

PITCHING

THE PROPOSAL

A procurement perspective



StrategicProposals
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Pitching the proposal – a procurement perspective

Understanding the buyer is at the heart of our approach to helping clients to win business. Many of our team started their careers in procurement – and we research buyers’ views of bidders on a regular basis.

We’ve had the pleasure of working for many years with two gurus of the procurement world, Steve Mullins and Michael Whitby. So we asked them to share their **perspectives on the bid / proposal presentation** – sometimes known as the ‘pitch’ or ‘interview’.

We hope you’ll find their insights and advice useful in refining your approach to this critical stage of the bid!



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1. About the authors

STEVE MULLINS

Steve's illustrious career includes roles as Head of Procurement for Telehouse International, Director of Supply Chain for GATS (a division of Macquarie) and Head of Procurement and Director of Group Strategy for NatWest.



Steve also spent 11 years as Group Managing Director of one of Europe's leading procurement consultancies. He served as non-executive chair of the Strategic Proposals board from 2008 to 2014, and subsequently as Emeritus Director of our business.

MICHAEL WHITBY

Michael has had a distinguished career at the highest levels of the procurement. Past roles include:

- Group Supply Chain Director – BAA
- Global Sourcing Director – Reuters
- Sourcing Director – Barclays Bank
- Group Sourcing Director – Lloyds Banking Group
- European Sourcing Director – Best Buy Europe.



Like Steve, Michael is a Fellow of the Chartered Institute of Procurement and Supply.

Steve and Michael worked on this paper alongside Jon Williams, UK managing director of Strategic Proposals.

2. Pitch approach pre-requisites

Here's our list of the key things you need to do thoroughly before you start developing your pitch:



1. Research the evaluation panel / attendees at the pitch.

2. Understand each panel member's:

- business requirements, and success measures / factors
- skills and knowledge levels
- role, power and influence
- motivations
- hot buttons
- organisational and political positioning / alignment
- preconceptions
- current engagement (if any) with incumbent supplier, other short-listed suppliers and the selling organisation.

3. Understand whether this will be a procurement-led or a business-led meeting – and the proposed approach and agenda.

4. Work out where the customer organisation is on the procurement maturity curve and what their forward plans are for procurement. As a consequence, clearly understand exactly what the customer requirements are – and are not – and what the key assessment criteria will be for the supplier award decision.

5. Therefore, assess which procurement approach and process is being used and why, and evaluate what that means for the response, role, purpose and significance of the proposal and the pitch.



If you've not done this properly before coming in to present, you shouldn't come in. (And, at the same time: if you've not done this properly, we'd wonder how your written proposal could have been produced credibly in the first place!)

3. What does procurement look for in a pitch?

THE PITCH TEAM:

Here's our checklist of what we see in the best teams that come to present:



All supplier team members have a clear purpose and role – no non-contributors. Specifically avoid including otherwise-senior rankers who are simply there to 'wave flags and medals'



The supplier team readily understands the business needs and can focus on and articulate specific responses and supporting details



Each member demonstrates immediate credibility when speaking



Everyone separately and collectively talks the customer's language in terms of the articulated business needs



Respond to the customer's questions and points – being confident and creative in their responses



Demonstrate that they have real authority (e.g. can adjust elements of the offer on the spot in response to developments in the room and provide clarity on the robustness and do-ability of these changes).

YOUR CHOICE OF DELIVERY MEDIUM / TECHNOLOGY:

We've lost count of the number of times we've seen death by PowerPoint. Likewise, we've seen too many teams arrive with unpolished material that looks more suited to an informal internal working session than to a client pitch:



Base your decision here on your understanding of the culture and preferences of the customer organisation and evaluation team.



In terms of presentation medium, there's no single answer. Some still like PowerPoint; some prefer no words and others demand strongly wordy, almost report-like, slide decks. Some like more 'advanced' tools like Prezi. Others are attracted to a conversational style from a credible team of subject matter experts, supported as necessary by impromptu diagrams on a flipchart.



