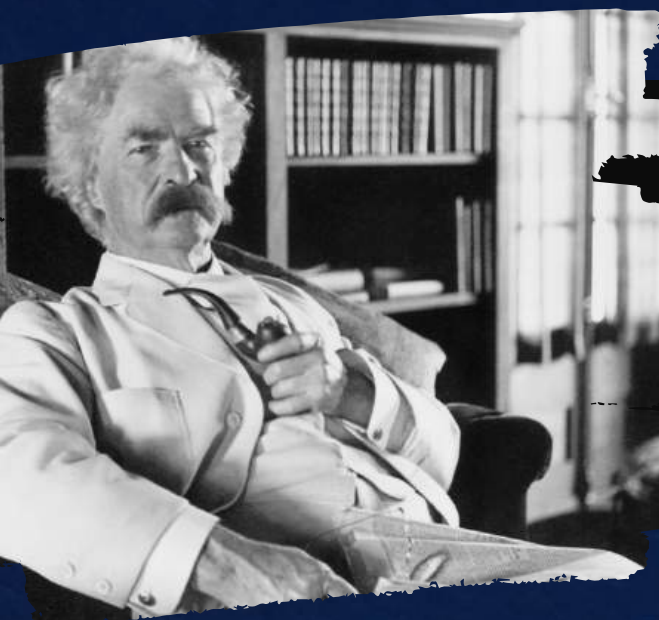




THE K-5 SILVER BULLET PLATFORM

90% OF GOVERNMENT STAFFING STARTUPS FAIL
OUR CLIENTS ARE THE OTHER 10%



"Twenty years from now you will be more disappointed by the things that you didn't do than by the ones you did do. So throw off the bowlines. Sail away from the safe harbor. Catch the trade winds in your sails. Explore. Dream. Discover."

- Mark Twain



GROWING A GOVERNMENT STAFFING FIRM CAN BE A LONELY PROPOSITION

BUT DOING IT ALONE CAN BE A DANGEROUS ONE...

The appeal of creating a massively successful government staffing firm in the federal space is certainly understandable. The opportunity to be one's own boss, becoming a respected leader in the business community, and creating a legacy for your family is a brass ring that everyone who enters the space strives for.

Yet nine out of ten government staffing startups fail. In fact, most actually never begin; they may register on SAM, but they never actually win an award.

Yet winning an award isn't revenue in your pocket, because that's when the work really starts. The award is simply the ticket to the coliseum, but you still have to step into the arena and face **"The Talent War."**

In my 2018 article "The Return of the Talent Wars," I wrote about the impact of the Talent War on government staffing. At the time unemployment was at 3.7%, an all-time low and job openings topped 7.2 million.

"An increasing labor shortage may soon be one of the greatest risks to continued economic expansion." - Chris Rupkey, Economist, MUFG Union Bank

Today we are faced with an unemployment rate almost as low (4%) with 10.9 million job openings. In other words the talent shortage is worse than it was when I wrote that in 2018.

As the owner of a small government staffing firm, you bear the brunt of this battle in a competition for an ever-dwindling supply of talent that the big-name firms can easily attract with a seemingly endless supply of resources.

It's a battle that's almost impossible to fight, and it doesn't just end there.

MY NAME IS ROB KURZ

Former minister and theologian turned entrepreneur

My story starts at the young age of 15 when I started my first business.

I cut my entrepreneurial teeth starting churches, theological schools, and non-profits, while recruiting, mentoring, and training relief and development teams for third world countries.

Realizing that I had a knack for spotting talent, I entered the recruiting space in 2006, staffing most of the major pharmaceutical companies as well as many hospital systems in the US, eventually spinning up a credentialing service, a research company, and multiple job boards as part of my business.



...AND THEN THE RECESSION HIT

The recruiting industry was gutted overnight. To call it a bloodbath is an understatement.

I saw countless "successful" firms go belly up overnight, because no matter how hard owners hustled to keep afloat, the simple fact remained that no one was hiring.

...except the federal government.

So in 2009, while speaking at the NAPS Convention on trends in recruiting, I suggested that the biggest growth sector we could be in was government staffing...except for one seemingly insurmountable problem: the government space was dominated by big players, making it next-to-impossible for small independent shops to make a dent in the industry.

