

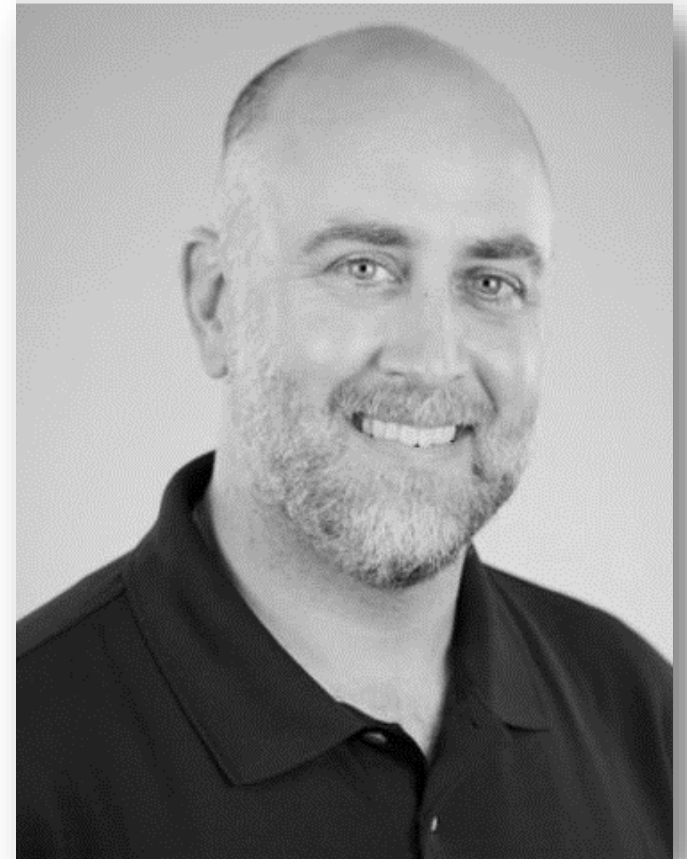
How Will the Upcoming Election Affect Federal Agencies?

September 2020



Webinar Presenter

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President
Market Connections



A Year of Uncertainty

Starting in late February, the roles and responsibilities, as well as the location of many federal workers changed.



The only thing certain in 2020 is uncertainty:

- Year began with heightened tensions in Iran
- The impeachment hearings and subsequent trials consumed oxygen January through March
- The novel coronavirus shut down businesses and sequestered most federal workers to their homes starting in late March
- The death of George Floyd heightened awareness and concerns over racial inequities
- Business concerns and layoffs led to stock market drops
- Add to all this the delayed Olympics, murder hornets, raging wildfires AND Prince Harry leaving the royal family

We haven't even reached what is normally the biggest story every four years...

The Presidential Election...

Typical election years are filled with policy discussion, debates and competing governing narratives.

- But in 2020 the election did not enter the consciousness until late into the summer.
- Are federal employees really affected by the process (let alone who wins?)



Overview

Market Connections designed an online survey of 574 government employees, fielded in August/September 2020.



PRIMARY OBJECTIVES:

- Identify challenges facing federal employees before the upcoming presidential election
- Determine the effect of the election on current projects and planning
- Measure the actions taken in anticipation of the election
- Quantify when federal employees think they will have a 2021 budget in place



| How is This
Affecting Agencies?

