

WINNING PROPOSALS

How to write them and get results

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This book is dedicated to our children, Tiina, Marty, and Jennifer.

PREFACE

The purpose of this book is twofold. First, it teaches the rudiments of how to prepare a proposal. The components that you need are listed and described.

However, components are just a collection of pieces unless they can be assembled in a meaningful manner. Thus, the second, and more important, purpose is to explore the exciting realm of persuasion: making the proposal into a winner. To be a successful persuader, you need to know why people agree to things. I describe how persuasion works and present guidelines that will help you convince people to accept your proposals and ideas.

This book goes beyond what other books offer in proposal writing — it provides not just formulas and recipes, but also the *psychology* that is needed to make your proposal a winner.

The psychology of persuasion, the foundation for winning proposals, is rooted in human nature, which does not change. Thus, I thought it would be a very long time before an updated edition of *Winning Proposals* would be necessary. The second edition of *Winning Proposals* was prepared a scant five years after the first, not because there had been some unexpected change in human nature, but because of the extraordinary revolution in communications brought about by the Internet and the Web, which have had an impact on virtually all aspects of life — including proposal writing. The second edition added relevant websites for obtaining Requests for Proposals (RFPs) and that provide technical assistance in writing proposals.

One aim of this third edition, which follows the second by a decade, is to update those aspects of proposal writing that are affected by the ever-growing, ever-changing Web.

The first and second editions focused on formal proposals typically used by consulting firms. The secondary objective of this third edition is to expand discussion of other forms of proposals — specifically, the unsolicited proposal — and other areas of life where persuasion is relevant.

The motivation for this book arose from my long involvement in the consulting business and also through my association with the academic world. A consulting firm's lifeblood is the proposal. They must write and win a reasonable share of proposals, or perish. University researchers are in the same position; they must prepare good grant applications or wither. One would imagine that consulting firms and universities would devote considerable resources to ensuring that their staff can write proposals of high quality.

Sadly, this is not the case. Effective proposal writing is an overlooked discipline; it somehow falls between the cracks. All too often, individuals are left to fend for themselves with little or no guidance. When instruction is provided, the emphasis is generally on the components that make up a proposal and the mechanics of assembling those components, rather than on strategy and psychology.

This is akin to giving a soldier the tanks, guns, and other equipment needed to fight a battle without teaching the tactics and strategy that are necessary to out-manoeuvre the opponent. This book corrects that glaring oversight. It outlines the strategies and methods for turning an ordinary proposal into a winning proposal.

When proposals require less time and effort to produce, considerable savings are realized. Describing how proposals can be prepared more efficiently forms an important part of this book. For organizations that submit many proposals, these savings will directly improve the bottom line.

Your proposals will be more convincing, and they will be less costly to prepare. Your competitors had better beware!

Given that it focuses on the magic of persuasion, this book will be of special interest to:

- Consulting companies competing for contracts
- University and college researchers competing for research grants
- Businesspersons seeking venture capital or other forms of financing

- Salespersons selling the myriad of things they sell
- Fundraisers

Because persuasion plays a role in almost all facets of human interaction, this book is intended to help all those who want their bright, innovative ideas to come to reality.

1

THE FASCINATION OF PROPOSALS

1. The Importance of Proposals

Proposals are fascinating creatures. I am intrigued by the proposal's enormous importance and the wide role it plays, not only in the business sector but in every sector of our lives. Yet few understand the proposal and the principles of persuasion that are at its foundation.

Society is changing. As heavy industry and resource production decrease, the service sector is growing in importance — and so grows the significance of the proposal. Virtually all parts of the service sector use the formal, competitive proposal as the means of soliciting and offering work. Proposals have become one of the main tools of modern business. A proposal is both a sales presentation and a marketing tool. Without the ability to write winning proposals, many companies would cease to operate.

Millions of proposals are requested and submitted each year in North America and cover such diverse services as installation of pollution control devices, safety and management training courses, landscaping and interior decoration, surveys of consumer product usage, reviews of cultural behavior, building of bridges and other infrastructure, filling of potholes, and so on. All levels of government and most parts of the private sector rely on the competitive proposal as the principal means of awarding contracts. Several billion dollars of goods and services are procured annually using proposals.

