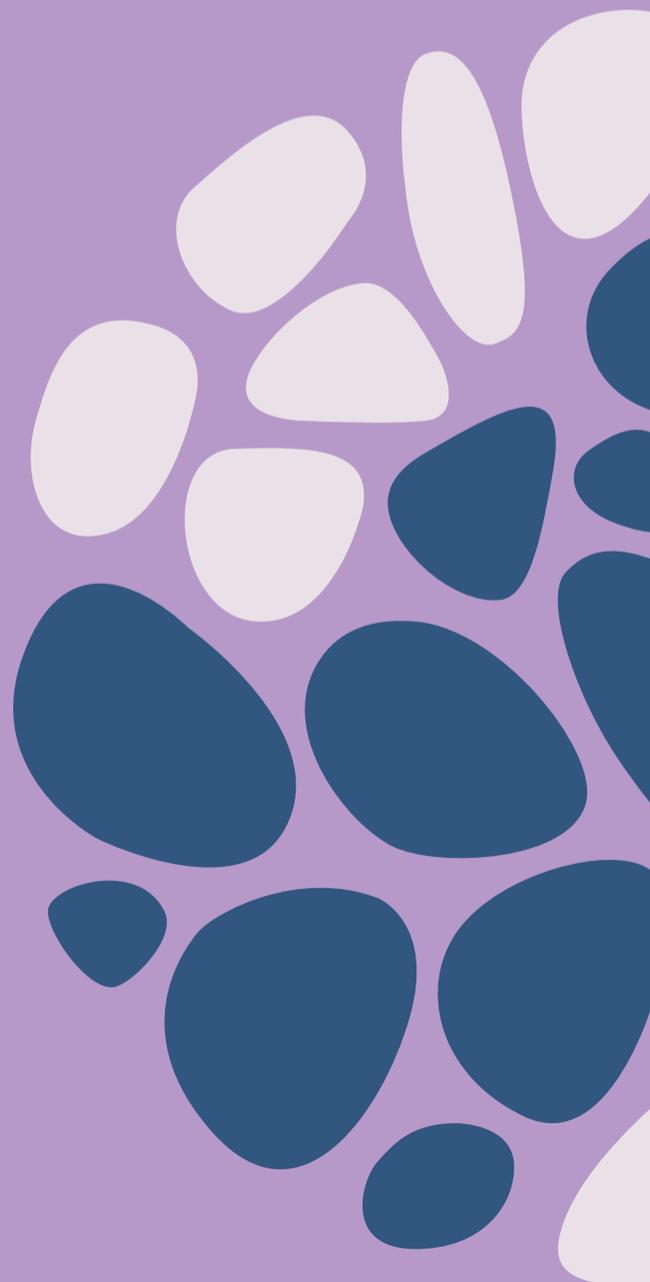


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10 Tips for winning government business



About the Author

Deirdre Diamante has a successful consulting practice built on helping companies win government business. Companies come to Deirdre because she gets government. Her consulting business is based on 15 years of experience developing and evaluating government tenders and contracts, and distilling this knowledge into practical tips and advice.

Deirdre delivers substance that is relevant to business, in particular small to medium sized businesses. Her advice is practical and provides an insider's look into how government develops, evaluates and awards tenders.

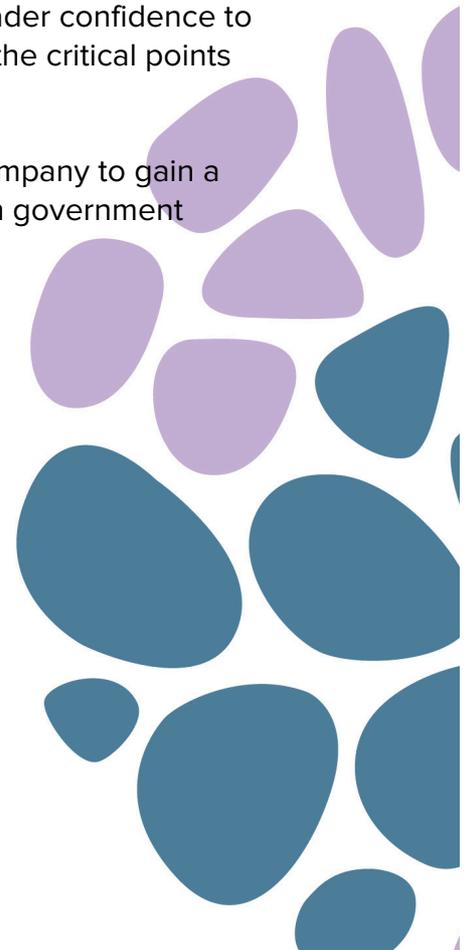
Deirdre's public sector procurement experience includes state and federal government departments and agencies across the portfolios of finance, justice, education, health and defence.

Deirdre has been responsible for the development of procurement policies that affect the whole of Government and the development, tender and contract of multi-million dollar contracts in areas including Information Communications Technology, energy, personnel, professional services and office supplies.

Deirdre is highly respected in all circles of government and represents a trustworthy and knowledgeable source of government procurement information.

Through the '10 Tips for Winning Government Business' Deirdre has delivered 10 easy to implement, proven strategies that will give the reader confidence to navigate complex tenders and position them to understand the critical points government looks for when evaluating tenders.

'10 Tips for Winning Government Business' will assist any company to gain a competitive advantage and maximise its opportunities to win government business.