Elections Create Uncertainty

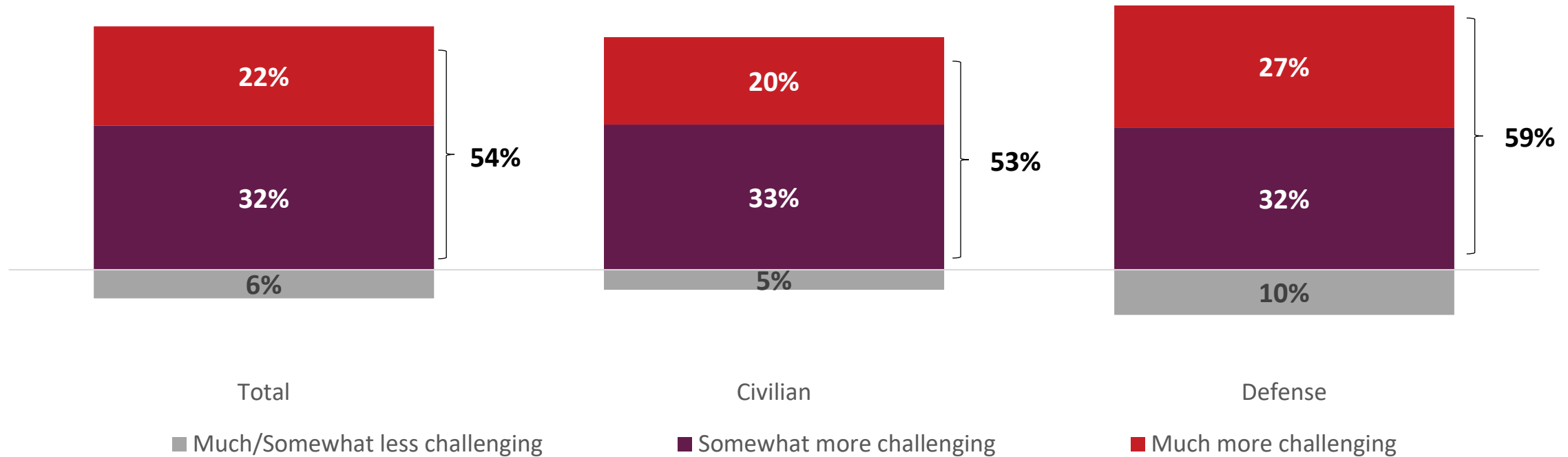
How can you help your
customers continue to
move forward?



"Political and economic uncertainty make long term
planning difficult. Let's stick to ordering lunch."

Elections Bring More Challenges to Federal Employees

Doing Job on a Day-to-Day Basis Until the Election



What About the Election Makes it More Challenging?

Civilian Respondents



COVID + elections = pending work that will put more pressure on everyone.

Anxiety about changing missions, priorities, funding, policy and leadership which result in failures to make decisions, take actions.

Budget, policy priorities after elections, there's a lot of uncertainty.

Changes in administration are always challenging, not to mention they often come with hiring freezes until the new administration can assess the situation and the new staff if brought in.



Defense Respondents



All the disagreements and fights.

Less attention to the acquisition process and more toward the election. Funding will be harder to get and congress will pay less attention to the budget.

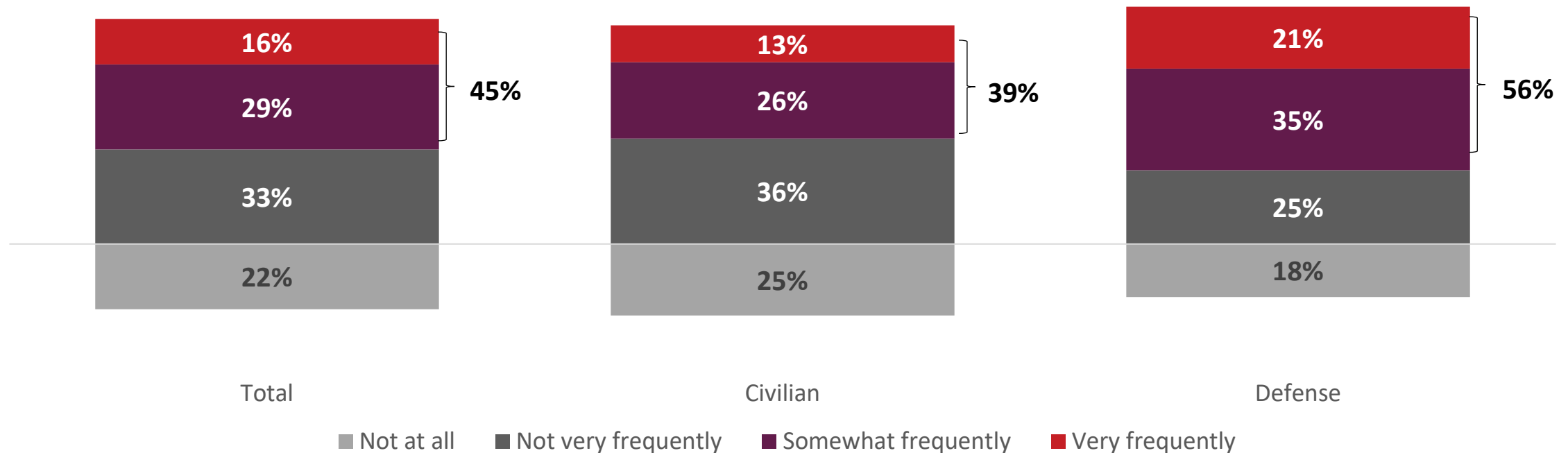
More economic problems become less budget available for migrating to cloud technologies.

