

Win rates double with seven quality measures

By Lisa Pafe, CPP APMP Fellow, PMP

Lohfeld Consulting Group's seven quality measures more than double proposal win rates. This is a bold statement, but we proved it by applying our proposal review methodology on 23 bids for six customers. Using our quality measures as the basis for color team review and recovery, we helped government contractors achieve positive results that they can now adopt to compete more effectively in a highly competitive marketplace.

The problem

Color team reviews greatly affect proposal quality. An effective review means the difference between a merely *acceptable* proposal and an *outstanding* bid that results in a win. However, proposal reviews are quite often disorganized and highly ineffective. Reviewers pay little attention to factors that matter most to evaluators and instead provide qualitative feedback

that the proposal team finds difficult to implement during the recovery stage. Because the review process lacks a structured framework, proposal recovery is equally disorganized. The lack of a clear resolution further deadlocks proposal improvement.

"We really appreciate the great work you did.

We significantly benefited from your review work on this proposal and your suggestions, teaching, and 'new approaches.' Your work was greatly higher than expectations and within budget. You were an inspiration to the team...

We hope that we can arrange for you to come back on our key proposals and that you will see our review process improve.

Thanks again." –Customer email

Analysis

In best-value procurements, contractors must score as highly as possible (*blue* or *outstanding*), earning the most *strengths* and the fewest *weaknesses* and *risks* in order to win in the increasingly competitive federal market. Yet, because color team reviews prove ineffective, contractors face difficulties

improving their ratings as they proceed from Pink to Red to Gold Team. Common mistakes include failing to score proposals like a government evaluator or, if scoring is used, focusing narrowly only on compliance.

Especially when the review process is free form without scoring and relies on qualitative comments, color team reviews are unproductive. Lack of consensus on the path forward, combined with conflicting and/or vague reviewer comments, renders recovery difficult, if not impossible, to implement. Little progress is made as the proposal proceeds through the color

team review process. Contractors lack an actionable methodology to improve their proposal ratings and increase win rates.

Based on real-world experience, review of APMP Body of Knowledge (BoK) content, examination and analysis of government source-selection instructions, and assessment of debrief results for hundreds of proposals, we identified a dichotomy between how the government evaluates proposals and how companies perform color team review and recovery. Government evaluators score but don't read. Meanwhile, at color team reviews, company proposal reviewers read but don't score at all—or do not score effectively.

Further, government evaluators are influenced by heuristics or the *look and feel* of the proposal. Yet, company reviewers typically fail to consider heuristics as part of proposal scoring. The government buys benefits, not features, yet most proposal reviews focus on features, not benefits. This dichotomy creates a divide contractors cannot cross with status quo review processes and tools.

The solution

To address proposal review problems with an actionable methodology, we developed seven proposal quality measures, shown in *Figure 1*, to better correlate with how evaluators actually score bids. This approach reflects the old adage, "What gets measured, gets done." (See Bob Lohfeld's article *7 Steps from Good to Great Proposals*).

Proposal Quality Measures	Description
Compliant structure	Proposal is compliant with instructions, evaluation criteria, and SOW
Responsive content	Each proposal section fully addresses what the RFP requires
Customer-focused	Emphasis is on the customer, not the bidder
Compelling and feature-rich	Proposal includes features and benefits with substantiating proofs that are apparent as strengths
Easy to evaluate	Evaluators can easily score the proposal because it includes cross-references and maps back to the evaluation criteria
Visual communications	Proposal is attractive and uses graphics, icons, and tables to highlight features and benefits
Well-written	Proposal uses active voice, maintains a consistent tense and conventions, and avoids vague or empty words as well as unsubstantiated <i>bragging</i>

Figure 1: Seven quality measures. These seven measures encapsulate proposal evaluator expectations for a high-quality bid.

We hypothesized that proposals that incorporate these quality measures should meet or exceed evaluator expectations for an *outstanding* bid.

1. **Compliant.** Clearly, the proposal must be compliant with the instructions, evaluation criteria, and SOW/PWS. This may seem obvious, but many proposals fail even to meet this quality measure.
2. **Responsive.** The proposal content must fully address what the solicitation requires. The proposal can't just have the right headings and sub-headings; the content must actually address what is asked.
3. **Customer-focused.** The proposal must focus on what the customer needs, not what the bidder offers. Too often, the proposal is all about what the bidder wants to emphasize rather than what the customer requires.
4. **Compelling and feature-rich.** The proposal must include features that offer compelling benefits substantiated by evidence. Features with corresponding benefits and proofs that discriminate the offer must be apparent to the evaluator as *strengths*.
5. **Easy to evaluate.** The proposal must be easy to evaluate and score, with cross-references, compliance matrices, and maps to the evaluation criteria.
6. **Good visual communication.** When the evaluator opens the proposal, it must look appealing, with ample white space, icons, graphics, tables, call-out boxes, and other best-practice methods to break up the dense text. Visually attractive proposals also appeal to proposal skimmers who do not want to read dense text.
7. **Well-written.** The proposal should use active tense and consistent conventions, be concise, and avoid overused or empty words and phrases such as *uniquely qualified*, *we understand* or *we believe*, and *industry thought leaders*. We always advise customers to remove empty bragging that cannot be substantiated with proof points. (See Bob Lohfeld's article on *100 Words That Kill Your Proposals*).

