

Size of the market

Each year the public sector spends around £220 billion per year buying a wide range of goods and services.

Benefits of supplying to the public sector

- Prompt payment terms.
- Little or no risk of bad debt.
- The potential for ongoing work and a recession proof income stream as there is a commitment to provide many key services irrespective of economic conditions.

Disadvantages of supplying to the public sector

- Time consuming to put bid together.
- No guarantee of success.
- Length of time from contract alert to contract award – it's no quick win.
- Lower profit margins.
- Changing goal posts.

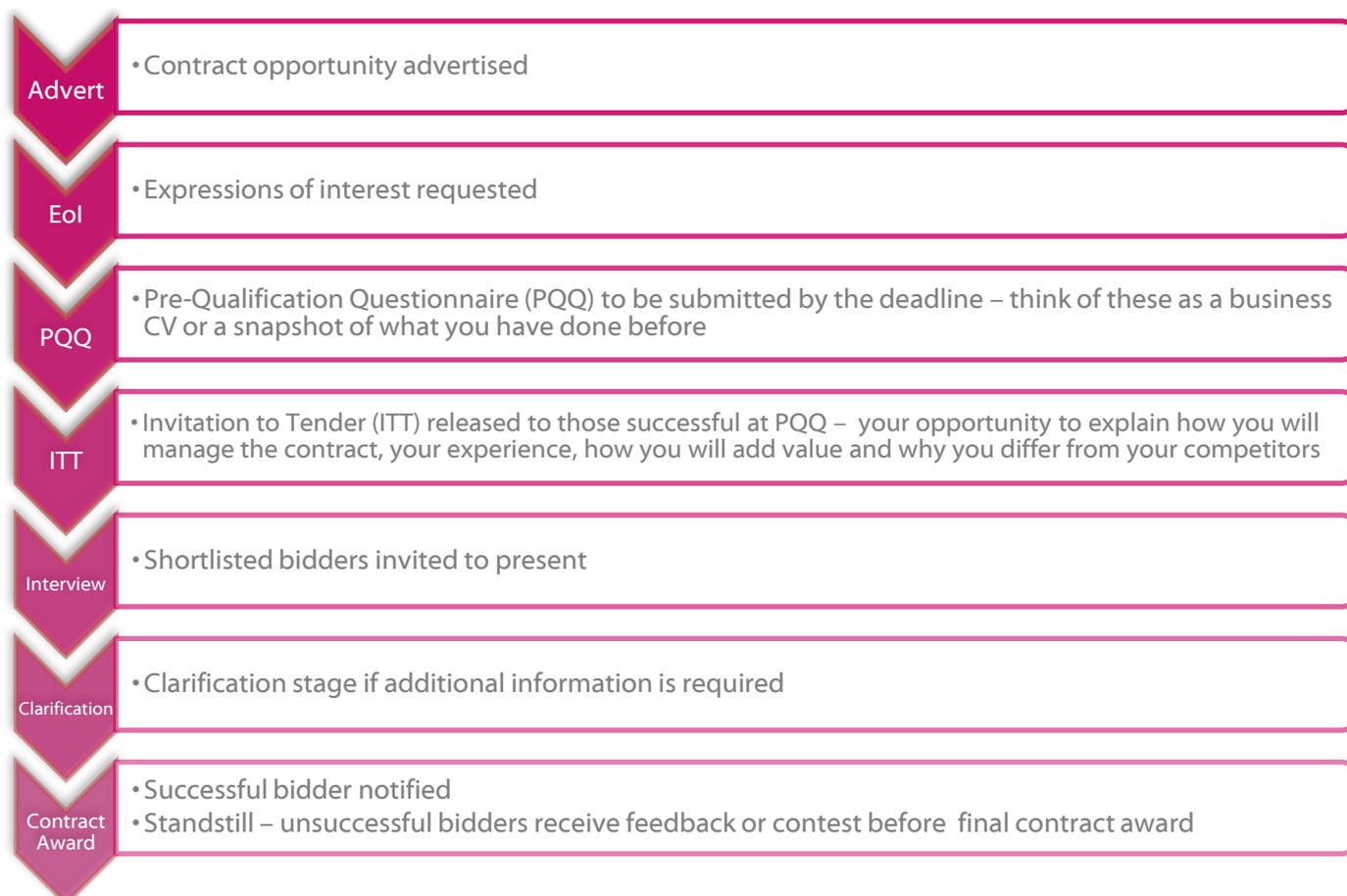
Your competitive advantage as an SME

Government recognises that small and medium size enterprises (SMEs) can often provide:

- Better value for money.
- Better quality of services.
- The ability to be innovative and flexible in their products and services offered.
- The ability to adapt quickly in order to meet niche and changing requirements.

SMEs are actively being encouraged to compete for public sector contracts with government targets set for SMEs to deliver 25% of public sector contracts.

The Tender Process



1 Finding Opportunities

Where to look

Sign up to contract alerts:

- www.supply2.gov.uk – free service for contract alerts if <£100,000. Subscription for larger contracts.
- www.competefor.com – London 2012 contracts.
- www.ted.europa.eu – free to view all tenders over £157,000.

Look out for opportunities in:

- FSB weekly alerts – Voice of Business.
- Trade magazines.
- Local and national papers.
- Local authority websites.

2 Before progressing

Sense check, questions to answer

- Can you deliver?
- Is it the right size contract? As a rule of thumb only bid for contracts that are up to 25% of your annual turnover. Bidding for larger contracts may be seen as a risk and count against you.
- Can you provide the documents required: 3 years accounts, Insurance certificates, policies such as Health & Safety, Equality & Diversity, Quality Management and Environmental?

3 Progressing your bid

Have a plan

- Plan your bid around the timetable the buyer gives you and make sure you can meet all deadlines.
- Start with the deadline and work back to identify what needs to be done, by when and by whom.
- Agree the actions with the bid team, monitor actions and chase.
- **Don't miss the deadline!**

4 Writing your bid

Do

- Clarify anything you are not sure about with the buyer.
- Build your 'standard' PQQ response – many of the key questions at PQQ are very similar and you can often recycle core pieces of information (don't forget to manage and update this 'standard' response as new information becomes available or as certificates expire).

Don't

- Assume that the buyer knows about your products, services or projects (even if you have already discussed it with them). Buyers can only assess and mark what you tell them in the bid.
- Use jargon or abbreviations without explaining what they mean first.

5 Submitting your bid

- Always provide the information you are asked for.
- Ensure you follow the submission instructions precisely.
- Always allow sufficient time to upload documents onto online portals – problems with technology will not be valid excuses for missing the deadline.

6 Post mortem and debrief

- Win or lose, always ask for feedback – this is essential for understanding your strengths and weaknesses and helping with future bids. If you were unsuccessful, try to understand why you were unsuccessful and how the winning bid was better than yours.
- Keep up the momentum and start looking for your next opportunity.

7 Ongoing bid management

- Review and monitor success rate of each contract to identify which ones to pursue in future.
- Review feedback and record comments on positive and negative aspects of your bid submissions and refine or adapt your information library based on feedback.
- Develop a library of case studies relevant to different areas of your work – these can easily be adapted for future bids rather than starting from scratch each time.