Introduction

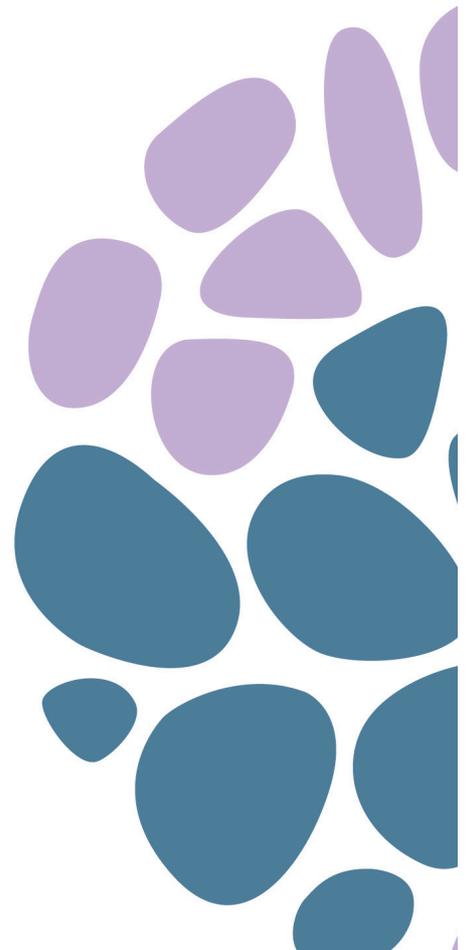
Competition is fierce and it's not hard to find a product or service that can't be provided to the same degree by another company. To win Government business, a company must differentiate itself from its competitors; responding to a Government offer document is the key tool to achieve that competitive advantage.

Companies must use tender or quotation responses to:

- demonstrate that they **understand Government's unique requirements and drivers**; and
- demonstrate that they can **deliver against Government's requirements to the high standard** sought after by Government.

The following are 10 key tips to deliver high quality tender and quotation responses and in doing so, provide you with a competitive advantage over others:

1. **Read the question.**
2. **Respond (fully) to the question.**
3. **Don't assume everyone knows you or your company.**
4. **Target your referees / references.**
5. **Embrace duplication.**
6. **Remember that Customer Service counts.**
7. **Offer value-added initiatives.**
8. **Understand Government's key policy requirements.**
9. **Submit a complete response.**
10. **Get your response in on time!**



1. Read the question

When I was a student and preparing for exams, my mother's farewell words would always be "read the questions carefully!" As a 16-year-old I thought I knew better, but in hindsight it was great advice, and is the best advice I can offer the reader.

It is rare that I have evaluated a response to an offer document and not seen evidence of a company misunderstanding or misinterpreting a question, or even incorrectly assuming what the question is asking. The fact is successful tenderers almost always answer all parts of the question correctly.

Now Government can be partly to blame here, what with lengthy questions and wordy sentences, but in most questions core requirements are always spelt out.

Many times the Government will ask for multiple requirements in the one question, for example:

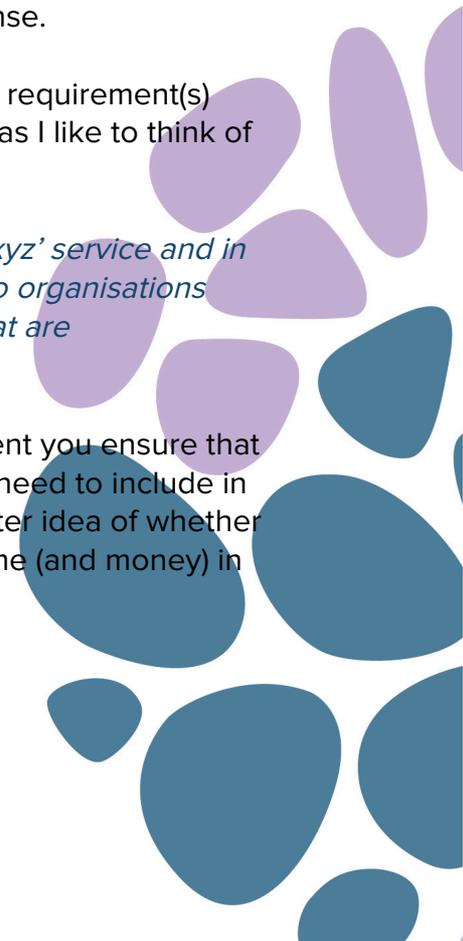
Briefly describe your company's experience in providing a 'xyz' service and in doing so demonstrate how you have provided this service to organisations with multiple customers, that exhibit varying cultures and that are geographically spread.

This is a common question given the size and diversity of Government. Such a question is also often used to differentiate respondents in terms of how a respondent really understands the tendered requirement and can relay that understanding back to the Government through their response.

In reading this question the reader should highlight the core requirement(s) and then underline each of the supporting requirements, or as I like to think of them, "hints", as shown below:

Briefly describe your company's experience in providing a 'xyz' service and in doing so demonstrate how you have provided this service to organisations with multiple customers, that exhibit varying cultures and that are geographically spread.

By identifying and highlighting each core and sub requirement you ensure that you understand what the Government wants, and what you need to include in your response. Furthermore, this technique gives you a better idea of whether your company is suited to the work and should invest the time (and money) in responding.



2. Respond (fully) to the question

The following are top pet hates of Government evaluation team members when evaluating poorly answered questions:

“Did not address the requirements of the question”¹

“Provided marketing material without answering the question”

“Presumed knowledge of the company”²

“Said they can do it but didn’t provide any evidence of experience or capability”.

Why do these responses frustrate Government buyers? It’s simple. They are unable to determine the degree to which the tenderer actually possesses the skills and abilities to do the job. There is also a niggling question at the back of an evaluator’s mind, *“what is this tenderer hiding by not fully answering the question?”*

Remember evaluators can only evaluate the strengths and weaknesses of a company based on the content of their tender response – and nothing else. Granted, references may be reviewed and tender interviews may be offered but these are nearly always conducted after an initial evaluation, or even a shortlist process.

It’s the **content of your original tender evaluation response** that will get you to these stages.

