

Summary of “A Bidder’s Dozen – Golden Rules for Winning Work”

***A presentation by David G. Pugh, PhD
Co-Founder and Executive VP, LORE International Institute***

Three main questions:

1. What is a proposal? (to an engineer it’s a schematic with a price tag!)
2. What is an excellent proposal? (obviously the one that wins the work!)
3. What does it take to create an excellent proposal? (Bidder’s Dozen Golden Rules)

Rule #1 – First and foremost, a proposal is a SALES document.

It is a complex world, and our clients face complex problems with complex solutions; our job is to help them achieve simplicity and clarity in their documents by answering the BIG FOUR:

1. Why us?
2. Why not them?
3. So what?
4. How so?

These are the standard basis questions of a proposal that will need to be answered over and over:

- “Why us?” is the standard list of claims – your price is your back-up claim when compelling answers to this question aren’t available in the proposal.
- “Why not them?” – if you don’t know the answer to this question, you should NOT be bidding on the proposal!
- “So what?” – this question addresses the benefits of the feature (see more later on).
- “How so?” is your technical question – how will the work you’re proposing get accomplished? Also offering proofs of substantiation for claims presented elsewhere in your document.

Overall the purpose of a proposal is to differentiate yourself from your competitors – create some line of distinction through capability or behavior. For the most part, you cannot differentiate based solely on capability – everyone in the top tier will have the technology/capability to provide what the client is looking for. AND, don’t want to market yourselves based solely on low price – need to use the *proposal* to differentiate yourself.

If capability IS your commodity, you have to sell your price! I.e., demonstrate through your proposal that it is worth it to your client to work with you – that you bring value beyond your strict technical capability which makes your price acceptable. The proposal embodies a set of behaviors – for the companies on the short list, they’ve already determined that you can DO the work... they’re using the proposal to determine if they want to work with you.

Rule #2 – In a proposal, you don’t just sell here and there – you sell all the way through!

There are three communications elements that you can use, listed in descending order of impact/power:

1. Themes (i.e., your best answers to “Why us?” and “So what?” – also your strategies, ace features, and bottom-line benefits)

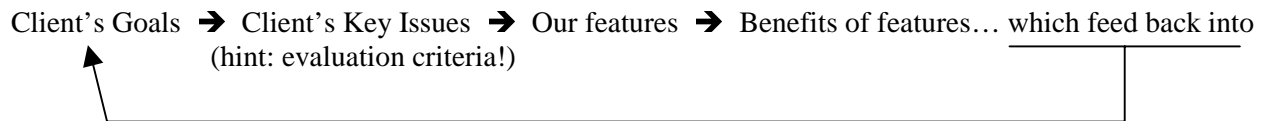
2. Visuals (graphics, proofs, and feature-benefit caption statements)
3. Text

Very few people will actually read your proposals word for word! I.e., text is (unfortunately) necessary, but is also the least effective way to communicate.

Rule #3 – They don’t buy what it IS; they buy what it does for them. They buy benefits, NOT features!

For example: speed of a modem is a feature; spending less time on-line in order to have more business productivity is a benefit. Benefits are driven by the client’s bottom line and what you bring to the table to help them meet their business goals; their deciding to work with you is a business decision, and BENEFITS support their business objectives. (A benefit is only a benefit if it’s a benefit to the client!)

Engineers are professional problem solvers, addressing: What is the problem? The further question you need to ask is: *Why* do you want to solve the problem? Their answer will highlight the client’s goals.



A theme along the lines of “We get you to your bottom line goal!” is the best way to sell your price (with appropriate details, of course).

Rule #4 – The audience, not the author, drives the design of the proposal!

With a proposal, you are trying to give the client what they want, in the way they wanted it, so that they can easily determine that you understand and can give them what they want.

During the process (of writing and evaluating), you have to go through many reviews:

