



**Procurement Sciences**  
ARTIFICIAL BIDDING INTELLIGENCE

# AI Buyers Guide for Government Contractors: Evaluating SaaS Vendors

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## Introduction

In the high-stakes world of government contracting, the adoption of AI technology can be a game-changer, enhancing efficiency, productivity, and win rates. However, the market is saturated with AI solutions, making it challenging to distinguish between genuine AI-first platforms and legacy systems that incorporate AI for marketing appeal. This white paper aims to guide you through the critical considerations when evaluating AI software, highlighting the advantages of choosing SaaS generative AI solutions over building in-house systems.

## The Truth: AI-First Platforms vs. Legacy Systems

There is a significant difference between genuine AI-first platforms and legacy systems that shoehorn AI for marketing buzz. AI-first platforms are designed from the ground up with AI at their core, ensuring seamless integration and maximum efficiency. In contrast, legacy systems often struggle to incorporate AI effectively, leading to suboptimal performance and limited benefits.

## Questions to Consider

When evaluating potential AI software, consider the following critical questions to ensure you select a solution that meets your needs:

### Data Privacy & Security:

- Is the system data private with enterprise-grade security controls?

### Industry-Specific Tailoring:

- Is the system tailored to your Government Contracting specific use cases, or is it generic?

### Affordability & Deployment:

- How affordable is the system, and what does the deployment process entail?
- Does the vendor provide implementation at no additional cost?

### Proven Service:

- Are you serving as their guinea pig, or are they a proven service with existing production customers?

### Financial Stability:

- What is the company's financial position? Will they be around next year?

### Ownership Concerns:

- Who owns the company? Are you helping a competitor build an AI system that could be used against you?

### Support & Training:

- What types of onboarding, training, and ongoing support are available?
- Does the vendor provide unlimited Customer Success support at no additional cost?

## Evaluating AI: Single Function vs. End-to-End Solutions

### Single Function Products: A Narrow Approach

When evaluating SaaS AI solutions in the context of government contracting, businesses may encounter tools designed for specific tasks such as proposal writing. These specialized tools can significantly improve efficiency by automating and streamlining the proposal process, offering immediate benefits for targeted functions within the contracting workflow.

### Advantages of Single Function Products:

- **Focused Expertise:** Single function products are often highly specialized, providing advanced features and capabilities tailored to their specific function.
- **Quick Deployment:** Due to their narrow focus, these tools can generally be implemented and integrated swiftly, allowing for rapid improvements.
- **Lower Initial Cost:** The upfront investment for single function products is often less than that of comprehensive solutions, making them a cost-effective option for businesses with constrained budgets.

### Limitations of Single Function Products:

- **Limited Scope:** These tools address only one aspect of the business process, which may lead to fragmented operations and potential inefficiencies.
- **Integration Challenges:** Using multiple single function tools can result in complex and costly

integration efforts, as well as potential data inconsistencies.

- **Scalability Issues:** Single function products may not scale effectively as the business grows or its needs evolve, requiring additional solutions or customizations.

## The Importance of End-to-End Solutions

In contrast, end-to-end solutions offer a more integrated approach by addressing a wide range of business functions within a single platform. These comprehensive systems provide a unified framework for managing various processes, ensuring smoother workflows and enhanced operational efficiency.

### Advantages of End-to-End AI Solutions:

- **Comprehensive Coverage:** End-to-end solutions encompass a broad spectrum of functions, including Capture and Business Development (BD), Proposal Management, Contract Execution, HR, Legal, Debrief, FOIA, and Protest management.
- **Seamless Integration:** By consolidating multiple functionalities into one platform, end-to-end solutions reduce the complexity of integrating disparate tools and minimize the risk of data silos.
- **Scalability:** These solutions are designed to scale with the organization's growth, offering the flexibility to accommodate expanding needs and evolving requirements.
- **Consistent User Experience:** A single platform provides a unified interface and user experience, enhancing productivity and reducing the need for extensive training.

### Considerations for Specific Business Functions:

- **Capture/Business Development (BD):** Evaluate AI solutions that assist in identifying new opportunities, managing client relationships, and tracking competitive intelligence.
- **Proposal Management:** Look for platforms that automate proposal creation, enforce compliance, and facilitate review and approval processes.

- **Contracts:** Consider tools that streamline contract drafting, negotiation, and lifecycle management.
- **HR and Legal:** Opt for solutions that support HR activities such as recruitment and onboarding, as well as legal functions like compliance management and document handling.
- **Contract Execution:** Choose platforms that aid in managing contract execution, ensuring timely delivery, and monitoring performance.
- **Debrief and FOIA Requests:** Select solutions that assist with managing debriefing sessions, processing FOIA requests, and preparing for protests.
- **Protest Management:** Ensure the platform supports protest management, including tracking status and mitigating risks.

## Choosing SaaS GenAI Platforms Over Building In-House

### Speed and Immediate Value

One of the standout benefits of SaaS generative AI platforms is their immediate implementation. These solutions are ready to use, allowing organizations to bypass the lengthy and complex process of building custom AI models. In the fast-paced government contracting market, the speed of deployment is critical, as being first to respond can be decisive in winning contracts.

### Cost-Effectiveness and Economic Rationality

While custom-built AI solutions tailored to an organization's specific needs are appealing, they come with substantial hidden costs. Developing in-house solutions requires significant investment in data acquisition, infrastructure, and hiring specialized personnel. In contrast, SaaS platforms offer a subscription-based model that dramatically reduces upfront costs and converts capital expenditure into operational expenditure, making it a more economically sensible choice, especially for large businesses.

