In This Issue
of **PROPOSAL**Management

From the Editor

R. Dennis Green

As those of us working in proposal management know, ours is a profession on the move. The newest trends are revolutionizing the way we work. Pervasive automation is juxtaposed with greater reliance on oral presentation—and multimedia is much in vogue. Government procurement is embracing commercial practices. And many bidders are now accepting the burden of significant performance risk. No aspect of our work is stagnant.

SO WE CHANGE

What better time to consider how we got here? To take stock of history's pretext and consider what lessons may be there to learn.

Tom Boren's reflective "look back" addresses the events, people and organizations that have shaped the modern proposal development profession. With first-hand knowledge of the events he chronicles, Boren's perspective is that of a sage. (Boren is also one of the APMP founders.) His article demonstrates: We are prone to forget the limitations of yesterday. Too often we take today's capability for granted. Seldom do we foresee the path that helps us to manage tomorrow's demands.

"The Evolution of Competitive Intelligence" is a contribution by University of Pittsburgh professor John E. Prescott. In addition to providing the history of this sister profession, his article defines effective CI program design.

Niccolo Machiavelli and Leonardo da Vinci are represented as "Renaissance Proposal Managers" by our Editorial Advisory Board Chair, Jayme A. Sokolow. In Sokolow's article, we learn how these great sixteenth century thinkers proposed to do nothing less than divert the Arno River—an action that could cripple Pisa, Florence's downstream rival, and irrigate Tuscany. The year was 1502.

And our cover story: the Wright Brothers' 1908 proposal for a Heavier-Than-Air Flying Machine. When the specification requesting proposals was issued in December 1907, the Army became target for an outcry of disbelief. Newspaper editorials of the day proclaimed that nothing even approaching such a machine had ever been built or flown. The *American Magazine of Aeronautics* criticized the Army for asking the impossible. There would be no bidders, the magazine predicted. In fact, there were forty-one. We include the original specification and the Wright brothers' response.

We also begin a multi-issue look at storyboarding, as it applies to our profession. This widely-used methodology has roots that date back to the days of cave men. Folklore also links our profession's use to movie industry storyboards, although the specific record of this link has not been preserved. Several members have initiated research to re-discover and memorialize this link for us, and we intend to share those evolving re-discoveries with you in upcoming issues. [Those interested in storyboarding should read our book review of Harry Forsha's *Show Me: The Complete Guide to Storyboarding and Problem Solving*.]

Good things are offered. And more are yet to come.

ABOUT OUR FORMAT

The journal's format and content guidelines have evolved over a two-year period. Basic structure and architecture were derived from member preferences provided in a questionnaire. The results and subsequent recommendations were presented to the APMP Board of Directors in January 1998. A journal development team was assembled and began its work in subsequent months. The following sections evolved:

- From the Editor
- Letters
- Trends and Views

- Feature Articles
- Companion Articles
- Proposal Products
- Book Reviews

Letters is a section reserved for correspondence from our readership. Look for this section in upcoming issues. Trends and Views is a column presenting provocative opinion and issues debate. Roger Dean, the column's editor, welcomes your contributions.

Proposal Products is a section reserved for discussions and reviews about products commonly used in our profession. This issue, for example, includes a matrix of proposal automation tools. We also include a recurring section for the review of noteworthy books.

Feature articles are chosen to complement each issue's overriding theme. In general, these articles run 10 to 15 pages in length. Companion articles (such as the "Renaissance Proposal Managers" article in this issue) discuss additional and related topics in a briefer format. All articles are peer reviewed.

Speaking of themes, our next issue (Fall 1999) addresses the art of persuasion. We will address automated and multimedia proposals in issue three.

ABOUT OUR DESIGN

A number of other professional journals were considered in a "best of class" design evaluation. Our development team worried about becoming one of the many learned journals that is grandly published and never read. Our concern led us to *Technical Communication*, Journal of the Society for Technical Communication (STC). STC journal Editor, Dr. George F. Hayhoe, faced that very challenge when he joined that journal about three years ago. The dramatic journal make-over he achieved in August 1997 appealed to us as a model for our own journal's design. We also found his experience to offer relevant lessons learned.

To remedy the STC journal's readership problem, Hayhoe developed a new editorial policy ensuring that the "practitioner orientation" was emphasized and clear (versus a purely "academic" alternative). The redesign he helped engineer projects an image that is modern (but not avant garde), timeless in legibility, and above all, visually inviting to its readers.

We seek to emulate and achieve like goals within our present day budget constraints.

ADVERTISING

Funding, the question of whether to carry advertisements, and, if so, how many ads to allow were issues that generated passionate and spirited discussion over many months. Among members, the positions ranged from "none is acceptable" to "we should sell as much space as we can." Significant publication costs could not be overlooked.

Among advertisers, there were also concerns. Would this be a readable journal or one that members might toss — unread — onto a shelf? In the context of layout, how would advertisements be treated? Would all ads be presented in crowded proximity or would collocations be minimized to a reasonable extent?

Happily we achieved a popular compromise. Readability and practicality are being emphasized in every issue. In terms of desktop-life (or the time an issue may hold some position of interest on the average member's desk), our goal is to offer interesting reading that our members spread out over many days. Moreover, ad collocations are minimized in layout, and advertising will never occupy more than 20% of an issue's available space.

ONE REMARKABLE TEAM

Our organization is blessed with a talented journal development team. Many of its members have sacrificed time and resources—without compensation—to bring this journal to you. Its management staff includes Jayme Sokolow, Rich Freeman, Rick Rider, Roger Dean, and Nancy Brome. Significant and notable contributions to this premier issue have also been made by Tom Boren, Terri Brooks, D. Susan Carr, Carl Dickson, Phil Egert, Robert Evans, Robert "Bob" Frey, Sam Frye, Marianne Gouveia, Eric Gregory, Mary Helen Gregory, William "Bill" Johnson, Doron Krinetz, Jeff Longshaw, Diana Love, Linda Mitchell, Rich Perri, Beth Pritchard, Kirste Ross, Amy Stourac, and David Winton.

Jayme Sokolow and Rich Freeman

With this issue, we take another first step in forwarding and promoting the interests and long-term objectives of our association. We hope you enjoy it. We also challenge the membership to help us improve the journal in issues to come.

Onward and upward!
Managing Editor
R. Dennis Green

Letters

Because this is the premiere issue we have no correspondence to share…but we do encourage you to send us your thoughts, suggestions, complaints, corrections, raves, and compliments.

Here is your opportunity to submit your views, your special knowledge about some of the subject matter and events that are covered in this issue.

HOW TO SUBMIT LETTERS

You may submit letters through the mail to:

Editor, Proposal Management
APMP P.O. Box 1172
Idyllwild, California, 92549-1172.

You may also send a letter with your comments or views by e-mail to: apmpinfo@aol.com

Please put "Letters – Editor, Proposal Management" in the subject box of your e-mail.

Be sure to include your name, affiliation, business address, telephone number, and e-mail contact address.

WHAT'S NEXT FOR PROPOSAL MANAGEMENT?

ISSUE TWO – The Art of Persuasion

For issue two, to be published in the Fall of 1999, we focus on The Art of Persuasion: Has it really changed?

To answer that question, we take a look at persuasive techniques in three important areas:

Karen Durack helps us look at persuasion as a component of technical communication.

William and Kay Horton will address persuasiveness in graphics, including graphic blunders and how to avoid them.

Dorothy Leeds, author of *PowerSpeak*, will discuss persuasiveness in oral presentations and common speaking faults. Staff members also plan short and compelling companion articles.

Editorial Advisory Board Chair Jayme Sokolow will help us revisit the famous 1960s research of Stanley Milgram and assess the scary implications of his high-voltage experiments with one effective form of persuasion obedience to authority. Another article will look at a scholar's breakdown of the seven components of power, and how understanding these components can make you more effective in your work.

We also hope to present the results of many months' research into the history of storyboards in our profession. Folklore, myths, and an absence of institutional memory have since clouded the story. Who introduced storyboards into our profession and how did they evolve? Check out the next issue, and we will tell all.

