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- Developing a professional approach

Chapter 1
Introducing Bids and Proposals

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This book is about writing business bids and proposals. Why bids *and* proposals, you ask? Aren't they the same thing?

Many proposal professionals would say so. Others favor one term over the other, especially when used to modify another term. For example, in the United Kingdom, they may say *bid manager* and *tender;* in the United States, we say *proposal manager* and *Request for Proposal (RFP) response* — and we mean pretty much the same thing.

Some people think of bids as something we'd call a *quote* — a line or two about the offer and a price — something you can write on the back of a napkin. Some may even call that a proposal. The more people you talk to, the more confused you can get.

As we use the terms, *bids* and *proposals* are more formal, more thorough, more informative, more persuasive, more descriptive, and more professional than *quotes.* They're more about communication than selling, more about value than price, and more about relationships than a single deal. Throughout this book, we use them interchangeably because it's how proposal professionals talk: A *bid* is a *proposal;* a *bidder* is someone who submits a proposal or bid (and we'd never use the word *proposer*).

In this chapter, we introduce you to the world of bid and proposal management — what proposals do, how they work, and how you write one — drawing from the best practices that bid *and* proposal professionals use worldwide.

Defining Bids and Proposals

In the broadest sense, *business proposals* are formal, written offers by businesses or individuals to perform work on the behalf of other businesses, government entities, or other individuals. Proposals set out in clear, concise language what you'll do for a customer, how you'll do it, how much it will cost, and the business benefits the customer will realize after the work is done. Proposals aim to both inform and persuade. And that makes them pretty unique.

In some industries, business proposals are precursors to contracts. That's why many proposals stipulate how long certain offers or prices are valid. Some government entities require the proposals they receive to be authorized by a bidder's officer to underscore their legal status. Some proposals even become an integral part of the final contract.

REMEMBER

Business proposals come in two main flavors:

- **Proposals submitted further to a formal request from the customer:** These are sometimes referred to as *solicited* proposals. You may also hear them called *reactive proposals,* because you can't really anticipate all their requirements. More often, these proposals are called *RFP responses,* because the customer issues a *Request for Proposal*. We opt for that term throughout this book.
- **Proposals that you give the customer independently of any request:** These usually follow deep discussions about the customer's business needs and are called either *proactive* or *unsolicited proposals*. Instead of the customer requesting a proposal, you ask the customer to accept your proposal. We prefer the term *proactive* because it indicates that you write these on your own initiative (plus, it's easier to say).

Both types consist of a series of textual and visual components that form an *argument* in support of your approach to solving a customer's problem.

In the following sections, we discuss the differences between RFP responses and proactive proposals — their structures and some of the rules around writing them — and then discuss the reasons why organizations issue RFPs.

Looking at the differences between RFP responses and proactive proposals

Before we go any further, we cover how you construct RFP responses and proactive proposals and why they're different.

REMEMBER

For all their differences, when you look closely at RFP responses and proactive proposals, you see that their deep structures are more alike than different. That makes sense, because they both argue for one solution over others. Therefore, what makes one type of proposal successful applies to the other.

Turn to Chapter 2 to find out more about the similarities and differences between RFP responses and proactive proposals.

Understanding the structure of RFP responses

RFPs are the procurement method of choice for most governments and large organizations. Most RFPs, regardless of the source, have similar structures. Government RFPs have elaborate number schemes and consistent, required sections. Commercial RFPs may have these as well, but the formats and sequences can vary widely from industry to industry and from RFP to RFP.

TIP

RFPs always have one thing in common: Whoever releases them expects your response to follow the prescribed structure to the letter. RFPs are designed so evaluators can easily compare bidders' various responses. They also tend to reflect whatever structure has worked before, which is why you can anticipate repeated elements when you respond to RFPs from certain customers.

Though RFPs can have many surface differences, most contain individual sections that do the following:

- Describe the background of the customer and its business problem.
- Lay out the rules that the customer expects all bidders to follow, including any terms and conditions of a potential contract.
- List the specific requirements that the customer needs you to address as you solve the problem. These requirements often take the form of questions. They may cover not only how your solution will work but also how your company will implement and manage the solution.
- Specify pricing components (usually in separate spreadsheets, depending on the complexity of the project).

