

# Bid to Win

*High Value and Strategic Opportunities offer great potential (growth, customer ownership, profit acceleration and so on) but higher risk and resource investment*

*Failure to win is a waste of investment, effort and scarce resource  
"Bid to Win" with Commitment, Focus and Quality or don't bid*

## **Introduction**

This paper is a short overview of a proven process to deliver Bids that Win. It is necessarily limited to general pointers - as implementation of principles, process and techniques will vary with the particular business sector and company.

## **Significance**

Winning new business is essential to sustain the business - pay the salary, bonuses and dividends - but "Must Win Bids" can transform business purpose and prospects. Bid to Win!

## **Further Information and Assistance**

If you like the approach, please feel free to use it (subject to acknowledging copyright).

Please contact us if you need more detail, advice or assistance.

**Patrick O'Keeffe – Director  
eMerging Business and Technology Limited**

Tel : + 44 (0) 7711 036720  
Mail : [patrick.okeeffe@embiztec.com](mailto:patrick.okeeffe@embiztec.com)  
Web : [www.embiztec.com](http://www.embiztec.com)

## **Focus**

The paper focuses on high value, strategically significant and complex bids - however the general principles also apply to "business as usual" bids.

## **Content**

The paper reviews:

- Business Led Approach
- Customer Focused Sales Cycle
- Power Tools and Techniques

**Bids as Business Investments**

**Bidding is an investment that comes directly out of current profit and must pay back in future revenue and contribution. Bids that fail to win or deliver poor business outcomes are bad investments.**

**This demands business-focused bid management.**

**Business Case Approach**

The imperative is to win new and sustaining business that can be profitably executed (now or downstream).

"Bid to Win" priorities must align with business purpose and maximise potential:

- Major bids are ideally milestones in an effective business plan. They individually require a business case and structured appraisal of "project" progress.
- Bid investment should be tailored to the significance to the business and ability to win. Commitment of (skilled and scarce) resource/competence must be governed by this.

Major bids fundamentally impact business potential and viability. They require the same attention, discipline and approach as a business plan, capital investment or major programme/project.

**Plan and Control to Win**

Bid qualification, management and resource must be structured and rigorous to optimise pay back on the bid investment:

- Winning bids require 360° vision, commitment, attention to detail and mobilisation of the right resource applied in the right way. Appoint a Bid Director - responsible for winning - accountable for sound business decision-making - able to lead and manage the team.
- Quality bids require organisation and controlled and realistic timelines to generate a winning solution, properly estimated and appraised. Out-performing and out-maneuvring competition does not happen with a stressed team focused on "doing

against the odds" rather than "achieving".

- Planning and investment/dedication of resource/competence must be absolutely supported by management.

It is still possible to win (exceptional effort, luck, etc.) without these disciplines but this will stress the business, impact win probability and inflate downstream contract execution risk.

**Tough Decisions**

Do not bid if you cannot win or execute the win profitably:

- Very rarely, bidding when you cannot win may be necessary but this needs to be strategically justified, understood from the outset and resource tailored accordingly.
- If the probability of winning a costly bid is low or it will not pay back if successful, an early decision (periodically reviewed) should be made to withdraw or minimise effort.
- Optimism and belief in the strength of their personal relationships are traits of successful sales people. Reward schemes typically encourage sales people keeping a dead body warm. Qualification must be objective and realistic.
- Consider whether the probability of a smaller slice of another bidder's pie is better than your chance of winning the whole pie.

The cost of losing goes beyond the target business itself - lost opportunity of resource employed, impact on morale, market perception - the list goes on.

Gambling is rarely good business strategy.

**Understanding the Customer = Power and Control**

**The Customer's decision is final – he will award the contract. Understanding and listening to the Customer are key to winning his heart and wallet.**

**Customer Engagement**

There are many tools and techniques available to the sales professional. It's outside the scope of this paper to repeat them all here.