In this growing information age, consulting firms are proliferating, and their very existence — be they engineering, environmental, or business management firms — depends on proposals. Any single company might write from a few dozen to several hundred proposals each year. Thus, the lifeblood of a consulting firm is the proposal.

But the importance of the proposal extends much further. In today's business world, virtually all firms and organizations that offer a service or product must submit descriptions to their clients of what they have to offer and why that service or product is necessary. To survive, they must present persuasive proposals. At universities, professors must submit grant proposals to obtain research grants. Hospitals must present proposals to federal and state governments to receive operating funds, capital for a new wing, or a new MRI unit. Charitable organizations must convince the public to offer financial support so they can carry out their good works.

Although this book deals primarily with the formal, written proposal, it is important to recognize that proposals play a vital role in all aspects of our lives. Life is a contest of wits. In this increasingly competitive world, we must sell our ideas, our concepts, and our dreams better than the next person. As Robert Louis Stevenson stated: "Everyone lives by selling something." Our selling ability — that is, our persuasion skill — has a great bearing on our general success in life.

2. Jekyll and Hyde Personality

Another fascinating aspect of proposals is their Jekyll-and-Hyde personality. On the one hand, proposals are fascinating, alluring, and full of reward and satisfaction. On the other hand, they can be frustrating and difficult. Many people do not enjoy the stress that is involved in meeting tight deadlines and being required to produce winners.



Each proposal has a dual personality.

Why do proposals have this complex dual personality? Let's look at the difficulties first. Not many people know how to write a winning proposal. This is not surprising as most firms and educational institutions do not place emphasis on teaching this subject. Why is this?

A proposal is difficult to write; it combines a factual presentation with the psychology of persuasion. In other words, the proposal intertwines science and art. At the same time, the proposal must be attractive and have an appealing layout. It is not easy to combine these attributes.

Furthermore, the proposal is a major document; it can sometimes become as big as a large report or even a small book, which requires

considerable effort to compile. It must contain a well-thought-out technical work plan, company credentials and experience, a cost estimate, and other relevant information.

In addition, proposals are often written under intense pressure. Meeting the required deadlines frequently means working overtime and disrupting family and private life. There may also be a fear of rejection should the proposal lose; this can be exacerbated by senior managers who may place considerable pressure on the proposal team with a win-at-all-costs attitude.

3. The Satisfaction of Proposals

There can be a very tangible excitement associated with the proposal preparation process. And there is enormous satisfaction in preparing a winning proposal! There is nothing as exhilarating as learning that your proposal has won.

One of the fondest memories of my career was winning my first contract at a firm that I had just joined. The firm was in a dilemma as a major Request for Proposal (RFP) had just been received for the development of a large software program for marine engineering design. Unfortunately, the person in charge of this area was on holiday and no one else was prepared to take the lead in the proposal preparation. I volunteered, and although I was a junior employee with little expertise in this area, I was given the green light. I set to work with an enthusiasm that only youth and naiveté can generate. I enlisted the help of a bright engineer who ensured that the proposal was technically strong, and I tried a number of new slants that my new firm didn't usually employ. We worked long hours and assembled a fine-looking document. We took care not only with the technical aspects but also with the visual appearance of the proposal. We used graphs, figures, and a cover specially designed to reflect the theme of the proposal. I was proud of the final product.

As often happens, almost a month passed after the submission, during which time the daily humdrum of consulting life took my mind completely off that proposal. One day, the president of the firm, who up to that time had never acknowledged my existence, walked into my office and began to heartily congratulate me. My proposal had won.

I was ecstatic! My colleagues were ecstatic. The proposal resulted in a major contract, which in turn led to further contracts; the financial

contribution to my firm was significant. My reputation at the firm soared and I was accepted as part of the established circle. All this because of one proposal!

A good proposal writer is a valuable commodity and a key person in the organization. He or she is the breadwinner and the bringer of contracts and work. A good way of enhancing career growth is to learn the basics of writing good proposals. This skill will be a valuable asset on your résumé. As you will see, this skill is transferable and will also help improve many other areas of your life.

Every proposal submission is like a lottery ticket. It brings excitement and the unbridled hope that is an intrinsic component of the human spirit.