### Maintenance, Upgrades, and Risk Mitigation

Choosing a SaaS generative AI solution relieves businesses of ongoing maintenance and upgrade

responsibilities. SaaS providers ensure their platforms are continuously improved to meet the latest challenges, a service included in the subscription. This contrasts with the need for a dedicated in-house team to manage and update custom solutions, which can be costly and risky.

### **Data Security and Compliance**

With stringent government regulations, data management and security are non-negotiable. SaaS providers have established robust protocols to handle sensitive information securely, offering businesses peace of mind and freeing them from the need to invest heavily in cybersecurity measures.

### **Scalability and Flexibility**

The scalable nature of SaaS solutions allows them to adapt to the changing needs of businesses, whether expanding into new markets or increasing proposal output. Custom in-house solutions may require significant redevelopment to accommodate growth, which can be time-consuming and expensive.

### **Access to Expertise and Industry Best Practices**

SaaS providers specialize in generative AI and bring a wealth of knowledge and best practices to their platforms. This expertise is invaluable and often difficult for businesses to replicate internally without substantial investment.

### **Strategic Focus on Core Competencies**

By opting for SaaS generative AI solutions, businesses can maintain their focus on core business activities. This strategic choice allows organizations to innovate and grow without being bogged down by the intricacies of AI technology development and maintenance.

## **Achieve AI Automation & Efficiency with SaaS Solutions vs. Custom Creation**

### **Automation at Your Fingertips**

A major benefit of SaaS solutions is their extensive automation capabilities, offering 100-200 pre-



configured prompts and workflows with just a push of a button. This immediate access to automation tools enhances efficiency by streamlining repetitive tasks and reducing manual effort. Businesses can quickly utilize pre-built prompts and templates for various functions, such as proposal generation and compliance checks, without needing to design these features in-house. This approach significantly cuts down development time and provides immediate benefits.

### **Custom Creation: Time-Consuming and Resource-Intensive**

In contrast, creating custom automation solutions demands substantial time, expertise, and resources. Developing bespoke prompts and workflows involves a complex process of designing, testing, and refining automation features, which can be both costly and lengthy. The high development costs and extended implementation timeline of custom solutions can delay the advantages of automation and strain a business's resources.

### **Monthly Performance Testing**

SaaS solutions for generative AI often include regular performance testing of their underlying Large Language Models (LLMs). Monthly evaluations ensure that the LLMs are performing optimally, meeting quality standards, and adapting to evolving requirements. This continuous testing helps identify any performance issues or areas for improvement, ensuring that customers always benefit from the latest advancements in AI technology.

### **Flexibility in LLM Selection**

One of the key advantages of SaaS platforms is the flexibility to choose and switch between different LLMs based on performance and technological advancements. Customers have the option to select the LLM that best fits their needs at any given time. If a new LLM with superior technology becomes available, customers can transition to the upgraded model without being locked into outdated technology. This adaptability allows businesses to leverage cutting-edge AI advancements and maintain a competitive edge.

By regularly testing LLMs and providing customers with the ability to choose and switch between

models, SaaS solutions ensure that businesses can continuously benefit from the most advanced and effective AI technologies available.

***See the next page for a Buy vs. Build comparative analysis chart.***





# Harnessing Generative AI in GovCon: Buy vs. Build

When deciding whether to buy a SaaS generative AI solution or build an in-house system, consider the following aspects:

ASPECT	BUY (SAAS)	BUILD (IN-HOUSE)
Efficiency	Immediate operational efficiency.	Often fails due to complexity.
Cost	Generate ideas for a proposal section.	\$100,000/month over 8-12 months.
Deployment Time	Immediate deployment	Time-consuming and resource-intensive.
Support	Effective training and customer support.	Costly and productive losses.
Maintenance	Handled by Software providers.	Resource intensive and risky.
Security	Robust security systems provided.	Requires substantial cybersecurity investment.
Scalability	Inherently scalable.	Costly and time-consuming to scale.
Expertise	Access to industry best practices.	Difficult to replicate internally.
Strategic Focus	Focus on core business functions.	Distracts from core competencies.

Given the factors of speed, cost, risk mitigation, scalability, access to expertise, and the ability to focus on core competencies, purchasing SaaS generative AI solutions is a strategic imperative.

## Key Takeaways

- **Building in-house generative AI systems often leads to suboptimal returns and rapid obsolescence.**
- **SaaS-based generative AI solutions offer immediate deployment, continuous updates, and support.**
- **Leveraging end-to-end SaaS systems enhance productivity and competitive advantage.**
- **SaaS platforms provide ongoing support and training, helping teams fully leverage AI tools.**

## Conclusion: The Strategic Imperative to Buy SaaS Generative AI

When considering factors such as speed, cost, risk, scalability, expertise, and strategic focus, the decision to buy SaaS generative AI solutions is clear. The hidden costs and risks associated with building custom solutions—such as ongoing maintenance, security, compliance, and opportunity costs—along with the potential for project delays and failure, make SaaS platforms the prudent choice. Businesses that embrace these ready-made, high-impact solutions can enhance their proposal and business development processes, securing a competitive edge in the AI-driven marketplace.

By understanding the immediate and long-term benefits of SaaS generative AI solutions, businesses can make informed decisions that align with their strategic goals and operational needs. Embracing these technologies not only streamlines processes but also positions businesses at the forefront of innovation in an increasingly competitive market.

## Why Choose Procurement Sciences

Procurement Sciences offers end-to-end solutions for Business Development, Capture, and Proposal Teams. Our generative AI platform, Awarded.AI, provides quick-to-adopt, rapidly deployable, and cost-effective tools specifically designed for the GovCon industry. Choose Procurement Sciences for a strategic advantage in winning more contracts and streamlining operations.

**Contact us or book a demo to [learn more.](#)**