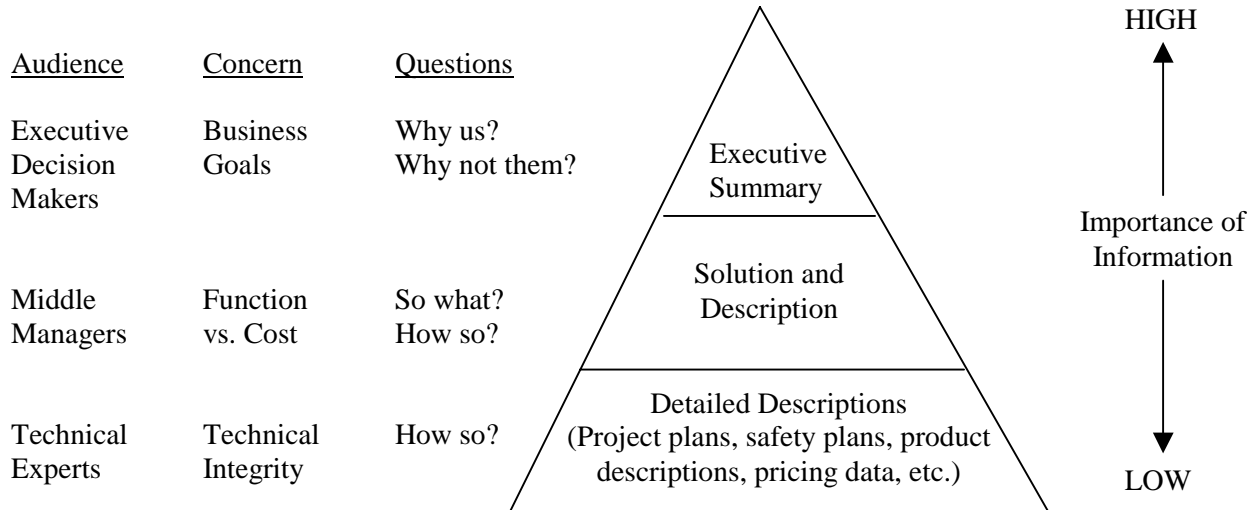
- Expert
- Non-expert
- Inductive reasoners (detail oriented people – want to see the data, then the decision)
- Deductive reasoners (decision making people – want to see your goal/point, then the supporting info)
- Scanners (read the WHOLE thing)
- Skimmers (read a few sentences off each page)
- Visual
- Verbal

With a proposal, you need to meet the needs of all EIGHT groups of people in just ONE document. However, they can be grouped: experts tend to be inductive reasoners, who scan and communicate visually (Type 1), while non-experts tend to be deductive reasoners who skim and communicate verbally (Type 2). Now you only have to meet the needs of two types of people – the solution is the “Double Exposure on a Single Pane” design for your document.

Your Type 1 readers will want to see text and detailed supporting graphics, etc., followed by your summary (at the end!) of your conclusions. Your Type 2 readers will want to see a prominent Theme statement at the beginning of the document with key points easily discernable within the text, broken up

by interesting visuals and a *healthy* use of white space. When you combine these two types of documents, you have something that can work for everyone. For example, you restate your key statement at the end of the section because the Type 1 readers will want it there (and will have skipped over your Theme at the beginning), while your Type 2 readers will have read your Theme at the beginning and won't read all the way to the end and won't know that you're repeating yourself!

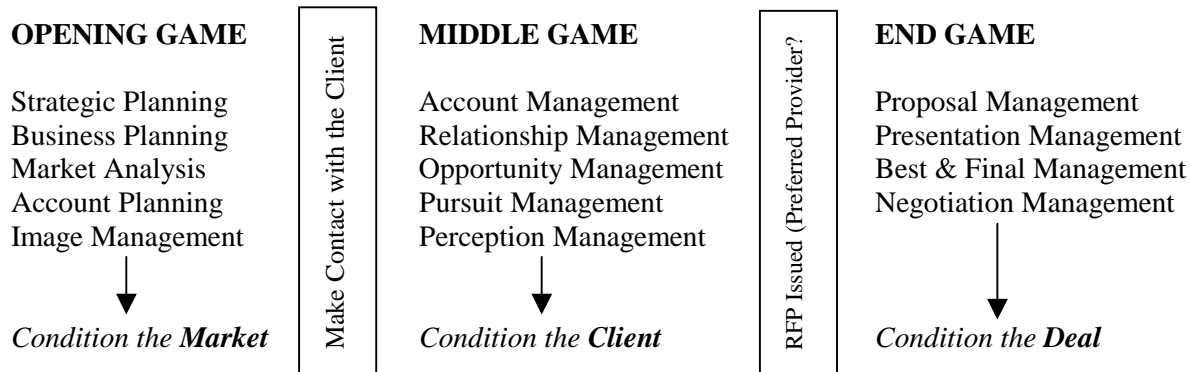
Remember: reader friendliness is a very real differentiator when it comes to evaluating proposals!



Your proposal is the ammunition with which you recruit your client's middle managers and decision makers on to YOUR sales team. I.e., you have to win over/recruit the Technical Experts because they present their recommendations ("sell" your proposal) to the Middle Managers. In turn the Middle Managers will make their recommendations and "sell" your proposal to the high-level decision makers in their company. Have to compel them so convincingly that they can turn around and sell you themselves!

