



Tendering and Bid Writing Workshop

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Introduction to Workshop

- **Who are we?**
- **Who are you?**
- **What are your expectations?**

Who are we?

- We are a consortium of Procurement and business growth experts.
- We help SMEs to win business through bids: more than 80% success rate.
- Our clients have won £5 millions of which £2 millions was won back on appeals

Who are you?

- **In 30 seconds....**
- **Your name**
- **Company name**
- **Nature of business**
- **Experience of bid writing (Low,Medium,High)**
- **What you are expecting from today**

Agenda

1. TENDERING OPPORTUNITIES
2. ARE YOU “READY” TO BID?
3. 10 GOLDEN RULES

TENDERING OPPORTUNITIES

The public sector and small business

- **Government agenda - to encourage SMEs**
- **Making the business case:**
 - **Smaller supplier Better value? OGC**
 - **Innovation**
 - **Better service**
 - **Contribution of small businesses to UK economy**
- **Local Communities & local multipliers**

Typical opportunities – Creative Sector

Typical opportunities

Recently advertised on CompeteFor or South East Business Portal

- Design and build of corporate brochure/ presentation CD
- Supply of event props
- Product brochures
- Speech writing and other copy
- Corporate stationery
- Corporate signage
- Corporate web site / Ecommerce
- Corporate clothing
- Media buying and planning
- Secure web hosting
- Promotional literature
- Exhibitions design
- Event management
- Web based video management
- Design, print & distribution services
- Vehicle graphics
- Photography
- Aerial photography
- Site progress photography
- Location photo shoots
- Large format graphics
- Film production services
- Magazines
- Media training
- Public relations and public affairs
- Media support services
- AVID video editing
- CD/DVD Packaging

**ARE YOU READY TO
BID?**

Are you Bid-ready?

- **Policies**
- **Insurances**
- **References**
- **Finances**
- **Willingness...**

Are you Bid-ready?

Policies

(i) Health & Safety Policy

(ii) Equal opportunities Policy

(v) Quality Management Statement (QMS)

(iv) Environmental Policy

- *What others can help to differentiate you?*
 - *Diversity Policy*
 - *For importers: Ethical Sourcing*

Are you Bid-ready?

Insurances

- **Professional Indemnity** **£1 million**
- **Public Liability** **£5 million**
- **Employers liability** **£10 million**

- *Any others?*
- *What if you are bidding as a consortium?*
 - Joint and Several Liability : reduces the Risk for procurement managers.

Are you Bid-ready?

References

- **Difference between Reference and Testimonial**
- **What do you need for a Reference?**
- **What do you need for Testimonials?**

Are you Bid-ready?

Financials

- **Do you have 3 years accounts?**
- **What can you do if not...**
 - **Provide as much accounts data as possible**
 - **Cash Flow forecast**
 - **Management accounts**
 - **Statement from Accountant**
 - **Bank reference?**

***Are you Bid-ready?* Willingness**

A tender can be a substantial commitment – financially and management of time.

Must allocate resource to the bid process which could potentially include a PQQ, Bid and Presentation.

Many person-days of hard work and possibly direct costs of preparing drawings, printing, binding, courier costs and travelling to give a presentation.

***Are you Bid-ready?* Willingness**

But you also need to be willing to fulfil the terms of the contract ...

regarding delivery of your product or service

– whilst not forgetting your existing clients.....

Completing PQQs

- **What is a PQQ?**

A PQQ is a Pre Qualification Questionnaire.

Completing PQQs

A PQQ serves 2 main purposes:

First it ensures that companies are fit to bid

Secondly it reduces the number of companies actually invited to bid– as it is easier and quicker to evaluate a PQQ than a full tender

Completing PQQs

PQQ's vary in complexity.

We feel that a 4 or 5 page PQQ should be adequate – but some are as many as 50 pages!

However big, the PQQ must be taken seriously. Fail now and you are “out”

Completing PQQs

Some of the questions will relate to policies – which we have already covered in the “Bid Readiness” part of this workshop.

