

MODULE 8

WRITING A STRONG TENDER

PART OF A MODULAR TRAINING RESOURCE

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WRITING A STRONG TENDER

INTRODUCTION

Tenders are a two way process of buying and selling. In the end, it's the seller with the solution that best fits the buyer's needs who will win.

To match the speed of change within business, organisations must quickly and accurately identify and respond to areas of potential revenue. This is particularly true for Non-Government Organisations (NGOs, which may include For-Profit and Not-For-Profit Organisations), which primarily source their income from outsourced government services.

THE TENDER PROCESS

A tender, proposal or application (herein referred to as a 'tender') is the response to an opportunity and is a way for an organisation to showcase its products, services, skills and talents to others. The most important goal of a tender is to convince a funder of an organisation's capabilities and ability to meet requirements, thereby securing funding for the organisation going forward.

The completion of a successful tender is time consuming, often taking weeks or even months. Accordingly, it is best to start at the earliest opportunity. This allows time for consultation, preparation of the project costing and sourcing advice, as well as time to read and understand what is and what is not permissible. It is also wise to allow plenty of time for revisions to be made.

There is no single formula for preparing a tender however, successful tenders have common elements and these are considered below. A five-stage tender process is presented to assist in communicating key elements.



QUALIFY

Every opportunity should be assessed objectively, by the right people, before a decision is made to proceed with preparing a tender. This step is critical to ensure you pursue opportunities that:

- are the right strategic fit

- can be delivered appropriately
- provide a financial return consistent with the strategic importance.

Evaluating and being willing to say 'no' can assist you manage this.

EVALUATE

Critically assess your strengths and weaknesses and those of your competitors. Start to consider what the funder wants, and what will win. Developing a tender costs your organisation money. Good assessment at the commencement will ensure valuable time and resources are not wasted.

An Evaluation and Qualification Checklist provides guidance on what to consider and is contained at the end of this Module on page 8.

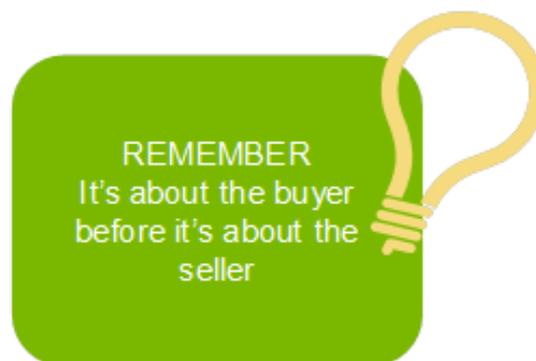
SAYING 'NO' TO TENDERS

In some instances it is appropriate for you to decline an opportunity presented to you. For many reasons you may choose to say 'no'. Resist the tendency to 'chase everything'. Consider the following factors:

- Quick growth may put undue pressure on your organisation.
- The opportunity may not be sufficiently profitable.
- Does the opportunity meet organisational or strategic objectives?
- Do you have the capacity or capability to deliver the service?
- Remember to decline the opportunity politely in order to maintain the relationship with the funder and keep open a pipeline of future opportunities.

PLAN AND COLLABORATE

You qualify for the opportunity and you have decided to go ahead. The next step is to develop the response or bid.



Thorough planning at this stage of the tender process is key. A 'kick-off' meeting is the best way to begin. Consider the following:

- Collaborate internally: who internally can project manage as well as develop the bid?
- Create a project management team for larger bids. Set up a regular meeting schedule.
- Prepare a timeline including key milestones (an example is provided at the end of this Module at page 12).
- Develop a working template for response documentation.
- Prepare a brief for the team and engage third party resources if required. Consider what you need from a third party—it might be a specialist writer or independent proof-reader.
- Prepare for and facilitate the kick-off meeting (see page 12 at the end of this Module for ideas on how to stimulate appropriate discussion).

CREATE

At this point you need to start considering all the information from your various sources to build your solution to the funder's needs. Enhance the creativity of your tender by having specific brainstorming sessions to develop the solution and value proposition.

ARTICULATE CLIENT NEEDS AND DEFINE SCOPE

Understand what the funder needs. Summarise all you know that is relevant about the funder and the tender and consider what your service offering will do to meet this need. Then, look at what will differentiate you from your competitors.

- Do you need to refresh or develop your service delivery model?
- How will you deliver the model – what job roles are required?
- How does it align with other services you operate?
- If fees are not set, how will you cost the job and determine profitability?
- If the fees are set, how will you determine profitability?