4. The Challenge of Competition

Proposals also bring the challenge of competition. If you are a natural competitor, you will enjoy writing proposals, for they are the quintessential challenge. You are competing against top firms who are also pursuing your objective. Like an athlete, you must constantly hone your skills in writing and improve the quality of the product. It is also important to learn to live with the disappointment of losing. It is essential to learn from your defeats so that your next proposal will be better. Give everything you have, push to the limit, and make sure you submit the very best proposal that can be produced under the given circumstances.



The proposal-writing process is intrinsically competitive.

5. Persuasion

The majority of proposals present as much information as possible in the hopes that the reader will find something he or she likes and respond positively. The problem, though, is that this approach isn't very effective. The purpose of a proposal should be to present a solution or recommendation, and to persuade the reader that it is a better proposal than those presented by others. A proposal is a waste of effort unless it wins.

But how do you create a winning proposal? The key is persuasion. Persuasion can be defined as the process by which a person's attitudes

or behavior are, without duress, influenced by communication from other people. In Chapter 3, the principles underlying effective persuasion are discussed. These principles can be applied to make your proposal more persuasive than that of your competitor.

Persuasion is powerful and mysterious. It requires a knowledge of the human thinking process and a compassionate understanding of our fellow human beings. What motivates people? How do we look inside another person's mind and bring his or her train of thought onto our track?

One thing is clear: Successful people are invariably good communicators. They might not always have a greater command of grammar or vocabulary than others, but their written and oral communications have punch; they compel others to take action. The reason people listen when others are speaking is likely because they are using the magic of persuasion.

6. Persuasion in Business

Although persuasion plays a role in virtually every facet of life, it is, in particular, an essential part of business. To be successful, a businessperson must be good at writing winning proposals and applying the gentle art of persuasion in all aspects of his or her business dealings.

The success of the entrepreneur is largely due to an inspired idea. We usually recognize that hard work is also a contributing ingredient to an entrepreneur's success. However, the most important quality a businessperson can have — persuasive skill — seldom receives its proper recognition.

If you have an idea, great! But it's selling the idea that's the real challenge. Persuasion plays a key role from the inception of the entrepreneurial idea through to the mature business operation. First, financial support must be raised using a special type of proposal: a business plan. Your business plan must be very persuasive indeed, for there are not many people, even rich ones, who will easily part with their money. Words must be crafted together to form a powerful, persuasive lever with which the mindset of the venture capitalist or banker must be changed from a dubious to a receptive state, and the money gently pried from his or her grasp.

Having obtained venture capital, the entrepreneur must next convince the public to purchase the product or service. Again the

entrepreneur is faced with a daunting market challenge, for today's consumer is sophisticated and is offered an almost limitless variety of products or services competing for his or her hard-earned savings.

Having passed these two difficult “selling” hurdles, persuasion continues to be a major component of the successful operation of this new enterprise. Now the entrepreneur must persuade the labor force to work at high efficiency and productivity, while at the same time accepting labor rates low enough to achieve an economic operation.

The art of persuasion must also be practiced at the decision-making and boardroom levels. A successful business operation is seldom run by one person. At some point, partners or principals will be acquired and become involved with key decision-making. When human beings interact, there is seldom unanimity, so the persuasive skills of the entrepreneur will be continually tested to keep his or her new partners aligned with his or her vision of the company.

An entrepreneur's greatest asset is not the widget that has been invented, but rather the ability to sell the widget to the world.

Although I have been writing proposals for over 20 years, the exhilaration has never diminished. My pulse quickens when an RFP arrives. In a large organization, the process of preparing a proposal is like publishing a newspaper and the proposal preparation area, like a newsroom, is alive with energy. There is organized pandemonium in the battle to assemble the document before the looming and unforgiving deadline. Phones ring, keyboards clatter, and photocopiers hum as you assemble the manuscript and make final revisions in the hope of adding that critical persuasive ingredient. I found it exciting to be part of such a team, and loved the challenge of seeking innovative ways to make the proposal more persuasive than those of our competitors. Once I started my own environmental consulting firm, the team became much smaller — usually just me — but it was just as exhilarating. I loved the challenge of going head-to-head with much larger firms.

My goal in the following chapters is to not only make you a better proposal writer, but also to instill in you the excitement and thrill of proposal writing.