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Top 10 Important Facts About P(win)

1. *Well-run BD organizations use P(win) to inform bid decisions, B&P budgets, and win strategy*
2. *P(win) is relative to the field; the sum of all P(win) estimates cannot exceed 100%*
3. *Increasing P(win) will always correlate with decreasing P(win) for others*
4. *Internal estimates of P(win) are almost always inflated*
5. *Rating capabilities and progress without an objective framework is pointless*
6. *P(win) must vary based on the RFP evaluation criteria*
7. *There is no such thing as a universal P(win) calculator; every bid is different*
8. *Smart bidders adapt strategy based on P(win) assessment*
9. *While important, due to its complexity and relative nature, P(win) should never be used as the final determining factor to pursue a bid*
10. *In the long run, win rates should correlate with the pre-RFP P(win) estimates*

Unraveling the Mystery of P(win)

- As returns on B&P investments wane, many are turning increasingly calloused eyes toward P(win) as a simple-minded heuristic
- The propagation of P(win) calculators is to be expected, but current offerings are little more than slick UIs for lead qualification questions
- Commercially available P(win) calculators lack quantitative rigor, objective screening criteria, and relational and iterative capabilities
- Calculating P(win) starts with objective scoring criteria and variable weightings based on each RFP's specific evaluation factors
- Accurate P(win) estimation is far more rooted in awareness of the competitive field than in a bidder's own self-evaluation
- True P(win) is a zero sum game that changes over time as bidders drop out, join in, and seek to improve their own P(win)

Pachinko Machines

As competition stiffens and indirect resources remain scarce, companies are increasingly looking to get greater bang for their B&P bucks. Given that win probability (P(win)) serves as a critical determinant of expected value and shorthand proxy for return on investment, it is no surprise that the market is now replete with P(win) "calculators." These are the federal market's modern-day Pachinko machines targeting mathematically challenged business developers, capture managers, and executives. These P(win) calculators are incapable of estimating P(win) because they fail to capture the inherent relative and dynamic nature of P(win) and are far too generic to respond to the unique evaluation criteria and competitive dynamics of individual opportunities.

Zero Sum Game

It is self-evident that the sum of P(win) probabilities for single award procurements for all bidders (known and unknown) cannot exceed 100%. What value is a P(win) calculator when the sum of all bidders' P(win), using this very same tool, might total 500%? Both the computational models and underlying logic are flawed. Consider the case of a single award procurement with five well-positioned bidders. Each fires up their P(win) calculator, responds with glowing assessments to each of the questions, and receives a high score. For illustrative purposes, let's say each scores a well-deserved 80%. Is one to believe that each has an 80% P(win)? Clearly that cannot be the case. In fact, if they scored equally, and if there were no unknown bidders, one could reasonably infer that their P(win) was (1/n) or 20%. While P(win) is almost universally overstated, this perpetuation through P(win) calculators is a fatal flaw.

Theory of Relativity

The failure to capture relative positioning is equally damning. Consider a scenario where the P(win) calculator generates a low score. If this company is the only bidder, or if the other bidders are worse off, even a low score should correlate with a relatively high P(win). Even if a P(win) calculator captures relative competitive positioning (as does Wolf Den's Bid Evaluation Tool (BET)), it must be dynamic enough to measure change in positioning over time. Good capture processes should steadily improve scores as progress is made, however,

the rest of the field is not standing still. It is possible (and axiomatic for a subset of bidders) that despite forward progress, actual P(win) is declining and positively trending scores may mask the reality of a steadily declining P(win).

Comparative Statistics

Most P(win) calculators also lack an objective scoring system. What constitutes "WELL" or "VERY WELL" may vary wildly between evaluators. This can be overcome by establishing a consistent, analytical framework, but the fact remains that true P(win) analysis cannot be made on the basis of responses to questions alone. The weightings applied to the questions must reflect procurement-specific criteria. For example, in a true LPTA procurement, many questions become irrelevant because "acceptable" is good enough and there is no benefit to being "excellent." Similarly, in a beauty contest competition that emphasizes qualifications, questions relating to technical approach become irrelevant. There is no "magic bullet" P(win) calculator – the problem is too multivariate and iterative to be reduced to a one-size-fits-all offering and, with the stakes this high, an 80/20 approach can be dangerously misleading.

Wolf Den's Bid Assessment Tool (BET)

Recommended Score →	7-8
Customer contact status – depth and effectiveness	<ul style="list-style-type: none"> ✓ We have met with key program and contract decision-makers and influencers ✓ The customer knows our name, our team, and the value we can bring ✓ Our customer meetings have been substantive and valuable ✓ Our "leave behind" was specific, content rich, and got their attention
Program Manager Identified/On-Board	<ul style="list-style-type: none"> ✓ The PM is a full-time employee, has led similar jobs in the past, and has all the certs ✓ The PM has met the customer, and had an intelligent conversation about their challenges
Other Key Personnel	<ul style="list-style-type: none"> ✓ Our thought leaders have met and briefed the customer about our work on similar projects

The above chart is a subset of the dozens of objective scoring criteria employed by Wolf Den's BET to assess competitive positioning. After scoring and weighting, the BET values are then mapped against enhanced straight share of the pie (ESSP) to create more accurate estimates of P(win).