

How SMEs can win game-changing contracts



With major plans to upgrade or build three waters assets over the coming years, there are many opportunities for small to medium enterprises (SMEs) to get a piece of what is an ever-increasing pie.

By Heather Murray, from Plan A.

One of the best things about being a bid writer is helping a client win that ‘game-changing’ contract. What is even better is watching them grow off the back of that win, providing more people with jobs and the market with more options.

Unfortunately, many SMEs are reluctant to bid. There are a number of reasons why – ranging from the belief that government organisations are only interested in working with the ‘big guys’, to being daunted by the process or simply under-resourced.

Bidding is not as hard as you think. It’s about understanding the process, finding the right opportunity, resourcing appropriately and appreciating the risks.

It starts early

Most government tenders have mandatory requirements especially when it comes to health & safety, quality and the environment. These requirements are often eliminators for SMEs that are ideally suited to the contract.

Identify what upcoming contracts you are interested in so you can address any barriers to entry. The Australia & New Zealand Infrastructure Pipeline (ANZIP) website is a good place to start as it provides a forward view of public infrastructure activity across both countries. Watercare, Wellington Water, the NZ Transport Agency and a number of councils publish their pipeline of work on their websites.

This is also the time to start building those relationships and letting your future customers know you’re ready and keen to work with them.

Get your foot in the door

Most government agencies rely heavily on your past performance when awarding a contract. Start by tendering for smaller contracts which will place you in a stronger position for the ‘big’ win. This is about getting your foot in the door and building those relationships and credibility.

Partnerships and subcontracting

Aligning with a large player is a good way to get some bigger projects into your portfolio. If an opportunity comes up that you are ideal for, but don’t stack up for in terms of experience and track record, then consider a partnership.

If you’ve got a working relationship with a company that is already involved in government contracts, try to secure as much of their subcontracted works as possible, which will provide you with some ‘big’ contract experience.

If it’s possible, use those opportunities to build relationships with end clients such as councils. A quote from a member of the public on the great work your team did can be very valuable.

“ **The Australia & New Zealand Infrastructure Pipeline (ANZIP) website is a good place to start as it provides a forward view of public infrastructure activity across both countries.** ”

Go for industry awards!

Once you have a project under your belt, it can be extraordinarily valuable to you if it is entered into regional or national awards, such as the Water New Zealand annual awards. There are categories for all kinds of contracting jobs, even small, private jobs – and the publicity if you become a finalist can really put you on the map.

Tender scoring systems today often place award-winning past projects at the top; so they could launch you into winning future contracts.

Invest time and money

Government tenders require time and effort. Large companies often have entire bid teams whose sole purpose is to win work. For SMEs, this is seldom the case. You have to find time alongside your day job to put what is often a very complex document together – and still find the time to make it compelling.

An independent bidding expert who works with SMEs all the time, helping them to develop a win strategy which is interwoven into the document, can help you to determine ‘what good looks like’, and push your team to deliver a bid worthy of contract selection.

This means not only answering all the questions, but knowing what the answers should look like from a best practice perspective.

Importantly, the right investment in bid preparation can reap ongoing benefits. Having an ‘attribute library’ of base material (that can be used in the next bid) can significantly reduce time and cost for subsequent tenders.

Even if you lose, it's not all lost

While you may not win your first bid, your potential client now knows you're ready and able to step up so keep at it. They will have read your attributes and learnt essential information about your business that simply cannot be achieved through traditional marketing avenues. And if you win, the next tender is yours to lose as you're now in the game! [WNZ](#)

