



Session #5

Creating and Delivering Winning Proposals

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Creating and Delivering Winning Proposals

1. RFP - request for proposal
2. RFI - request for information
3. Proposal - sales proposal
4. SOW - statement of work
5. MSA - managed service agreement

Agenda:

- 3 key elements for every successful sales presentation
- Best practices of proposals
- How to write proposals - option

3 Steps to a Successful Sales Presentation

1. Slide Presentation
2. Proposal Presentation
3. ROI Summary

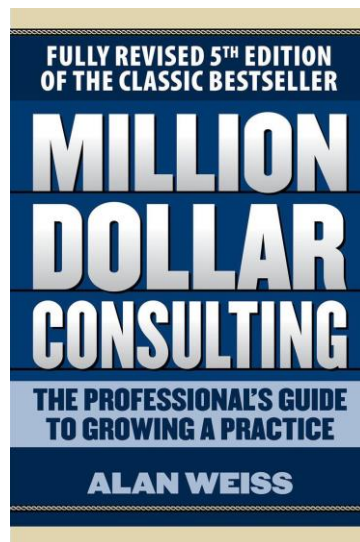
Sales Slide Presentation

- Deliver your sales presentation with a slideshow
- Remind the prospect of their Active and Latent Needs and the Implications of failing to address them and (re-) build Urgency

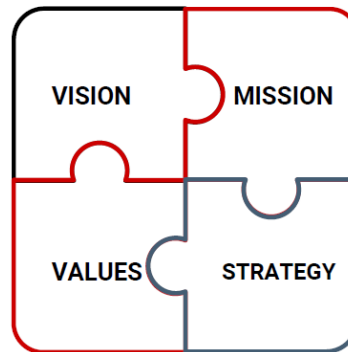
- Offer your Options while guiding your client towards your recommendation
- Overcome Objections and Close

Sales Proposal

- Used to formalize the prospects authorization to buy and confirms the option they have selected
- Written in a manner that reminds the prospect of their current needs and your approach to addressing them, along with pricing for the option selected



Proposal Development Tip #1



- For SMB buyers, focus on Business Outcomes, *Not Technical Outcomes*
- Reflect Strategic Value of your Solutions, not Technical Features
- Illustrate Meeting or Achieving Overall Business or Business Unit Objectives
- Transform Technology Dependent Customers to Technology Strategic Clients

Proposal Development: Tip #2

- Always Place a Copyright and Confidentiality Statement in the Footer of each page of your Sales Proposals “This proposal is confidential, and intended only for Prospect name and company name. Its purpose is to create a strategic business relationship between you and your prospect for the services described herein. It may not be distributed or shared with anyone else outside of prospect name without your express written permission.”

Proposal Development: Tip #3

Always Include These Key Components!

1. Situation Appraisal

Short description of the prospect’s negative situation and why there is urgency for them to address it

2. Engagement Objectives

A business security outcome or result that is to be achieved for the prospect

3. Strategy/Methodology

Brief overview of how you will achieve the Engagement Objectives

4. Performance Measurement

How positive outcomes will be evaluated

5. Value

The Value on Investment (VOI) and Return on Investment (ROI) for the prospect once the Objectives have been achieved

6. Options

Always provide 3 Options to change the buying decision from “Should I Engage?” to “How Should I Engage?”

Always include 3 Options When Bundling

- Adding Value “above the line” Allows Increased Fees “below the line”
- Qualitatively Better, Not Merely Quantitatively Larger
- Escalates Buyer’s Decision to Add More Value (and higher fees) Because of Higher ROI
- You are wedging the prospect with a RANGE

When Presented With 3 Options, Buyers Choose

- Option 1: 15% of the Time
- Option 2: 60% of the Time
- Option 3: 25% of the Time

NOTE: 85% of the time Buyers Choose the 2 Highest Options

7. Timeline or Schedule

The estimated engagement start and duration dates, and if phased, individual forecasted phase start, duration and end dates

8. Accountabilities

The Assigned Responsibilities between the IT Provider as well as the Prospect

9. Fees, Payment Terms & Conditions

First Time Fees are Disclosed

- Investment for Option 1: \$2,400/mo.
- Investment for Option 2: \$3,200/mo.
- Investment for Option 3: \$4,400/mo.

