

# The Seven Deadly Proposal Sins

APMP MIDWEST CHAPTER WEBINAR



OST GLOBAL SOLUTIONS

# About the Presenters



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- Wrote and won proposals from \$100K to \$495M
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# Pride

*Pride is about engaging in incumbentsitis or underestimating your competition; “the customer loves us too much for us to lose.”*

## Incumbentsitis

- Many incumbents believe that “the customer loves us too much to let us go”
- Typical incumbent proposals suffer from lack of originality and planning, but the proposal still needs to be good enough for a new award
- Incumbents recycle the old, winning proposal or write a new one that merely takes credit for the work already done
- Their approach is really “business as usual,” backwards-looking and self-centered
- Pride leaves the incumbent vulnerable to competition



“Y’know, I haven’t seen this much love in a room since Narcissus discovered himself.” Hermes –  
*Hercules*

# Pride

*Reality check: Government spending is shrinking and the number of bids per RFP is increasing.*

## Underestimating the competition

- Proud bidders' mindset towards competitors is typically, "they don't have the past performance," or "they don't really understand this job"
- Competitors are not static and they are actively plotting to outbid the incumbent
- Competitors fill holes through thorough capture intelligence and great teaming matches, which fill the gaps in their past performance and capabilities
- They tend to propose bold innovations and aggressive pricing strategies



“I'm looking for something in an attack dog, one who likes the sweet, gamey tang of human flesh. Hmm, why here's the fellow. Wiry, fast, firm proud buttocks... reminds me of me.” Mr. Burns – *The Simpsons*

# Mitigating Pride

*No win is certain; even the most entrenched incumbents can be unseated, so treat every re-compete as a strategic bid.*

- Use your access to the customer to discuss possible innovations for the re-compete, and implement them right away – close enough to the RFP issuance to get credit for your improvements
- Shape the RFP in your favor by helping define the evaluation criteria, resume requirements, and other factors
- **Generate the fear of losing you**
- Be sure that your proposal is customer-centric and forward-facing through careful brainstorming on the customer's needs and solutions
  - This way, it won't be a prideful proposal developed by a complacent incumbent ready to bite the dust



“Because the strong man who has known power all his life, may lose respect for that power, but a weak man knows the value of strength, and knows... compassion.” Dr. Abraham Erskine –  
*Captain America the First Avenger*

# Gluttony

*Don't be omnivorous and spread yourself too thin on too many pursuits, because of not knowing how to say "no."*

- The motivation of gluttonous companies is to grow aggressively, which is not necessarily bad
- However, bidding on every opportunity in sight to grow is like eating everything in sight to lose weight
  - The first reason for gluttony is company management won't say "no" to something that "sounds just like us"
  - The second reason is that business developers feed off of their leadership's natural aggressiveness and "sounds just like us" mentality
- Gluttonous companies lack of knowledge of how to expand in a healthier, more effective way



*"Then I guess my body doesn't know I'm the Dragon Warrior yet. It's gonna take a lot more than dew, and, uh, universe juice." Po – *Kung Fu Panda**

# Gluttony

*The real trouble comes when the company adopts a culture of completing proposals, instead of winning proposals.*

- Gluttonous companies choose quantity over quality
- Unfortunately, this type of bidding reflects the wasteful nature of gluttony
- The proposals are haphazardly thrown together, featuring incomplete solutions that stem from limited capture efforts and customer knowledge
- The proposals may be “technically acceptable,” but have a low probability of winning unless the company low-balls
- The proposal team burns out, becomes cynical, and loses its professional skills and the company management keeps wondering why the win rate is so low



“It all comes from not have front doors big enough.” Winnie the Pooh – *The Mini Adventures of Winnie the Pooh*

# Mitigating Gluttony

*In federal contracting, saying “yes” to every opportunity is the fastest way to burn through your bid and proposal budget on opportunities with a low Pwin.*

- To prevent impulse bidding, clearly define the growth goals and fill your pipeline with opportunities you can win
- Develop a checklist with the criteria of opportunities that map to your business development strategy
- Know how many opportunities you should bid on to meet your growth goals and set an appropriate budget to win
- Develop customer-focused proposals with great solutions by conducting proper capture over the procurement lifecycle
- Maintain discipline by following your BD strategy and saying no to opportunities that look good at a glance, but don't meet your BD strategy



“Money is the Mc-mansion in Sarasota that starts falling apart after 10 years. Power is the old stone building that stands for centuries. I cannot respect someone who doesn't see the difference.”