However, there are some key issues that typically enhance bid to win performance if successfully executed.

**Shape the Competition**

As in any relationship, customers favour those they know, understand them, feel "safe" with and make their lives easier.

Despite this, once the Enquiry/ITT has been issued, rules and process kick in that are career threatening if breached.

Typically, sales influence declines as a bid progresses while the opposite is true for the buyer.

Shaping the competitive landscape in your favour must start early in the cycle and be supported with quality effort.

Great bid teams lead the customer rather than follow.

**Understand the Customer**

Reacting to customer surface activity and what is said or reported at face value rarely works.

The real influencers and decision makers and their agendas are often not visible.

Map the customer's process to your own - who will play, when, internal reviews and decision making procedures, and so on.

This allows you to calibrate what is happening, anticipate what's important, what you need to do, relationships you need to establish, adjudication criteria, trade offs, timelines, etc.

**Mimic the Customer**

To properly qualify progress, achievement, tactics and strategy, test from the customer's perspective rather than your own sales publicity.

Establish an independent team (or individual) who will objectively review progress and the bid from the customer's perspective.

Choose people who are not afraid to ask the "So What?" questions.

Generic Sales Cycle for High Value, Complex and Strategic "Must Win Bids"	
Vendor	Purchaser
<p><b>Suspect Phase</b></p> <p>Establish - develop relationships Map business landscape &amp; drivers Create influence needs</p>	<p>Management evolving business strategy - plans - tactics</p> <p>Decision makers/Influencers keeping current - meeting with industry peers and solution providers</p>
<p><b>Prospect Phase</b></p> <p>Prospect added to pipeline Gather information Prepare for Qualification/No Bid</p>	<p>Window shopping - looking at offerings that might support a current or imminent business need.</p> <p>Initial project proposal / plan to determine how to satisfy a particular set of business requirements</p>
<p><b>Qualify Opportunity</b></p>	<p>Refining project proposal / plan</p>
<p><b>Opportunity Phase</b></p> <p>Customer/specification influencing Preparation for Bid/No Bid Strategy, win themes and solution Competitors/allies/sub-contracts Review competence and investment Establish resource to bid</p>	<p>Sweeping market to confirm solution viable / can be bought - identifying own resource and vendors who could contribute</p> <p>Business case and evaluation project funding approved</p>
<p><b>Bid/No Bid Decision</b></p>	<p>Budget or other evidence of business significance of project</p>
<p><b>Bid/Proposal Phase</b></p> <p>Solution identified Bid Plan finalised and Resource allocated Partners/Sub-Contracts firmed</p> <p>RFQ Received</p> <p>RFQ Review Solution Review Costs Identified Proposal prepared</p> <p>Bid Approval</p> <p>Finalise Bid as Approved</p>	<p>Defining requirement</p> <p>Pre-qualification of vendors</p> <p>Preferences emerging</p> <p>Prepare request for proposal and identify recipients</p> <p>Formal procurement rules observed</p> <p>Post bid strategy/tactics refined based on confirmed bidders and solution/vendor preference</p>
<p><b>Bid Submission</b></p>	<p>Evaluate responses - refine initial business case - select final shortlist</p>
<p><b>Negotiation Phase</b></p> <p>Questions and Answers Pre-Contract Negotiations Final deals with Partners/Sub-Contracts</p>	<p>Levelling solution offers and commercial terms upwards price/total cost downward Maintaining stalking horses v preferred winner Conduct due diligence - refine business case Project approved with budget Announce selected vendor</p>
<p><b>Contract Award</b></p>	
<p><b>Win/Loss Review</b></p> <p>Feedback on performance - actions</p>	<p>Start project</p>

**Benefits, Benefits, Benefits**

**Leverage the Customer’s Ecosystem**

The customer doesn’t operate in a vacuum.

Although there is a defined interface through which the bid is channelled, there are multiple entities in their environment that could hold the key to influencing or determining the bid outcome.