Many RFPs instruct you to include in your response an executive summary, which you need to do whether instructed to or not (unless the RFP explicitly forbids you to). As you see in Chapter 9, an executive summary is your best chance to explain your solution and its value to the customer's highest ranking decision maker (who won't normally read the entire proposal). You never want to miss out on the opportunity to communicate directly to a customer's leaders.

Understanding the structure of proactive proposals

Proactive proposals, more or less, also follow a standard structure. The difference is that with proactive proposals, you control the structure, although you should always use a structure that customers find comfortable, satisfying, and compelling. The standard sections include

- An *executive summary* that recaps needs and benefits, win themes, and value propositions in language that speaks to decision makers
- A description and illustration of the *current environment* or *problem*
- Your *recommendation* for creating a new, improved environment or for solving the problem, comparably illustrated to show the changes in the customer's world
- A *statement of work* that describes how you'll set up the solution and maintain it
- A *pricing summary* that focuses on benefits, value, and return on investment
- A final recap of benefits and an action close to outline next steps

Adjusting your process for RFP responses and proactive proposals

High-level differences exist between RFP responses and proactive proposals that involve how you adhere to the rules, work with time frames, and handle the competitive landscape.

PLAYING BY THE RULES

REMEMBER

RFP responses have to mimic the structure of the RFP they respond to. They echo the numbered sections and subsections (sometimes four or five levels deep) of the RFP. They populate structured forms that the customer includes for pricing information. They adhere to customer-mandated page and format restrictions. Fortunately, they don't have to copy the normally stilted, bureaucratic language of the original, although you must be careful to repeat key terms so you sound responsive (we talk about responsiveness and compliance in Chapter 4).

TIP

You can insert the original RFP into your response template to put a brand wrapper around it, but you'd better not stray from the format prescribed. Read the RFP closely to see what you can and can't do. If your RFP says "don't use color images," make sure you don't. If your RFP says "insert your response directly after each question," do as it says and highlight your response so the reader can tell the question from the answer.

Proactive proposals have only the rules a customer sets when you offer to submit one. Your customers will hopefully be intrigued enough by your solution to put aside their hard-and-fast rules and allow you to present your solution in your preferred format. Proactive proposals can look like, well, whatever you think your customer wants them to look like: magazine articles, business letters, glossy brochures, or even (ugh) RFP responses.

STICKING TO A TIMELINE

RFPs are deadline driven. If you miss the deadline, you're usually eliminated. That may sound harsh, but it's not necessarily a bad thing. With an RFP response, at least you have an engaged customer setting a clear deadline.

With proactive proposals, you may have nothing more than a customer's promise to consider your idea. Your salesperson may set a date with the customer to deliver a proactive proposal, but you may find that the date slips as other sales initiatives take precedence or if the salesperson gets distracted and doesn't provide you what you need to finish the proposal by the due date. And your customer won't be as obligated to review your proposal when it does arrive.

WORKING AROUND THE COMPETITION

Salespeople try to avoid RFPs because they are, by design, more competitive than proactive proposals. By releasing an RFP, customers consciously pit competitors against each other. You present proactive proposals after you've worked with customers long enough to see inside their operations and discover areas where your business's expertise can benefit them. And although a customer may entertain multiple proactive proposals to solve a problem, you usually have much less competition, if any, to worry about.

Understanding why organizations request proposals

Knowing how to write proposals well is important because most mid- to large-size organizations acquire services and products through proposals. Many regulated industries and government entities must, by statute, set up an RFP

competition so they can create a fair basis for comparing vendors and solutions. Others release RFPs because they know pretty much what they want and are trying to find the best, lowest-cost provider. Still others release RFPs because they're unhappy with their current provider's performance and know that an RFP can remedy the situation, one way or another.


WARNING

Some companies request proposals to validate a prior decision (when they've already chosen a vendor) or merely to apply pressure to a current provider to lower its price. The better your relationship with the customer, the better your chance of avoiding being used as a tool for making an incumbent more responsive.

