



Agency Priority Goal | Action Plan | FY 23 – Q3

Increasing Disadvantaged Small Business Growth through Federal Procurement

Goal Leader:

Office of Government Contracting and Business Development

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Goal Overview

Goal Statement

Support a robust national recovery and a resilient federal supply chain by leading a government-wide initiative leveraging the Federal Government's purchasing power. By September 30, 2023, the SBA will increase federal contracting awards to small disadvantaged businesses (SDBs) to 12%, promoting diversity, equity, inclusion, and accessibility to help more Americans realize their entrepreneurial dreams while growing the U.S. industrial base.

Problem to Be Solved

The Federal Government is the largest procurer of goods and services in the world. With more than half a trillion dollars spent in FY 2020, these dollars represent a tremendous opportunity for small businesses.

Federal spending management frameworks that lead to contract consolidation and bundling have impacted the ability of small businesses to compete for small business set-aside awards.

What Success Looks Like

- Continue the positive trend in federal contracts to small disadvantaged businesses, which have increased from 9.5% in FY 2016 to 10.5% in FY 2020.
- Grow the small business industrial base by providing increased opportunities for small businesses to enter the federal marketplace and by enabling more small businesses to become prime contractors to increase government-wide usage of small business socioeconomic set asides.
- Increase the number and value of government contracts awarded to SDBs by providing training and outreach to ensure certified small businesses have the information and resources to successfully engage, compete, and implement government contracts.

Goal target(s)

In the table below, please repeat the key metrics included in the goal statement (previous slide) that will be used to track progress.

Please update **this column** each quarter.

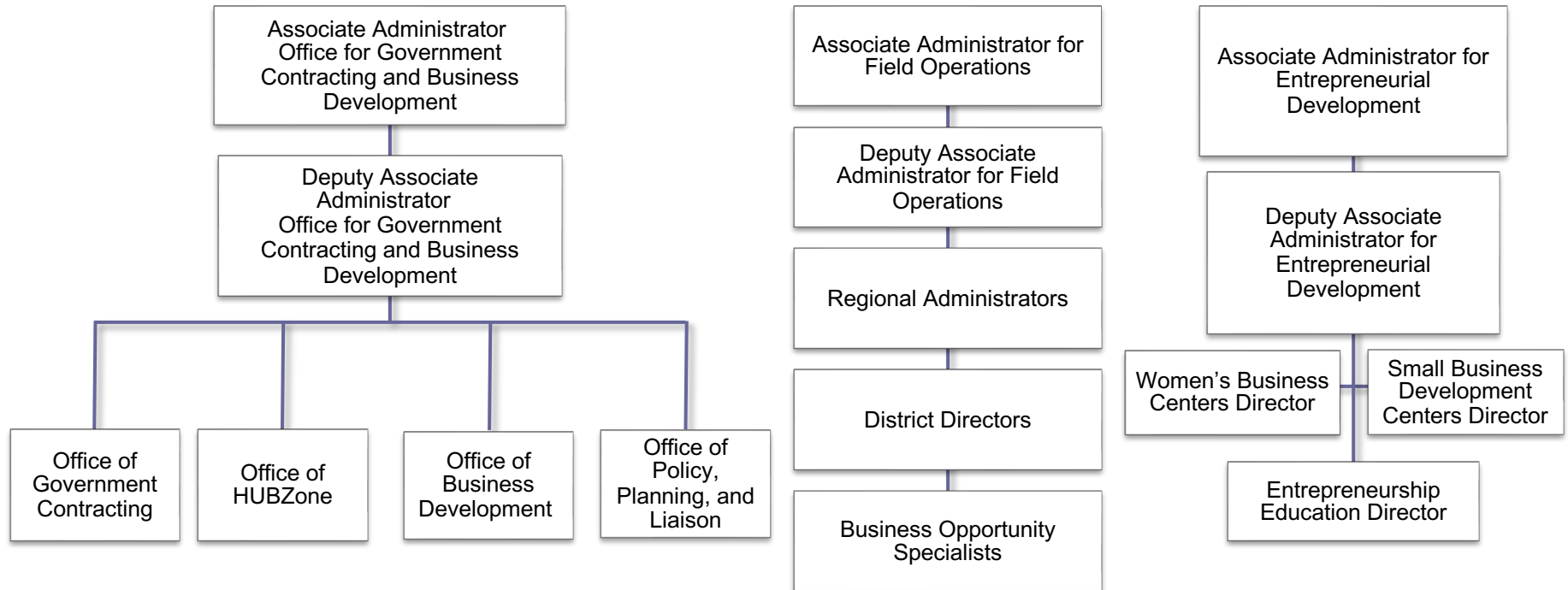
Achievement statement Repeat the achievement statement from the goal statement on the previous slide		Key indicator(s) A “key performance indicator” measures progress toward a goal target	Quantify progress These values enable us to calculate % complete for <u>any</u> type of target			Frequency When is there new data?
By...	We will...	Name of indicator	Target value	Starting value*	Current value**	Update cycle
09/30/23	Increase federal contracting awards to small disadvantaged businesses	Percent of Awards for Small-Disadvantaged Businesses Receiving Government Contracts	12%	11%	11.38%	Yearly***