DEVELOP A VALUE PROPOSITION

What exactly are you offering? Successful tenders are mainly about a purchasable value proposition. The value proposition should clearly identify and communicate the benefits you will deliver, and be backed up with relevant evidence. Some approaches to developing your value proposition are outlined below.

CONDUCT A SWOT ANALYSIS – A SWOT analysis, together with a thorough assessment of your competition, will guide thinking around key messages and identify other points you may wish to clarify or address throughout the process. Information regarding SWOT analyses is on page 6 of the Introductory Module.

MAP DECISION-MAKERS TO UNDERSTAND THEIR NEEDS – Mapping the decision-makers informs who your tender should be aimed at and what they will be looking for. Do you know them? How do they view your organisation? What are you going to do to further build relationships and trusted rapport (within probity)?

BRAINSTORMING WORKSHOP TO UNCOVER YOUR UNIQUE SELLING PROPOSITION – Brainstorming sessions ideally should include 6–8 participants and be in a good, open space, free from clutter and distraction. Create an environment where everyone is encouraged to talk. Some of the best and most innovative ideas come after you have been brainstorming for some time. Often the more imaginative ideas come to the surface only once you have exhausted all of your logical ideas. Tools and Tips for brainstorming can be found at page 12 of this Module.

POSITIONING/THEMES/KEY MESSAGING – Every good tender clearly outlines a value proposition. The use of a theme will help to reiterate your key messages and will guide development. Spend some time considering your theme and any creative ideas for later development with the team.

DO YOUR RESEARCH

Often a core component of large government tenders is expressing ‘hard data’ in relation to your track record. This might be in relation to demonstrating your understanding of a geographic area or particular client group, or the outcomes you have achieved in the past.

Solid research capabilities to understand and present external data and your own internal data are fundamental to a winning tender. Consider how you maintain internal data currently and how easy it is to access when it is tender time. Do you know where to look to find external data on client groups and geographical areas?

DEVELOP YOUR RESPONSE

The two key objectives in this step are adequately responding to each requirement of the tender, while clearly articulating your offering. This step is often a frenzied period of activity. Following a clear process will help you get the best result while minimising stress levels.

HOLD REGULAR TEAM MEETINGS

It is a good idea to hold regular team meetings to keep track of actions against agreed deliverables, resolve issues, and encourage creative thinking. Ensure meetings have a set agenda to avoid losing focus.

Tips

- Read the question and selection criteria carefully
- Respond completely to the question
- Avoid using jargon where possible
- Proofread, proofread and proofread again
- Be aware of due date and time – are you in a different time zone? Will you need to post a hard copy? Plan this before the due date!
- Understand government procurement policy requirements and comply with them (font size, maximum word count, etc.)

Topics covered may include:

- solution and value proposition development/refinement
- key message development
- theme development
- checking progress against your timeline.

DEVELOP CONTENT AND STRUCTURE

Your document should be a clear and concise representation of your solution to the opportunity presented within the parameters of the request for tender. Think about ways to simplify complex ideas; for example, through the use of innovative diagrams. Bring experience to life with case studies highlighting where you have performed similar tasks (Tools and Tips on page 15 of this Module provides advice on writing a strong case study). Avoid the temptation to recreate old tenders. Each tender needs to be tailored to each new funding opportunity.

Consider the two common models presented below when writing your tender.

FBI (FEATURE, BENEFIT, INTEREST) MODEL

For every assertion you make in your tender, consider:

- The *feature*: “What does it do?”
- How the funder *benefits*: “What’s in it for me?”
- Why the funder should be *interested*: “So what?”

CBE (CLAIM, BENEFIT, EVIDENCE) MODEL

Provide examples and evidence in your tender by:

- Making a *claim*: stating what you can do.
- Outlining the *benefit* to the funder.
- Documenting the *evidence*: show you have done what you are claiming or how you plan to do it in the future.

REVISIONS/EDITORIAL AND FEEDBACK SESSIONS

Most tenders will go through several iterations prior to finalisation. Be sure to schedule and stick to draft deadlines to allow an appropriate amount of time for drafters to develop their thinking and wording and to move through each draft version. The tender manager should check all inputs prior to taking them up into the master document and edit for language, style, messaging, etc., as appropriate. Continually reflect upon the tender to ensure that you are correctly answering the questions at hand. Be sure to use others in the organisation for feedback at various draft stages rather than just in the final days.

