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## MODULE 7 - PREPARING SUCCESSFUL BIDS

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- › Confirming your capacity to assemble a great bid
- › Managing your bid process
- › Pricing strategies: being competitive and realistic
- › Leveraging the sustainability advantage
- › Bidding Tips

## CONFIRMING YOUR CAPACITY TO ASSEMBLE A GREAT BID

The purpose of this module is to provide some suggestions on how to improve your chances of being successful within the competitive bidding process and to share some ‘tips’ from professional purchasing managers who have evaluated thousands of bids.

Entire books, courses and Workshops are devoted to the topic of ‘how to win the RFP game’ – so we’re just going to touch on the basics here. However, these suggestions have been developed with input from key purchasing decision-makers – including input from VANOC.

## MANAGING YOUR BID PROCESS

### *First Things First*

Let’s start with first principles. As discussed in Module 6, it is absolutely critical that you have adequate time and resources available to prepare a successful bid. If you don’t – you just might be wasting your time. Here are a few simple questions to ask yourself before you get started. *Do you ...*

- › have adequate time to prepare a successful bid?
- › have any required partnerships in place?
- › know the client and have an understanding of their needs?
- › understand the key criteria upon which the award will be made?
- › have the capacity to meet the scheduled delivery dates?
- › have the necessary experience to meet the buyer’s needs?

*Great* – if you’re answering yes to these questions then you’re ready to get started on preparing your bid. The following is a list of ideas suggested by experienced procurement managers on what they believe results in winning bids. Follow these tips and you’ll be that much better positioned to be securing Games-related business.

### *Know Your Client*

Get to know your prospective clients by learning about their organizations, their needs, their values – before they issue their RFPs. All of this information can be helpful as you prepare your proposal – especially as you try to distinguish yourself from your competition. If you want to be a supplier to VANOC, start spending some time getting to know the organization; check out their website ( [www.vancouver2010.com](http://www.vancouver2010.com)), read their press releases, reports, and background materials such as their 2010 Bid Book – anything that will offer clues on what their needs might be and how to position yourself effectively.

Talk to similar organizations if appropriate. One VANOC supplier spoke to organizers of a large local sporting event to learn about the particular needs of this type of event planning. This information was invaluable as they prepared their bid – they were able to position their offering within the context of a sports event – not just a business offering products to another business. (See Module 10 for more information on BC success stories and their tips).

### *Develop a Plan for Assembling Your Bid*

It’s recommended that you develop a plan for assembling your bid – it’s a project in itself and needs to be treated as such. Your bid project plan should set out who’s going to assemble which sections of the proposal (could be one person, a team from one business

or a team from different businesses). It should also include when these sections will be completed. Your plan should include provisions for interruptions and have enough time at the end to complete a thorough quality assurance check on the entire proposal – both before it goes for printing (or assembly) and after it comes back – just to make sure. Don't forget to ensure that your courier company can deliver to the required location within the required timeframe.

***Play Fair Within the Competitive Bidding Process***

Know the rules and understand the process of competitive bidding. Don't get sent to the penalty box because of a violation. If the RFP states that you're only to contact one person with questions or enquiries, then only contact that particular person. Avoid the temptation to try and get 'inside' information from other stakeholders within an organization. Absolutely do not engage in anything that would undermine the openness and transparency of the bidding process (such as 'bid-rigging'). This is a sure-fire way to get your bid (and possibly future bids) disqualified.

***Attend a Bidder's Meeting – If There is One***

Sometimes the buyer will schedule a Proponent's Meeting to make a presentation regarding the project and to provide more detailed information on the project than might be included in the RFP documents. Or the meeting may be used to communicate changes that may be planned to the project that could affect the RFP process. Always attend the Bidder's meeting if you can – or at the very least request that the minutes of the meeting are sent to you.

