

# How To Lose

*(Eliminating reasons for losing as a step toward winning)*



## HOW TO LOSE

This may sound odd, but when you write a proposal, understanding how to lose a competitive procurement can help eliminate the reasons for losing. Once they are eliminated, you are on your way to a stronger strategy for winning.

To get there, you should know how decision makers view proposals and how they pick winners and losers. That is, you need to see your prospective client's point of view. To that end, we asked a number of contracting officers in the Department of Defense to identify some of the more common reasons why proposals lose. Our questions focused on four areas:

1. Initial evaluation of all proposals
2. Final evaluation of proposals in the competitive range
3. Proposal characteristics that ensure a loss
4. Characteristics of winning proposals

**LOSING QUICKLY AND EFFICIENTLY** - Just to ease your curiosity, contracting officers told us the easiest way to lose is to submit a proposal after the deadline. One minute late will do the job, but if you want to guarantee a loss, submit a few hours late. In days past, we all would blame the mail. Now, you can thank the Internet. As uploading proposals to submit is becoming widespread, many firms have learned that starting to upload too close to the deadline can make finishing on time impossible. The result: They

lose without being read or considered, and they waste significant time and money.

**GETTING ON THE WINNING TRACK** - For both paper and electronic proposals, you should always prepare a formal, written PROPOSAL CREATION AND PRODUCTION MANAGEMENT PLAN, with submittal scheduled at least 24 hours before the deadline. Then **follow the plan** by producing the proposal and getting written confirmation that it has been received on time.

## INITIAL EVALUATION

During initial evaluation, contracting officers select proposals in the competitive range - comparing each one to the RFP requirements. The ones we interviewed cited several reasons for losing, which we broke down into two groups: Administrivia and Lack of Substance.

### ADMINISTRIVIA

Slightly more complex than being late, but still an effective approach to losing early, is ignoring directions or requirements. Examples include:

- Exceeding page limits
- Using the wrong font
- Not complying with page margin requirements
- Missing parts or parts in the wrong section

Following directions is important to Source Selection Evaluation Boards (SSEB) for at least two reasons.

First, inability to follow directions raises doubts about your performance as a contractor, increasing the government's risk. Second, awarding a contract based on a proposal that did not follow simple and basic instructions could be the basis for a successful protest. Contracting officers do not like successful protests because they can reflect poorly on their performance and even damage their careers.

### Page Limits

**Lose** - Exceed the page limits and the extra pages will be removed and disposed of, or only the pages within the limit will be evaluated. The SSEB may declare a proposal non-responsive if it exceeds page limits. That finding eliminates a proposal from consideration, and you've lost.

**Win** - Fit all the important information the SSEB is to evaluate within the page limit. We have found two approaches in widespread use:

#### Method One

Read over the RFP and start writing the proposal immediately. Write a complete first draft all the way through and then edit down to the page limit. But that's the hard way.

#### Method Two

Meet page limits by outlining five iterations before writing.

- **Outline Iteration 1** - Based on Section L of the RFP.
- **Outline Iteration 2** - Evaluation factors of Section M integrated into Outline Iteration 1.
- **Outline Iteration 3** - Section C. Scope of Work elements to be addressed integrated into Outline Iteration 2.
- **Outline Iteration 4** - All other RFP requirements integrated into Outline Iteration 3 and assign page limits to each outline element. You now have the RFP-based outline.
- **Outline Iteration 5** - Bullet points of all data, features, factual information, illustrations, graphics, tables, examples, anecdotes and

other pertinent and relevant information integrated into Outline Iteration 4. You now have an annotated outline that includes your win strategy.

Now, with Outline Iteration 5 thoroughly prepared, you know what you have to write and you know how much page space is available for your text and graphics. From here, writing to the page limit is easy.

### Font Type and Size

**Lose** - Absolutely nothing can be gained by using a font size too small for the SSEB members to read comfortably or that is different from the RFP requirements. ( Note that font sizes often apply to graphics as well as text.) Do so and you've invited a lower evaluation or even a finding that you're non-responsive.