* Starting Value = As of October 1, 2022, official FY 2021 value

** Current Value = Updated Q3 2023, official FY 2022 value

*** Official data is available in the third quarter of the next fiscal year

Goal Team



Goal Team Description

The goal team consists of the Office of Government Contracting and Business Development (OGCBD), responsible for liaising with other federal agencies to set and support small business contracting goals, certifying small businesses, maintaining SBA certification systems, and providing small business development opportunities. The Office of Field Operations (OFO) manages 68 local district offices and supports outreach to small disadvantaged business through its Business Opportunity Specialists. The Office of Entrepreneurial Development (OED) supports small businesses through its Resource Partner network consisting of Small Business Development Centers, Women's Business Centers, SCORE mentorship networks, and the Community Navigator Hub-and-Spoke network.

Goal Strategies

The Federal Government is the largest procurer of goods and services in the world. The SBA provides oversight in federal contracting to ensure that government-wide goals for small business utilization are set and achieved every year.

To help small businesses leverage this opportunity, the SBA provides technical assistance and business development services so that they can better compete for federal contracting awards.

Strategy 1: Facilitate Contract Opportunities

- Through the Small Business Procurement Advisory Council (SBPAC), assist federal agencies throughout the acquisition lifecycle, from acquisition planning through award and period of performance. This assistance helps federal agencies set and meet their small business contracting goals.

Strategy 2: Strengthen Small Business Capabilities

- Create opportunities for small businesses to win federal contracts through training, sharing best practices, publishing data, and hosting matchmaking events delivered through the 8(a) Business Development and 7(j) Management and Technical Assistance Programs.

Strategy 3: Leverage Technology to Increase Participating Firms

- Modernize the process U.S. firms use to apply for, maintain, and manage their SBA set-aside program certification and status through automation and digitization. This project replaces multiple outdated IT systems with a single, high performing, customer centric, web-based platform.

Key indicators

Key indicator(s) A “key performance indicator” measures progress toward a goal target	Quantify progress			Frequency When is there new data?
Name of indicator	Target value	Starting value*	Current value**	Update cycle
Percent of 8(a) Firms Awarded Federal Contracts	73%	65%	72%	Quarterly
Number of certified 8(a) firms (see Footnote #4 below)	5,000	4,907	4,907 ⁴	Quarterly
Number of Small Businesses Assisted by 7(j) Training Program ¹	13,000	0	4,280	Quarterly
Number of Small Firms Assisted by 7(j) Training Showing Growth in Federal Contract Awards ²	2000	0	0	Annually
Number of Government Contracting Unique Small Business Counseling and Training Session Attendees ³	12,000	0	13,827	Quarterly

