



Best Practices in Bid Management

A cross-industry global survey

Presenter: James Smith

Have you ever wondered ...

How everyone else does bid management?

Which bid management activities make a difference?

What is best practice in bid management?

Do I have to work these long hours?

Is our win rate good enough?

How can I get more support for bid management?

How can we improve our win rate?

Can better bidding improve our commercial outcomes?



Background to the survey

Demographics of Respondents

83 total respondents answered 18 questions

Location

- 48% responses from Europe
- 17% responses from North America
- 35% responses from Asia Pacific and India

Industry

- 44% in IT, telecommunications or digital
- 19% in professional services, legal or accounting
- 17% in construction, property or facilities management
- 20% in finance, health, defence and other sectors

A cross-industry global survey

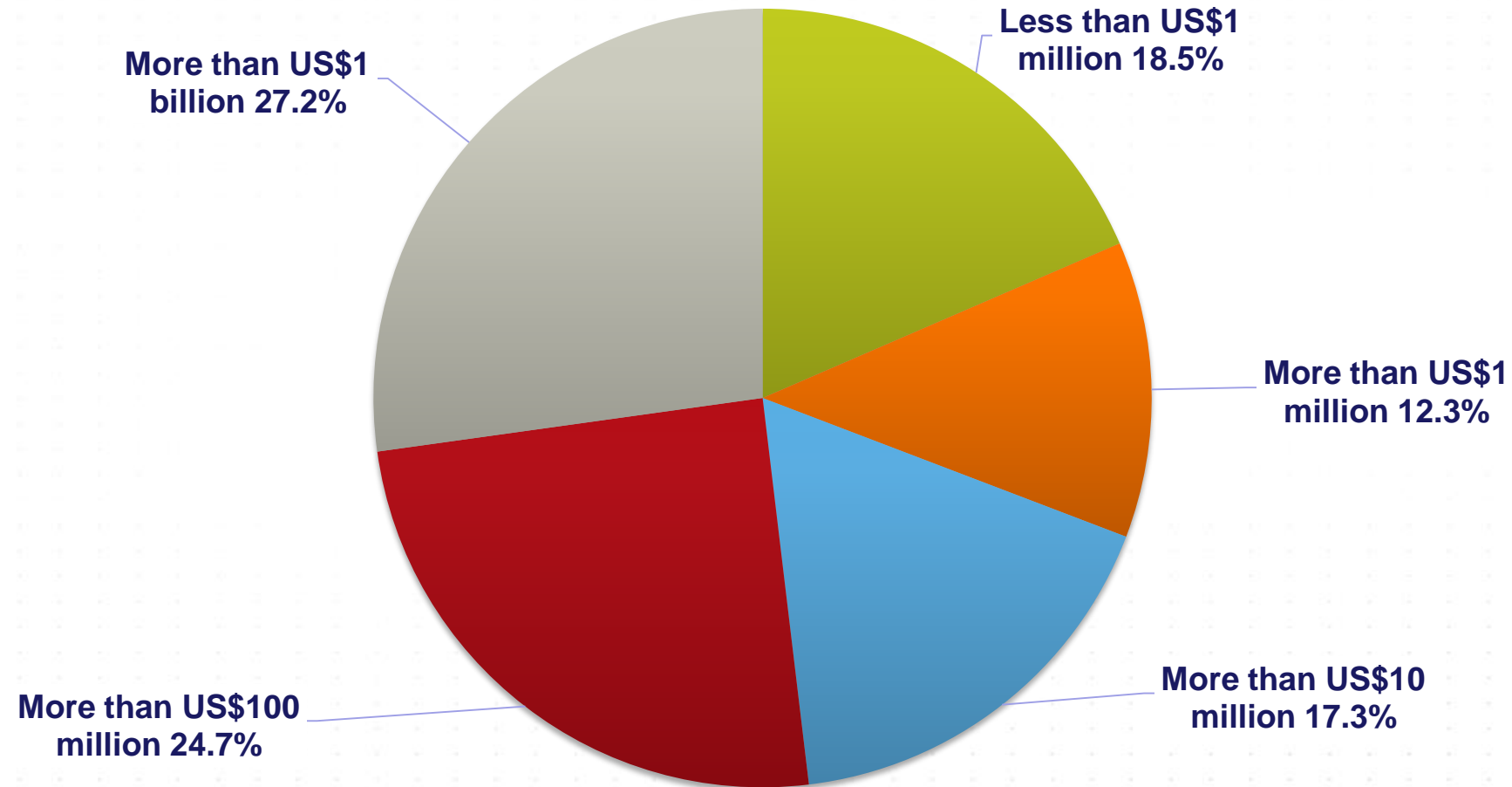
Survey question topics

Q1: <i>Industry</i>	Q10: Win rates
Q2: Organisation revenue	Q11: Commercial outcomes
Q3: <i>Location</i>	Q12: Bid leadership
Q4: Respondent's role	Q13: <i>Bid manager responsibilities</i>
Q5: Bid contract values	Q14: Bid planning "inputs"
Q6: <i>Sales methodologies</i>	Q15: <i>Bid deliverables</i>
Q7: <i>Opportunity management tools (CRM)</i>	Q16: Bid team environment
Q8: Qualification process	Q17: <i>Reviews and approvals</i>
Q9: Planning timeframes	Q18: Post-submission activities