Evidence is also important. For example, think of your responses to a question about contract, technical or capability compliance; a pure yes, no or partial statement of compliance is not an optimal response. Here are some guidelines:

Full compliance – in most cases it is OK to state ‘comply’, but consider every response. If it’s a new capability within the market, or within your company, briefly describe, in one or two sentences, how it is that you comply. Supporting statements will never count against you. And if you can exceed the requirement by offering a value-added service, include this and describe how it adds value; this is your competitive advantage.

Partial compliance³ – always describe how your company partially complies. It may be that where you think you partially comply, you actually fully comply and by reading your supporting statement the evaluators will pick this up. Of course the opposite can also occur where a partial compliance is non-compliance but even in this case the evaluators will understand your level of competence and there will be no surprises later. Finally, if it’s a key requirement or highly

¹ Refer to tip #1 of this guide.

² Refer to tip #3 of this guide.

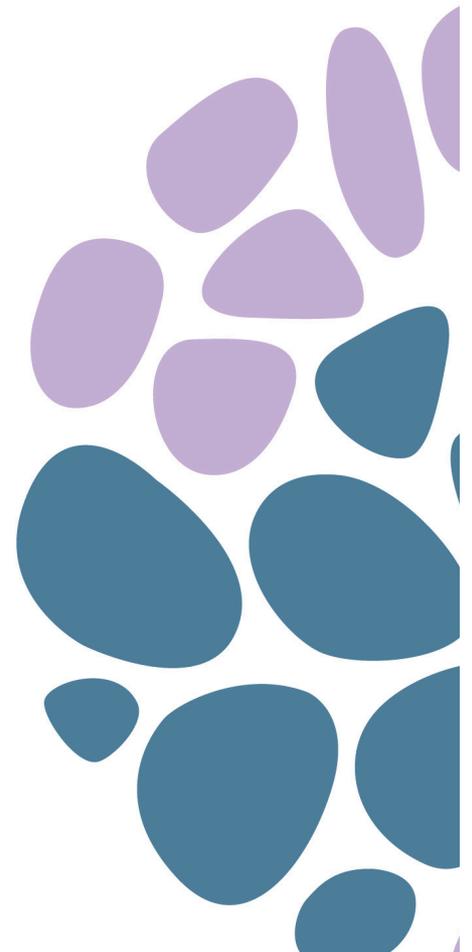
³ While partial and non-compliance statements against the conditions of contract also need to be explained, the basis may be a legal one rather than capability and therefore must be addressed accordingly.

weighted criteria and you only partially comply; use this as an opportunity to state how you will work towards providing a fully compliant solution.

Non-compliance – Non-compliances are not necessarily bad. Evaluators don't like surprises so it's important to be honest in your response (see below) and state that you don't comply and why you don't. Again, if you don't comply with a highly weighted criterion then you should state your company's plans for developing that competency. Finally, your description of your non-compliance may lead an evaluator to note that you actually partially comply. **Relevant supporting statements will never count against you.**

This, importantly, leads me to advise honesty in your response. If there is an aspect of the solution you can't currently deliver or can only partially deliver, state this along with your roadmap to building that capability. Nothing is more frustrating to Government, and in the end more damaging to your reputation, than finding at the shortlist stage (or even later) that a tenderer can't deliver a requirement. And even if this requirement is relatively minor within the context of the tender it will have a compounding effect with evaluators questioning all responses within that tender.

Tenderers must use their tender responses to **demonstrate** that they understand the product or service Government is wanting, and that their company is in a unique position to provide it. No matter how time consuming it may seem, or even how repetitive it may seem in completing the tender response, tenderers must provide full and complete responses to **every** question – this gives you a competitive edge and maximises your chance of success.



3. Don't assume everyone knows you

Another pet hate of Government evaluators:

"We can do this because we are [company] XYZ"

Government evaluators cannot consider any information outside the submitted tender documents and tender process.⁴

Government evaluators must approach every evaluation from an open, fair, objective and unbiased perspective. To ensure fairness they must only evaluate the information contained within the tender response and that gained through further requests for information during the tender process. This protects the best interests of your company, ensuring no perceived biases or subjectivity creeps into the evaluation.

This is not to say that Government evaluators don't know and understand the main players and/or composition of the industry they are evaluating. In fact, most of the evaluators will have been selected based on their subject matter knowledge, including their knowledge of the industry and its players.

However, can you be sure that everyone on the evaluation team knows of all your capabilities, especially newly developed capabilities? Do they know all about your projects and, in particular, their relevance to the Government's requirements? Assumed knowledge of capabilities and projects is not a risk you should take when responding to a tender.

And while an evaluator may address a perceived discrepancy between a tendered response and known capabilities as a clarification question or at a tender interview, **they are under no obligation to**.

Therefore, some tips in responding to tender questions:

1. Address each question as if your capabilities, strengths and people are unknown to the evaluator;
2. Describe reference projects or sites in detail and state how this is relevant to the tender;
3. Don't assume, due to your size, that an evaluator will think you have the appropriate resources for the job – describe how your resources are appropriate; and
4. Describe your methodologies and approaches rather than assume they are known just because they may have been used previously by Government.

⁴ If other materials are to be considered in the evaluation process these will be stated in the Conditions of Tender, usually under 'Additional Information'. Tenderers must familiarise themselves with the Conditions of Tender to ensure they understand the full tender and evaluation process.

4. Target your referees and references

Referees, reference sites and reference projects are key elements in an evaluation and are used to:

- a. Confirm capabilities a company has stated within its tender response; and
- b. Confirm the experience and therefore suitability of a tenderer to carry out the required work.

Some of the mistakes commonly made in providing references include:

- The written references provided haven't demonstrated how stated competencies have been delivered during previous projects;
- References haven't related back to the requirements of the tender; or
- A scatter-gun approach has been taken where multiple projects have been provided as references without regard to their particular relevance.

