“Winning in Tendering”
Tender Review Service Beneficiary Case Study

Dynamix

www.dynamix.coop

“Adoption of new tendering approach and strategy proves to be the catalyst in enabling a Welsh Social Enterprise to double their public sector tendering success rate”

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1.0 Introduction

1.1 About this Case Study

This publication is based on work undertaken as part of the “Winning in Tendering” project. “Winning in Tendering” is aimed at transforming the public tendering experience of Small Indigenous Suppliers (SISs include SMEs and the third sector) in the INTERREG Ireland/Wales region by addressing skill gaps of SISs and public procurers via a number of unique, innovative and complementary targeted interventions.

It is a 3.7 million Euros, 41 month, Strategic Project part funded by the European Regional Development Fund through the Ireland Wales Programme (INTERREG 4A) and comprises of partners from Bangor University’s Institute for Competition & Procurement Studies (ICPS), Dublin City University and the Irish Institute of Purchasing & Materials Management.

This Case Study, written by Ceri Evans, Senior Supplier & Procurement Specialist for ICPS, features one of the Welsh beneficiaries from the project’s Tender Review Service (TRS) and has been published with the full approval of the organisation concerned.

The TRS is a free, confidential and impartial service involving an analysis of a previous unsuccessful pre-qualification questionnaire or tender an SME or third sector organisation has submitted in order to identify ways and means of optimising future submissions. The outcomes of this analysis are communicated via a bespoke Tender Review Report. Further details about the TRS can be found at: http://www.icps.bangor.ac.uk/tender-review.php.en

1.2 Case Study Synopsis

This Case Study illustrates how a leading Welsh Social Enterprise, Dynamix, have been able to double their public sector tendering success rate following concerted effort and diligence on their part, together with support from the Bangor University led “Winning in Tendering” project’s Tender Review Service (TRS).

Indeed, so successful have Dynamix been; that they won the Welsh National Procurement Award 2013 for “Most Improved Supplier”. This Award recognises and celebrates the improvements Welsh suppliers have made to their tendering activities and success rates.

The Case Study is an exemplar in that it is an outstanding example of how, by channelling energy positively and...
strategically, a Welsh organisation has been able to step-up a level with their tendering, and in so doing, significantly help secure the long-term future of their business.

It will be of particular interest to existing Welsh suppliers to the public sector, or those wishing to supply the public sector, given that it showcases a plethora of practical ways and means that any organisation can exploit to transform their tendering fortunes. The Case Study will also be of great interest to public procurers.

2.0 Background

2.1 About Dynamix

Dynamix is a Social Enterprise and workers cooperative, established in 1989, which has developed an exemplary reputation for being an exceptionally creative, driven and socially responsible organisation. Dynamix is owned and run by its 12-strong team and is based in Swansea in South Wales. Their Mission Statement is: “Helping people explore serious issues in a fun way, through creative training, consultation, facilitation and publications”.

They are unique in that they aim to create a fairer society by working with children, young people and community members, to increase the involvement of young people in matters which affect them. They specialise in subjects relating to youth work, play, co-operative & enterprise education, inclusion and health & well-being and can adapt their methods to suit many themes (areas such as anti-bullying, employment, child poverty and emotional literacy).

Dynamix have written a number of books about their participative methods, which provides testimony to the quality of services they provide. For more information on Dynamix, please view: [www.dynamix.coop](http://www.dynamix.coop)

2.2 Tendering Challenge

Given the nature of the services they provide, Dynamix have historically relied on winning public sector contracts to guarantee their long-term sustainability. Although by most people’s standards, Dynamix’s previous success rate of converting about 1 in every 5 bids they
submit into a winning proposition, makes good reading, for them this success rate was not high enough! They were therefore keen to look at ways and means of converting a higher percentage of their tenders into winning bids; not only would this reduce the opportunity and transactional costs of tendering unsuccessfully, but it would also help secure their future by potentially providing a platform for sustainable growth.

2.3 Intervention Provided by the Tender Review Service

In December 2011, this socially driven organisation contacted the Institute for Competition & Procurement Studies at Bangor University, to tap into the “Winning in Tendering” project’s free Tender Review Service (TRS). For them, it was a chance for a third party, who they had no previous dealings with, to act as a critical friend and give a very honest and bespoke assessment of one of their previous tender submissions in order to clearly isolate opportunities for improvement.

Instead of complaining about the times where they have been unsuccessful in tendering, as well as the costs of filling out public sector tenders and subsequently leaving their Tender Review Report on a shelf to gather dust, Dynamix, in line with everything they do, adopted a very positive stance and made the decision to put in the hard yards and implement the report recommendations in practice.

