

New realities for winning proposals

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The new reality for winning proposals?

The government's budget shrunk!

All companies are competing more aggressively to increase revenue and maintain profit levels

Fierce competition in a smaller market raises competitiveness standards for all bidders



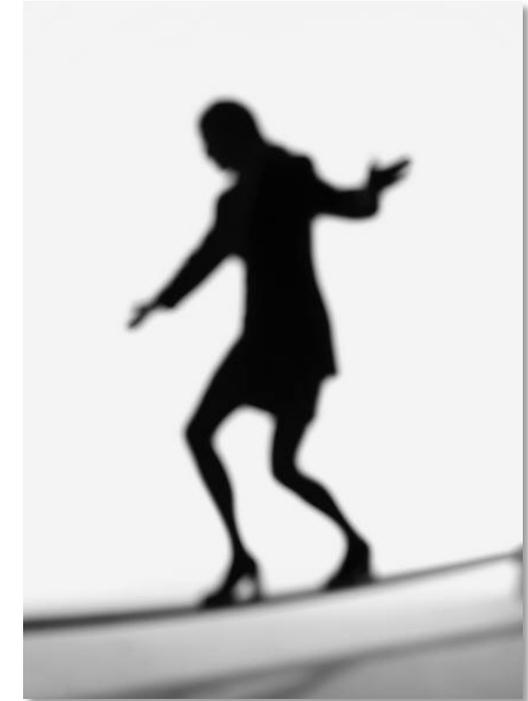
Your chance of winning just went down, unless you change the way you compete

Objectives of a winning proposal

Create a proposal that outscores your competition and has no weaknesses or deficiencies

- How do you outscore your competition?
- What is a weakness?
- What is a deficiency?
- What is a risk?

Price matters in the tradeoff with non-cost factors



*Strive for a **Blue** proposal with low risk*

How the government evaluates proposals

FAR Part 15.305 Proposal Evaluation

Proposal evaluation is an assessment of the proposal and the offeror's ability to perform the prospective contract successfully.

An agency shall evaluate competitive proposals and then assess their relative qualities solely on the factors and subfactors specified in the solicitation.

Evaluations may be conducted using any rating method or combination of methods, including color or adjectival ratings, numerical weights, and ordinal rankings.

The relative strengths, deficiencies, significant weaknesses, and risks supporting proposal evaluation shall be documented in the contract file.

Strengths, weaknesses, deficiencies and risk drive the evaluation process



A closer look at FAR Part 15.305 factors and subfactors

FAR 15.305 An agency shall evaluate competitive proposals and then assess their relative qualities solely on the factors and subfactors specified in the solicitation.

- Solely: If it is not specified in the RFP as a factor or subfactor, it cannot be used as a basis for proposal evaluation.

Nexus Argument: Raytheon Co., B-404998, July 25, 2011

- “While agencies properly may apply evaluation considerations that are not expressly outlined in the solicitation if those considerations are reasonably and logically encompassed within the stated evaluation criteria, there must be a clear nexus between the stated and unstated criteria.”

Strengths are always tied to factors and subfactors

A closer look at FAR Part 15.305 evaluation ratings

FAR 15.305 Evaluations may be conducted using any rating method or combination of methods, including color or adjectival ratings, numerical weights, and ordinal rankings

Adjectival Rating	Definitions	Percentile Range
BLUE Excellent Outstanding	A comprehensive and thorough proposal of exceptional merit with one or more significant strengths. No deficiency or significant weakness exists.	91 – 100
GREEN Good	A proposal having no deficiency and which demonstrates overall competence. One or more significant strengths have been found, and strengths outbalance any weaknesses that exist.	71 – 90
Satisfactory	A proposal having no deficiency and which shows a reasonably sound response. There may be strengths or weaknesses, or both. As a whole, weaknesses not off-set by strengths do not significantly detract from the offeror's response.	51 – 70
YELLOW Fair/Marginal	A proposal having no deficiency and which has one or more weaknesses. Weaknesses outbalance any strengths.	31 – 50
RED Poor	A proposal that has one or more deficiencies or significant weaknesses that demonstrate a lack of overall competence or would require a major proposal revision to correct.	0 – 30