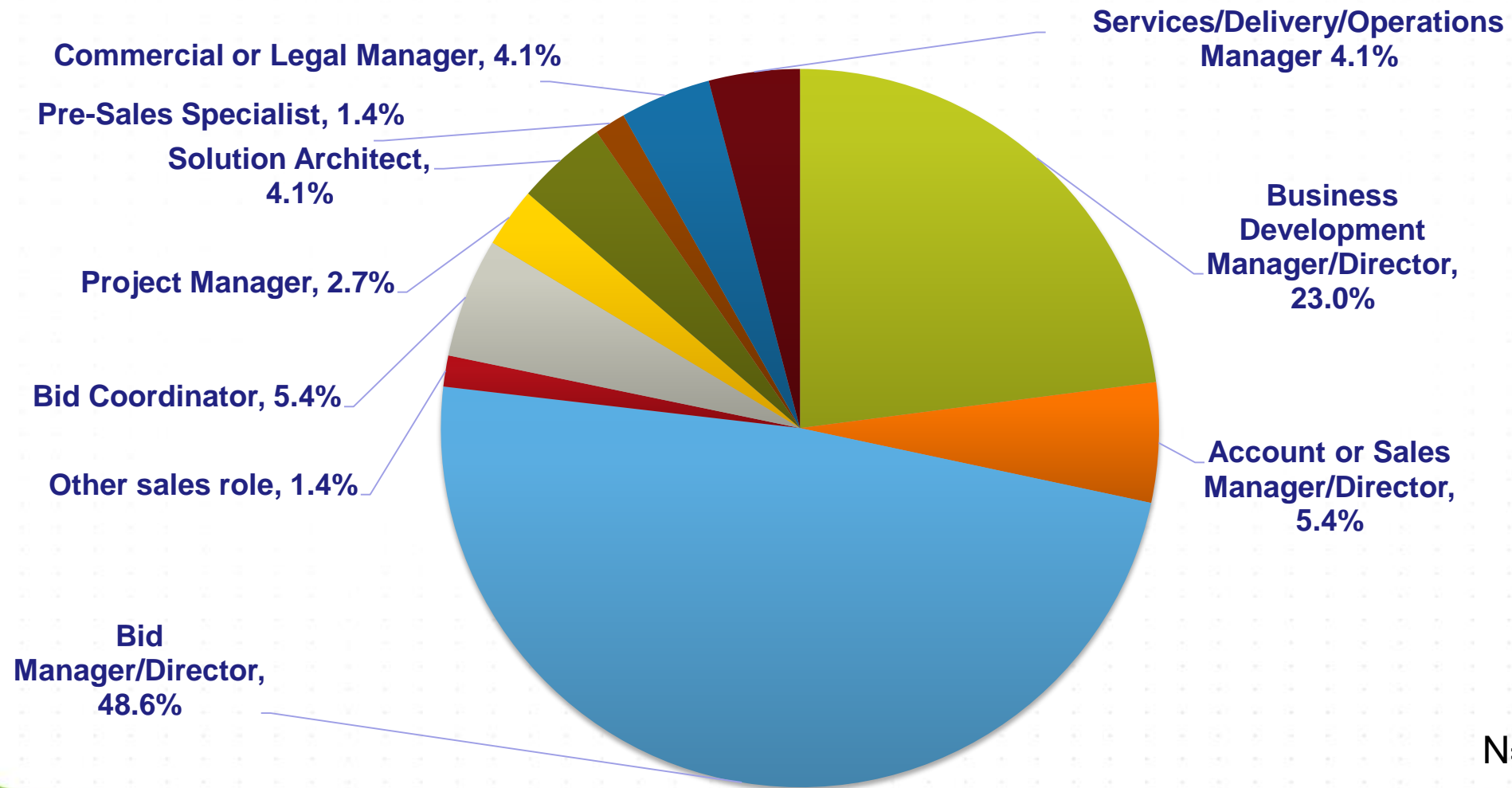
Results Summary

Q2: What is your organisation's typical annual revenue ?

