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**Meet the MasterMinds: Tom Sant on Creating Winning Proposals**

According to the American Management Association, Tom Sant is "America's foremost practitioner of proposal writing." Sant, author of ***Persuasive Business Proposals***, is a recognized expert in business and technical communications.

Sant's innovative software programs, ProposalMaster and RFPMaster, have been adopted by leading companies, and have been featured in ***Sales and Marketing Management*** magazine. He is a popular public speaker, teacher and writer on the trials and tribulations of proposal writers, sales and marketing professionals and business communicators.

MCNews had an in-depth discussion with Sant about how consultants can put together winning proposals for their clients.

**MCNews: How would you characterize consultants' proposal writing today? Is it getting better, staying about the same or declining?**

**Sant:** Well, at best it's probably staying the same. My firm gets hundreds of proposals from clients and prospective clients every year. Based on those and some studies we did over the past year and half, I have to admit there hasn't been much improvement.

To give you one example, I've been preaching literally for decades: don't start a proposal with an overview of your company's history or your company's capabilities. It's useful information, but it doesn't belong up front. And yet, one of our surveys found that something like thirty-six percent of all proposals start with a company's history.

**MCNews: Is that because proposals writers are more comfortable talking about themselves than about their clients' situations?**

**Sant:** I think that's exactly it. We head for our comfort zone, which tends to be talking about our own stuff at our own level of technical competence. That's an appropriate way to talk to your colleagues, but not to your clients. Also, most people are much more comfortable communicating in an informative way—providing information—than they are in a persuasive way.

The more technical people are, the more that is a problem. Somebody who is a consultant in IT management, for example, may have more difficulty escaping the informative mode. I've seen many proposals that launch into very technical descriptions of projects or applications without any focus on why the client would care.
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Under pressure to produce proposals, people are not sure what's the best model to follow, time is running out and so they do what they feel they can do well: talk about themselves at a level of fairly sophisticated technical content.

MCNews: Have clients' expectations of proposals changed over the years and, if so, how?

Sant: Client expectations really have changed. Interestingly, I think clients were more tolerant of bad proposals when my book came out ten years ago than they are now. One reason for that is the almost total dominance of consultative sales methodologies such as Solution Selling, SPIN Selling or Target Account Selling. These methodologies have become the approved way to sell.

As a result, the salesperson or business development expert goes through a process of uncovering client needs, establishing the client's expectations and focusing on value. The client reasonably expects the proposal to reflect that process.

So when clients get boilerplate or cut-and-paste proposals, there is a real disconnect. They say, "Wait a minute, I gave you a whole lot of insight but none of it's here. Instead, I'm hearing about your web architecture. Who cares? I told you that what I've got to do is figure out a way to give inventory access to my field sales reps so we stop wasting co-op dollars. Okay, I kind of see how web architecture relates, but you're not solving my problem." So we are creating a set of expectations through sales methodologies, which we then fail to meet.

The second reason client expectations are higher is that, in spite of its much-publicized failure, e-commerce really has succeeded. All of us now buy off the web, and that has changed what we expect a good buying experience to be. Yesterday, I bought some books on Amazon, and it was wonderful. You log in and they call you by name; they remember your interests and make recommendations without forcing them on you. You can immediately go find what you want, and they track where you have been. The whole experience is personalized.

Well, the net result is that it doesn't feel right if I get a proposal that doesn't call me by name or that calls me by the wrong name, that doesn't reflect what I have expressed interest in, that doesn't pay attention to my buying criteria, that appears to be just shoving something down my throat. I am actually getting a less personalized buying experience from another individual than I am from a web site. To me, that speaks of laziness or incompetence.

Another factor is that, as a result of the current economic downturn, clients are much more risk-averse. So proposals that don't clearly establish relevance, value and significant impact on client operations are getting discarded, or at least delayed. People don't want to spend money in a down economy if they can avoid it.

MCNews: Have you noticed changes in what today's clients want to see in the writing style, tone and voice of proposals?

Sant: Writing style has become less formal. If you go back ten to fifteen years, proposals were probably the most formal documents people wrote. They were comparable to published white papers in terms of tone. Now they are more like marketing materials with an emphasis on readability. But, having said that, I think people still want in proposals what they have always wanted—clarity and ease of reading.

My rule of thumb for clarity is real basic: if I can read it once and understand it, it is clear. If I have to go back through the paragraph and read it a second time, it's not clear. It's amazing how often we encounter stuff in business that we have to go back and re-read, and still end up asking, *what are they saying*? Clients don't want to put up with that. They just don't have time.

Clients also want conciseness. We did some tests with a group of people who make their living evaluating proposals. We gave them three proposals, one twenty-five pages, one fifty and one

100 pages long. We asked them to look for certain things, but we didn't really care about that. Typical psychological experiment—we just wanted to see which one they would pick up first. Almost without exception, they picked up the shortest one first because they wanted to get one out of the way quickly.

