

Tender Tips

Putting your best foot forward

by Col Lange and David Williams

Introduction

At Lange Consulting & Software, much of our work is focused on helping organisations select the best value for money supplier. The challenge is to select tenderers who are great at doing the work and not just slick at writing tenders. It's frustrating trying to wade through poorly presented tenders, especially when you know they can do the job. They just need to demonstrate their capability a bit better. Because we know the buyer's side so well, we are well placed to assist Providers in presenting their case in the best light. Of course, we only provide assistance and guidance to Tenderers when there is no conflict of interest.

You may be in a position where you either own/run an organisation or work in what is often called a 'business development' role.

Business development is an underappreciated role where it is your role to keep the business afloat. Part of staying in business is keeping existing customers and, within your company's capacity, winning new customers.

You can win new customers by various means. Tendering is one way; but only if you write tenders with a good chance of winning.

How frustrating is it when you write a tender and don't win? Especially when you thought you were a shoe-in and you then find out that the successful supplier is less capable than you.

At first, you may doubt the people who evaluated the tenders; were they competent enough to do the job? Were they honest? Was there any cronyism or favouritism?

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We'll assume for the sake of this paper that tender evaluation panels comprise intelligent and fair-minded people. So why is it that companies less capable than yours (we'll make that assumption too) tender and win contracts from time to time?

The simple answer is that these supposedly less capable companies submit better tenders. While you may think these companies are less capable, in fact you may have misinterpreted the requirements or fallen short in describing your capabilities, or created a sense that your offer was too risky.

But if less capable companies are tendering and winning contracts; what on earth can they be doing? How good is their business development manager (BDM)? I'd say magically good.

Their BDM is weaving spells, she is convincing evaluation committees that her company is worthy of a high score and has the capability and capacity to do the work at a value for money price.

So what can be done to write tenders that do justice to your company and, most importantly, win more contracts? Many companies resort to dropping their prices to win work. This is a dangerous strategy and will send you broke. You need to provide a competitive price, but most tenders are evaluated on value for money, also known as marginal cost; marginal utility. This means that all non-price criteria against which tender are assessed are known as utility items (the Value). These items represent what the client will receive, for the corresponding price you submit. These two components must work together to complement the value-for-money equation.

Starting with the simple stuff. Always follow the Request for Tender's instructions on copies, formats, lodgement times, signed and scanned declarations. Get the simple things right - would you contract with someone that could not do the simple things correctly?

I can't believe how many times we see the wrong documents attached or references to the previous tender or even tracked changes still showing! Over the past 12 years we see an average of 5-8% of tenders found as being non-compliant due to simple mistakes.

Know your audience and avoid making the task of the evaluation team any harder than it already is. Things that annoy the evaluators are:

- huge bundles of lovely glossy irrelevant brochures
- no page numbers
- no tables of contents
- unexplained acronyms
- cross-referencing to attachments in other documents
- not answering the questions in the order they were asked
- not answering questions
- verbosity and not keeping to word limits
- Poor quality paper and cheap-looking impractical bindings (which don't allow tenders to lay flat) don't impress anyone either
- assuming they know your business
- hyperlinks to external material
- taking exceptions to minor issue in the contract

How can you write better tenders? These tips may help:

Plan

Start early and have a set of criteria to decide if you are going to tender. Read the RFT and create a checklist. Allocate responsibilities and set deadlines

Relevance

Answer the question. If a question is asking for details about your Environmental Management System, best not describe your Quality Management System.

Compliance

If the RFT asks for current insurance policies, don't provide last year's.

Structure

Answer the questions in the order they were asked. Provide headings and a Table of Contents if applicable. Get someone else to see if they can navigate around and read your tender.

Completeness

If you have a question asking about four points, answer the mail, never miss a point.

Empathy

When you write a tender, guess who needs to be kept happy? If you said your boss you may be partially correct; but the most important people to keep happy is that stressed out bunch responsible for evaluating your tender. Nothing upsets this crew more than having to wade through page after page in the vain hope of finding relevance in a tender answer. They have to do the wading just in case you do actually touch on the essence of a question. Less is more, the less you write while still making your point, and the clearer you write, the better.

Evidence

If you say you have five qualified Project Managers, include copies of their certification. Wherever you can, lay out facts, figures, pictures, proof - always back up claims with evidence.

Passion

You read a question and immediately you get a

flash of insight, don't ignore that. Write about that, demonstrate your insight and depth of knowledge. Don't be 'frightened' of writing in response to an account management question, what you think is the best way to manage a conflict between contract principals, if that is a topic you know well and care strongly about.

Think outside the square

If there is a question in a tender asking: 'what is your favourite fruit?' You answered "apple", and (amazingly) your competitor did too. The tender evaluation team yawns and says: "so so answers". But if you'd written; "apple, one of the tastiest and most environmentally friendly fruit which also doubles as a mouthwash and toothbrush", you've clearly gone the extra yards, made more effort. Extra effort, so long as it is relevant, has a positive impact.

Sharpen the Pencil

Always submit your best and final offer first up. The aim is to at least get shortlisted— this is related to the point made earlier about gold nuggets

If your not-quite-so-brilliant competitors are happy to price themselves for silver nuggets— never price your brilliance as worthy of gold nuggets; as silver will most likely win.

Risk

You must present as a low risk solution. Identify all risks and show you understand their impact and how you have/will mitigate them.

Sit and stew

It is always good to finish a day early and take some time away from the documents before you review it. Alternatively, engage us as a Red Team to review it.

Lodgement

Lodge the day before its due – We have seen everything from the 'dog ate my tender' to 'the printer ran out of ink' and 'all the staff were hung-over from Melbourne Cup'.

Assistance

If you need a hand, we can help you build your capability to respond to tenders, help plan your

response or undertake a near final review or 'Red Team' (tender assessment). We also manage and craft responses but we generally recommend that you are best placed to write about your business.

We have two training courses that can assist:

- frontfoot© – a half day or full day tender writing workshop for suppliers
- Project Management for Tenders (half day)

About us

David, Col and the rest of the team from Lange Consulting & Software (LC&S) are Canberra-based, independent and private consultants with considerable experience providing procurement consulting and training services and software applications to federal, state and local governments, and the private sector since 1996.

We provide services in all facets of complex procurement including business case development, request for tender preparation, project planning, evaluation strategies and systems, training, facilitating tender evaluations and contract negotiation. We specialise in facilitating tender evaluations; and we have provided this service many times to a number of agencies and organisations.

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