It took a lifetime of building businesses, a pivot into the recruiting industry, the 2009 recession, and a speaking gig at a staffing conference for me to find my true calling: helping entrepreneurs trying to find their way in the cut-throat government staffing arena.

That's when Kurz Solutions was born, and since 2009 we've helped over 100 firms make their mark and build their legacy in a world where 90% of government staffing firms fail.

I'm proud to say that our clients are the other 10%, and I can't wait to show you how.



THE RETURN OF THE TALENT WARS

HAVE YOU EVER HEARD OF THE "GREAT RESIGNATION?"

The cold hard truth of the matter is that the talent shortage is just the tip of the iceberg.

Everyone seems to have heard of the **Great Resignation**, but few outside of our industry truly know the scope. Put simply, 4 million US workers are quitting their jobs every month.

Yes, you read that right. Every month, 4 million workers are walking into their boss's office in hand in their resignation letter, and we are seeing no sign of this abating. The Professor who predicted this Great Resignation (and coined the term during an interview with Bloomberg) has predicted that the exodus will continue in 2022:

"It's not just about getting another job, or leaving the workforce, it's about taking control of your work and personal life, and making a big decision - resigning - to accomplish that. This is a moment of empowerment for workers, one that will continue well into the new year." - Anthony Klotz, Texas A & M

Meanwhile, there is an increasing push for remote or hybrid work. So much so that flexible work arrangements will be the norm, not the exception:

"The freedom to work from anywhere has become the most sought-after benefit during the pandemic - so much so that people value flexibility as much as a 10% pay raise, according to new research from the WFH Research Project."

In times like these the job is no longer the hot commodity; the worker is. Hiring has now become a buyers' market.

Employers are finding themselves digging deeper than they ever have before to hire talent; increased compensation, flexible work schedules, and bonuses and incentives are all avenues of attack, not to mention the always-nebulous "company culture" as workers look for the very best work/life balance.



THE CRISIS IN GOVERNMENT STAFFING

AS HARD AS IT IS TO RECRUIT IN THE PRIVATE SECTOR, RECRUITING IN GOVERNMENT IS EXPONENTIALLY MORE CHALLENGING



PROTRACTED HIRING TIMELINES

The protracted timelines typical of government hiring processes are only survivable when people are really desperate for jobs, an increasingly rare occurrence in today's climate.



SUBSTANDARD SALARIES

Since most awards (regardless of statements to the contrary) are made based on TPA, margins are slim, and salaries are far below market.



ZERO FLEXIBILITY

While some hybrid work occurred during the height of the pandemic, job requirements for occupations uniquely suited for remote work such as cybersecurity or system development still require the work be done onsite. Task orders allow for no schedule flexibility and more often than not offer undesirable schedules.



UNDESIRABLE LOCATIONS

At a time when people want to be able to work from anywhere, we are asking them to relocate to Minot, ND or Dothan, AL.



THE ONE THING – THE ELUSIVE GOLDEN HALO

WINNING RFPs MEAN NOTHING IF YOU CAN'T DELIVER

Gaining a competitive edge in government staffing is not about having the right certifications, the perfect RFP response, or even a crack business development team. There is only ONE THING that makes a difference: PAST PERFORMANCE.

Or, to put it simply, your ability to deliver consistent results.



"Beneath intensely complex things such as loyalty, success, or marriage there is a core concept...The One Thing...a controlling insight that can make the difference between average and excellent."

- Marcus Buckingham

THE "GOLDEN HALO"

I call this concept the "Golden Halo," and it's the ONE THING that will ensure your long-term success in this business. Past performance (CPARS) means everything, yet many of our clients came to us because, while they were intensely focused on RFP production, their recruiting engine was barely running.

For agencies that are paid on performance, that's a deadly problem. RFPs don't put food on the table or pay the mortgage, and that's likely why you're reading this.

That's why focusing on your staffing fills trumps everything else, even winning awards.

Yet when the average government staffing firm has no candidate database to speak of, an untrained and/or poor-performing recruiting team, and a low-tech recruiting strategy, they routinely get beat out by industry behemoths using advanced machine learning, semantic search, top-notch recruiters and a dozen or more automations.



THE ONE THING – THE ELUSIVE GOLDEN HALO

To sum it up, the key to your success lies in achieving the elusive Golden Halo (past performance), yet you have to overcome the dual challenges of an unattractive sales proposition (recruiting for less-than desirable positions) and a non-functioning recruiting strategy.

