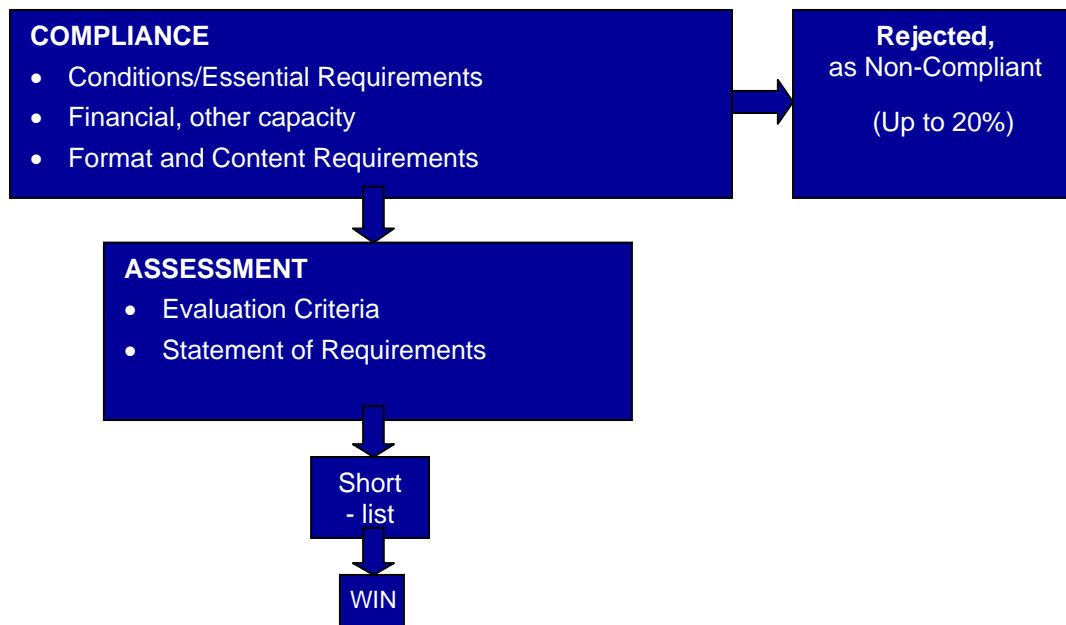


## MAKING IT THROUGH THE FIRST CUT: THE NEED TO COMPLY

Successful tenderers understand the need to build a relationship with the client, to thoroughly understand the client's requirements and culture, and develop and articulate their differentiation etc. However, while these elements are essential, and all other things being equal should help to get your bid to short-listed stage, many tenders fail through being non-compliant, often for simple reasons and often in spite of what their authors thought was a good pitch, built on strong benefits to the customer.

Research on Commonwealth Government tenders, for example, has shown that up to thirty percent of tenders were Non-Compliant. Some non-compliance issues may have been relatively minor and taken up with the tenderer if the rest of the offer was compliant or sufficiently attractive. However, and particularly under current Commonwealth Procurement Guidelines and those of most State Governments, many tenders would have been rejected on grounds of Non Compliance and not considered further - tenderers may have thought they had built a strong relationship with the client, and offered the best solutions, lowest costs, best value - and their tender was rejected, because of a Non Compliance issue.

To see why, consider a typical evaluation process:



Different purchasers have different processes, but the chart above illustrates a typical evaluation process by a Commonwealth Government Department. The process moves through the stages of Compliance; Assessment; Short-listing and possibly interview; and award of contract. At the first stage, Compliance, tenders are assessed on compliance with such things as:

**Conditions for participation/Essential requirements:** the minimum requirements to satisfy the client on the tenderer's legal, financial, commercial and technical capabilities to perform the contract. These might include such things as legal status; Licences or Accreditation; OH&S; insurance; or financial capacity – and are usually either Met or Not Met – Pass or Fail - rather than rated.

**Format and content requirements:** under the Commonwealth Procurement Guidelines and many other purchasers' guidelines, evaluators may and usually will exclude a tender from further consideration where it does not meet the minimum content and format requirements stated in the RFT – and I believe this to be a major cause of failure, in tenders to the private as well as public sectors.