ISSUE THREE – Electronic Procurement and Multi-Media Proposals

Issue three, to be published in the Spring of 2000, is a work in progress but one of obvious moment and appeal. As new technologies, computer advances and the Internet revolution transform our work lives, they also have a striking effect on the proposals we produce.

Proposal Management welcomes contributions that will help us map and navigate these advances. We know that many APMP members are working on the cutting edge. Give yourself some acknowledgement, and let us help you share the fruits of your labors. Please contact us with your ideas for articles.

APMP is an association formed to support men and women involved in proposal management and development. Its mission is to advance the arts, sciences, and technology of proposal management and promote the professionalism of those engaged in those pursuits through the sharing of non-proprietary proposal methods, approaches, and processes. APMP conducts meetings and events, both on a national scale and at the local level through individual chapters.

Our annual membership fee is $75. Please make your check payable to APMP. APMP's Federal Tax I.D. Number is 87-0469987.

You may obtain a membership form in Adobe Acrobat/PDF format from the APMP Web site http://www.apmp.org. Send your completed membership form to:

APMP Attn: Membership Applications, P.O. Box 1172, Idyllwild, CA 92549-1172
(909) 659-0789
(909) 659-8589 Facsimile

Trends & Views

FROM CAVE WALLS TO THE INTERNET...

Lots of progress, but are we any better off?

by Roger Dean

With a premiere issue focused on our profession's legacy and evolution, it seemed appropriate for a column called "Trends and Views" to examine one of the most obvious trends in proposals, the rapid evolution of the tools we use to do our jobs. Few would argue that proposal tools do not have a significant impact on how we work, but Roger makes an argument that is just a bit different from what you might expect. While the Journal does not necessarily endorse all of the ideas here, we are confident that what Roger says will make you think about our profession and, we hope, prepare better proposals, no matter what your role.

Folk singer Bob Dylan said it most succinctly with his song *The Times, They Are A-Changin'*. He was right, of course. Times are always changing, and the tools we use to prepare informative, persuasive, winning proposals continue to change as well. We've come a long way from the tools *any* of us first used to do proposals, but have we come as far as we think we have? Have today's tools made our jobs easier? Perhaps. But then again, perhaps not.

The tools early humans used for their proposals were pretty basic; so were their proposals. It didn't take more than your hands, a cave wall, some charcoal and berries, and a stick to draw with and you could propose, "Let's go hunting." Today we have tools for proposals that by almost any standards seem almost magical. We have tools that let us find information without leaving our offices; we have tools that let us send information quickly and accurately over long distances; and we have tools that let us organize, analyze,

synthesize, format, and reproduce our ideas with astounding speed and with unimagined clarity and power.

The natural conclusion for all of us is that these tools have made our jobs easier and the results better. Well... they have, haven't they? I mean, don't they let us make changes until we get a proposal "just right"? And don't they allow engineers and managers to do their own graphics to make sure that those are just right? And don't they allow proposal teams to save money and time by cutting out the intermediate step of having a secretary type handwritten draft? And what about "virtual collocation"? Proposal teams

can save time and money by coordinating things by phone, videoconference and over the internet, can't they? Haven't these all made our jobs as proposal developers easier? Well, in a word, yes. But, as the old joke goes, there's good news and there's bad news. Perhaps these new tools have only made parts of our jobs easier while making other parts of our jobs much harder.

GOOD NEWS/BAD NEWS

The good-news/bad-news is the same good and bad news that it has always been when it comes to new technology: those who know how to use it correctly succeed and those who don't must be helped by those who do...or fail.

When grunts and crude drawings of a prehistoric hunter failed to communicate "Let's go hunting," either the tribe starved or someone else had to step in. If the tribe was lucky, the "someone else" was skilled at cave wall drawing and everyone understood the message before it was too late. If not, the deer herd moved on and the tribe starved.

People who understand the tools and use them properly contribute to the tribe's survival… they help the proposal

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The same is true of today's proposal teams and proposal tools. People who understand the tools and use them properly contribute to the tribe's survival…they help the proposal. These are the real pros who make computer keys hum and printers smoke, and they deliver what they promise on time. Their drafts are usually pretty good, but if they need revising, it's easy for them or some other expert tool user to make changes. But, it is everyone else—the vast numbers of novice tool users that comprise most proposal teams—where the danger lies. It is when powerful proposal technology is placed in the hands of people who don't really know how to use it that technology can actually hamper a proposal rather than help it.

The importance of understanding tools and technology before depending on them is a common theme in our culture. You can find the lesson in literature ranging from the magic mushroom in Lewis Carroll's *The Adventures of Alice in Wonderland* (one side makes you larger, the other side makes you small) to Mary Shelley's classic tale, *Frankenstein*, where ignorance and tragic mistakes transform a well-meaning experiment into terror and catastrophe. For a more recent story, look no further than the hit movie, Jurassic Park. But the lesson is not limited just to fiction. In today's business world there are two trends that combine to produce technology "traps" that can jeopardize any proposal: First, proposals play an ever more important role in sustaining a company's very existence. Second, the continuing focus on "right sizing" and improving the bottom line means that company managers are relying more and more on modern tools to help minimize manpower requirements, cut costs, and shorten production schedules. The result is three "syndromes" in which failure to understand the power, limitations, and potential misuse of tools can have dramatic consequences for proposals and the people who manage them.

THREE TECHNOLOGY PROPOSAL TRAPS

The first technology trap is the "**teenager**" syndrome. This is where failure to understand technology—and stubbornness to admit it—eats into productivity and jeopardizes the proposal schedule. Everyone who has, or even knows, a teenager can understand this one. It explains the logic behind that sign you see in novelty stores: "Hire a teenager while they still know everything." The second is the "**home handyman**" syndrome. This occurs when people who don't know how to use tools properly produce results that ultimately must be fixed by someone else with greater skill. This is the reason many auto mechanics have a sign in their garage that shows two rates, the regular rate and a much higher rate if you help. The third is the "**believer**" syndrome where even when people know how to use the tools, they (the tools) don't always work quite like the advertisers say they do. Believers were why the old patent medicine salesmen—those who sold "snake oil"—were successful. There were always enough people to believe, "It will clear your complexion, brighten your eye, and fill your being with snap and vigor… It cures all bilious derangements and cleanses the blood of impurities… It restores weakened constitutions, tones the nerves, creates appetite, and is a positive cure for Rheumatism, Blood Disorders…"

Let's look at these three technology proposal traps one at a time:

THE TEENAGER

The best example of the teenager syndrome is what happens when the typical proposal writer is given a computer and told, "write your section." Despite the near ubiquitous presence of computers, few people really understand how to use them to their fullest potential. And as tools get more powerful, the trend only gets worse. Take modern word processors. A skilled user can use any of the leading ones to quickly and easily do just about anything imaginable: adjust columns, change leading, automatically format paragraphs, automatic graphic referencing and tables of contents, position graphics anywhere and have text wrap smoothly around the graphic… no problem. (Well, OK, some problems some times. But you can do all these things and more.) Most people, however, either don't know that any of this is even possible or, if they do, don't use a computer often enough to know how to do it quickly and accurately. Like teenagers, they won't admit that they don't know how to use the tool. Some are just stubborn and some are just embarrassed to ask because they think they are supposed to know. Either way, though, the result is the same: Instead of asking for help, or simply not worrying about formatting and inserting graphics, they waste time and effort—both

precious commodities on a proposal — trying to use the tools. They will spend countless hours (or even days!) struggling with formatting their section rather than worrying about their real obligation: to get the content right. So why is this a problem? Why does this use of technology hurt the proposal rather than help it? Because simply the existence of a word processor on that author's desk becomes a major contributor to schedule problems. If the author had only a pencil and a pad of paper, they[3] would never encounter any of the related distractions that can preclude them meeting the schedule for submittal of their first draft.

THE HOME HANDYMAN

The home handyman syndrome is similar to that of the teenager but it produces a different proposal problem. Instead of schedule delays early, the home handyman causes schedule problems later. The output of a home handyman can create a workload nightmare at the end of a proposal when both time and patience are in especially short supply.

