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## Executive Book Summaries®

# Persuasive Business Proposals

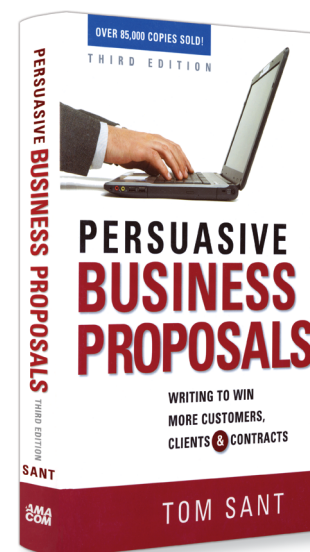
## Writing to Win More Customers, Clients & Contracts

### THE SUMMARY IN BRIEF

*Persuasive Business Proposals* provides you with powerful methods for crafting compelling messages and winning proposals that speak to your prospects' needs and establish your firm's strategic value. With clear instructions as well as before-and-after samples, this best-selling guide shows you how to organize your content in the most persuasive way possible; develop and deliver client-focused messages; structure formal proposals to present a value proposition that positions your firm as the ideal solution to clients' needs; follow up your proposal submission; analyze the client's decision; and incorporate lessons learned to take better advantage of future opportunities.

### IN THIS SUMMARY, YOU WILL LEARN:

- The process for writing customized proposal packages that capture new business.
- New ways to “power up” cover letters and executive summaries.
- How to overcome “value paranoia.”
- Effective strategies for dealing with automated procurement systems.



by Tom Sant

### CONTENTS

#### Section One: Seven Deadly Sins

Page 2

#### Section Two: A Primer on Persuasion

Page 3

#### Fluff, Guff, Geek and Weasel: The Art of Saying What You Mean

Page 4

#### Section Three: The Art of the Part: Where to Put Your Effort

Page 5

#### Section Four: How to Manage the Process Without Losing Your Sanity

Page 6

# THE COMPLETE SUMMARY: PERSUASIVE BUSINESS PROPOSALS

by Tom Sant

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## SECTION ONE: SEVEN DEADLY SINS

### A Good Proposal Is Hard to Find ... But It's Worth Looking

Let's start with the facts: A proposal is neither a price quote (four out of five large-scale deals go to a vendor other than the one offering the lowest price) or a bill of materials, project plan or scope of work.

A proposal is a sales document. If it doesn't lead to an agreement to work together, the proposal has failed. A proposal offers a solution to a business problem. It helps you justify your price, even if it's slightly higher than your competitor, by showing that you will provide superior value.

A proposal also helps the decision maker compare vendors, offers or prices in order to make an informed decision; clarify complex information; make the buying process more "objective"; or get free consulting.

Look at your proposals broadly as part of your overall sales and marketing activities. The proposal can help you build your business in ways that extend far beyond winning the immediate opportunity to which you are responding.

The proposal is a sales tool, a high-quality, carefully constructed proposal that can help you sell on value instead of price. It demonstrates your competence and professionalism. It can offer a bundled solution and sell a complex, technical product to nontechnical buyers.

The proposal is a marketing tool that allows you to play up the positives on the list and counteract any negative impressions.

The proposal is a means of influencing clients: With it you can determine necessary steps to get the relationship with the client where you want it to be. ●

### Recognizing Reality

The best way to recognize what works in a sales proposal and what doesn't is to put yourself in the position of a buyer. Your prospective clients are probably going to read an executive summary and put it in the "keeper" pile or the "discard" pile. They want a proposal with relevant recommendations that addresses their business issues or problems right away. Then they look for a clear, specific solution that delivers the results on time and on budget.

### The Seven Deadly Sins of Proposal Writing

1. No focus on the client's business problems and payoffs.
2. No persuasive structure — the proposal is an "information dump."
3. No clear differentiation of this vendor compared to others.
4. No compelling value proposition.
5. No impact, no highlighting — key points are buried.
6. No orientation to the audience — overuse of jargon, too long or too short technical.
7. No credibility — misspellings, grammar and punctuation errors, use of the wrong client's name.