It's important that you put your effort up front in preparing the written reference response rather than waiting for your referees to be contacted. The process of contacting referees and visiting reference sites nearly always occurs after an initial evaluation, or even a shortlist process, and it's the content of your tender evaluation response that will get you to these stages.

Tips for providing a written reference

1. Highlight the key requirements documented in the tender for a written reference, these requirements may be expressed as:
 - "Detail experience doing similar work".
 - "The key outcomes of each activity".
 - "The reason why each activity is relevant".
 - "The date the activity was undertaken".
2. Provide references that **directly relate** to the key requirements of the tender.
3. Only provide the three most relevant experiences.
4. Tabulate your answer against each requirement, for example (a simplified example):

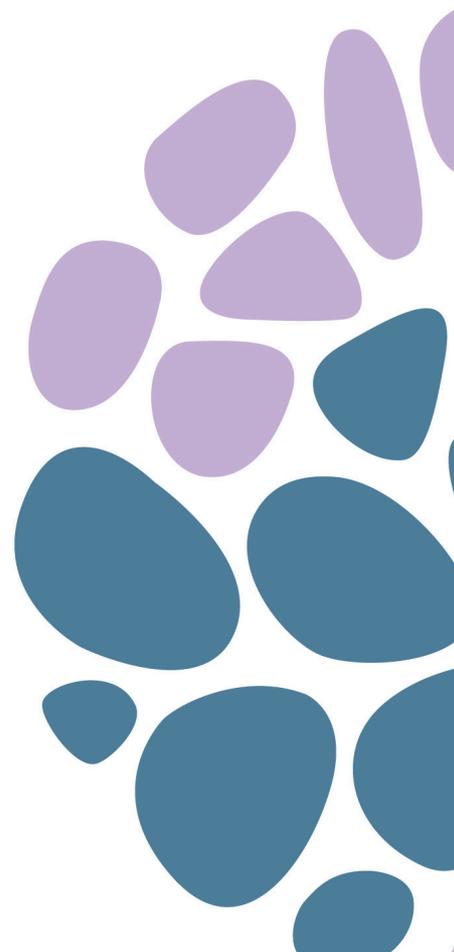
Project Name	Asset Management Capability Program
Project Date	2008 – 2010 (3 year program)
Project Scope	To develop an asset management capability framework and embed a cultural change across XX independent operational groups.
Project Outcomes	1. Delivery of an Asset Management Capability Statement & subsequent framework

	<p>2. Change management plan that incorporated strong user engagement and promotion.</p> <p>3. Cultural change in foundation practices.</p>
Relevance to the tender	<p>Delivery of an asset management capability and change management process similar to that required under RFT including:</p> <ul style="list-style-type: none"> • Change strategy and planning; • Stakeholder engagement; • Communications; • Impact analysis; and • Organisational integration

5. Ensure that across your 3 written references you address **every one** of the key capability criteria listed in the evaluation criteria and specifications. For example, if the evaluation criteria lists ‘experience in strategic change management’, make sure that it is an element of your reference and is documented in either the ‘project scope’ or ‘project outcomes’ and again in ‘relevance to the tender’.

Questions relating to a company’s experience in providing similar services and written references are usually highly weighted therefore it’s very important that these questions are answered correctly. Furthermore, if your company does have relevant experience these questions should be the easiest to answer!

If you can’t provide a minimum of three relevant reference projects or experiences then you should seriously consider whether to tender for the work.



5. Embrace duplication

It may seem from reading tender documents that the left hand doesn't know what the right hand is asking and it's true, there does seem to be a lot of duplication in Government tender and quotation documentation. However, in most cases, there is a reason for this duplication:

- a. To ensure all the Government's requirements are addressed;
- b. To ensure the basis for the requirements and the inter-relationships between requirements are clear; and
- c. To ensure that all the Government's requirements are fully understood by respondents.⁵

As a result one requirement may be discussed in many parts of the document, but if you read it carefully you will notice that it may be written with a slightly different nuance (see tip #1 of this guide, Read the Question).

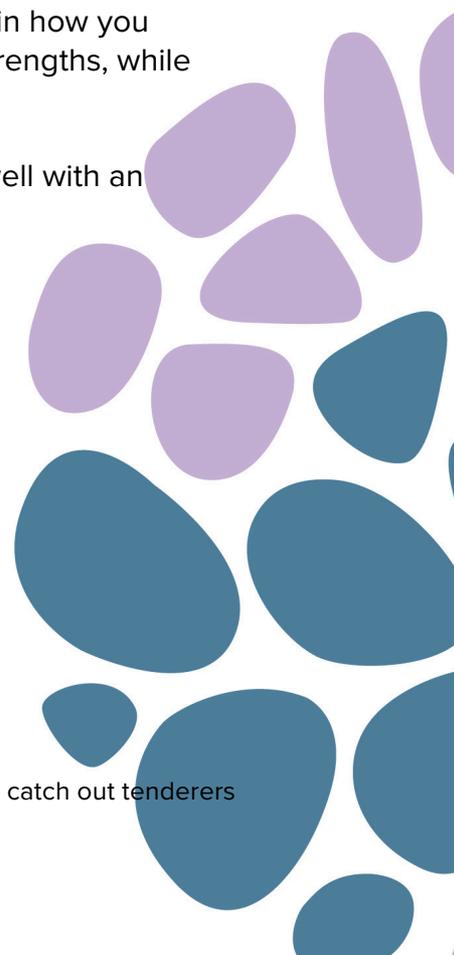
As a result **do not cut and paste** from one question to another!

A sure sign to an evaluator that a tenderer has either not read the question, doesn't understand the question or doesn't understand the requirement is when they have cut and pasted a response from one seemingly similar question to another. Obviously this then brings about all the implications of not fully answering a question; refer to Tip #2 in this guide.