Shifting national priorities - trade and economic vs. military; cyber threats vs. need for cloud adoption.

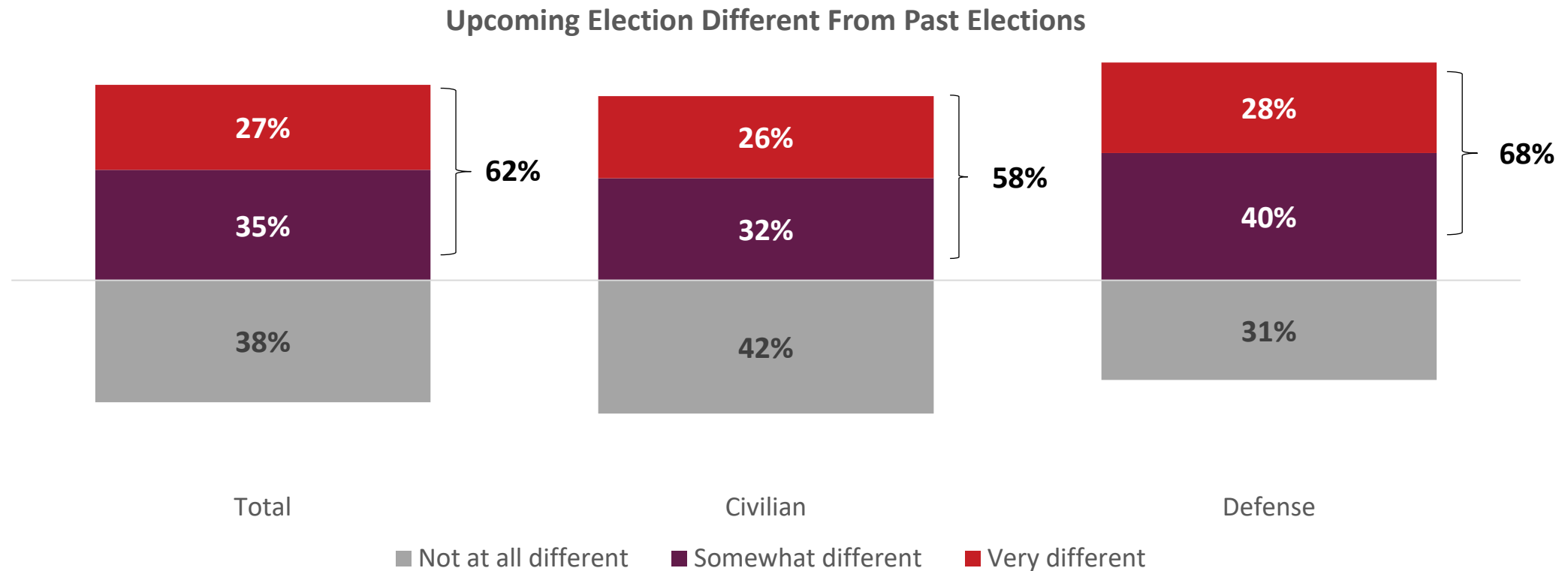


Election Outcomes Consume Conversations and Mindshare

How Frequently Discuss Implications of Election on Work



This Election is Different...



Note: Asked of those working for federal government in past election

Respondents Provide Deeper Insight

“ Anticipation of this election is seemingly different than past elections due to the pandemic, current social and racial state of affairs.

