BREMMER CONSULTING LLC

Value Engineering Applied to Create
CHAMPION PROPOSALS®

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Abstract

Securing project work is becoming increasingly challenging for consulting firms in the design, construction, and environmental industries. "Value Engineering Applied to Create Champion Proposals®" demonstrates how the SAVE International® value engineering methodology can be used to develop stand-out proposals that strongly improve the chances of being selected.

Methods for developing a winning proposal are discussed in the context of overall business development. Reflecting a solid understanding of the challenges clients face and matching solutions that firms can deliver is the backbone of a stand-out proposal. "Value Engineering Applied to Create Champion Proposals®" provides a clear roadmap of how this can be done. It offers a comprehensive new approach to proposal writing that has not been explored until now.

The author draws from her own experience in developing the entire content of the paper. She brings over 20 years of experience in multidisciplinary proposal writing as part of business development for firms including GeoEngineers, Inc., Turner Construction, Brown & Caldwell, Olympic Associates Company, and ICF Jones & Stokes. Through her exposure to the value engineering process, the natural linkage between the VE Job Plan promoted by SAVE International® and business development life cycle became clear: The SAVE International® methodology can be applied to just about any process.

Introduction

In an era of increased competition for project work, architecture, engineering, environmental, and construction professionals who support private industry and public agencies face a profound challenge. Projects and programs must perform better than ever—and cost less.

The bar has been raised to win project work. No longer do proposals that rely on generic, "canned" content or fail to communicate benefits, features, and proof make the shortlist. Communicating a real understanding of the client's challenges for a program or project and presenting innovative, sound solutions is crucial. Customizing the majority of a proposal to reflect these specifics is also crucial, as it reinforces the theme of a proposal throughout.

The SAVE International® value engineering (VE) methodology is easily applied to the project pursuit and proposal process for results that make proposals in the building industry stand out from the crowd.

Applying the Job Plan to Proposal Development

Parallels Between the Job Plan Promoted by SAVE International® VE and the Business Development Life Cycle

The life cycle of business development to win projects and develop relationships closely mirrors the VE Job Plan promoted by SAVE International®. It includes eight phases, which are repeated throughout the working relationship with a client.

Table 1—Phases of the VE Job Plan Promoted by SAVE International® and the Business Development Life Cycle

SAVE International® VE Job Plan Phases	Business Development Life Cycle Phases
Prestudy	Getting to Know the Client and Getting Feedback
Information	Learning About the Purpose, Needs, Challenges, and Criteria for Success of the Project or Program
Function Analysis	Preparing the Proposal—Organizing the Document and Identifying Concepts to Convey Benefits
Creativity (Speculation)	Preparing the Proposal—Brainstorming Innovative Ideas to be Conveyed that Meet Project Performance and Proposal Evaluation Criteria
Evaluation	Preparing the Proposal—Evaluating the Ideas Against Criteria During Proposal Draft Reviews
Development	Preparing the Proposal—Writing and Refining the Content
Presentation	Submitting the Proposal and Presenting at the Interview
Implementation	Performing as Promised

The principals of the VE Job Plan promoted by SAVE International® can be applied to create Champion Proposals®, as described below.

Prestudy—Big-Picture Alignment, a.k.a. "Business Development 101"

The Prestudy Phase in the VE Job Plan includes defining study scope and objectives, and gathering information about the project—including its scope, designs, reports, estimate, cost models, schedule, risks, and constraints. This is done to develop a clear understanding of study priorities; define project and study expectations; and provide a thorough overview of the whole project.

In similar ways, the Prestudy Phase of the business development life cycle seeks to develop a big-picture understanding of a client's needs and program and/or project objectives. It also examines the fit between your company and the client.

The Big Picture for Your Company

In the context of business development, it is always a good idea to regularly review your company's mission, goals, objectives, and marketing plan to verify that the program or project to be pursued fits the plan. As an individual seller/doer, it is also important to take stock of one's personal career goals and what you offer a client. Some questions to ask yourself may include:

- What do I want to be doing in the next few years? On what types of projects?
- How have I best served my clients?
- What am I proud of?
- What kind of return on investment do I provide my clients for their project dollars?
- In what ways could I better serve my clients?

