Winning work is a process

Branding & Position:
- Networking
- Marketing
- Industry Participation
- Dirichlet’s law

Build Confidence:
- Build creditability
- Educate don’t sell
- Demonstrate value
- Be proactive
- Be open
- Be authentic
- Persist/ Follow Up

Repeat Work:
- Client is an advocate
- Repeat work
- Reduced procurement costs

Win Bid:
- Organisation
- 5 P’s Model (win every leg of race)
- Commercial Alignment
- Risk Allocation

Deliver:
- Deliver scope
- Collaborative approach
- Delivery quality
- Deliver program

Awareness

Interest

Produce

Rebuy

Refer

Retain

Trus

Enhance Clients Reputation
Importance of your existing relationships

- It costs 7 times to acquire a new Client, than to cultivate an existing one
- 91% of companies do nothing to retain their clients
- Average American business loses 50% of its customers every five years – according to Harvard Business Review
- A 10% increase in customer retention is equal to a 30% increase in company value, according to Bain & Co
- You are 4 times more likely to do business with an existing customer versus a new customer, according to Forbes
- The probability of selling to an existing customer is 60-70% vs. 5-20% to a new customer, according to RockeWatcher
Trends in Government across APAC

- Increased focus on public value – shifting from lowest cost to value for money
- Outsourcing delivery to the supply chain – Government focusing on planning, development and procurement
- Increased focus on multi-modal
- Increased focus on the customer
- Broadening definition of the customer
- Significant rail and road infrastructure spend in Sydney, Melbourne, Auckland placing pressure on supply chain
- Expectation of constructors to move further up project lifecycle – better integration of planning, development, stakeholder, design, construction, maintenance
Government decision making processes

Probity
- Government is constrained by probity
- This means fair and open competition
- All decisions need to be objective and justifiable
- Evaluation must be objective (score out of 100)
- Doesn’t mean they can’t be open – it just means they need provide consistency of process to all proponents

Expression of Interest
- Used to short list tenderers
- Intent is to be an efficient way of providing open competition without going through an expensive RFT process
- Focus is generally on Capability, Capacity and Demonstrated Experience of the consortium

Request for Proposal
- Focus is on the specific offer presented
- Use RFP to drive competition to drive better public value
Increasing focus on public value in Government & VfM

Compliance Focus

**COST SENSITIVE**
Is focusing on lowest price, but ignores quality, innovation, risk

**BUDGET SENSITIVE**
Is focusing on keeping cost within budget, but ignores risk and cost

Customer and Public Value Focus

**VALUE FOR MONEY**
Focusing on getting the right outcome for the lowest price. Balancing community objectives and price
What does value for money look like?

• Greater focus on customer and community value not just functional value
• Most bidders fail in that what engineers value may be different to what community values
  • Bridge Structures vs Urban Design
• Client is budget constrained
• Cannot gold plate everything – sweat design in some areas but enhance in others
• Examples:
  • Accelerated program
  • Traffic disruption during construction
  • Urban design
  • Sustainability
  • Economic development
Maximum potential to de-risk the project and obtain public value

Initiation

Procurement

Delivery

Declining potential for improving value for money

Government procurement process

TIME

Initiation

0

Project justification

1

Strategic assessment

2

Business case

3

Pre-tender

4

Tender evaluation

5

Pre-commissioning

6

Post-implementation

Investment

Gates

Project lifecycle

Strategic Assessment

Procurement

Initiation

Finalisation

Investment

Gates

Project justification

Strategic assessment

Business case

Pre-tender

Tender evaluation

Pre-commissioning

Post-implementation

Government procurement process

INITIATION

Maximising potential to de-risk the project and obtain public value

Procurement

Procurement

Procurement

Procurement

Procurement

Declining potential for improving value for money

PROJECT JUSTIFICATION

Strategic assessment

Business case

Pre-tender

Tender evaluation

Pre-commissioning

Finalisation

Strategic Design

Concept Design

Environmental Assessment & Approvals

Detailed or Reference design

Tender documentation

Invitation To Tender

Tender Evaluation

Contract Delivery

Finalise contracts and projects

Post completion review and benefits realisation

Property Acquisitions

Capital investment

Brief development

Strategic Design

Concept Design

Environmental Assessment & Approvals

Detailed or Reference design

Tender documentation

Invitation To Tender

Tender Evaluation

Project Scope: defined by the problem definition, proposed project objectives and outcomes

