and bolts, social science consultants, etc.). Those needs would be grouped, categorized, and indexed. From this, a generalized needs-solicitation announcement would be drafted.

The second phase would involve generating a list of potential DBs by type of service/product. Samples of basic sourcing documents/lists would be provided as materials for this exercise. The third phase would consist of matching "announcements" and "source lists" to produce a set of 2-3 potential DBs (and others) for each organizational type of need.

In summary, the content thrusts here are to: plan service/product acquisitions beyond immediate short-term needs, identify potential

disadvantaged suppliers, through external and self-generated source lists, knowing whom to contact (or include in competitive solicitations) when specific needs arise, and communicating information to supplier businesses.

Activities:

1. The "Matching" Exercise, described above, to be conducted in small groups of 3-4 trainees each.
2. Results shared in a plenary discussion and review.

Session 3a. Working with DBs:
Qualifying DBs as a Supplier Base

This aspect of assistance concerns helping buyers to provide technical assistance to MBs to qualify them as potential providers, thus enlarging the buyers' options, competitive arena, and chances for successful contracts. Buyers have knowledge of bid and proposal requirements and award-evaluation criteria. They can transfer this expertise to the business community through technical assistance. This involves broad communication to potential bidders on buyers' expectations, bidding procedures, and advance notification of capabilities required so that DBs can procure or develop them. It also involves responsiveness to assist DBs with immediate inquiries or problems.

Activities:

1. Presentation/discussion of qualifications requirements.
2. Presentation/discussion of bid and proposal procedures (1 & 2 include generation by buyers of ideas for transmission to DBs)
3. Role-play telephone inquiry about a bid notice/RFP (see example in Attachment 1).
4. Drafting a buyer-to-supplier newsletter (section) on new markets.
5. Exercise to develop a "suggestion box" to DB coordinators on technical assistance.

Session 3b. Working with DBs:
Knowledge, Awareness and Sensitivity

The content of this session focuses largely on perceptions, attitudes and expectations about disadvantaged businesses. Buyers would learn about

what DBs can and cannot do; how DBs are similar to/different than other businesses; looking at an issue from the "other side"; breaking tradition and taking risks with new firms.

Activities:

1. Basic presentation on attitudes and perception.
2. Videotape of a DB leader discussing business issues, potential, limits.
3. Group discussion of buyer DB experiences and how DBs help or limit them.
4. Reverse role-play with the DB leader and buyers exchanging positions in discussion of a bid opportunity.
5. Presentation and group discussion of risk-taking and creative decision making (see detailed example in Attachment 2). Recognition and breaking of "comfort zones."

Day Two: Session 3c. Working with DBs: Helping DBs Perform Well

In addition to helping to qualify their suppliers, buyers can assist DBs in performing contracts, by applying their business expertise and knowledge of efficiency-saving practices, as well as communicating regularly and openly with the DB contractor. The kinds of assistance buyers can be encouraged to provide are of two basic types: (1) time and effort savers to help the DB become more efficient in their business with DOE; and (2) ongoing feedback and support to the DB.

Activities:

1. Presentation of techniques for easing DB financial burden (e.g., payment scheduling, freight-cost adjustments, direct payments, bid costing assistance, lobbying for loans/bonding).
2. Feedback-practice exercise based on mock examples of good and poor ongoing DB performance on a contract.
3. Development of a "help-step" communications checklist for buyers.

Session 4. Working with the System

The content-focus of this session deals with ways that buyers can work with the "system" of regulations, goals, contracts requirements, and

the solicitation-bid-award process to enhance opportunities for disadvantaged business involvement. The ways that buyers can be encouraged to maximize the benefits of the procurement system are to: understand and use provisions available to them; maintain consistency in applications of the system; adapt the system to meet special needs as appropriate and legal; and be sure bidders/performers are aware of system requirements. The activities emphasize clarity of specifications and use of forms to expedite fairness and documentation of the system.