Preparing to Propose

Well-written proposals are a product of a well-defined and closely followed process. That's why we spend so much of this book walking you through the three major phases of proposal development:

- Pre-proposal stage
- Proposal development stage
- Post-proposal stage


REMEMBER

If you look at the bigger picture, proposal development is just a part of the overall sales or business development process in a company. You acknowledge that relationship by starting the proposal process long before an RFP is released or a salesperson has uncovered that proactive opportunity — back in what some sales organizations may call their *pre-sales process* (when they create and formalize their sales strategies for a customer). And we recommend staying involved long after the proposal is delivered, the contract is signed, and the work is underway, so you can be ready to do even better before the next opportunity (whether with either the same customer or a different one). (To better understand the scope of the proposal process, turn to Chapter 6, where we take you through each stage in more detail.)

The following sections introduce this three-stage proposal process to give you a big-picture view from the proposal writer's perspective.

Starting before the beginning

We begin before you even know you have an opportunity: The pre-proposal stage. It's where you make many key decisions that can make or break your efforts to build a winning proposal.

Your goal is to get involved well before a proposal is a certain outcome. In some segments (like government), it's easier — you may receive a draft RFP to work with, sometimes with significant lead time before the final RFP is released. In other cases, you get a warning from the sales representative that a customer is gearing up for a procurement or that the rep has discovered an opportunity for a proactive proposal. The best scenario is when your sales clients invite you to their sales planning sessions to ensure that you're engaged as soon as you see an opportunity on the horizon.

Here's why getting ahead of the game is so important: If you don't get involved early, you may never recover. RFP responses are "reactive" proposals, and you don't want to be the only bidder who's reacting when an RFP is released. If you have no prior warning, that's about all you can do. It's hard enough to win an RFP — you don't want to see the competition two goals ahead before you take the field.

The following sections consider how you can gain — and keep — the advantage ahead of the proposal development stage.

Becoming the trusted advisor

The best way to get engaged early is to become the trusted response resource who brings serious value to your sales organization's planning during its pre-sales process. Start capturing historical records about your engagements with your customers: The strategies you use, the win themes you develop, and the lessons you learn. Make those available, along with archived prior proposals for the customer and even some that you've created for other companies with similar problems. Your colleagues will start seeing you as an essential part of their success.

Looking for the right opportunities

As a proposal writer, you want to be included in the sales strategy sessions that determine when and how you'll be engaged on a proposal project. You also want to be involved when the sales team assesses whether an opportunity is winnable or not. This is where your archive of information and even your personal experience can influence decisions.

REMEMBER

Your resources are limited (indeed, you may be the *only* resource). You have to focus on only those deals that your company has a real chance of winning, or you'll become stretched too thin, or your work may be marginalized because you're seen as ineffective.

Influencing your sales team to get involved early in the right opportunities can mean the difference between success and failure. It means you may be able to influence the questions a customer asks in an RFP. It may mean that you get to pose questions directly to the customer for a proactive proposal. Chapter 3 looks

at the value of having a strong relationship with your customer and how this can influence the proposal process in your favor.

Making it all about the customer

If you take away only one golden nugget from this book, make it this one: **Your proposal is all about your customer — it's *not about you*.** Use your customer's terms to describe its problem and your shared vision for a solution. Place your solution into the customer's environment — customize your proposal's look and language so it reflects the customer's brand, its colors, its imagery, and its logo. Go easy on the boilerplate, and customize your source material to better reflect your customer's working environment.

TIP

One way to "think customer" is to identify the pain the customer goes through as a result of the problem you want to solve. When you identify the most pressing, emotionally charged needs and clearly depict the pain they cause, you're said to be pushing the customer's *hot buttons* (for more about hot buttons, see Chapter 2). These are the most meaningful issues to your customer and the reasons a customer will buy. Downplay your solution's features (what it does) and play up the benefits (what your customer gets or can do from the solution) instead. If you can show that you alone can provide that single benefit that solves the customer's hot-button problem, you'll win the deal (see Chapters 7 and 9 for guidance on how to develop and write feature and benefit statements).

Gathering and providing the right information

REMEMBER

Seeing things through your customers' eyes is the difference between complying with your customers' requirements and truly responding to their needs. Compliant proposals *can* win; responsive proposal *do* win. How do you figure out what your customers need? You ask a lot of questions.

You won't know your customer's hot buttons if you don't gather the right information. How do you do this (especially when you're not the salesperson and never escape the back office)? If your opportunity is proactive, you ask questions. You ask the customer. If your company won't let you, you ask the customer rep or the customer support tech. You ask thoughtful, probing questions that get to the heart of the customer's problem, and you listen closely to the answers so you can write like the customer talks.