**PRICING STRATEGIES: BEING COMPETITIVE AND REALISTIC**

***Develop a Fair and Competitive Pricing Strategy***

Your pricing must be reasonable and fair within the overall marketplace. Avoid the temptation to inflate pricing because the Vancouver 2010 Winter Olympic Games are a huge event involving literally billions of dollars. You must be competitive. By the same token, be aware of hidden costs associated with providing services to the Games – if your product or service requires delivery remember that during the Games access for delivery can be restricted due to security concerns; roads may be closed during the day, delivery vehicles may need to wait in a line-up to access various venues and be subjected to security screening. All of these factors could significantly affect pricing strategies if you typically make several small deliveries.

You need to really know your own value proposition so that you can determine a fair pricing strategy. Lowering prices to win business can make a lot of sense because of the profile associated with being a Games supplier. However, it's important to be aware of the trademark rules and recognize the limitations that may be imposed on you if you are not classified as an Official Supplier or if you are a subcontractor. Your contract may not entitle you to any marketing rights at all - so think carefully about dropping prices to be associated with the 2010 Winter Games.

In some cases the budget may actually be set and revealed within the RFP. In these cases, the buyer will be seeking to determine how much of their 'wish list' you can deliver within the budget that they've allocated for the project. Just as before, it's important to be fair and competitive in terms of what you can deliver for the price specified.

***Profile Your Demonstrated Experience***

All buyers want to feel confident that their suppliers have a demonstrated track record in delivering the services and supplies that they require. This is even more important during a critical high-profile event like the Games. You must be able to demonstrate that you have the experience and capability to meet the needs of a buyer – no one wants to take a chance that something might go wrong in front of an audience of millions.

***Draw Upon Previous Bidding Experience***

If you've submitted a bid previously and have been either successful or unsuccessful – review your notes from that experience (see Module 9 about learning from Lost Bids). Use the lessons learned from previous experiences (good or bad) to improve upon your current response.

**LEVERAGING THE SUSTAINABILITY ADVANTAGE**

As discussed in Module 3 - VANOC is planning to host the 'greenest' Games ever – and has set out a comprehensive framework of sustainability objectives to meet its commitments. When price, service and quality are all comparable – the supplier who can help VANOC meet its sustainability objectives is likely to be the successful bidder. In fact, almost every RFP being issued by VANOC has a section related to sustainability.

And it's not just a feel good exercise. As we'll see in one of the case studies in Module 10 several of VANOC's suppliers strongly believe their commitment to sustainability was a deciding factor in winning their bid. It is highly recommended that you take some time to review the Sustainability section of the VANOC website and learn about some of their key objectives. Then look for ways to profile your own contributions to the community, the environment and to ethical business practices as part of your bid – it just might make the difference.

Sustainability isn't just an objective for the 2010 Winter Games – many companies and governments (especially those associated with these Games) have an interest in buying products and services from socially responsible suppliers. In some cases, buyers will set minimum sustainability standards that you must meet in order to even be a supplier. Again, don't wait until the last minute to consider the sustainability advantage that your company can offer – be proactive about implementing your own programs and be fair and comprehensive as you describe your efforts; embellishing your capabilities or actual efforts often backfires.

**TIPS FOR PREPARING SUCCESSFUL BIDS**

One of the common complaints from purchasing managers is that suppliers don't read the directions provided in RFPs and their bids don't conform to the requested requirements. As mentioned earlier - it's absolutely critical to fully understand the requirements of the RFP and respond exactly as requested. Read it once to get a sense of the information and then read it again to ensure you understand everything. The format may seem odd but it's been requested for a reason. Also be aware of the submission method. You may be requested to submit your bid in electronic form in addition (or instead) of a printed copy. Don't give the reviewer any opportunity to feel negative about your bid – respond exactly as requested.

***Tips Directly from VANOC***

During a recent 2010 business opportunities summit – senior staff at VANOC had the following suggestions for businesses seeking to be successful within the competitive bidding process. Ensure that you deliver a proposal that reflects:

- › Unassailable quality
- › Outstanding value for money
- › Minimal risk of delivery
- › Minimal risk of performance
- › Meets one or more of VANOC's complementary objectives
- › Includes some extras

So there you have it. Keep these tips top of mind as you prepare your bid and you'll significantly enhance your chances of success. Good luck!