Map who they are, their lines of power/influence and how you and your competitors link to or can leverage these players.

**Contact Planning**

Contact with the customer and his ecosystem is a multiple edged sword. Often its impact is to mislead your organisation - sales transmit rather than receive - messages are confused or conflict - your full assets are not deployed or are played at the wrong time.

Structured contact planning and reporting (focused on achievements) enables you to calibrate the information you receive, ensure everyone is on message, messages and questions are progressively tailored to targets and your assets are deployed to make a difference.

**“Benefits” Supported by “Features”**

Companies are naturally proud of their latest widget, tool or solution.

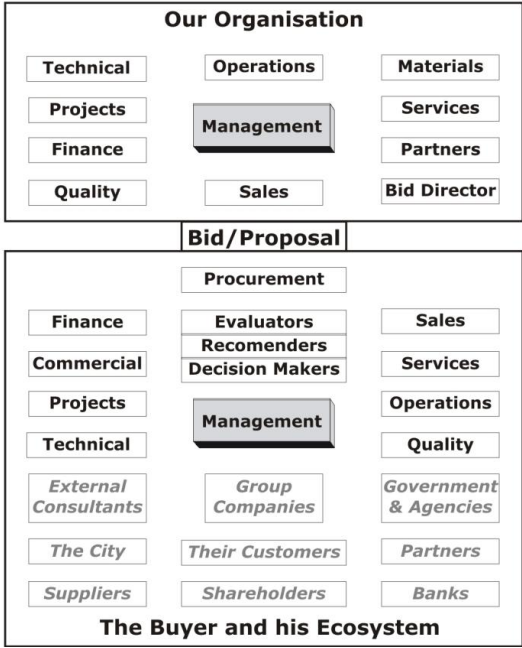
This often leads to focus on features rather than what benefit they deliver to users or how they satisfy their needs. Features are also vulnerable to individual customer adjudicator and influencer prejudices.

If I buy a new car, it’s because it gets me there “faster”, “safer” or “more comfort” (Benefit) rather than the technical excellence of the spark plug or the dashboard layout (Features).

**Features** support how the **Benefits** will be delivered.

Boardrooms buy benefits.

It is very rare that the absence or presence of a feature will be decisive in contract award. Focus on and sell benefits.



**Your “Unique”**

Claimed company “Unique Selling Points” rarely are.

Even if they are, the “So What?” test applies to whether this is significant to a particular customer.

Devise “Unique Selling Points”, Sales Themes and Messages for the specific bid and customer. The most effective come from listening to the customer and tailoring them around his hierarchy of needs and desires.

**Avoid the Lowest Price Trap**

Lowest price typically wins - this often makes the outcome a lottery won by the most desperate bidder and will squeeze margins if you win. Seek to promote “weighted price” adjudication if you can influence the weighting to favour you.

It’s also a good tactic to produce a customer business case showing why you are the lowest “cost of ownership”, “through life cost”, “benefit to their customers/stakeholders”, etc solution.

This has the additional benefits (so long as you get it right) of enhancing sales contact and showing you understand the customer’s business.

***Institutionalise Quality, Purpose and Spirit***

**Winning Bids come from teams who are empowered with enabling tools, process and management commitment.**

**Start Early**

Bids are the main business process where any rational approach disappears.

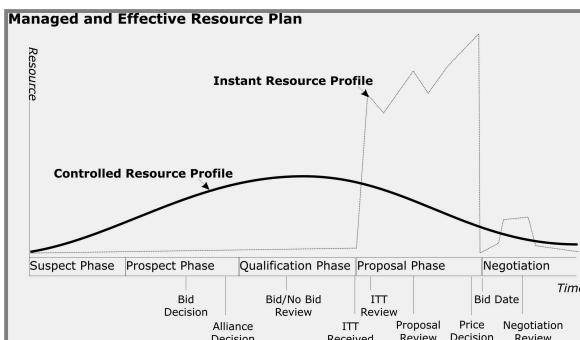
With most other business process, project and so on, everyone recognises the need for control, measurement, process and resource - with contingency for occasional emergency action.