Activities:

1. Presentation of linkage between procurement system and disadvantaged business.
2. Exercise--draft and critique of a small solicitation.
3. Materials and discussion of standard forms to document bids, waivers, certifications (see Attachment 3).
4. Homework case--document development of contract relationship with one DB, to share with other participants.
5. Role-play--phone questions about an RFP (see Attachment 1).
6. Case studies--evaluating DB bids/criteria and judgments.

Session 5. Working with the Organization

To do their jobs well, buyers must work collaboratively with their organization (contracts management, line management, technical users of goods/services they procure). Organizational activities of benefit to buyers, and derived from buyers' needs, include setting award goals, providing incentives for success, linking with the technical and management communities, and tracking and communicating minority-business efforts.

Activities:

1. Presentation/group discussion of buyer pressure points and "what's in it for us."
2. Individual exercise/group discussion identifying positive buyer incentives--attractiveness and feasibility.
3. Buyer-Manager exercise on goal-setting and implementation.

4. Materials (forms) and discussion of ways to track and monitor activities, problems, successes with contracts (see Attachment 3).
5. Discussion of organizational mechanisms for internal review, cooperation, networking among buyers and those they serve.

SUMMARY OF PROGRAM SCHEDULE

The foregoing represents a heavy schedule of technical assistance activities. However, it is anticipated that following pilot-testing (see Follow-On Recommendations), some activities would be abbreviated or eliminated. With refined planning and timing, the schedule should be designed to operate generally as follows:

<u>Day 1</u>	Session 1: Introduction	1 hour	8:30 - 9:30
	Session 2: Matching	2	9:30 - 11:30
	Lunch Break		
	Session 3a: Qualifying DBs	2	1:00 - 3:00
	Session 3b: Knowledge/Awareness	2	3:00 - 5:00
<u>Day 2</u>	Session 3c: Helping DBs Perform	1	8:30 - 9:30
	Session 4: System	2	9:30 - 11:30
	Lunch Break		
	Session 5: Organization	2	12:30 - 2:30
	Wrapup/Review/Evaluation	1/2	2:30 - 3:00

RECOMMENDATIONS FOR FOLLOW-ON TO IMPLEMENT BUYER ASSISTANCE PROGRAM

The following steps are recommended to implement the buyer assistance program described in the previous sections of this report. Implementation basically requires refined development, pilot-testing, evaluation, broader application, and monitoring/adjustment.

1. Develop/refine materials for program sessions. The present report generally describes assistance activities, with detailed examples of a few exercises, forms/handouts, and activities. Additional development would be required to prepare the complete, "ready-to-go" training package of information and in-session working materials, including cases, exercises, briefing outlines, information sheets, manuals/forms, and videotapes.
2. Review and refine sequencing and logistics of program. This advanced-planning step involves step-by-step review of the assistance-program plan for logical consistency, flow and feasibility, and any subsequent modification.
3. Select leaders. Identify people who will deliver the assistance. As indicated in the program description, the general intent was to have a tripartite team with complementary expertise and roles. The particular people should be selected early. Then the leaders should review and modify, as necessary, the assistance package that they will be using.
4. Establish procedures for selecting buyers. A common problem in organizational development is that people get assigned to education and training for the wrong reasons. Typically, the "better" people get training because they deserve it, and the "weaker" people get training because they need it. The current program is designed to be useful to the full range of buyer skills and experience. However, procedures need to be established for "sampling" to keep class-size reasonable and to minimize intrusion on organizational staffing. A two-day "leave" from day-to-day work for training presents complications for buyers and their bosses. Buyers' managers should be briefed on the program and involved in scheduling to enhance their support of the effort.
5. Develop an evaluation procedure for the assistance program. Prior to implementation, program administrators should have an evaluation plan for assessing the value of the training after it is done and revising the program for improvement. Establishing the evaluation mechanism involves determining: (1) the evaluation criteria (productivity, buyer knowledge, buyer attitudes, future DB-involvement); (2) criterion measurements (organization records, ratings, surveys); (3) sources of

information (buyers, colleagues, managers, DBs); (4) timing of assessment (during training, immediately after training, short-term future, long-term future); (5) design for analyzing information (before-after, control-group or more sophisticated forms of comparison); and (6) procedures for using the evaluative information (program review, management information, buyer feedback, second-generation program design).

