

WINNING WITHOUT TEARS

Sarah Hinchliffe explains how you can win more competitive bids with less stress

It's the night before a key competitive bid is due to be delivered. The deadline for submission is 10am the following morning. It's now nearly midnight and the printer has just gone wrong. You are tired and stressed. The team is tense. And is the bid actually good enough to win anyway? After all, you started late...

Sound familiar? People put themselves through this every day. There are times when being up against the clock is unavoidable, but it shouldn't be the norm. If you treat a bid like a proper project, with a plan and a structured framework, you will find life much easier. Or draw an analogy with choreography: you bring together a group of people, guide them through a series of sequences and moves with creativity and flair in order to produce a winning performance. You wouldn't want the dancers tripping over each other and looking for their costumes and shoes during the dress rehearsal – and typically that just doesn't happen. Why should bidding be different?

So, where to start? Here are some simple steps to get you thinking in the right direction.

STEP 1: DON'T BID FOR WHAT YOU CAN'T WIN

Sounds obvious, but so many companies submit bids without having conducted a thorough qualification of the opportunity early in the process. Although there are exceptions to every rule, best practice suggests that if the first you hear of an opportunity is when the Invitation to Tender (ITT) or Request for Proposal/Bid (RFP/RFB) lands on the doormat, then you are wasting your time. Other suppliers will already have a relationship with the customer and will have been tracking and influencing hard for weeks or months.

One certain way to increase your conversion ratio (the number of bids you win out of the number of bids you submit) is only to bid for those you have a high probability of winning. So, how do you judge this? There are many different qualification systems and techniques, but key considerations are:

ALLEGIANCES: do you understand the buying landscape, the different stakeholders and their preferences and influences? Do you have a champion in the camp promoting your cause?

AUTHORITY: do you understand how the decision will be made and by whom?

MONEY: do you know the budget and can you satisfy the requirement within the budget profitably for you and competitively for the customer?

REQUIREMENTS: do you fully understand the requirements and can you meet all the mandatory ones and a good proportion of any desirable ones?

DIFFERENTIATED SOLUTION: do you genuinely have a solution that stands out from the competition?

TIMING: do you know the timeframes for the project and can you inspire confidence that you can meet the required schedules?

COMPETITION: do you know who else will be bidding, how strong a threat they represent to your success and how to beat them?

These are just a few of questions you could ask to build an objective view of your win probability.

As mentioned, you really should be at this stage well ahead of the formal bid process, in which case much work can still be done directly with the customers to fill in knowledge gaps and influence thinking. Once you are at the formal bid stage, and probably subject to strict bidding rules about customer contact, you will need to focus on getting the key messages strongly articulated in your document.

STEP 2: BUILD A 'WIN STRATEGY' EARLY

When you are satisfied that you really should be spending valuable resources pursuing the opportunity, you need to build the 'win strategy'. This takes the key elements of the qualification exercise and starts to formulate how you will use this information to optimise your position. As Figure 1 on page 26 illustrates, you need in particular to be building a picture of the following elements:

CUSTOMER EVALUATION PROCESS AND CRITERIA: whether formally issued or gathered through dialogue, it is essential to understand who will be involved in the decision-making process and how the bids will be judged. Be aware that many of today's buying decisions involve multiple people and you need to understand each individual in terms of their role and their motivation.

CUSTOMER DRIVERS: these succinctly summarise what you know the customer is really looking for the supplier to provide to satisfy the requirement. Customer drivers don't only capture what is contained in the tender documentation, but also what you know from your relationships with the various customer personnel. You are looking to articulate about half a dozen key drivers that will collectively appeal to the customer at a deep level; you will use these to develop the core essence of your bid messages.

COMPETITORS: you will need to conduct a detailed walkthrough of who else will be bidding and their strengths and weaknesses in this specific situation.

SOLUTION VISION: you need to know what to propose to meet the requirements; what are your strengths and weaknesses in relation to these requirements and how are you different to and better than the competition.

PRICING STRATEGY: you need enough information about the customer, the competition and your own costs and profit aspirations to work out a price to win. ➤