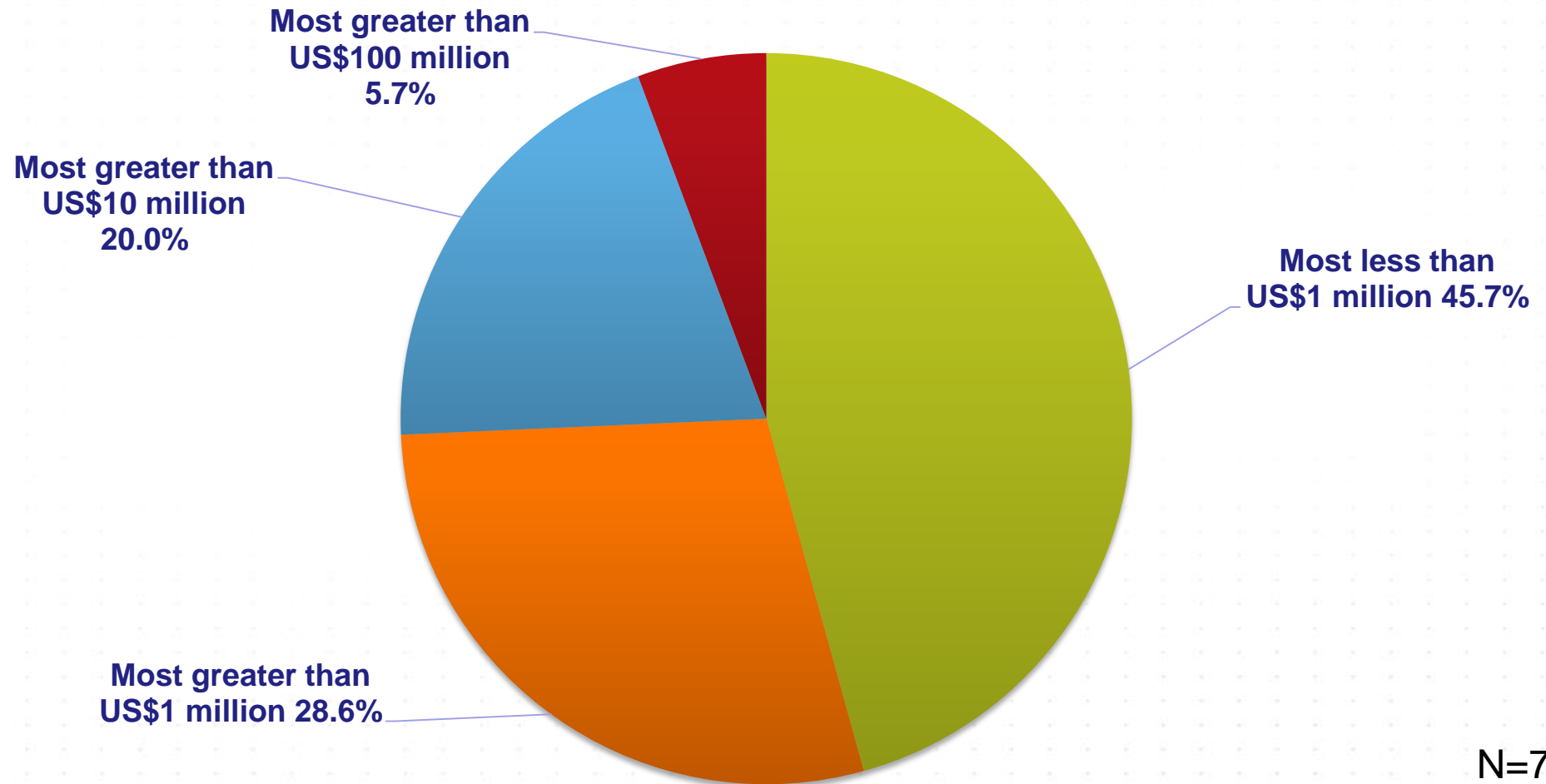


N=82

Q4: What is your role in your organisation ?



Q5: What are the typical contract values of the bids?



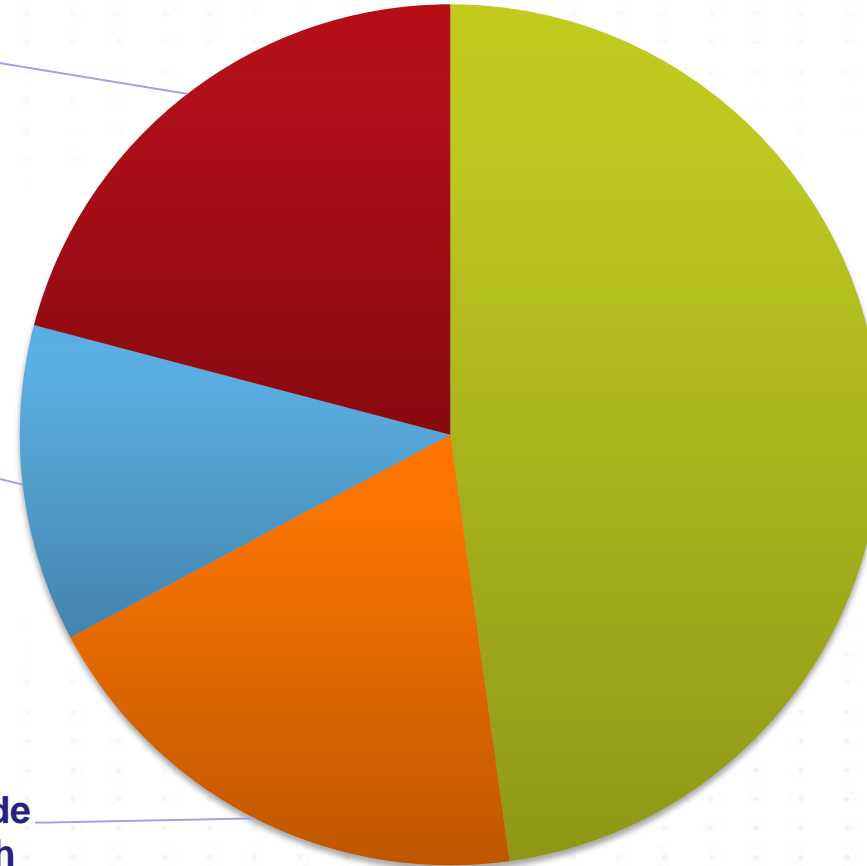
Q8: How does your organisation qualify the major sales opportunities?