One must create an offer of exceptional merit with several significant strengths and no weaknesses to win in today's market



A closer look at FAR Part 15.305 strengths and weaknesses

The relative strengths, deficiencies, significant weaknesses, and risks supporting proposal evaluation shall be documented in the contract file

Typical Evaluation Terminology

Adjectival Rating	Definitions	Score Range
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- **Significant Strength**
- **Strength**
- **Weakness**
- **Significant Weakness**
- **Deficiency**
- **Risk**

Strengths and weaknesses differentiate bids

Defining strengths

Significant Strengths and *Strengths* are not defined in the FAR

A good definition is a feature of your proposal where the benefit

- Exceeds a contract requirement in a way that is beneficial to the customer
- Increases [significantly] the likelihood of successful contract performance (technical, schedule, cost)
- Increases [significantly] the likelihood of successful mission accomplishment (agency mission, safety, lethality, etc.)
- Mitigates mission or contract risk
- Is not neutralized by other bidders, i.e., becomes a discriminator for your bid

Features/benefits/proofs are narrowly defined as proposal strengths



Briefing to SSA

Typical Source Selection Authority (SSA) briefings are structured by evaluation factors/subfactors and include

- Identified Significant Strengths, Strengths, Weaknesses, Significant Weaknesses, Deficiencies, and the risks associated with the significant findings
- Offeror's proposed cost/price and/or probable cost
- Proposed fee arrangements; and
- Final adjectival ratings and scores at the subfactor level

Draft your own source selection statement when you build your proposal



Source selection decisions

Selection is a deliberative decision representing the independent judgment of the SSA.

Adjectival ratings and numerical scoring presented to the SSA cannot be the sole basis for a selection decision.

Selection shall be based upon a comparative assessment of the relative discriminators that includes a discussion of the benefits or risks associated with the discriminators of the selected offeror over all other offerors considering all evaluation factors (i.e., past performance factor, cost/price factor, other non-price factors).

SSA has broad discretion subject only to the tests of rationality and consistency with the evaluation criteria identified in the solicitation.

Winning is all about the quantity and quality of your strengths



Much of what we learned about writing proposals was wrong!

Level 1 – Stuck in the past

- Develop a belief about writing proposals, practice what you believe

Level 2 – Stuck in the past and ignoring real data

- Develop a belief, ignore data that doesn't support your belief, practice what you believe

Level 3 – Use real data and new beliefs to change views

- Develop a belief, observe data that doesn't support your belief, formulate a new belief, test the new belief to see if it can predict outcomes, change the way you do proposals

Level 4 – New beliefs promulgate worldwide

- Change the world

Scientific process works for science but may or may not work for proposals



A look at real proposal data

What can you conclude from this real proposal data from a >\$1B government contractor?

	Large (>\$100M) Deals				Mid-Size (<\$50M) Deals				
Client Type	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9
Tech Volume	Marginal	Unacceptable	Good	Poor	Acceptable, Good	Acceptable	Unacceptable	*	Good
Management Volume	Does Not Meet	Marginal	Good	Satisfactory	N/A	Acceptable	N/A	*	N/A
Key Personnel / Staffing	Does Not Meet	Marginal	Good	Marginal	N/A	Acceptable	N/A	*	Good
Past Performance	Meets	Good	Acceptable	Very Good	Acceptable	Marginal	N/A	*	Good
Transition Plan	Does Not Meet	Marginal	N/A	Fail	N/A	N/A	N/A	N/A	N/A
Oral Presentation	Not Rated Separately	N/A	Not Rated Separately	N/A	N/A	N/A	Unacceptable	N/A	N/A
Overall Rating	Does Not Meet	Unacceptable	Not Best Value	Unacceptable	Not Best Value	Not Best Value	Unacceptable	Not Best Value	Not Best Value



Are you ready to change your beliefs?