Winning an award when you're not ready to fulfill on it can torpedo your firm.

"The capture challenge doesn't go away after you've won the contract. Arguably, it gets bigger!" – Jim McCarthy, AOC Key Solutions

This is particularly true if you win a spot on an IDIQ.

IDIQ instruments are designed to reduce open competition and to maximize win probability for contractors, yet many companies fail to benefit from IDIQs due to:

- Accelerated response times
- Little knowledge of competitors intents
- Lack of staff trained to fulfill specialized requirements
- Proposal fatigue, especially when there are not enough wins
- Resource drain, while larger competitors can subsidize low-margin work with other business revenue

Evolving from IDIQ bidders to task order winners is not a simple equation. Many small businesses who can land an IDIQ award **end up not being able to profit** from it because of failure on the fulfillment side of the equation.



"CAN'T I JUST USE SUB-CONTRACTORS?"

Business partnerships, when done right, can feel like a match made in heaven. Unfortunately, most business partnerships fail to live up to their promises, and whether its Saverin and Zuckerberg of Facebook fame, or Walter and Jesse in Breaking Bad, end badly.

Pick any quote about bad marriages, substitute "teaming partner," and you'll see exactly what I mean. It's a sad fact that most teaming or subcontractor relationships in the government contracting space, and particularly in the IDIQ environment, are less than satisfying (to put it mildly).

Mark Selesky, IDIQ guru and author of **"The Project Manager's Guide to IDIQ Task Order Contracts,"** explains that the entire process that is meant to advantage the small business often leads to failure. He describes the potential of the subcontractor to become "poison to the prime's overall obligations and objectives," and notes that at one of the six stages in the life of an IDIQ **"the honeymoon between the prime and the sub is over."** From the perspective of the subcontractor he notes that **"being a sub on an IDIQ is only slightly better than no contract at all."**

The comparison to a bad marriage here seems to be on the nose, wouldn't you say?

THE RISKS OF SUB-CONTRACTORS ON AN IDIQ



The decision to share the pot of what is a future, indefinite, unspecified, and speculative revenue stream is a huge risk. Like partners in a Hollywood bank robbery, the team members may have very different ideas about how the cost and rewards should be divvied up.

While having the right subcontractor with a particular expertise may help you (as a prime) win an award, using a subcontractor too much will hurt your reputation as a capable technical partner.

Allowing a subcontractor to "freeload" on an IDIQ creates an opportunity for them to gain the experience and skill needed to become your future direct competitor.

Direct contact between the subcontractor and your client can undermine your prime-client relationship.

Worse yet, subcontractors often become unresponsive non-contributors resulting in gaps in performance and further damaging your ability to win future awards.



THE HIGH COST OF VACANCY

Because government staffing firms are already starting behind the 8-ball when they win awarded positions, they experience a phenomenon called the **High Cost of Vacancy**: a triple whammy of uncaptured revenue, on-going recruitment costs, and potential damage to past performance metrics.

The real cost of recruitment is not found by calculating the sum of agency fees, advertising costs, and salaries of in-house recruiters. Focusing exclusively on recruiting-related expenditures will result in underestimating your true costs by as much as 90%. It is vacancy that is the real, unrecognized culprit and the enemy of profitability and your ultimate success:



The formula looks like this: Provider Profit Value per Day Worked (PPV) x Days the Position Remains Unfilled, plus Recruitment Bandwidth Costs, plus Damage to Future "Past Performance."

Let's take a closer look at these costs, one by one:

CAPTURE COST

- Mid-level provider role at a margin of \$14/hour = COST of \$3,360/month in lost revenue.
- Family medicine physician at a margin \$24/hour = COST of \$8,380/month in lost revenue.

Given that the average government placement timeline includes 90-days of recruitment, 60-days of credentialing, and 60-days of base scrutiny and privileging, **that means a potential loss of \$20,160 for the mid-level role, and \$50,280 for the physician role.**



THE HIGH COST OF VACANCY

RESOURCE BURN

Let's not forget about your recruitment costs, which rack up whether or not you successfully fill your roles:

- Minimal employee compensation: \$2,496.67/month (\$28k salary)
- Database subscription (commercial off the shelf): \$200/month
- Job Postings: \$450/month
- Resume Access: \$450/month

Total Recruiting Resource Burn Rate: \$3,596/month

While you may amortize these expenses to include the reality that a recruiter will be working on other recruiting projects, it also has to be multiplied by the number of compensated team members working on the project throughout the project timeline.