We pursue nearly every sales opportunity. 20.9%

There is a formal meeting where stakeholders and management approve pursuing the opportunity based on objective criteria. 47.8%

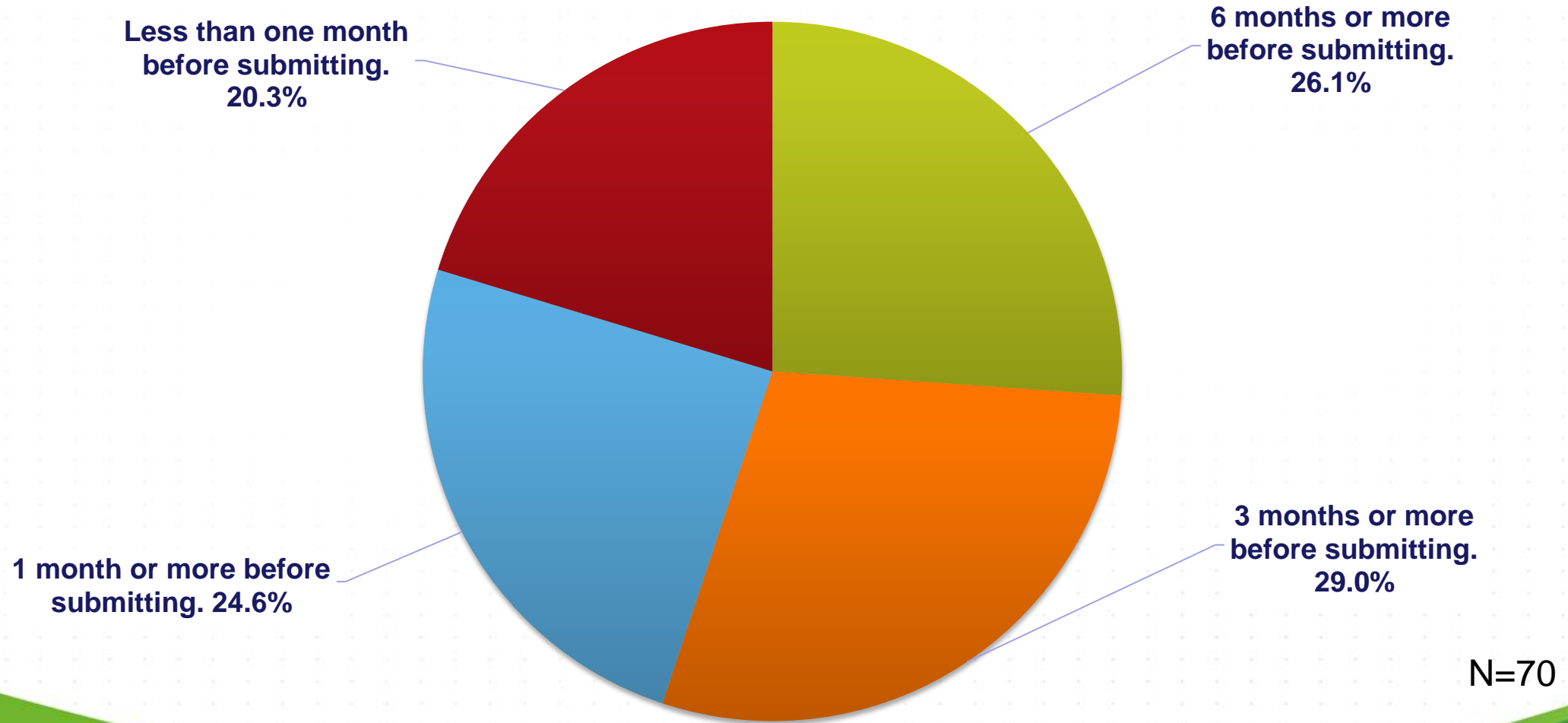
The sales team decide based on the perceived probability of winning. 11.9%