If you're responding to an RFP, you do all the above and *shred the RFP*. By *shredding*, we mean parsing, or separating, every requirement as a stand-alone topic to address in your response. Sometimes, that's easy: Just follow the number scheme that the customer provides in the RFP. But sometimes, customers are sneaky. They bury requirements, using trigger words like *will, shall, must,* and *should* to indicate that a requirement follows. Some sophisticated proposal groups use

parsing software to find all the incidents. Some still use multicolor highlighters as a shredding tool. Either way can be effective (and one is definitely cheaper, if a lot slower). For a detailed look at shredding an RFP and building a compliant *and* responsive proposal from the results, see Chapter 4.

Getting the better of your competitors

Competitive analysis is a legal business discipline that uses a variety of public sources and tools to help you choose the right strategy for setting yourself apart from your competitors. Check out your competitors' websites to discover their latest product information and market strategies. Use social media to track your competitors' claims and trending interests. If you have the funds, subscribe to competitive assessment research sites or reports.

TIP

Another way to capture knowledge about your rivals is to hold a *competitor review* with employees in your company who compete with or perhaps even work alongside them. You can explain the opportunity and collect insights and new perspectives. Your business may be one of those that finds new employees by luring them away from competitors. Ask around and talk with any colleagues who have recently worked for a competitor to discover whatever you can about the way it does business.

Your goal as proposal writer is to shine a bright light on your competitors' weaknesses while subtly touting your strengths. We proposal writers call that "ghosting" the competition. You can take the information you gather from your sources and prepare a *SWOT analysis* (which assesses strengths, weaknesses, opportunities, and threats) to create powerful discriminators for your solution and ghosting statements for your proposal. For more on creating persuasive content from your competitive analysis, see Chapters 5 and 7.

Using the proposal as a communication platform

Your goal in gathering customer and competitor information is to build tactics for creating a long-term and mutually beneficial business relationship, not just a one-and-done customer-vendor agreement. Use your initial work on a given opportunity to help establish a comprehensive communication plan for a particular company or even industry. For instance, what you learn from one engagement may

- Uncover a need for conceptual proposals for longer-range and multi-staged projects
- Enable you to establish customer-focused content for private websites and social media messaging
- Open doors for producing executive-level communiqués that open a dialogue with senior management perhaps, providing status on in-progress projects and forecasting future needs — both of which can result in more winning proposals

Deciding to bid (or not)

The *bid/no-bid decision* is the last action you take in the pre-proposal stage. It's the last chance for you to bail before putting your resources behind a deal. You need to use the information from your customer investigation and SWOT analysis to make this either/or decision.

REMEMBER

You need to make sure you have the following:

- A solution that can win over all others
- Proof that you can deliver the solution as your customer requires
- A strong win theme that addresses your customer's hot buttons
- Commitment from your company to dedicate the resources you need to develop the proposal and win the bid

You can find more about bid/no-bid decisions in Chapter 6.

Developing your proposal from cover to cover

Next comes the *proposal development stage*. This is where you do the bulk of your work over four phases — strategizing, planning, writing, and publishing.

During the *strategizing* phase, you take the needs and vision of a customer, the products, services, and vision of your company, and the skills and insights of a team of specialists, and blend them into a cohesive argument that satisfies both the intellect and the heart of the decision maker. *Planning* is where you establish the structure of your proposal argument and the material you'll use to support your argument. *Writing* is where you craft your descriptions, arguments, and get them ready to be published. And *publishing* is creating the physical or digital copies of the proposal and delivering it to the customer.

REMEMBER

Proposal writers bring value to an organization in many ways, but none more so than by directing proposal development resources in the proposal development stage, working within the time constraints of a particular opportunity. Proposal writers may be better termed *proposal managers* at this point because they're the glue that holds the whole operation together.

The following sections take you on a whistle-stop tour through each phase.

Strategizing: Making the case for success

The strategizing phase is multilayered, so we take you through this step by step.

GETTING READY TO PROPOSE

You need to distill the preliminary fact-finding and speculative thinking of the pre-proposal stage into a specific strategy for this one opportunity. You have something tangible to work with: A final RFP or a diagnosed problem that can drive real work, helping your sales team to create real solutions.