Some customers like pitches to be augmented by glossy carefully branded takeaway documents; others say that they never read them and tend to leave them in the meeting room and see them as an unnecessary and wasteful cost.



Whatever you choose, make sure it's the medium that will best help you to establish rapport with this group of decision-makers for this opportunity, to be memorable, and to stand out from the crowd (in a good way!)



By the way, no evaluation panel enjoys sitting waiting for a presentation to start while the visiting team struggle to make sense of seemingly intransigent customer projection technology. The panel would expect the team to have researched this beforehand and to have arranged access to the meeting room in advance in order to make sure everything connected successfully!

AWARENESS OF MEETING-ROOM DYNAMIC:

The best pitch teams understand 'what's going on in the room':



The evaluation team will look for a credible response to its key questions – and that answers provided amplify their understanding of the offer to the extent that a meaningful mark can be allocated.



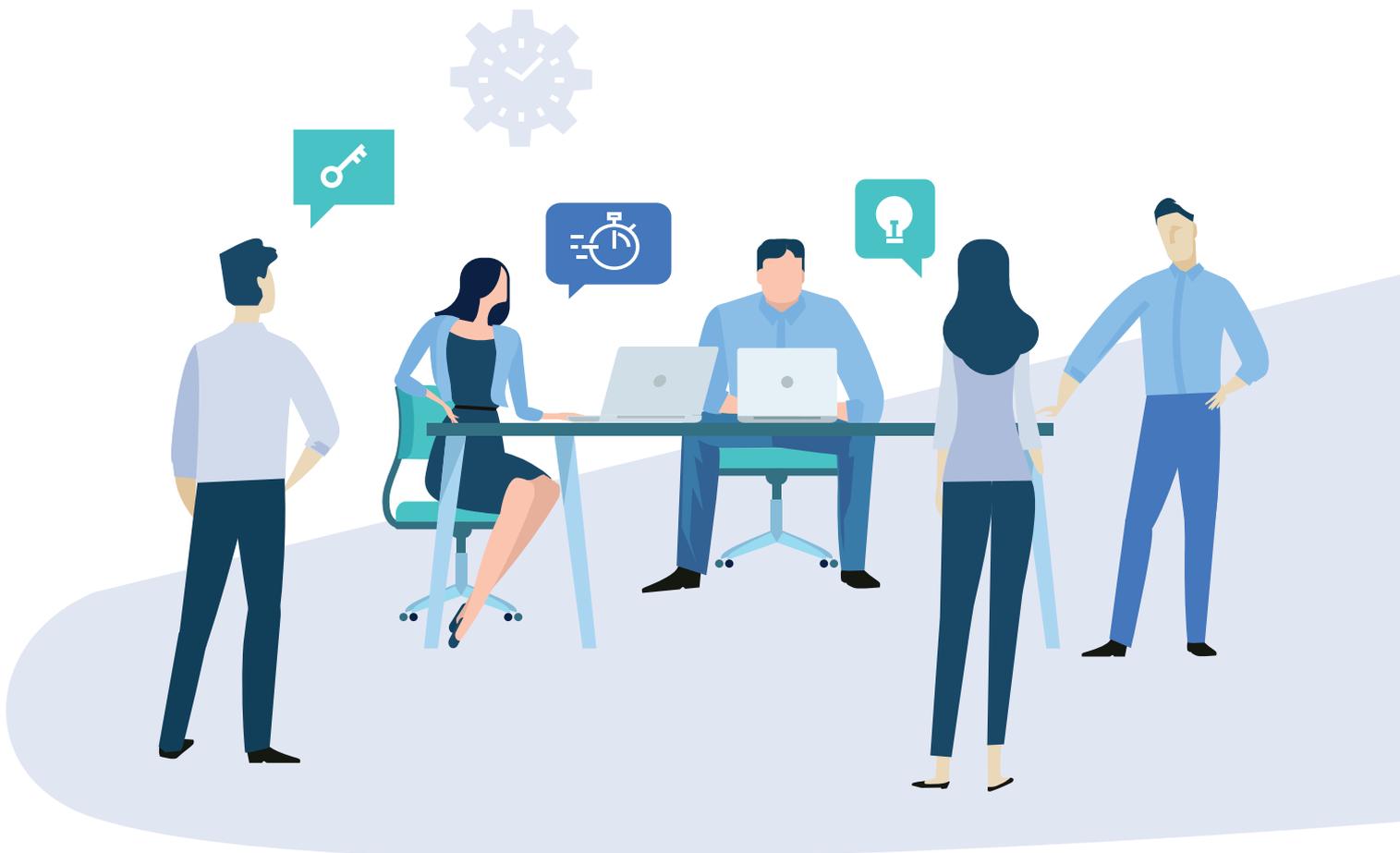
It's critical that the supplier tunes in very quickly to the dynamic in the meeting room and demonstrates the flexibility to respond credibly based on their heightened state of awareness of that dynamic.



