



Bids, Tenders and Proposals Podcast

Episode 1 Show – Notes Why Tender for Services

Why would you bid for tenders and what are some of the benefits to your business for bidding for work in a competitive environment.

You're probably perfectly happy with the work that you're getting. If you are getting a good stream of work and you are not looking to expand your business to the next level, then perhaps bidding for work is not something that you'd be doing.

But the reality is every business needs to progress to the next level you need to compete for work.

There are a number of organisations, probably similar to yours that are going for businesses that you are going for as well, and perhaps you are only doing work that you are able to get through word of mouth through the people that you know, but at some stage your business grows to a point where you want to go for the businesses that you need to bid for, which is a more competitive process.

So, let's look at why you would want to tender. Well, it is no secret That you “Need to Win Business to Stay in Business”.

So, let's look at some of these opportunities that tendering actually present.

Opportunity to get Business

So, the first one is opportunity to get business that are not available any other way. Well, you might say well why wouldn't they be available any other way?

Well, regulated organisations usually procure goods and services through a competitive process, that's it. So, organisations like any government department, local government, any publicly listed companies, charities and not for profit organization and numerous government subsidiaries have to go through a competitive process to procure goods and services.

These organisations they all deal with public funds, and any organisation that deals with public funds including publicly listed companies will want a competitive process to be undertaken so that there is no issuing of work to anyone without a competitive bidding process.

You don't offer millions of dollars' worth of work to someone without going through a tender process.

Opportunity to Demonstrate the Capabilities of your Business

You might say, why would I want to demonstrate the capabilities of my organizations?

Well, if you are not able to convey to your potential customers as to what you are able to do and how your company is able to do the work, then chances are that's basically where you stop. You are not able to demonstrate to their organisations that actually procure work through bidding process that you are in the game.

Even if you are unsuccessful, you will get known and you increase your chances of winning the next time around.

As the saying goes, people like to do business with people that they know like and trust and this is one of the opportunities that you have to actually build that “know like trust factor” with your customers.

Bidding for Work Improves Your Standards

Bidding for work improves your standards, so bidding, writing bids, writing tenders actually improves your standard because by virtue of bidding for work, you raise your standards because you are now competing with other businesses.

So, you raise your standard to meet the minimum requirements, such as the work health and safety requirements.

Which would be the actual mandatory requirements of that particular request for proposal or request for tender so you wouldn't bid for work if your company did not meet the minimum requirement and you will not be bidding for work if your company is not accredited.

So, by virtue of actually bidding for work, you actually get your company accredited.

You actually raise your standards, you actually get your processes in place so that it actually meets the requirements of the request for tender, and you improve the standards of your company because you are going to now compete through a tender process.

You are going to get your house in order. You are going to get your policies right. You're going to get all your standards right, so that you will then compete with the other businesses who already would have had some of those experiences.

So, by actually going for work through a competitive process of bidding, tendering and writing proposals you will actually improve the standard of your company.

You Cannot Win, if you Do Not Bid

Aside from the obvious, if you are going to bid for work, chances are you are going to win the work and the more bidding you do, the more chances you have to win.

Winning a bid gives you the revenue and the growth. It's quite an obvious thing the more tenders you win, the more revenue you get.

You become more competitive, and you build up a portfolio of projects that you can use as case studies in future.

Now tendering or bidding for work also gives you more opportunities to generate more business the contract that you tender for, more often than not gets extended.

If you put the effort in at the beginning to actually win the work, lot of the times you actually gain much more than what you bid for because you get additional work.

You Get Return Business.

Assuming you do a good job on the contract you win, you can build on it and you build a good relationship with your customer and therefore you are able to actually get return business.

You can also use this as your reference. Your existing customers are often happy to recommend you if you do a good job.

Without even having to put a lot of effort in tendering, you generate more work once you get the word out, so winning bids will also give you the leverage towards the next bid where you can build on the experience and the knowledge you have gained on the current one, so you can actually then use that into the new proposal.

You Improve Your Tender Writing Skills

The next one is you improve your tender writing skills and is quiet obvious that once you start to write Tenders, you get better at writing tenders and once you win some of them, you get even better at writing tenders because now you know what the winning formula is or what led you to win that particular contract and it gives you the experience of having written a winning bid, or even if you have failed in that particular bid, it still gives you that experience of knowing why you missed out.

Assume that if you end up not winning a contract from your tendering or bidding, you will go back and get the feedback from the government department or whoever you've been tendering with.

You would want to find out exactly why you have not won that, and a lot of the times they'll give you some of the insights and some of the reasons why you haven't been successful.

You build a reputation, you build your network of people.

So, these are some of the reasons why you'd want to put forward a bit for competitive process so that your business can grow. Your business can get better, and your business can be in the market for those government tenders which are not accessible through any other way.

Thank you for joining us on this episode and I hope that you found this information that I've shared with you valuable.

I want to wish you all the very best with your tendering. Remember you can get other show notes at www.bitsmart.com.au and of course don't forget to let us know if there are any specific topics that you want us to address. You can contact us via the bidsmart.com.au contact form.

Until next time.....Good luck with your bids, tenders and proposals.

Bid Smart Team

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