Let's assume that your inexperienced proposal tool users actually succeed in delivering you, on time, a nicely formatted first draft with all figures embedded in the right place. We all know what happens to proposal drafts: No matter how good, they get revised and revised and revised. Changes come from people who have the authority to impose their opinions on others even if they don't know more than the original author, from people who actually do know more, and from the original authors themselves. If the original author makes the changes, the process is slow and cumbersome because of their inexperience with the tool. But even if these drafts are turned over to a "professional," the correction process can still be slow and cumbersome.

With inexperienced tool users, you are likely to find hard formatting instead of styles, multiple standard tabs in lieu of a single custom tab or style-formatting (or worse, each line formatted as an individual paragraph as if the computer were simply a $2000 typewriter!), tables imported from some spreadsheet package rather than built using the table command, and so on. Things can get especially difficult when it comes to graphics, which can be a real time waster when proposal writers prepare their own charts, graphs, tables, and simple diagrams in whatever software they happen to be familiar with, usually the word processor's native format or some presentation software rather than a graphics program made for the job at hand.

None of these home handyman problems is especially difficult to overcome, providing there is sufficient time and budget. But if the proposal manager hasn't recognized the

potential for problems and made appropriate schedule allowances, the technology that was supposed to help actually made the proposal harder because the right answer to revisions might just be to start from scratch. Here again, you can argue it is the technology that is at the root of the problem since if it didn't exist, the amateur would not have tried to "do it himself."

THE BELIEVER

Even when proposal teams do understand how to use the tools available to them, blind dependence on technology jeopardizes proposals in other ways. Tools, even when used properly, don't always produce the results that you think (hope) you will get. For example, take scanning the RFP to make sure you capture all your customer's requirements and submit a fully-compliant proposal. This sounds like a good idea (it is, if you don't have an electronic version) but it is not without some potentially serious consequences. Even today's OCR software isn't perfect. Manufacturers advertise accuracies in the 99.7+ percent range… pretty good, right? Yes, but this still means nine wrong characters on a standard single spaced page of 12 point type. "No problem," you say. You'll proof the copy to make sure you get it right. Well, unless you are an unusually diligent proofreader, you are going to miss something — and it might be something really important. I was once told of a proposal manager who scanned an RFP so he could create "mini-RFPs" of requirements by proposal paragraph. He knew that scanners were prone to errors so he checked the scan against the original. Twice. But he still missed one character (one character in several hundred pages!) that had drastic consequences for his proposal team. "How could this be," you ask? It was a "9" in a reliability requirement. Instead of the requirement being "0.99999," he had "0.9999." (I typed this and I still had to go back and check for the right number of nines!) The team discovered the problem only at Red Team review, by which time it was almost impossible — and very costly — to reengineer the solution to the proper reliability.

> …it is an all too common belief that proposal teams no longer need to be collocated to function efficiently…

But the potential for "believer" problems doesn't stop with simple errors of tool use. There is a much more insidious problem that stems from trying to improve the bottom line by substituting technology for sound business practices.

The concept of "virtual collocation" to save on proposal costs is one of my favorites. With the growing prevalence of group software, the internet, and video-conferencing, it is an all too common belief that proposal teams no longer need to be collocated to function efficiently. I may be in a minority, but I think this is an especially dangerous trend. Not only do few people actually understand how to use such tools (when they work), but virtual collocation eliminates the spontaneity and synergism that can only come with face-to-face interaction. Until computers and communication devices work like they do on Star Trek, relying solely on technology for communication will continue to do as much harm as good. The siren song of technology will continue to deprive proposal teams of that certain spark of creativity that can make the difference between "Thanks for your proposal, but…" and "Congratulations."

PEOPLE, THE REAL PROBLEM

In the end, however, the real problem is not technology but, as the titles of the three syndromes suggest, "people." Technology can make our jobs universally easier if only our proposal teams would admit that, sometimes, they really don't know how to use the tools. If only they would not try to "do it themselves" when they can't. And if we would all recognize that even today's modern proposal development

tools cannot do it all for us. People who understand the tools and use them properly contribute to the tribe's survival, those who do not understand the tools contribute to the tribe's possible demise.

"It's not the right tool if you don't know how to use it."

There was an ad in the *Wall Street Journal* many years ago whose catch phrase was, "It's not the right tool if you don't know how to use it." Some people know how to use the tools available to them and some don't. The trend toward better, faster, more powerful tools is not likely to stop any time soon. We'll soon have new tools that make what we have today look like the sticks and berries of our prehistoric ancestors. Before managers depend on modern technology to save manpower, time, and cost on proposals, they should ask themselves if their employees really know how to use the tools properly… if they understand both their powers and their limitations. Otherwise, they may find their ever-more-alluring proposal development technology being one principal cause in poorer, less successful proposals rather than better proposals that win. **APMP**

A Brief History of Proposal Tools and Other Related Stuff

45,000 BCE	Neanderthal Man carves on Wooly Mammoth tooth near Tata, Hungary.
28,000 BCE	Cro-Magnon notation, possibly of phases of the moon, carved onto bone; discovered at Blanchard, France.
3500 BCE	Writing invented by Sumerians.
1800 BCE	First alphabet.
775 BCE	Greeks develop a phonetic alphabet, written from left to right.
500 BCE	Greek telegraph: trumpets, drums, shouting, beacon fires, smoke signals, mirrors.
105 AD	Ts'ai Lun invents paper in China.
700 AD	Beginning of block printing in China.
1049 AD	Movable type invented in China by Pi Sheng.
1241	Metal type used in Korea.
1450	Gutenberg develops printing with movable type.
1565	First pencils… sticks of graphite wrapped in string.
1710	German engraver Le Blon develops three-color printing.
1714	Henry Mill receives patent in England for a typewriter
1770	The eraser.
1798	Senefelder in Germany invents lithography.
1799	Robert in France invents a paper-making machine.
1812	William Monroe, cabinetmaker in Concord MA, makes first American wood pencils.
1834	Charles Babbage conceives the analytical engine, forerunner of the computer.
1837	Morse exhibits electric telegraph in U.S.
1837	Daguerre invents photography.
1845	The typewriter ribbon.
1855	Printing telegraph invented in the U.S.
1858	First patent for attaching an eraser to a pencil issued to Hyman Lipman.
1869	Carbon paper is invented.
1873	Remington Arms Company markets first practical typewriter, invented by Christopher Latham Sholes
1875	Edison invents the mimeograph.
1876	Bell files patent for the telephone.
1895	Englishman Friese-Greene invents phototypesetting.
1904	Invention of telephone answering machine.
1938	Chester Carlson invents electrostatic copying (xerography).
1944	Harvard's Mark I, first digital computer, put in service.
1946	First general purpose computer (ENIAC).

1961	IBM introduces the "golf ball" typewriter.
1966	First fax machine. The Xerox Telecopier.
1968	Douglas C. Engelbart of SRI demonstrates system of keyboard, keypad, mouse, and windows. Also demonstrates word processor, hypertext system, and remote collaborative working.
1971	Wang 1200 is the first word processor.
1973	DARPA initiates research program to investigate interlinking packet networks of various kinds. Resulting system eventually becomes the Internet.
1976	Steve Wozniak and Steve Jobs finish computer circuit board called the Apple I computer.
1978	Epson announces MX-80 dot matrix printer.
1979	Hayes Microcomputer Products introduces a 110/300 baud modem.
1979	First popular microcomputer application software released — WordStar for word processing, dBase for data management, and VisiCalc for spreadsheets.
1981	Xerox introduces graphical user interface, with user-friendly icons, buttons, and menus, operated with a mouse.
1983	First portable computer.
1984	First laser printers introduced.
1985	PageMaker desktop publishing software released.
1987	First automated tools for RFP requirements tracking available to industry.
1988	Caere ships the OmniPage OCR software for the Macintosh.
1989	E-mail becomes popular.
1992	Apple computer demonstrates first voice recognition program.
(1997)	Hal, a series 9000 intelligent computer manufactured by the HAL Corporation, is created. Hal accompanies Frank Poole and David Bowman on their journey to the stars, but is eventually disconnected because he won't do what his users want him to do. In fact, he kills one of them.
(~2254)	The United Federation of Planets outfits the starship USS Enterprise with an intelligent computer. Sometime it works like Capt. Kirk wants it to, other times…

A Personal Look Back

...at Events, People and Organizations That Shaped The Proposal Development Profession

by Tom Boren

During the 60s and 70s, Proposal Development was shaped into a profession by individuals with strong convictions and foresight. It then changed rapidly, driven by government initiatives, the implementation of new processes, and increased publications capabilities. Companies established Proposal Development Centers, and staffed these centers with Proposal Development Specialists and support personnel able to manage the new processes, capabilities, and competitive challenges. Consulting services became a more frequently used approach as proposals grew in size and complexity. Economics, combined with proposal-unique requirements, drove many companies to eliminate their in-house proposal development capability and outsource to proposal consulting organizations. In recent years, new facets have been added to the profession to meet the exploding demands of electronic media capability. The next decade will offer even more challenging opportunities, and will drive new changes.