Project Scope: defined in the final business case by the problem definitions, and agreed project objectives and outcomes

Contract Scope: defined by the professional services contract (what is being investigated, assessed or designed)

Contract Scope: defined by the contract (what is being built)
What sits behind the evaluation criteria?

Integration of the “Why”, “What” and the “How”
What does the procurement model tell us?

- Understanding why they chose the procurement model tells you a lot about their risks
- **PPP** – Funding is constrained, job needs to be done to a deadline or client feels it is vulnerable to certain risks
- **D&C** – Largely a price competition. Innovation should drive quality, accelerated program or lower price
- **ECI** – Issues around accelerated program or constructability input during design/RFT
- **Alliance** – Need for flexibility during design and delivery phase
What does the risk allocation tell us?

- Risk allocation is a opportunity to win the bid
- Through innovation how can we reduce client risk
- Where are the clients pain points
- How can we better manage the risks allocated to the service provider to reduce price?

<table>
<thead>
<tr>
<th>Type of Risk</th>
<th>Client (Owner) Retain Risks</th>
<th>Contractor Remains Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Risk</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13 Land acquisition delay</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td>14 Ground condition</td>
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<td>Yes</td>
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<tr>
<td>15 Unforeseen contamination</td>
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<td>Shared</td>
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<tr>
<td>16 Planning approval</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>17 Third party site access e.g. Transpower, other utility owners, land owners etc</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>18 Archaeological artefacts</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>19 Design specification / fit for purpose</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>20 Compliance with legislative design standard</td>
<td>No</td>
<td>Yes</td>
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<tr>
<td>21 Design for road safety performance</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>22 Design for rad specified travel volumes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>23 Planning approvals – impact of designation conditions on design (Prior to contractual close)</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>24 Cost and responsibility of obtaining outline planning consent approvals</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>25 Additional design works required by operator</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>26 Design delays</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>27 Site Safety</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>28 Construction cost and programme risk</td>
<td>No</td>
<td>Yes</td>
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<tr>
<td>29 Design fault</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>30 Construction traffic management</td>
<td>No</td>
<td>Yes</td>
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<tr>
<td>31 Adverse weather events (other than extreme)</td>
<td>No</td>
<td>Yes</td>
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<tr>
<td>32 Planning approvals – impact of designation conditions on construction</td>
<td>No</td>
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<tr>
<td>33 Construction cost increases including fuel and material supply costs</td>
<td>No</td>
<td>Yes</td>
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<tr>
<td>34 Construction errors and defects</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>
The five ‘P’s of infrastructure marketing

**Price** – Lowest Price vs Value for money

**Promotion** - Win Themes, Interactive Performance, Bid Submission

**Product** – Design, Quality, Methodology, Temporary Traffic Management

**Process** - Stakeholder Engagement, Collaboration, Risk and Opportunity Management, Project Governance

**People and Plant** – Capability, Capacity, Culture

**Aim is to win every leg of race!**

Weighting against each one depends on risk profile and project objectives
### The five ‘P’s of infrastructure marketing