6. Pilot-test the program. The assistance program, or at least major parts of it, should be pretested on a sample of willing, "friendly" buyers who would be expected to constructively criticize the program and suggest any changes. The pilot test would also offer the opportunity to pretest the more immediate evaluation measures (e.g., feasibility, perceptions, reactions). The program would then be fine-tuned based on the pilot-test results.
7. Implement the program broad-scale. The program would be implemented with a broader set of buyers from different organizations, product/service interests, and locales.
8. Conduct evaluation. The program should then be evaluated as designed in Step 5 with reports communicated to administrators for future planning.

RECOMMENDATIONS FOR OTHER ACTIONS TO SUPPORT
AND ENHANCE BUYER ASSISTANCE

In the course of reviewing the literature, interviewing disadvantaged business people and buyers, and developing the thrusts for buyer assistance, several additional recommendations were derived. These suggestions do not involve buyer assistance per se, but would provide a supportive environment for that program, by initiating or maintaining actions to enhance the opportunities for successful small disadvantaged businesses' participation in DOE work. The recommended activities would interact with technical assistance efforts to give buyers' education a better chance to pay off in increasing diversified business. As noted in the rationale for the buyer assistance program, buyers are only one piece of the small-disadvantaged-business puzzle. The following recommendations address other pieces, i.e., minority businesses themselves and DOE administrative emphases.

Maintain Communications and Outreach Programs for Small and Disadvantaged Businesses

- Encourage and sponsor trade fairs, conferences and other opportunities for business leaders, buyers, prime-contractor contracts and technical staff, and DOE officials to interact and share needs/capabilities information and developments.
- Update, consolidate and continue to publish, in clear terms, DOE information of use and importance to small disadvantaged businesses. That information should be of two types: (a) generic technical, research, service, and product needs of DOE and its prime laboratory contractors; (b) solicitation requirements, procedures and assistance opportunities.
- Provide technical assistance to small disadvantaged businesses through workshops, staff interaction, and written information on: doing business with DOE; writing proposals; bonding; insurance and other procurement requirements; financial planning and business development; set-aside and waiver guidelines.

Develop, Centralize and Use Information to Match DOE Needs with DB Participation

- Regularly analyze internal projects' and commodities' needs to develop and disseminate forecasts of prospective purchasing opportunities for DBs, in a timely manner.

- Design and implement a survey of DBs to establish rosters and vendor lists by type of service or product needed. Develop on-line system with meaningful codes from survey information for certified DBs by type, experience of the DBs, job-size, and other pertinent characteristics.
- Update, improve and encourage the use of PASS by prime contractors in conjunction with their unique vendor lists.
- Develop and maintain a directory of agencies and organizations that provide free or low-cost services for DBs.

Provide Assistance and Support for Buyers and Their Organizations in Expanding Small Disadvantaged Business Involvement

- Involve buyers and prime-organization management in establishing annual DB participation goals.
- Establish positive incentives for buyers' organizations to meet overall-disadvantaged-business involvement goals. Identify current barriers to DB-involvement and design improved buyer-reward systems.
- Consolidate, report, provide a network for users, of successful DB procurements and performances.
- Assist organizations in the process of certifying, and finding certified small disadvantaged businesses.
- Assist buyer organizations in developing and using special contract provisions for, e.g., quick payment, hold-back in lieu of bonding, and other possible creative and legal solutions to DB problems.
- Hold regular informational meetings among DOE and buyer staff to identify and resolve contracting problems and discuss new programs.
- Provide assistance to buyer organizations in monitoring and evaluating contract performance and accountability for using DBs. Design buyer performance appraisal process to encourage their use of DBs.

ATTACHMENT 1
ROLE-PLAYS FOR DOE PROCUREMENT OFFICER ASSISTANCE

The use of role-plays, with specific learning points and feedback, has been shown to be one of the most effective training approaches for teaching skills, especially interpersonal skills. Therefore, it is recommended that for certain aspects of the assistance program that focus on interpersonal skills, that may be problematic for buyers when dealing with DBs, a systematic role-play approach be used.

