Top 10 Reasons to Leverage Automated BD Tools

1. Calculate the required pipeline size (replace “gut feel” and rules of thumb)
2. Determine root causes for slower-than-expected growth
3. Reliably project organic revenue growth (or shrinkage) by increasing precision around pipeline conversion
4. Provide a consistent, quantitative, meritocratic basis for evaluating opportunities and making pursuit decisions
5. Highlight weaknesses to refocus capture efforts
6. Provide a comparative baseline to measure and report capture progress against other bidders’ progress
7. Smartly allocate B&P based on corporate objectives
8. Allocate B&P at the opportunity level by ROI, not award value or page count
9. Mitigate end-of-year B&P squeeze
10. Promote consistent best practices rather than personality-based idiosyncrasies

Improving BD Visibility, Efficiency, and Results

- Abandon the “bid more, win more” refrain and – with increased visibility – replace it with “shape more, win more”
- Streamline BD processes – too much BD (and B&P) spending is wasteful and ineffective; focus on substance over process
- Leverage BD tools and quantitative metrics to drive productivity, increase accountability, reduce costs, and improve results

Use the opportunity pipeline as a proactive resource allocation decision support tool, not just a static reporting artifact
Use bid evaluation tools to measure relative capture progress and highlight areas that require attention and focus
Move the B&P budgeting process from “here’s what you get” to a managed, optimized, dynamic, ROI-based allocation process

Table Stakes

Few things are as foundational in the government contracting business as the fundamental identity Leads→Bids→Awards→Revenue. Bid pipeline erosion, contract value puffery (BD claims invariably exceed actual awards), contract cancellations, de-obligations, and delays are all facts of life…and they are nothing new. Expect them, plan for them, compensate for them. Wolf Den’s Pipeline Optimization and Induction Tool (POINT) is a 2-state transition model that solves for required pipeline size based on revenue, contract portfolio, and growth objectives. Wolf Den’s Deconstructed Iterative Conversion and Erosion (DICE) model provides the computational “dual” – taking current pipeline and estimating revenue growth (or shrinkage) based on critical user-defined variables. Both models generate multi-year forecasts with the fidelity to differentiate blended pipelines of new and recompete opportunities.

Are You Truly Well-Positioned?
The market is replete with simplistic p(win) “calculators” which prey upon mathematically challenged business developers, capture managers, and executives. These divining rods fail because they do not account for the inherently relative nature of p(win). It is axiomatic that the sum of the p(win) probabilities for single award procurements for all bidders cannot exceed 1. Yet, these charlatans omit this zero-sum game reality and as a result, the sum of all bidders’ p(win), using this same tool, often exceeds 100%. Clearly the computational model and underlying logic is flawed. While not a p(win) calculator, Wolf Den’s Bid Evaluation Tool (BET) provides an objective framework (not just open-ended questions) to assess opportunities. BET scores highlight areas needing more attention and provide visibility through the entire capture and proposal lifecycle.

Pot Odds
Few problems are as commonplace in our industry as companies running out of B&P before the end of their fiscal year and Proposal Managers exceeding their B&P budgets. Proposal efforts vary widely in what they take to win. Similarly, how much a company should budget for capture/proposal is as much driven by Section L and the competition as it is by the estimated contract value. Most make decisions on the margin – taking a Capture Manager’s B&P request and arbitrarily reducing it. In response, Capture and Proposal Managers often pad their requests and routinely ignore their budgets. While B&P budgets can and should vary based on unique circumstances, Wolf Den’s B&P Assessment Model (BAM) provides a useful tool to guide the “should cost” B&P budget allocation process and avoid the end-of-year budget squeeze. If you are not using these types of tools, then as the poker analogy goes, you may be the donkey.