TOOLS AND TIPS – EVALUATION AND TENDER QUALIFICATION CHECKLIST

1	Strategic qualification	Check
1.1	Does this opportunity fit within your organisation's objectives, strategic plan and purpose? What is the opportunity's 'strategic fit'?	
1.2	Is there value (strategic/other) to your organisation securing this opportunity?	
1.3	Is it in an industry you want to service?	
1.4	Is it important that your organisation is 'seen' to be bidding?	

2	Commercial qualification	Check
2.1	What are the funder's reasons for going out to tender? Are they clear and do you understand them fully?	
2.2	Is this opportunity going to be financially profitable to your organisation? How much is it worth and how profitable will it be?	
2.3	Does the opportunity form part of a larger opportunity? Is this opportunity likely to lead to further or more profitable business with the funder later? What is the potential future income stream from this opportunity?	
2.4	Do you fully understand the funder's business drivers?	
2.5	Do you have enough information to fully qualify the opportunity? Is more information required to further assess the situation?	
2.6	Does this funder currently provide funding to you?	

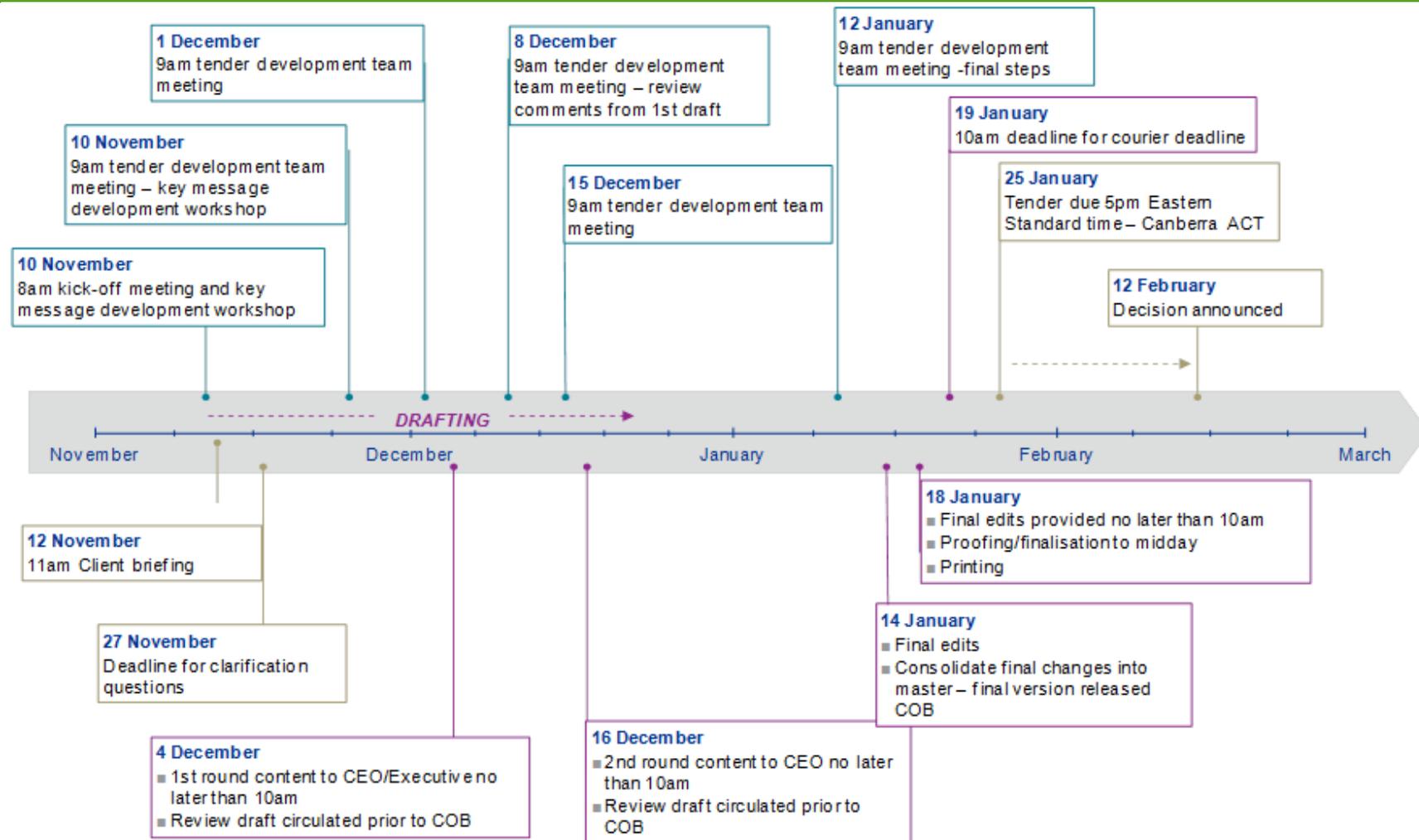
2	Commercial qualification	Check
	Have you done work for this organisation before? Do you have existing relationships within the funding organisation?	
2.7	Who are the decision-makers in the funding organisation? What is the state of your relationships with these people? Can you get access to all the decision-makers?	
2.8	What is the decision-making process? What are the likely decision criteria?	
2.9	What will it take to win this business and can you achieve this? What are your chances of winning this business?	

