

Super Tools for Capture: Three super tools to construct market landscapes, identify and assess key competitors, and predict competitor actions



Florida Sunshine Chapter
of the Association of Proposal Management Professionals



Geren Williams
Vice-President of Capture Management

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CACI
EVER VIGILANT

Traditional CI tools and methods focus on static patterns



... modern CI tools and methods focus on transient dynamics

**This discussion centers on three tools
that represent the on-going evolution
of competitive analysis ...**



**... from the perspective of a
regular user of CI**

Agenda

- 1. Who I Am, What I Do, and Why This Topic?**
- 2. Discuss "Market Landscape Mapping"**
- 3. Discuss "Four Corners"**
- 4. Discuss "Sweet Spot / Sour Spot"**

Rules of Engagement

- 1. More discussion and less presentation**
- 2. Stop me at any time to ask questions, offer different perspective, or give recommendations**
- 3. I am pleased to provide all templates**
- 4. Should you have any questions feel free to reach out to me**

Who I am, What I do

- **VP, Capture Mgt. for CACI, Inc.**
- **16 years in proposal development and capture management at IBM, Booz Allen Hamilton, and CACI**
- **"Big-Deal" captures -- typically in excess of \$100M or "strategic"**
- **Competitive Intelligence Professional (CIP) Certification**

Capture Management



Key Questions at the Outset of a Capture

- 1. Who are the players in the market for this opportunity; how are they positioned?**
- 2. Which players are key competitors?**
- 3. How will key competitors compete for this opportunity?**
- 4. What is our initial competitive strategy?**

Capture teams seldom put adequate thought and effort into answering these questions. They neither have the tools nor the practical experience to do so. This presentation introduces a trio of methods that offers new approaches for getting more accurate answers to these questions.

Market Landscape Mapping

Who are the players in the market for this opportunity; how are they positioned?

Which players are key competitors?

Market assessment facilitates strategic decision making and more effective competitive analysis

- **Competitive Analysis:** the identification of your competitors and the evaluation of their strategies to determine their strengths and weaknesses relative to yours (narrow, focused vantage point)
- **Market Assessment:** the evaluation of the market landscape for a specific opportunity (broad vantage point)

Step 1 – identify all players in the market; **validate final list of potential bidders**

1. **Alpha Company**
2. **Bravo Company**
3. **Charlie Company**
4. **Delta Company**
5. **Echo Company**
6. **Foxtrot Company**
7. **Golf Company**
8. **Hotel Company**
9. **India Company**
10. **Juliet Company**
11. **Kilo Company**
12. **Lima Company**
13. **Mike Company**
14. **November Co.**
15. **Oscar Company**
16. **Papa Company**
17. **Quebec Company**
18. **Romeo Company**
19. **Sierra Company**
20. **Tango Company**
21. **Uniform Company**
22. **Victor Company**
23. **Whiskey Company**
24. **X-ray Company**
25. **Yankee Company**
26. **Zulu Company**
27. **Able Company**
28. **Baker Company**
29. **Chicago Company**
30. **Dog Company**
31. **Easy Company**
32. **Frank Company**
33. **George Company**
34. **Henry Company**
35. **Ida Company**
36. **John Company**
37. **King Company**
38. **Lincoln Company**
39. **Mary Company**
40. **New York Co.**
41. **Ocean Company**
42. **Peter Company**
43. **Queen Company**
44. **Roger Company**
45. **Sugar Company**

Step 2 – Brainstorm key hot buttons to develop specific rating criteria; define each criterion

1. Ability / Commitment to Deliver

This composite rating stems from specific client complaints that **CURRENT INCUMBENT** management, while technically capable, did not ensure delivery of foundation services necessary to stabilize the infrastructure environment

2. Technical Capability

Ability to satisfy the requirements of this RFP

3. Price

Ability to be very price competitive (how low can/will a company go on price while ensuring price realism)