* Starting Value = As of October 1, 2022

** Current Value = As of June 30, 2023

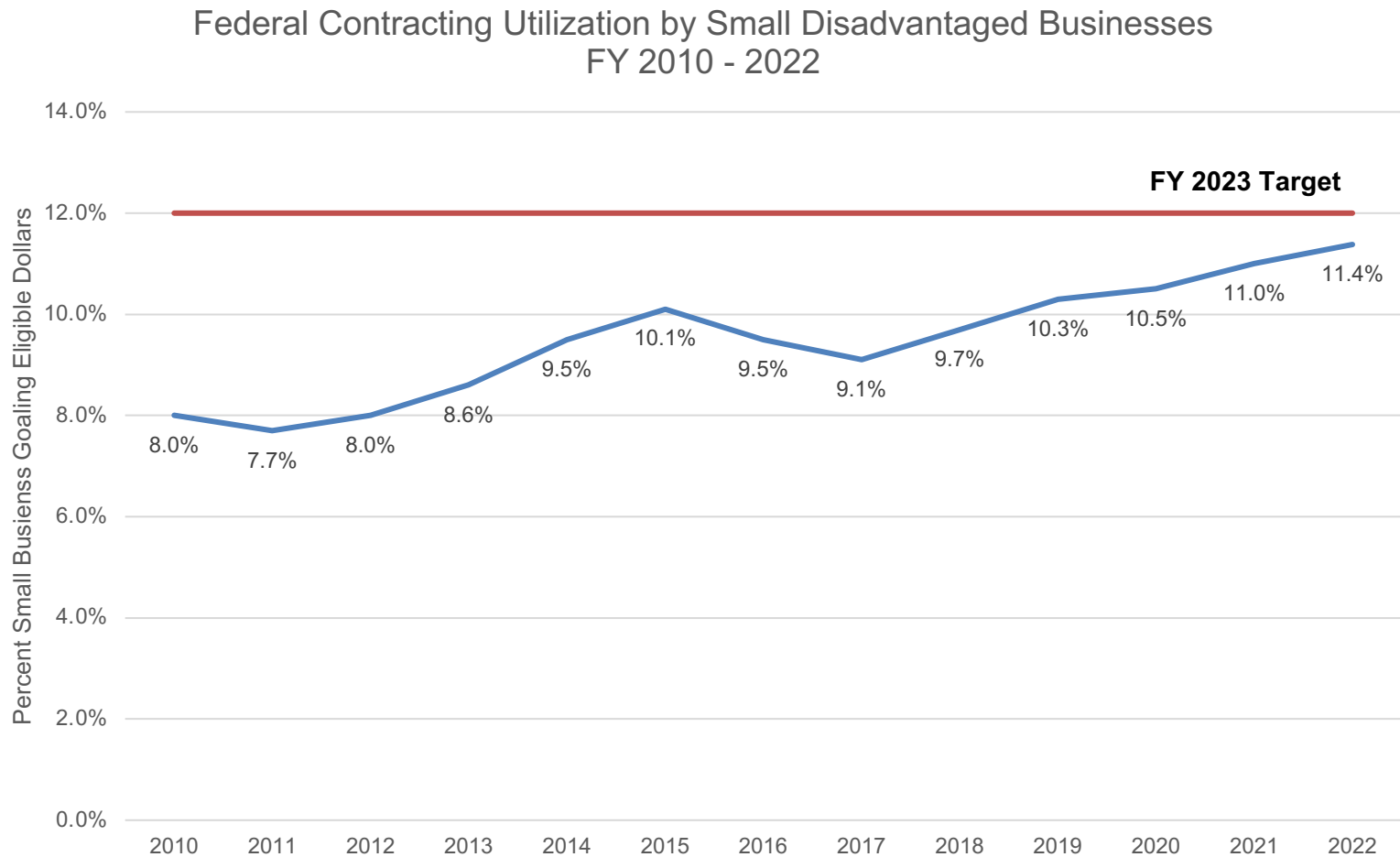
¹Annual target: 14,243 Small businesses assisted by 7(j) training in FY 2022.