TIP

Having a consistent structure and format for your RFP responses and proactive proposals will help you assemble a customized proposal for your customers and help them choose you over your competitors.

Here's where the real writing begins, too. You have to create tangible references to guide your contributors: win themes, value propositions, hot buttons, and discriminators. Better still, here's where you work with your sales lead to write the executive summary (yes, you write it first), to lay a foundation for messaging that resonates throughout the proposal. See how to do all of this in Chapters 6, 7, and 9.

PUTTING THE RIGHT RESOURCES ON YOUR PROPOSAL

Creating a proposal takes at least a village — sometimes a small metropolis. Depending on your circumstances, a village may be a sole sales partner and a few specialists or a hundred or more individuals with unique skill and knowledge sets. Some specialists will be your sources for technical and messaging content, while others will be your resources for putting together the professional proposal: graphics specialists, production specialists, editors, and the like. Still others will be the objective, expert reviewers that all proposals need to reach their potential. Get more information on proposal roles and responsibilities in Chapter 8.

TAILORING THE PROCESS

Each proposal is unique because each solution for a customer is unique (if it's not, your proposal probably won't succeed). For that reason, you need to be ready to adjust your standard proposal process to fit the circumstances of each particular opportunity. It's natural to think that responding to an RFP and creating a proactive proposal would follow two distinct processes, but that's really not the case.


TIP

Your proposal process should be a standard to follow in every instance, with the flexibility to expand or contract like an accordion so you can respond professionally to large and small opportunities alike.

All proposals deserve the full rigor of a standard process. However, you may not need to customize the product description as much each time, or go through as many reviews, or you may not have enough time to do everything to the extent you normally would.

REMEMBER

Always start with the gold standard. Your proposal process is your road map to success (but every road map allows for detours and shortcuts as necessary). Chapter 6 walks you through the details of building your standard process.

Planning: Scheduling the process

When you have all your process steps in place for this particular opportunity, devise a schedule that ensures you have time to do your work as you manage the efforts of your contributors. This may sound a little selfish, but no one outside the proposal business really understands what you go through to deliver an error-free, single-voice, professionally published proposal. You have to leave yourself ample time to review, revise, edit, and proofread the work.

Discover more about building an effective and suitable schedule in Chapter 8.

Writing: Crafting the story of your proposal

A proposal is an argument — but it's also a *story* about how people help other people overcome problems and achieve their goals. Readers like stories, especially when they can relate to a character in that story. Stories are easier to read, and they motivate people to act in ways that other forms of writing can't.

REMEMBER

A proposal story is basically about benefits and value. Every portion of your proposal needs to focus on the business outcomes, not the means by which you deliver the outcomes. A proposal is about your customer — not your company, not your products, not your industry accolades, and not your history. Don't take this the wrong way; those items have their value as proofs that you can do what you claim — proofs like past performance, testimonials, and recognized innovations. But they're there only to show that you can help your customer do what it wants and needs to do.

In Chapters 9 and 10, you discover how to write strong proposal stories, using a direct, active writing style that has actors performing actions to accomplish results. You see how to write win themes, compelling value propositions, and concrete benefit and proof statements. You find tips on what to do and what to avoid when you pull your content into a presentable shape, and how to make your proposal easy to read, easy to understand, and easy to accept. We even show you how to use all these tips to write a winning executive summary and clear, concise, and responsive answers to your customers' questions.

Proposal writers usually "grow up" to become proposal managers. They add project management skills to their researching, authoring, and reviewing skills, and take the burden off sales and other specialists to make sure the proposal is responsive, compelling, and on time. Getting the proposal out the door is often an extraordinary challenge — setting up and managing reviews, creating and executing multimedia productions, and ensuring timely delivery to wherever the proposal must go. And the job doesn't end with delivery. You may have to lead clarification efforts or coach oral presentations to help secure a win.

The proposal manager's responsibilities may differ from company to company, but a true proposal manager is game for any job that ensures a successful submission. To find out more about how to submit your proposal successfully, see Chapter 12.

Publishing: Making your proposal visible

Proposals need to stand out in a crowd (or on an evaluator's or decision maker's desk or desktop). That doesn't mean that you have to doll them up like the Griswold's house at Christmas. It does mean that you find ways to tell your story visually as well as in words.