3	Competition	Check
3.1	Who are your competitors?	
3.2	What are the competition's strengths and weaknesses?	
3.3	How can you truly differentiate yourselves? What will your unique selling points be?	
3.4	What competitor analysis is available to you for this opportunity?	

4	Practical matters	Check
4.1	Can you meet the client's principal requirements? Do you understand their key drivers?	
4.2	Can you meet the client's timeframes, both for tender submission and delivery of service?	
4.3	Is the scope of the tender appropriate?	
4.4	Can you get access to the right quality of information to do your work?	
4.5	Do you have the best team possible for this opportunity? Do you have the right skills and resources available to do the work? Are these resources available at the right time and in the right locations?	
4.6	What is the opportunity going to 'cost' you to win? What will the tender cost and do you have a budget for this?	

5	Risk analysis	Check
5.1	Is this the type of funding you want – does the funder have a good/solid reputation?	
5.2	Is this organisation legal – is the work legal?	
5.3	Are there any other professional risks associated with taking on this work?	
5.4	Are there any physical risks associated with the organisation?	
5.5	Does this opportunity present any conflict of interest?	
5.6	What is the funder's credit record? Do we need to run credit checks?	

EXAMPLE TENDER TIMELINE



TOOLS AND TIPS - BRAINSTORMING AND KICK-OFF MEETING

CHALLENGING THINKING AND FLUSHING OUT 'ISSUES'

Kick-off meetings present an excellent opportunity to generate ideas, challenge thinking, and assign responsibilities. This guide includes a few exercises which can be used in this situation. It is recommended that these types of exercises take place early in the tender process to identify opportunities for innovation, and to make sure you are prepared to deliver your tender. The danger with doing some of these exercises too late is that good ideas emerge, but implementation becomes impractical.

MYTH BUSTING

The process of getting the team to challenge their existing thinking on an opportunity is important. Teams often have pre-conceptions about a tender which turn out to be false (for example, "The funder will definitely change providers", "...this tender is all about price", etc.). By challenging these 'facts' at the outset, teams can look at a situation with a fresh pair of eyes and can re-shape the tender.

Here is an exercise to try to bust these myths:

- Give everyone a post-it note and ask them to write a statement about the tender.
- Put up three big pieces of paper with three categories (Myth, Reality, In between).
- Discuss each statement aloud and assign it to one of these three categories.
- The exercise should last 45–60 minutes and all members should be encouraged to participate.

GREEN CARD/RED CARD

'Green card/red card' is a possible alternative to myth busting, or even something that can be combined with it. Sensitive issues exist in many tenders. The challenge is to approach and deal with issues effectively to avoid them becoming a major problem later on. One way of doing this is to arrange a discussion where everyone has both a green card and a red card. The facilitator then raises various issues/topics/hypotheses and asks everyone to vote using either the green card or the red card. This will likely stimulate discussion in an open and less sensitive manner. All opinions should be considered of equal value.

GENERATING IDEAS

SCENARIO PLANNING

This exercise requires teams to use imagination by asking them to picture themselves in 12 months' time, looking back over the tender that has just passed in the preceding 12 months. They then look back with imaginary hindsight and brainstorm two scenarios:

WE BID AND LOST – Why? What did the competition do to win? What did your team fail to do? What should you have done? Which of the 'myths' did you get wrong?

WE BID AND WON – Why? What did you do that made the difference? Which problems did you address? Which 'myths' and 'realities' did you deal with? Which relationships did you develop? What did you say that resonated with the funder? (For example, "Our delivery model was innovative", "Our document was great", "Our technology was far better than the others".)

Capture notes on both scenarios.