²Annual target: 1,992 Small firms assisted by 7(j) training showing growth in federal contract awards in FY 2022

³Annual target: 14,833 Government contracting unique small business counseling and training session attendees in FY 2022

⁴The number of certified firms fluctuates as firms complete the 9-year program

Key indicators

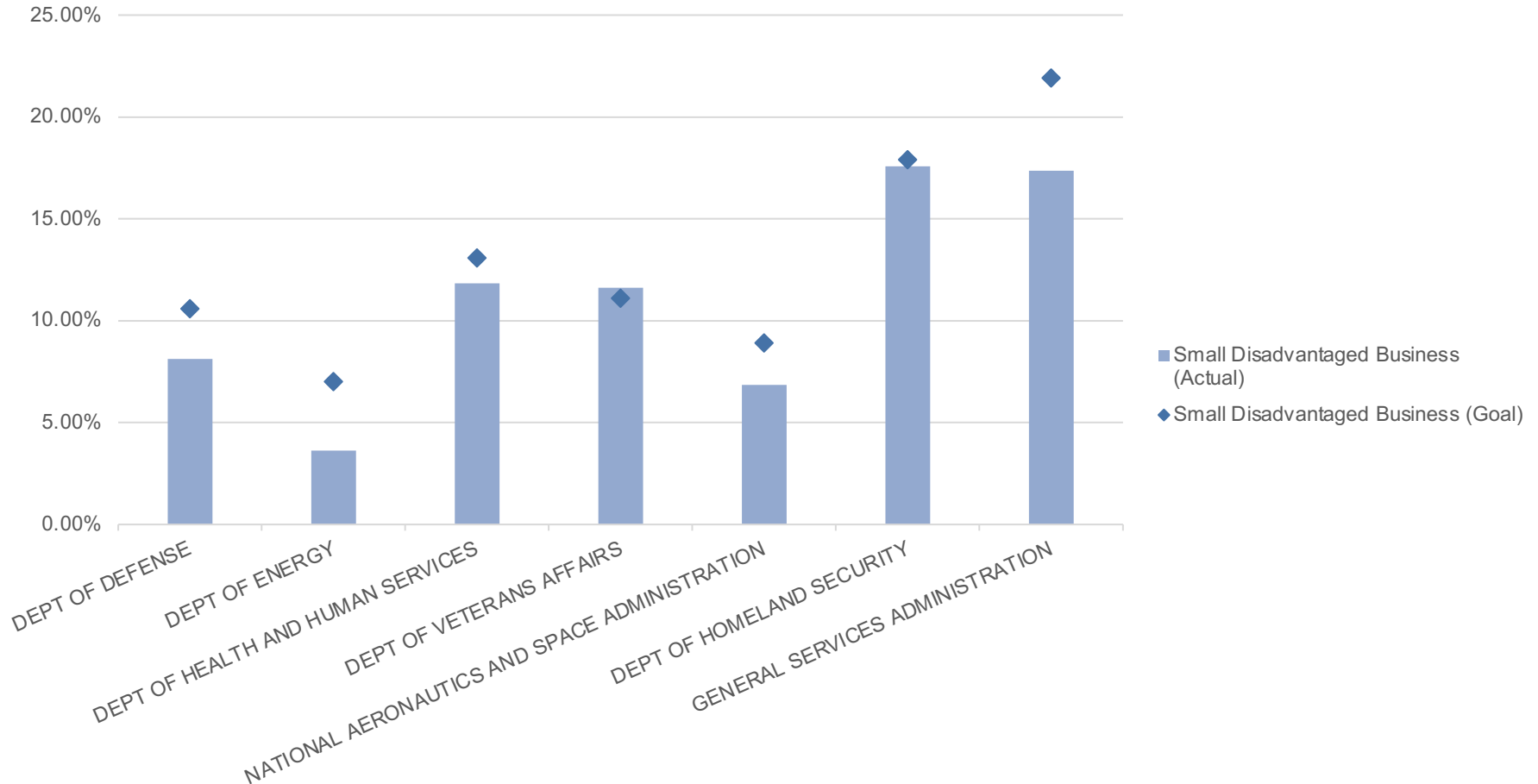


This chart shows the percentage of federal contracts to small disadvantaged businesses between FY 2010 to FY 2022.

Official data is available in the third quarter of the next fiscal year.

Key indicators

Big 7 CFO-Act Agencies SDB Performance vs SDB Goal Q3 FY 2023
Report Date July 3, 2023



This chart shows the progress towards SDB contracting goals for 7 of the federal agencies with the largest small business procurement.