<table>
<thead>
<tr>
<th>Pillar</th>
<th>Key Question</th>
</tr>
</thead>
</table>
| **Price** | - Is the client seeking lowest price or highest value for money?  
- What constitutes public value?  
- What functionality is important to the client? |
| **Promotion** | - What are our strengths?  
- What are our competitors strengths?  
- What differentiators us?  
- What our win themes? What are our key messages? |
| **Product** | - What is the client requirements?  
- What is unique about our solution?  
- What functionality is important to the client? |
| **Process** | - What type of procurement model – D&C, Alliance, ECI, PPP?  
- What are the clients risks?  
- How can we mitigate these risks? |
| **People** | - What capability is important to the client?  
- Where are we strong? Where are we weak?  
- Where are our competitors strong? |
Linking procurement model to the win strategy

- Customer / Stakeholder Expectations
- Project Risks and Challenges
- Procurement Model & Risk Allocation
- Evaluation Criteria and Procurement
- Decision Maker Priorities

- Price
- Promotion
- Product
- Process
- People

ASPIRATIONS
RISKS

WINNING BID
Winning requires:

• A unified consortium (trust, governance, empowerment, role clarity)
• Understanding of the client (fears, insecurities, aspirations)
• Understanding of the project (drivers, risks, challenges, opportunities)
• Best interaction with client (listening, understanding, challenging)
• Client confidence we can deliver (competence, capability, capacity, experience)
• Right team (skills, experience, attitude)
• Teamwork (trust, playing to strengths, role clarity, communication)
• Best win strategy (linked to understanding of client and job)
• Right win solutions linked to strategy (methodology, design)
• A great bid submission
Steps in developing a winning bid

1. Bid governance
2. Understand client and project drivers
3. Best client interaction
4. Assemble the winning team and build a high performing environment
5. Develop winning strategy
6. Develop winning solutions
7. Tell a winning story
Winning teams are organised

- This is not a university assignment: **Pressure prompted** approach causes many problems on bids. Words don’t win bids – bid teams win bids
- A strong project director
- Well organised bid director
- Parent organisation who empower the team, make decisions quickly and don’t interfere
- Clarity of decision authority
- A strong management team supporting the project director
- A transparent bid program
- Accountability within the team for achieving milestones
- Workshops booked in calendars in advance
- Adequate preparation time for interactives
- Role clarity for the bid team
- Open and regular communication
- Writers engaged early
Understanding buyer behaviour

**OBSERVABLE**
- Industry briefing
- Board of inquiry
- RFP documents
- Business case
- website

**INVISIBLE**
- Organisational reputation
- Internal politics
- Perception and bias
- Individual TET security needs
- Project risks and risk allocation
- Real priorities

Adapted from ‘Quality improvement and TQC Management at Calsonic in Japan and overseas’
Understanding security needs

**Organisational Reputation**
- What are the standard risks i.e. on time, on budget, quality etc.?
- What are the job specific risks i.e. property, BOI, environmental, stakeholder?
- What are the key stakeholder issues?
- What will damage the clients reputation?

**Individual Security Needs of TET, Senior Executives, Politicians**
- Career
- Looking good or looking bad
- Need for control (master servant)
- Personality Type (Myers Briggs, Human Synergistics, Kolbe)
- Status, prestige
- Creditability
Security needs are the foundation of partnering

How do our security needs distort our thinking?
Using innovation to mitigate client risks

Innovation should mitigate the clients risks and enhance their reputation (not bells and whistles)

- Stakeholder engagement
- Environmental
- Traffic management
- Accelerated program
- Program flexibility
- Confidence in delivery
- Value for money vs lowest price

Think non technical – not just technical

- Construction methodology
- Staging approach
- Stakeholder engagement
- Collaboration
- Technology
Build confidence – then excite

Get the client excited

Reduce clients risks

Give client confidence – Security Needs

LEGACY

CUSTOMER FOCUS

RISK ALLOCATION

CONFIDENCE IN DELIVERY

COMPETENCE/ EXPERIENCE
Get the client excited – differentiate ourselves

• Is this a VfM procurement or lowest price?
• What gets the client excited? What legacy do they want to leave?
  • Urban design
  • Customer experience
  • Sustainability
  • Well being and safety
  • Economic development
  • Employment of disadvantaged/vulnerable groups
  • Collaboration and people development
Importance of the industry briefing