The Big Picture for Your Client

At this stage of the business development life cycle, a project may only be a conceptual idea with an undefined scope. As opportunities present themselves to have meaningful discussions with prospective or existing clients, it is important to make the best use of them! Coming prepared with an understanding of the client organization's mission, goals, and objectives is perfunctory. It aids discussion, in that specific questions can be asked about how anticipated projects fit into the big picture of the organization. (Awareness of the officially stated objectives for the project should only be a start.) If speaking with a key decision maker, program manager, or project manager, the understanding gained can also help uncover that individual's career goals, and how this project might impact them.

The most important information that can be gained from such a conversation comes from asking about the challenges that the individual is facing in his/her department and organization—and the challenges facing the project. For example:

- What are the project's drivers (purpose and need)?
- Is project funding in place?

- Are there adequate staffing resources in the client organization?
- What interagency and/or internal politics may be at work?
- What stakeholder groups are involved?
- What are the technical challenges?
- Are there other challenges?
- What criteria will define success for the project?
- What things could a consultant do to best support the individual and their department?
- How have things been going on their projects (including those on which your firm is working)? —Are there lessons learned?
- With which of your competitors is your client working? How are they performing?

Alignment of Your Company and Your Client

After developing an understanding of your firm's and your client's big picture, this is the time to assess how well these align. Use of a comprehensive, objective "Go/No-Go" decision making tool by your firm is a good way to objectively assess this. If the client's needs fit what you and your team can offer, this presents a significant opportunity. If not, it may be a good idea to pursue another project or client.

After considering what you have learned about the challenges your client is facing, what solutions can you offer? Requesting a meeting to discuss some potential ideas you may have may help identify these. The meeting affords the chance to run ideas by the client that will pique his or her interest. This is a dialogue and should not to be confused with a presentation. Listening to the client and watching his or her reactions to the ideas and discussing them further are critical. Ask what he or she thinks. It's okay not to have all the answers at this point. Let the client know you plan to explore concepts further or do additional research and get back to him or her.

Of course, it is important not to give away too many specifics of your innovative solutions or approach, as these may be passed along to your competition or be included in the future RFP! Giving enough away to pique interest in how you can solve the client's problems is the goal at this stage.

At this point, you can also help your client define the scope of the program or project.

Information—The Client's Program or Project

Project Understanding

As a program or project scope becomes defined to a point that an RFP may soon be published, it is a good time to check back with the client to be sure you understand the client's needs for the project, as they may now be more specific than in previous discussions—or may have changed.

Once the RFP is published, the client may likely have a pre-proposal meeting, where additional information is shared with project contenders. Unfortunately, these meetings are not terribly valuable, as the competing firms typically do not "show their hand" by asking specific questions.

At this point, any questions you ask the client are typically published for all interested proposers, along with the client's answers.

Performance Criteria

Project Success Criteria

Through discussions with the client prior to the RFP, a good understanding should have been developed as to the criteria that will define the project as successful. These may also be included in the RFP.

Proposal Evaluation Criteria

Usually RFPs include proposal evaluation criteria, even if they are vague. Just as important as presenting your team's information in the order and format requested in the RFP is making sure how your team meets the criteria is reflected throughout the proposal—especially the executive summary and/or cover letter.

Function Analysis—Applied to the Proposal

Function Identification and Classification

Similar to project designs that have a defined set of components, proposals typically include the following components. Each has a function to perform in order to make the proposal stand out and can be classified as part of function analysis.