Key milestones Q1 & Q2 FY 2022

Milestone Summary			
Key Milestone	Milestone Due Date	Milestone Status	Comments
Support Government-wide Procurement Goals <ul style="list-style-type: none"> Develop strategies, policy process for setting Small Business Dollars (SBD) contracting percentages, including Small Disadvantaged Business goals Host 3 Small Business Procurement Advisory Council (SBPAC) meetings Draft SBA 8(a) Partnership Agreement 8(a) Program Training to federal agencies Publish list of 8(a) Program Participants w/no contracts 	Q1 FY 2022	Complete	<p>Proposed SBD goals set based on past performance.</p> <p>SBA initial draft of partnership agreement complete; outreach to Federal Agencies complete.</p>
Small Business Outreach and Training <ul style="list-style-type: none"> Develop strategy for 8(a) monthly "Straight Talk" initiative 	Q1 FY 2022	Complete	Development of social media plan and logistics for monthly 1-hour call with Industry complete
Support Government-wide Procurement Goal <ul style="list-style-type: none"> Negotiate SBD goals with agencies Conduct 50 (subcontracting) Performance Reviews in Q2 Host 3 SBPAC meetings 	Q2 FY 2022	Complete	<p>Each of the 24 CFO Act agencies has a negotiated SDB goal which in aggregate achieves the 11% target for FY22.</p> <p>92 (Subcontracting) Performance</p>
Small Business Outreach and Training: <ul style="list-style-type: none"> Host SBA's new 8(a) Program "Straight Talk" hour Provide 8(a) Application Education series training 	Q2 FY 2022	Complete	<p>Straight Talk sessions are held on the 3rd Wednesday of each month.</p> <p>January, February, and March all had over 80 participants. New 4-part application education webinar training videos posted to Certify Knowledge Base</p>

Key milestones Q3 & Q4 FY 2022

Milestone Summary			
Key Milestone	Milestone Due Date	Milestone Status	Comments
Support Government-wide Procurement Goals <ul style="list-style-type: none"> Publish Government Contracting Scorecards Conduct 20 Surveillance Reviews in Q3 Host 3 SBPAC meetings Finalize SBA's 8(a) Partnership Agreement Publish list of 8(a) participants without contracts 	Q3 FY 2022	Complete	<ul style="list-style-type: none"> Scorecards published on July 26, 2022 20 surveillance reviews conducted Hosted 3 SBPAC meetings Conducted 83 subcontracting performance reviews; 181 completed year to date 8(a) Partnership Agreement updated
Small Business Outreach and Training <ul style="list-style-type: none"> Host SBA Mentor Protégé Community of Practice Host 8(a) Program "Straight Talk" hour Provide 8(a) Application Education series training 	Q3 FY 2022	Complete	<ul style="list-style-type: none"> SBA Mentor Protégé Community of Practice Q3 attendance: 255 8(a) "Straight Talk" hour (3rd Wed each month), averaged 40 participants per session 8(a) Application Education: Q3 session canceled due to technical issues (year to date attendance = 80)
Support Government-wide Procurement Goals <ul style="list-style-type: none"> Publish list of 8(a) participants without contracts Complete training and outreach sessions to at least 4 under-performing agencies Conduct 10 Surveillance Reviews in Q4 Conduct 100 (subcontracting) performance reviews and 6 Subcontracting Program Compliance Reviews (SPCR) Host 3 SBPAC meetings 	Q4 FY 2022	Complete	<ul style="list-style-type: none"> Training provided to 4 agencies 9 Surveillance Reviews were conducted in Q4 (Total 30/30 conducted in FY22) Conducted 84 subcontracting performance reviews; 212 completed year to date Hosted 3 SBPAC meetings 5 SPCRs were conducted in Q4 (6 total FY22)
Small Business Outreach and Training <ul style="list-style-type: none"> Host SBA Mentor Protégé Community of Practice Host 8(a) "Straight Talk" hour Provide 8(a) Application Education series training 	Q4 FY 2022	Complete	<ul style="list-style-type: none"> SBA Mentor Protégé Community of Practice Q4 attendance: 255 8(a) "Straight Talk" hour (3rd Wed each month), 207 participants for Q4; 574 for year 8(a) Application Education: two sessions in Q4 with 76 total attendees (year to date attendance = 156)