• Clients often tell you exactly what they want in the industry briefing
• Proponents overlook the obvious and ignore the industry briefing
• Listen carefully
• Don’t guess or assume – listen to what they are saying

Many bids have been lost because the proponent did not listen at the industry briefing
Interactives

- Interactives are opportunity to understand client more deeply
- Focus on what keeps client up at night
- Focus on what excites the client
- Give the client options / choices (like a menu at a restaurant)
- Further inform our understanding of the why, what and how
- Two way exchange (interact) – not a presentation
- Build clients trust in the bid team
- Solve client problems – don’t sell
- **Start in first, stay in first**
- **Win every interactive**
The Naked Service Model: Patrick Lencioni

- Naked service requires the bid team to be vulnerable
- Problem solving not selling
- To embrace uncommon levels of humility, selflessness and transparency for the good of the client
- Client loyalty and trust are achieved by overcoming the following fears:
  - A fear of losing the business
  - A fear of being embarrassed
  - A fear of feeling inferiors

*Lencioni, Patrick, 2010 – *Getting naked: a business fable about shedding the three fears that sabotage client loyalty*, San Francisco, Jossey-Bass. © The Table Group, Inc. All rights reserved.*
Getting Naked: Humility, Selflessness and Transparency

Be Naked
- Make dumb suggestions
- Ask dumb questions
- Celebrate your mistake
- Be yourself

Solve Problems Don’t Sell
- Enter the danger
- Tell the kind truth
- Consult don’t sell
- Give away the business
- Focus is on building trust

It’s not about me: it’s about the client
- Honour the clients work
- Make everything about the client
- Do the dirty work
- Take a bullet for the client
- Be prepared to listen – 2 ears 1 mouth rule

Interactive by definition means to interact

• What is your interactive strategy?
• **How will you start first and finish first?**
• Agenda design and development
• Role Clarity – no surprise, **no rogues**, teamwork
• Rules of engagement - interactive do’s and don'ts
• Role plays – 4 hours prep for every 1 hour of interactive

*Ko te piko o te māhuri, te-rā te tupu o te rākau*

The way the sapling is shaped determines how the tree grows.  Train to win.

James Kerr, Legacy
Asking Great Questions

There are several ways you might rephrase well-used comments. For example:

**Instead of:** “Here’s how I think we should solve this problem...”
**Consider:** “Now that we have reached an agreement as to what the problem is, what are some possible solutions?”

**Instead of:** “What should we talk about today?”
**Consider:** “Did everyone get a copy of today’s agenda that was distributed last week?”
Understanding different preferences

The MBTI® Dichotomies

The MBTI® instrument indicates preferences on four pairs of opposites, called *dichotomies*:

<table>
<thead>
<tr>
<th>Extraversion</th>
<th>E (or)</th>
<th>I</th>
<th>Introversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sensing</td>
<td>S (or)</td>
<td>N</td>
<td>Intuition</td>
</tr>
<tr>
<td>Thinking</td>
<td>T (or)</td>
<td>F</td>
<td>Feeling</td>
</tr>
<tr>
<td>Judging</td>
<td>J (or)</td>
<td>P</td>
<td>Perceiving</td>
</tr>
</tbody>
</table>
What does this mean for interactive preparation?

- Always have an agenda and distribute prior to workshop outlining purpose of the workshop
- Distribute pre-reading in advance and align on agenda and key points for consideration in advance of workshops
- Clear expectations around how people should contribute
- Document actions and responsibilities
- Combination of group and small group discussions
- Some flexibility on the agenda and give people opportunity to talk things through
  - In slides – combination of words, facts and images
  - Use flipcharts and whiteboards to discuss concepts
  - Allow opportunity post workshop for final thoughts