50% on Acceptance, 50% Net 30

5%-10% Discount for Payment in Full on Acceptance***

10. Acceptance

“Your signature below indicates your acceptance of this proposal and your agreement with all provisions and terms specified herein.

The Sales Presentation

This step focuses on the Presentation of the Technology Solution to the potential prospect and usually occurs during the second visit with the prospect. The Second Appointment should occur with all decision-makers present and no later than 7 days from the date of the first appointment. Before presenting the solution to the prospect, the Sales Professional should try to reduce any tension in the room as quickly as possible with a few minutes of Warm Up during this second visit, since the prospect will be anticipating a pricing discussion. Successful execution of the Presentation can help the prospect understand how their specific business issues and pain points will be addressed through the proposed solution and can help eliminate most objections.

During the Proposal presentation phase of the 7 Step Value Based Sales Process, the Sales Professional should follow 3 basic steps when presenting the proposed solution. The three fundamental parts to any presentation of a solution should be:

- PowerPoint Presentation
- Proposal Presentation
- Cost Savings Analysis/ROI Analysis Presentation

It is imperative that the Sales Professional present in a clear, concise, and logical order to eliminate any customer misunderstandings that can lead to sales objections. When presenting to one sole decision-maker the Sales Professional may present the PowerPoint presentation on a tablet device, and the Proposal and Cost Savings Analysis as a printed booklet or handout. This single printed handout should be controlled by the Sales Professional at all times to ensure value can be properly conveyed at the correct time and pace.

The PowerPoint presentation should generally consist of no more than 12 slides and not be overly wordy or technical. The slides should be a combination of bullet points and images that correspond to the information presented. As the Sales Professional is moving from slide to slide, they should incorporate a short story or analogy with each slide that relates to the information provided. For example, if the proposed solution is an “all you can eat” flat rate deliverable, such as Managed IT Services, the Sales Professional can begin the slide by describing an all-inclusive vacation – where the vacationers pay one fee which includes everything, reducing incidental, nuisance costs and providing the peace of mind that comes with the knowledge that everything is covered. The Sales Professional should also take note that while they will be doing the majority of the talking during this part of the sales process, they should allow the prospect to interact in the story when possible (allowing them to share a story relating to an all-inclusive vacation before the Sales Professional begins their story, for instance). The use of storytelling will allow the prospect to visualize the information that is to come.

After the story or analogy helps set the stage for the slide, the Sales Professional should still tie in relevant bullet points on the slide that correspond to the prospect’s specific needs that were discussed in the first meeting. For example, if one of the business issues discussed in the first meeting was the pain of unexpected IT costs, and if the proposed solution was a Managed IT Services Solution, then the Sales Professional might spend most of their time on that slide and its corresponding bullet point. Not every bullet point on every slide needs to be covered, only those that relate to the prospect’s specified needs. The Sales Professional should also make it a habit to confirm the prospect’s understanding of the information presented on each slide before moving forward. Tie-down questions such as *“does this make sense?”* are commonly used before transitioning to the next slide.

After the PowerPoint slides have been presented to the prospect and the value proposition has been successfully conveyed, the Sales Professional should provide a visual depiction of any infrastructure changes that need to take place, as outlined in the proposal. The proposal should be written as simply and clearly as possible and include before and after network drawings or other such images that clearly and easily illustrate changes to the environment. The Sales Professional should not include pricing anywhere in the body of the proposal itself, as it should simply serve as a visual aid or tool to help the prospect visualize changes (a concise quote as an addendum to the proposal is employed to reflect pricing for the solution, which is only revealed during the Close – of your Sales Process).

After confirming the prospect understands the proposed changes, the Sales Professional should proceed to the Cost Savings/ROI analysis presentation.