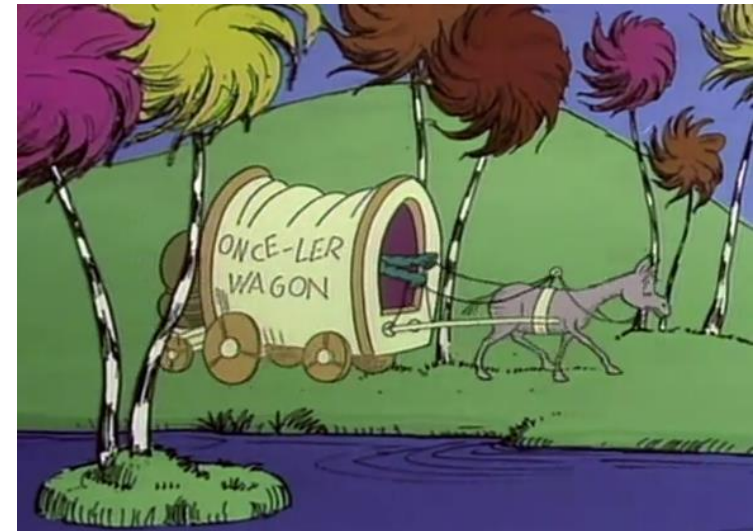
Frank Underwood – *House of Cards*



# Greed

*Greed is the fraternal twin of Gluttony, manifests itself in companies that are both cheap and aggressive.*

- Greedy companies seek to cut costs while simultaneously setting lofty growth goals
- It becomes obvious when managers blend being a tight spender with the ambition of a daring entrepreneur, like a cross between Scrooge McDuck and Senator Palpatine
- Greedy companies cut overhead to the bone by slashing the bid and proposal budget, while their skeleton proposal staff struggles to respond to more and more solicitations
- They don't bring in outside help because of the associated costs, but it is generally much cheaper to hire consultants during surges than keeping a fully staffed proposal team



“For your information, you Lorax, I'm figgering on biggering and biggering, and biggering, and BIGGERING, turning MORE truffula trees into thneeds! Which everyone, everyone, EVERYONE NEEDS!” Once-Ler – *The Lorax*

# Greed

*Petty bean counting and fear, rather than judicious investing, guide the pursuits of a greedy company.*

- Greedy companies fail to involve their project staff in the proposal because they would either lose the billable time or compensate personnel for after-hours work
- A greedy company doesn't resource its proposals to win, and the overstretched staff resorts to machine-gunning out some barely compliant boilerplate
- The resulting losses further demoralize the staff, leading to a double-whammy of high turnover and sluggish growth
- A greedy company discourages starting capture early because "capture is expensive," instead, managers know they can win sometimes if they rely on low pricing and luck



Scrooge McDuck still has the first dime he ever made. *Forbes*  
*Fictional 15*

# Mitigating Greed

*The recipe for avoiding Greed is to target carefully, budget realistically, invest where it makes sense, develop your staff through training, and get timely consulting support.*

- Realize what it takes to write a winning proposal and properly budget to meet your growth goals
- Generally, a minimum budgetary target for small businesses is 0.75% of the total opportunity value
  - To book \$30 million with a win rate of 33%, then you should bid on roughly \$90 million in opportunities
  - Therefore, your total minimal bid and proposal budget should be around \$675,000 for the year
- Use capture to build customer relationships, gather intelligence, ghost competition, find the sought-after teaming partners, and mature the technical and management solutions



“No, I really came to tell you that our business deal has to be put on hold. You see, we can't afford to be seen to do business with whatever it is you're accused of being. I'm sure a businessman of your stature will understand.” Lucius Fox, Jr. –  
*The Dark Knight*

