How to Write a World-Class Proposal

By Michael P. Griffin, CMA, CFM, ChFC

A core competency of accounting and finance professionals is the ability to communicate effectively through written and oral presentations. Those communications skills are called upon every time you create and present a proposal. Professionals, including management accountants, write proposals for a variety of reasons. Internal proposals are tailored to the organization's decision makers. Management accountants prepare them to recommend the adoption of new policies, procedures, and systems. Internal proposals may justify investments in large capital assets, such as a new management information system, or a commitment to actions that reduce costs and improve efficiencies.

Proposals for *external* consulting engagements are written based on the prospective client's stated needs. Proposals in response to a Request for Proposal (RFP) are written to satisfy the specific requirements of the RFP document. Researchers, professors, and managers of nonprofit organizations develop proposals to win research funding and grant money. Those proposals must satisfy the information needs of the funding agency.

What can you do to generate cost-effective proposals and, at the same time, increase your odds of success?

◆ Become proficient at developing proposals. This means reducing the time it takes to create them while still meeting the needs of your audience (prospective client, manager, internal customer, and so forth). Throughout this article, the proposal audience is referred to as the "client."

◆ Use a consistent proposal document structure to increase your chances of success. Options include templates and worksheets that have proven to be effective in the past. Software packages also can help you generate professional proposals.

◆ Maintain a proposal information repository that you can tap into again and again to compile winning proposals.

Client-centered Proposals

Tom Sant, author of *Persuasive Business Proposals: Writing to Win Customers, Clients, and Contracts* and founder of Sant Corporation, a developer of proposal automation software, writes in his book that before you type a single word you should answer seven questions that can help you develop a client-centered focus (see Table 1).

A proposal should not only provide great information but should demonstrate that you've done your homework and that you've analyzed and now understand the problems. The best kind of proposal continuously takes into account the client's problems and needs. Sales experts call this consultative selling—where you act as a consultant to determine the problems that need solving and the various solutions and specific deliverables that can do the trick.

Proposal Structure

If your client has published a Request for Proposal (RFP), then, of course, you must follow the exact specifications and guidelines of the RFP. In essence, the RFP will help you determine an effective structure. If you're not following an RFP, you must develop your own structure or adopt one from reviewing successful proposals, reading books and articles on proposal writing, or by adopting templates.

Structure includes the basic outline and also issues such as writing style, typefaces, and format. It's dependent on the nature of the products and services that you detail as solutions, the type of industry you're working within, and, of course, the clients who will read your proposal. Developing a proposal structure that's consistent, professional looking, and meets the client's needs is time-consuming.

Table 1: Seven Questions for a Client-centered Proposal

1. What is the client's problem or need?
2. What makes this problem worth solving or this need worth addressing?
3. What goals must be served by whatever action is taken?
4. Which goal has the highest priority?
5. What products/applications/services can I offer that will solve the problem or meet the need?
6. What results are likely to follow from each of my potential recommendations?
7. Comparing these results to the customer's desired outcomes or goals, which recommendation is best?

Source: Tom Sant, *Persuasive Business Proposals: Writing to Win Customers, Clients, and Contracts*, AMACOM, New York, N.Y., 2003.

Templates—such as Microsoft Word documents and Microsoft Excel spreadsheets and Microsoft PowerPoint presentations for ancillary documents—are a big help. But unless you use a proposal automation software package, it's imperative that you develop your own proposal templates. Yet even well-done templates need to be customized to meet the needs of your clients, so don't hesitate to work outside of their confines.

The basic or generic proposal on which templates can be based could take the following form:

◆ Executive Summary,
◆ Background Information,
◆ Proposed Solution,
◆ Implementation,
◆ Solution Provider Profile,
◆ Engagement Issues, and
◆ Appendix.

Table 2: Elements of a Strong Proposal

EXECUTIVE SUMMARY

The executive summary is a synopsis of your entire proposal. It should run no longer than a page. If the client solicited the proposal via, say, a Request for Proposal, you should also include a brief one- or two-paragraph background on the RFP.

BACKGROUND INFORMATION

This section includes everything you've learned about your client—even an internal one—during the process of preparing the proposal. It should demonstrate that you've done your homework and that you've been effective at gathering information to determine the prospect's unique problems and needs.