You know what is required long before an ITT is issued, you should have been shaping the competition long before then and your influence is declining as the procurement process progresses.

Resource invested early is orders of magnitude more effective.

The diagram below shows the consequences of not taking this approach, not only for the bid but also for "business as usual" due to resource being pulled in late.

It becomes about "doing" rather than "achieving" and thought and creativity get squeezed. The probability of win limiting/business damaging mistakes ramps up.



Make the approach to strategic, high value and complex bids a managed "business as usual" process.

Establish key milestones and review points. Be realistic about what can be achieved in the time.

Resolve issues as they arise and progressively endorse major decisions.

**Proposal - Significance**

The proposal is your main communication vehicle with your customer.

Even if you have good alternative communication channels, the proposal is the one platform for your proposition that will be read (in whole or in part) by everyone in the customer community:

- It must be a compelling read - logical, hierarchical and a pleasure for the reader to follow
- It must be visually attractive and consistent in style throughout
- It must sell - directly and subliminally

If the proposal looks or feels cobbled together, what message does this give to the customer on how you will execute his contract?

**Proposal Sales Themes and Messages**

The proposal should be focused around a few core "Themes" that condition the customer to see why you are the only logical winner - normally these are benefit/value propositions.

Typically they are the main platform for you to establish an "unfair advantage" over the competition and demonstrate that award to you is the only logical conclusion.








And this is where the customer's Board focus.

"Messages" focus around the themes and support them - typically "How" and "Why" the benefits/value propositions will be delivered.

Everything else must support the "Themes" and "Messages" - if it doesn't then don't bother including it.

**Proposal Structure**

Map the target audience for each part of the proposal and arrange it so you avoid weakening interest in your story. A typical solution (logical, hierarchical and easy to follow) may be:

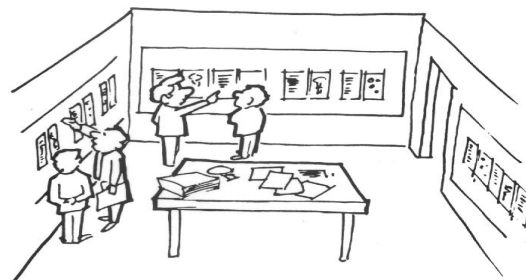
<b>Proposal Section</b>	<b>Target Audience and Contents</b>
 <b>Introduction</b>	<b>Client Administration/Procurement</b> Reason for Offer (Invitation, discussion, etc.) Type of response (Quote, Budgetary, Capability, etc.) Road Map (Sections In Offer - what each contains) Invitation to Action (What do you want to happen next)
 <b>Executive Summary</b>	<b>Client Board, Senior Managers, Influencers</b> Summarise Target's needs (We understand their business) Summarise how we meet/exceed these (Benefits & Themes) Summarise how solution meets (Main Features & Messages) Invitation/Call to Action
 <b>Solution</b>	<b>Client Senior Managers, Influencers, Evaluators</b> Description of what solution provides (Support to Messages) - refer to Annexes to describe detail of how Solution is provided
 <b>Commercial</b>	<b>Client Contracts, Finance</b> Price Summary {Refer to schedules as necessary} Terms & Conditions {Refer to schedules as necessary}
<b>Annexes</b>	<b>Client Specialist Topic Adjudicators</b>
 <b>Schedules</b>	Equipment/Service lists of what will be provided Line item pricing if required Q & A's (compliance matrix) if applicable
 <b>Services Process Descriptions</b>	Description (how we provide - one per topic) CVs References/Customer Stories
 <b>Company Information</b>	Profile/Background Financial Data and formal company details Locations and Staff Customer lists, Customer Stories, Accreditations

A customer will often set a structure and format for your bid - but these principles still work. Finally, a thick proposal doesn't equal quality - often it detracts.