The sales team decide after consulting with stakeholders. 19.4%

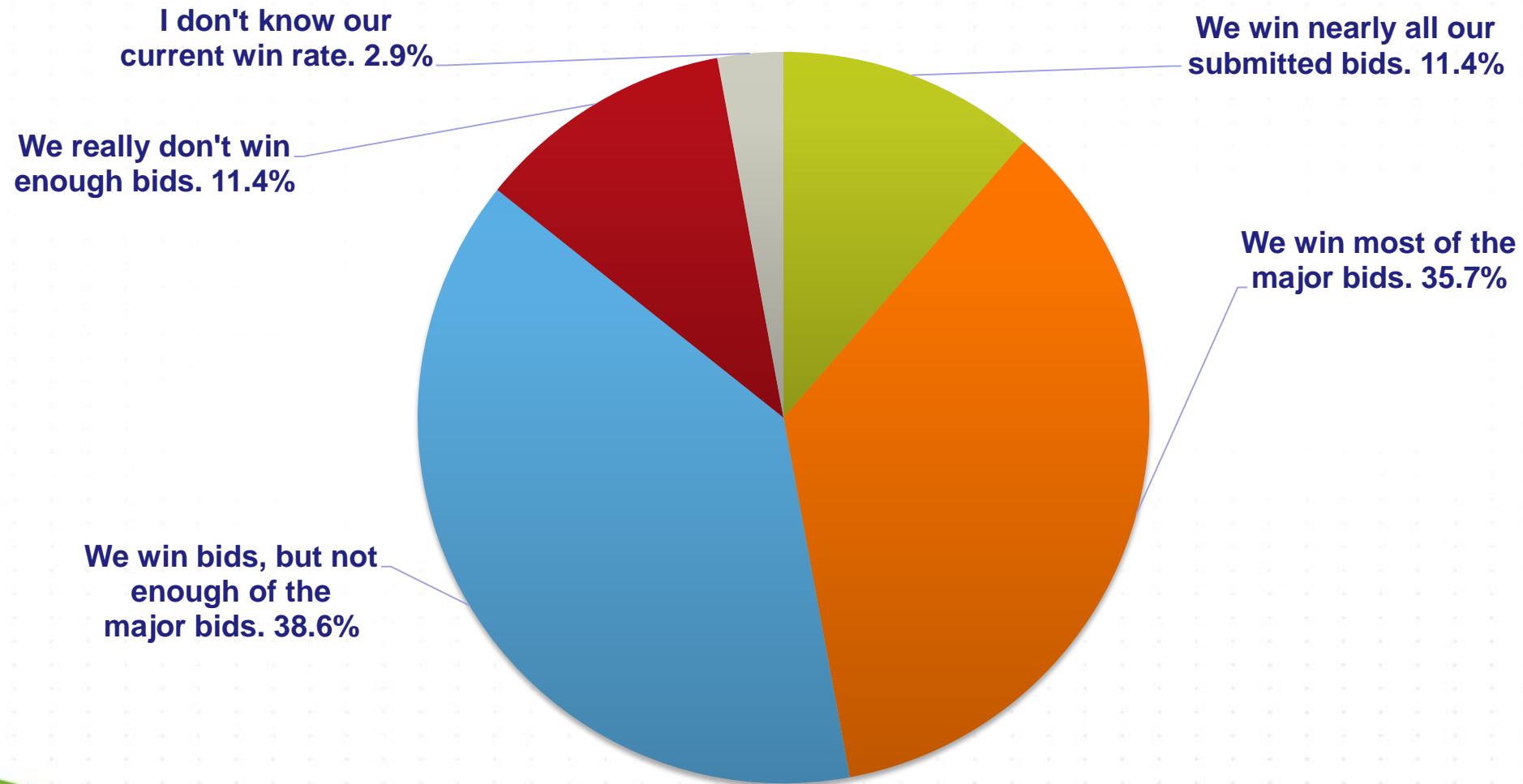


N=68

Q9: For major opportunities, when do you start planning a response ?