Step 2 – Brainstorm key hot buttons to develop specific rating criteria; define each criterion

4. Knowledge of agency IT environment


Understanding of the client IT environment

5. Financial Regulatory Experience

Prior work in any of the Financial Regulatory agencies:

- a. Securities & Exchange Commission (SEC)
- b. Commodity Futures Trading Commission (CFTC)
- c. Federal Reserve System ("Fed")
- d. Federal Deposit Insurance Corporation (FDIC)
- e. Financial Industry Regulatory Authority (FINRA)
- f. Office of the Comptroller of the Currency (OCC)
- g. National Credit Union Administration (NCUA)
- h. Office of Thrift Supervision (OTS)

Step 3 – Rate each market player, rank market players in order of score, detail specific rationale

Most Important    Least Important

Strong			Ability / Commitment to Deliver	Technical Capability	Price	Knowledge of Agency Environment	Financial Regulatory Experience
	1	Lincoln *	+	+	++	+	+
2	Victor *	+	+	++	+	+	
3	Oscar *	+	+	-	++	++	
4	India *	+	+	+	+	+	
5	Able ?	+	+	++	-	+	
6	Peter *	+	++	+	-	+	
7	Foxtrot ?	+	+	-	+	+	
8	Alpha *	+	-	++	-	+	
9	Roger * (Your Company)	-	+	+	+	+	
10	King *	+	+	-	+	+	
11	Whiskey !	+	+	++	-	--	
12	Baker ?	+	+	+	--	--	
13	Sugar ?	+	+	+	--	--	
14	Chicago ?	-	+	--	--	++	
15	Frank *	-	+	+	--	--	
16	Sierra !	-	+	+	-	--	
17	Papa ?	-	--	-	+	+	
18	Zulu ?	--	-	+	+	-	
19	Quebec ?	-	+	-	--	--	
20	X-ray ?	-	+	-	--	--	

Strong ↑
↓ Weak

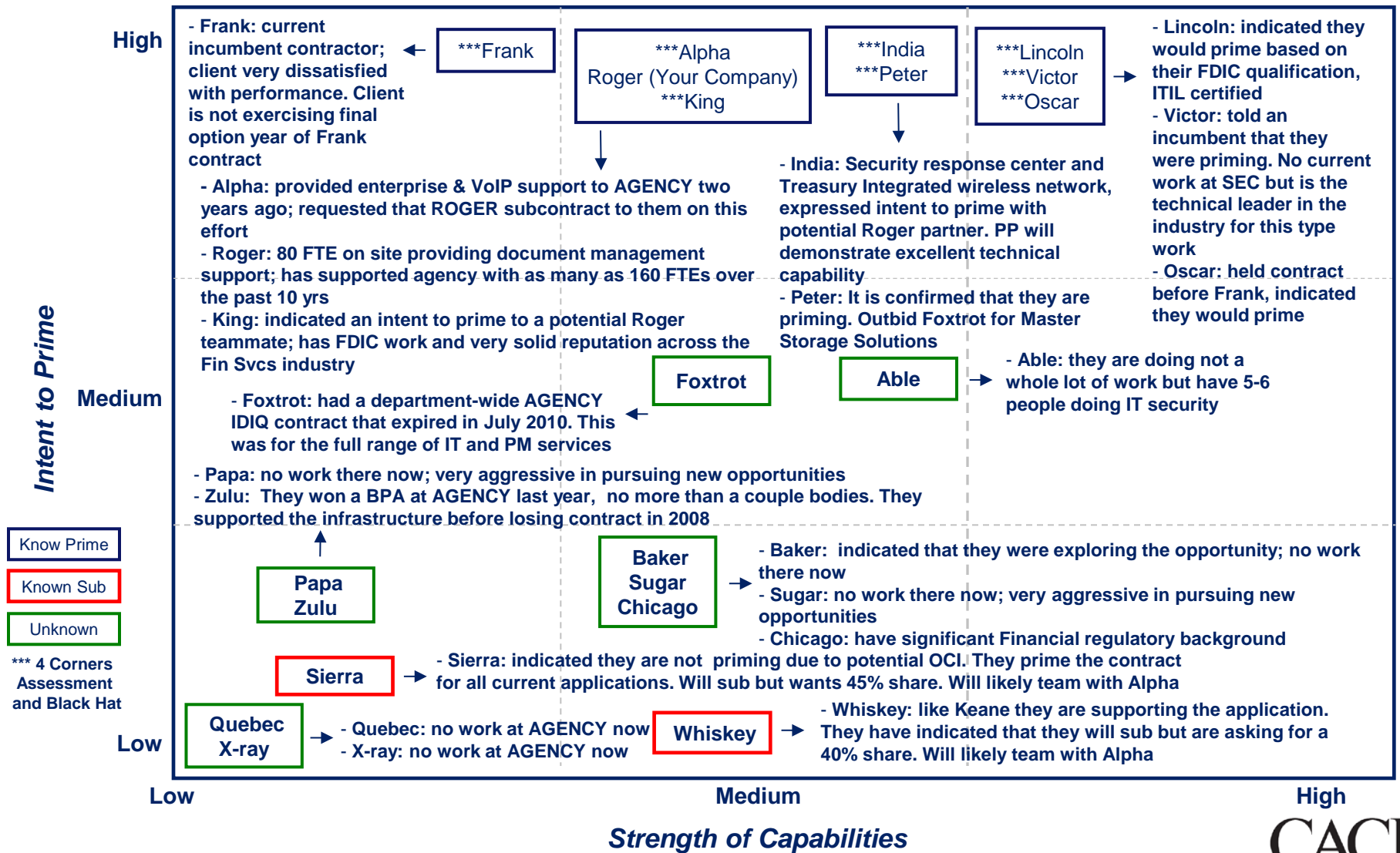
Competitive Position	
++	dominant
+	strong
-	neutral
--	weak