CIVILIAN RESPONDENT

“ Depending on the outcome of the election funding may shift, causing a cut in the contract that is currently not able to be accounted for.

DEFENSE RESPONDENT

“ Congress can't pass simple bills so don't expect funding on time. And I expect a total standstill between the election and the 'new' administration regardless of who wins.

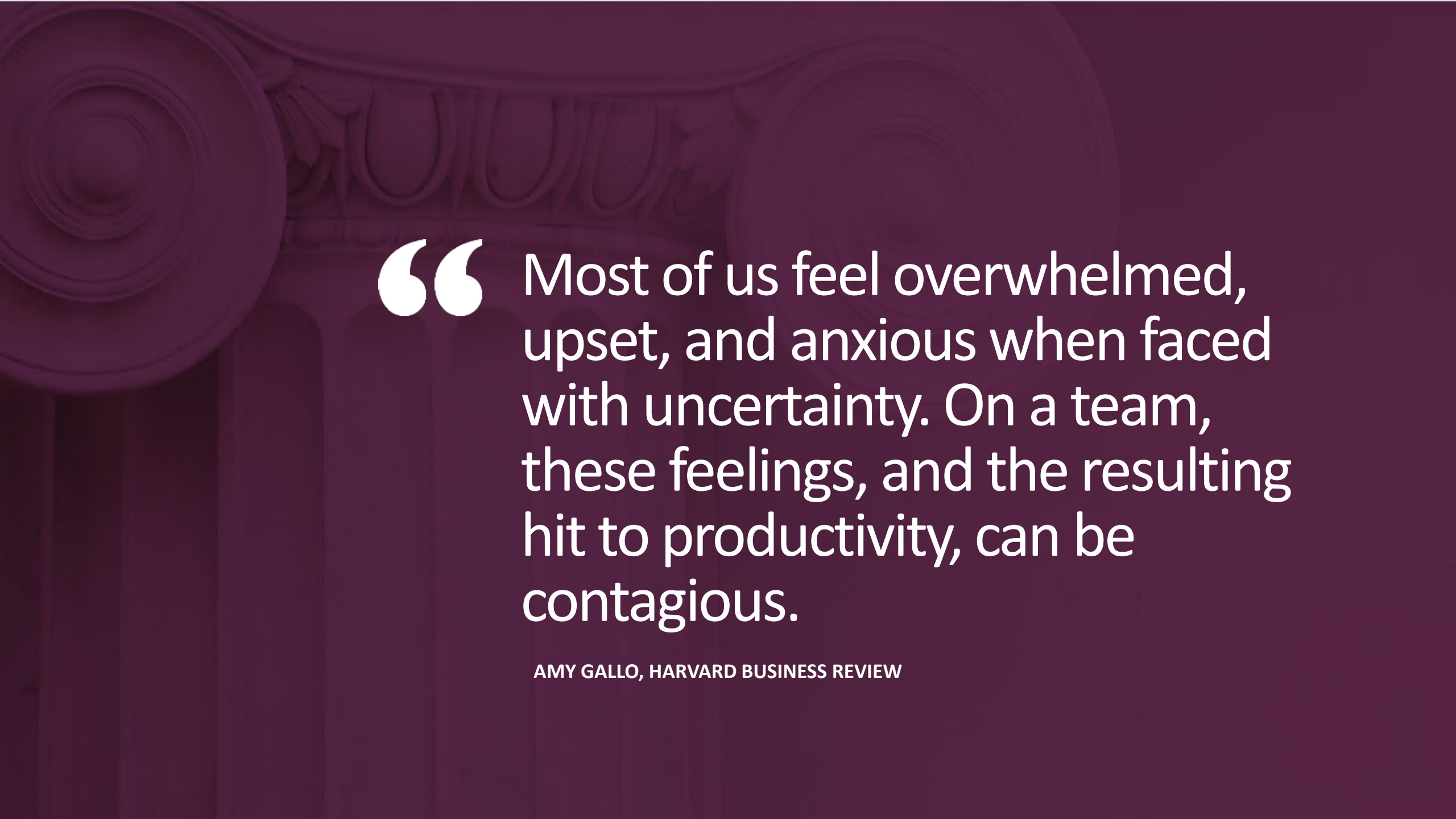
CIVILIAN REPENDENT

“ Change will be more radical to promote an agenda and it doesn't matter who wins. I am sure there will be more mandates and less resources provided or allowed.