So make sure you have them!

Completing PQQs

Others will relate to financial data and may be difficult to answer.

For example a new company will not be able to produce 3 years accounts. Explain why. Provide what you do have. And – if appropriate – get a letter of support from your bank.

Completing PQQs

There will certainly be some “sudden death” questions. These are generally “yes/no” type questions and if you give the wrong answer you will not succeed with the PQQ!

PQQ EXERCISE

We will now look at a few real questions that have come up on PQQ's in the past month or two.

You can also see the answers that were going to be used.

We will discuss those answers and consider improvements.

Finally we will show the answers that were actually given.

Example One

Question

Please enclose details of any quality assurance accreditation that your company holds e.g. BS EN ISO 9000 or equivalent standard and enclose copies of the relevant accreditation. If no accreditation is held, please attach an outline of your quality assurance policy.

First Answer

We have no quality assurance accreditations simply because we believe that nobody can tell us how to, and at what standard, our products should be made.

Example One

Better Answers

Bidco operates a very comprehensive, and strict, quality control programme that is utilised in every aspect of our business operations. The procedures that we adopt are detailed in a document that we enclose as Appendix One.

We are members of the HVCA (Heating and Ventilating Contractors Association) who have a code of practice and quality manual. As part of our membership of this body we are required to abide by their quality standards and procedures.

Example One

Better Answers - continued

Bidco is at an advanced stage of achieving ISO9000 quality accreditation for our entire range of services and activities, and all of our quality manuals are already in place.

Example Two

Question

It is a requirement of the Framework Agreement that your products and operations conform to Health & Safety legislation. Please explain how you ensure you meet this requirement.

First Answer

No product supplied by us has any hazardous chemicals in them, and therefore it is perfectly acceptable with regards to health & safety.

Example Two

Better Answers

Bidco operates a comprehensive Health and Safety policy (copy enclosed). This policy applies to all aspects of our operation.

Having fewer than five employees we are not legally required to have a comprehensive Health and Safety policy - or risk assessments – in place. However, we take health and safety very seriously and choose to operate a Health and Safety Policy as if we had more than five employees. Our Health and Safety policy is enclosed.

Example Three

Question

Do you have business continuity plans in place?

First Answer

We had a case ones were the quality of the products from one of our off shore factory were not good. Because we have manufacturing capabilities in this country we were able to make the products here.

Example Three

Better Answer

We have a range of business continuity and disaster recovery plans in place. These include data backup to ensure that we never lose electronic data even in the case of total destruction of our in-house IT system (for example in the case of fire). We are able to totally replicate our IT system and restore all data within 24 hours.

Example Four

Question

Does your organisation (not individuals within it) have current accreditation by CHAS or equivalent?

Comment

This was a question on a PQQ for a Domiciliary Care tender. But CHAS only applies to companies involved in the construction industry!

Example Four

Our Answer

Please note that CHAS is specific to the construction industry and is not accessible to any organisations outside this sector.

TEN GOLDEN RULES OF TENDERING

The Ten Golden Rules Of Tendering

1. Before you start typing.....
2. Don't lie!
3. Go through commercial conditions with a fine toothed comb....
4. Timescales
5. Know what your client really wants
6. Know your competitors
7. Plan the bid presentation and make it look good.
8. Spend serious money if working on a serious bid!
9. Don't bid if you can't cope.....
10. Finally – what to do if you don't win.....

1) Before you start typing

Quite apart from the tender documents themselves, there will be some instructions on exactly how the tender should be handled.

Very often this information is only mentioned in the covering letter that accompanies the main tender document.

1) Before you start typing

The type of issues that could be mentioned are:

- Acknowledge of receipt
- The return envelope
- Time limit for questions
- A pre-tender meeting or site visit
- The number of copies of the bid itself

2) Don't lie!

If you don't meet the exact specification given in tender documents – then admit it.

Don't pretend you meet all the requirements if you don't – you will simply get into trouble later.