The Cost Savings/ROI analysis should provide the data to strengthen the prospect's emotional buying decision. At this point in the process the prospect's curiosity around the proposed cost should be very high. The prospect should be thinking "This is perfect for me, but it sounds like it will be very expensive". The Cost Savings/ROI calculation tool should either be an Excel spreadsheet or a purpose-built calculator that can be adjusted if necessary, during the demonstration. This tool should be able to incorporate hard costs such as existing IT maintenance and other costs and allow for the consideration of soft costs such as downtime or existing unacceptable production time that will be improved through the proposed solution. The goal for the Sales Professional should be to get the prospect to agree to the sum of both soft and hard costs, so that when the proposed investment amount is inserted into the equation during the Close, a yearly savings can be computed. In many cases the Sales Professional will encounter a few minor objections after the solution's proposed cost is laid out. These objections can be easily overcome if the Sales Professional adequately positions the value and cost savings data with the qualified prospect.

To ensure that the information presented to the prospect about the solution is properly received, the Sales Professional should always practice their presentation so that they can easily adjust it to align with their prospect's personality type. The Sales Professional's duty during this phase of the sales process should be to clearly and effectively communicate to the prospect a full and complete understanding of what the proposed solution is and how it addresses their specific needs. To achieve this, the Sales Professional must be able to interpret the prospect's body language and verbal communication style to determine if they like to talk and not be rushed during the presentation, or whether they are a "cut to the chase" personality type, where idle banter is looked down upon in favor of facts and figures for a quick decision-making process. The Sales Professional should employ the following strategies to ensure the highest probability of a close after the Presentation:

- Before presenting, ensure all decision-makers are present
- Arrive on time and in professional attire
- "Warm-Up" the prospect before presenting the information
- Keep the conversation as simple as possible (the less technical the better) to ensure complete comprehension in the prospect
- NEVER email the Proposal and Cost Savings Analysis to the prospect – these must be presented in person or shared during a Web conference when an in-person meeting isn't feasible
- PRACTICE, PRACTICE, PRACTICE

KEY ELEMENTS OF A CONVERTING MSP PROJECT PROPOSAL

FOCUS ON VALUE

When writing sales proposals, it's easy to keep repeating that your MSP is the best candidate for the job.

But the proposal evaluators need to know how.

They need to know how hiring *you* will benefit them, as in, what value you'll bring to the company, what costs you'll save the company, and the overall ROI you'll earn for the company.

So instead of offering just hum-drum technical/company details, explain to your clients what hiring you will mean for their business.

For example, if you plan to deploy some very experienced staff members on the client's project, tell the clients so. Also, highlight the cost of hiring such staff if the client were to make in-house hires.

Doing so shows the clients the real value you bring to the table.

You can make your value even clearer with value summaries: Consider adding value summaries to all the major sections of the proposal:

“For example, the value summary for a “Project Team” section may highlight the benefits of your team's unique structure or qualifications and how they'll reduce the risk of project delays, help identify efficiencies, etc. With one or two opening sentences, you've conditioned the evaluator to score the section high.”

OVERCOME THE TOP (POSSIBLE) CLIENT OBJECTIONS

If you've been servicing IT companies for some time, you may have observed a few client objections resurface all the time.

These client objections — when left unattended — become reasons for rejection.

ANTICIPATING THE COMMON CLIENT OBJECTIONS

When you send proposals to cold leads or even when you're simply responding to RFPs, your potential clients are always looking for “reasons” to not consider you. These “reasons” or client objections are of five types:

- **Price** – the client finds your services to be too expensive
- **Need** – the client isn't looking for your services
- **Time** – the client needs more time to decide
- **Product** – the client doesn't think your products or services are right
- **Source** – the client isn't convinced if you're the right provider/company to hire

As the first step toward overcoming client objections, look into your past client interactions and find out the objections that have cost you projects. These are the ones by you need to consider while writing your proposal.

FINDING OUT HOW YOU CAN OVERCOME THE CLIENTS' OBJECTIONS

Once you've found the top client objections you face, it's time to find out how you can overcome them.

For example, if you frequently hear your clients complain about budget issues, look into how you can convince your client better about the ROI they'll gain by outsourcing to you.

Likewise, for each sales objection, map out a few potential ways of overcoming.

ADDRESSING OBJECTIONS RIGHT INSIDE THE PROPOSAL

Let's say you offer to migrate a company's data to cloud. And the primary objection you face is the price of your service.

So, a great way to explain your premium price would be to point out in the proposal how expensive it is to actually store data locally.