-- Key Rating Criteria --	
Ability / Commitment to Deliver	++ + - --
Technical Capability	
Price	
Knowledge of Agency Environment	
Financial Regulatory Experience	

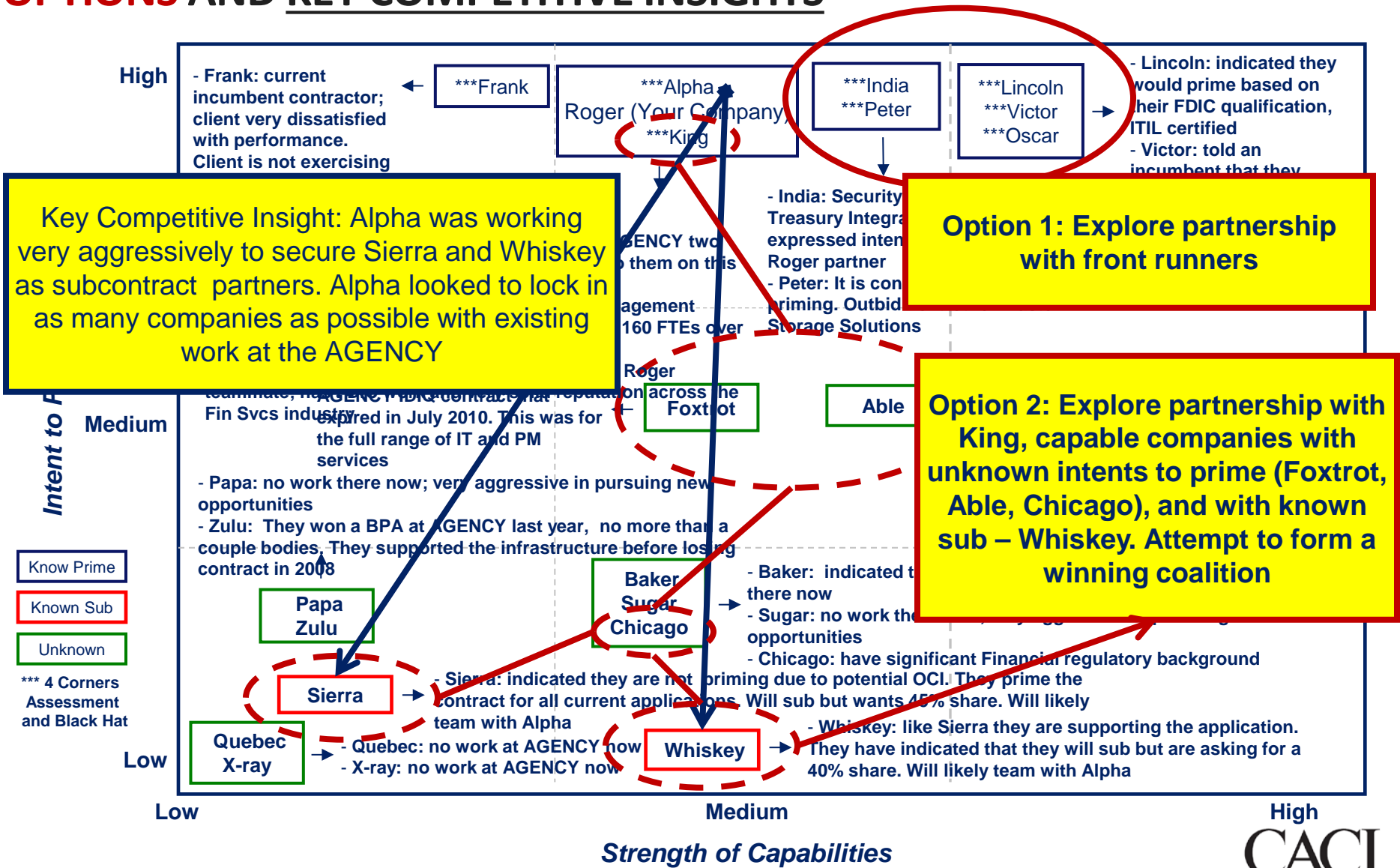
Intent to Prime
* Known Prime
! Known Sub
? Unknown



STEP 4 – PLOT EACH MARKET PLAYER ON THE MARKET ASSESSMENT GRAPH; INCLUDE KEY POINTS OF INFORMATION



STEP 5 – VALIDATE LANDSCAPE MAP; REVIEW POTENTIAL STRATEGIC OPTIONS AND KEY COMPETITIVE INSIGHTS



Four Corners Assessment

How will key competitors compete?

Four Corners

Profiling specific competitors is critical to winning capture. The typical competitive profile, however, fails to give insights into how competitors will respond to your own strategy. Understanding this inter-relationship is important for knowing how to position your company in relation to the competition. One of the most effective models for this type of competitor analysis is the Four Corners Analysis, developed by Michael Porter of Harvard Business School. The purpose of Four Corners Analysis is to predict future moves of your competitor's based on your own strategic moves. The model has four analytical corners:

1. What drives the competitor? Look for drivers at various levels and dimensions so you can gain insights into future goals.
2. What is the competitor doing and what is the competitor capable of doing?
3. What are the strengths and weaknesses of the competitor?
4. What assumptions are made by the competitor's management team?

Four Corners

The key to this analysis is to work down each step and see how well or tight each corner fits for the competitor. When you get to the fourth corner (assumptions), complete the fourth corner with management assumptions. This ties down the model and therein resides some useful insights. Before embarking on Four Corner's Analysis, you will need to do some preliminary research:

1. Identify your competitors.
2. Setup a profile template for defining the information to be collected and used in your analysis. This can include numerous types of information:
 - a. Short history of competitor
 - b. Critical events
 - c. Major customers
 - d. Products and services
 - e. Description of management team
 - f. Labor force, quality, talent, etc.
 - g. Strategies – goals, capabilities, core competencies, strengths, etc.
 - h. Marketing – brand image, markets served, pricing, etc.
3. Gather all of the information per the template.