On the other hand, tenderers should embrace duplication as a way of constantly exhibiting how their company has the skills, experience and capacity to meet the tender requirements. Become creative in how you respond to these questions by constantly reinforcing your strengths, while obviously still answering the question.

Consistency while accurately answering a question scores well with an evaluator.

⁵ The cynic in me also wonders whether Government uses duplication to catch out tenderers who may not be able to fully respond to the tender requirements.



6. Customer Service counts

Remember, competition is fierce and it's not hard to find a product or service that can't be provided to the same degree by another company. You must differentiate your tender submission and customer service proposals are a good way of doing this.

In general, after an evaluation of the 'company capability' and 'relevant experience' sections, the tenderers with the right skills to do the job are ranked closely together. This trend is even more evident when evaluating responses to quotations (a smaller field of identified respondents). Thus, in most cases, the questions that generate variations in scores are 'Customer Service Methodologies' and 'Value-Added Initiatives' (refer to Tip #7, Offer value-added initiatives).

However, customer service is consistently one of the poorest answered questions in a tender or quotation.

At a minimum when providing customer service proposals you must agree to regular meetings with the client; weekly or fortnightly preferably depending on the duration of the engagement. The purpose of these meetings is to discuss:

- Progress with project delivery;
- Any issues associated with delivering the project (and proposals for addressing them);
- Ideas for continuous improvement, and
- Invoicing, including a forecast of costs and remaining hours/days to complete project delivery.

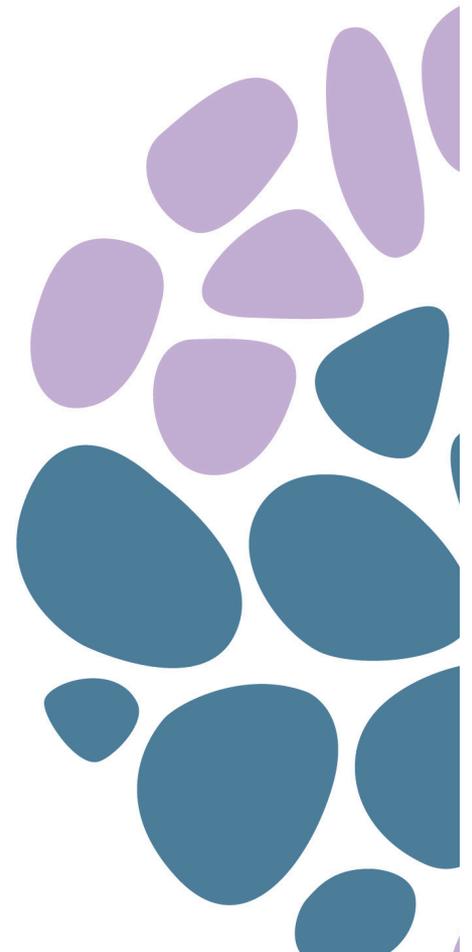
Additional customer service proposals could include:

- The development of registers to track:
 - Project delivery against milestones;
 - Problem resolution; and
 - Stakeholder communications.
- A regular, simple method for gathering and reporting on end user feedback of the success or otherwise of the project to date;
- Performance measures. By stipulating 3 to 5 easy to measure Key Performance Indicators (KPIs) you will not only be demonstrating that you are guaranteeing your level of service delivery but are providing the client with a simple way of managing the resulting engagement with you;
- Delivery of power point presentations summarising the results of your engagement, aimed at a senior management level; and
- Easy to read, informative client reports. Where possible include an analysis of project results and provide trending or forecast information.

Don't fall into the trap of the usual general discussion about how your company values the importance of communication with the client across all levels of the organisation, etc. This is a general statement that every other tenderer will provide and that doesn't contain any substance for evaluation.

Remember, **product differentiation** is the motivator here to maximise your chance of success!

Finally, when generating customer service proposals don't confuse them with value-added initiatives. Customer service proposals should be free and enhance the delivery of your product and service.



7. Offer value-added initiatives

Value-added initiatives are almost a ‘free kick’ to differentiate your tender proposal from all the others.

Value-add doesn't always mean free, it means providing something that is related to the requirements of the tender but that is additional to the core requirements.

Value-added also means something that **only your company can provide** and that is of **value to the Government**. And of course – the price does have to be attractive.

The value-add should be genuine and affordable to you the tenderer. If a tenderer fails to deliver a value-add (despite successful delivery against key requirements) it may cause reputational damage and could impact gaining future Government business.

Importantly a value-added initiative should:

- a. Relate to the tender requirements. Government has very strict procurement policies on only using a contract for what is was originally intended. Therefore, if your value-added initiative doesn't relate to the scope of the tender it won't be of any use to Government; and
- b. Be a product or service that is valued by Government.

Take, for example, a tender for termite protection for new community housing projects. Termite protection is a Quality Assured procedure so there isn't much variance in how the service can be performed.

In most cases the tender would be won on price, but what about the tenderer that also offered a free, quarterly pest control review of the environment, followed up with reduced rates for the removal of detected pests? This is a value-added service the Government would find attractive and would be able to utilise if it fits within the broad scope of the tender, ie pest control.

Another example is a software company tendering to develop a service management capability for a Government department. How clever of that company to also offer add-on toolsets at reduced prices, free training of those tools and licences to other departments for the same product.

In evaluating both proposals Government would term these value-added initiatives 'value for money'. That is, for the price of one product or service they walk away with a bundle of products or services. And value for money is the overriding criteria in the evaluation of every Government tender.

8. Understand Government's key policy requirements

I am often asked the difference between tendering for Government business and commercial business. The main difference is that Government is using public funds and therefore its tendering processes are subject to a number of policies and processes that relate to transparency, equity, accountability and effective competition.