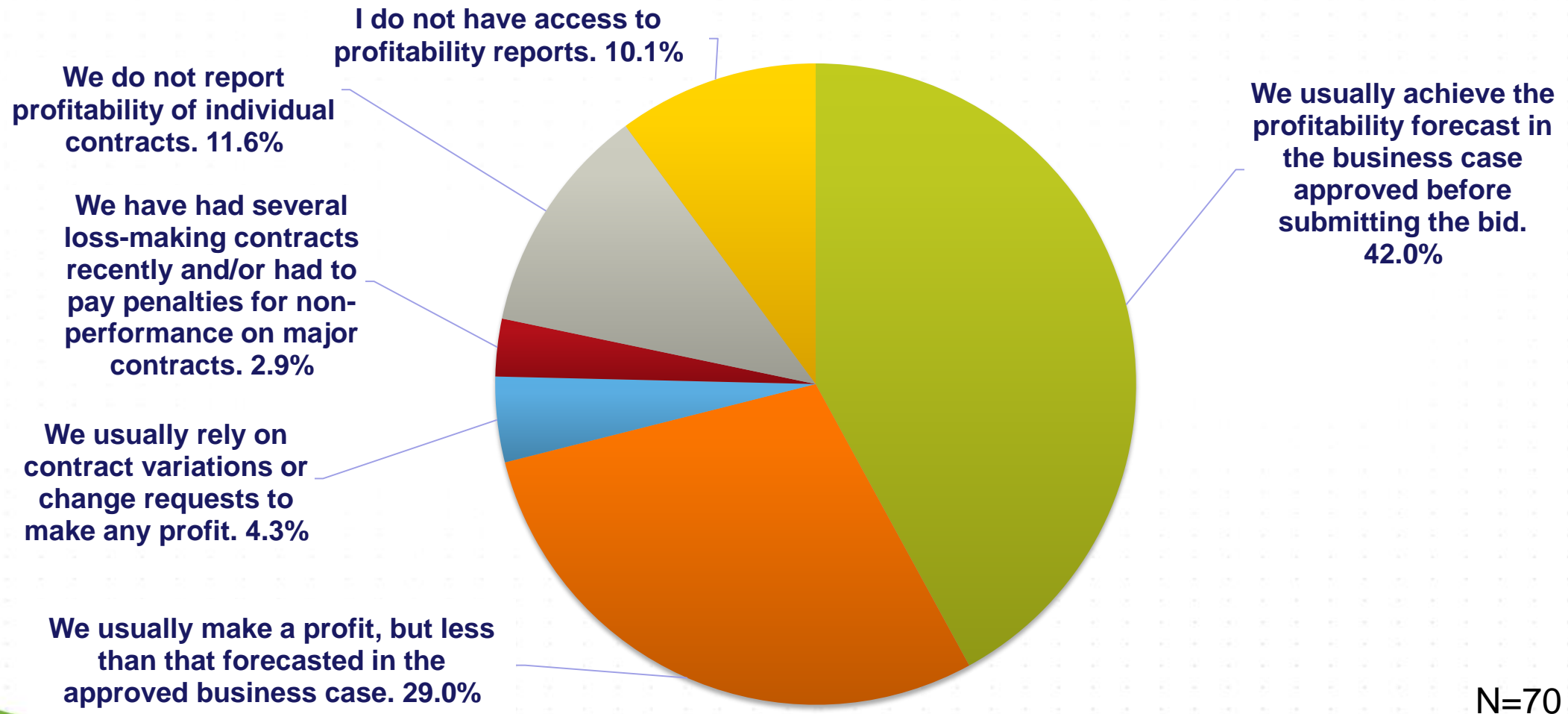


Q10: How would you describe your current win rate ?



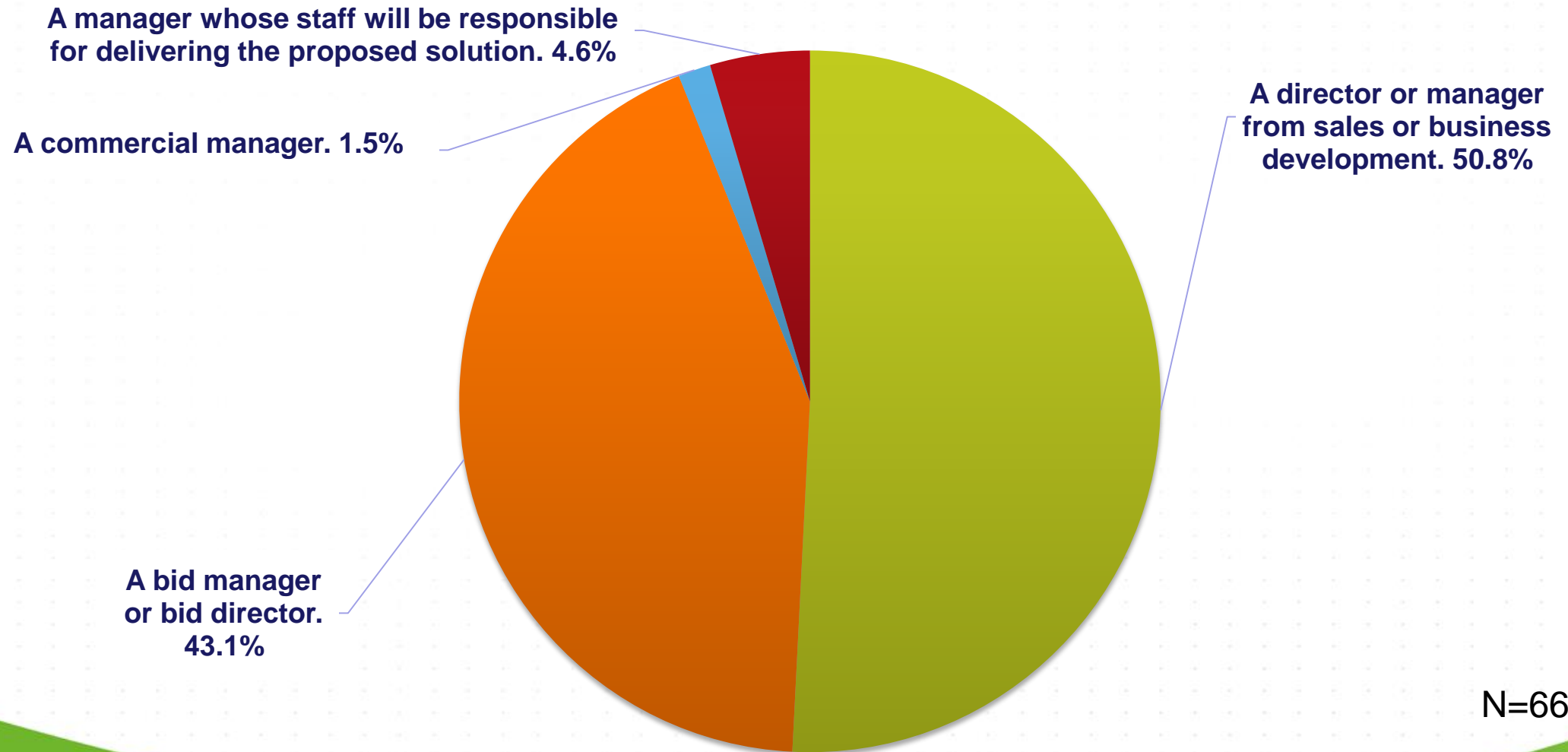
N=71

Q11: How would you describe your commercial outcomes?



