



Win Strategy 101

Dick Eassom, FAPMP

*Director, Competition Management Standards and Systems
SM&A*

Why do we need a Win Strategy?



- All successful endeavors start with a sound strategy
 - Professional sports are rarely won by pure skill
 - Military battles are rarely won by might alone
- Having a strategy for winning makes us proactive, not reactive
 - “...those skilled in war bring the enemy to the field of battle and are not brought there by him.” *
 - Change the rules of the contest and make the competition react to your actions

* **Sun Tzu, “The Art of War,” China, 6th Century BCE**



When You Must Win

What is Win Strategy?



- Win Strategy defines a set of conditions, implemented by actions, critical to winning
 - Some actions may be very painful
 - Some are seemingly impossible
- Win Strategy must be developed early
 - To guide: teaming, key personnel, organization
- The Win Strategy is adopted by a formal team
 - Written in very concise text
 - Posted conspicuously
 - Checked at least at each major review

Win Strategy: actions we take, not attributes we have



Successful Win Strategies Unify Your Team



- Participation in strategy formulation and evolution results in:
 - Understanding
 - Ownership
- Understanding and ownership have great benefits:
 - Makes it easy for the team to evaluate its actions against the win strategy
 - Creates a highly consistent set of proposal products (proposal volumes and other documents)
 - Raises team morale

Win Strategy Influences all Phases



- Prior to the RFP, Win strategy influences:
 - Team formation, organization, and investments
 - Interactions with the customer to shape the procurement
- Upon RFP release, Win Strategy influences our response:
 - Losing teams nit-pick the RFP for trivial errors
 - Longest list of silly corrections doesn't win
 - Winning teams focus on important issues
 - Offer customer RFP changes with solid rationale
- During proposal creation, Win Strategy influences:
 - Creation of all proposal products
 - Concurrent activities: Executive contact, ads, trade shows

Win strategy coordinates the long-term effort



When You Must Win

Definitions



■ **Strategy Statement**

Identifies the set of conditions that create a winning offering

■ **Tactics**

Specific actions that support the Win Strategy

■ **Theme**

A recurring message about an aspect of the goodness of our approach that effects the entire proposal

■ **Thesis Statement**

A one-sentence lead-in statement to each proposal section that summarizes our approach, qualifications, solutions and customer benefits of our approach to that topic