Table 2—Proposal Functions and Classifications

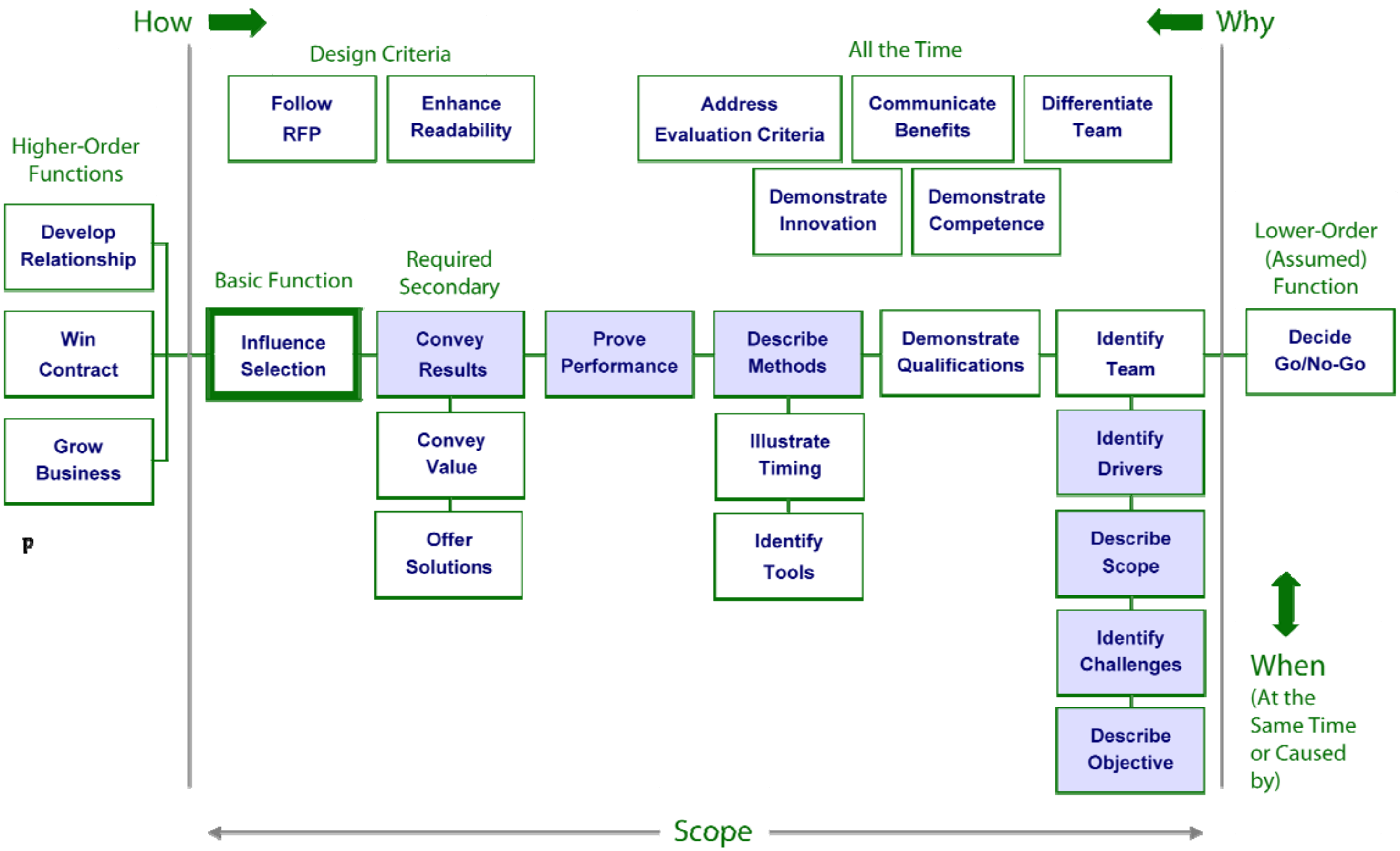
Proposal Component	Function(s)	Classification
Layout/Design	Enhance Readability	Design Criterion
Theme	Influence Selection Convey Results	Basic Required Secondary
Project Understanding, Approach, Project Descriptions, and Resumes	Identify Drivers Describe Scope Identify Challenges Describe Objectives Offer Solutions Convey Results Prove Performance Demonstrate Qualifications	Secondary Secondary Secondary Secondary Secondary Secondary Secondary Secondary
Project Management Plan	Describe Methods Identify Tools	Secondary Secondary
Schedule	Illustrate Timing	Secondary
Organizational Chart	Identify Team	Secondary
References and Testimonials	Prove Performance	Secondary
Cost Proposal	Convey Value	Secondary