Dynamix were very grateful for the support they received from the “Winning in Tendering” project, as illustrated by the quote below:

“We have not received any business support like this before! We thought the Review was ‘spot-on’...it brought home to us the evaluators perspective and opened our eyes to the wide range of things to consider and include within a tender. It has also enlightened us as to what we can prepare in advance of a tendering exercise using the wide range of templates provided by the Winning in Tendering team.”
3.0 Adoption of Innovative Tendering Approaches and Processes

The following narrative showcases some of the changes Dynamix have made to their tendering approach subsequent to the support they received from the TRS. Many of these changes can easily be adopted by any SME or third sector organisation. They include changes related to:

- How they construct their tenders, and;
- Their Tendering Strategy.

3.1 Tender Construction

Communicating their Experience and Track Record

Dynamix now communicate their experience in delivering past contracts in a totally different way. For example, they:

- Include **testimonials** from previous clients and beneficiaries in their tender documents to provide **clear evidence they have delivered work successfully**. These same testimonials are also included on their website.

  As Amy Sanders (Overarching Projects Coordinator & Director for Dynamix) mentioned:

  “We are now tapping into a previously underused resource at Dynamix, which is the exceptionally good feedback we get from our work. We have taken this feedback from both clients and beneficiaries and turned it into testimonials of our work.”

- Detail **bespoke summaries of past contracts** to demonstrate clearly how they are **relevant** to the current tender thereby clearly emphasising their ability to carry out the work.

- Do all they can to **sell the benefits of their experience**, in order to **evidence to evaluators that they can ‘hit the ground running’ and avoid any learning curves**.

- Include the **values of contracts and contract start and end dates**, as well as other supporting information (such as the number of training beneficiaries), to give evaluators a clear steer on the size of the contracts they have delivered previously.
- Specifically state **which personnel have worked on each of their previous contracts**, to make it clear that this experience **still resides within the organisation**.

**Project Team Information**

Dynamix have significantly improved the information they include within their tenders when describing their Project Team. For instance:

- Each key worker now has a **significantly enhanced profile that documents their personal experience and clearly states which elements of this person's experience, expertise, and background are relevant to the current tender**.

- They also spell out the **Project role** this worker will play in the delivery of the contract, given it is **vital to communicate what different responsibilities each team member will adopt**. Evaluators need to be able to see a clear logic linking the role that each individual is to undertake, with their experience and expertise profile.

- They include a **visual introduction to the trainers (and other workers)** and a **project organisational chart**.

**Risk Analysis & Management**

For each contract they tender for, they include a **Summary Risk log** to **demonstrate that they are aware of the main risks to successful delivery of the project and to make it clear how they will mitigate these risks**. They explain each risk, classify them as to whether they are of High, Medium or Low Impact, and explain the mitigation strategy for **each risk**.

*As Amy Sanders stated: “We have introduced risk analysis for each project which has enabled us to show that we understand the detail of delivering the work, what barriers/risks we could face and how we will overcome these barriers”.*

<table>
<thead>
<tr>
<th>Description of Risk</th>
<th>Impact</th>
<th>Ownership</th>
<th>Risk Mitigation Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide a short description of the risk</td>
<td>High, Medium or Low Impact</td>
<td>Who is responsible for the risk</td>
<td>What actions will be taken to counter this risk</td>
</tr>
</tbody>
</table>

**Example of a simple Summary Risk Log**
Project Management and Quality Management

Dynamix now adopt a far more **vigorous approach to evidencing their capability to manage projects in a robust way**. They explain their expertise and experience in managing projects and detail prescriptively how the contract that is the subject of the tender will be managed (including management roles/responsibilities of personnel). In addressing management issues, they also provide narrative in their tenders on managing quality.

Structure and Presentation of their Tenders

Dynamix have made it easier for evaluators to find key information. This has meant:

- Structuring their tenders in line with the evaluation criteria and the tender specification.
- Highlighting key points.
- Using more **headings, sub-headings, lists, and bullet points** to help the reader navigate through the document.
- Including more **diagrams, tables and flow charts** to help evaluators to visualise the approach they are suggesting or to strengthen the narrative.
- Providing an **Executive Summary** up-front, to convey what makes Dynamix unique and to express key features from their tenders that enable them to stand out. This Executive Summary also provides a very positive opening to their tender and a fantastic ‘memory-jogger’ for evaluators at the end of the evaluation process.

3.2 Tendering Strategy

In addition to the changes they have made to the way they construct their tenders, Dynamix have also implemented changes to their broader tendering strategy that has also positively influenced their tendering fortunes.

To bid or Not to bid?