You can weave the following points into your proposal:

"How much does it cost your customer to be down for four hours? How much could they be fined if an unsecured laptop containing company and/or customer information was stolen?"

Get the idea?

For each objection, think about how you can tweak your proposal copy and win points instead of losing business.

FOLLOWING UP ON A PROPOSAL

The third and the last step toward presenting a winning sales proposal is following up. Most RFPs give a selection timeline, so you'll know when to expect the results. With such leads, things end with the results. But when you present proposals to cold leads or your other inbound leads, you need to follow up.

A FOLLOW UP STRATEGY

Over 75% of sales require a minimum of five follow ups. And 44% of salespeople give up after just one follow up.

Given the business that follow ups generate, you need a defined following up strategy. In short: You can't just wing it.

You must have an *organized approach is a tested method to successfully follow-up on your sales leads. By setting up metrics, like a [follow up] schedule, you are able to promote, track, and enforce follow-up quotas.*"

So, create a follow up strategy. Ideally, you should include up to 7 follow ups because reportedly most of the business comes from emails 5-8.

Proposal Writing Best Practices

More than a list of accolades, your executive summary should highlight the gap between what the prospective client knows, and what they want to know. In other words, your executive summary should:

- **Explain the Problem/Project** – Explain the problem/project in one or two sentences. Be specific and include quantifiable measurements, if possible. **Ex:** *Schools in this district have had systemic problems with chemically sensitive individuals becoming sick from off-gassing of various commonly used wall and floor coverings.*
- **Describe the Desired Outcome** – Describe what will be different if the problem is solved, the need is fulfilled, or the goal is achieved. Do not provide any details of the solution just yet. **Ex:** *The building we erect will be a model of environmental protection and resource conservation.*
- **Introduce the Proposed Solution** – In a series of short paragraphs, describe your solution to the problem and refer to the sections where that part of your solution is described in detail. **Ex:** *Our firm will use non-toxic, eco-friendly insulation, wall coverings, and floor treatments. We will hire subcontractors*

familiar with the installation of these materials and who pledge to use green building practices. See the Materials page for more details.

- **Illustrate How Your Proposal Overcomes Risk** – Use plain language to describe the risks to your proposed solution and how your firm plans to overcome them. **Ex:** *The installation of landscape watering systems requires the removal of several large trees that will be saved and relocated. The nearby creek will also be preserved and protected. See the Environmental page for more details.*
- **Ask for the Business** – In as few words as possible, describe the decision that you want the executive(s) to make. Be specific. **Ex:** *If you are as excited about our design concepts as we are, then we are pleased to ask you for the opportunity to develop a detailed plan with specific costs, schedules, and lists of subcontractors.*



Writing is such a critical component of the proposal process. Because writing for proposals is different than most other writing, it is important to understand how to craft proposal narrative that will resonate and score well with the evaluators. For example, poorly written proposals can obscure our message and make it difficult for the evaluator to follow our proposal's logic and main points. If we are sloppy and careless in our proposal presentation, the customer can only assume that we will be similarly careless and sloppy in our contract delivery. That's why it's so important to take the time to develop well-written, well-structured proposal responses tailored to the customer and the evaluators. To support this endeavor, it is helpful to

follow common proposal best practices, including writing to the evaluators and putting the customer first, using the Request for Proposal (RFP) language, substantiating claims and quantify where possible, articulating the customer benefits, and avoiding incorrect words.

- **Write to the Evaluators**

When writing proposals, we need to present the information in a way that is easy for evaluators to score. Understand that most evaluators do not volunteer for the job and do not particularly enjoy it. It takes time away from their regular job, so they want to get it over with as quickly as possible. Therefore, we should aim to make the evaluator's job as easy as possible. One easy way to do this is to structure our response to the proposal instructions and evaluation criteria; then map in other requirements as necessary. To further facilitate evaluation, we should include relevant RFP references in our section heading titles; this helps evaluators understand the logic of our organization and map our responses back to their evaluation scoresheet.

It's also important to remember not to omit information because we think the evaluators already know it. Evaluators are bound by law to use only the information contained in the proposal for their evaluation. The one exception to this may be past performance information, where the Government usually reserves the right to investigate the quality of our performance through CPARS, PPIRS, and other Government systems.