Once you get past these preliminary steps, you can proceed to analyze the information and present it to management for adjusting your strategy.

Four Corners

-- Motivation: Drivers --

In this quadrant you consider your competitors' stated goals and tactics with their actions

1. What are the future goals of the organization?
2. What motivates the organization to act and achieve?
3. What values influence actions?

-- Actions: Capabilities --

This quadrant is about the competitors' strengths and weaknesses in responding to external threats

1. What are the current strengths and weaknesses of the organization?
2. What processes empower the organization to gain a competitive advantage?
3. What key skills and resources support the business strategy?

Competitor Response Profile

1. Is the competitor satisfied with its current position?
2. What likely moves will the competitor make?
3. Where is the competitor vulnerable?
4. What will provoke the greatest and most effective competitor retaliation?

-- Motivation: Management Assumptions --

This quadrant considers the competitor's own perceptions of its strengths and weaknesses and culture of the business

1. What fundamental beliefs does the organization have about itself, its competitors, and the industry?
2. What does the company think will remain consistent versus likely change in the competitive environment?
3. What boundaries or constraints does the organization impose on itself?

-- Actions: Strategy --

This quadrant is about the difference between the competitors' actual performance and its rhetoric

1. How is the organization currently competing?
2. What business model, target markets, and organizations, are most appealing?
3. How is the organization deploying or adapting its resources, processes, and values to compete differently in the future?

Sweet Spot / Sour Spot

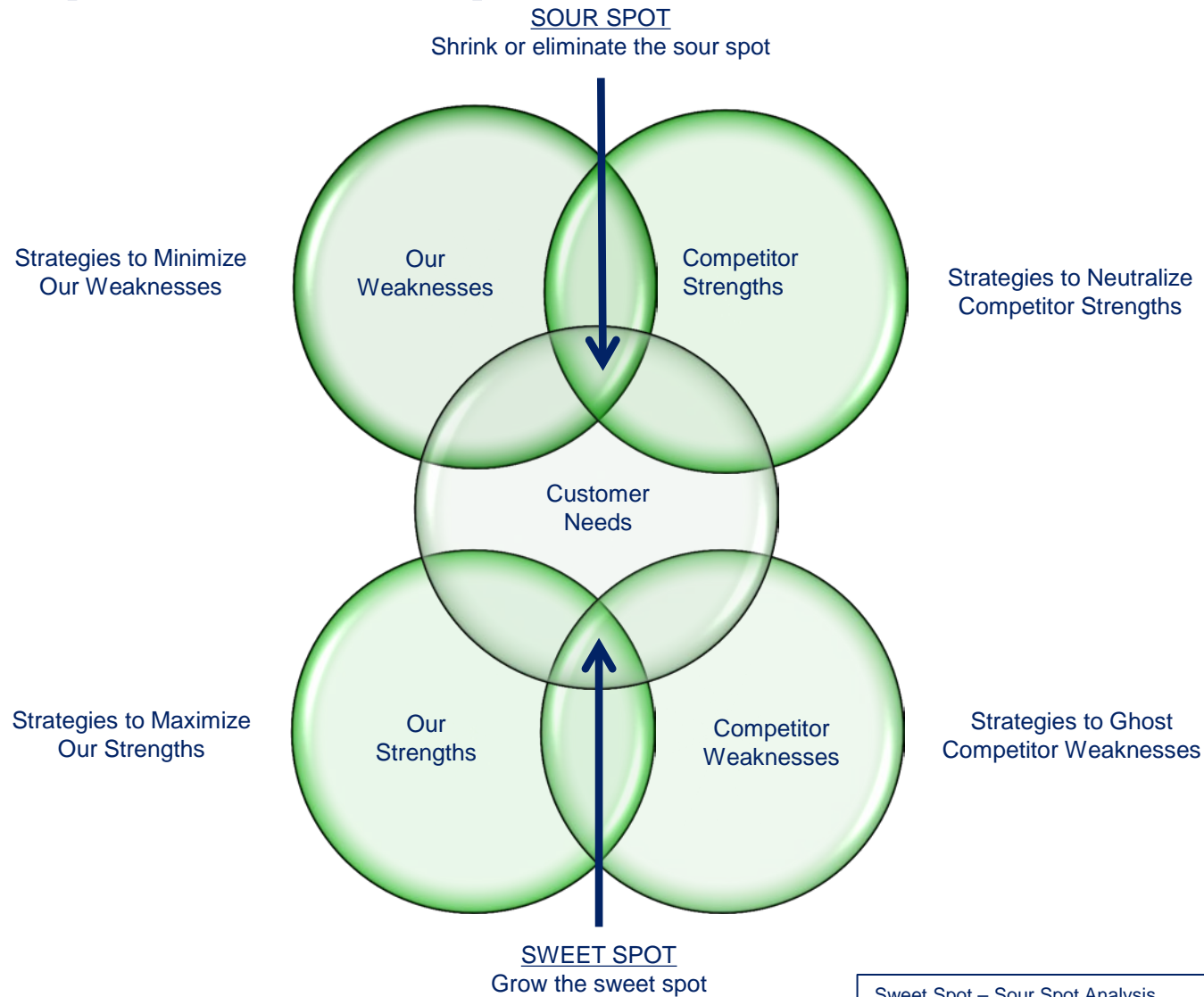
What is our initial competitive strategy?