Based on these seven measures, we developed a practical methodology to evaluate best-value proposals more effectively in alignment with how government evaluators score bids. Next, we developed actionable scoresheets that emulate how government evaluators score bids, incorporating our seven quality measures that address compliance as well as responsiveness and heuristics. We also created a scoring methodology that could translate the measures into a quantitative rating scale based on proposal *strengths*, *weaknesses*, and *risks*.

We tested this approach on review assignments for six of our customers across 23 proposals, which allowed ample opportunity to assess results. With the cooperation of these customers, we reviewed these proposals and participated in a minimum of two color team reviews each to

refine the approach further and make iterative improvements to the scoresheets, customized to the specifics of each solicitation and each of our customers.

We obtained customer feedback as to the scoresheets' effectiveness and ease of use, as well as whether they planned to incorporate the methodology into their processes. Customers responded favorably, stating that the scoresheet template is easily customized and tailored to each RFP. The resulting recommendations are specific and actionable, and therefore proposal teams can create effective recovery plans. Rather than saying, "This is no good," the resulting recommendations detail how to actually fix the document in alignment with the government evaluator's perspective.

Proof of success

We analyzed results by comparing how these customers fared in terms of win rates before implementation and after process improvement through use of the seven quality measures in proposal reviews. This analysis required customer cooperation as they had to agree to reveal their average win rate and to provide proposal outcomes. The proof is in the results. Participating customers saw marked improvement upon implementing the resulting recommendations for color team recovery as shown in *Figure 2* below.

Client Requirement	Quantitative Results
Better proposal review methodology	Provided 6 customers with improved methodologies focused on how the government evaluates bids
Actionable results for proposal recovery	Applied 7 quality measures to improve proposal recovery for 23 bids
Improved proposal ratings	Average scores increased from 1.67 (4-point scale) to 3.94, a 136% improvement
Increased win rates	Win rates improved from an average of 32% to 76% (either won, or won on technical)

Figure 2: Results. Win rates improved dramatically for bids that incorporated the seven quality measures.

As shown, average proposal scores on a four-point scale went from 1.67 to 3.94, a dramatic 136% improvement that points to the methodology's effectiveness in aiding in proposal recovery. Win rates improved from an average of 32% on similar bids to 76% for known outcomes (this includes proposals that won on technical but lost on cost).

These outcomes are well above the industry average of overall company win rates for new and re-bid business ranging from 30–50%.

With these dramatic results, we are implementing the seven quality measures and associated scoring methodology on proposal reviews for all of our customers. We will continue to track process improvements and win rates as the methodology matures and gains widespread acceptance.

We all know the adage: *features tell, but benefits sell*. This tired, old adage of how to sell is true, but in the federal space, strengths result in the win.

Government evaluators typically review your proposal using a scoresheet. In accordance with the Federal Acquisition Regulation (FAR,) they must evaluate the bid based solely on the evaluation factors and subfactors as well as their relative importance. To do so, they must document strengths, weaknesses, deficiencies, and risks. Government evaluators search your proposal for information they need to document findings properly.

Evaluators treat your proposal like an encyclopedia to search for potential strengths, weaknesses, deficiencies, and risks. Typically, evaluators review and score specific proposal sections rather than the entire bid. They do NOT read the proposal like a novel from page one to the end. Often, they do not bother to read sections that are not scored, such as the transmittal letter or Executive Summary.

The bidder with the best—and possibly the most—strengths, no significant weaknesses or risks, and no deficiencies, is likely to win. If all bidders are equal in perceived strengths (no discriminators), then price likely emerges as the deciding factor.

How do you achieve a strength? A strength is a feature you propose with an associated proven benefit that:

- Exceeds a contract requirement in a way beneficial to the customer (they would be willing to pay for it).
- Increases the likelihood of successful contract performance (technical, schedule, cost, quality).
- Increases the likelihood of successful mission accomplishment (agency mission, safety, lethality, etc.).
- Significantly mitigates mission or contract risk.

Ideally, a strength is not neutralized by other bidders; in other words, it becomes a discriminator for your bid.

To achieve a designation of strength, you must understand what the customer values. Well before the RFP release, smart bidders vet potential strengths and corresponding proofs with the customers most likely to comprise the Source Selection Evaluation Board (SSEB) and with

the Source Selection Authority (SSA). Guessing at strengths is a losing battle; you must understand what the customers comprising the SSEB value and what proof points will resonate with them.

Once you have vetted and affirmed the features you expect to be designated strengths during capture, make sure that the evaluators can find them in the proposal. Don't let them infer or conclude that a feature/benefit/proof is a strength. Highlight each strength with strong strength statements, icons, graphics, action captions, and more.

Repeat important strengths across sections in case evaluators are reading only assigned sections.

Focus your efforts primarily on the sections of the proposal that will be scored. Establish a strengths real estate budget based on evaluation factor and subfactor relative importance. In other words, make sure the most important proposal sections have the best and possibly the most strengths.

After each bid, compare strengths bid to strengths observed by the government evaluators. If the ratio does not achieve 1:1, determine why. Did you fail to understand what strengths the customer values? Did you fail to present strengths in a manner that made them easy to understand and score? Based on debriefs, develop an action plan to continue to enhance your strengths.

For government evaluators, benefits may sell, but benefits must achieve the level of strengths to win the contract.