Many proposals are fatally damaged by one or more of the "seven deadly sins" of proposal writing. When you look at this list of "sins," you probably agree that nobody would choose to write proposals containing mistakes like these. And yet people do it time and time again. ●



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# SUMMARY: PERSUASIVE BUSINESS PROPOSALS

## SECTION TWO: A PRIMER ON PERSUASION

### Winning by a NOSE: The Structure of Persuasion

In an organizational setting, people write for one of three reasons — to inform, to evaluate or to persuade, each of which requires a different approach.

**Information.** The focus is on transferring the information quickly and easily and is often about the Who, What, Where, When, Why and How.

**Evaluation.** The second reason people write is to evaluate something. Your readers want to know not only the facts but also what you think and what your judgment is. Using the evaluative structure enables you to set up the terms of comparison so that you offer a reasonably objective opinion based on rational assumptions.

**Persuasion.** The third reason people write is to motivate the audience to take action. The most effective pattern for persuasion consists of four steps:

- State the customer's Needs, issues or concerns.
- Identify the Outcomes the customer seeks.
- Recommend a Solution that solves the problem and delivers the right results.
- Present Evidence that you can deliver the solution on time and on budget.

That's it. The four elements of persuasive structure create the acronym NOSE. Let's take a closer look at each element.

**First: the Customer's Needs.** Summarize the customer's business situation, focusing on the gap to be closed, the competency to be acquired or the problem to be solved. As you focus on the customer's pains, they will be surprised that a vendor has actually listened to them closely. As a result, the solution you propose is likely to be sound and appropriate.

**Second: the Desired Outcomes.** If you don't create a sense of urgency in the decision maker to go forward with your recommendations, you have not been successful. Focus on the client's pain to get their attention; to get their commitment, focus on their gain.

**Third: the Solution.** If you have first whetted the client's appetite for your solution by focusing on Needs and potential Outcomes, your client will be eager to hear your Solution. Write from the top down. In your first sentence, focus on your recommendation as a means for solving the client's problem. Then explain it in functional terms (what it will do for the client and how it will work.)

Convey which components of your solution are intended to address each need, what positive impact each aspect of the solution will deliver, and cite proof that substantiates your claim.

**Fourth: the Evidence That You Can Do It.** Provide proof that you can deliver the solution you have proposed on time and on budget.

#### The NOSE in Action

Proposals organized in a way that clearly, effectively, persuasively communicates to the audience will make a strong point, which appeals to our innate tendency to look for specific content in a specific order. ●

### Seven Magic Questions: How To Develop a Client-Centered Message

People buy from people they trust, and they trust people who demonstrate specific qualities. For someone to trust us, we must demonstrate a high degree of expertise in our own field while also demonstrating good knowledge of the customer's business and industry.

To create a client-centered message, we need to demonstrate that we know the client. Answering the questions that follow will help you to achieve this goal:

1. What is the client's problem or need?
2. Why is this problem worth solving?
3. What results does the customer seek?
4. Which specific result is the most important?
5. What products or services can I offer that will solve the problem and deliver the right results?
6. Of the solutions that I can offer, which is the best for the client?
7. Why is my company the right choice?

You've identified the client's desired outcomes. Now you need to know which are most important to the decision maker so you can present your ideas in that order as you develop a proposition. Select differentiators that will help the client see that choosing you is the best option. ●

### The Cicero Principle: How to Avoid Talking to Yourself in Print

The essence of client-based persuasion can be summarized in the words of the Roman orator and statesman Cicero: "If you wish to persuade me, you must think my

# SUMMARY: PERSUASIVE BUSINESS PROPOSALS

thoughts, feel my feelings and speak my words.” One of the keys to thinking like the client is to see things from his or her point of view, getting outside your own head and inside the decision maker’s head.

To write a winning proposal you need to consider three key factors about the audience:

1. Personality type (“think my thoughts”).
2. Level of expertise (“speak my words”).
3. Role in the decision process (“feel my feelings”).

