Understanding Government Contracting Proposals

Everything you need to win your first contract

Understanding how to write proposals well is a cornerstone to success as a government contractor. In this paper, GovWin breaks down the five stages of this important process, explains how to maximize proposals’ success and gives insight into how the federal government evaluates them.

As government contractors, small or large, there are a lot of processes to navigate through before winning your share of the government’s money, and it all starts with a proposal. When the government publishes an opportunity it is filled with language and information that could discourage a new company from attempting to create their first proposal, and it is important to understand the basics prior to doing so.

In the government contracting world, a proposal is initiated when the government needs a good or service, and asks companies to submit offers explaining how they would complete the work, and for what price. This request from the government is called a request for proposal (RFP).

The RFP will describe what the government needs and when it needs it. However, it is the responsibility of the contractor to expand on this information in its proposal, adding how or what, when, and how much. Knowing how to expand this information is an important variable to a contractor’s win rate.

What Makes a Good Proposal?
Deltek’s Director of EPM Product Marketing, Kim Koster, stated these factors are essential to a good proposal:
- Scope, cost and schedule are clearly defined
- All stakeholders are included throughout the estimating process.
- Independent teams are established to review scope, cost and schedule.
- Estimates are related to past performance
- A work breakdown structure (WBS) is created, and the bid is created to it
- The statement of work is created and tied directly to the WBS
- The proposal plan addresses risks and opportunities because the risk/reward concept will be the foundation for decision making during execution

Need to Write a Proposal? Start Here
The first step to a successful proposal is knowing how to read the RFP. A government RFP can be overwhelming, especially for small businesses (who might want to consider teaming instead). Beware of two pitfalls when reading an RFP: reading every word (and getting bogged down), and skimming too lightly (and missing important information).

Now that we know what makes a good proposal, the question becomes, “How do I go about accomplishing this?” Good proposal writing requires execution during five stages.
Agencies must adhere to transparent federal regulations spelling out exactly how proposals must be evaluated.

The Five Stages of Writing a Proposal

On the surface, a contracting proposal sounds like a simple concept: You read the government’s RFP, pitch your product or service in written form and hand it in. Right?

Not really. In fact, even proposals for small projects are fairly complex. Below are the five stages every business should be using to produce strong, impressive proposals.

Business Development Phase

1. Opportunity Identification and Assessment
   - Identify opportunity
   - Meet with customer
   - Qualify opportunity
   - Start capture plan
   - Prepare opportunity assessment package and conduct review

2. Pursuit
   - Organize capture team
   - Understand customer requirements and objectives to develop preliminary solution
   - Assess competition and develop win strategy
   - Establish price to win and assess any risks involved
   - Conduct pursuit progress and preliminary bid decision gate reviews

Capture Phase

3. Pre-Proposal Preparation
   - Assign proposal resources to develop strawman RFP
   - Review solution against RFP, identifying and developing early-stage proposal products
   - Draft oral presentation
   - Finalize proposal development plan and plan kickoff meeting
   - Conduct pre-proposal gate review

4. Proposal Development
   - Confirm bid decision and finalize and validate proposal outline, design and resources
   - Conduct kickoff meeting
   - Finalize solution and begin writing proposal
   - Review/approve price proposal approach and quality check proposal
   - Conduct proposal submission gate review

5. Post-Submittal
   - Conduct closure strategy
   - Clean up proposal files and archive
   - Receive award notice
   - Attend debrief followed by conducting lessons-learned review
   - Conduct continual improvement gate review

Maximizing the results of these proposal steps becomes even easier when you know how the government evaluates. This process is no more a mystery than that of writing a good proposal. Agencies must adhere to transparent federal regulations spelling out exactly how proposals must be evaluated.
How the Government Evaluates Proposals
Once you have written and submitted your proposal, what happens? How does the government make its decision and award a contract? Understanding the process, including who will be looking at your proposal and how, is key to structuring your proposal for a win.

Government Evaluation Teams
Depending on the contract, agency and time frame, the team evaluating your proposal can involve anyone from subject matter experts (SMEs) heavily invested in the contract down to whoever is not busy doing something else.

Remember as you write your proposal that your audience can vary wildly in expertise and attention span. Some evaluators will only read the executive summary or each section’s introduction; others will read in detail the section that interests them and ignore the rest.

Evaluation Rules
For federal procurements, the government evaluation team uses criteria established in the Federal Acquisition Regulation (FAR) 15, Contracting by Negotiation.

Evaluation Factors
Evaluation factors are the key areas for consideration in source selection. They enable evaluation committees to compare competing proposals and include the items below in Figure 1.

Evaluation Techniques
Your proposal will probably be split among several committees, each of which will only read its own section(s). Repetition, then, is not necessarily bad in proposals, but use it wisely. You should also ensure that important information is easy to find for those who are skimming.

When these committees perform evaluations, they look for:
- Significant strengths
- Weaknesses
- Significant weaknesses
- Deficiencies

Figure 1: Evaluation factors used in proposal evaluation.
Courtesy Lohfeld Consulting.
As you write your proposal, you will need to emphasize your strengths and minimize your weaknesses in each section of the proposal, without misleading your readers.

The team will likely use one of these types of ratings to rank each proposal:

- Numerical
- Adjectival
- Pass/fail
- Color

The proposals can then be easily compared.

**Evaluation Process**

If the evaluators approve of your proposal, they will reduce it to a set of PowerPoint charts that are briefed to the source selection official.

A major contract can have 60 or 70 bidders. The source selection authority can use the evaluation rankings to narrow the pool of bidders by down selecting: Eliminating some bidders and letting others go forward. The authority can then ask questions of the contractors before making a final decision.

**Figure 2: The federal government’s proposal evaluation and elimination process.**

*Courtesy Lohfeld Consulting.*
White Paper

Read articles in GovWin’s knowledge article library on all aspects of proposals and other areas of interest in federal contracting, or go to the new Government Contracting Resource Center for more information govwin.com/govconresource. GovWin’s partner, Lohfeld Consulting Group, contributed much of the information in the second and third sections of this paper. The company periodically holds classes on different aspects of proposals at Deltek headquarters through Deltek University. See the Deltek University website to see class schedules and to register for classes at deltek.com/education.

To learn more about the information to include in a specific proposal, GovWin Consulting offers custom, actionable analysis targeted to your unique needs. Small businesses to Fortune 500 corporations can benefit from services such as in-depth analysis on complex datasets and custom, proprietary and highly actionable insights and strategies that save time, cut costs and enable you to win more government business.

If your company is focused on the GSA Schedule and/or VA Schedule contracts, Deltek’s Washington Management Group is the leading consulting firm in the nation. The firm can assist with proposal preparation services, along with any modifications needed after a company begins work on a contract.

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