**Win** - Resolve the font type and size (meeting Section L requirements) before starting any outlines or drafts and use them through all iterations, drafts and the final proposal.

### Margins

**Lose** - Most RFPs specify one-inch margins for all four sides of the page. Page headers and footers may be in the margin. Reducing the margins and squeezing more text on the page can lower the evaluation and could eliminate your proposal from the competitive range.

**Win** - Develop a company standard proposal page template that complies with common RFP requirements and modify it only as needed for each proposal.

### Missing Parts

**Lose** - We had one new client blame a proposal loss on pricing that was too high. Then he showed us the proposal and we found eight instances of a paragraph header with no text below. They had done a good job with the RFP-based outline, but had failed to present all the details required. So price was not to blame. They lost because their information was incomplete.

**Win** - See the second method in the previous section on page limits. Prepare a bullet point outline of every



point the proposal will present for each evaluation factor or criterion. Describe evidence to be included such as data, photos, drawings, analyses, tables, process diagrams, etc. Only after the outline has been thoroughly prepared and reviewed should you start writing the first draft.

### LACK OF SUBSTANCE

Contracting officers evaluating the substance of proposals frequently find the following reasons for determining a proposal is out of the competitive range:

- Major deficiencies
- Not understanding the requirements
- Unacceptable technical approach or inferior technical proposal
- Lack of coherence (or “cross-walk”) between technical and management proposal and price
- Risk concerns created by a price that is too low
- Weak past performance

### Major Deficiencies

**Lose** - The difference between “missing parts” and “major deficiencies” lies in the proposal’s approach to an evaluation factor. Failing to address it at all or doing so superficially; platitudes such as “uniquely qualified, world-class”; inadequate supporting evidence; or irrelevant material are likely to be major deficiencies. One or more major deficiency can eliminate a proposal.

**Win** - Robust responses to evaluation factors are critical. We saw a case in which two proposals had reached the final competitive range. Both had excellent text descriptions of a work assignment process, but one also included a clear and well-developed process-flow diagram, which turned out to be the tie-breaker. One helpful technique is to subject the presentation to a “Who? What? When? Where? Why? and How?” cross-examination aimed at clarifying the text and inserting illuminating graphics.

### Understanding Requirements

**Lose** - Do not meet with decision makers and influential persons in the prospect’s organization before the RFP is released. Rely only upon the RFP to understand the requirements.

**Win** - You should do your research beyond just reading the RFP. The key to understanding requirements is in the actions you take before the RFP is released. Talk to people in the prospect organization before the RFP is released to understand their objectives, challenges, concerns and preferences.

### Technical Approach

**Lose** - The contracting officers we talked to cited “technical approach” as a common reason for losing, but did not go into much detail. However, we have seen proposals lose, thanks to this single factor. One way to lose on Technical Approach is to adhere to a wrong-headed rationale; “We are experts in this field. The government doesn’t know what it really wants. Forget the RFP; we will propose what we know they really should be getting with this procurement.” Literally dozens of times, we’ve seen proposals where the capture manager/project manager took this position and lost.

Even if there are cases where the government actually does not know what it should procure, that doesn’t change the fact that being technically right and not responding to the RFP as written -- but as you think it should be -- is a sure loser.

**Win** - The technical approach must respond comprehensively to the RFP requirements, period.

Address each and every aspect of the RFP and be sure to not simply regurgitate the RFP requirements.

### Technical, Management and Price Coherence

**Lose** - Often at least three authors working independently fashion their own proposal: technical author, management author and price



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author. But if the results are too independent, the proposal will lose. The government views lack of coherence or contradictions between the sections as increased risk, lowering the evaluation.

**Win** - Every technical project, whether for service or product, has a process or “work breakdown structure” (WBS), or some sort of step-by-step methodology to achieve the objectives. Once you’ve defined that WBS or process in the Technical Proposal section, use precisely the same definition in the Management and Price Proposal sections.