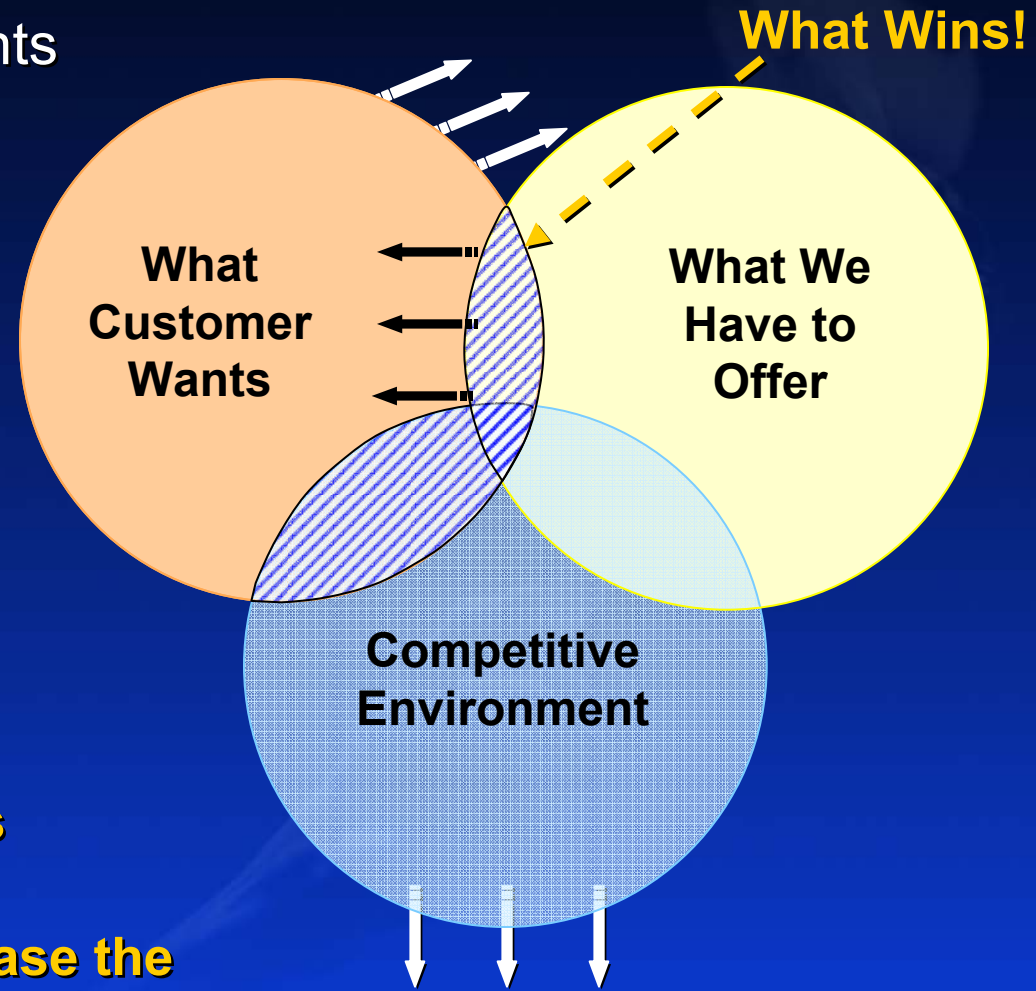
■ **Discriminator**

A benefit that makes us different from our competition

Win Strategy – Changing Reality



- Offer what customer wants
 - **Offer what wins!**
- Change what the customer wants
 - **Redefine what wins!**
- Bias definition of what customer wants
 - **Change evaluation priorities away from competitors' offerings**



Win Strategy endeavors to increase the intersection between what we offer and what the customer wants

7 Steps to Developing a Win Strategy

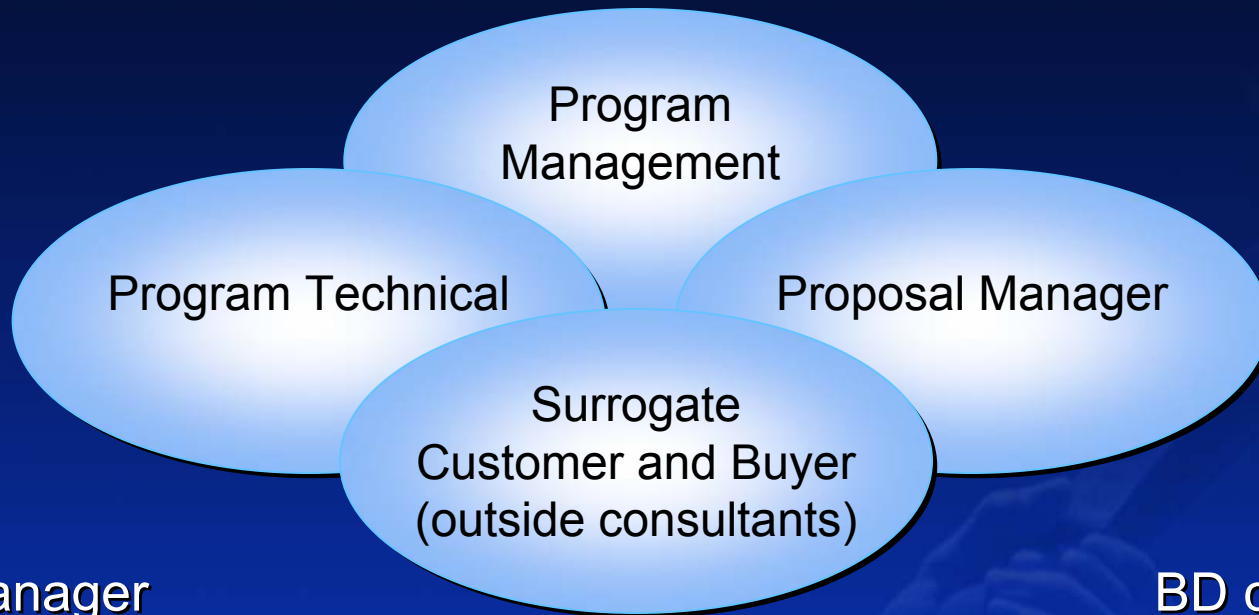


1. Form the Win Strategy Team
2. Perform Customer Analysis
3. Perform Competitive Analysis
4. Develop 5 Keys of Win Strategy
5. Develop and assign Action Plans
6. Generate Program Baselines
7. Generate Proposal Statements

Step 1 – The Win Strategy Team



7 to 8 people, all at the same management level



Program Manager
Chief System Engineer
Proposal Strategist
Proposal Manager

BD customer rep.
Surrogate customer (consultant)
Acquisition environment (consultant)
Major team partner (added later)



When You Must Win

Step 2 – Customer Analysis



- Acquire and review all applicable customer documents
- Consolidate customer understanding
 - Understand customer desires
 - Requirements
 - Technical
 - Programmatic
 - Value
 - Understand customer concerns
 - Customer fears/biases
 - Risks
 - Worries that keep him awake at night
 - Concerns about you
- Understand customer's acquisition environment