An effective role-play approach, derived from basic principles of human learning, includes the following:

- Show the trainees effective ways to handle a potential problem when interacting with DBs. This can be done by having the trainers present a role-play, whereby one trainer acts as a DOE procurement officer and the other portrays a DB owner. More elaborate training programs incorporate the use of films as an observation mechanism to show trainees effective skills for handling a situation.
- Learning points on the behaviors observed are presented and discussed. Learning points help guide trainees in performing the skills, and can be used back on the job, when a situation similar to that presented in training is encountered.
- Practice the behaviors observed and reflected by the learning points, by role-playing a situation that the trainee has encountered on the job (or would likely encounter). For each role-play, one trainee plays himself/herself (i.e., a procurement officer) and another trainee plays the role of the DB owner. This approach has the additional benefit of placing a procurement officer in the position of the DB owner, which can provide the person with insight of the DB owner's perspective.
- Feedback is then provided by the trainers and other trainees to the person role-playing as procurement officer. The feedback is structured so that it is specific to the learning points, and clearly stated in behavioral terms.
- Transfer of training back to the job is facilitated by providing the trainees with copies of the learning points that can be readily referenced in the work place and, if training is provided in more than one session, having the trainees report back on their successes/failures in applying the learning points in actual on-the-job situations.

Training programs based on this role-play approach, often called behavioral modeling, have been found to lead to actual changes in behavior

back on-the-job. Shown below are some examples of potential role-play topics for a DOE procurement officer's training program. The three example role-plays reflect training content identified to be applicable to procurement officers, as described in the body of this report. For each of these role-play examples, there is a situation, role-play positions for the trainees role-playing each of the positions, and learning points. These are given to the trainees prior to each role-play.

Example Role-Play #1

Situation: Procurement officer gets a phone call from a DB owner who asks what type of work DOE does (lets contracts on), and says he is interested in being involved in future work.

Procurement officer perspective: This person doesn't appear to know much about DOE and I'm busy.

MB owner perspective: This person doesn't sound like he understands my problems as a DB owner.

Learning points for procurement officer:

1. Listen openly to the person.
2. Ask for a description of the MB business owner's products and services.
3. Suggest that the person send you a description of his/her products or services.
4. Agree to send the person a description of DOE's needs by _____ (designate a specific date).
5. Thank the person for calling.

Example Role-Play #2

Situation: A DB owner calls a procurement officer after a request for proposals has been sent out. The DB owner sounds confused about the RFP paperwork and is asking a lot of questions.

Procurement officer perspective: The company who usually does this type of work for me doesn't get confused about the paperwork when responding to an RFP.

MB owner perspective: I don't have the time or staff to figure out what's really important in this 50 page document.

Learning points for procurement officer:

1. Listen to the person.
2. Indicate where the most pertinent information in the document is located.
3. Answer any questions that you can, while being fair to all competitors.
4. If you cannot answer particular questions due to potential legal implications, state this in a nondefensive manner.
5. Thank the person for their interest.

Example Role-Play #3

Situation: A procurement officer needs to have 100,000 computer diskettes within two weeks. He calls a DB owner that he has done business with in the past. The DB owner says he can get the product, but he cannot carry the cost of paying the supplier, and then waiting a month for DOE to pay.

Procurement officer perspective: The big businesses don't have these money problems.

MB owner perspective: There's no way I can get a bank loan to float this.

Learning points for procurement officer:

1. Listen to DB owner's concern.
2. Ask the DB owner what options he has.
3. If no other options, offer to call supplier and assure supplier that payment will be made (e.g., with purchasing number, direct payment to supplier).

ATTACHMENT 2

WORKSHOP/LECTURE ON RISK TAKING AND CREATIVE DECISIONMAKING

The attached course description and lecture outline are illustrative of the approach that might be used to assist DOE buyers in developing their awareness of Disadvantaged Business needs. The lecture is aimed at introducing risk taking into their decision making and might effectively be paired with role-play situations that tap into stereotypes of minorities or challenge "rules" in the bureaucratic system that appear to be inviolate but are merely common practices. The discussion of creative strategies should be accompanied by a demonstration, consequently the presenter should be comfortable working with groups.