You must first adjust for the personality type of your decision maker: his/her preferences regarding information gathering, analysis and communication styles. You may choose the Myers-Briggs [Personality] Type indicator, a self-reporting test that indicates an individual’s likely preferences on four pairs of opposing personality tendencies. The various combinations of these tendencies help us modify the way we deliver our message and discover our customers’ preferences. The crucial personality characteristics suggest how your decision makers prefer to gather data and make decisions.

To accommodate the analytical, pragmatic, consensus seekers or visionaries, structure your proposal in two parts:

The first part (cover letter, cover page, table of contents, executive summary) should be written for a pragmatic decision maker, emphasizing payback or return on investment (ROI).

The second part, which consists of your substantiation, will contain technical details about your product/service, detailed timelines, plans and your “proof statements” written to appeal to the analytical decision maker.

## Adjusting for Levels of Expertise

Another element of Cicero’s formula has to do with the audience’s level of expertise: “Speak my words” means to use content that the audience understands, including assumptions and the details.

**Level One: The Uninformed Audience.** These people are unfamiliar with your field. Provide only the information they truly need to know; keep the presentation basic; use clear, simple illustrations (visual and verbal); avoid using in-house jargon and use acronyms sparingly; keep sentences simple and short; describe procedures in a simple, step-by-step fashion.

**Level Two: The Acquainted Audience.** This audience may have considerable education or experience but still lacks in-depth knowledge of your specific area of expertise. All of the guidelines for level one are appropriate for level two. You might also present your proposal in a larger

frame of reference; use more complex graphics, tables and figures, but still avoid specialized examples; and use the accepted jargon of the field, but avoid in-house jargon.

**Level Three: The Informed Audience.** This audience has extensive knowledge of your field but less knowledge of the product, project or service you are proposing. Establish immediate links with the familiar and the new; focus on the unique aspects of what you are offering, always staying client-centered. Be sure to show how your recommendations help solve the prospect’s problems or meet the organization’s needs.

**Level Four: The Expert Audience.** The expert audience knows as much about the products as you do and has detailed familiarity with the latest work and products in that field. You might summarize technical background and use appropriate jargon and technical explanations as needed. ●

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## Fluff, Guff, Geek and Weasel: The Art of Saying What You Mean

Let’s suppose that you produced a short proposal written clearly and economically organized using the NOSE pattern (a clear focus on the client’s Needs, Outcomes, Solution and Evidence that you can do the job on time and on budget). You have developed a payback calculation that’s quantified and based on the client’s own data, and you’ve linked that payback both to your differentiators and to credible evidence.

You have eliminated the Fluff, Guff, Geek and Weasel that lousy proposals use:

Fluff is the language of grandiose claims, vague assertions and hype;

Guff is the language of bureaucrats that’s needlessly complex and pompous and creates an almost impenetrable barrier to understanding;

Geek is language that’s too technical or too obscure for the intended reader;

Weasel is language that sounds wishy-washy, even sneaky. It avoids saying anything directly or definitively.

A few more simple techniques will help you maximize your clarity:

Avoid overly complicated sentences.

Put your key points up front, in the most prominent position. This applies to the document as a whole, to sections, the writer’s block. It can be done individually or as a team exercise and can be used to create a writing plan for the entire proposal or just for a section. ●

# SUMMARY: PERSUASIVE BUSINESS PROPOSALS

## Weaving Your Web: How to Pull It All Together Right From the Start

Proposal writers can get their ideas on the page quickly using cognitive webbing. It is a linear process of capturing the key points you want with the final output being a writing plan. Cognitive webbing can jump-start the process of process writing.

### How to Create a Cognitive Web

1. Write down the end result the customer seeks.
2. Brainstorm everything you can think of that will help the customer achieve that desired result.
3. Organize and prioritize the points using NOSE and the customer's own priorities. Most of your clients are concerned first about their own problems, needs, issues or opportunities. ●

## SECTION THREE: THE ART OF THE PART: WHERE TO PUT YOUR EFFORT

## The Structure and Key Elements of Formal Proposals

You may need to write a formal proposal if the document proposes a costly or complicated solution or if a formal response has been mandated by the Request for Proposal (RFP) to which you are responding.