> ✓ We are prone to forget the limitations of yesterday.
>
> ✓ Too often we take today's capability for granted.
>
> ✓ Seldom do we foresee the path to the demands of tomorrow.

THE NOT SO FABULOUS 50s

How humorous and vindictive it would be to transport one of today's proposal development teams back to the environment of the 1950s. No computers, no printers, no high speed copying machines, no Proposal Development Centers, no Proposal Development Specialists, no guidelines or established processes, no Technical Publications or word processing support; just engineers, engineers, engineers, with slide rules and secretaries typing on blue carbon-backed "Ditto" paper. We had to scrape off each mistake or change with a knife and repair the text with a little insert of strike over "Ditto" carbon paper. Proposal development was slow and messy, and you certainly couldn't keep submitting changes (although that part was nice).

In the 50s, most proposals were sole source bids and awards. The defense world was hungry for new technological capabilities, and wasn't yet in an environment that required competition and a structured source selection processes. These things did not arrive until the 60s, when government-imposed requirements forced us to think about a "Proposal Strategy." The defense industry hadn't really progressed to having Proposal Development Centers or Specialists. They usually developed proposals in whatever area could be scrounged: abandoned hanger lofts, warehouses, or vacant storage areas. Some proposals were even developed in a series of motel rooms. The minute a proposal was submitted, the proposal area would be stripped of telephones, typewriters and supplies, and desks would be returned to salvage (where they usually came from). It was like the company never expected to do another proposal.

The only Proposal Specialist was someone (usually called a Proposal Coordinator) who seemed to know everybody and could get everything done without going through the company's bureaucratic processes. On occasion someone from the Program Office might bring experience gained on a few previous proposals.

THE 1960s SEE CHANGES

Advances in Equipment and Support

As we moved into the 60s our equipment and support did get a little better. We now had typewriters with correction paper (not the Correcting Selectrics, but at least hand held correction paper). We still didn't have a typing resource, so we had to call all the secretaries to see who could work overtime, or whose boss was out of town so they could handle some typing during the day. Some companies were progressive enough to have typing pools that could be dedicated to supporting proposals from time to time. We also had the Marchant Calculator — the loudest, clunky thing you ever used. When you got one really going it shook everything around it.
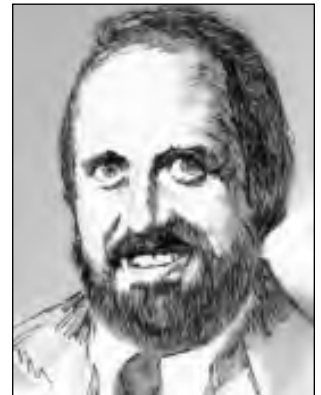
The Word "Shall" Takes on a New Meaning

We started to see the Request For Proposal (RFP) with detailed requirements and a Statement of Work (SOW) loaded with "Shalls." This started a whole new task for the fledgling Proposal Specialists. Since we didn't have computers and all of today's systematic ways of building compliance and cross reference matrices, we had to do them manually. This meant getting a room with lots of wall space, cutting a copy of the proposal outline up by paragraph number, and taping each section up on the wall. We would then make multiple copies of the RFP, cut out each sentence or paragraph with a "Shall" in it, and stack them all up by SOW paragraph number. The next critical step was to determine in which proposal paragraph each of these "Shalls" should be responded to. We would then tape each "shall" on the wall until all of the "shalls" were assigned to at least one paragraph in the proposal. With this step completed we would remove the proposal outline headings and the respective "shalls" from the wall and tape them on sheets of paper. These were then reproduced and given to the respective authors as their checklists for assuring that we would be responsive to the RFP. If any creative Proposal or Volume Leader made a change in the proposal outline, a major shuffling of paper followed.

It didn't take competitors long to realize that the name of the game was to *be responsive*. In the past we not only heard that statement "I don't care what the RFP says, I know what they really want", but we actually got away with it. Now the RFP had become a document that could not be violated or ignored. As companies developed techniques for achieving responsiveness the playing field was suddenly leveled, and new terms like Discriminators and Proposal Strategy were heard.

Proposal Gurus and Consulting Services

In the 50s, most proposals were simply technical responses, and were prepared ad hoc, per the Proposal Leader's direction for writing style, proposal organization, publication methods, and whether the proposal team would collocate or be disbursed throughout the company. The 1960s saw a significant change in consulting services, and in the way we thought about our customers and our products.

The first real Guru on the scene was Jim Beveridge. Jim formed JMBeveridge & Associates in 1963 and published his first book, *The ANATOMY of a WIN*, in 1964. Jim's book and his seminar of the same name were to become the cornerstone for a new way of thinking about competitions and preparing proposals. Over the next 20 years, Jim's book was in such demand that the publishers reprinted it 30 times, and he presented his Anatomy of a Win Seminar to 40,000 attendees at 70 major companies and at numerous public sessions.

> "The actual proposal document...
> is only one small part of
> the anatomy of a win..."
>
> *J.M. Beveridge*

Jim Beveridge challenged us to gather intelligence about our competition, understand the differences in approaches, acknowledge any customer biases, and then concentrate on what counted most – discriminators. He was a proponent of the view that just answering the RFP requirements was no longer adequate to win. We had to know how our approach was different, and then make those discriminators and the benefits they offered the customer highly visible in the proposal. Jim Beveridge often said "*The actual proposal document may be at the heart, but I think it is only one small part of the anatomy of a win…. The writing of a proposal is test-taking time, and you can't hope to pass the test if you haven't done your homework.*" Jim liked to see the terms "Only we can…" and "Because we have already…." This brought a new level of complexity, accuracy, and effort to proposal preparation.

SAMPLING OF BOOKS AND PUBLICATIONS THAT HAVE INFLUENCED PROPOSAL DEVELOPMENT

Here is a list of proposal development-related books, some of which have not been mentioned in this article. Many are older and out of print, but deserve recognition as material that documented our profession and its challenges. I wish to thank Dr. Judson LaFlash for supplying many of these references.