PROPOSED SOLUTION

Here you reveal the product, service, or project that you believe will solve the problem. You must describe the solution and persuade the client that it's the best way to improve things, increase revenue, lower costs, or meet some mandated need. This section can also contain a subsection of the nonfinancial and financial benefits of the proposal.

IMPLEMENTATION

This section explains how you'll implement the proposal. Include information such as the business methods or practices, materials, labor, and services that you'll use; the team that you'll assemble; and details of the schedule.

SOLUTION PROVIDER PROFILE

This is your opportunity to educate the prospect on your background through biographical sketches, résumés (if you didn't already include them in the previous section when describing your team), case studies, and white papers. These can be included in the appendix of the proposal or even set up as links to PDF files on a website.

ENGAGEMENT ISSUES

Engagement is a generic term used to describe any contract that a provider might enter into with a prospect. Professionals such as management consultants and CPAs prepare an engagement letter that specifies the unique issues of the consultancy. This section is like an engagement letter in that it, too, specifies the assumptions about the proposed contract and other issues included in the proposal.

APPENDIX

The appendix should include any supplemental information you think might be useful to the prospect in deciding whether to accept the proposal. Résumés, biographical sketches, references, recommendations from past customers, case studies, written endorsements, pictures, and worksheets are content that can be positioned in the appendix if not already provided for elsewhere.

Table 2 contains a brief explanation of each section.

Ancillary Documents

In an attempt to fully meet the needs of your audience, proposals also often require ancillary documents to get the job done and allow the client to make the best-informed decision. A strong proposal for a particular situation might be supported by:

- PowerPoint presentation(s) of your proposal;
- Spreadsheets (budgets, schedules, price lists, and so on);
- Flowcharts, process maps, decision tables, and storyboards;
- Résumés and biographical sketches;
- Case histories of similar projects;
- White papers; and
- Website content.

Follow-up activities to presenting the proposal might

Table 3: Proposal Automation Software

SANT CORPORATION The source of the descriptions for each Sant software package is www.santcorp.com.

ProposalMaster A tool designed to produce winning proposals quickly and easily. It's a smart system that, via a wizard, asks you a few questions about your opportunity and about the prospect and then creates a client-centered, persuasive proposal—instantly. Once ProposalMaster has done its magic, you have a Microsoft Word document that you can edit and modify to personalize even more.

RFPMaster RFPMaster saves time by automatically analyzing the RFP and identifying all the questions and requirements. Then it saves you even more time by retrieving answers that are high-probability matches for each question, which you can then review, combine, or edit. Search for additional answers at any time by entering keywords or phrases.

PresentationBuilder PresentationBuilder stores your PowerPoint slides in a centralized database that's accessible to all users. Users can quickly assemble effective presentations with PresentationBuilder. Search for slides, incorporate slides from existing presentations, or create new slides on the fly.

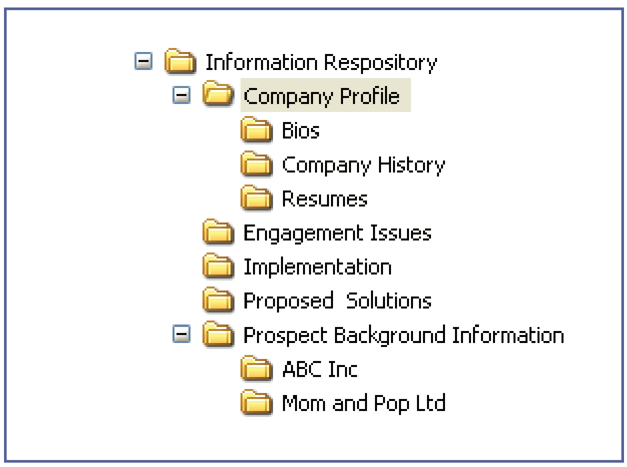
PRAGMATECH The source of the descriptions for each Pragmatech software package is www.kadient.com.

The RFP Machine The RFP Machine enables knowledge managers to build, edit, and maintain a central repository of company, product, and service information required for automated RFP and RFI response documents.

The Proposal Automation Suite The Proposal Automation Suite combines the proven RFP response capabilities of The RFP Machine with innovative document automation features that streamline the creation of proposals, executive summaries, business letters, and other sales documents. A built-in tracking module monitors proposal status, details of collaboration activity, and other user-defined information.

Proposal Express Proposal Express harnesses Pragmatech's document assembly technology to give sales teams the power to rapidly create tailored presentations. Users select slides and enter user-defined content into a customizable form. A presentation is then generated at the click of a mouse.