Particularly, the panel will look for the supplier to engage effectively in the Q & A session, listening carefully to the issue behind the question, and having the authority to respond with a revised technical or commercial offer as warranted by the discussion on each point.



What is clearly counter-productive is where the presenting supplier is so driven by their own dynamic (e.g. a quarterly sales reporting deadline) that they fail to hear, or acknowledge, the customer's perhaps very different timeline – "You're on a sprint, whereas I'm on a marathon."



4. Buyer activities before and after the pitch

We've talked about how we expect you to prepare. What will we do on our side of the table before and after you meet us?

HOW THE CUSTOMER PANEL WILL HAVE PREPARED

You can expect that any reasonably organised panel will have:

-  Been briefed by procurement on the stage of the procurement process, and the role and purpose of the supplier sessions in that process
-  Been provided with a summary overview of the shortlisted bids including highlights and concerns – although not necessarily that all present will have read the proposals in full
-  Given a rationale for why each participant had been shortlisted
-  Pre-met in order to discuss key points and risks that the panel have identified – and to pre-prepare and then allocate key questions for each bidder based on the evaluation elements of the proposal for which they are responsible
-  Determined who will chair / facilitate the sessions and who will play other specific roles during them.

WHAT THE PANEL WILL DO AFTER THE SESSION

-  Soon afterwards, the panel will meet for a wash-up session – typically, led by the facilitator summarising in terms of, 'what did we see, what did we hear'.
-  The panel will debate and reach consensus on each evaluation point in turn, then confirm its final scoring for each.
-  Any areas for final negotiation will be identified and responsibility allocated.
-  Post final negotiations, the panel will agree the format and content of any papers that must be submitted for governance purposes.
-  The above is increasingly the subject of detailed documentation as a credible audit trail is required for major procurement decisions by more and more regulators and auditors.

5. The best of pitches, the worst of pitches

We asked Steve and Michael to share their favourite war stories from sitting on the procurement side of the pitch process.

CASE STUDY 1

CHANGE MANAGEMENT SERVICES

THE BEST!



A number of years after appointing a small panel of consultancy firms to provide a bench for some specialist consultancy support, the business required confirmation of the commerciality, quality and robustness of the service as it considered the next three-year term. It's important to note that we were worried that this was a sector of a market that was seen to be rising and at full capacity.

It was agreed that the procurement team should evaluate the market and determine whether any alternatives were available. As a result, two new consultancy firms expressed strong interest and, following an RFI / RFP process, shortlisted suppliers were invited to present.

At this point, the new player in the shortlist grasped the nettle of transition complexity, presenting entirely plausible arguments as to how this could be managed. Additionally, as a new entrant, they played in a more marginal costing approach to the pricing of 'bench' specialist consultancy resources and agreed to hold that over the long term.