If so, here are 10 actions you must take to improve your proposals

1. Create a defined, repeatable, managed, measured, and optimized capture process because capture is where every great proposal began
2. Adopt a strengths-based solutioning approach
3. Build your proposal in three layers (offense, defense, and communications)
4. Put your effort into the parts of the proposal that will be scored
5. Review your proposal the way your customers review proposals



You must change what you believe about proposals

Are you ready to change what you believed? (cont.)

6. Make your proposals easy to read and evaluate
7. Use visual communication to convey your strengths
8. Replace storyboards with annotated outlines
9. Establish a standard of excellence for all your proposals
10. Measure the quality of all your captures and proposals

RFP No.: DHS 15-xx123

ANNOTATED OUTLINE [SOW; C; L; M]

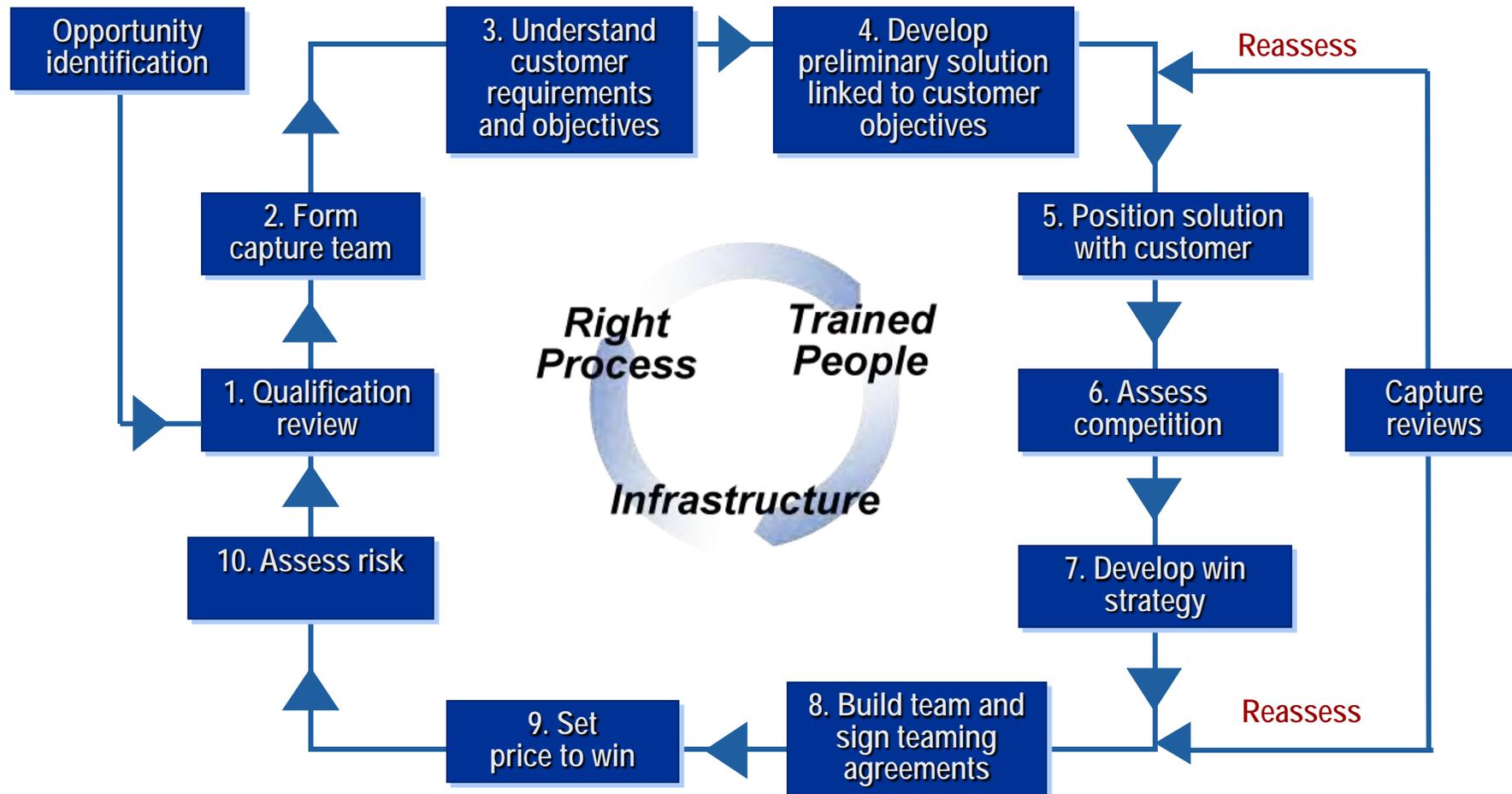
	SOW	L	M	C
I. Element I Business Functionality				
• insert Overview				
IA. Tab A RFP Certification/ License				
• insert certs				
IB. Tab B Requirements Spreadsheet				
• spreadsheet from attach.				
II. Element II Technical and Management Approach				
II.A. Technical Approach				
• insert xxx here				
• insert xxx here				
• insert xxx here				
• insert xxx here				
II.A.1 Meeting the Solution Objective				
• insert xxx here				
• insert xxx here				
• insert xxx here				
II.A.2 Solution Architecture				
II.A.3 Approach to Comply with the SLM				
II.A.4 Functionality and Plan (Roadmap) to Deploy				
• insert xxx here				
• insert xxx here				
• insert xxx here				
II.B. Tab B Management Approach				
II.B.1 Efficiencies in Management Approach				
II.B.2 Organizational Structure				
• insert xxx here				
• insert xxx here				
• insert xxx here				
II.B.3 Key Personnel Descriptions				
II.B.4 Quality Assurance Surveillance Plan				
II.C. Tab C Assumptions				
III. Element III Relevant Past Experience				
III.A. Reference 1				
III.B.2. XXX				