Try to get as much customer information as possible



When You Must Win

Step 3 – Competitive Analysis



- Understand probable approach that competitors are likely to take to respond to the evaluation criteria and key customer hot buttons (concerns and desires)
- Estimate how you and your competitor will be scored/evaluated relative to each evaluation factor to game the various outcomes
- Use a SWOT analysis:
 - Our **S**trengths
 - Our **W**eaknesses
 - Our **O**pportunities (competitor's weaknesses)
 - Our **T**hreats (competitor's strengths)

Use competitive analysis for “ghosts” and “shields”



Step 4 – Develop the Win Strategy



- Five Key Elements of a Win Strategy:
 - **Institution**
 - Formal legal and business arrangements and relationship(s) with partner(s) and customer(s)
 - **Organization**
 - How human resources are organized and managed to best resonate with customer
 - **Program Plan**
 - Program management strategy
 - **System Engineering**
 - Systematic analysis and technical approach to best meet customer requirements
 - **The Deal**
 - Total financial considerations/benefits of relationship with customer over entire program life cycle

Step 4, Key 1 – Institution



- How do customer needs and issues drive lead organization selection?
- What are the winning relationships between lead and sister organizations within the company?
- Where do we need to augment lead organization capabilities (real or perceived)?
- What other companies can/should join us?
- How can formal relationships (teaming arrangements) be used to further win strategy, e.g. prime/sub, associate contractors, joint ventures?

Institution strategy focuses on creation of a business entity designed to win, not just to execute



Step 4, Key 2 – Organization



- What are attributes of a Program Manager and IPT leads that are needed to win?
- What geographic and political customer issues should influence the organizational decisions?
- How can planned customer interface with our organization improve win probability?
- How should proposed IPT structure reflect customer's organizational structure?
- What attributes and characteristics of enterprise-wide management of information and reporting will affect the customer's selection of a contractor?

Organization strategy defines personnel and relationships that maximize win probability



Step 4, Key 3 – Program Plan



- What would the customer say is biggest program risk?
- What single event/action would virtually eliminate that risk?
- How could we influence that event/action?
- What are customer's schedule issues associated with this program?
- Is there an issue for customer of keeping program sold? If so, what could we do to help it stay sold?
- What would convince customer that risks have been eliminated?
- What can we do to strengthen IPT ownership of program plan?
- What level of program planning is necessary to convince evaluator of low proposal risk?

Program Plan strategy focuses upon mitigation of proposal risks, a crucial evaluation criterion



Step 4, Key 4 – System Engineering



- What are critical program attributes (mission, cost, schedule and risk) that bound trade space?
- How should that influence our discretionary investments?
- What are primary criteria that drive system-level trades?
- How should we augment our existing tool set and expertise?
- Do different segments of customer community prioritize trade criteria differently? How can we exploit that in our favor?
- What level of detail is necessary/appropriate for technical baseline in this procurement?
- How should we improve our systems engineering process to be responsive to changes in procurement environment?

Systems Engineering strategy focuses on creation of trade space leading to baseline offering



Step 4, Key 5 – The Deal



- What is more important to customer: acquisition costs, funding profile, or total cost of ownership?
- Can this program be used to create offsets on international programs?
- What are significant cost risks and how can assuming cost risk be used to our advantage?
- How can financial packaging be used to create an advantage?
 - Guarantees, warranties, rapid repair/replace programs
 - Economies-of-scale discounts
 - Fixed cost/no-cost P3I programs
- How can we take advantage of current acquisition streamlining initiatives in an innovative manner?

The Deal focuses on creation of offer that takes full advantage of all market elements (not just price)



Step 5 – Action Plans



- For each of the five strategic elements defined by strategy team:
 - Assign a Champion, who:
 - Creates tactics and analysis for review by strategy team
 - Prepares an action plan to accomplish strategy element
 - Oversees strategy element over life of proposal
 - Establish date for review of action plan by strategy team
- Conduct periodic in-process reviews of progress against action plans and refine strategy as (if) necessary
- Ensure effective application of strategy to influence all products seen by procurement decision makers

Action Plans step translates five key strategic statements into specific accomplishment actions



Step 5 – Action Plans Validation



Win Strategy Validation Action

1. We will build an all-NDI design or equivalent. We will not bid a design and development program.
2. We will propose what is essentially a test program with strong feedback into the design. We will work interactively with the government to finalize, demonstrate, and validate that design and thereby assure a minimum risk transition to the production phase.
3. We will demonstrate that we are qualified and committed to execute the production phase.