TIP

Make your proposal *look like* your customer. Start with the cover. Put the customer's name and logo (if appropriate) in the first place they'll look (that is, the top-left corner for Western audiences). Create visual themes that complement your verbal themes. Carry those themes throughout the proposal. You can create accessible content by using professional layout techniques. Use white space to unite similar content and separate the rest. Use bold headings that let your readers scan your proposal to get a sense of the storyline.

REMEMBER

The writing techniques we discuss in the preceding section work even better when you illustrate them. Try to tell your story through graphics, refer to them in your text version of the information, and reinforce both with an *action caption* (that explains the relevance of the graphic) beneath the illustration.

You can find out more about creating eye-catching proposals in Chapter 11.

Proposing better all the time

The hallmark of a professional proposal writer or manager is a commitment to continual improvement. You can display that commitment in many ways:

- Through the tools you create or acquire to reduce the mundane, tedious, or repetitive aspects of the job

- By the manner in which you lead kickoff meetings, daily status checks, review sessions, and executive briefings (consider strategies for improving your leadership skills in Chapter 14)
- Through the way you assess how well the process is working and how it affects your contributors

Our recommended proposal process includes continual improvement as its third and final stage. We make it part of the overall process for a reason: If you don't plan for it and make it a habit, it won't happen.

REMEMBER

Every time you work a proposal through your proposal process, you're going to learn something. For example, you may discover that

- A process step is unnecessary in some situations.
- A process step is ineffective as or where it stands.
- A tool isn't getting the job done.
- A contributor is more successful when doing something a different way.

Your job as a proposal professional is to offer opportunities for these lessons learned to be voiced, captured, and distributed to the right people to improve the process. You have to champion this effort, because most of your colleagues will, by necessity, go back to their regular roles after the proposal is completed and submitted. But you'll also have to work at it, because your next proposal is never more than minutes away.

You can find out more about harvesting and sharing lessons learned in Chapter 15.

Becoming More Professional

As a proposal writer, one of your best sources for improving your writing and management skills is the Association of Proposal Management Professionals (APMP). In Chapter 15, you find out about how APMP can help increase your professional status by providing educational opportunities, networking venues, a three-tier certification path, professional mentoring programs, and programs for building and sharing knowledge.

The APMP's Body of Knowledge (BoK) is the source for most of the information you find in the rest of this book, including the ten templates, worksheets, and

checklists in Chapter 16. These are just a few of the many helpful tools available within the BoK. For even more, go to www.apmp.org.


TIP

Before you explore the rest of this book, here are a few things we want to plant in your head as you use this resource to help you build better proposals. These are the attributes of true proposal professionals, regardless of the size or makeup of an organization. These are the attributes we looked for when building our proposal teams. As you can see, proposal professionals are a special breed:

- **Lead up, down, and sideways.** Proposal professionals must lead their teams, their peers, and even their bosses during a proposal project.
- **Write like an angel and edit like the devil.** Proposal professionals hone their writing and editing skills more than all the other skills they use because what the proposal says is ultimately all that matters.
- **See the forest *and* the trees.** Proposal professionals understand their company's overall business as well as the detailed techniques and processes of proposal development.
- **Be a good cop and a bad cop all in one.** Proposal professionals, like project managers, do whatever it takes to coax the finest work from proposal contributors.
- **Believe in the process, but know when to cast it aside.** No two proposal projects are the same, so a proposal professional has to know when to bend or even break the rules to succeed.
- **Do what few can and fewer want to do.** Proposal professionals have a wide range of skills that, frankly, a lot of businesspeople either can't or won't learn. Doing what others can't or won't can make you indispensable.
- **Listen twice as much as you talk.** Proposal professionals depend on others to get their jobs done. Understanding others' perspectives and needs is crucial to proposal leadership.
- **Stay cool no matter what.** One clear differentiating characteristic of proposal professionals is their ability to accept and manage the stresses of urgent, important bids.
- **Think three to five years ahead.** Technology paradigms shift in months, and successful proposal professionals are also futurists: They know technology trends and how those trends will affect their profession.
- **Be a disciple of change.** Proposal professionals are change agents because customers are always changing what they want and how they want it.

How do you match up?