Volume II Compliance Matrix

Best way to reduce cost of proposals is to use good professionals with right tools and processes

Every great proposal begins in capture

Capture is a defined, repeatable, managed, measured, and optimized process



Adopt strength-based solutioning

Strength-based solutioning – your objective is to create the best solution: better service, quicker delivery, and cheaper costs. Engineer into your solution as many strengths as you can.

It is all about strengths –best solution is the one with the best and maybe the most strengths

Strengths are always presented with three parts – feature, benefit, and proof where the benefit is either

- Exceeding a contract requirement in a way that is beneficial to the customer,
- Increasing the likelihood of mission success (service to the citizen, safety, etc.), or
- Increasing the likelihood of contract success (tech, cost, and schedule)

Value propositions morph into strengths

- Strengths are always subordinate to evaluation factors
- Value propositions are more generalized, focused on the mission and/or contract, and developed before the evaluation factors are known

A compelling offer is rich in features that will be scored as strengths



Adopt strength-base solutioning (cont.)

Focus on the end game and build your source selection briefing – your job in capture and proposal development is to create a compelling offer, rich in features that can be scored as strengths

- Draft source selection briefing – draft your own source selection briefing during capture (value proposition) and identify strengths proposed during proposal development
- Strengths budget – set a budget for the number of strengths you need to win, and innovate your solution until you have engineered in enough strengths
- Strengths metrics – collect metrics on strengths bid vs. strengths observed

Build a company strengths registry

Catalog all strengths bid – use it just like a playbook in sports

Build your source selection statement along with your proposal



Think of proposals like artwork – built in 3 layers

Foundation layer (defense)