Different purchasers will have different evaluation processes, and some may forgive or discuss some omission if the rest of the offer is compliant and the price or other element is sufficiently attractive. However, at this stage evaluators are usually looking for reasons to exclude rather than include tenders, and my approach would always be to approach the tender as if the client really means what it says in the RFT, and to give the adjudicators no reason to fail the tender, because failure at this stage means rejection and the rest of your brilliant submission is not considered.

Like the reasons for failure, avoidance of these pitfalls is, in essence, simple:

**Capture and understand all Requirements**

**Answer all the questions, provide all mandatory information**

**Follow the specified response structure**

**Make the information easy to find**

While these practices might seem to be blindingly obvious, failing to observe them – and particularly the last two - is a major factor in tender failure. Let's cover these practices in turn:

### **1. Capture and understand the requirements**

Ensure that you read and fully understand all the tender requirements – of the response requirements as well as the service specifications and draft contract. Rather than rely on memory (of anything from 60 to up to several hundred pages) and an array of sticky-notes and scribbles in the RFT itself, capture key information in some form of table containing references to the key information and its location, and with relevant required actions or timelines to ensure those requirements are addressed.

Then, ensure these requirements are addressed and **Follow The Instructions**. (I did say some of this was blindingly obvious. However .....).

### **2. Answer all the questions – and the question that was actually asked – and provide all mandatory information**

Ensure that you and any other author:

- Respond to all relevant questions. Double check before final draft and sign-off.
- Provide all required information and documents. Responses such as “Will be provided on request” or “at short-listing” communicate a fairly arrogant presumption that your bid will be short-listed, and increase the risk that it will not. If you cannot comply, consider asking the client if the requirement really is mandatory – often certain requirements turn out not to be mandatory.

### **3. Follow the specified response structure**

Follow all instructions for preparation and submission, regardless of how trivial they seem.

RFTs frequently specify a response structure that conflicts with tenderers' preferred or packaged formats. Many companies then ignore the client's requirements and provide a response that follows the **tenderer's** preferred order and relies heavily on templates and other set material. This may be through arrogance, or ignorance of the tendering process: the belief still seems to exist that tender evaluators are required to and will read all the information in whatever form it comes, and to extract the information they are looking for. This has not been true for several years, if it ever was.

Failing to follow the client's structure:

- Makes it difficult for evaluators to find required information;
- Opens up the risk that writers will omit some key information in the first place; and
- Sends a fairly clear message to the client about the tenderer's competence and/or their view of the supplier/client relationship and the importance of the client and their requirements and processes to the tenderer.

Yet, a surprising number of organisations, from medium sized companies to the Australian operations of multi-nationals, are doing just this. Ease of evaluation is a key success factor, and making the evaluators' job harder is not an optimum winning strategy. Successful tenderers think about the evaluators, show respect for the client's needs, and adapt the response material to the stipulated structure and other requirements. While this may add to the cost of preparing a tender, it greatly increases tendering success rates - and cost can in any case be minimised by turning the pre-packaged material into resource material. This material would cover such areas as company profile; infrastructure and capacity; key personnel; CVs; current and previous contracts, case studies etc.

The material can then be held in an electronic library and should be searchable, Alternatives for searching such material include, in rough ascending order of complexity and cost:

Windows Explorer

Adobe: will only search Adobe pdf documents

Off-the-shelf search software. Examples include Isys, which searches a wide variety of file formats and allows searching by different variables and highlights the hits for quick preview of each result

Content management or other systems developed for or adapted to the organisation.

Once the source material has been located, it should be adapted to each tender and client. If tender responses are cut and pasted from other documents and not adapted to and focused on the RFT and the client, this will come through. The material and the resultant tender must be client focussed.

And finally, **4. Make the information easy to find.**

If there is no specified structure, ensure your response structure is logical and, as importantly, makes the information easy to find. In addition to a logical structure, and certainly for long or complex tenders, consider the use of a Compliance Identification or Tender Response Matrix. This is a tool that identifies all the response requirements (and the reference in the RFT) and indicates where the responses can be found in the tender. An example is shown below.

#### RFT to Response Matrix

RFT Requirements		Response		
Required Response/ Evaluation Factor	RFT Section	Section	Page	Title

Do this, and the evaluators will love you. Follow all the steps outlined above, and you will avoid the pitfalls along the way and greatly enhance your chances of tendering success.