Key milestones Q1 – Q4 FY 2023

Milestone Summary			
Key Milestone	Milestone Due Date	Milestone Status	Comments
Support Government-wide Procurement Goals <ul style="list-style-type: none"> Develop strategies, policy process for setting SDB percentages Host 3 SBPAC meetings 	Q1 FY 2023	Completed	SBA negotiated and finalized SDB goals for all 24 CFO Act agencies. SBA hosted 3 SBPAC Meetings
Support Government-wide Procurement Goals <ul style="list-style-type: none"> Negotiate SDB goals with agencies Conduct 50 (subcontracting) Performance Reviews in Q2 Host 3 SBPAC meetings 	Q2 FY 2023	Completed	Distribute goals to agencies 99 (Subcontracting) Performance Reviews conducted in Q2 SBA hosted 3 SBPAC Meetings
Support Government-wide Procurement Goals <ul style="list-style-type: none"> Publish Government Contracting Scorecards Conduct 20 Surveillance Reviews in Q3 Host 3 SBPAC meetings 	Q3 FY 2023	Completed	Government Contracting Scorecards Published July 18
		In progress	19 surveillance reviews completed in Q3; 3 reviews postponed until Q4.
		Completed	SBA hosted 3 SBPAC Meetings
Support Government-wide Procurement Goals <ul style="list-style-type: none"> Complete training and outreach sessions to at least 4 under-performing agencies Conduct 10 Surveillance Reviews in Q4 Conduct 100 (subcontracting) performance reviews and 6 Subcontracting Program Compliance in Q4 Reviews (SPCR) Host 3 SBPAC meetings 	Q4 FY 2023		

Narrative of FY 2022 Results

On July 18th 2023, the SBA published the FY 2022 [Government Contracting Scorecards](#). For the second consecutive year, Small Disadvantaged Business (SDB) spending exceeded its 11% goal, achieving a record high 11.38% of federal dollars awarded to SDBs. Highlights of the overall performance of the federal government include:

- Service-disabled Veteran-owned small business (SDVOSB) spending has exceeded its 3% goal, reaching 4.6%. This achievement translates to \$28.1 billion in procurement, reflecting a \$3 billion spending increase compared to the previous year.
- Historically Underutilized Business Zone (HUBZone) small businesses were granted a record-breaking \$16.3 billion in federal contract awards, marking the highest amount ever awarded to this category in the program's history.
- Women-owned Small Businesses (WOSB) received more than \$26 billion for the fourth straight year, accounting for 4.6% of the Fiscal Year 2022 total eligible dollars, slightly below the 5% target. The overall dollars granted to WOSBs increased from \$26.2 billion in Fiscal Year 2021 to \$28.1 billion in Fiscal Year 2022.

Narrative – FY 2023 Q3

In FY 2023 Q3, the Office of Government Contracting and Business Development (GCBD) took the following actions to support the APG goal of reaching 12% in FY 2023:

Cross Office of Government Contracting and Business Development (GCBD)

- The SBA launched a cross GCBD workgroup to examine program decisions and requirements across the small business certification programs. The identified work groups meet weekly and are collaborating to identify workflow and discuss the “program specific” application questions and definitions.

The Office of Business Development (BD)

- In support of SDBs seeking 8(a) certification, BD streamlined the 8(a) application for individually owned firms, resulting in a 50% reduction in application questions and simplified documentation requirements. Since Dec 2022, the BD team has worked to consolidate and simplify questions in plain language.
- In June 2023, BD collaborated with DOD during their small business week event during which they convened sessions on the Mentor Protégé program, the 8(a) program, and strategies to assist agencies in meeting their SBD goals. Further, the program office continued its monthly “Straight Talk” events.
- The 7(j) Program is shifting its focus to 1-on-1 training to ensure that providers deliver intensive training to businesses to support businesses gain increased knowledge and strengthen their ability to seek and win federal contracts.