### Price Too Low

**Lose** - Contracting officers are trained to define the competitive range by two variables: cost and performance. Cost is defined by the highest price the Government can afford to pay (the high end), and the price the Government wants to obtain (the low end). When a price is proposed that is lower than the Government’s lowest price objective an analysis is often required to find out why the proposed price is so low. In this analysis, the Government is likely to be suspicious that the price contains serious errors, is too low to achieve the required performance, or is intentionally “low-balled.” These suspicions, if substantiated, may lower the evaluation or eliminate the proposal from consideration.

**Win** - Submit a price that is realistic and provide the evidence to prove that it is indeed realistic.

### Past Performance

**Lose** - Present projects that are vaguely relevant and/or were active more than three years ago; were led and performed by key personnel other than those in the current proposal; were managed by a contracting officer or program manager with whom there has been no recent communication; and/or that had significant performance problems. Submit projects by subcontractors with the same features.

**Win** - Contact the government contracting officer and/or program manager who were responsible for the project you are citing and offer to send a copy of the project presentation to be included in the proposal. Ask what the nature of their comments will

be when they are interviewed by the SSEB. In the presentation, explain why that project is relevant to your current proposal, comparing the RFP scope of work, complexity, duration or other aspects. Link each past project to the personnel in your current proposal when possible. Include any documented performance evaluation from the government. Make sure any subcontractor projects being presented have the same features.

## Final Evaluation – Proposals in the competitive range

During initial evaluation, the selection process compares the proposal to the RFP requirements. After proposals have been picked for the competitive range, the focus shifts to which one can deliver the objective performance at the lowest cost and with the least risk to the government. In other words, proposals in the competitive range are compared to both the RFP and to each other.

### Low Technical/High Price

**Lose** - A proposal with the lowest technical score and the highest price is likely to be deleted early as it is likely to be seen as increasing the Government’s risk.

**Win** - Present a proposal with a competitive price that will get a high technical score. Explain -- in detail with factual support -- why your price is realistic and reasonable. Best value is defined as achieving the Government’s objectives at the lowest cost. A high technical score that indicates exceptional performance with minimal risk at the lowest cost is the surest way to win.

### Personnel Qualifications

**Lose** - Time and time again, we find highly capable firms proposing to staff projects with a project manager and/or key personnel who have not performed the responsibilities assigned to them in the proposal, or do not have all the required qualifications. If the RFP asks for six years of similar professional experience and the proposal presents a candidate with five years and ten months, the proposal will be evaluated down. Large firms sometimes present the past performance of their Southeast Division and the



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key personnel of their Northwest Division. No matter how well it's disguised, an astute SSEB will see through that and score the proposal down.

**Win** - Years ago, a contracting officer for the Army Corps of Engineers wrote an article about the three most important factors in a successful government contract proposal:

- **Firm** - A firm that has shown it can deliver the objective services and/or products.
- **Projects** - Recent and relevant projects by the firm to demonstrate that capability.
- **People** - The people proposed for this project are the same ones who performed those projects (and also meet all the RFP requirements).

Winning submissions often include key personnel who worked on the projects in the Past Performance section. And, of course, they also meet the RFP's personnel qualifications requirements.

## Coherence of Technical, Management and Price Proposal Sections

**Lose** - For most any significant procurement, the SSEB will cross-walk to the Technical, Management, Key Personnel and Price Proposal sections. Glitches, inconsistencies and lack of coherence between them will sharply lower the evaluation by increasing the perceived risk to the Government.

**Win** - Proficiency in preparing resource- and cost-loaded integrated master plans or schedules should be a strength of any firm competing for government contracts. They are powerful tools for ensuring coherence and well-documented support for a realistic price. They also provide the basis for Earned Value contract performance.