However, don't simply say “I don't comply” – stress the benefits of your solution.

Alternatively – try to find a Partner who CAN comply...

3) Go through commercial conditions meticulously

Don't cut corners.

If there are many pages of technical or commercial conditions then go through each one line by line and put “confirmed” or “comply” by each one you accept and explain any that you do not or cannot meet.

This will save you problems in the future and will also demonstrate to the client that you have taken the bid process seriously.

4) Timescales

Many official tenders – particularly in the public sector – will have very tight deadlines.

Sometimes they will only give a few days to prepare the bid itself and will then promise to make a decision quickly and – in turn – place an order very quickly.

Invariably their side of the bargain does not happen!

4) Timescales

So don't be bullied into accepting a risk on materials cost and exchange rates based on the assumption that everything will be settled in a few days.

Make it clear that your price and delivery schedule will depend on the client meeting his own deadlines.

4) Timescales

Tied into this is the issue of penalty payments for late delivery or failure to meet specifications.

Do not accept unrealistic penalty clauses.

(These are typical in the construction industry)

5) Know what your client really wants

You must understand the tender documents.

If you don't understand – then ask.

Getting it wrong may mean you are too expensive - but winning the job and not understanding what is really required - could bankrupt you!

6) Know your competitors

If you really know your competitors you highlight their weaknesses to your benefit.

Don't "name and shame" - but if they have a weakness then stress your strength in this area.

If they have a strength, then explain why your way is better.

7) Plan the bid

If the bid is substantial then plan the presentation of documents before you start.

You may need to present special drawings or plans so consider reserving some Drawing Office time in advance.

7) Plan the bid

Don't merely fill your presentation with photocopied brochures. If they are relevant then include them – but NEVER use photocopies – even colour ones.

You may want to incorporate 2 or 3 technical or commercial options and alternatives – make sure that this is obvious to the client.

8) Serious Bids cost Serious Money

If it is a big project then expect to spend serious money on the bid itself.

The London 2012 Olympic Bid (which was actually a response to an RFP) cost more than £80 million.

Whatever some may say it is a £20 billion project!

9) Don't bid if you can't cope.....

Many companies have been bought to their knees by successfully bidding for big projects.

They may have missed commercial or technical issues in the tender document.

They may not be able to actually raise enough money to finance the project.

9) Don't bid if you can't cope.....

They may simply be unable to cope with the size of the project or could have underestimated the costs.

They may have a client who goes bankrupt on them.

9) Don't bid if you can't cope.....

Making more of a product does not necessarily reduce unit costs.

There come “break points” in manufacture where you may need to invest in another production line or even factory.

You may need to employ specialist project managers or pay higher salaries to attract more staff.

10) If you don't win.....

The other issue is influencing the specification of a future project.

By entering a non-compliant, yet financially interesting, bid there are several potential outcomes.

The whole tender may be cancelled, the specifications changed, and then the tender re-opened.

If it is a multi-stage project, your specification may be very seriously considered for the next phase.

The following factors can also influence the final decision...

- Professional presentation
- A demonstrable understanding of the clients needs.
- Service and reliability of the product offered.
- Innovation – or the opposite (tradition)
- Quality (sometimes Added Value)
- References
- Client trust and personal relationships

Way Forward – Action Plan...

- **Here are some ideas...**
 - **Is this for you?** - Be honest! Work with others?
 - **USPs** – Can you offer anything special?
 - **Looking for opportunities** – where?
 - **Deciding which tenders** – how evaluate them?
 - **Do you need help?** – e.g. writing winning bids & PQQs

Finally... How we could help you

- Practical people – hands on
- Track record of successful bids
- We actually enjoy sharing our experiences and helping others to win business
- We present tendering and bid writing across the UK and further afield.....

LET'S GO FOR IT!



For further help with:

- Procurement strategy
- Writing winning bids
- Marketing yourself
- Presentation skills
- Project management
- People development
- Business systems & financial control

Contact details:

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