- **Put the Customer First**

In addition to writing to evaluators and making our content easy to follow and score, it's important for our content to be customer focused. Two key signs that our proposal writing lacks customer perspective include: (1) the proposal mentions our company or team name more than the customer's name; (2) the proposal is about our company's offer instead of the solution and benefits the customer will receive. A great proposal is about the customer and the benefits they receive from the proposed solution.

One of the easiest ways to make our proposal content more customer focused is to put them first—literally. Instead of saying, "Team ABC's solution delivers a low-risk transition," flip the construction and write, "Customer A receives a low-risk transition with our comprehensive transition approach." The two sentences convey the same overall message,

but by putting the customer first in the sentence, we shift the focus onto what the customer is receiving rather than what we are delivering.

Another easy way to make our proposal content more customer focused is to use the customer's name more frequently than our company or team name. To validate whether we are doing so, we can try this quick test: hit Ctrl-F and search for the number of times we mention our company and/or team name; then search for the number of times we mention the customer's name. We should aim to mention the customer's name more times than ours. If we find that we have mentioned the customer far less frequently, we should revise our text to focus more on the customer and the benefits they will receive by choosing our solution.

- **Use the RFP Language**

We should also strive to use the language in the RFP to make the evaluation easier. For example, if the RFP asks for a Program Manager, we should use the title, Program Manager, not Project Manager. We should also strive to use the customer's terminology and lexicon in our proposal to gain the customer's confidence. By knowing our customer and speaking their language, we demonstrate that we understand them, and we begin to establish trust. What's more, our customer evaluators often do key word searches to find what's important to them in our proposals. To support them in this endeavor, we should make sure all sections include key words from the instructions, evaluation criteria, and the Statement of Work (SOW).

- **Substantiate Claims and Quantify Where Possible**

We should also aim to substantiate all claims, quantifying where possible. Unsubstantiated claims negate the credibility of the proposal response. Instead using empty words such as "high," "numerous," and "highly reliable," we'll want to use quantified metrics instead. For example, rather than writing, "ABC consistently received high award fees," we might write, "ABC consistently received award fee scores between 90 and 95 percent." By adding proof statements as evidence and backing up our claims with facts and figures, we provide the necessary proof to validate our solution with the evaluator. Quantifying our substantiation points can make our content even more credible. However, we should take care not to be too specific: 20% will be perceived with more confidence than 22.4%, which may raise questions of validity.

- **Articulate Customer Benefits**

Benefits tell the customer why they should care about our solution or its features; they articulate the “so what?” Benefits are almost always in terms of reduces cost, reduced risk, increased quality, increased efficiency, increased effectiveness, or expedited timeline. But, it’s critical to remember that benefits should be things that the customer cares about. For example, if the customer doesn’t care whether the transition is completed in five weeks or six weeks, then expedited timeline is *not* a benefit to that customer.

- **Avoid Incorrect Words**

When we’re typing fast and in a rush, it’s easy to use a homonym instead of the word that we really mean. Homonyms are words that that sound alike but have different meanings. Using the incorrect word can jar evaluators, discredit our response, and distract the evaluators from our intended message. Therefore, it’s critical to go through our proposals and check for commonly misused words. Adding commonly misused words to our Wall of Truth and final editing checklist can help ensure we’re the using the words we mean to use.

- **Final Thoughts**

Poorly-written proposals can obscure our message and make it difficult for evaluators to follow our proposal’s logic and main points. If we’re sloppy and careless in our proposal presentation, the customer can only assume that we will be similarly careless and sloppy in our contract delivery. Following these proposal best practices can help us to present our ideas clearly and comprehensively, in a way that can be easily understood and scored by the evaluators. In addition to making our proposal easier to score, strong writing can contribute to our company’s credibility in the eyes of the evaluator—which can certainly help improve our chances of winning overall.

Homework:

- ☐ Create Your Proposal Template

- ☐ Create Your SOW
- ☐ Create Your MSA
- ☐ Create Your MSP Agreement - example
- ☐ Create Your Assessment Presentation - example