WORKSHOP DESCRIPTION

Innovation and Risk Taking in Decisionmaking and Problem Solving

Objectives: Understand the strategies used to make decisions; develop skills to identify and tap into sources of creativity; learning which problems can be solved through risk taking and innovation and which are best left to old solutions.

Agenda:

Decisions: When and How You Make Them on the Job

- * Your Decisional Roles
 - Entrepreneur
 - Disturbance Handler
 - Resource Allocator
 - Negotiator
- * Rules we use to decide in uncertain circumstances
 - What information is available?
 - Confidence in our estimates of the situation
 - Our desire for certainty in uncertain times
 - Unrealistic optimism
 - Our tendency to be lead by belief

Innovation in Decisionmaking and Problem Solving

- * Influences on Risk Taking and Creativity
 - What is your "frame of reference?"
 - Organizational Valuing of People
 - The effects of Power Structures, Information Flow and Incentive Systems
- * Creativity versus Chaos in Solution-Seeking (or Every Time You Aim Nowhere, You Get There)
 - Considered Risk Taking as an Approach to Problem Solving and Decisionmaking

LECTURE/PRESENTATION OUTLINE

Innovation and Risk Taking in Decisionmaking and Problem Solving

I. Defining Our Terms

- Decisionmaking, Problem Solving and Probabilistic Thinking
- Creativity -- Divergent Thinking
- Risk Taking -- Considered Approach

II. Habits and Rules in Our Decisionmaking

- The Availability of Information
- Confidence in Our Evaluation of the Situation
- Seeking Certainty under Uncertain Conditions
- Unrealistic Optimism
- Leading with Our Beliefs

III. How Do You DO Creative Decisionmaking?

- Strategy -- people are your resource
- Techniques -- individual, group (Brainstorming, Delphi)

IV. When Should Creative Decision Making be Used -- Issues of Appropriateness and Implementation

- The Jobs Interpersonal and Decisionmaking Roles
 - Entrepreneur
 - Disturbance Handler
 - Resource Allocator
 - Negotiator
- Key Considerations in the Implementation of Innovative
Decisions
 - Risk -- Its assessment
 - Acceptance -- Its achievement

ATTACHMENT 3

FORMS FOR ASSISTING BUYERS IN TRACKING SMALL DISADVANTAGED BUSINESS ACTIVITIES

The attached set of forms can be used by buyers and procurement officers to monitor and assist in the granting of awards and tracking of small disadvantaged business involvement in the organization's procurements. The forms, originally designed for a large public school district's public works and materials procurements, can readily be adapted for DOE use.

1. The first form is a declaration, for contractors, of minority/women business subcontracting proposals, to be included with their bids. The form can be used to determine if bids are in compliance with affirmative action terms. Over jobs, forms can be clerically accumulated to identify dollar and percentage awards to different types of disadvantaged businesses.
2. The second form keeps procurement staff aware of all work orders over \$10K and the extent to which they involve disadvantaged business.
3. The third form provides a record of buyers' requests for waivers from minority-business guidelines in awarding contracts. Reasons, efforts, and alternative actions must be specified.
4. The fourth form provides a record of actual payments to disadvantaged businesses and an indication, therefore, of contractors' financial performance in meeting DB contract terms.
5. The fifth form (titled "Purchasing Department") shows a running record by reporting period and year of minority (women) business awards, which can be matched against goals, for various categories of ethnic-based disadvantaged business reflected in the classification code.
6. The sixth and seventh forms provide a DB forecasting and reporting system for different types of procurements. Form 6 gives an annual forecast across types of procurements. Form 7 gives detailed reporting for one type (public works) for a quarterly period.
7. The eighth form ("Bid Evaluation Sheet") allows direct comparison of multiple contractor bids on a procurement, regarding their proposed DB involvement. Compliance officers can use this form to recommend awards to low bidders or others depending on whether they are in affirmative-action compliance.

8. The final form is an example of an authorization letter to withhold part-payment to DBs in lieu of bonding. This protects the buyer against 50% of the contract costs should the business not perform, and provides 50% for the DB in lieu of bonding.