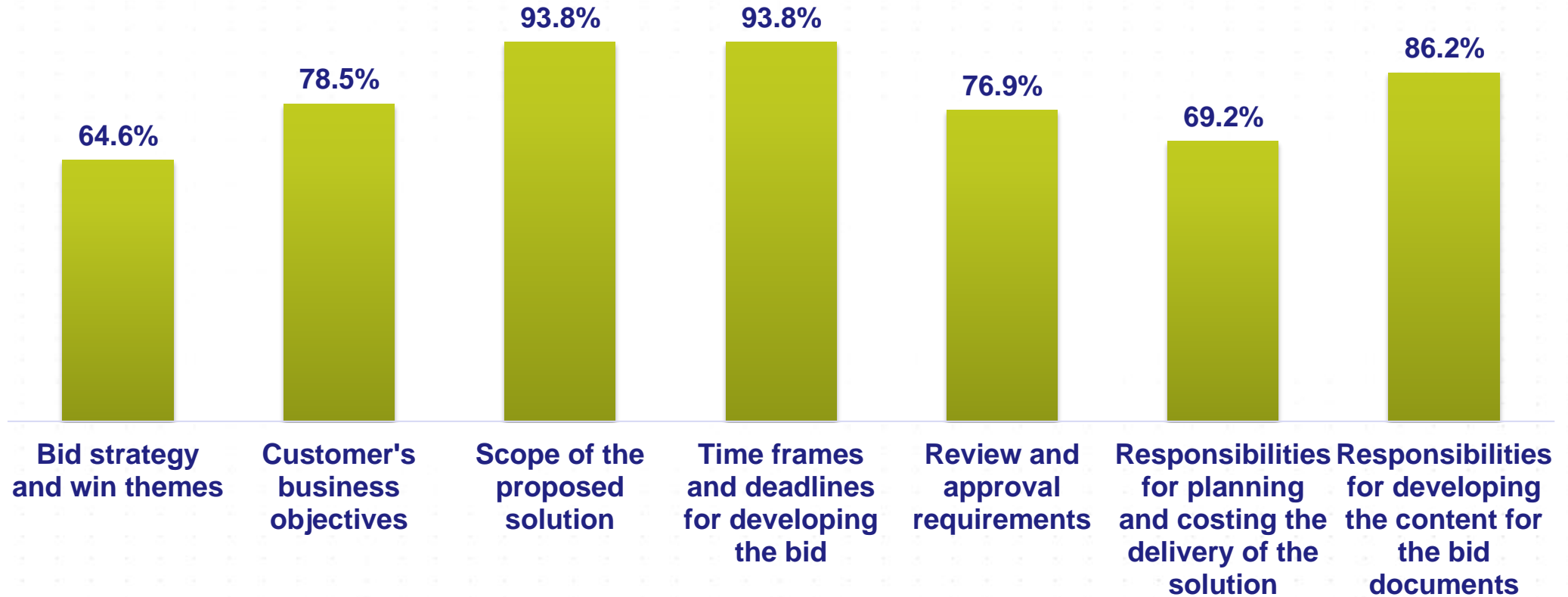
N=70

Q12: Who leads the development of a bid ?



