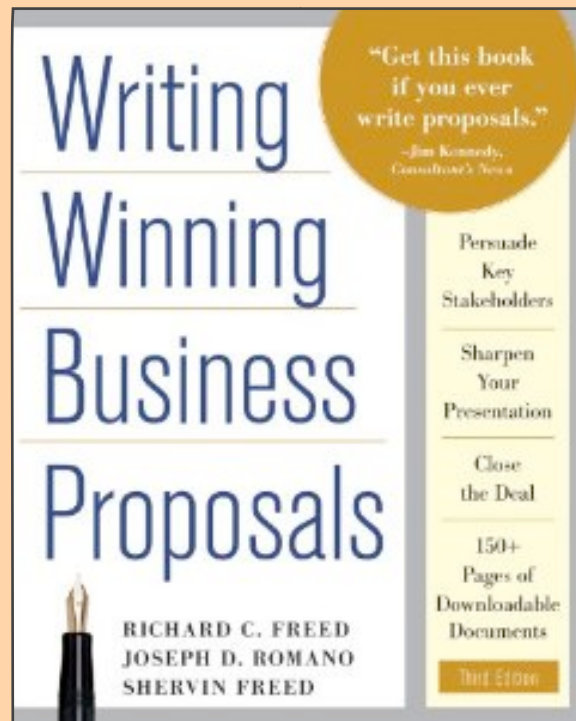# Glossary

A List of Terms Used in Writing Winning Business Proposals

Richard C. Freed

For Readers of *Writing Winning Business Proposals*

Feedback

Website

Glossary

Actions. In the [methods](#) slot, the tasks necessary for achieving the project's objectives. Different from activities, actions are necessary in the problem-solving process. Ordered within a [logic tree](#), all the actions, taken together, achieve the project's [objectives](#). These actions must express results (e.g., [deliverables](#)).

Activities. In the [methods](#) slot, the tasks important for planning and communicating to the potential client. Activities are necessary in the client–management process. For example: confirming the project's [objectives](#), reporting interim results, and delivering a final report.

Baseline Logic. The causal and aligned relationship among the [overriding problem](#), the [triggering event](#), the problem's [effects](#), [deliverables](#), [desired results](#), and [benefits](#).

Benefits. The good things that accrue while the [desired result](#) is being achieved (i.e., benefits derived from [deliverables](#)) and after the desired result has been achieved.

- In *insight projects*, benefits typically involve increased knowledge and understanding.

- In *planning projects*, benefits often include increased knowledge and understanding as well as direction and consensus.

- In *implementation projects*, benefits can include all of the former as well as [measurable results](#), tangible changes in the client's business processes or financial performance.

Buying Roles. There are five:

- *Economic buyer*: a single person on the selection committee whose role is to give final approval to buy. *Chacteristics*: has direct access to monies, controls the release of those funds, and has discretionary use of them. *Focus*: on the bottom line and on the overall impact on the organization. *Asks*: "What will be the overall performance improvement and return on this investment?"

- *User buyer:* one or more people on the selection committee whose role is to judge the impact of the project on operational performance. *Characteristics*: along with his/her unit, will be directly by the project, will have to live with the results of your service, and therefore will have a subjective response to the proposal. *Focus*: on the adequacy and practicality of the proposed solution and on that solution's effects on the potentially affected organizational unit. *Asks*: "How will the project affect my job and those I manage?"

- *Technical buyer:* one or more people on the selection committee whose role is to screen out bidders. *Characteristics*: evaluates the proposal by quantifiable, measurable criteria; acts as a gatekeeper, makes recommendations; can't say "Yes," but can say "No," based on technical requirements. *Focus*: ROI, match of specifications, price, adequacy of the

technical solution. *Asks*: "Do the proposed approach and qualifications meet our specifications?"

- **Coach:** one or more people on the selection committee (or not on the selection committee but within the potential client's organization) whose role is to act as a guide for this proposal opportunity. *Characteristics*: provides and interprets information about the situation, the competition, other buyers, and how each wins. *Focus:* on the success of this sale. *Asks*: "How can we pull this off?"

- **Ratifier:** one or more people (though in commercial organizations, most often only one), usually higher up in the organization and outside the official selection committee. *Characteristics*: blesses the recommendation of the economic buyer. *Focus*: on potential organizational conflicts (for example, with colleagues, constituencies, other programs, and organizational politics and culture). *Asks*: "Will this project and these proposers meet my broader political and/or personal objectives?"