And, it's to your advantage to have your proposal read first, assuming, of course, you have done a good job. Even though we are supposed to be objective, human nature being what it is, the client will inevitably compare the next proposal read to yours. If it's not as good, you win.

If you ask a room of twenty business people what they like in a document, I guarantee you that the number one answer will be, get to the point; don't beat around the bush with a bunch of nonsense. The point for clients is do you get it? Do you understand what they are trying to do, and can you deliver?

MCNews: There are times when clients ask consultants to write proposals just to get them out of the office. The client says send me a proposal and I will look at it. How do you decide whether or not to even write one?

Sant: I think anybody who values his or her own time needs to have a structured bid, no-bid process. Proposals are time consuming and they are an embodiment of intellectual capital, which you don't want to squander. You don't want to give away good ideas or insights when there is no prospect of getting a reasonable return.

So consultants need to develop a qualification process, which will vary by the industry type, client base and so forth. But there are some common elements. One is know the client. Do they do business in an ethical way? Will they solicit a proposal and then use it as a project plan to do the work internally, with no intention of paying you for it? Do they see nothing wrong with having you spend days developing a very detailed proposal and pricing document, which they then use to beat up their current vendor?

Sometimes, clients are trying to slow down the sales process. They feel the momentum build as you go towards the close. As you said, they figure, if they have you go write a proposal at least that will get rid of you for a couple of weeks. They're really not ready to buy.

The qualification process has to be based on observations of where you are with the client in the sales cycle. Is it too early to be sending a proposal even if they ask for it? Is there an incumbent provider of this service, and are you just being used as a way of testing that incumbent's ability to cut price? Statistically, incumbents will win ninety percent of all re-awards. If there is an incumbent and you suddenly have been asked to bid and you really don't have a strong relationship, you might want to question if it's worth doing.

Even if the incumbent has done a horrible job, is on notice or got a really bad performance rating, they still win half the time, statistically. If you're not the incumbent and there is somebody firmly in place doing the exact kind of work you are proposing to do, that should be a yellow flag. I don't mean you shouldn't do the proposal, just be careful.

Another question: is their budget approved? Some people are more than happy to waste your time when they have no money. You can't always determine if they are telling the truth about money. One consultant has clients sign a letter of intent stating that if the proposal meets the criteria and addresses the problem in a suitable way, they will move forward; the project has been approved and they intend to go forward. Now, it's not legally binding, but it does give clients pause. It makes them stop and think if they really want to sign their name to this letter saying they are serious when they know they are not.

You must also make sure you have access to the true decision maker. You can ask, are you the decision maker? And the answer is oh, yes, I am the decision maker. But if you probe and notice the way other, similar decisions have been made, you may find that this person is a decision influencer or a gatekeeper. Then you should say, what I would like to do is spend thirty minutes presenting the outline of my approach to your vice president of finance. Can you arrange that for me so I would be able to do a better proposal? If the person refuses to give you access to the actual source of decisions, it's a pretty good sign you shouldn't be doing this.

Everyone gets ripped off occasionally, but those are some ideas to help winnow out the real from the not so real proposal requests.

MCNews: So if you decide to write one and you are staring at a blank piece of paper, what's the first thing you do to get started?

Sant: I have an advantage in our software systems, which help jump-start proposals. For consultants who don't have such an integrated approach, I teach them to use a process I call cognitive webbing. First, make sure you understand the end result the clients want. What's going to make them feel they got good value for their money? Oddly enough, when I pose this question the typical answer I get is that the result the client really needs is whatever product or service the consultant is selling!

Here's an example. Let's say a client needs to develop an e-commerce site to keep up with the competition and hires you to help set up bank services to handle credit card transactions for the site. You might think that what the client needs is a great system for online, real time verification of credit card payments. But what the client really wants is to regain market share, or not to lose any more. The ability to process credit cards is just enabling technology.

Ask yourself some basic questions: Why does the client want this? What's the problem you're solving? What's the need that is not being addressed, or the gap in capabilities that needs to be closed? Why is it important to the client? What is rippling through the organization that is causing discontent, lost productivity or lost profitability?

How will clients measure success? What are they looking for in terms of clear outcomes? If they were to tell you their top three objectives in terms of results or performance measures for this project, what would they be? And which one matters the most? Is it financial? Is it improvement to the infrastructure? Is it some kind of change in the organization's culture that enables employees to be more productive, or that reduces turnover, or makes is less likely that senior executives will jump ship? Knowing which result is the most important is critical because it tells you where to frame your value proposition.

Then you have to ask yourself, what have I got? How can I solve the problem and deliver the right results? Usually there are multiple ways to tackle a problem. Given the likely outcome of doing it one way, how does that match up with the client's goals? That should make clear which approach is best.

MCNews: So this process clarifies the client's needs, objectives and the best approach to the project. What's the next step?