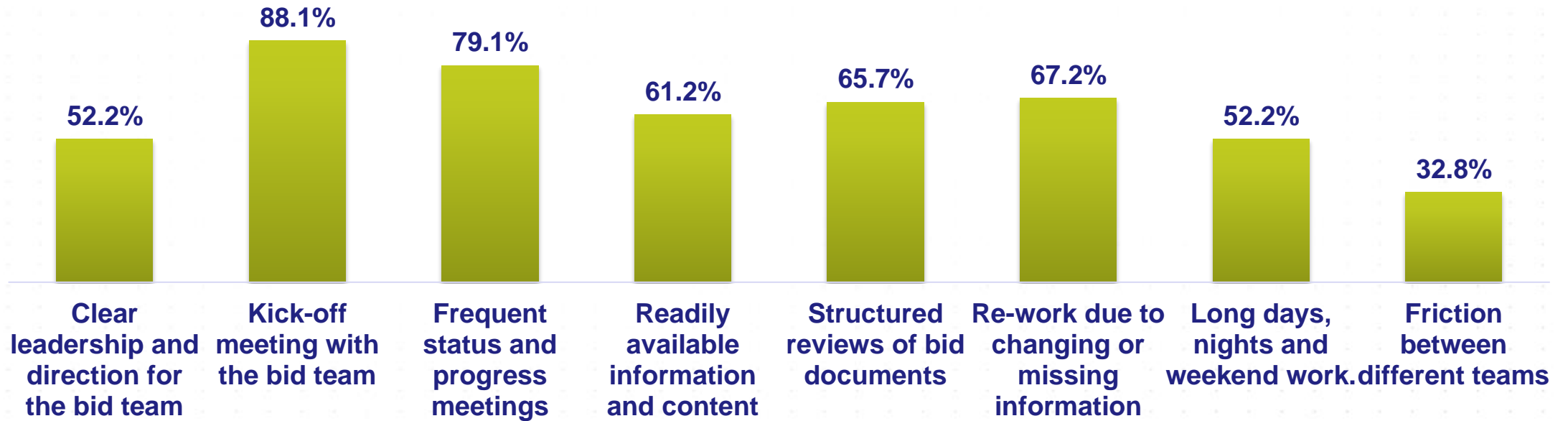
N=66

Q14: During a bid, which of the following are clearly communicated?



N=66

Q16: During a bid, which of the following are usual?



N=68

Q18: After submitting a bid, what actions does your organisation take?



N=67



Results analysis

Does sales qualification improve win rates?

- No obvious impact of formal qualification on win rates
- Has qualification become a box-ticking exercise?
- Whatever you do, don't stop qualifying but do challenge assumptions.

Q8: Bid win-rate	Nearly all or most	Don't win enough
Q10: Formal meeting with all stakeholders and objective criteria	43%	57%
	13	17
Q10: Sales team consult with other stakeholders	31%	69%
	4	9
Q10: Sales team decide based on perceived probability of winning	75%	25%
	6	2
Q10: We pursue just about everything	50%	50%
	7	7

Earlier planning drives better win rates

Q9: Planning horizons	>3 months before submission	>1 month before submission	<1 month before submission
Q10: We win nearly all our submitted bids.	71%	14%	14%
	5	1	1
Q10: We win most of the major bids.	56%	28%	16%
	14	7	4
Q10: We win bids, but not enough of the major bids.	67%	26%	7%
	18	7	2
Q10: We really don't win enough bids.	13%	13%	75%
	1	1	6

Customer focus drives better win rates

Q14: Bid planning inputs	Bid strategy and win themes	Customer's business objectives
Q10: We win nearly all our submitted bids.	88%	100%
	7	8
Q10: We win most of the major bids.	65%	83%
	15	19
Q10: We win bids, but not enough of the major bids.	72%	80%
	18	20
Q10: We really don't win enough bids.	14%	43%
	1	3

Leadership and team work drive better win rates

Q16: Bidding environment	Clear leadership and direction	Friction between teams
Q10: We win nearly all our submitted bids.	100% 8	0% 0
Q10: We win most of the major bids.	38% 9	38% 9
Q10: We win bids, but not enough of the major bids.	60% 15	40% 10
Q10: We really don't win enough bids.	25% 2	38% 3

Bid managers drives better commercial outcomes

Q12: Bid leadership	Bids led by sales or business development managers	Bids led by bid managers or bid directors
Q11: We usually achieve our profit forecasts.	41%	52%
	11	14
Q11: We make a profit, but less than we forecast.	58%	37%
	11	7

Negative factors reduce commercial outcomes

Q16: Bidding environment	Re-work due to missing or changing information	Long days & weekend work	Friction between teams
Q11: We usually achieve our profit forecasts.	57%	39%	18%
	16	11	5
Q11: We make a profit, but less than we forecast.	84%	63%	42%
	16	12	8

Post-submission follow-up drives better commercial outcomes

Q18: Post submission activities	Customer feedback discussed with team	Internal post-mortem	Handover to delivery teams	Monitor costs and report profit
Q11: We usually achieve our profit forecasts.	86% ↑	64% ↑	71% ↑	46% ↑
	24	18	20	13
Q11: We make a profit, but less than we forecast.	61% ↑	56% ↑	67% ↑	28% ↑
	11	10	12	5

Best Practice Bid Management by the Magnificent Six

6 respondents reported their organisations

- *Win nearly all their submitted bids*
- *Usually achieve their profit forecasts*

Pre-submission reviews

–Bid documents to be submitted to the customer	100%
–Customer's proposed contract and commercial terms and conditions	100%
–Business case with forecasts for revenue, costs and profit.	83%
–Internal solution design documentation	67%
–Internal solution implementation or contract delivery plan	67%

Bid planning inputs

–Bid strategy and win themes	100%
–Customer's business objectives	100%
–Scope of the proposed solution	100%
–Time frames and deadlines for developing the bid	100%
–Review and approval requirements	100%
–Responsibilities for planning and costing the delivery of the solution	100%
–Responsibilities for developing the content for the bid documents	100%

Bidding environment

–Clear leadership and direction for the bid team	100%
–Kick-off meeting with the bid team	83%
–Frequent status and progress meetings	67%
–Readily available information and content	67%
–Structured reviews of bid documents	67%

Post-submission activities

–We request feedback from the customer and discuss it with the whole team.	100%
–We hold a handover meeting to brief the teams responsible for delivery.	100%
–We hold an internal post-mortem and capture the "lessons learned" for future bids.	67%



Thanks, and please follow me for more discussion of this survey.

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