# Envy

*Envy manifests itself in companies as a self-limiting belief that culminates in an inferiority complex.*

- Envious companies don't believe they can deliver a winning proposal for larger and more complex opportunities
- They are more competitor-focused than customer-focused, or fixate on what they don't have as compared to large business proposal departments
- Automatically no-bid on anything that looks like a challenge, and justify it by saying "we couldn't possibly compete with their size, resources, experience, and agency footprint"
- They go only after small bids, socio-economic set-asides, or sole source deals



“Magic Mirror on the wall, who is the fairest one of all?” Queen Grimhilde  
– *Snow White and the Seven Dwarfs*

# Envy

*Envy triggers fear that hampers companies' attempts to transition from subbing to priming large indefinite delivery vehicles and full and open competitions.*

- Most envious companies confuse fatalism for realism
- When they do bid, they put a half-hearted effort with insufficient resources into a proposal because they feel that they have a low chance of winning
- They don't critically evaluate the quality of their proposal, and don't collect the lessons learned from the proposal process, to do better next time
- When their substandard proposals lose they chalk up the loss to being smaller, poorer, less experienced, and less connected than their competitors



“Poor, unfortunate souls! So sad, so true!  
This one longing to be thinner, that one  
wants to get the girl and do I help them? Yes,  
indeed!” Ursula – *The Little Mermaid*

# Mitigating Envy

*In a nutshell, acting bold but smart is how one combats Envy, reduces stress, and perhaps even intimidates competition.*

- Where it comes to size, it is important to remember that the grass is not always greener on the other side
- Lack of resources can be overcome through good teaming agreements where every teammate contributes its resources into a proposal pool, because work share is not welfare
- Lack of experience and agency footprint could be mitigated through proactive capture
- “Tracking the RFP” is not a step in the business development process: there are customer visits to complete, intelligence nuggets to gather, win strategies to devise, solutions to refine, competitors to ghost, and teammates to identify



“Size matters not. Look at me. Judge me by my size, do you? Hmm? Hmm. And well you should not.” Yoda – *The Empire Strikes Back*

# Sloth

*Sloth is the cardinal sin of proposals and manifests itself all throughout the business development lifecycle.*

- Sloth is about being lazy, but many companies skillfully rationalize their laziness away by saying things like “we’re tracking the RFP,” “we’re going to focus on delivery right now,” or “it’s too far out to commit resources to”
- All of these responses have a certain logical appeal, but no incumbent holds their work forever
- The capture work is relegated to the important, but not urgent pile of work that we’ll “get to when we get to it”
- Before you know it, the slothful company has ran out of time to do any meaningful capture work



*“zzzz...ZZZZ...zzzz...ZZZZ”*

*Snorlax – Pokemon*

# Sloth

*A proposal developed by a slothful company conveys to the evaluators carelessness and laziness, instead of professionalism and dedication.*

- Failure to make any meaningful pre-proposal preparations makes it impossible to complete all of the action items necessary to put together a winning proposal on a deadline
- Typically, to catch up, companies recycle old materials instead of writing a customer-specific message from scratch
- The resulting proposal is full of amateur graphics, typos, grammar errors, and boilerplate which destroys credibility and earns a spot in the circular file bin
- Writers usually resort to this behavior because there are no win themes or solution available for them to write about



“Don’t worry, I got this.” – Unknown



# Mitigating Sloth

*The key to mitigating sloth is starting early.*

- Once an opportunity has been identified, qualified, and is added to your pipeline, the first thing to do is to get everyone who has knowledge about this customer and start a Win Themes brainstorming session
- If possible then you should be able to identify customer hot buttons and postulate the SOW if the Draft RFP isn't out yet
- Identifying and qualifying opportunities early allows you, as the capture manager, to create a schedule and impose deadlines for getting action items done
- The thing about proposals is that the action items still need to get done, regardless of when you complete them



“I vowed to train you, and you have been trained. You are free to eat.”  
Master Shifu – *Kung Fu Panda*

# Lust

*Lust is about teaming with everyone, or picking easy teammates over the right ones that increase your probability of winning.*