Other Functions	Decide Go/No-Go Follow RFP Address Evaluation Criteria Communicate Benefits Differentiate Team Demonstrate Competence Demonstrate Innovation Win Contract Develop Relationship Grow Business	Lower Order Design Criterion All-the-Time All-the-Time All-the-Time All-the-Time All-the-Time Higher Order Higher Order Higher Order

Proposal FAST Diagram

Like any set of classified functions, the functions of a proposal can be arranged in a Technical FAST Diagram.

Figure 1—Proposal Technical FAST Diagram



Creativity—Where a Proposal Can Stand Out From the Crowd

Priority Functions—The Meat of a Proposal

Many of the functions on the above Technical FAST diagram are often neglected within proposals. If the homework in the Prestudy phase has been done thoroughly, these concepts should be easy to convey in a proposal. The most notable of these include the following.

- Identify Drivers
- Describe Scope
- Identify Challenges
- Describe Objective
- Describe Methods
- Convey Results
- Prove Performance

Alternate Ways to Perform Functions

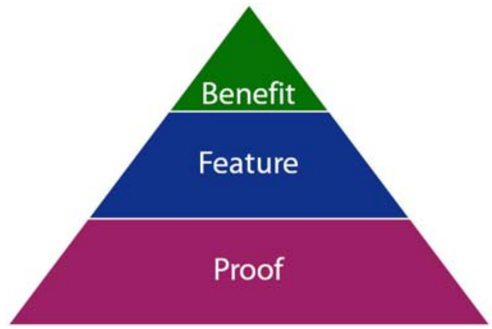
Alternate ways to perform these functions are easy to identify when arranged on a grid that includes components of a typical proposal, as shown below. The numbers indicated in the columns indicate a logical order for presenting the concepts within each component.

Table 3—Proposal Subjects and Components

	Proposal Component			
Proposal Subject (Function)	**Project Understanding**	**Approach; Scope Item/Task**	**Project Descriptions**	**Resumes**
Identify Drivers	1. Impetus; Driver		1. Impetus; Driver	3. Education, Registration, Certifications
Describe Scope	2. Summary of Scope/Services	2. Describe Task (What)	3. Services Provided (What)	2. Services Provided During Career
Identify Challenges	3. Identify Problem	4. Issues (Why do it this way?)	4. Issues Addressed	5.a. (Include in Project Experience)
Describe Objective	4. Desired Outcome	1. Task Objective	2. Desired Outcome	5.b. (Include in Project Experience)
Describe Methods (Features)		3. Solution (How)	5. Solution (How)	4. Skills
Convey Results (Benefits)		5. Benefits of This Approach	6. Benefit to Client; Goals Met; Empirical Data	1. Responsibilities; Results Person Will Deliver
Prove Performance (Proof)		6. Work Product	7. Client Reference and Testimonial	5. Project Experience 5.c. Results

Benefits, Features and Proof

Figure 2. Benefits, Features, and Proof



In a VE report, a workbook for a given VE alternative usually includes a description of the alternative (its features), the benefits and risks of the alternative, and an in-depth discussion that gives specifics of how the alternative will perform relative to project performance criteria and study goals (proof).

Proposal components must do the same. When the often overlooked key functions (Identify Drivers, Describe Scope, Identify Challenges, Describe Objective, Describe Methods, Convey Results, and Prove Performance) are actually covered in a proposal, they rarely convey benefits, features, and proof. These concepts can easily be conveyed when using the structure of Table 3 above to develop proposal components.