SEATTLE PUBLIC SCHOOLS
CONTRACTOR'S DECLARATION of MINORITY/WOMENS' BUSINESS (M/WB) SUBCONTRACTING

Pursuant to Seattle School District Resoluton 1984-14 the Minority/Women Businesses listed on this form will be used on this contract. This Contractor's Declaration Form shall be considered part of the resulting contract. Failure to complete and submit this form or the inclusion of false information shall be considered evidence that this proposal is unresponsive to the terms and conditions of the bid.

FIRM NAME: _____ Telephone _____ Date _____

ADDRESS: _____

CONTRACT AMOUNT: _____ BID NO. _____ CONTACT PERSON _____

M/WB Subcontractors/Supplier Name - Address - Phone	Ownership			Certifying Agency	Type of Work	Amt. of Bid	% of Total
	Minority	Class Code	Women				

Minority Business Enterprises Classification Codes:

1. American Indian - AI	3. Asians	4. Blacks - B	7. Non-European
2. Native Alaskan - NA	(a) Chinese - A/C	5. Filipinos - F	Hispanics - H
	(b) Japanese - A/J		8. Samoans - S
	(c) Korean - A/K		
	(d) India - A/Sub		

Seattle Public Schools

CONTRACT ROUTING SLIP

NOTE: Please FURNISH/COMPLETE all necessary information for Construction, Engineer/Architect Contracts for \$10,000 and over. Change Orders, which bring the ORIGINAL contract amount to \$10,000 or more, must also be submitted using this form.

Contractor _____ Contract # _____ Change Order# _____

Amount this Action _____ Total Amount _____

Starting/ending Dates _____ through _____

Funding Source: _____

Description: _____

Solicitation Process _____

Waivers Granted-if any (type of) _____

Agency of Origin _____ Contact Person _____ Phone _____

Review and Approvals		
Date to:	Initials	Date/From
_____ Facilities Dept.	_____	_____
_____ Purchasing Dept.	_____	_____
_____ M/WB Office	_____	_____

M/WBE Comments: _____

Seattle Public Schools

REQUEST FOR WAIVER

Department Requesting Waiver _____

Contract # _____

Identify Nature of Contract _____

Reason(s) for Request _____

Type of Waiver requested (See Resolution 1984-14, Section IX A.1-10)

Summarize affirmative efforts to solicit M/WB's _____

What firm do you intend to use and why: (Include name, address, phone, and contract person)

Action Taken by Affirmative Action Office:

Request for Waiver Granted ☐

Request for Waiver Denied ☐

Explanation: _____

Seattle Public Schools District No.1

AFFIDAVIT OF AMOUNTS PAID M/WBE PARTICIPANTS

Contractor	Address		
City	State	Zip	Date
Contract No.	Project No.		

Description (include job title)

Contract Bid Price \$	Amount Due MBE \$			Amount Due WBE \$	
MBE/WBE Participant Name and Address	MBE or WBE	Class. Code	Contract Type	Bid Item No.(s)	Amt. Paid Participants

Classification Code:

AI - American Indian	Asians	H - Non-European
NA - Native Alaskan	A/C - Chinese	Hispanics
B - Blacks	A/J - Japanese	
F - Filipinos	A/K - Korean	S - Samoans
	A/Sub - India	

Total MBE Participation Achieved \$	Total WBE Participation Achieved \$
--	--

AFFIDAVIT

I, the undersigned, do hereby certify that in connection with all work on the project for which this statement is submitted, each MBE/WBE participant contracted by me have been paid the amounts shown for bid items, or portions thereof listed.

