

SMEs NEED TO SHARPEN THEIR TENDERING SKILLS IF THEY WANT TO WIN BIG BUSINESS

25 July 2002: Tendering is an important skill when it comes to growing a business and providing products and services to larger organisations. Smaller firms can get left behind if they don't develop the skills they need to compete with the bigger players who have more time, money and resources. However, a small business can be surprisingly successful in grabbing the prize if the tender is handled resourcefully and intelligently, says accountants and business advisors, PKF.

Nick Winters, partner at PKF says, "The first thing you need to do is decide whether you want the business, otherwise, you may put in a lot of time and effort chasing business that you are either unlikely to win or should not be tendering for in the first place. Most tenders, if you do them properly, will take a lot of time and thought and involve you having to discuss sensitive information about your business to your potential client. Ring up the company, acknowledge receipt and let them know that you are interested. The process starts from the moment you are first asked to take part. Throughout the process, your main focus should be on making contact and building relationships. The prospective buyer will often make a decision based simply on: Can they do the job? Can you work with them? and Do I like them?".

Nick offers the following ten-point guide for SMEs looking to win at tendering:

1. Empathy

The importance of being able to establish a rapport and empathy with the prospective client cannot be underestimated. This would encompass understanding the target business and being sensitive to the personal objectives and agenda of the decision-makers.

2. *Helpfulness*

Decision-makers look for evidence that their prospective business partners will be prepared 'to go the extra mile' in serving them and that they will provide solutions which are not only technically correct but will also help to solve practical problems.

3. *Hunger*

Prospective clients want to feel that their business is important to the firm they choose and that they will always be treated as if they are a high priority. Therefore, it is vital to demonstrate enthusiasm and commitment during the tender process.

4. *Leadership*

The proposal team leader must be genuinely committed to working with the prospective client and must demonstrate that he or she has the authority and respect of the team.

5. *Teamwork*

Everyone in the team should have a clearly defined role and should show that they are able to work together.

6. *Management skills*

The way in which the proposal is managed will be interpreted as a symbol of how the engagement itself will be handled.

7. *Credibility*

Part of the team's credibility will rest on the experience and track record of its members. But the team's behaviour and actions during the proposal process can affect perceptions of credibility.

8. *Expertise*

Customers tend to take this for granted, but it is important to demonstrate relevant expertise by referring to relevant experience, skills and knowledge.

9. *Resources and infrastructure*

The company should be able to demonstrate that though it may be smaller than some of its rivals; it can offer the breadth of resources and back up to successfully complete the contract.

10. *Value for money*

Customers generally expect there to be some equation between quality and added value on the one hand and price on the other. It is vital to get the pricing right to demonstrate value for money.

Nick concludes "Find out as much as you can by speaking to the business direct, that way you will be able to tailor your tender document to give you the maximum chance of success".

For more information on PKF's 'Guide to successful tendering', please call: 0207 782 9335.

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Notes to editors:

1. PKF is the eighth largest firm of accountants and business advisors in the UK with more than 1,600 partners and staff operating in over 25 offices around the country. Principal services include assurance and advisory; consultancy; corporate finance; corporate recovery and insolvency; forensic; and taxation. The firm has particular expertise in sectors such as charities; technology and e-commerce; hotel and leisure; inward investment; medical; professional partnerships; and public sector. PKF's web site address is www.pkf.co.uk. PKF also offers financial services through its FSA authorised company, PKF Financial Planning Limited.