CIVILIAN RESPONDENT

“ I cannot even express how stressed we are.

DEFENSE RESPONDENT

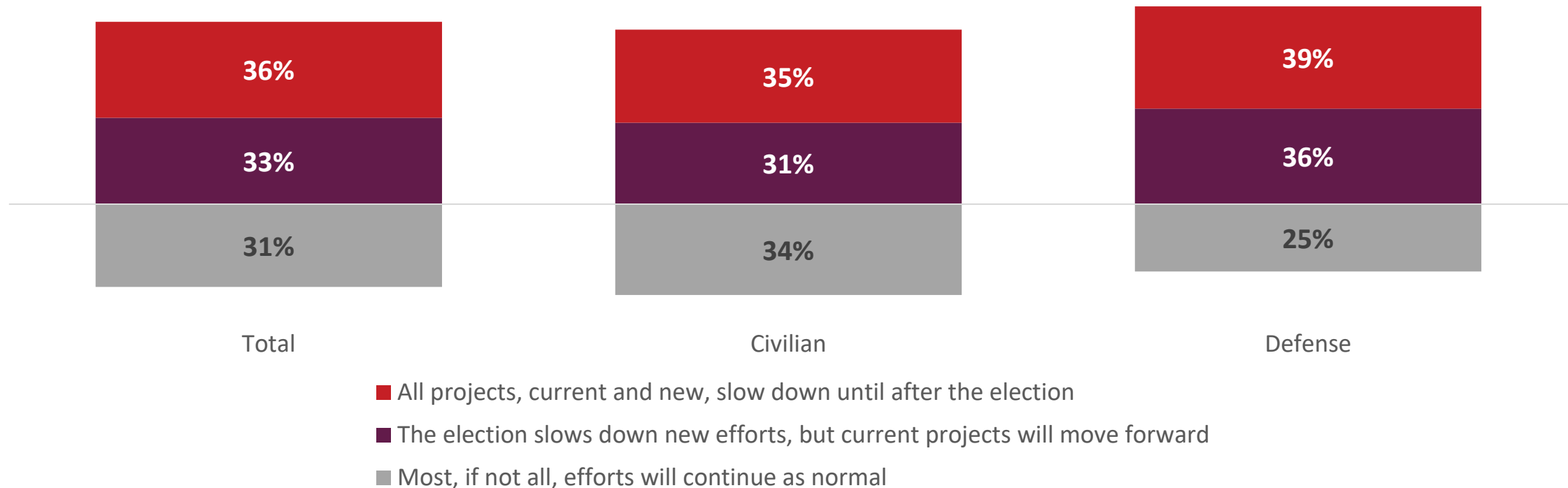


“ Most of us feel overwhelmed, upset, and anxious when faced with uncertainty. On a team, these feelings, and the resulting hit to productivity, can be contagious.