Notes on Buying Roles:

- Except for the ratifier, a single person on the selection committee can play one, two, three, or all four of the buying roles.

- Because the ratifier blesses the recommendation of the economic buyer, one person cannot play both those roles.

- A ratifier can play only one additional role: coach.

- You have a clear advantage if your coach(es) are also the ratifier, the economic buyer, or both.

Competition. Other firms, people, or conditions competing for the project. In evaluating your competition, always consider in-house people and groups, as well as other of the potential client's initiatives that could compete for the same funding.

Counters to the Competition. Strategic moves for countering your competition.

Current Situation. S_1. The potential client's state before the project, which includes the triggering event, overriding problem or opportunity, effects, and lack of benefits.

Deliverables. The outputs produced during the process of achieving the desired result, S_2. Deliverables can be categorized by the kind of project:

- **Insight deliverables** are, generally, something you can hold in your hand, such as learning objectives for a training program, the results of competitive assessment, and a forecast.

- **Planning deliverables** include the wide range of outcomes necessary for producing a conceptual or implementable plan, such as arrangements made to conduct a training program, resources required for implementation, implementation timetables (of any sort).

- ***Implementation deliverables*** are something you can readily witness or observe, often capable of being measured and evaluated, such as a program for training a sales force, a trained sales force, or improved targeting efforts on the part of a sales force.

Desired Result. S_2. The potential client's desired state at the conclusion of the project (or one of its major phases).

Effects (of the overriding problem). Those further problems caused by the overriding problem.

Effects (of the opportunity). Those problems that would be caused if the opportunity is not capitalized on.

Evaluation Criteria. The set of measures consensually used by the selection committee to evaluate your offering. Other criteria can also be used by individual buyers. These criteria are generally associated with individual buyers' hot buttons.

Flag, Green. An indicator, used on the Logics, Psychologics, and Themes Development Worksheets, that signals a strength.

Flag, Red. An indicator, used on the Logics, Psychologics, and Themes Development Worksheets, to signal a weakness, vulnerability, gap in information or, generally, something you don't like.

Generic Structure. The "slots" that proposals share that make them proposals (as opposed, for example, to reports).

Generic Structure Slots.

- SITUATION: What is the problem or opportunity?

- OBJECTIVES: Given that problem or opportunity, what are your objectives for addressing or realizing it?

- METHODS: Given those objectives, how will you achieve them?

- QUALIFICATIONS: Given those methods, how are you qualified to perform them?

- COSTS: Given the methods and qualifications, how much will the project cost?

- BENEFITS: Given those costs, what benefits/value will accrue?

Green Flag. An indicator, used on the Logics, Psychologics, and Themes Development Worksheets, that signals a strength.

Hot Buttons. Desires or concerns of an individual buyer that can be addressed during the selling process (i.e., by your manner of interacting with the potential client) and during the project (e.g., by your altering the project's methodology or project

organization). Examples include "urgency," "thoroughness," "complexity." Hot buttons usually have emotional (as opposed to technical) content.

Hot Button Benefits. The good things that accrue to an individual buyer by having his or her hot buttons addressed. Hot buttons can be addressed during the selling process (i.e., by your manner of interacting with the potential client) and during the project (e.g., by your altering the project's methodology or project organization).

I-Slot. An information slot that contains little or no persuasion (and doesn't need to). (See PIP)

Lack of Benefits. An element of the current situation in part responsible for the discrepancy between S_1 and S_2. The potential client wants to move from the current situation to a desired result, not only because the current situation is characterized by an overriding problem and its effects, but also because it contains relatively fewer benefits than the desired result. Lack of benefits, unlike effects, are not part of the problem bundle linking causes/problem/effects, but they are nevertheless important attributes of the current situation.

Logic Tree. A systematic framework for organizing key parts of the proposal. A "how" logic tree can be used to construct the methodology. A "why" logic tree can be used to organize the major claims and sub-claims in a qualifications section.

Measurable Results. Quantifiable, tangible changes in the client's business processes and financial performance. (Measurable results are realized only upon implementation.)

Measurable Results Orientation. A focus on measurable results, even in projects (i.e., insight and/or planning projects) that by definition cannot achieve such results.

Methodology. The combination of *actions* that will achieve the project's proposed objectives and *activities* that will ensure the effective communication of the project's ongoing and final results.

