

# Focus on...Tenders

It's an ongoing challenge for organisations to produce excellent competitive tenders that result in a win. Statistically, an incumbent contractor has an 83% chance of retaining any contract tendered. This is largely due to the intimacy of their relationship with the client and the clients own reluctance to introduce change within their business and as a result import potential risk.

## Fundamental for B2B engagements

Competitive tendering is a fundamental element of B2B engagements and yet it is almost universally done in a reactive, unfocused and ultimately unsuccessful manner. Late nights, use of 'stock' information, hurried commercial calculations and last minute production are all common place and in tum produce poor tender documents – great news if you are incumbent and everybody does a poor job!

Perhaps more fundamentally, poor tender submissions mean that often the client only has price to use as a differentiator.

## Two key elements

There are two key elements to successful tendering:

1. **Only tender contracts you have a genuine chance of winning**
2. **Start the process long before the Request For Information (RFI) arrives.**

The first point seems logical but is often ignored. Companies frequently spend time and effort pursuing opportunities that they simply have

little or no chance of winning. They target opportunities that would represent a step change in their business, companies who have successfully used competitors for years and areas of business that are not core to their own business. This scatter-gun, unqualified approach is rarely successful and almost always diverts time and resources away from genuine opportunities that can be won, the overall result being an unacceptable win rate.

→ **THE KEY MESSAGE IS A SIMPLE ONE- TENDER LESS AND WIN MORE BY CORRECTLY QUALIFYING ALL OPPORTUNITIES.**

Companies that are genuinely successful at retaining existing contracts and winning new customers either have a unique product/service or, more likely, a detailed understanding of the tendering process. The qualification process needs to start as early as possible – starting the process when the RFI hits the desk and you are no longer allowed to directly communicate with the client is a sure fire way of reducing your

probability of winning, even if you are the incumbent.

## The client is the most important thing

A great, winning tender is a unique document. It answers all of the questions in the RFI in a succinct manner but more importantly it addresses all of the issues that the client is trying to resolve through the process but are never articulated within the document. It should make your offer easy to buy and is not a brochure for your own company – the client is the important party in this engagement, not you!

In order to accomplish this you must engage with the client early, understand what they are trying to achieve, who your competitors are and understand their capability in the specific area(s). Only once all of this information is understood can you genuinely produce a high quality, winning submission.

The process does not have to be complicated and should be tailored to reflect the importance and size of the opportunity – another reason to qualify opportunities in detail.

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### SEL's 10 golden rules for tendering...

- 1 **START THE PROCESS EARLY**, qualify each opportunity and only go after ones you can genuinely win – being brutal will mean you are more successful.
- 2 **UNDERSTAND WHAT THE CLIENT** is genuinely trying to achieve and assure that every aspect of your response focuses on these issues.
- 3 **DO NOT USE YOUR DOCUMENT** as a brochure – they already know your general capabilities, that's why you are on the tender list.
- 4 **UNDERSTAND WHAT YOUR COMPETITORS** can offer – highlight their weaknesses in your response (ghosting) and where possible stay away from areas where they are stronger than you are.
- 5 **MAKE YOUR SUBMISSION AS EASY** to buy as possible – answer each question as it is asked and don't embellish, keep it simple.
- 6 **BE GRAPHICAL, DIAGRAMS** and tables are great for simplifying or explaining complex issues – if you can not simplify it you need to rethink it.
- 7 **INVEST SOME MONEY** and get a professional template for your larger tender submissions – creating the right impression from the moment the document is unwrapped is essential.
- 8 **SUMMARISE THE KEY POINTS** within your submission as an Executive Summary at the front of your response – this is a graphical synopsis of your submission and should be created before the tender authors start writing. It communicates all of the key points within your submission and should provide guidance on the detail.
- 9 **IDENTIFY PEOPLE** within your organisation who can independently review the submission and give them time to do so – a fresh pair of eyes can add tremendous value.
- 10 **FINALLY, CREATE A PLAN** for the tender from the first engagement to the actual submission and make sure you leave plenty of time for production.

