

Winning Proposals

By James A. Alexander, Ed.D.

Are you winning 75% of your proposals? If not, why not? It might be because you are not applying the fundamental rules of how to craft powerful proposals that get you business the majority of the time.

What's the secret? Proposals win when they create confidence and urgency—confidence in you and your organization to deliver the promised goods and enough personal urgency from the client to make (sometimes painful) organizational and personal change. To get the client to act on your proposal requires both elements. Without them, you'll hear the (often contrived) excuses that stop selling momentum dead in its tracks: "The timing isn't right just now." "Let's look at it again in six months." "We need to study this further." Or "your price is too high." Do any of these masked attempts to tell you to go away sound familiar?

Good proposals develop confidence and urgency by:

1. Demonstrating your understanding of the client's situation.
2. Articulating your responses to meet your client's needs.
3. Mitigating risk.

1. Demonstrating your understanding of the client's situation.

Best Practice: First them, then you.

This is the place to start every proposal, showing a clear (hopefully insightful) grasp of what is going on in the client's world. Without establishing upfront that you have listened and learned, you will not have earned the right to react and recommend. A simple but powerful approach is:

- A. **Start with issues.** The first words the client reads should reflect your understanding of his business issues. Clearly state either the problems that must be addressed or the opportunities that should be leveraged to improve the client's performance.
- B. **Follow with importance.** Next show that you understand why these issues are priorities that are vital for the client to take action on.
- C. **End with impact.** Depending on the situation, you have two choices. The first is to point out what the client can gain by appropriately addressing his issues. The second approach is to point out what the client will lose if he doesn't handle the situation appropriately. Of the two, the second is much more powerful psychologically. Remember, people will work for gain, but they will fight to maintain.*

2. Articulating your responses to meet your client's needs.

Best Practice: Buyers buy benefits.

Yes, you need to lay out a methodology, a step-by-step plan to accomplish engagement tasks, a timeline, and so forth. Those are the easy parts. Even though it is a fundamental law of persuasion, many proposals don't make it clear how the proposed actions benefit the client (the planned positive result directly related to the business issues discussed earlier). Always link what you are recommending to what's important. This is not the place to assume that the client will connect the dots himself, as often he will not.

3. Mitigating risk.

Best Practice: Perception trumps reality every time.

When addressing the complex and sometimes gooey issues that are so often a part of professional services, your clients often lack the experience and the sophistication required to make “logical” decisions based on facts and figures. This can be a scary, risky situation from a client’s perspective. Hence, your clients will look for anything that will help them relate and rationalize their business decision-making process. That is why the brand is such a powerful asset when selling professional services. How many of you have had the best solution, faster delivery potential, and a better price, but were still beaten by IBM Global Services or another 600-pound gorilla in your space? Of course this is (or should be) a strategic issue for your PSO, but there are other things you can do to tactically address risk mitigation in developing your proposals.

- A. **Always highlight industry/domain expertise relevant to the client.** Yes, you want to keep the proposal succinct, but when facing gorillas, don’t monkey around! Demonstrate that in your space, you are the expert. A little name-dropping, a mini-case example, and some testimonials proclaiming your worth are important components in easing clients’ anxieties.
- B. **Always provide the credentials of the actual people who will be working on the project.** Point out that they are very highly qualified and have done this type of work many times in many organizations just like the client’s. Emphasize that these are the actual people who will be involved, as some clients may have been burned in the past when an organization’s partner sold the deal, but then green beans arrived on the yellow school bus to do the work.
- C. **Always provide a guarantee and make a big deal out of it.** If you are an expert, and if you know the client’s business and what he is trying to do, why wouldn’t you guarantee your work? Depending on the situation, you should guarantee specific measurable results, client satisfaction, or at least the quality of your work compared to best-known methods. A guarantee with some teeth suggests your competence and demonstrates your confidence—both will lessen the client’s perception of risk in choosing you and improve your chance of winning the work.

Other Tips

Here a few other proven ideas to add power to your proposals:

- **No surprises.** A winning proposal acts as a confirmation of earlier conceptual agreements between you and the client. The probable methods, possible time frames, and potential investment requirements should have been talked about prior to creating the proposal. Introducing new elements at this late stage can easily bog down decision making.
- **People, not companies, buy.** Yes, you talk about how you can address the client’s business issues, but don’t forget about the client’s personal needs. How can you mitigate the personal risk (someone’s credibility or even their job may be at stake) or minimize the hassle of buying your recommendations? Well-crafted proposals address (sometimes very subtly) this important component.
- **Use the client’s language.** If the client calls an assessment an audit, fine, use that term. If EBIT is senior management’s main metric of profitability, then use it when discussing their financial issues. Simple things like this confirm that you listen and show that you care.
- **Always give choices.** You want the client to decide which of your proposed options to go with, not whether to go with you or someone else, so always provide choices. In most cases, three options are best, with the second option offering more value than the first, and the third option offering more value than the second. Of course, client investment increases as the option moves up the value curve. Following this approach will not only help you win more deals, but larger, more profitable ones as well, as about 70% of the time the client will choose the second option.

Following the recommendations above will pay off by putting more power in your proposals and increasing your win rate and profitability.

Reference

*Organizations that have participated in Alexander Consulting training will recognize three of the “Four I’s” of selling—a powerful persuasion model.

Want to know more on this subject? Attend Alexander Consulting’s upcoming Webinar [“Writing Powerful, Winning Proposals”](#), November 18, 2008, at noon Eastern time.

Jim Alexander is founder of Alexander Consulting, a management consultancy that creates and implements professional services strategies for product companies. Contact him at 239-283-7400, alex@alexanderstrategists.com, or visit www.alexanderstrategists.com.