Sweet Spot / Sour Spot

Once you gather and analyze competitive intelligence the next step is to develop a win strategy. A win strategy is a collection of messages or talking points designed to guide the customer's perception of you, your solution, or your customers.

Perhaps one of the best ways to graphically depict the elements of a win strategy is to use the concept of "Sweet Spot" and "Sour Spot" as presented by David G. Pugh, PhD of the Lore International Institute in his article "A Bidder's Dozen: Golden Rules for Winning Work." The SP-SP Model depicts the relationship of your company's strengths and weaknesses to the customer's needs and the strengths and weaknesses of your competitors. The sweet spot is where your company's strengths meet the customer's needs and coincides with your competitor's weaknesses. Conversely, the sour spot is where your competitor's strengths meet the customer's needs and coincide with your company's weaknesses.

Sweet Spot / Sour Spot



Sweet Spot – Sour Spot Analysis
A Bidder's Dozen: Golden Rules for Winning Work
David G. Pugh, Ph.D. Lore International Institute

Sweet Spot / Sour Spot

Client Needs	Strengths /Weaknesses /Strategies	
1. 2. 3. 4. 5. 6. 7. 8. 9. 10. <div data-bbox="260 685 386 806" style="text-align: center; margin-top: 100px;">  </div>	Our Weaknesses 1. 2. 3. 4. 5.	Strategies to Minimize our Weaknesses 1. 2. 3. 4. 5.
	Competitor Strengths 1. 2. 3. 4. 5. <div data-bbox="908 685 1033 806" style="text-align: center; margin-top: 100px;">  </div>	Strategies to Neutralize 1. 2. 3. 4. 5. <div data-bbox="1526 685 1651 806" style="text-align: center; margin-top: 100px;">  </div>
	Our Strengths 1. 2. 3. 4. 5.	Strategies to Maximize our Strengths 1. 2. 3. 4. 5.
	Competitor Weaknesses 1. 2. 3. 4. 5.	Strategies to Ghost Weaknesses 1. 2. 3. 4. 5.