**Storyboard the Proposal**

Advertisers, movies, authors and so on, all storyboard. Why? Because it works!

- Starts the thinking process
- Provides a good early overview of your solution
- Exposes the issues
- Provides a rapid relevant first draft
- Creates team alignment and spirit
- Helps assess resource and competence required



Use proposal frames and a secure (physical or virtual) bid room as tools to support the progress from storyboard to a great quality proposal.

***Do the "Difficult" Things Well***

**Proposal Directive**

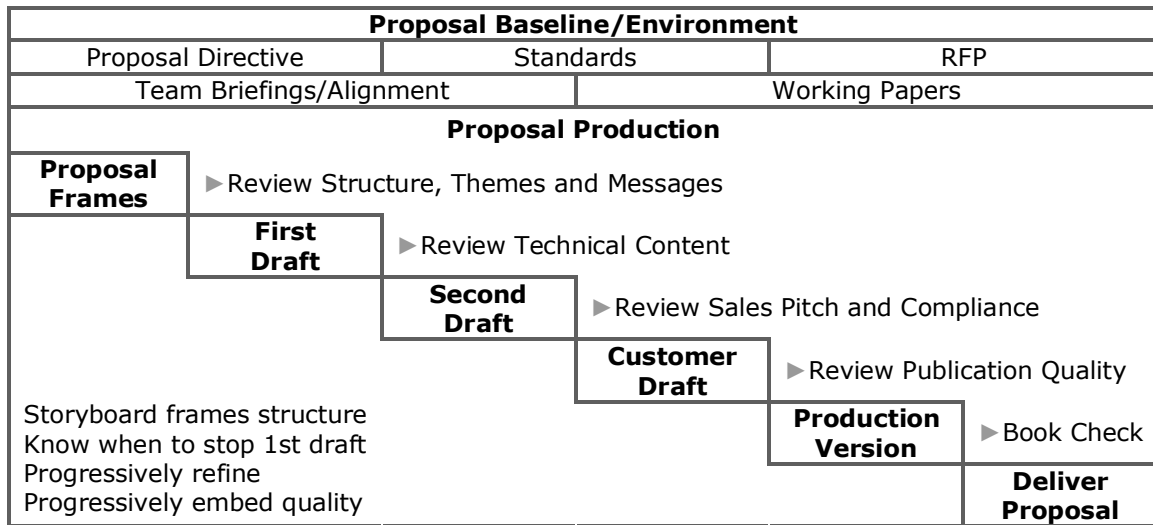
Published and progressively updated by the Bid Director - the "project "plan that gives the team direction and briefs management.

Ensures everyone knows what needs to be done, by whom, when and in what form.

Establishes bid environment. Shares and aligns strategy, themes, messages and content.

Publish in the same form and style as the proposal to help content authors visualise and produce efficiently.

**Proposal Process**



**Jargon and Language**

Jargon and acronyms exclude others - they are not a sign of expertise. Understand and replay the terms and language the customer uses.

If you submit a bid in a foreign language, get a second independent translator to translate it back into your original language - you'll be surprised what win limiting statements emerge.

**Master Repository**

Keeps version control and avoid nugatory effort. This maintains traceability of the solution, proposal construction, cost, price and approval iterations.

**Security and Loose Talk**

Difficult but a priority issue. The major source of leakage is normally people's natural inclination to show they know what's going on to customer, competitor or company peers.

**Model and Anticipate the Competition**

Customer behaviour and your position are dynamically impacted by competitor action. You must assume they are as professional and creative as you. Model their SWOT and options, review their activity and anticipate their actions and pricing - you'll be amazed at how close you get.

**Price v Cost**

Price is market driven. Cost is solution driven. They are not related - the gap, along with other issues, establishes whether the bid is worthwhile.

**The Final Word**

Whether you use or adapt any of these techniques, courage and tenacity help you make your own luck!