## Past Performance

**Lose** - Rely on the SSEB's interview with the contracting officer or program manager to explain the relevance of past projects to the RFP and to remember details about the contractor's performance.

**Win** - Communicate with the past project's contracting officer and program manager. Review with them the performance highlights of the past project, the key personnel on that past project who will also be presented in the current proposal, the RFP requirements for this proposal and the relevance to the past project. Rewrite the information available in company files for the past project to link with the relevance of the RFP requirements. Finally, provide a copy of the past project presentation to the respective contracting officer and/or program manager.

## Inadequate final revisions

**Lose** - In some procurements, the government will request clarifications, issue interrogatories, ask for a best and final offer, or initiate formal negotiations. In most such cases, the government wants to improve the proposal. The way to lose is to hold your ground; that is, don't change the substance of the features under discussion. Assume the SSEB did not read carefully enough or could not understand the proposal, and restate the questioned feature unchanged. You will lose.

**Win** - One of our managing partners received an interrogatory on a proposal being evaluated. His team answered by making significant improvements to each feature being questioned. Years later he found out that the buyer used a 100-point scoring system and that before the interrogatory his proposal was in third place, 7.5 points behind the leader. After he answered the questions, his proposal grabbed first place, 1.5 points ahead of the second-place proposal. The result was award of a \$168 million contract.

## Pricing Errors

**Lose** - Do not use the price forms or tables provided in the RFP. Prepare the price presentation the way you think makes sense and omit information you think the government does not need. Or leave some of the price elements or lines blank without explanation.

**Win** - Complete the pricing presentation precisely, using the forms and tables specified in the RFP, and explain the basis for each item in the price build-up.



## WHAT CONTRACTING OFFICERS WANT

### Losers

Proposals with a low, or the lowest, technical evaluation or score are very likely to lose regardless of their price. A low price will not offset a low technical evaluation in most procurements.

### Winners

From the proposals that make it into the competitive range, contracting officers are most comfortable selecting the one with the highest technical evaluation and the lowest price. A higher price can win when the technical proposal clearly presents a compelling rationale for greater value.

## ClientView Comments

The reasons for losing presented here occurred very frequently in proposal evaluations according to the contract officers we interviewed. As you may have concluded, most of these can be easily eliminated by careful proposal drafting and final editing. This of care may save your company a great deal of money. We have seen proposal investments from as low as about \$5,000 to well above \$2 million with most in the \$40,000 to \$120,000 range. Proposal investments should not be wasted funds. For most government contractors, we believe that proposal investment is the largest and most important investment made to grow their companies. It is disturbing to see that investment wasted on proposal with errors that can easily be avoided.

Obviously, a successful win strategy requires much more than eliminating errors in proposal creation and

Note: This document does not in anyway represent or present any government-sanctioned or approved information and it is not a comprehensive survey of a majority of contracting officers. It does include observations compiled from the verbal comments from more than 50 contracting officers and the opinions of ClientView's managing partners.

*ClientView LLC is a business development firm providing executive-level business development consulting to companies that sell products and services to the federal government and commercial customers. Our services include strategy development; marketing, positioning and proposal training; capture planning; and proposal creation and production.*

production. Effective business development requires:

- **Sharply focused and sound annual business strategy**
- **A business development management system that filters opportunities to apply revenue growth investment wisely**
- **Market positioning and capture plans that establish a foundation for creating a winning proposal**
- **Compelling proposals that clearly establish your firm as the best choice for the contract**
- **Consistently high levels of responsive contract/project performance**

While only the fourth of these five deals with the actual proposal, it is a very sad situation when all of the effort in the other four are diminished by foolish proposal errors that could have been eliminated. We hope this volume of ClientView Conversations helps your firm eliminate proposal errors.

ClientView collaborates and works with clients in all five of the above listed business development areas. Our objective is to assist our clients in the establishment of consistent, long-term revenue growth based on an in-depth and continuously improved understanding of their customers' point of view, objectives, and challenges.