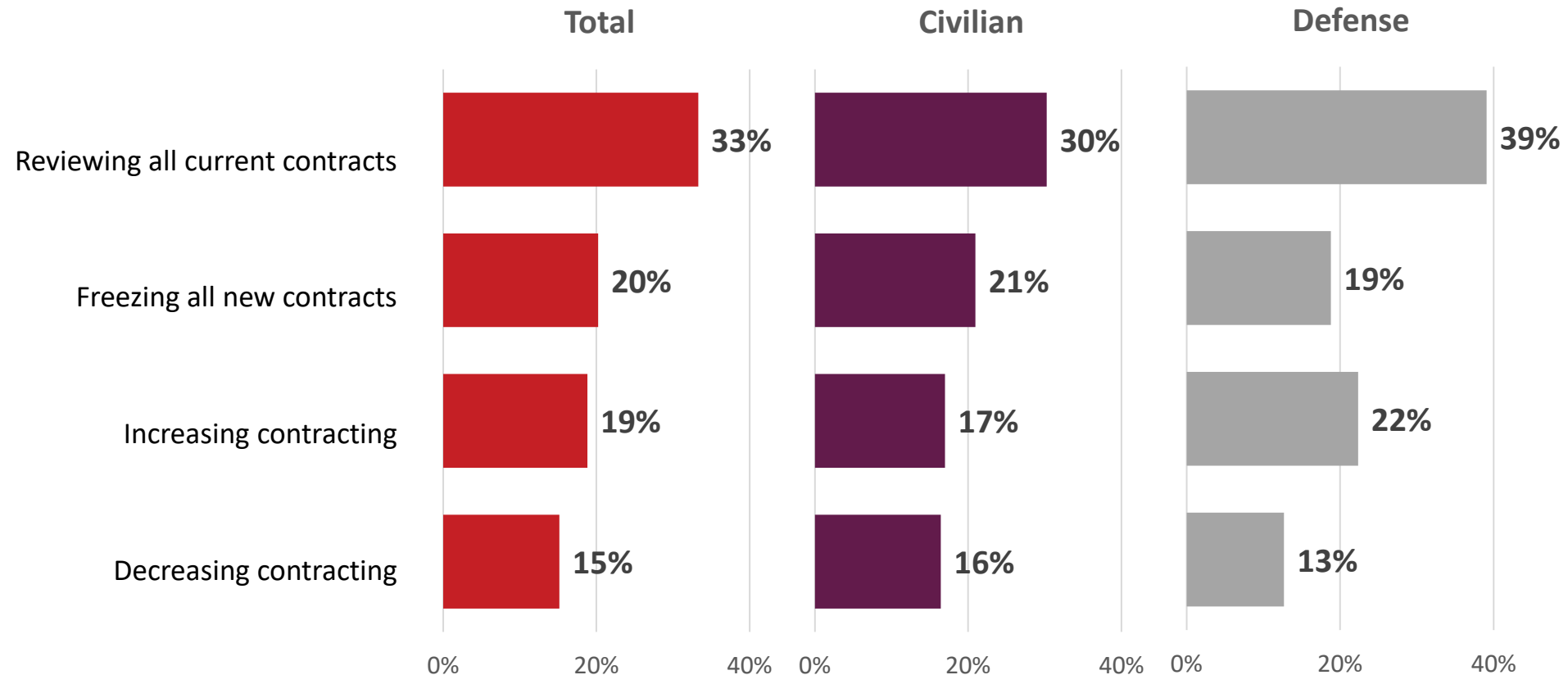
AMY GALLO, HARVARD BUSINESS REVIEW

Agencies Anticipate Most Projects Will Be Affected, Especially New Efforts

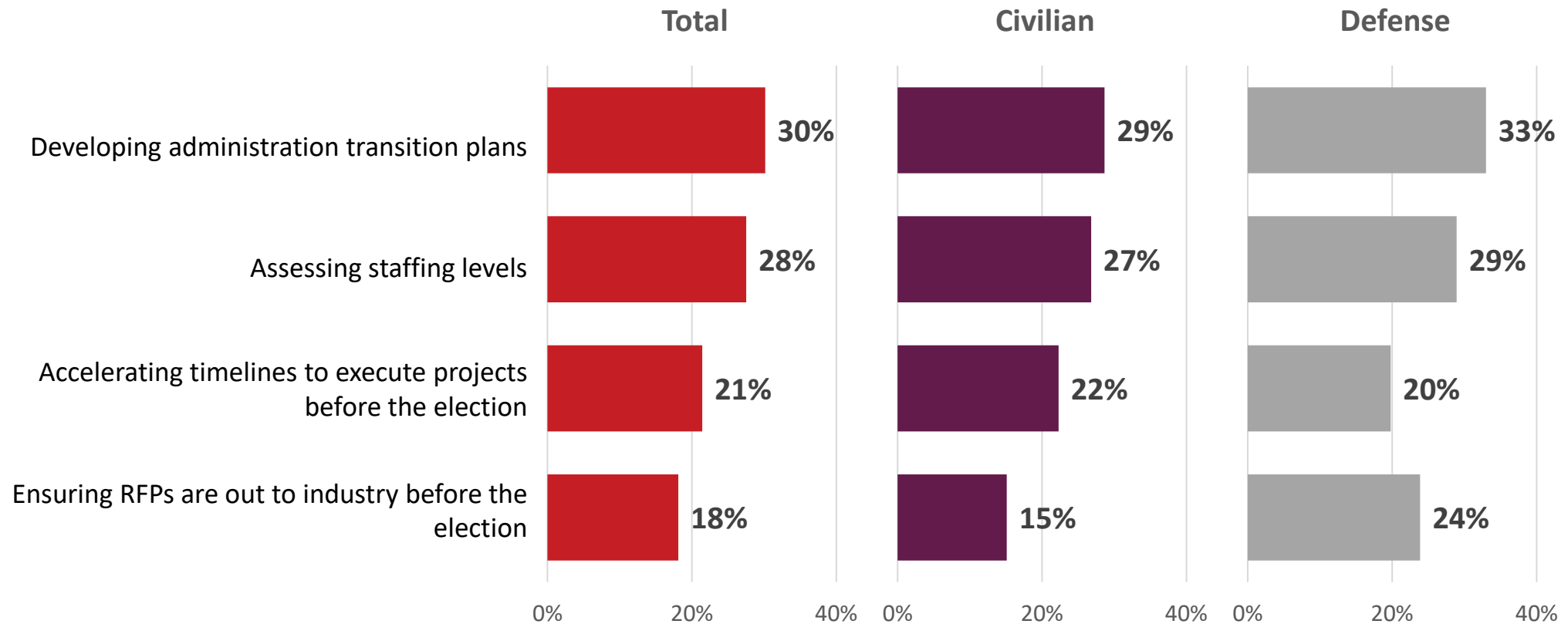