Sant: Cognitive webbing generates the content for your proposal. The next step is to structure that content. For that, I recommend using a pattern I talk about in the book, the Persuasive Paradigm. It's very simple: restate what the client needs, the goals the client has established, and then give them the answer. Here's the problem, here's the impact, and here's the solution.

People understand stating the client's need, but sometimes question stating the potential benefit before giving them the answer. That's the difference between information and persuasion. You restate the outcome the client is looking for because that's where the motivation to act comes from. **If you don't show them the gain, they will live with the pain.** Show them that although they may have many problems, this one is actually worth doing something about—it has a big payoff.

Finally, prove you can do it, on time and on budget. Prove that you have the recent, relevant experience, competence, staff and whatever else they need to feel confident. You want their risk aversion to go down and their confidence in your ability to perform to go up. At that point, you've got an outline and are ready to write your proposal.

MCNews: When you review a proposal what's the most common area you see that needs improvement?

Sant: It's almost always the up-front stuff: the cover letter, title page, table of contents and the executive summary. It's terrible to see generic, bland titles like "Proposal" or Proposal for…" or titles that just repeat the name of an RFP. Tables of contents are often bad because they don't include page numbers or they are disjointed.

The executive summary is the lynchpin of a proposal because that's the one part everybody is likely to read. But they often miss their mark. I group those four things, the cover letter, title page, table of contents and executive summary, into a bucket I call the "business case." That's where you establish that you understand the client's business and what they are trying to accomplish, and that you have a reasonable and defensible plan for helping them get there.

The business case elements add up to only four or five pages. The rest of the proposal, which constitutes the bulk of it, is substantiation—answering the questions in an RFP, detailing the steps of a project, providing resumes of key personnel and laying out management methodology. People usually do okay with substantiation. They usually blow it in the up-front stuff, which is where they need to make the persuasive case. And that's the hardest part to write.

MCNews: When you look out three or four years how will the proposal process evolve, and how should consultants think about and prepare for those changes?

Sant: There are two strong trends already underway. One is a move toward more oral presentations; the other is web-based submission of proposals.

The Federal government often drives change in these areas and one of the most significant has been encouragement from the GAO to streamline federal acquisition processes. They have moved away from written proposals towards orals, and businesses are now being developed and contracts awarded based strictly on oral proposals.

That's a whole different way of communicating with prospective clients. In theory, it's supposed to be easier to create an oral presentation than a written one, but it's really not, not if you do it right. But orals are much easier for the evaluators. Instead of reading twenty proposals and scoring them, which could take weeks or months, evaluators can watch twenty presentations in the course of five days and then they're done. It saves a lot of time and money for the buyer, and I think the use of oral proposals will spread.

The other change, web-based submissions, is a by-product of e-commerce. I see it as a negative trend, but I think it's going to become increasingly important. A client posts a spreadsheet or some other kind of form on a web site and you have to complete the form to compete for the project. That's reducing the proposal down to a spec sheet.

What the client is saying between the lines is "Everything you provide is a commodity; I don't really care about differentiators between you and your competition, and I don't believe in your value proposition. What I want to know is what have you got and what does it cost? Just fill in the blanks and then I will choose."

That's not a smart way to buy or sell anything, but if everybody in the industry does it, we may be stuck with it. I don't think it will last, though, because it violates key principles for making decisions in a business environment. People can't calculate true rate of return without understanding what differentiates vendors. If you don't know the differentiators, you can't compare.

A third trend for proposals is the integrated use of media. In the future, you will receive a proposal electronically and it will have hot links embedded in it. If you click on one, the CEO will appear in digital video format telling you how much the company wants your business, about their strong commitment to the job, and so on. Though splashier, this trend won't really change the fundamentals of writing proposals but it will change the delivery somewhat.

MCNews: Last question: what one piece of advice you would give somebody who is getting ready to write a proposal?

Sant: It may sound dumb, but my advice is don't start too soon. Make sure you know what you need to know. First, you need to know your own stuff, to be a real expert, to write a good proposal. Sometimes people write from a marginal level of competence. Maybe they are new and just don't have the depth yet, and you can tell.

Second, you've got to understand your clients and their business—how they work, what the problems are and how you are going to help them. And third, you need to know how you can improve the relationship between your prospective clients and their customers, or constituents if it's a government bid. How you can improve that relationship is the nexus of value. From the client's perspective, if you can help me get stronger or more profitable relationships with my customers, then I'm interested.

Make sure you know those things before you sit down to write. Otherwise, you have no basis for differentiating yourself or for delivering a client-centered message, and no foundation for a compelling value proposition. Without those, you end up writing about your company's history—I don't know anything about you so let me tell you about me.

MCNews: Thanks for your time and thoroughness.

Visit Tom Sant's web site at http://www.santcorp.com for more tips on proposal writing and to find out about his book and services.