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Are proposals landing business or just draining resources?

Denver Business Journal - by [Garry Duncan](#)

This looks great! Give us some time to review this and we'll get back to you." How many times have you heard that? If you're like many business developers, you may hear it far too often.

Writing and developing proposals can be one of the most costly and resource-consuming activities for salespeople and their organizations. One specialized professional services firm estimates its average proposal costs nearly \$75,000. That number exceeds what the average proposal costs. But if lost time, productivity and opportunities are considered, you may approach that number.

Asking for a proposal is one of the oldest tricks in the book to get rid of salespeople. However, it's important to recognize many prospects ask for proposals, not to waste your time and resources, but rather to gain information, pricing and comparisons without a significant investment of time on their part.

When asked for a proposal, keep in mind these simple points:

- Qualify your proposal requests. What solution are they looking for? What is the expected date for a decision? Who will be making the decision, and on what criteria?
- Does your product/service match the prospect's needs? Does it save time, money and resources? Does it deliver a solution?
- Proposals don't sell. People sell. Present your proposal in person whenever possible. This way, you can get feedback on each element and offer to make adjustments when needed.
- Proposals in less-formal selling situations should confirm verbal agreements from previous discussions. If possible, go over a first draft with your prospect before submitting your final version. At a minimum, ask prospects what they want to see in a requested proposal before writing it.
- Avoid sticker shock. Your prospect may not know your exact pricing, but it shouldn't be a huge surprise in your proposal. Qualify an estimate or investment range before embarrassing your prospect or yourself.

The number of proposals that don't go anywhere is a measure of how successfully you're qualifying your prospects. The higher the total of wins and losses, the better qualified the prospects are.

For example, a software industry colleague reported that only one proposal in 10 was

successful, competitors won two proposals and nothing happened with the remaining seven. These numbers tell a chilling story. Seven of them went to unqualified prospects. Remember to qualify, qualify and qualify.

When you're comfortable that your prospect has a need you can fulfill and you have identified the decision process and criteria, it's time to invest energy and resources, and put it all in writing. Always try to work from the prospect's point of view. Use their language and terminology whenever possible.

Details help sell, so avoid generalities. For example, saying you'll provide a bound and tabbed manual that includes a maintenance checklist and trouble-shooting guide is more effective than saying you'll provide a reference manual.

Personalize as much as possible. Pictures and graphs communicate and explain detailed and complex ideas. Use call outs, text boxes and other graphics to convey specifics with ease.

Whether or not your proposal is accepted, always ask for a debriefing meeting. It will set you apart from your competition, and provide an in-person feedback opportunity on what prospects liked in your proposal as well as what segments didn't convey the right message.

If your proposal wasn't accepted, this meeting is invaluable to you from the standpoint of future proposal development and is an opportunity to strengthen your relationship.

If you won the proposal, a debriefing meeting may help reproduce success and help you execute a strong implementation plan.

Unsolicited proposals present the dilemma of whether to submit or not submit. Submission may be required to stay on a bid list, but if that is the goal, it doesn't mean an unreasonable amount of time and energy is required when a boilerplate approach may suffice.

Without input into the specifications or the ability to qualify the RFP in a face-to-face interview, the chances for success decline dramatically.

When considering unsolicited proposals, review the competition and the nearness to your ideal client, and assess the value of the contract with the time and costs of compiling a response. When multiple vendors are submitting, remember that purchasers often look for reasons to disqualify you on the first round, so adhere to their RFP guidelines.

RFP's can be a lifeline or a huge drain on cash and resources. Identify the exact qualifiers you need before you respond to every request.

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