PERFORMANCE

Damage done to your past performance rating is the most obtuse of the three factors to quantify, but it represents the obsolescence of the industry. Like neglected maintenance of property or equipment, its effects are devastating at some point in the near future when you fail to receive awards because of damaged past performance.

PROTRACTED HIRING TIMELINES



Protracted hiring timelines are endemic to government staffing, and can be devastating when you lose your purple squirrel candidate after a six-month recruiting and credentialing process (all of which has already cost you) with ZERO return.

We have identified twelve pitfalls that government staffing firms need to avoid at all costs, or risk a candidate fall-off percentage of up to 50%. Click below to learn what these 12 pitfalls are:

12 PITFALLS



YOUR KEY TO THE GOLDEN HALO

THINK OF US AS YOUR SECRET RECRUITMENT ENGINE

1

STICK TO YOUR KNITTING



Jim Collins (Good to Great) identified this as a key secret to great companies. They focus time, attention, and resources on what they do best. Often, in the federal contracting space, talent acquisition is looked on as nothing more than a necessary evil.

At KurzSolutions, we do one thing really, really well: You guessed it...talent acquisition. We are the only Recruitment Process Outsourcing company in the U.S. with long-term expertise in government staffing. Our track record includes placing hundreds of healthcare providers, IT professionals, facility managers, instructional designers, etc, in more than 100 locations with the Federal Government. Our expertise in staffing Federal Contracts is unsurpassed as is our proprietary database (1.4 million candidates strong), and our cutting edge technology.

In short, there's no one better to take talent acquisition off your hands than KurzSolutions. Let us do what we do best, so you can do what you do best: building a thriving business by focusing on business development with impunity, and without concern about fulfillment.

2

UPGRADE YOUR INTERNAL TEAM



Look no further if you want top-of-the-line Capture Managers, Proposal Writers, Program Managers, HR Professionals, Site Managers, and C-Level team members. For example, we've recently placed one of the top Proposal Managers in the U.S. with \$150b in wins on record and an average of 7:10.



YOUR KEY TO THE GOLDEN HALO

THINK OF US AS YOUR SECRET RECRUITMENT ENGINE

3

IMPROVE YOUR RFP RESPONSES



An RPO Partnership with KurzSolutions means that we provide pricing support, market intel, and pro forma recruiting for your RFPs. We assist an average of 39 RFPs per quarter, including qualifying candidate resumes and qualifying documents when necessary. We then support your response when the award is made.

As you know, seldom are the original candidates still available at the time of award, so our team practices a continuous recruitment strategy to ensure customer satisfaction.

4

DIFFICULT PWS REQUIREMENTS



If a job exists, there's a good chance we've successfully recruited for it (and if we haven't yet, we're up for the challenge).

Whether your need is for Maximo Engineers, Sodium Scientists, Cryocooler PhDs, you name it...the more difficult the search, the better we are. The best part is, when we perform miracles, you get the credit and your customer will never forget!

Ultimately, turning clients into raving fan customers comes down to two things: 1) real honesty, and 2) remarkable delivery and follow-through. We help you consistently nail the latter, allowing you to be the honest advisor your clients need.



HOW WE ACCELERATE YOUR REVENUE

BANDWIDTH

Trying to compete in the tightest labor market we've seen in decades without a competitive edge is the fastest path towards irrelevance. Our ability to rapidly deploy our high-touch lead-management system that reaches more than 1,500 candidates per day can be your unfair advantage in today's cutthroat talent wars.

MARKET INTEL

Lack of market experience and knowledge is the #1 killer of government staffing firms. With our nearly 2-decades of experience in the federal staffing world, you can count on us to be your guide as we lead you by the hand to the top of the mountain.

ACCELERATION

We shorten your timelines by up to 60% with expedited recruiting and credentialing, getting you to revenue 3 X's faster than going it alone.