Example Creative Ideas/Alternatives

The function, "Convey Results," will be the focus of this discussion. The facilitator may ask, "What are some creative ways to convey results within the various components of a proposal that differ from proposals that focus mostly on conveying the message that we are qualified?"

Table 4—Alternative Ways to "Convey Results"

Idea #	Example Function: Convey Results
CR-01	In the approach, describe the benefits of the approach to each scope item in terms of how it supports the overall theme
CR-02	In the project descriptions, describe the goals that were met; include empirical data regarding schedule, budget, and improvements; and describe how the approach benefitted the client
CR-03	In the resumes, describe the results the proposed team member will deliver

Evaluation—Comprehensive Criteria

Project Performance Criteria

In exactly the same way that project performance criteria should be reviewed with value engineering team members prior to their evaluation of ideas/proposed alternatives, the same should be done when a proposal team evaluates ideas for alternative ways to perform the functions of a proposal. The question should be asked, "Will this idea/proposed alternative help to convey how the proposed project team will meet expectations for project performance?"

Proposal Evaluation Criteria

Just as on a value engineering study for a construction project, ideas for performing the functions of a proposal need to be judged based on how well they meet the criteria for evaluation. The stated evaluation criteria in the RFP **and the sometimes unstated criteria,** i.e., the understanding of key issues gained during the Prestudy Phase of the VE Job Plan, must be met in the proposal.

It is critical that any criterion stated in the RFP is reflected in each proposal component to which it is applicable. It can be stated within the body of the proposal or in "call-out" text boxes in the proposal margins.

Internal Evaluation Criteria

Performance Achievability

When a proposal is written with the degree of specificity and information described here, a serious "reality check" is needed to address the following questions: **What promises are being made that may become part of the contract documents? Could we back all this up if faced with mediation or arbitration? Can the proposed project team achieve all of this? Has the team successfully done this before?**

If the answers are yes, then move ahead. If not, things may need to be scaled back.

The Investment

Proposals involve the commitment of a significant expenditure of resources that could be directed elsewhere within company operations. As proposed alternatives are reviewed, they need to be ranked based on the value gained by devoting the time and energy needed to develop and write about the concept.

The following questions must be asked: **What will it take for our team to be shortlisted for the interview or selected directly from the proposal? Is this overkill?** Understanding the competitive landscape and complexity of the project is central to answering this question. One thing is pretty certain in today's highly competitive environment: the proposal needs to stand out, so aim high within reason.

Another consideration in evaluating ideas/alternatives is whether the proposal content can be used as a basis for future proposals. If it can easily be customized to meet the specifics for future proposals the firm is likely to pursue, the investment is often worthwhile.

Development—Where the Fingers Meet the Keyboard

CR-03—Describe the Results the Proposed Team Member Will Deliver

In the average proposal, the responsibilities are often mistaken for the role, missing an opportunity to convey benefits. For example:

Responsibilities: Project Manager; Lead Fisheries Biologist

What can be done as an alternative to better describe a project manager's responsibilities?

- Describe the scope of the person's responsibilities and objectives he or she will accomplish, e.g., quality, cost, and schedule management.
- Describe what this person is responsible for delivering in support of the overall project performance criteria and theme of the proposal.
- Describe how this person will relate to the client and project team members.

Sample Watershed Assessment Resume

Each proposal must cover the unique characteristics of a program or project. Each section within a given proposal component should be customized to reflect these. For the purpose of this discussion, the "Responsibilities" section in a bio paragraph and/or resume for a watershed assessment will be used as an example. It is important to note that the "Responsibilities" section may be included within the body of the proposal following the organizational chart or in the resume itself. The example below has been "sanitized" for client confidentiality purposes.

The theme of the watershed assessment proposal included

- helping _____(the client) to make an informed, defensible decision in selecting options for action that will move _______ (this project) and other WRIA __(#) opportunities forward to their next steps, and
- evaluating and synthesizing data to provide a scientifically sound comparison of potential habitat benefits of the ______ watershed assessment project and similar site restoration projects.