Dynamix now adopt a far more considered approach when choosing whether to tender for a contract or not. They spend longer reviewing an opportunity in terms of whether they have a realistic chance of success and also as to whether it will be of benefit in the long-term. They are adamant that you **should not unduly let the time you have initially spent researching an opportunity to sway the final decision on whether to bid or not**.
Monitoring Success

They now have in place a tender log to record a range of information. This log includes what tenders they consider, which ones they bid for and which ones are successful.

Collaborative Bidding

By forming strategic partnerships, Dynamix have started to submit consortia bids. This has elevated their chances of success with larger value contracts and has helped raise their profile with major private and public sector organisations.

Understanding the tendering process

Dynamix are now better at interpreting the tender specification and understanding why procuring organisations are asking particular questions and what particular information the procurer is seeking in the questions they ask.

New Procurement Knowledge & Contacts

Dynamix recognise that it is in their interest to be proactive in seeking every opportunity to learn more about tendering and to develop new contacts that could lead to new openings. They have:

- Contacted all Local Authority procurement teams in Wales to request information about their procurement processes and to also help build relationships with them.
- Attended Meet the Buyer Events.
- Attended procurement conferences, including the Welsh Government's 'Open for Business' event.
- They have taken advantage of any relevant training opportunities. For example, training focused on how to form consortia and collaborative bidding techniques.

Where they have made the decision not to tender for significant contracts, they have also made contact with the relevant public sector organisation to explain why. This has simultaneously presented the opportunity to raise awareness amongst these procurers of the portfolio of services they offer.
4.0 Impact & Benefits

The major bottom line impacts of the changes to Dynamix’s tendering fortunes following the amendments they have made to their tendering approach and strategy are as follows.

**Improved Tendering Success Rate**

Dynamix’s tendering success rate has improved from **20% in 2011** (prior to the support they received from “Winning in Tendering”) when they won 2 out of the 10 tenders they submitted, to **41% in 2012**, where they secured 7 out of the 17 submitted. This has led to an increase in their turnover of over 36%.

**Success in joining Frameworks**

Dynamix have achieved substantial success in joining **long-term frameworks**. For example, in December 2012 and January 2013, they were given notification that they were successful in joining 3 frameworks (including one with Powys County Council and another with Neath Port Talbot County Borough Council). They are the first frameworks Dynamix have been on and each one has **enhanced their profile as a provider to local government**. Given that historically these public sector organisations have always provided the majority of their work, but that in recent years this work has dwindled significantly, this achievement has given them considerable confidence that this area of income will increase once again.

**Winning large and strategically important contracts has enhanced Dynamix’s profile**

Securing these large and strategically important contracts has been particularly influential in enhancing Dynamix’s credibility and raising their profile. For example, their success in winning tenders to deliver national consultations has enabled them to **safeguard and enhance their reputation as providers of national consultations and to demonstrate they are at the cutting edge of developments in policy in their expertise area**.

**Winning smaller contracts has proved equally beneficial**

Smaller contracts can often prove to be a seedling for bigger things and this premise has certainly held true in the case of Dynamix. In winning a **£2,500 tender from one public sector organisation**, it helped Dynamix to **develop their reputation in a new market**. On the back of winning a contract to develop a toolkit supporting organisations to demonstrate impact in one area of work, they were then contracted to develop a toolkit to support organisations to
evidence outcomes in another area, and won a number of contracts to deliver training on evidencing outcomes and demonstrating impact.

**Improved Quality Scores**

They are now achieving much higher quality scores. For example, in one tendering exercise, they scored 92% (with price only accounting for 10% of the total marks available).

They were told in the feedback they received from another public sector organisation:

“It was a unanimous decision across the decision making panel. Your tender stood out so much from all the others. Your tender was such a good example of how a tender should be written”.

**Public Sector Income has made Dynamix more Sustainable**

Improving their capacity to tender has been a vital part of a wider strategy within Dynamix to become more sustainable. With their vastly improved horizons over the last year, Dynamix have succeeded in reducing their financial liabilities significantly. They are also now looking at raising the salaries of their workers, in order to continue to secure their commitment.

**5.0 Summary**

This Case Study demonstrates transferability on a number of diverse levels:

- The Case Study emphasises that by channelling energy positively, it is possible to transform an organisation’s tendering fortunes and ensure long-term organisational sustainability.

- It provides a number of important learning points that other suppliers can benefit and draw inspiration from.
• It draws attention to the **potential wider impact of winning public sector contracts**.

• It highlights the **importance of advertising lower value contracts** given that the ‘spin-off’ benefits from them, can often prove to be immensely valuable to smaller enterprises.

• It gives a significant injection of hope to **third sector organisations** who are bidding for public sector contracts, that with **commitment and dedication it is possible to successfully compete for such work**.

• It demonstrates how an **Ireland/Wales INTERREG funded project** can provide organisations with substantial, value-added support, that can have a significant long-term impact.