- Lustful companies start teaming with anyone who has some sort of relevant capabilities and/or past performance
- Lustful companies think that the team they assembled is their solution that makes their proposal stand out
- They experience instant gratification from seemingly completing a difficult part of the capture process
- Lustful companies team before, or without, doing a competitive analysis, which means they have no idea who is good or not
- They generally end up with large teams comprised of teammates with redundant capabilities



*"I like where this is goin'! Giggidy, giggidy, gig-gi-dy!" Glen Quagmire –  
Family Guy*

# Lust

*Teams built out of lust end up dysfunctional and many of the teammates are in name only.*

- Lust causes unwieldy teams that result in proposal management nightmares
  - Tracking multitude of data calls
  - Trying to convey the benefits of each teammate
  - Filling the gaps that still exist
  - Teammate table taking up too much page count
  - The threat of being considered too high-risk because of too large of a team
- Lust destroys trust and relationships, because the teammates don't get the work share they were promised during project execution
  - More passive team members settle for being on a team in name only
  - More aggressive team members engage in scope wars



If it's "creepy" to use the Internet, military satellites, and robot aircraft to find a house full of gorgeous young models so I can drop in on them unexpected, then fine, I'm "creepy".  
Howard Wolowitz – *The Big Bang Theory*

# Mitigating Lust

*Avoid jumping to teaming decisions immediately upon opportunity qualification.*

- Don't skip the important capture phases of customer engagement, intelligence gathering, win strategy development, and competitive analysis that precede teaming decisions in most cases (other than with a much-desired incumbent)
- Use a teaming matrix to ID gaps in past performance
- Don't base your teaming decisions on superficial data ("Oh, yeah, we do that PWS task") only to later find out that you didn't check on the company's past performance and details of exactly what they do
- Vet your teaming partners carefully and do due diligence

Team Member \ Scope of Work Area	Prime	Teammate 1	Teammate 2	Teammate N
C.3.1.1	<ul style="list-style-type: none"> <li>Exact capability</li> <li>Projects that serve as the proof of experience in this area</li> <li>Elements of the approach</li> <li><b>OR:</b> Color and number ranking</li> </ul>	0	4	3
C.3.1.X		4	2	1

# Wrath

*Wrath is about being too rigid in the proposal processes, failing to encourage teamwork, and managing the proposal by cracking the proverbial whip.*

- Wrathful proposal managers let their emotions decide for them
- All proposals have problems:
  - Subs not being responsive
  - Authors turning in substandard, non-compliant sections
  - Lack of SME support or company's management commitment
  - The government mishandling the procurement
- Wrathful companies are often too rigid in their processes to efficiently adapt to changes
- Process for process' sake doesn't add value to the proposal nor raises the Pwin; it generally only makes management feel better



“Details of your incompetence do not interest me.” Miranda Priestly – *The Devil Wears Prada*

# Wrath

*Wrath not only destroys relationships, but also rots the company from the inside out.*

- Wrathful companies burn bridges and destroy relationships; often it is a short-sighted view that doesn't go beyond a specific opportunity
- They use protests as a win strategy, crying injustice every time they lose a bid
- They have one-strike-you are out policies: they go through business developers; use lessons learned as finger-pointing; slow to hire, easy to fire is taken to the extreme
- Unhealthy staff attitudes result, with “safe” decisions, scapegoating, politicking, etc. – which then results in average proposals where any creative thought is stifled



“All right. So, listen. Why don't you give me a call when you want to start taking things a little more seriously? Here's my card.” The Joker –  
*The Dark Knight*

# Mitigating Wrath

*The Five P's: Proper planning prevents poor performance.*

- Striving for true professional excellence gets a company out of a retaliation mode and into a constructive mode
  - Follow the spirit of the disciplines of capture and proposal management and not only the letter
  - Develop and train personnel continuously
- In some cases, a culture change is needed to create a healthier environment; often requiring senior management personnel replacement
- Another key task is to refocus back on the customer and customer's priorities, to recapture company's lost identity and why it is in its line of business in the first place



There's a saying: "Yesterday is history, tomorrow is a mystery, but today is a gift. That is why it is called a "present".  
Master Oogway – *Kung Fu Panda*

# Contact Us

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