The Office of Government Contracting (GC)

- As of the end of Q3, GC provided training to 13,827 Unique Small Business Counseling and Training Session Attendees surpassing the cumulative goal of 12,000 by September 30, 2023.
- GC has engaged the Army and Navy in conducting a FY 23 Q3 and Q4 SDB Sprint. Last year’s Q4 engagement yielded Navy awarding 40 contracts to 8(a) companies that had never been awarded a Federal contract prior to that point in time. Further, GC is pursuing a Whole-of-Government approach to engaging the remaining Federal “Big 7” agencies to support reaching the 12% SDB goal.

Data Accuracy & Reliability

Name of indicator	Data Source	Reliability	Method	Data Limitations
Percent of Awards for Small- Disadvantaged Businesses Receiving Government Contracts*	Federal Procurement Data System – Next Generation (FPDS-NG)	Medium	Federal contracts awarded to small disadvantaged businesses/Total federal contract dollars awarded to small businesses	Data integrity rests with the reporting agency. Data entry is subject to input error; however, system checks are place to mitigate data limitations.
Percent of 8(a) Firms Awarded Federal Contracts	Federal Procurement Data System – Next Generation (FPDS-NG)	High	Number of Active Firms in current 8(a) Portfolio with a federal award reported to FPDS-NG during the preceding 8 years	8-year, FY gap is monitored to ensure contracting activities are included in the final determination of the overall goal achieved. Note: Only contract awards above the micro purchase threshold of \$3K are included.
Number of currently certified 8(a) participants	Manual, 8(a) Dashboard, Certify	High	Number of 8(a) application approval decisions issued by the AA/BD	Unable to distinguish between firms who are still in the program & approved, and subcontracting firms who left the program (completion, graduation, termination, and voluntary withdrawal)
Number of Small Businesses Assisted by 7(j) Training Program	Spreadsheet tracking; 7(j) training rosters provided by 7(j) grantees and contractors that track attendance of firms	Medium	Sum of all firms that attended 7(j) training	Responsibility for data integrity and reporting rests with 7(j) Providers. No on-line tracking system is currently being used for real time reporting. 30-day lag time to report data.
Number of Small Firms Assisted by 7(j) Training Showing Growth in Federal Contract Awards	Spreadsheet tracking; 7(j) training rosters provided by 7(j) grantees and contractors that track firms taking training and their revenue	Medium	Firms federal contract awards at the beginning of the FY vs firms federal contract awards at the end of the FY	Responsibility for data integrity and reporting rests with 7(j) Providers. No on-line tracking system is currently being used for real time reporting. 30-day lag time to report data.
Number of Government Contracting Unique Small Business Counseling and Training Session Attendees	Spreadsheet tracking; Government Contracting Activity Report data provided by Government Contracting Personnel	Medium	Sum of individual counseling and group trainings to small businesses, conducted by Government Contracting Area Office Personnel	Data Integrity rests with Government Contracting Area Director as provided by Area Office Personnel. Unable to collect small business data from venues with multiple audiences (e.g., large businesses, federal employees etc.). Data entry subject to input error. No online tracking, 5-day lag for data input, report complete on the 10 th day of the month.

*Official data is available in the third quarter of the next fiscal year

Additional information

Contributing Programs

Program Activities (SBA Program Activities that support SDB federal contracting)

- 7(j) Management and Technical Assistance
- 8(a) Business Development
- Prime Contracting Assistance
- Woman-Owned Small Business Contracting
- HUBZone Program
- Resource Partners: Small Business Developments Centers, Women's Business Centers, Veteran Business Outreach Centers, SCORE Mentorship program

President's Management Agenda-(SBA Alignment with Administration priorities)

- PMA Priority 2: Delivering excellent, equitable, and secure Federal services and customer experience

Policies (Agency or Government-wide policies which impact that achievement of the SDB Contracting goals)

- Category Management
- Federal Contracting Goaling

Other Federal Activities:

- Offices of Small and Disadvantaged Business Utilization
- National Women's Business Council
- Small Business Procurement Advisory Council

Stakeholder / Congressional Consultations

The SBA provided the Agency Priority Goal statements to the House Committee on Small Business, the Senate Committee on Small Business and Entrepreneurship, and continues to provide updates on APG progress to those committees.

The SBA consults annually with Federal agencies to establish small business contracting goals, review strategies, and address obstacles via policy and regulatory activities.