Sweet Spot / Sour Spot

Customer Needs / Priorities	Strengths /Weaknesses /Strategies	
<p>- Program Management -</p> <ol style="list-style-type: none"> 1. Key Personnel / Program Manager 2. Collaborative Partnership 3. Trusted Relationship 4. Responsiveness 5. Flexibility <p>- Operations -</p> <ol style="list-style-type: none"> 1. Complex TECHNOLOGY A Experience 2. TECHNOLOGY B Experience 3. Operational & Functional Understanding 4. Information Assurance 5. Agile Interoperability 6. Secure Remote Access 7. Requirement Management 8. Configuration Management 9. Scalability & Capacity Management <p>- Innovation -</p> <ol style="list-style-type: none"> 1. Data Management 2. Effective Re-Use 3. Secure Mobile Access 4. Business Process Reengineering 5. End-To-End Ease of Use 6. Classified / Unclassified Integrity 7. Best Practices <p>- Cost -</p> <ol style="list-style-type: none"> 1. Cost Realism 2. Cost Profile Flexibility 3. Low / Competitive Cost 4. Cost Disincentives 	<p>XYZ Weaknesses</p> <ol style="list-style-type: none"> 1. Lost RECENT KEY PROJECT for the KEY CLIENT 2. No large scale DoD KEY TECHNOLOGY implementations 3. There was major early negative press on KEY PROJECT 4. KEY PROJECT pales in comparison to CURRENT PROJECT BEING BID 	<p>Strategies to Minimize XYZ Weaknesses</p> <ol style="list-style-type: none"> 1. Message: the KEY PROJECT loss was solely on price and that the labors unions are in an uproar. This will likely be protested 2. Message: despite the loss of the recompute the effort was successful 3. Message: we've learned the lessons from KEY PROJECT 4. Message: though smaller in scope KEY PROJECT is comparable in complexity. CURRENT WORK BEING BID. Further the CM challenges are comparable to those of CURRENT WORK BEING BID
	<p>ABC Strengths</p> <ol style="list-style-type: none"> 1. Very strong CLIENT story 2. Delivery excellence 3. Price – ABC can be very competitive 4. ABC has assembled of former staffers who have a considerable depth of program knowledge 5. Formidable teaming partners 	<p>Strategies to Neutralize ABC Strengths</p> <ol style="list-style-type: none"> 1. Message: ABC key staffers are mired in the past. ABC is overvaluing legacy knowledge 2. Message: ABC has delivered on smaller efforts. Nothing the size, scope, and complexity of CURRENT WORK BEING BID 3. Message: the ABC team is the riskiest team in the competition – too many big players with too little experience working together
	<p>XYZ Strengths</p> <ol style="list-style-type: none"> 1. We have done this before – RECENT KEY PROJECT 2. End-to-end organic capability 3. Relationship with KEY TECHNOLOGY PARTNER 4. Key support contractor for the KEY STAKEHOLDER 5. We can optimize the software for implementation into the cloud 	<p>Strategies to Maximize XYZ Strengths</p> <ol style="list-style-type: none"> 1. Influence the RFP: ensure that international PP quals are allowable 2. Influence the RFP: push for higher scoring for cloud capability 3. Influence the RFP: push for higher scoring for demonstrated KEY STAKEHOLDER experience 4. Influence the RFP: PP of similar size, scope, and complexity
	<p>ABC Weaknesses</p> <ol style="list-style-type: none"> 1. New, large team – how will ABC manage this group (RISK) 2. ABC lacks CAPABILITY presence, experience 3. No large KEY TECHNOLOGY implementations for CLIENT 4. Quals not specific to this domain (nor size) 	<p>Strategies to Ghost ABC Weaknesses</p> <ol style="list-style-type: none"> 1. White Paper: how to mitigate the failure of PREDECESSOR EFFORT stressing the benefits of organic, end-to-end capability 2. Message: a smaller SI cannot manage a job this large



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Thank You!

Feel free to contact me at:

Geren Williams

Vice-President of Capture Management

CACI, INC.

240-381-9695

gerwilliams@caci.com