When we challenged them in the Q & A session, the supplier team demonstrated that they had both strong listening skills and robust enough authority, such that they could hear clearly and then respond decisively to the customer's perspectives and provide the required comfort on the challenges of transition and ramp up to a new supplier in a business-critical process.

They were therefore able to work with us during the Q & A session to innovatively refine their proposition in line with their emerging sense of what would really benefit us.

As a footnote, the previous incumbent's narrative during the debriefing was that they had seen the relationship as, "Too strong to break", and that their expectation was that the customer would, "Do some sabre rattling before deciding to stay put."

KEY LEARNING: prepare for the Q & A session and respond with insight and authority.

CASE STUDY 2

IT SERVICES



THE WORST!

Our project team had agreed on a well-balanced shortlist of two.

This particular bidder's account management and technical support team had done a sterling job thus far. As had been explained to both suppliers, the presentation process was tightly choreographed with a fair time allocation but no margin for slippage.

The supplier's CEO / owner decided that the prospect was strategic and inserted himself into the final presentation team roster. He decided to lead for the supplier and, adopting a very personal 'fireside' manner, described the origins of the business, how he had grown it, how successful it was, etc.

Customer questions were addressed superficially as he waxed lyrical in his reminiscences. As time progressed, a ten minute warning was given – and when time was up, the facilitator announced that the session was over.

The CEO indicated that he hadn't finished delivering what he had prepared, that he'd come a long way for the session, and that surely there were questions for him. As the meeting broke up, his disgruntled state was clear to all. He later communicated that he felt that his company had been "cut short in order to give more time to the competition".

Their account director opened the subsequent debriefing meeting – after they'd lost – by saying: "You don't have to explain, I know exactly what happened."

KEY LEARNING: this needs to be all about the customer, not all about you – and senior staff can be the worst offenders!

CASE STUDY 3

PRINTING

THE WORST!



Following an acquisition, we found ourselves with an ageing estate of printers, copiers, scanners, etc. – and two incumbent suppliers. So we ran a tender process for 3,000 multi-functional devices (MFDs).

To date, one of the incumbent suppliers had secured its long-term tenure in the business by focusing its efforts at the contract renewal staging, achieving in effect repeated contract roll-overs. Historically they hadn't supported product and service innovation and had failed to deliver agreed year-on-year service and pricing enhancements. In effect, they'd been ignoring our new strategic cost management approach and revised procurement process.

Nevertheless, they survived to the shortlist stage and thus were invited to present. Needless to say, their pitch was bland and relied on their "special understanding" of the customer gleaned over many years of service. They also reiterated their oft-made price promise, akin to 'never knowingly undersold', saying: "We know this is what you always want."

During the Q & A session, we'd tasked one of our panel members with asking a general question about 'innovation' – adding a specific supplementary question about innovation in relation to the 'paperless office'. The incumbent supplier didn't pick up on this cue – although another shortlisted supplier did, and presented a range of credible reference points to where they had delivered substantial customer benefits in this area.

Upon the announcement of their loss of the account, the incumbent sent over a senior head-office executive vice president to the debriefing session. In near despair, as he reflected on his team's performance, he reported that his organisation had delivered several paperless office solutions in the US for similar organisations to ours, and concluded with: "We just didn't listen to you, did we?"

KEY LEARNING: if you don't answer the questions and show that you understand the best of your own company's capability, you're likely to lose!

Research shows that, even if you've submitted a brilliant written proposal, you still need to bring your story to life superbly when you're invited to present to the client. This white paper contains invaluable insights from two hugely experienced chief procurement officers, drawing on over 60 years of combined buying experience. It's invaluable reading for any staff working in sales, bidding or proposal management.

In Strategic Proposals, we love helping bid teams to prepare to pitch successfully – whether or not we've helped them prepare their written proposal. Our proven methodology helps you to plan for the session design and develop your script and supporting materials and rehearse your team. Do let us know if we can help with your next bid!



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