Many of these policies stem from legislative requirements and as such a Government evaluator must comply with them, which also means tenderers **must comply with them**. If you don't think your company can comply with **any** of the policies stipulated in a tender or quotation document then you must seriously consider if you are in a position to tender for the product or service.

All Victorian Government procurement policies are available via the Government's Procurement Portal at www.vgpb.vic.gov.au.

A full discussion of the applicability of Victorian Government procurement policies to current and prospective government bidders is available at www.miaconsultingservices.com.au.

On the following pages I have listed a few key procurement policies that apply during the tendering process and that have relevance to current and prospective bidders.

ICT Procurement policies

ICT Procurement Policy and Standards were developed by the Victorian Government as an outcome of the ICT Industry Plan in 2006. The policy and standards apply to the procurement of ICT goods and services and are designed to simplify the process for companies bidding for ICT business with Government.

The standards cover four key areas:

- Insurance and its relationship to the particular procurement, including the risk profile of the procurement;
- Setting liability according to the risk profile of the procurement;
- Ownership of intellectual property of software created for the Victorian Government; and
- Key contractual terms on which Government prefers to procure ICT goods and services.

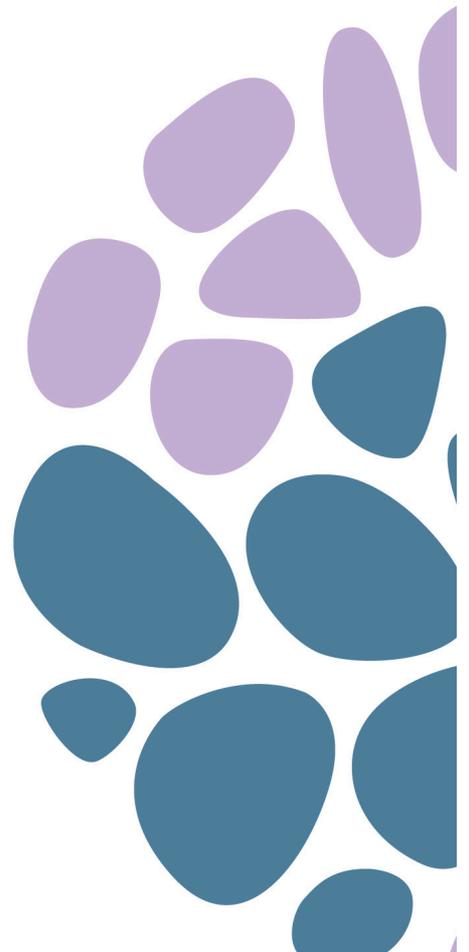
All companies wanting to win ICT business within the Victorian Government must be familiar with these policies and standards.

Key Government policy requirements within a RFT include:

Policy	Definition	Points to consider
The Conduct of Commercial Engagements (the probity policy)	The Victorian Government seeks to observe high ethical standards and conduct in commercial engagements. Government and public officials must be able to demonstrate high levels of integrity in processes while pursuing value-for-money outcomes for the Victorian Government and meeting the public interest.	<p>This policy is designed to protect the interests of bidders and the bidding process. If you have evidence to suspect that the key requirements of the policy are not being followed then you should lodge a complaint as soon as it comes to light in accordance with the Tender Complaints policy.</p> <p>In many cases complaints have a better chance of being addressed and or resolved if they are raised during the tender process rather than once the successful tenderer has been announced.</p> <p>All complaints should be made in the first instance to the Project Manager of the RFT or RFQ.</p>
The Ethical Purchasing Policy (EPP)	Through the EPP the Government wants to ensure that it works with businesses that satisfy its ethical employment standard that requires a business to meet its obligations to its employees under applicable industrial instruments and legislation.	<p>You must submit an Ethical Purchasing Policy statement if you are responding to a RFT or RFQ for:</p> <ul style="list-style-type: none"> a) goods and services > \$100,000; and b) goods and services < \$100,000 from high-risk industries such as textiles, clothing and footwear, cleaning and security services. <p>Ethical Purchasing Policy statements are required from <i>all</i> shortlisted tenderers. If you do not submit an EPP statement your tender submission will no longer be considered.</p>
The Victorian Industry Participation Policy (VIPP); and	The VIPP was introduced to ensure that public sector agencies and tenderers systematically consider local	VIPP applies to procurements > \$3 million in metropolitan areas and \$1 million in regional areas.

Policy	Definition	Points to consider
	<p>supply and employment opportunities in major public sector procurement and projects.</p>	<p>A VIPP Plan is to be prepared by shortlisted tenderers. If you do not submit a VIPP statement your tender submission will no longer be considered.</p> <p>If, after evaluation of all criteria, including the VIPP commitments, two or more tenderers are rated equally by the evaluation panel, VIPP will be used as a tiebreaker with the preferred tenderer being the one demonstrating superior VIPP commitments.</p>
<p>The Disclosure of Contracts >\$100,000 policy.</p>	<p>The Premier’s policy statement of October 2000 entitled Ensuring Openness and Probity in Victorian Government Contracts announced that information about all Government contracts would be disclosed to the public.</p> <p>This policy implements the commitments made in the Premier’s statement.</p>	<p>Each department must report <i>summary details</i> of all contracts > \$100,000 but < \$10 million on the Contracts Publishing System (CPS) website.</p> <p>Contracts > \$10 million are to be disclosed in full on the CPS website, subject to application of the exemption criteria in the Freedom of Information Act 1982.</p> <p>Bidders are given an opportunity in the tender document to detail any aspect of their bid that constitutes a trade secret or that may lead to a commercial disadvantage. This is a tenderers’ only chance to list those aspects of their bid that they do not want published on the internet. Once the tender is awarded the contract manager is under no obligation to further negotiate aspects of the bid that are to disclosed, they only have to rely on what was provided in that tenderer’s tender response.</p>

<p>The Tender Complaints Policy</p>	<p>This policy provides a process for a tender complaint to be addressed within a given timeframe. Each department retains prime responsibility for tender management and is responsible for final resolution of any related complaint.</p>	<p>Tender complaints are to be initially directed to the departmental project manager and if not resolved there, then escalated to the Accredited Purchasing Unit and thereafter the department Accountable Officer.</p> <p>The VGPB will not become involved in a tender complaint unless the tenderer has pursued all avenues with the department.</p>
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9. Submit a complete response

For every RFT or RFQ I have evaluated I have also received an incomplete submission. Examples of an incomplete tender submission include:

- A tender with no pricing;
- A tender with an incomplete contract compliance statement; or
- A tender with no references.