Effect on Current Planning and Projects



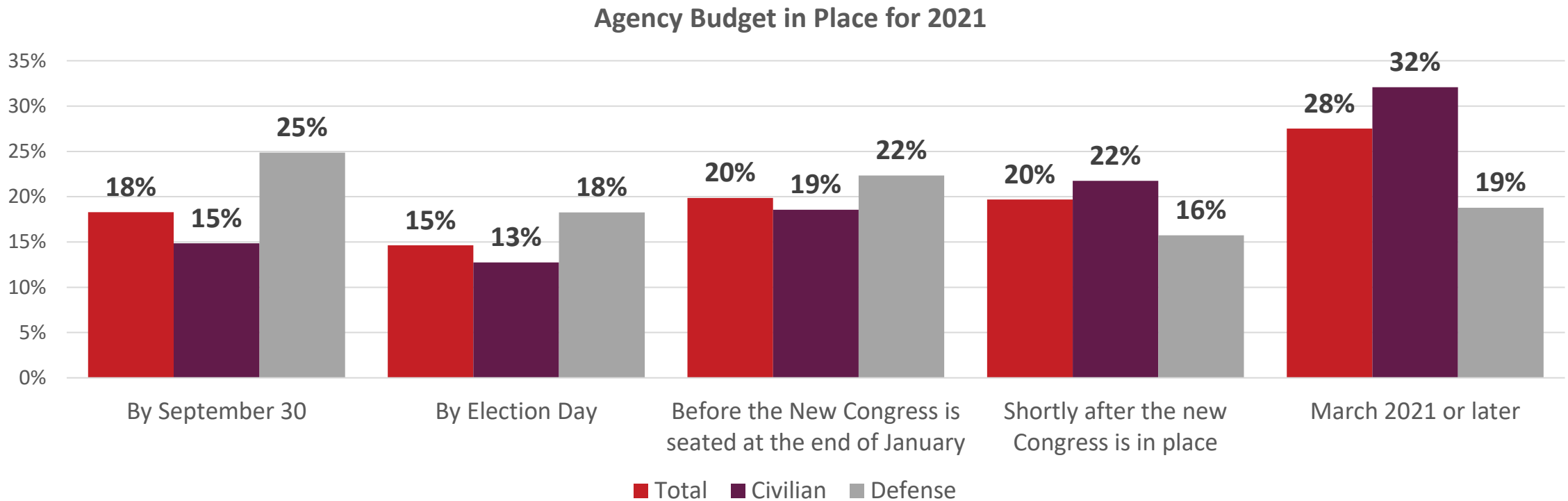
Agencies Are Reviewing Current Contracts in Anticipation of Election