Objectives. The expression of S_2. The number of a project's objectives corresponds to the kind of project. An insight, planning, or implementation study will have one objective. An insight/planning or planning/implementation study will have two objectives. An insight/planning/implementation study will have three objectives. Unlike desired results, which begin with nouns, objectives begin with verbs.

Overriding Problem (or Opportunity). The dominant element in the current situation that, by definition, is less desirable than the proposed project's desired result.

Overriding Question. The highest level question that the engagement (or major phase) will answer. Like objectives (which are rephrased overriding questions), the number of overriding questions corresponds to the kind of project, with one exception:

implementation projects do not have an overriding question, though they do have an objective.

P-slot. A persuasion slot that contains persuasion. (See PIP.)

PIP. An abbreviation for Persuasion–Information–Persuasion. PIP uses the common-sense and research-validated notion that when three slots exist, the first and last are the most important or most memorable. Therefore, persuasion (as opposed to information) should be located in those slots. When a task is PIP-ed (pronounced "pipped"), it contains this argument: "This is *why* the task should be done. This is *how* it should be done. These are *what* results or benefits will accrue from its doing." This argument occurs in the following:

- *Opening P-slot:* a persuasion slot that answers the question "Why?" by supplying a rationale for doing something.

- *I-slot:* an information slot that answers the question "How?" and that contains little or no persuasion (and doesn't need to).

- *Closing P-slot*: a persuasion slot that answers the question "What?" by supplying the results and benefits of filling the I-slot.

PIP can be used at the task, methods section, and document levels.

Power Base. An individual buyer's level of influence on the selection committee, not to be confused with the buyer's general level of influence within his or her firm.

Projects, Kinds.

- *Insight Project:* (e.g., market surveys, audits, or benchmarking studies). Potential client says: "We don't know if we should change" because (a) we're not certain that we have a problem or (b) we sense that a problem exists but are unsure of its nature or scope.

- *Planning Project:* Potential client says: "We want to change but don't know how."

- *Implementation Project*: Potential client says: "We want to change and know how, but we need help to do so."

Note: Many projects are characterized by a combination of two of the above.

P-Slot. A persuasion slot, often containing a rationale for doing something (opening P-slot) or the results and benefits of the doing (closing P-slot). (See PIP.)

Receptivity. A measure of a buyer's opinion or feeling about your selling efforts to date.

Red Flag. An indicator, used on the Logics, Psychologics, and Themes Development Worksheets, to signal a weakness, vulnerability, gap in information or, generally, something you don't like.

S_1. The current situation (the current problem or opportunity).

S_2. The desired result(s): insight, plan, and/or an implemented plan. The end product(s) of the project or of phases of the project. The project objective(s) are the expression of S_2.

Themes. The repeated expression of selling points generated from hot buttons, evaluation criteria, and counters to the competition. Often found in major P-slots.
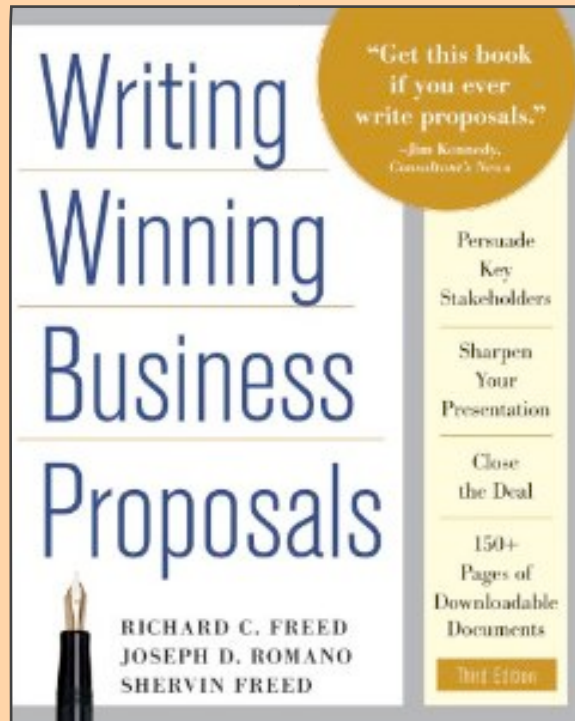
Triggering Event. That event (or, sometimes, events) that brought to the potential client's awareness the existence of the overriding problem or opportunity.

Value Proposition. A concise summary of your offering. A value proposition is a brief expression of the overriding problem or opportunity, effects, desired result, benefits, and timing and costs. Note that the baseline logic provides the majority of these elements.

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