Project Manager; Lead Fisheries Biologist—Name, Credentials, Company Name

Responsibilities. Ms. ___ will be the project manager and lead fisheries biologist. She will work closely with _____(client) staff and stakeholders to understand priorities for the project. She will anticipate issues and project needs, provide proactive communication with ______ (client), and direct the project team. ______ will develop clearly stated goals and objectives for the team, and will make sure the project adheres to timelines, budget, and scope constraints. She will support the group process for evaluating the sites, resulting in a documented, participatory process and defensible outcome for the stakeholders and county, city, and state decision makers.

As project manager, _____ will integrate the contributions of the various team members toward a common product vision for the WRIA _(#) committee. She will work closely with ______(Chinook fisheries specialist) to synthesize the biology and life histories of Chinook salmon in estuaries, and the estuarine environment at _______(location). _______'s past work with Chinook estuarine ecology and evaluation of ______ River restoration sites will bring new insights in evaluating existing documentation for this and other projects.

Presentation—Proposal Submittal and Interview

Submittal

Similar to a VE report, after writing, reviewing, and refining the proposal, it is at last submitted. Whew! The main difference is that while VE reports have deadlines, proposal deadlines are mandatory and down-to-the-minute.

If the proposal does a good job of performing all of the functions listed in the scope of the Technical FAST Diagram (Figure 1), it should certainly make the shortlist. But, just as a sense of relaxation sets in, the client calls to request an interview within a few days.

Interview

This is where all the work in developing a theme and carrying it through the components of a proposal, using benefits, features, and proof, pays off! Clients generally believe that any of the firms being interviewed are qualified to perform the work. The emphasis of an interview should be on continuity of the theme and benefits of your team's approach to the project. Enthusiasm must ring through. At this point, the interview panel is really trying to determine what it will be like to work with your team. They want to know:

- Does the proposed team tell a compelling story that applies to how it will manage the issues on this contract?
- Does the proposed team's approach clearly benefit us, as the client?
- Is the proposed team cohesive and organized in their presentation?
- Does the proposed team have a good rapport and chemistry among one another and the interview panel?

Debrief—Knowing Where You Stood Among the Competition

Whether the pursuit is a win or loss, it is always a good idea to debrief. Through writing over 1,000 proposals and statements of qualification over two decades, the author of this paper has honed the techniques described above. By debriefing on proposals, the author has refined these techniques, based on a comparison of scoring relative to the various teams competing for projects. It's a good idea to take a good look at the highest scoring proposals to see the techniques being used. Knowing why your proposal won is just as important as knowing why it lost.

Implementation—Delivering on Promises

If your team has won the project or program, now is the time to set up the contract for success. Remember all of the statements made in the proposal and interview in terms of how things will get done, the benefits to be realized, and the results to be delivered? Assuming a thorough "reality check" was performed during the Evaluation Phase, the team should be able to deliver on its promises. **Delivering on promises has legal ramifications.** The author has had direct experience using a proposal during mediation while in the role of a project analyst at an expert witness firm. Even when a proposal is not included as part of the formal contract documents, it can be used to illustrate how a firm portrayed its knowledge and expertise related to the project.

If there is any sign that a team is not delivering on its promises, it must be addressed immediately among the team—preferably before the issues become painfully apparent to the client. Causes need to be identified, then solutions and a plan of action must be developed. Usually the client sees the symptoms of a problem, so a meeting with the client that acknowledges the problem, gets feedback, and offers solutions can be an opportunity to continue developing a relationship with the client.

Though you may believe your team is doing a great job, maintaining a positive dialogue with the client is the only way to know for sure that he or she feels you are delivering on your promises. The use of a partnering process at the onset of the project can be a useful tool in setting the contract—and working relationships—up for success.

Conclusion

SAVE International®'s VE methodology has a broad array of applications. The use of the VE Job Plan as a framework for the proposal development process can greatly improve the value of the proposal effort—and the proposal, itself. In today's competitive climate, that can help perform the higher-order functions of a proposal: Win Contract, Develop Relationship, and Grow Business.