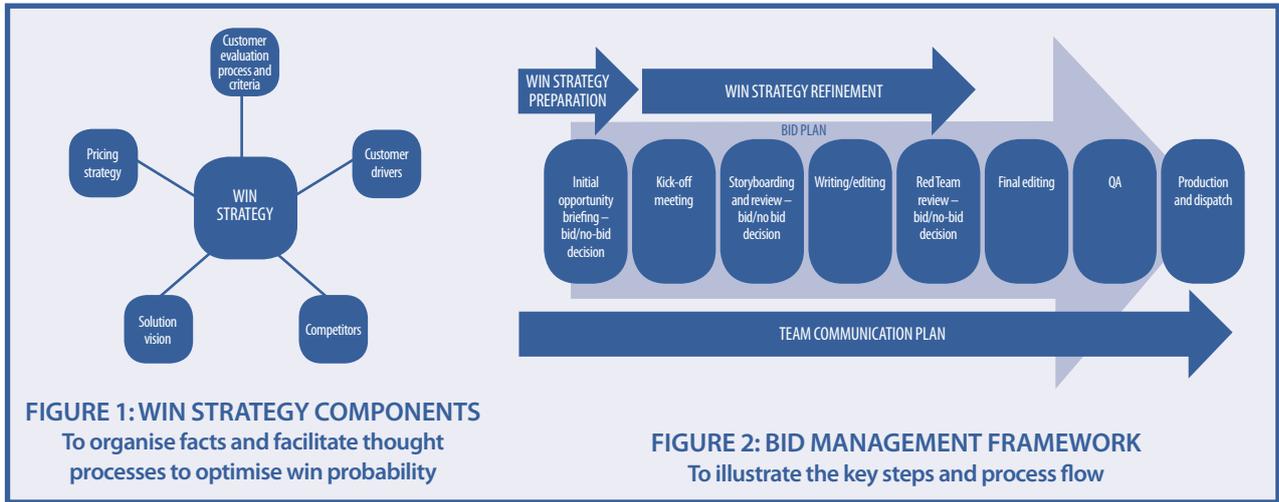


FIGURE 1: WIN STRATEGY COMPONENTS
To organise facts and facilitate thought processes to optimise win probability

FIGURE 2: BID MANAGEMENT FRAMEWORK
To illustrate the key steps and process flow

- ◀ Once all the information is gathered, you need to work out how to:
- Emphasise your own strengths
 - Play down your own weaknesses
 - Diminish the competitors' strengths
 - Reinforce the competitors' weaknesses.

STEP 3: BUILD A PLAN

Having got to this point, if you are still comfortable to proceed then you need a plan. Figure 2 shows a simple Bid Management Framework illustrating the flow of activities and the key milestones during the bid process.

The more detailed plan will include the timeline, resources, roles and responsibilities. Carefully space out the key milestones and focus on getting the preparation right. A kick-off meeting will typically take place 10% into the overall time schedule, not on the day the tender documents arrive – you need time to distribute and absorb the information and make the important bid/no-bid decision before beginning the detailed work. A kick-off meeting will involve significant preparation to fully brief the team on what is expected of them. After that, they will be keen to put pen to paper, but it is preferable to build in a 'storyboarding' step that involves producing a high level concept of the key bid components. The storyboards, which may be slides, flipcharts or any other media suitable to convey ideas, are presented at a review to ensure everyone is working in harmony and building the bid messages in a cohesive way.

Only when the team approves the storyboards does the actual writing begin. This feels very uncomfortable for many bid contributors, who feel they could have dashed off the words by now, but getting the overall structure and messages right up front makes for a much easier finale.

The last checkpoint should be the 'Red Team review', which is where an independent team validates the final draft of the completed document. They check if it complies with all aspects of a winning bid including that it addresses the customer's true needs, it differentiates well from the competition and it is professionally written and presented.

Finally, make sure your plan has contingency, but don't make the Quality Assurance (QA) and production tasks your contingency period – they are as important in the whole process as any other step.

STEP 4: COMMUNICATE, COMMUNICATE, COMMUNICATE

Depending on the length of the bid response period, daily or weekly checkpoints are essential to keep everyone on the same page and handle issues arising swiftly and

effectively. Ideally, stick to the same time every day or week. The meetings should be short and compulsory. This gets everyone focused and keeps the project flowing. Create a standard agenda, for example:

- ACTIONS:** from previous checkpoint if relevant
- NEW INFORMATION:** assessment and implications
- ISSUES ARISING:** from each team member - action plan to resolve
- TIMELINE CHECK:** all on schedule or re-plan required?

STEP 5: ALWAYS BE PLANNING

There is a saying that "a plan never survives the first engagement with the enemy" and throughout the bidding process various issues will come along to throw you off track: new information, bid question responses, illness, technology problems, to name but a few possibilities. It is acceptable to undertake re-planning along the way, and you will have included some contingency in the schedule, but do not regard the QA, production and dispatch time as contingency. This time should be sacrosanct as there is no point producing perfectly honed words and then submitting a poorly presented and packaged document.

Equally, if you are struggling to complete the bid on time, this may indicate that you are not really on top of the game and should consider whether to continue.

STEP 6: DON'T BE AFRAID TO PULL OUT

It's a brave decision to pull out when you have completed so much, but it is valid to pull out right up to the point of submission if something changes and indicates your bid is not going to win. In particular, if the Red Team review results in significant change, consider if the recommended rework is feasible in the remaining time and if you can re-establish a winning position. But note, if you follow all the previous steps, the times you will end up in this position will be few and far between.

Bid management is a professional discipline built over time, with experience and training. These steps give a flavour of the thought processes and activities required to achieve a well-choreographed bid. If you are serious about winning more with less stress, consider how to establish this capability in your business.

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