All formal proposals contain three categories of content:

- The business case (cover letter and executive summary) that appeals to the senior executive;
- The detailed solution and substantiation that speaks to the technical evaluator's concerns;
- The supplementary attachments and appendices that appeal to technical evaluators.

By structuring your proposal in this way, you provide the right kind of content at the right level for all the evaluators who will look at it:

Senior executives want to know "Are we getting what we need?"

Gatekeepers and technical evaluators want specific, detailed content that addresses their areas of responsibility and concerns.

Technical evaluators look for all the factors surrounding the proposed solution, including implementation, training and support. ●

## Writing the Business Case

Writing a formal business proposal can be a daunting task. As the old proverb about eating an elephant says, you can only get the job done one bite at a time. The most important bites are the ones that appear up front — your cover letter, title page and executive summary.

The cover letter, as a statement of commitment, presents your company's offer to your client. Since the cover letter is part of the total proposal, think of it as a mini executive summary.

The title page should include a title for the proposal that states a benefit to the client or focuses on the primary outcome of the client desires; the name of the recipient, the name of the preparer and the date of the submission.

The executive summary is the single most important part of your proposal. It is the only part that's likely to be read by everybody involved in making a decision. Here are some guidelines:

- Use the NOSE structure to organize the content and to ensure that you address the customer's needs.
- Make it accessible to anyone, from the janitor to the chairman of the board.
- Present your value proposition and top three or four differentiators in the executive summary.
- Be sure the executive summary is about the customer, not you.
- Keep the executive summary short.

Keep your executive summary focused on the bottom-line issues the customer cares about the most. ●

## Recommending and Substantiating Your Solution

Although the executive summary is the single most important part of your formal proposal, the body contains the evidence to substantiate your ability to deliver it.

The body of your proposal should include

- The technical section (the technical details, functional analysis, design specifications, implementation programs associated with your recommendation);
- The pricing section;
- Past performance summaries;
- References to satisfied clients and testimonials;
- The management plan, including project schedules, and the allocation of responsibilities among your firm;
- Brief resumes of key personnel who will work on the project.

Present these elements according to the priorities of the customer.

# SUMMARY: PERSUASIVE BUSINESS PROPOSALS

**Section Introductions.** One of the most important areas of your proposal is the introduction to each major section that will focus your reader's attention and let you state your key themes as well as the benefits of your recommendation up front.

**Recommending Your Solution.** Many proposals lapse into informative writing and simply describe a product or service. An effective solution constantly answers the question, "So what?" Each feature of a solution either solves part of the customer's problem or delivers value, or both.

Explain how the equipment or mechanisms you are recommending work. Start by focusing on what the equipment will do for the client — the problem it will solve or the benefit it will deliver. Then provide a part-by-part description of how it functions. As a closing, link the product or mechanism to your value proposition and to its importance to the customer's operating environment. Calculate the gain the customer will see from implementing the product or mechanism. ●

## Persuasive Answers to RFP Questions

You'll need to address the business issues that underlie the RFP. Divide the questions into the categories of tactical or narrowly focused questions that address infrastructure and technical or contractual requirements, and strategic questions that get at the heart of the solution the customer seeks.

Several quick tips will help you get maximum points from evaluators when they read your answers to the questions in your RFP:

1. Respond to the questions exactly as they were written: Do not change the order of the questions or rewrite them.
2. Include a compliance matrix at the start of each major section.
3. Focus on what the client cares about first, not on your product or service.
4. Use the A/P/S format for important answers: *Acknowledge* that the question is significant, make a *Persuasive* statement about what you have done in this area and then *Substantiate* with details.
5. Keep the writing simple and clear; challenge the Geek and Guff, as explained earlier.
6. Provide time to edit answers written by subject-matter experts. ●

## Presenting Evidence and Proving Your Points

To establish the superiority of our recommendations, we offer four kinds of proof:

1. The best way to put some teeth into our claims is to back up each assertion with proof such as, "We offer products from the seven largest manufacturers of molding equipment including ...."
2. We include quotes, references and testimonials that our clients say about us.
3. Third-party proof includes citing an outside source, such as a recognized expert who can have a strong impact on prospective customers.
4. We include documented evidence, case studies or past performance write-ups that often combine all three of the previous forms of proof statement. ●

## SECTION FOUR: HOW TO MANAGE THE PROCESS WITHOUT LOSING YOUR SANITY

### Deal or No Deal? Qualifying the Opportunity

Qualifying an opportunity at the outset helps you determine whether it's worth pursuing, and if it is, with how much effort. Therefore, you need answers to these questions:

1. Do we know enough to figure out if this is a good opportunity or not, and is it worth winning?
2. Is the client serious?
3. Do we have a competitive solution?
4. Can we win?

Some companies use scoring rubrics to qualify their opportunities. If a deal scores more than a minimum number of points, then you should write the proposal. These rubrics can include questions such as

What do we know about this customer's concerns and what he/they are trying to achieve?

Can we provide an accurate customer review including scope of solution?

Do we have other clients in this industry sector?

Will completing this deliverable require heavy investments of time and money on our part?

The second most important decision you have to make after you decide whether or not to bid is how hard to work on the opportunity. What is your appropriate level of effort? When you consider whether or not to "no bid" an

# SUMMARY: PERSUASIVE BUSINESS PROPOSALS

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RFP, you must ask yourself what consequences that action may have downstream; will it limit future opportunities? ●

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## An Overview of the Proposal Development Process

Managing a complex proposal can become a real nightmare. It can threaten your sanity. But it doesn't have to be that way. Basically, the flow of activities involved in developing your proposal should look something like this:

**Lay a Solid Foundation.** Winning proposals have their roots in good sales and marketing. Numerous pre-proposal activities must be carried out long before you begin to work on the proposal. These include sales and marketing efforts to generate leads, promotional activities to position your firm properly and information gathering so that you can understand the customer and their issues, your probable competitors and the solution most likely to be successful.

**Review the RFP Document or Opportunity.** As soon as you receive the RFP, separate its requirements into categories, and develop a requirements checklist. Establish a schedule right away to ensure an on-time completion. Don't forget to build in time for technical review and a mock evaluation of the final draft. As you compile the template that gives insight into the customer's business, the competitive landscape and the most effective strategy for positioning your firm, remember not to make it too complicated.

**Create the Draft Proposal.** Now you need to keep track of assignment contributions and integrate them into one document. The best way to start a proposal project is by writing the executive summary, which provides an overview of the business case for top executives. ●

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## The Pursuit of Perfection: Editing Your Proposal

You may need to allocate as much time for editing as for creating the original draft. We can consider six levels of "correctness" in order of increasing difficulty of achievement:

1. There are no technical, spelling or punctuation errors and no typos.
2. There are no obvious errors of fact or logic.
3. The proposal follows an effective structural pattern divided into functional units.

4. The proposal writing is clear and concise, free of possible misunderstandings.
5. The proposal has been slanted correctly in terms of the primary audience's level of expertise and values.
6. The proposal is informed and intelligent, delivered in a format that makes it easy for multiple evaluators.

Remember to link your deliverables to the benefits your customer seeks and then to your differentiators and to avoid promising benefits without substantiating how you will deliver on those promises. ●

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## Presenting Your Proposal

Almost all of the skills you have already learned in this book for preparing persuasive written proposals also apply to oral proposals. However, oral proposals contain a few unique steps necessitated by the medium of delivery:

1. What exactly is your message?
2. Perform an audience analysis: What do you know about them?
3. Divide your presentation time as follows: Introduction up to 10 percent; body 70 percent; conclusion up to 10 percent. (Reserve the last 10 percent for questions.)
4. Write each of the key points on a sheet of paper: A key point might be one of the customer's important needs, for example. To each point, indicate how much time you will spend on it; break the points down into supporting evidence you will present.
5. Develop an attention-grabbing opening. Establish rapport first; then work on credibility.
6. Develop visual aids that support your presentation.
7. Rehearse and visualize a warm reception, faces smiling, heads nodding.