Rule # 5 – If they want to work with us, they will. If they don't want to work with us, they won't. In either case they will fully document the decision.

For the most part, the decision has already been made concerning preferred providers BEFORE the RFP even goes out. You need to court your clients before then, before asking them for a commitment with the proposal. Proposal work is a lot like chess – much of the work has to be done in opening and middle game in order to be successful in end game. The proposal itself is entirely within END game!



You cannot make up for missed opportunity in Opening and Middle games by the time End game is here!

Rule # 6 – Virtual planning is virtually useless!

Remembering that the whole proposal comes in End game, you must bring core team deliverables to the kick-off meeting! One of the biggest problems faced in proposal writing is WRITING too soon. Ideally you should spend 25% of your time (at the beginning) doing intense/serious planning with the core team, then 50% of your time actually writing, and the final 25% of your time in revision and production.

Another common problem is trying to plan with too many people – must have a limited core team with a very specific and common goal. Your core team MUST have representation from the following areas:

- Business Development (your connection to knowing what the client wants!)
- Ops/PM/Technology (the people who know HOW the proposed work will get done)
- Proposal Management (YOU – the person that is going to combine the other two into a proposal)

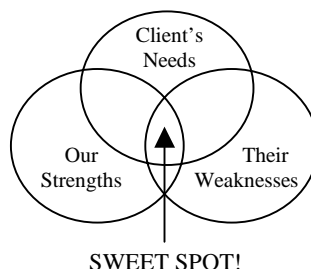
Other members may include: Executive Sponsors, Legal/Contracts, Finance, Consultants, etc., but don't let the core/planning team get too large. The core team will then develop and bring the following elements TO the kickoff meeting (not to be developed AT or AFTER the kickoff meeting):

- RFP
- Proposal outline
- Compliance checklist
- Sweet Spot Analysis
- Win strategies
- Win themes
- Bid rationale (Yes or No bid?!)
- Draft Executive Summary
- Pink and Red Team directives

The purpose of a kickoff meeting is to create a very clear joint understanding/strategy for all people involved with the writing/creating of the proposal. Your squad should leave the kickoff meeting armed with all the tools, outlines, and strategy needed to begin writing the proposal.

Rule #7 – A proposal should not be an isolated event. Rather, it's part of an ongoing process to differentiate your offer, people, and organization from the competition in the eyes of the client.

The process of differentiation begins in Opening game, through Middle game, and is culminated in End game with a WIN! For example, Executive Summaries (in the form of targeted brochures) are now being distributed at trade shows and at other opportunities well before the RFP. It's all about making your company appear different (and obviously, better!) than your competition. In order to do that, you must discover those attributes which convey your positive differentiation = Sweet Spot Analysis.



Where your strengths overlap with your competition's weaknesses AND your client's needs is your Sweet Spot = area of opportunity and items of positive differentiation. *Specifically, your positive differentiators are where you are different and better than your competition, relevant to what the client needs = answers to "Why us?" and "Why not them?"*

Of course, there is also a corresponding Sour Spot which is the overlap of your fatal flaws with your competition's strengths. In order to write an intelligent and compelling proposal, you have to know enough about both the client and your competition to be able to identify BOTH the Sweet and Sour spots.

It is also possible to lack differentiation – there is no overlap between your strengths/their weaknesses, or vice versa. The only option in that situation for positive differentiation is to LOWER YOUR PRICE!

If you discover that you have a Sour Spot but no Sweet Spot (i.e., you are only differentiated negatively vs. your competition) the answer is DON'T BID!

Rule #8 – If you don't have an effective win strategy or take the time to develop one, lower your price.

Win strategies should come out of what is learned in Middle game and should drive all the way through the proposal and post-proposal process to the end. (Remember, the proposal does NOT mark the end of the process – followed by short list selection, oral presentations, negotiation, and finally contract award.)

Your opportunity to educate your client is well before actual proposal time. During Opening and Middle game is when you have the opportunity to move their circles around. By demonstrating to them that your strengths are in line with their needs, and by correspondingly making appropriate use (ghosting) of your client's weaknesses, you can increase the Sweet Spot. Similarly, by mitigating your weaknesses and neutralizing your opponent's strengths, you decrease the Sour Spot. Your *strategy* is the method by which you achieve these objectives.

Rule #9 – Ease of evaluation is a very real factor of success.

Your proposal must be easy to read and evaluate! If they can't find your answer to a question – you might as well have NOT answered.

The Powerful Executive Summary is:

- Audience designed and driven
- Brochure style (1/3 text, 1/3 graphics, 1/3 blank space)
- Separately bound and portable, relative to your proposal
- Client focused, not self-focused
- Strategy driven
- RICH with big benefits ("Why us?")

