Title:
IT Specialists: Are Non-Profits a Viable Market?

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Summary:
IT Specialists can pursue non-profits but it is not the sweet spot of computer consulting. If you go after non-profits, understand the bidding process for IT specialists

Keywords:
IT-specialist, IT specialist, Computer consulting, IT specialists, IT-specialists

Article Body:
Yes, non-profits are viable. But there are certainly more financially rewarding sectors for IT specialists. Let's first take a look at the pros of non-profits.

o   It's easy to reach non-profits because they belong to trade groups and you can get your hands on the publicly available directories.
o   You can get a lot of tremendous emotional satisfaction and gratification knowing you're helping a particular cause.

The two biggest downsides of non-profit:

o   Thin profit margins
o   Bidding wars

Bid situations reduce your firm to a commodity. Additionally, when you bid against someone else's specs, your competitor may be shortcutting. Thus lowering the bid price and keeping you from quoting a more realistic solution.

Non Profits and Government Bids Are Tricky for IT Specialists

For most IT specialists, selling to private sector small businesses is going to be a lot easier than trying to navigate the waters of non-profit and government bids. The unfortunate part is, in most cases, non-profits and government agencies are legally bound to take the quoted price.

The Downside of Bidding Wars for IT Specialists

When you're getting into a bidding situation, you really don't have the luxury of the trust, personality, and credibility factors helping you all that much. It really usually boils down to who can post the bond, who can follow the rules, and who can get the bid in on time.

Then, on top of everything else, bidding requires you to do a ton of non-billable upfront work that you can normally bill for in the private sector. This non-billable work consists of researching, developing configurations, and bringing it all together. And the reality is this: getting the contract may be a real long shot.

Bidding Wisely

If you are going to try a competitive bid, don't bet your whole company on it. Make sure that your bid chasing time is no more than 20% of your business development efforts. Unless your company is 100% focused on selling to non-profits or government agencies, you're usually better off concentrating on the traditional private sector small businesses.

If a government agency is looking to outsource support services, and it's a well thought out request for proposal (RFP), it becomes a more interesting proposition. If the agency however is just looking to buy hardware and some one-shot deal installation services, you're going to run into a lot of profitability challenges.

The Bottom Line on Non Profits for IT Specialists

Non-profit and government are still better niche options for IT specialists than just going down the retail path. But non-profit and government are anywhere near as attractive as the sweet spot of small business computer consulting.

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