"RE-SPRAY MY SERVICE MODEL"

This is a possible alternative to the exercise above. An analogy you can use when defending an incumbent situation is to think about buying a new car. Even though your old car may be perfectly good, when you take it to the showroom, it is always going to look less impressive next to the new cars. The challenge then is to make the old car look new: re-spray it, put in a new sun-roof, improve the stereo, and so on. It is the same with services. What can you re-spray/improve/add to the 'old car'? (For example, new technology, new team members, new account infrastructure, new reporting ideas/insights, etc.).

SPEECH WRITING

This exercise asks the team to put itself in the shoes of a key decision-maker at the funder organisation. The team then writes the speech this person would give to their Executive recommending that your organisation be selected to win the bid and why. The team then thinks of all the things that need to be done in order to have this decision-maker justify their recommendation of your organisation in their speech (for example, "Their industry expertise was better than the others", "They offered the most value" and "We liked their delivery model").

THINKING ABOUT THE TENDER DOCUMENT AND KEY MESSAGES

FEATURE, BENEFIT, INTEREST (FBI) MODEL APPROACH TO KEY MESSAGES

There are many ways to generate 'key messages' and then act on them. One way to approach them is to think about a message you want to leave in the funder's mind, but, rather than leave it as a simple message, try to develop it further using the FBI model.

Thus, for every message, consider the feature ("What does it do?"), where the client benefits ("What's in it for me?") and why the client should be interested ("So what?"). As an example to illustrate what you mean, use the clip on a pen lid:

- The feature is that it is a silver plastic clip.
- The benefit is that it helps the pen hang on a pocket.
- The interest is that the pen will not get lost, and, by not losing the pen, you save time looking for a new pen and money by not having to buy a new one.

FLASH CARDS TO STIMULATE DISCUSSION

To stimulate discussion and thoughts on key messages, use a stack of 'flash cards' – images which can reflect key messages. Ask teams to choose a small selection of images, then explain the key message (and its FBI). This is a nice and different/visual way to promote discussion.

THINKING ABOUT THE TENDER TEAM

BLANK TEAM CHARTS

To facilitate discussion about potential team members and their potential roles, rather than just ask for names on a blank piece of paper, draw up a blank team chart with empty boxes and the relevant reporting lines. Then give everyone their own copy on a large piece of paper and ask them to fill in the blank names and discuss accordingly.

GENERATING ACTION AND COMMITMENT

Asking teams to think creatively is one challenge. Having them translate this thinking into real action is another. Make sure you leave time at the end of the brainstorming session (at least one hour) to generate actions and responsibilities. Refer back to all the ideas generated during the day and then, looking at your 'myths', your scenario planning, your speech writing and your key messages, consider:

- What do you need to start doing?
- Why are you going to do that?
- Who is going to take responsibility for it?

HOW TO WRITE A GOOD CASE STUDY

Case studies are an important tool in the tender tool box. They can have a greater impact than credentials because they tell a story and provide evidence of how you have assisted clients elsewhere. They can be used in tenders and presentations. A good case study needs to clearly identify the problem or situation and demonstrate a significant outcome or benefit. Below is a list of points for consideration when preparing a case study.

SITUATION

- Describe the problem/issue presented to the funder and/or client.
- What were the circumstances, challenges, and opportunities presented by the situation?
- What were the funder's objectives at the outset?
- What was unique or unusual about the situation?

ACTION

- What was your organisation's response?
- What was the nature and extent of your service? Describe the methodology employed.
- Who did you work with?
- What sort of advice did you provide?
- What role(s) did you play?
- How did you resource the project? Describe your team approach.
- What other challenges presented themselves during the project (for example, geographic, political, cultural, HR issues)?

RESULT

- What were the benefits/outcomes for the client?
- How did your involvement/input help the client achieve its objectives or save it from problems?
- What was the effect of your service for the client (for example, greater efficiency, outcomes, compliance)?
- Was there anything innovative about your approach?

- In what ways did you go above and beyond the call of duty?
- What did you offer that your competitors could not? How did you add value for the client?
- What was the value/benefit to your organisation (for example, strengthened relationship with client, helped get a foothold into a particular employer, identified further opportunities)?

ENDORSEMENT/EVIDENCE

- Do you have any feedback from the job seeker/employer?
- Would the client be prepared to act as a referee for you?
- Can you quantify the outcome (for example, saved the client money or improved efficiency in the time taken to complete a particular activity)?
- Were there any ways in which your service made a difference to the client's industry/environment?