Books and Publications That Have Influenced Proposal Development

BOOK TITLE	DATE	AUTHOR/S
The Anatomy Of A Win	1964	J.M. Beveridge
How to Create a Winning Proposal	1976	Jill Ammon-Wexler and Catherine Carmel
All You Should Know About Creating Superior Proposals But Somehow Never Fully Understood	1978	J.M. Beveridge and E. J. Velton
Selling to the Federal Government — A Guide for Business	1979	Jack Robertson
A Proposal for Improving the Effectiveness of Your Proposals	1979	Hudson T. Patten, III, CMA
The $100 Billion Market — How to Do Business with the U.S. government.	1980	Herman Holtz
Marketing and Sales to the Government	1980	Paul McDonald
Welcome to: Effective Proposal Management	1980	Bill Saba
Positioning to Win	1982	J. M. Beveridge and E. J. Velton
How To Prepare Stage and Deliver Winning Presentations	1982	Thomas Leech
How to Win Government Contracts	1983	Robert B. Greenly
Proposal Preparation	1984	Rodney D. Stewart and Ann L. Stewart
Marketing Research and Development Concepts to the Navy	1985	Gregory H. Watson
Acquiring Major Systems Contracts — Bidding Methods and Winning Strategies	1988	Marshall H Kaplan, Ph.D.
The Nine Keys to Winning Proposals	1988	E.J. Velton, C.E. Grubbs, Jack Dean, T.C. Boren, and Thomas Leech
The GO Book: A Complete Guide to Modern Proposal Warfare	1989	Hudson T. Patten, III, CMA
Winning Strategies For Capturing Defense Contracts	1992	Robert M. Hansen
Persuasive Business Proposals — Writing to Win Customers, Clients, and Contracts	1992	Tom Sant

A new term also surfaced — the "ghost". Jim, who was referred to as "A Marketer's Marketer," insisted that if we really wanted to win a competition it was our duty to gather the intelligence about our competition; identify customer biases; determine our discriminators; and conduct good technical, operational, and cost trade studies. If we truly had a superior approach, it was also our obligation to "ghost" our competitors by exposing their weaknesses in well-founded trade studies. Jim always said that it would be unprofessional for us to let the customer buy an inferior product if we were aware of a competitor's problem areas.

Jim Beveridge was also a proponent of keeping it simple, hard-hitting, and honest. He advocated short, direct, active-voice sentences — write like we talk, not in convoluted, wandering sentences, and use the first person (I, We, Our) often, instead of repeating the company name over and over in the text. He also challenged us to discuss our known or perceived weaknesses, to address how we would overcome them, or to prove that they never existed at all. In other words, take on any ghost stories against us head on.

Jim was way ahead of his time in addressing what we now know as Risk Identification, and indeed in all areas of proposal development. Before his untimely death of cancer in 1986, Jim co-authored additional books and took his philosophy into new seminars on proposal procedures and competitive simulations.

TechMedia Offers First Major Proposal Outsourcing Service

Personnel formerly associated with LPI (Lithographic Productions, Inc.) and PMI (Proposal Management, Inc.), who had operated independently throughout the 60s, formed a new proposal support resource in the early 70s. Thomas A. Kaplan, John J. McCosker, Sr., and John Bradley formed TechMedia Corporation. As far as I can determine, this was the first organization to offer a wide range of outsourced proposal development resources. Their resources included:

- Front-end Planners/Win Strategy Counselors
- Proposal Managers
- Volume Managers/Coordinators
- Plans Writers
- Red Team Reviewers/Organizers
- Critique/Editorial Services
- Assessments/Recommendations
- DD-1423 Review/Advisement and Bid Support
- Approach Analysis and Recommendations to any Proposal/Procurement Issue
- Cost Volume Support (Structure, Format and Approach, Including Strategy)
- Empirical Costing/Cost Forms Preparation
- Word Processing
- Graphics Development.

The TechMedia organization continues to offer proposal support throughout the United States.

Dick Kulda Offers New Insight to Orals and Presentations

As early as 1967, Dick Kulda was offering a new look at the way we presented ourselves during Proposal Orals and Marketing presentations. Following a successful technical and marketing career at Hughes Aircraft Company, Dick formed his own company, Professional Eloquence. He offered video-monitored training for all company levels, from the most senior management down. His seminar "Persuasiveness — A Workshop for Professional People" was rigorous, revealing, and at times shocking to people who thought they were making good impressions on their audience. Dick introduced new ways to reach an audience and maintain its attention by limiting information "jamming," and through his technique called Progressive Disclosure.

THE 1970s
An Explosion of Changes

Changes in the proposal development profession during the 70s affected many areas. The consulting and seminar business blossomed, Proposal Development Centers took on a new meaning, disciplined processes were now becoming accepted, and production processes and equipment were improving rapidly. We could no longer just respond to the "Shalls". We had to deal with the discriminators between competitors and determine what benefits our discriminators could offer that other competitors couldn't match. With this new level of competitiveness came even more "ghosting." Since it worked both ways, we had to be prepared to discuss our perceived weaknesses in a manner that built customer confidence, even if a competitor didn't bring them up.

NASA was now on the scene as a major customer. NASA's evaluation criteria brought a new level of importance to Management and Risk. These areas had really been considered in the HO-HUM category in most proposals before NASA put new emphasis on them. In some cases NASA actually rejected some of our proposed "Key Personnel."

New Types of Consulting Services and Seminars

The 70s saw a diversification in the proposal consulting and seminar profession. Jim Beveridge was still in great demand with his "Anatomy of A Win" Seminar, but new types of proposal consulting and seminars were also being offered by Hyman Silver, Dr. Judson LaFlash, Shipley Associates, Dick Close, and Communication Management Associates (CMA). Jim Beveridge and Ed Velton introduced a new book called *Creating Superior Proposals*, and later a seminar by the same name. This period was sometimes referred to as the era of the "Big Four"— Beveridge, Silver, LaFlash, and Close.

Hyman Silver Introduces Technical Marketing and Proposal Preparation Seminar

In 1971, Hyman Silver (better known as Hy Silver), Rockwell's Director of Marketing, led a very successful win of the Space Shuttle Program. He entered the consulting and seminar profession with the introduction of his new seminar "Technical Marketing and Proposal Preparation" under the name of H. Silver and Associates (HSA). This seminar addressed marketing intelligence gathering and strategy, which were Hy's favorite subjects, and also encompassed source selection, processes, and presentation style, including themes and graphics. In his seminar, Hy always delighted in telling his stories of techniques for giving misinformation to competitors at the old Cockatoo Restaurant near Rockwell. His seminar should probably get credit for getting middle and senior management involved in the proposal development process, and exposing them to

the new emphasis on being competitive. It was not unusual for attendees at his seminars to number in the hundreds.

As the proposal consulting and seminar activities progressed, HSA began to offer a staff of proposal consultants for managing competitive proposals in the U. S. and Europe. As this area grew HSA expanded to include Proposal Development Workshops, and Hy developed his original Seminar into a 2-day video session. This met with only limited success, so Hy returned to live presentations for the seminar, and offered his video sessions for sale to the industry. The HSA organization grew to over 100 consultants and instructors. It continues to be operational throughout the U.S. and in Europe.
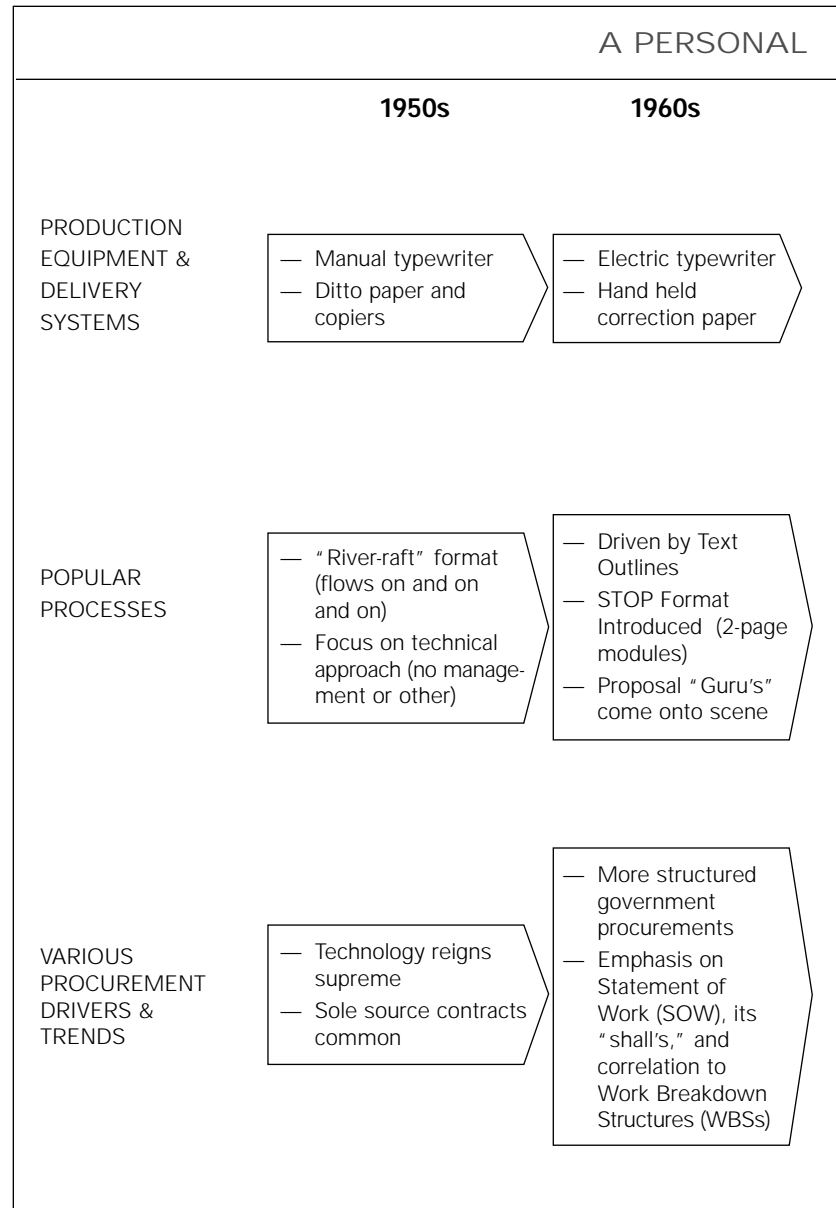
Dr. Judson LaFlash Offers Customized Seminars