If you need to handle questions or expressions of skepticism, differentiate between strategic and tactical issues, keep your answers brief, don't bluff or lie and pre-empt criticism by stating the opposing point of view.

After you have presented and handled all the questions, offer a formal conclusion that mentions your key ideas and summarizes your value proposition. End by asking your audience to take specific action (give you their business or approve you as the vendor of choice). ●

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## Tracking Your Success

After you have submitted your proposal, you can take more ongoing steps that will help you learn what works

# SUMMARY: PERSUASIVE BUSINESS PROPOSALS

and what doesn't to improve your next proposal. As well, you can perform debriefings and do win/loss analyses by listening for opportunities that may lie ahead. Ongoing regular communication can help you establish strong recognition to prepare you for the next opportunity. Conduct an internal review with your colleagues to find out how the lessons you learned can improve or simplify the task in the future.

## Lessons Lost

Because lessons learned are often lost, it is a good idea to acknowledge that doing things the same way over and over without being open to changes that may improve results is a recipe for eventual failure. Here are some suggestions for incorporating gleaned knowledge into your standard procedures:

- Conduct regular lessons-learned meetings.
- Stand back from your standard processes, and question why they have been done.
- Create a task group to analyze the root causes of repeated problems.
- Document change, and figure out how to make sure everybody embraces it (through training, checklists, tools).
- Establish a formal process for institutionalizing change.
- Get a Three-Dimensional View.

To trace the impact of any changes you make, measure results in terms of three goal areas:

Business performance is typically measured in financial terms or in terms of productivity.

Technical improvements usually produce process efficiencies that can be measured in terms of reduced time or effort.

Customer satisfaction as a metric requires that you gather quantifiable, objective measures of client satisfaction. Win/loss analyses, interviews, surveys and other research will help you gather the data you need. ●

## Creating a Proposal Center of Excellence

We must first identify the characteristics of people we need in the operation, train them with the right skills, and define the best practices and tools that will enable them to create outstanding proposals as measured by revenue generation, win ratios, productivity and customer satisfaction.

A proposal team center offers many advantages:

1. It can implement best practices for proposal development, standardize the company's output and raise the overall level of quality.
2. It can maintain a pool of information and reusable content.
3. It can be a repository of expertise in procurement rules and contracting policies.
4. It can research trends both on a customer-specific basis and in terms of the market in general.
5. It can implement methods to assess the competition.
6. It can support the rest of the firm, particularly the sales organization, by responding to their information needs.
7. It can help the company win more business.

Be sure it fits into the organization by making it part of sales or marketing and seeing that it has the full commitment of top management and by publicizing the proposal unit's contributions and successes, particularly to senior management. Relentlessly advertise the return on investment — the amount of business won compared to the cost of operating the proposal unit. ●

## Special Challenges

Every business relationship will hit a rough spot from time to time. The customer may be disappointed; negative press coverage may raise concerns. But we can regain trust through honesty, accuracy and effective communication.

In your proposal and presentation, stick to your core message based on the assumption that the client has a need that you can meet and that you can deliver superior value in the process.

Above all, don't bluff and don't lie. Just like your mama told you, honesty is the best policy. Even if you lose this particular battle and don't win the business, your candor and directness may go a long way toward healing the wounds and helping the client start to trust your firm in the future. Then the business cycle can begin again. ●

### RECOMMENDED READING LIST

If you liked *Persuasive Business Proposals*, you'll also like:

1. ***360 Degrees of Influence* by Harrison Monarth.** Monarth provides advice on how to gain the trust and respect of those around you and how to expand your influence well beyond your immediate environment.
2. ***Generating Buy-In* by Mark S. Walton.** Walton draws on his rich communications background to help leaders master the language of leadership.
3. ***Pitch Perfect* by Bill McGown and Alisa Bowman.** Discover the seven principles of persuasion to help you establish the right tone for the right message to the right person at the right time.