There is no excuse for submitting an incomplete response and in many cases it leads to that tender submission being assessed as non-conforming and set aside. Even if the tender is considered it will be evaluated solely on the information it contains.

Under the principle of fair and equitable treatment, the Government has strict guidelines over what tendered information can be received after the tender has closed.

Where documentation or information is considered 'material' to the tender, that is, material of substantial import or much consequence, it should not be accepted by the tender officer after the tender has closed. Pricing, compliance statements, capability statements, methodologies, are all considered 'material' to the outcome of the tender.

Contact details, insurance information or a statement of conflict of interest are examples of information that could be submitted after the closing time. In all cases, the tender officer would have to confirm with its probity advisor and/or departmental purchasing unit before accepting any information after the tender closing time.

Creating a RFT/RFQ checklist for completion

The Government is beginning to include a checklist in its standard tender documentation. If there is no checklist, I strongly advise tenderers to create one. That way, a simple process can be followed to ensure the completeness of a tenderer's response.

The following steps could be followed in creating your own checklist for completion:

1. List each schedule in Part D, Tender Response Schedules, i.e. Schedule 1 – The Tender Form, Schedule 2 – Conflict of Interest, etc.
2. Match the evaluation criteria in Part A, Conditions of Tender to the relevant Tender Response Schedules in Part D.
 - a. Include these evaluation criteria as subheadings in your checklist to ensure your response addresses every single criterion.

3. Match the mandatory, highly desirable and desirable requirements to the relevant Tender Response Schedules in Part D.
 - a. Include these requirements as subheadings in your checklist to ensure your response addresses every single requirement.
4. Document all information that is additional to the tender requirements that you are including

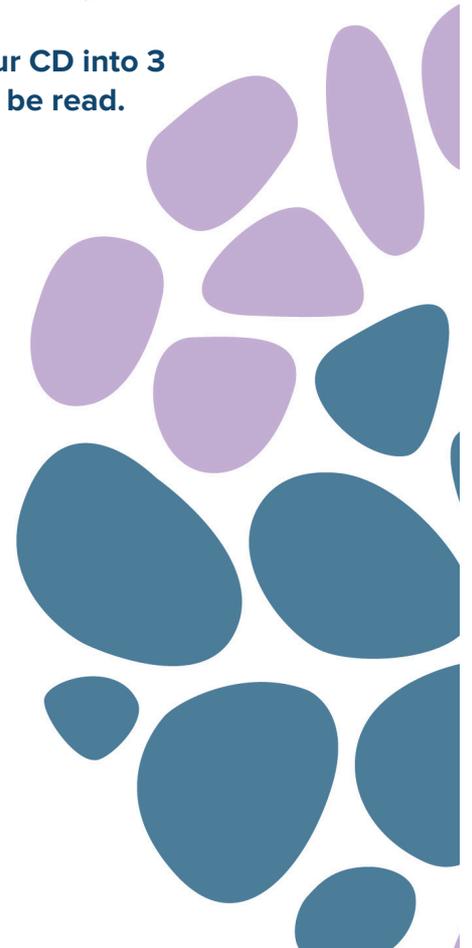
As an example, and at a minimum, your tender checklist for completion should include:

- Completion of every schedule in Part D Tender Response Schedules – list every schedule 1 to XX (there can be up to 20 of them);
- Response to each tender evaluation criteria;
- Full pricing details;
- Completed compliance statements to contract and specifications;
- Completed insurance details;
- List of 3 referees;
- Signed physical copies of schedules 1 and 2 (where requested);
- Correct number of copies of the tender document or CDs;
- Completed “additional information”; and
- Any drawings/designs etc. requested for in the tender document.

Finally, I wanted to discuss submitting electronic tender responses.

If a tender officer receives a CD or disk that is blank or that can't be read that tender officer cannot request a new CD or disk, or a hard copy of the material, as that would constitute accepting a tender after the tender closing time.

Before submitting an electronic response please insert your CD into 3 different PCs to ensure the content is there and that it can be read.



10. Get your response in on time!

I estimate that I have evaluated well over 150 tender and quotation responses during my time in Government and of those responses not one submission was accepted after the stated tender closing time.

Unless it can be proven by a tenderer that Government actions prevented that tenderer from submitting a response before the closing time, Government policy precludes accepting a submission after the tender has closed.

The following is an excerpt from the policy:

Late tenders will not be accepted, unless there is conclusive evidence that the late lodgement of the Tender:

- *Resulted from the mishandling of the Tender by the Department; or*
- *Was hindered by a major incident and the integrity of the Tendering Process will not be compromised by accepting a Tender after the closing time.*

Some excuses I have seen used include:

- The lift was broken;
- There were too many people lodging tenders in the tender box and I couldn't get to the tender box in time;
- There was a traffic jam; or
- There was an unforeseen storm that caused a black out.

None of these creative excuses were considered, quite simply because other companies were still able to submit their responses on time!

Therefore, rather than aiming to get your tender in on the due date, aim to submit it at least 24 hours earlier, this way you will circumvent any unforeseen obstacles.