- Develop a compliant organizational structure
- Make proposal responsive to RFP requirements
- Outcome – basic proposal with no weaknesses or deficiencies

Middle layer (offense)

- Put the strengths (features/benefits/proofs) into sections where they will get the most points
- All benefits-focused evaluation factors, exceeding contract requirements, and increasing likelihood of accomplishing customer mission
- Outcome – a compelling customer-focused proposal rich in features that will be scored as strengths

Final layer (communications)

- Easy to evaluate, communicates visually, is well-written
- Outcome – a high-scoring proposal



Build proposal like artwork – a foundation layer, then middle layer, and lastly final layer

Put your proposal effort where it matters

Write your proposal for proposal evaluators

- Proposals are evaluated by beginning with the evaluation criteria and identifying only the information needed to score the proposal by evaluation factors
- Next, evaluators document proposal strengths, weaknesses, risks, deficiencies, and clarifications

Put your proposal effort where it matters

- Not all parts of your proposal will be read equally (focus on parts that will be scored)
- Proposal themes may be invisible (stop wasting time discussing themes)
- Executive summaries may not be read (so stop making them the most important prose in your proposal)

Proposal themes are invisible and executive summaries are not always read by evaluators



Review proposals the way your customer does

Review proposals the way the government does

- Start with a compliance review – if it is not compliant and responsive to the RFP, it is game over
- Begin your review with the evaluation criteria (section M) – figure out what sections you need to read to score the proposal (don't start with the instructions and read the proposal like it is a novel – it is more like reading an encyclopedia)

This approach is very different from color team reviews

- Color team reviews generally begin with Section L

Two review types will give you very different results



Your job is to get your strengths on the scoreboard

Make the proposal easy to evaluate

Highlight strengths so they are easy to recognize

- Pull them up front in the executive summary and in introductions to major sections
- Presents strengths so they stand out in each section
- Strengths are always presented as feature/benefit/proof

Structure the proposal to cross-walk to the evaluation criteria

RFP No.: DHS 15-xx123

Section L	Section M	SOW	Proposal Section	Meet/Exceeds Req.
<p>L.18 PAST PERFORMANCE VOLUME (MAR 2012) L.16 PAST PERFORMANCE VOLUME (MAR 2012)</p> <p>... indicates the relevant quantitative and qualitative aspects of performing services or delivering products similar in size and content to the requirements of this acquisition.</p> <p>The offeror shall provide, at a minimum, the following information in support of its proposal to facilitate the evaluation of the offeror's past performance as related to the requirements of the proposed contract.</p>	<p>PAST PERFORMANCE VOLUME IV</p> <p>M.5 PAST PERFORMANCE EVALUATION FACTOR (MAR 2012)</p> <p>An offeror's past performance will be evaluated based on FAR Part 15 and the evaluation criteria in this provision. All past performance references must meet the "relevant" and minimum total cost/fee expenditures criteria provided below for both prime contractor references and significant subcontractor references in order to be evaluated.</p>		Volume IV - Past Performance	
<p>INFORMATION FROM THE OFFEROR</p> <p>Prime offerors shall furnish the information requested below for all of your most recent contracts (completed and ongoing) for similar efforts with a minimum average annual cost/fee incurred of \$10M that your company has had within the last 5 years of the RFP release date. Indicate which contracts are most related (i.e. similar in size and content) and how they are related to the proposed effort, as well as which contracts were performed by the division of your company (if applicable) that will perform the proposed contract/subcontract.</p>	<p>M.5 PAST PERFORMANCE EVALUATION FACTOR (MAR 2012)</p> <p>For a prime contractor's contract reference(s) to be considered at least "minimally relevant," it must meet/exceed an average annual cost/fee incurred of at least \$10M.</p>			
<p>The offeror shall provide an estimated value and percentage of work to be performed on this contract by the prime offeror and each significant subcontractor. Indicate the primary functions (SOW, etc) to be performed by the prime offeror and each proposed</p>	<p>M.5 PAST PERFORMANCE EVALUATION FACTOR (MAR 2012)</p> <p>A proposed significant</p>			

Volume IV Compliance Matrix 111

Along with writing with visibility to strengths and benefits, make the proposal easy to evaluate



Make the proposal easy to evaluate (cont.)