Dr. Judson Laflash entered the proposal consulting and seminar arena in 1973. Judson was often referred to as "The Dean of American Proposal Consultants." He offered in-house proposal seminars that were tailored to the client's business area, the competing organizations, and the customer's evaluation process. He provided 2- and 3-day sessions during daytime, evenings, and/or weekends. He always offered the customer an opportunity to best match the seminar to the working demands of the company and the proposal activity.

Judson's background was one of diversity. He had been a marketing manager, U.S. Government official, DOD marketing publisher, university professor, reporter/feature writer for a major newspaper, and a member of the U.S. Military. He was one of the few proposal consultants to lecture at U.S. Naval Centers and at the National War College. Judson was always known for being close to the political issues of the day, and was very effective in developing Executive Summaries. When I talked to Judson during my research for this article, he was leaving for another consulting assignment, but took time to send me a few articles and comments about pioneers of the 70s era.

Shipley Associates Enters Proposal Consulting and Seminars Through a Different Avenue

Richard Shipley formed Shipley Associates in 1974 to train engineers to be better technical writers. Richard collected approximately 30 college and university staff members with Ph.D.s and proceeded to conduct training classes throughout the industry on how to improve writing skills for Statements of Work (SOW), specifications, and other technical papers and reports. They were attacking the old adage that engineers don't know how to write. By 1985, Shipley Associates had been introduced to the problems and complexities of writing proposals, and opened a new area of business relating to Proposal Development. Steven Shipley took the helm for this

A PERSONAL

	1950s	1960s
PRODUCTION EQUIPMENT & DELIVERY SYSTEMS	— Manual typewriter — Ditto paper and copiers	— Electric typewriter — Hand held correction paper
POPULAR PROCESSES	— "River-raft" format (flows on and on and on) — Focus on technical approach (no management or other)	— Driven by Text Outlines — STOP Format Introduced (2-page modules) — Proposal "Guru's" come onto scene
VARIOUS PROCUREMENT DRIVERS & TRENDS	— Technology reigns supreme — Sole source contracts common	— More structured government procurements — Emphasis on Statement of Work (SOW), its "shall's," and correlation to Work Breakdown Structures (WBSs)

new business area and started offering proposal development seminars and workshops, and proposal management services.

R. N. Close Associates, the First Hands-On Workshop and Seminar

Richard N. (Dick) Close was one of the first contributors to understand the need for a proposal preparation process, and for knowledge and recognition of the Source Selection Process. Before Dick formed R. N. Close Associates in 1975, he had many years in R&D, Proposal Management, and Program Management. His last responsibility before entering the proposal profession full time was that of President of a wholly-owned subsidiary, Raytheon Europe Electronics, Co.

LOOK BACK AT THE TIMELINE OF PROPOSAL EVOLUTION

1970s	1980s	1990s	2000+

1970s
— Correcting typewriters; then word processors
— Mainframe computers & applications
— Hand lay-down, rubber cement & white out
— Intense photo lab effort
— Xerography reproduction introduced

1980s
— Personal computers for authors
— Enhanced computer applications (word processing, graphics, spreadsheets)
— Local area networks (LANs)

1990s
— Writeable CDs (for electronic submittal)
— Video projection systems (for orals)
— Wide area networks (WANs), Intranets
— Internet and email communications

2000+
Q: What to expect?

A: More and accelerated change.

1970s
— Storyboard planning templates introduced
— Discriminators (strengths and weaknesses) shape proposal strategy
— GO introduced (Graphics Oriented)
— New emphasis on marketing intelligence
— Middle/senior managers join proposal efforts

1980s
— Trend toward magazine style integration of graphics and text (multi-column)
— Use of color becomes accepted
— Increased use of Proposal Development Centers (PDCs)
— Proposal consulting services shift from gurus to corporate organizations and specialists

1990s
— Introduction of multi-media formats, including:
 • Electronic proposal submittals on computer diskettes and CDs
 • Video Presentations
 • Oral Presentations
 • Hybrids of above
— Refinement of all proposal development and presentation systems and tools

1970s
— Increased use of detailed technical specifications in government solicitations
— New government directives on source selection

1980s
— Growing emphasis on "Best Value" procurements (versus lowest cost)
— Introduction of Total Quality Management (TQM) and systemic improvement concepts
— Introduction of Systems Engineering Management (SEM) concepts & planning
— Cost volumes take on new, competitive flavor

1990s
— Trend towards more flexible, commercial-style procurements (reference FARA, FASA)
— Streamlined source selection
— Growing emphasis on Past Performance
— Growing emphasis on ISO quality systems
— Introduction of Integrated Product Team (IPT)
— Integrated management plan (IMP) and
— Integrated master schedule (IMS) now drive proposal and contract

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Dick's "Proposal Win Strategy Seminar Workshop" quickly became the benchmark seminar for companies involved in Government competitions.

Dick Close's seminars were not just a lecture series, they were hands-on, mind challenging, eye-opening workshops. Those of us who attended Dick's workshop will never forget our first encounter in trying to prepare a "Storyboard," or proposal plan, for our individual section of a simulated competition for a sailboat.

The long lasting impact of his workshop was to give all of us a different outlook on this new, disciplined process for selecting winning contractors. In the workshop we were forced to think like the customer. We were placed in teams, we individually scored three separate proposals, and then the high and low scorers in each team had to debate and defend their scores. The simulated competition was for a communications system, something we could all understand. One of the three proposals was prepared to include an outstanding technical approach, but one that did not follow the RFP instructions. A second was totally responsive to the RFP, but was less brilliant technically. The third proposal was disorganized and non-responsive. It was interesting and informative to see the wide range of scoring within each evaluation team.

Dick Close's "Proposal Win Strategy Seminar Workshop" contained many other elements, including Intelligence Gathering, Strategy Formulation, New Requirements, and overall writing tips. While Dick's philosophy was not as aggressive as some consultants of that time, he introduced us to a new way of thinking about a competition and developing a proposal. Dick was one of the "Big Four" (Beveridge, Close, LaFlash, and Silver) that entered the proposal arena as individuals and made a big impact on the quality of the product we prepared. When I spoke with Dick a couple of years ago, he was fully retired and living in Massachusetts.

Graphics Take a New Role With the GO Process

The Graphics Oriented, or "GO" approach to proposals, was developed by Hudson T. Patton III in 1977. Hudson introduced a public seminar and GO proposal development services in 1978 through Communications Management Associates (CMA), in partnership with Robert Dycus. In the 1980s Hudson's practice grew to include more than 20 associates.