Implementing Actions taken in the Proposal

- | | | |
|---|---|---|
| <ol style="list-style-type: none"> 1.1 1.2 1.3 1.4 1.5 1.6 1.7 1.8 1.9 | <p>We will have always selected “off-the-shelf hardware unless doing so forces us to be clearly non-responsive to requirements</p> <p>We will have extensively rationalized the selection of any non-NDI hardware</p> <p>We will have made arrangements to have all non-ADI hardware developed at vendor cost</p> <p>We will have made arrangements to have all non-NDI hardware demonstrated prior to ATP</p> <p>The software architecture and key elements thereof will have been demonstrated to meet applicable requirements (How? On what testbed?) Against what specs?), with particular emphasis on interfaces</p> <p>All but interface and integration software will be shown to be NDI and provided by the hardware vendors (?), or reused from other XYZ programs such as ABC (so that we need not price it)</p> <p>Integration and interface software that is not NDI will have been fully defined and documented in the proposal</p> <p>Key design features of integration and interface software yet to be developed will have been verified on ...</p> <p>We will have further minimized the apparent software risk by showing that our software development processes are equivalent to an SEI rating of 3</p> | <p>—————> ?</p> <p>—————> ?</p> <p>—————> ?</p> <p>—————> ?</p> <p>—————> ?</p> <p>—————> ?</p> <p>—————> ?</p> <p>—————> ?</p> <p>—————> ?</p> <p>—————> ?</p> |
|---|---|---|

Read All About it in Prop. Sec. No.

SAMPLE

Implementing Actions must be entered into the Compliance Matrix

Step 6 – Program Baselines



- Generate program baselines, e.g.
 - Organization by company
 - WBS/SOW
 - Program IPT chart
 - IPT chart
 - IMP/IMS
 - Top-level schedule
 - Risk methodology
 - System overview cartoon
 - Shared vision chart
 - Technical vision
 - Metrics
 - Data management environment
 - Integrated logistic support
 - Past performance
 - Why us?

Get baselines done early and document them



Step 7 – Generate Proposal Statements



- From the Win Strategy, derive:
 - Themes
 - Discriminators
 - Features and benefits
 - Ghosts
- Map these statements to the proposal outline, and share with authors. This leads to generation of:
 - Thesis statements
 - Key messages
 - Key artwork

All proposal statements are mutually supported, consistently reinforced, and remain faithful to the Win Strategy



Symptoms of Win Strategy Drift



Symptom	Process Failure
Strategy statements become adjective-heavy instead of activity-oriented	Degeneration to attributes and themes instead of aggressive actions
Creative thinking process begins with a discussion of facts about “us” instead of about “the customer”	Gravitation towards a bottoms-up process instead of being driven by top-down objectives
Discussions center on “what can be done” instead of “what virtually guarantees a win”	Becoming “what is” instead of “what wins”

Despite best intentions of strategy development team, evolving Win Strategy will tend to drift during development process



TRW/Raytheon Team Wins \$275M USAF Contract for SBIRS Low Program



REDONDO BEACH, Calif. – Aug. 17, 1999 – A TRW/Raytheon team won a \$275million contract from the US Air Force for the Program Definition Risk Reduction (PDRR) phase of the Space-Based Infrared System Low (SBIRS Low) program, the low-Earth orbiting component of the nation's next-generation, ballistic missile early-warning system.

...

“SBIRS Low is an extremely key program for us, and we’re very pleased to have been chosen to proceed to the next phase of its development,” said Tim Hannemann, Executive VP and GM, TRW Space & Electronics Group (S&EG). “We have the right team (**Institution**), experienced people (**Organization**), and the resources to develop an affordable, producible design (**Systems Engineering**) that satisfies the nation’s needs at a low cost (**Deal**).”

“SBIRS Low will provide a significant capability for national defense, and we are proud to be a part of the integrated Air Force and contractor team (**Organization**) that will define and develop a payload to meet these critical mission requirements,” said Christine Davis, executive VP and GM of Raytheon’s Sensors and Electronic Systems business segment. “Our plan includes a focus on design and cost trade studies (**Systems Engineering**), and on risk reduction efforts (**Program Plan**), to ensure the success of this program.”

Heading the program at TRW is Patrick Caruana, VP and program manager, SBIRS Low. Prior to joining TRW in 1997, Caruana spent 36 years as a member of the Air Force, serving in a full range of leadership and staff positions and achieving the rank of Lieutenant General. In his last position, Caruana served as the vice-commander of Air Force Space Command, Peterson Air Force Base, Colorado (**Organization**).

TRW and Raytheon have dedicated more than 15 years to the SBIRS Low mission (**Institution**). The team’s approach to the ground demonstration will maximize the use of previous efforts and existing software, hardware, models, simulations and data (**Systems Engineering/Program Plan**).



Success Test for a Winning Strategy



- Is your influence reflected on the RFP? How much influence did you have?
- Have you designated the right program manager? Does the customer know, trust, respect and like this person?
- Have you locked-in the right team composition to win?
- Can you demonstrate your ability to deliver on your promises in a low risk fashion?
- Do you have a crisp and compelling “why us” story?

The Most Committed Team Upfront Usually Wins