They are Also Developing Administration Transition Plans



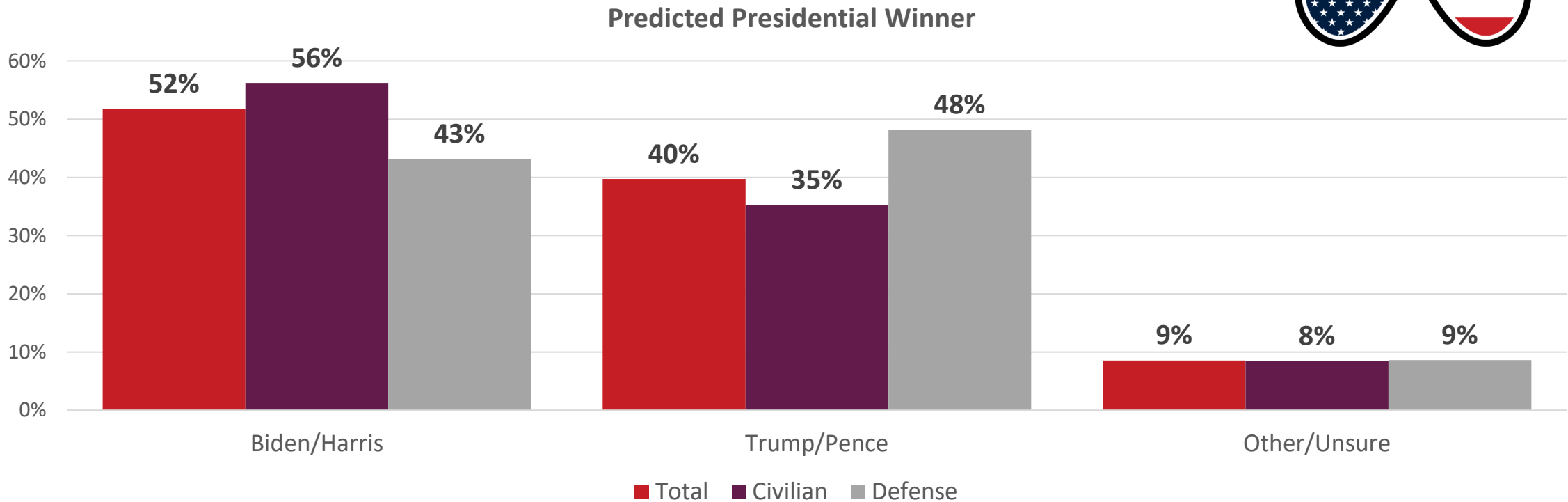
Most Expect Agency Budget Plans Will Not Likely Be in Place Before 2021





| Predictions

If Agency Staff Had a Crystal Ball, Their Prediction...





Key Takeaways

Key Takeaways

The only thing certain until March 2021 is uncertainty.



- Due to pandemic restrictions and higher than average levels of absentee voting, election results may be delayed well into late November.
- Despite the CR until Dec 11, uncertainty in the direction of the administration and Congress will lead to continued budget delays.
- Regardless of results, typical turn over during presidential election years will further delay new project launches.



Key Takeaways

In a time of uncertainty,
focus your efforts on
supporting your customer.

- **Acknowledge to your customers that things are in flux and focus on identifying their specific needs.**
- **Not all problems can be solved by technology. Providing encouragement and process suggestions/advice can be equally valuable.**
- **Focus marketing messages on availability, experience and continuity.**



Key Takeaways

Remember who got you here, acknowledge their concerns, and give them tools. Not all marketing is external.

- **Internal communications will be equally important. Many contractor staff sit onsite and will need help with clear messaging for customer teams.**
- **Honestly discuss the implications of the election among your teams. Knowledge of the future direction will allow them to focus and better serve your customer.**

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