The GO proposal methodology differed from those for storyboard and text-driven proposals in several respects. Hudson, like others, had learned in practice the benefits of

Tom Boren's Personal Look Back at...

How Industry and Later APMP Made Contributions to the Proposal Process

I n the body of the article I address consultants and consulting organizations, and have not yet addressed some of the significant events that took place within the companies of our competitive industry. There were companies in the 70s and 80s, like Hughes Aircraft Company, Lockheed -Sunnyvale, Honeywell, and Aerojet TechSystems, that made major changes in the way we thought about Proposal Development.

Aerojet TechSystems and the Proposal Development Center

In the early 80s, Jack Dean of Aerojet TechSystems took the Proposal Development Center (PDC) approach to a new level. His PDC was networked to tie everything together. The computers, laser printers, and plotters were all placed on a Local Area Network (LAN) that allowed automation of the proposal process.

This now meant that for the first time there could be real time communications between the Authors, Program Office, Team Members (possibly at remote sites), and Technical Publications. It also allowed real time reviewing of drafts in process, and the ability to limit access of authors when changes were to be controlled. Having all authors linked to a LAN also now allowed the proposal team to have access to stored data bases, such as: forms, software packages, previous proposals stored electronically, past performance data, RFP requirements, proposal strategy, and related technical documents.

A New Process For Planning And Controlling Proposal Development

Hughes Aircraft Company has been given the credit for putting into place one of the first, if not the first, procedure for planning the author's

assignments and controlling page count. Previously, most proposal authors used what was referred to as the "River Raft" method of writing. We just went on, and on, and on, until we had written all we knew about the subject matter that had been assigned to our section of the proposal. The heck with page count, that was always someone else's problem to worry about in the last days of the proposal effort.

By contrast, Hughes used a process called Sequential Thematic Organization of Publications (STOP). Basically, this process called for assigning all elements of the proposal outline in 2-page modules. Each 2-page module was to start with a thematic statement at the top of the first page, along with the heading, and the remainder of the 2 pages was the limited area assigned to the author. Generally, this process was

a "Graphics First, Text Later" methodology. GO proposals favored the use of 11 x 17-inch foldout graphics to present and detail a company's approach. The graphic products were sometimes referred to as "data-rich." The term "Graphic" was broadly defined, encompassing flowcharts, tables, drawings, photographs, schedules, and all other "graphic" data elements. These elements were selected and annotated to illustrate the proposal's technical and management approach, claims, benefits and themes. In the GO system, no text was written for the proposal until all desired graphics were complete. Text was then used to provide the proposal's persuasive argument, citing key points found throughout the graphics, highlighting benefits, and providing graphic-to-graphic continuity. Hudson points out that GO was "not some goofy picture with a theme statement." The system was used for "putting the proof of technical arguments" into an exhibit, usually in the form of graphical, tabular data.

CMA still offers seminars and services, though Hudson retired two years ago. For a time his approach brought emphasis to the use of large, data-rich illustrations, one of the formative precursors to the modern publication techniques favoring smaller and integrated illustrations in a multi-column format.

used for "two sided" publications, with the left-hand page used for text and the right-hand page used for illustrations. This was not a rigid rule, and was quickly modified with the arrival of computers and integration of text and illustrations.

In the STOP approach, if the authors felt they needed more than 2 pages they had to renegotiate the outline. This method really worked well for identifying and controlling page count problems, particularly when proposal drafts were being displayed on the walls. Another major benefit of the STOP approach was the ability to easily move sections within the proposal as outlines changed. The STOP method was readily adopted by the industry, and was the primary procedure used for several years. One element of STOP was the Storyboard. It has always been said that this was one of the things Howard Hughes brought over from the movie industry. The Storyboarding technique is still very much used today, with some modification. In some cases it has been given a new name like Scenarios or Story Maps, but it remains the author's plan for writing the proposal.

(Editor's note – please see the related article on Storyboards in this issue.)

Proposal Development Centers Provide New Levels of Efficiency and Competitiveness

I have always felt that Lockheed-Sunnyvale and Honeywell made the first major commitments to collocating proposal teams into one well-equipped area that was dedicated to preparing proposals. This was certainly not the old method of finding an empty space anywhere you could, equipping it with anything you could find, and then tearing it down the minute the proposal was submitted. This collocation brought on a new level of efficiency, improved communications, and created a truly "Team" attitude toward competitive proposals.

Lockheed-Sunnyvale had a system for rotating Program Office Personnel into assignments in the Proposal Development Center, for training and better understanding of the competitive proposal process. They also initiated one and two week, in-house training classes that simulated competitions and evaluations. This Proposal Development Center approach has become the accepted approach for most of today's progressive companies.

As mentioned previously, Jack Dean of Aerojet TechSystems took the PDC approach to a new level in the early 80s with his LAN-based networking and real time communications. His system also allowed real time review of drafts in process, and the ability to limit author access when changes were to be controlled. Having all authors linked to a LAN also allowed the proposal team to have access to electronically-stored databases of forms, software packages, previous proposals, past performance data, RFP requirements, proposal strategy, and related technical documents.

Today's trend of outsourcing proposal activities has also found its way to Proposal Development Centers. OPTYM Professional Services, for example, has opened Proposal Development Centers in the Washington D.C. area, and they are available for collocating a company's entire proposal team. Their facilities have conference rooms and are fully equipped with computers and all the

Implementing New Proposal Strategies and Processes

In 1978, Jim Beveridge and Ed Velton collaborated on a new book, *Creating Superior Proposals*. This book addressed the task of implementing new proposal preparation techniques that would fully exploit the Jim Beveridge philosophies of Proposal Strategy, **D**iscriminators, **A**HA!s, **G**host Stories (the **DAG** list), Storyboards, Themes, Action Titles, and Red Team Reviews. The book emphasized the use of AHA!s, proposal material that made the evaluator feel good or excited. It also discussed OH-OH!s, proposal material that made the evaluator feel uncomfortable, concerned, or suspicious. Then there were the HO-HUMs, material you had to submit to be responsive, but had little or no effect on the competition.

In 1985 the subject material of this book was developed into the Creating Superior Proposals (CSP) Seminar. I had the privilege of being a guest speaker from industry for all of the public sessions, along with Ed Velton. Ed was the single presenter for private in-house seminars, since I was still employed as the Corporate Director of Proposal Development for Ford Aerospace and could not participate in private session. In 1987, I left industry to become a Proposal Development Consultant, and assumed the role of the sole presenter of the CSP Seminar for the next 5 years.

THE 1980s

During the 50s, 60s, and 70s, individual proposal consultants were in demand. The 1980s evolved into a period where consulting "teams" were hired from Proposal Consulting Corporations.

Industry and APMP Contributions...

electronic interfaces needed to produce a proposal. In addition they offer personnel to plan and manage your proposal.

APMP — New Knowledge And Access To Proposal Development Resources

Many people in today's proposal development profession assume that proposal processes, PDCs, LAN Systems, and proposal management and consulting services have always been known and available to support our competitive proposal efforts. This is far from the real case. Until the Association Of Proposal Management Professionals (APMP) was founded in late 1989, there was no organized way to meet and share Proposal Development knowledge on a regional or national level. Each Company and its Proposal Development Organization was an "Isolated Island of Innovation" when it came to learning about new processes, techniques, software, and consulting services that were available.

Before APMP was formed and started having National, Regional, and Chapter sessions, it was necessary to attend the public or private seminars and workshops offered by consultants or consulting organizations to learn of the latest trends in proposal preparation. These seminars and workshops were the only place we could network with others in our profession. Financial and time constraints restricted our attendance at such sessions. This limited the amount of exposure we could readily attain. Also, until APMP, there was no formal printed media, like the *Perspective*, for information on consulting services, the impact of new acquisition initiatives, employment opportunities, or trends in our profession. With APMP, we are now able to present papers, give lectures, and meet with consultants in a networking environment similar to that established by most other professional organizations.