Signature	Title
-----------	-------

Subscribed and sworn before me this ____ day of ____ 19__

X _____ Notary Public in and for the State
of Washington

Residing at _____

Seattle Public Schools

PURCHASING DEPARTMENT

MWBE Utilization Report
Reporting Periods: September/October 1985

Date: November 15, 1985

COMMODITY	# WBE Goal	# WBE Vendors						# WBE Vendors		Year-to-Date				Comparison All Commodities	
		Contact	Responded	WBE Awards Current			All Awards Current	Contact	Responded	#	WBE \$ Expended	# WBE	Total \$ Expended	1984-85	
				#	\$	%								# WBE	% WBE
Air Filter Sales/Service					927.45						2,375.42				
Allied Restaurant					838.68						3,775.72				
Brower Co. (The)					228.09						1,950.02				
Coast Wide Supply					1,348.26						1,348.26				
1 Data Media Services											24.21				
Goodman Oil Co.					27,187.16						34,320.53				
3B J.A.E. Awards					229.83						262.20				
Jolynn, Inc					5,538.85						14,571.88				
Mayfield Chase					6,163.65						7,391.39				
4B Pizzax Travel					923.00						923.00				
PO. 11 TOTALS					43,384.97						66,942.68				

Minority Business Enterprises Classifications Codes:

1. American Indians - AI	3. Asians:	4. Blacks - B	7. Non-European
2. Native Alaskan - NA	(a) Chinese - A/C	5. Filipinos - F	Hispanics - H
	(b) Japanese - A/J	6. Samoans - S	

1984-85 ANNUAL FORECAST

For Affirmative Action
Office Only

*Contract Codes: (1) Construction & Public Works (2) Architectural/Engineering (3) Materials & Supplies (4) C & I Personal Services (5) All Other Personal Services

Form A

CONTRACT AWARDS
FOR PUBLIC WORKS
SEATTLE PUBLIC SCHOOLS
QUARTERLY REPORT September to December, 1984

PROJECT & JOB NUMBER	GENERAL CONTRACTOR	DATE OF AWARD OR PERIOD OF CONSTRUCTION	TOTAL \$ CONTRACT	EXPECTED MBE PARTICIPATION	MBE \$ MBE %	EXPECTED MBE PARTICIPATION	MBE \$ MBE %

TOTALS:

\$ _____

\$ _____

\$ _____

_____ %

_____ %

Date In

Seattle Public Schools

Date Out

BID EVALUATION

SHEET

TO:

FROM:

RE:

1. FIRM NAME: _____ BASE BID: _____ TOTAL M/WB % _____

MBE SUB- CONTRACTORS	CERTIFYING AGENCY	AMOUNT BID	% CON- TRACT	WBE SUB- CONTRACTORS	CERTIFYING AGENCY	AMOUNT BID	% CON- TRACT

2. FIRM NAME: _____ BASE BID: _____ TOTAL M/WB % _____

MBE SUB- CONTRACTORS	CERTIFYING AGENCY	AMOUNT BID	% CON- TRACT	WBE SUB- CONTRACTORS	CERTIFYING AGENCY	AMOUNT BID	% CON- TRACT

3. FIRM NAME: _____ BASE BID: _____ TOTAL M/WB % _____

MBE SUB- CONTRACTORS	CERTIFYING AGENCY	AMOUNT BID	% CON- TRACT	WBE SUB- CONTRACTORS	CERTIFYING AGENCY	AMOUNT BID	% CON- TRACT

Do not write below this line.

Status of Bidders:

1. _____
2. _____
3. _____

Status of Apparent Low Bidder:

WMBE Compliance Action & Comments:

The bid status for this contract has been reviewed and evaluated for compliance with Resolution 1984-14 by the Affirmative Action Office on: Date _____

☐ Award Apparent Low Bidder

☐ Awarded other than Apparent Low Bidder

☐ Reject

See Comments:

Jim Wright
Contract Analyst

LETTER OF AUTHORIZATION
FOR CONTRACTORS IN LIEU OF PERFORMANCE BOND

Project _____

Date _____

Company _____

Authorized Representative _____

Contract Amount _____

I, _____ of _____

in accordance with the terms and conditions of R.C.W. 39.08.010 hereby authorize the Seattle School District to retain fifty per cent (50%) of this contract amount in lieu of a performance bond, for a period of up to thirty (30) days after date of final acceptance, or until receipt of all necessary releases from the department of revenue and the department of labor and industries and settlement of any liens filed under chapter 60.28.RCW, whichever is later.

Authorized Representative

1/31/86
FF.1

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