Figure 1: An Information Repository Folder Structure



involve e-mails to the client with links and attachments containing the kinds of supplementing documents mentioned above. Therefore, think about how you want to reference ancillary documents (i.e., in the appendix of the hard copy of the proposal or as links in a Web version) and how you may want to deliver them (attached as a PDF, a link in an e-mail, or a zipped file of documents). Whatever works best for the client is the way to go.

Information Repository

As you develop your templates, also think about developing a library of proposal content, including documents and other data (pictures, graphics, diagrams) that have been used in past proposals. A knowledge repository captures and leverages your best practices and allows your organization to reuse information that has passed the test in successful proposals. Done well, the repository literally becomes a type of company asset.

Start by saving digital formats of all your proposals, sales letters, white papers, and other persuasive and useful pieces of information. Regularly review and update these important documents so they can easily be reused in future proposals, presentations, websites, letters, and e-mails.

A real challenge in managing your proposal repository is ensuring access to this content when you need it. Keep it simple at first. Think about how it can be organized on your hard drive. For example, you could set up a simple folder structure like the example in Figure 1 and save particularly effective documents, or sections of documents, in relevant folders.

Another way to organize your information repository might be by keeping track of the kind of information that you find yourself frequently using as you prepare proposals. For example, the following categories might make sense for your organization:

- Company Information,
- Products,
- Services, and
- References.

By enabling ways to store content, you'll become more efficient and effective at developing future proposals and will be able to find the content you need from your central knowledge base when you need it.

Caution: Boilerplate Text

Please don't confuse the idea of an information repository with boilerplate text, which consists of words that are used over and over again in mass-produced documents such as contracts and sales letters. For example, a promissory note from a bank loan includes boilerplate text—standard wording that's customized slightly for each specific borrower. Nevertheless, boilerplate text does have its place, and it is indeed useful in contracts, standard agreements, and wills and other legal documents.

With proposals, however, the prospective client wants to see language that's geared to his or her specific problems and needs and that clearly demonstrates a consultative process. Proposals that put the prospect's unique needs at the center of everything have higher success rates than boilerplate proposals.

Proposal Automation Software

Several software packages are available to help you automate the creation of proposals by utilizing effective templates and a central knowledge base of company and product information. Many of these packages offer point-and-click user interfaces to assemble a customized proposal. Typically, these packages generate a Microsoft Word document that can be further tailored to the client's needs. In addition, some of these software programs allow you to develop a PowerPoint presentation. This is an interesting feature since many proposals are presented both in hard copy and as an oral presentation. Other features of proposal automation software can include:

- A knowledge management center (database) that can be accessed by other members of your proposal team.
- Robust software tools that allow you to schedule, record, and monitor proposal activity throughout the organization.
- Proposal collaboration tools that allow team members and content experts to work together via Microsoft Outlook.

Table 3 lists and provides a brief description of proposal software offered by two leaders in the field, Sant Corporation and Pragmatech Software.

There you have it: You can leverage technology to develop world-class proposals and in the process refine your ability to communicate—a valuable skill for any management accountant worth his or her salt. You can also learn more about how to generate client-focused proposals by reading up on the topic. Table 4 lists several good books that can help you learn more about how to write and present great proposals while minimizing the time it takes to create them and maximizing their success rate. **SF**

Table 4: Proposal-Writing Books

Robert F. Kantin, *Strategic Proposals: Closing the Big Deal*, Vantage Press, New York, N.Y., 1999.

Bud Porter-Roth, *Proposal Development: How to Respond and Win the Bid*, Oasis Press, Medford, Ore., 1998.

Bud Porter-Roth, *Request for Proposal: A Guide to Effective RFP Development*, Addison-Wesley, Indianapolis, Ind., 2002.

Patrick G. Riley, *The One-Page Proposal: How to Get Your Business Pitch onto One Persuasive Page*, Collins Business, New York, N.Y., 2002.

Tom Sant, *Persuasive Business Proposals: Writing to Win Customers, Clients, and Contracts*, AMACOM, New York, N.Y., 2003.

Michael P. Griffin, CMA, CFM, ChFC, is the assistant dean of the Charlton College of Business at the University of Massachusetts Dartmouth in North Dartmouth, Mass., and an IMA Member-at-Large. You can reach Michael at (508) 910-6947 or mgriffin@umassd.edu.