It seems terribly obvious to get your response in on time but if you miss out on successfully submitting your tender response, a document you have spent a lot of time and money on compiling, you will most likely have to wait for 3 or more years for another opportunity to tender for that business.

Finally, consider the message you are sending the tender officer, if you can't organise yourself to get a submission in on time, what message are you sending to Government about your ability to manage its project deliverables on time?

Value for Money

The 10 tips for winning Government business contained in this guide aim at differentiating your tender or quotation from others to gain a competitive advantage. However, to be successful in winning Government business you must also deliver the best value for money (VFM) solution. Ultimately, winning the VFM assessment is what will win the RFT battle and at least get you short listed.

Contrary to popular opinion, VFM does not equate to lowest price, it's a balanced benefit measure reflecting the non-financial score versus cost, where non-financial score refers to the scored aspects of the tender or quotation and includes:

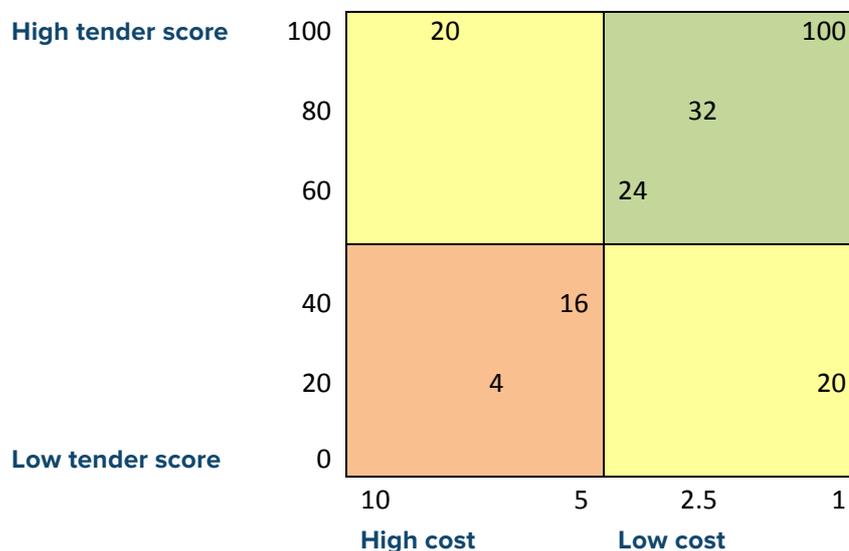
- The response to the Specifications;
- The Customer Service proposal;
- The risk profile of the solution;
- The response to the Conditions of Contract;
- The Transition plan; and
- Value-added proposals.

The VFM index is calculated by dividing the non-financial score by tendered cost. The higher the VFM index, the greater VFM offered to Government.

The following diagram shows various VFM indices. Tenderers should aim to be in the top right hand box, shaded green. In this quadrant tenderers have greater flexibility in pricing their tenders based on strong capabilities and experience (translating to higher scores).

Stay out of the bottom left hand quadrant (shaded red) with low capabilities tendered against high costs.

Tenderers in the yellow quadrants need to better differentiate their responses from other tenderers and therefore generate higher scores.



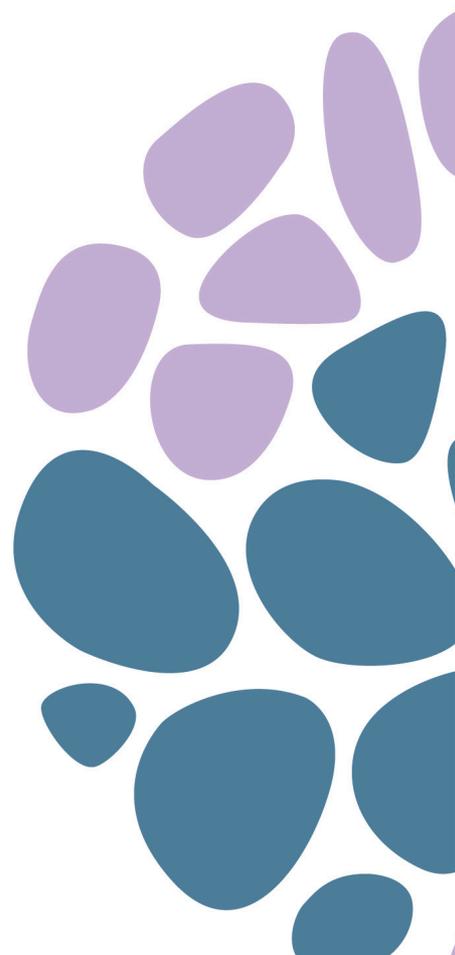
Closing Statement

Through this guide I have given you tips on how to develop a competitive advantage through your tender and quotation responses, and thus maximise your chance of winning Government business.

For advice on implementing the tips within this guide, more information on Government tendering and procurement, or useful tendering tools please visit www.miaconsultingservices.com.au or email info@miaconsulting.com.au.

Good luck!

Deirdre Diamante
Director, Mia



In *10 Tips for Winning Government Business*, Deirdre Diamante delivers 10 easy to implement and proven strategies for navigating complex tenders, understanding what government is looking for, and preparing responses that will resonate with government evaluators. It's been proven that businesses which address these 10 tips have a much higher chance of being successful during a tender.

About Us.

Mia provides specialist advice on business and procurement practices in the public and private sector, with a particular focus on Winning Government Business. Our comprehensive suite of consulting services includes support for tendering and procurement, quality and risk management, project management, and developing strategies for engaging with government.

Also by Mia.

10 TIPS FOR ENHANCING TENDERING PRACTICES

Drawing upon a unique dual perspective of government and industry, Deirdre Diamante's *10 tips for enhancing tendering practices* for procurement officers will maximise tender outcomes for both the buyer and supplier.