Likewise, the Powerful Proposal Format is:

- Audience designed (double exposure on a single plane, above)
- Double or message column (very wide column widths are difficult to read, think newspaper)
- Themed and captioned throughout!
- 1/3 visuals, 2/3 text, ample and healthy blank space

Remember that RFPs are generally monuments to confusion and incoherence!! Your proposal should be organized in an easily-read manner which brings clarity to the subject matter – or at the very least, does not add to the confusion. Your outline for the proposal should be governed by the following considerations:

- 100% RFP compliant – if an outline is provided in the RFP, you MUST use it!
- Mirror of RFP – no specific outline is provided, so you use the same numbering and organization
- Mirror of Selection Criteria

The creation and use of a response matrix is very helpful for the evaluators when using anything other than an RFP-supplied outline. The matrix is presented at the beginning of the proposal and maps out exactly what their questions were and where they are answered in the proposal.

Rule #10 – When writing a proposal, writing is the *last* thing you should do.

This is a particular battle with engineers! Even within the proposal process (25% plan, 50% write, 25% production), there is a specific writing process, made up of the following steps:

1. Determine the content required to answer the question, for the section, etc.
2. Organize the content
3. Develop the themes in relation to the content
4. Develop the visuals which will support the content
5. Determine the proofs (captions and benefits) which support the content
6. Mockup of the section (this is NOT pre-writing!)
7. Write the draft of the section

When using this process, even engineers (and other non-writers) will write faster, better, and LESS! I.e., the sections will be written and developed more quickly, easily, and coherently with less to be cut out later.

Rule #11 – In the early phases of evaluation, they aren't looking for the winner. They're looking for losers to eliminate from consideration.

If you are NOT compliant with what the client is asking for, your proposal gets tossed RIGHT HERE.

However, just being compliant gives your proposal an overall grade of C. You must be both compliant (i.e., we can do the work), and responsive to the client's needs/concerns/issues/values/goals (i.e., you want to work with us). None of the latter will be found in the RFP – they are what must be developed early on in the game.

Compliance plus full responsiveness produces a proposal that is full of client-focused differentiation in the form of powerful answers to “Why us?” and “Why not them?” and can lead to an A grade for your proposal.

Rule #12 – Win or lose, always debrief with the client. If you have to choose, debrief after a win.

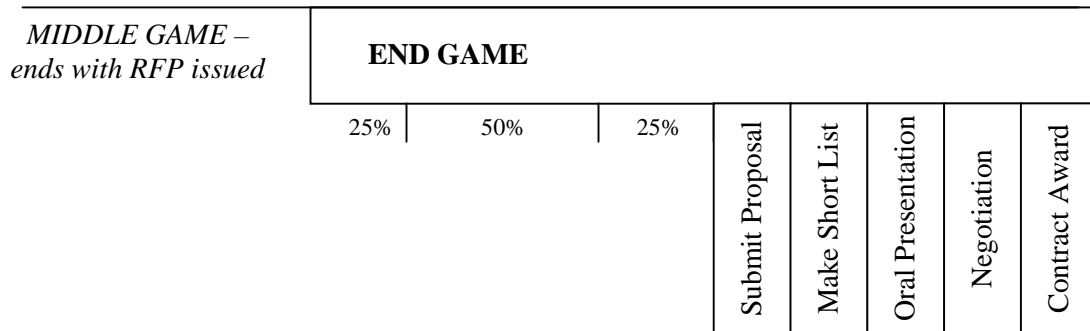
Basically, this is all about maintaining communication with your clients and learning more about what makes them tick.

Opportunity & Client-Specific Questions + Post-Mortem Protocols = Critical insight and information for future pursuits and proposals

Develop a standard and *specific* list of questions to ask during a post-mortem following a losing proposal. Use this information to perform trend analysis – it will help when bidding again to the same client or others within their field.

Rule #13 – In most cases, proposals don’t WIN contracts, but can lose them in an instant.

Remember that End game does not end with proposal submission – it ends with contract award.



If your proposal gets you to the short list then it has served its purpose and was successful – after the short list, other factors take over from there to carry you through to Contract Award.

And... a Bonus Golden Rule...

Rule #14 – When capability becomes commodity, competition becomes communication!

You and your competitors each have a great message (i.e., the capability to DO the work). The key is to communicate your message most effectively to the client. Proposal evaluation is more an emotional/value process, rather than being driven by rational thought – need to answer their unasked question:

*Why should they **want** to work with you?*