DATA

Recruiting for difficult-to-fill Task Orders is challenging, but doing so without a deep database of vetted candidates is virtually impossible. By working with us, you get instant access to our internal database of 1.4 million+ candidates (including cleared), a complete research team, and advanced AI-driven candidate search technology.

FIELD EXPERIENCE

We have placed over 3,500 candidates at over 90 military treatment facilities with all branches of the military (both CONUS and OCONUS), more than 12 non-military federal agencies, more than 35 VA facilities, and all 9 IHS regions in 129 distinct disciplines.

PRO-FORMA SERVICE

We provide market intel, pricing expertise, and pro-forma recruiting for RFPs and RFQs allowing you to focus on pure business development with impunity. We do the legwork necessary for you to win your next proposal, and take on the heavy-lifting of fulfillment, freeing you to focus on winning your next proposal.

FREQUENTLY ASKED QUESTIONS

HOW MUCH DOES THIS COST?

Our clients are making money and building substantial government staffing firms they could not have built without us, so our formula has been proven time and time again. There are three types of relationships we have with clients, but the most expensive of these works out to less than 3% for a multi-year contract, which is virtually free (well, almost...).

Owning a staffing firm with a staffing expense of 3% or less is a pipe dream for most, but a reality for our clients!

WHAT MAKES YOU DIFFERENT?

In a word: experience. Our entire world is government staffing, which means we know your customer, your challenges, and the people you want to hire. Add to that our internal database with over 1.4 million+ active candidates (including cleared candidates). Having served all branches of the military, more than 35 VA facilities, and twelve separate government agencies, our industry experience and relationships are unmatched and ready for you to leverage.

HOW DO I KNOW YOU CAN DO WHAT YOU SAY?

Our decade-long relationships with many of your competitors says it all. Many of these successful and highly profitable firms started as small, entrepreneurial endeavors, and are now major players in the government staffing space. That's why our most successful form of marketing is word of mouth from our happy clients.

FREQUENTLY ASKED QUESTIONS

WHAT IF YOU CAN'T FILL OUR OPENINGS?



Our track record is second-to-none with an industry-leading fill rate of 97%, so you can expect success from our crack team recruiting team. We believe that your success is our success, so we work hard to help you avoid the pitfalls common to firms who don't take advantage of our hard-fought experience in the trenches.:

Untenable Pricing Strategy: While we are used to selling sub-par compensation (by virtue of the fact that this is government staffing), if you are 20-30% below the market rate, you can expect a more protracted hiring timeline and increased candidate fall-off rate.

Market Shifts: At times government Performance Work Statements are obtuse to market changes: e.g. the shift from Master's level speech language pathology to PhD in audiology.

Incorrect Performance Work Statement: A PWS is typically written based on the previous candidate's qualifications without regard to common qualifications: e.g. Family Nurse Practitioner who specializes in cardiovascular (exceedingly rare). On other occasions the contracting officer simply misses the mark: e.g. PWS requiring hospitalists (IM) to deliver babies (completely unrealistic).

Speed of Hire: In remote areas there will be a limited number of available candidates for that location. If you are not prepared to hire quickly from the first round you may have to wait an additional recruiting cycle before you can turn up additional candidates.



"A vision is something you see and others don't. Some people would say that's a pocket definition of lunacy. But it also defines entrepreneurial spirit."

- Anita Roddick, founder of The Body Shop

VERY FEW ACTUALLY "GET" ENTREPRENEURSHIP

Growing a profitable and sustainable business from scratch is hard. Very hard. At times, it seems damn-near impossible given the late nights...the stress...the new grays in your hair...being pulled in a million and one directions...laying awake at night going over payroll in your head...dreading the day when your spouse tells you it's time to get a "real job."

Yet even when everyone else thinks you're crazy because they lack your vision, we know what you're trying to build: a life with more security, more money, more freedom, more memories, more time with your loved ones, more leg-room on flights, and more sand between your toes on vacation.

We've been there. We've done that. Heck, we even bought the t-shirt.

Use us as your secret weapon to dial in your recruiting engine, and you'll be shocked at how much easier (and fun) this "Game of Entrepreneurship" gets once you have the cheat codes in hand.

Book a free strategy call with myself or one of my team-members, and we'll lay out a simple roadmap to get you from "barely keeping it all together" to "I got this."

****cue angels singing****

BOOK YOUR FREE STRATEGY CALL

