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How to successfully tender for public sector business **By Amanda McDonald, Yes Agency**

More and more agencies are turning to public sector tendering as a solution to the tough challenges thrust upon the industry by the recession. Because, as we all know, troubled times lead to *special measures* (to coin a public sector phrase). On the face of it, public sector contracts are seen as the holy grail of agency accounts. Guaranteed spend. Tick. A commitment to fair play. Tick. Sustained budgets whilst others are squeezed. Tick. And for the benevolent souls amongst us, there's a cause worth working for. Double tick. So, we should all be honing our tender writing skills then. Or should we?

The process of public sector tendering is in fact a double edged sword. On the one hand, to mix the metaphor, it creates a level playing field; a playing field in which small agencies can compete, and win, against the big boys. On the other hand, the competition is an arduous one. There are seemingly endless rounds, each of which requires increasing levels of skill to compete. In some cases, attrition alone dictates who gets through to the final rounds.

There are also many other factors that make the process even more complex. In some cases, there is already a talented agency team successfully working to deliver great results for its client. However, the client is still required to go through the tender process in order to follow due diligence. This means that for the incumbent, there's a long and complicated process ahead to justify a position that both they and their client believe their past performance alone should merit.

For all the other agencies chomping at the bit, the same long, complicated process awaits. However, they will have to be pretty sharp to accelerate up the learning curve in order to demonstrate a competent understanding of the sector. They must also be prepared to throw hours and hours of valuable agency time at the task, when in reality, the best possible outcome might be to ruffle the incumbent's feathers and come a close second.

Then, there are the victories. Some of them pyrrhic. Where a framework is created (as opposed to a single supplier winning the contract), the tender process requires that every agency on the roster must be given a fair and equal chance of competing for the work. This means that even when appointed, the war is far from over. Every subsequent mini competition requires a sophisticated approach; the ability to grasp and answer a brief quickly and effectively, to write a coherent and compelling proposal and, most importantly, to tear your costs to the bone to stand a chance of winning.



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However, once you do win, it's back to the original agency principles of account management. You have to prove yourselves to be effective, deliver excellent results and concentrate on building fruitful client relationships to stay in the game. And the results are plentiful. Not only is the volume of work the available prize, but it's knowing that you're only as good as your last performance. So, when you win, each performance must hit the mark to ensure you are looked on favourably come the next mini competition.

So. Still interested? Well, here are our top tips for successful tendering.

Process is everything.

Much of the PQQ stage is concerned with the processes you operate within your agency. Before you can compete effectively, you need to have water-tight processes on everything from health and safety through to equal opportunities. These can't be intuitively applied either. They need to be documented, measured, rigorously applied and preferably externally accredited. Everything you do within your agency from the way you run your finances to the way you take care of your impact on the environment will come under scrutiny. It has to stand up.

Run a tight ship.

Efficiency is key to tendering success. Even though you know you can add superb value for your prices, it's hard to convey all of these nuances in the sparse context of a spreadsheet. Pricing is king in the tendering world. You have to work hard to offer your most keen, stripped-down price. And, it's worth noting that further skill and management are required to keep to these prices and still make a profit. You also have to cover all the time spent on those unsuccessful proposals too!

Find a way to add value.

Added value is imperative to the tendering process. We all have to identify and flex what makes us unique. The added value you can offer, the essence of what makes you *you*, is what can help you make the shortlist. All government departments have to justify the added value that they bring for every pound of our money they spend. If you can articulate how you can enhance this process, this will certainly give you an edge.



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Answer the question.

This is rather a tricky one for us agency types. Often we like to answer what we think the question should be, rather than the question we've actually been asked. An ITT or PQQ is not the place to deviate from the brief. It's back to school on this one. Answer the question precisely or don't score any points.

Dedicate your best team to the task.

It can be tempting to dedicate a junior person to the tendering task. Whilst there can be a great deal of box ticking that the junior account manager can add, to stand above the crowd you really need to apply intellect, good judgement and sound marketing knowledge. This means, good people. So, if you're going to go for it, go for it and give the team a reasonable amount of time for them to excel. Remember that the procurement team vetting the submissions are looking for anything to weed out a weak proposal. So if you're half hearted, you will quickly get knocked out early on.

Be realistic.

The traditional pitch process already prepares you for a process in which the odds are stacked against you. However, in this process, 'it could be you' would be more reflective of your actual chances. In the tenders we've been going for, the applicants have tended to number 40 for a small contract and upwards of 150 for a larger contract. So, if you're getting into the tender game, be prepared to be rejected. A lot. But don't get disheartened. Every tender lost is a lesson learnt, and a better portfolio of information to apply to the next one. The client is required to give you detailed feedback on your scoring, so use this opportunity to find out exactly why you didn't score as highly as others in each section.

Be discerning.

This leads me to the next point. We've all been drawn to the size of the prize and pitched our efforts towards an often inappropriate goal. If you don't have a proven track record on similar sizes of business, you don't have the requisite team to service the account or you're at the opposite end of the country, it's probably not worth your while. In tendering, every point counts, so if one area of your tender is going to let you down, the rest of your submission will need to be outstanding to compensate. We scored highly in one recent submission in every category except proximity to the client and got knocked out by a small margin. So, unless you clearly understand the weighting behind the scoring and produce a very strong submission across all categories, it's still not going to push you ahead of the other 100+ competitors. It's far better to invest more time on a few tenders that you stand a good chance of winning than tens of tenders that you don't. The key indicators we use to guide us are: agency experience in the sector, size of budget and geographical proximity to the client. If the tender meets two of these requirements, we go for it.



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Be brilliant or don't bother.

The greatest lesson we've learned is that in such a competitive process only the very strong will survive. So, in essence, you have to be brilliant or quite frankly, don't bother. You need to be rigorous and disciplined. You need to apply intellect and marketing know-how. You need to grasp the nub of an issue quickly and respond quickly and comprehensively. You need to articulate your point of view effectively. Both in long-hand in your submission and at presentations if you're fortunate to get through to the final round. So, to be blunt, do it properly, or not at all.

So, to conclude, tendering is hard work but the rewards are fantastic. You learn a great deal and you get to put your skills to the test every day to retain your place and continue to deliver best value. Tendering may be arduous and time-consuming, but it gives everyone a chance to win, regardless of relationship or size. And it allows us, as agencies, to hone down what we do every day. To be quick, efficient and keen. To be at our best, all the time. Which is, surely, a great discipline to adopt.