Use government language

- Pepper the RFP language (evaluation criteria, Section C and L words and phrases) throughout the proposal to provide signposts that allow evaluators to easily match what you wrote to what they asked for
- Do not parrot the RFP language; simply restating requirements in proposal narrative does not win deals and can be considered non-responsive

Write simply – don't use complicated language – make the prose clear, logical, and understandable

Show how your features meet the test to be scored as evaluation strengths

Along with writing with visibility to strengths and benefits, make the proposal easy to evaluate



Communicate your message visually

Visual communication is becoming more important

- Communicate your message for visual evaluators
- Make strengths pop off the page
 - Communicate visually as well as texturally – always make it easy to evaluate and well written
- Sleepy evaluator test
 - You want to communicate your strengths so even a sleepy evaluator can discover them

Not all proposal reviewers read your text, some just look at pictures



Kill your storyboards

Annotated outlines are replacing storyboards for planning your proposal and speed up the process

- Build the overall outline for the proposal (map appropriate parts of Sections L, M, C, etc. to each proposal section)
- Bound your proposal response by agreeing on the scope of each RFP requirement
- Brainstorm the response to each section of a proposal using focus sessions composed of several experts
- Decide what is really important to write about and rank order the important topics
- Select the best topics consistent with allocated page count
- Outline your response stressing how you do the work and highlight strengths in your solution
- Draft the proposal section without further delay

Annotated outlines are more efficient than storyboards

Establish a standard of excellence for your proposals

Define your standard of excellence for proposals and measure all proposals against your standard

Proposal Quality Measures	Description
✔ Compliant Structure	▶ Proposal is compliant with the instructions, evaluation criteria and SOW
✔ Responsive Content	▶ Each proposal section fully addresses what RFP requires
✔ Customer-Focused	▶ Emphasis is on the customer, not the bidder
✔ Compelling and Feature Rich	▶ Proposal includes features and benefits with substantiating proofs that are apparent as strengths
✔ Easy to Evaluate	▶ Evaluators can easily score the proposal because it includes cross references and maps back to the evaluation criteria
✔ Visual Communications	▶ Proposal is attractive and uses graphics, icons, and tables to highlight features and benefits
✔ Well Written	▶ Proposal uses active voice, maintains a consistent tense and conventions and avoids vague or empty words as well as unsubstantiated “bragging”

What gets measured gets improved



Measure quality of capture and proposals

Measure the quality of your captures and proposals

Capture Management Assessment Matrix				
Win Considerations	Month 1	Month 2	Month 3	Month x
1. Form capture team	Yellow	Yellow	Green	Blue
2. Understand customer requirements and objectives	Red	Yellow	Green	Green
3. Develop prelim solution linked to customer objectives	Red	Yellow	Green	Green
4. Position solution with customer	Red	Yellow	Yellow	Yellow
5. Assess competition	Red	Yellow	Green	Green
6. Develop win strategy	Red	Yellow	Yellow	Green
7. Build team and sign teaming agreement	Red	Yellow	Green	Green
8. Set price to win	Red	Red	Red	Yellow
9. Assess risk	Red	Red	Yellow	Yellow
10. Capture review overall assessment*	Red	Yellow	Green	Green

Bid Cycle-Time 

Capture and proposal efforts can be measured using color scores



Final thoughts

Today, you must build better proposals and operate your business acquisition activities more efficiently and effectively

Focus on the end game – great proposals enable the government to build a great briefing to the Source Selection Official

Visit our website at www.LohfeldConsulting.com for tips and techniques for creating better proposal and winning more business