In the 70s and 80s, when a Proposal Development Specialist gave a two-week notice that they were going to change employment, it was not uncommon to find that the next day they would be locked out of the company. They would spend the next two weeks in a lobby office while their personal effects were being boxed for removal from the company. Those of us in the proposal development profession were often considered a more sensitive commodity than Engineers and Vice Presidents. APMP has made a huge difference toward making all of us recognized as professionals, and expanding our opportunity to grow within our profession. I am pleased that I was offered the opportunity to be a part of the Steering Committee that formed APMP. **APMP**

The Proposal Consulting Corporations

The 1980s started with the individual Proposal Consultants and their teams being predominant. Names like Jim Beveridge, Ed Velton, Dr. Judson LaFlash, Dick Close, and Hyman Silver were all in demand. Early in that decade new names such as: Michael J. Ianalli, Steven Myers, and Steve Shipley came to be recognized. These individuals and their companies, along with the growing corporate organization of Hyman Silver, were to become the major proposal consulting resources of the 80s and 90s.

The Government had now moved into an era of rapidly evolving new initiatives and competitive issues like Total Quality Management (TQM), Risk, Past Performance, Integrated Product Teams (IPTs), Integrated Master Plan/Integrated Master Schedule (IMP/IMS), and numerous others. This brought on the need for companies to look outside their own ranks for proposal support. These ever evolving initiatives and requirements, along with the sheer size (10,000 to 20,000 page proposals were common) and number of opportunities being bid at one time, all brought about the very definite need for outsourcing parts of proposals, as well as the management of Proposals and Proposal Centers.

MJI Associates, One of the First New Corporate Organizations of The 1980s

In 1981, Michael J. Ianalli founded MJI Associates Inc. MJI rapidly became an International Business Development consulting company. They provide a broad array of specialized business development services to companies interested in pursuing, acquiring, and developing U.S. and International Aerospace and Defense business. MJI's services currently include Strategic and Marketing Planning, Program and Proposal Management and Development, Training, and Technical and Management Advisory Services. While Michael is quick to acknowledge that his company has become primarily known for its success in Europe and Canada, it is also a major consulting service in the U.S.

Steven Myers and SM&A, Inc.

In the early 1980s, Steven Myers was most noted for his individual consulting services in Proposal Management in the space arena. As proposal development outsourcing opportunities have developed, so has Steven Myers & Associates, Inc. (SM&A) They provide competitive proposal management, program planning, and system engineering services to their clients. SM&A has grown to over 150 development employees and ranks as one of the largest in the nation. It is known for its highly disciplined approach to proposal management, and for their consulting staff's familiarity with latest government initiatives. SM&A, Inc. became

a publicly traded company in early 1998 and is listed on the NASDAQ stock exchange under the ticker symbol WINS. Since going public its has begun to acquire complementary business firms.

Shipley Associates Expand Consulting Services to Include Proposal Development

As I discussed in an earlier section, Shipley Associates, when originally founded in 1974, was dedicated to training in the technical writing area. By 1985, Shipley Associates had been introduced to the problems and complexities of managing and writing proposals and opened a new Proposal Development business area. Steven Shipley led this new business opportunity and started offering seminars and workshops, including Developing Capture Plans, How to Write Winning Proposals, How to Manage Winning Proposals, Writing Executive Summaries, Preparing Oral Proposals and Briefings, and Just-In-Time Proposal Training.

One unique program that Shipley Associates offered was a program called "Train the Trainer." Through this program, industry sent proposal development personnel to extended classroom training where they learned the processes and became certified to train personnel on future proposals within their company. Shipley Associates also added a cadre of proposal development specialists from industry, to provide direct, hands-on consulting for proposal management, managing and staffing red team reviews, and developing cost volumes. The company later added publication personnel to provide support, or total capability, for developing final documentation.

Along the way, Shipley Associates was merged into Franklin Quest in 1994 and then later into Franklin Covey. In 1997 the proposal development business area was reacquired from Franklin Covey, and is now operating again under the name Shipley Associates.

NEW BOOKS AND CONSULTING SERVICES

Industry's transitioning to outsourcing created new proposal opportunities for both proposal management and specialty services.

Positioning To Win Offered as a Book and Seminar/Workshop

In 1982 the book *Positioning To Win* was authored by Jim Beveridge and Ed Velton, and soon afterward it was offered as a Positioning To Win (PTW) Seminar and Workshop. During this highly intense, two and one-half days (and some times nights) of competitive simulation, competitive teams were formed with going-in scripted positions for each com-

petitor. Executive Summaries were developed and orals were conducted, with each team allowed to monitor the other teams' presentations. During the second day they were all allowed to re-position to a more competitive approach, and then repeat the oral exercise on last day. Senior management sat in on final presentations, to observe and approve the in-house team's assessment of where they felt they had to take their approach in order to win.

This was one of the most "Get Honest With Yourself" exercises I have ever experienced. Several have tried to copy it or model seminars after it, but none could put the intensity and realism in it that Jim Beveridge and Ed Velton accomplished. Some presenters in the competitions got so involved and upset that they nearly came to blows. There were so many humorous situations and major proposal approach changes created by the PTW Seminar and Workshop that it would take an entire book to relate them all. Being forced to think like my competitors and the evaluators was the most dynamic and eye opening transition I ever experienced, and I had the good fortune to be a guest speaker from industry at the public sessions where predefined subject material (like tennis rackets, tractors, and transportation) were used by the competing teams. Later, as a consultant, I participated regularly in the PTW Workshops.

Cost and Contract Pricing Enters the Consulting Arena

In 1987, C. E "Bud" Grubbs stepped out of industry and into the Cost Proposal consulting arena. Bud published two books on the subject, *The Handbook For Contract Pricing Proposal Preparation* and *The Defense Contract: Cost Development Methods and Pricing Techniques*. The later book is under consideration for use in the U.S. Air Force Academy. Bud offered 2-day, 3-day, and 5-day seminars and workshops on the subjects of cost proposals and pricing, including Preparing Contract Pricing Proposals Seminar, Estimating For Performance/Pricing To Win Defense Contracts, Estimating Systems Requirements, and Cost Development & Contract Pricing.

For many years, the Proposal Industry has been deficient in tying Technical and Management Proposals in with the Cost Proposal. Proposal Cost and Contracts Volumes have lagged behind the industry in competitiveness and production quality. It isn't just the bottom line number that is important, it is also how we got to this number. Bud's philosophy is that Cost and Contracts Proposal Volumes should be Red Teamed, and should contain competitive Executive Summaries like all other volumes. Bud Grubbs is still consulting and trying to improve the way we determine costs and present them in our proposals.

Orals Became Major Portion of Proposal Preparation

I mentioned Dick Kulda as one of Oral Proposal development's pioneers. With the new level of emphasis placed on orals, most major proposal consulting organizations have added professional staff to train and assist in this area. One independent consultant in this area is Thomas Leech. Tom has almost 20 years of experience training and assisting companies in preparing orals. He has published a book, *How to Prepare, Stage & Deliver Winning Presentations*, and has a seminar/workshop by the same name. His book was named book of the year by Library Journal.

The Source Selection Process — How It Really Works

In the early 1980s, Tim Coravos began to enlighten us with his seminars and lectures on Source Selection. Probably no one could do it better. Tim had just retired from his position as Deputy Director for the Air Force's Electronic System Division (ESD), Directorate of Systems Contracts at Hanscom AFB. Prior to that position he was ESD's Source Selection Officer and Chief of the ESD Source Selection Secretariat. Tim first lectured as a guest speaker at Hy Silver's seminars. He then moved on to conduct his own series of seminars. Tim's seminars were light, humorous, and opened our eyes to how the source selection process really worked. We finally had an opportunity to understand the real workings of the Source Selection Evaluation Board (SSEB), the Source Selection Advisory Council (SSAC), and the Source Selection Authority (SSA). Tim has formed his own consulting company, Northeast Executive Program, and conducts public and private seminars on source selection and consults on specific proposals.

Other Consulting Organizations

I have been addressing many of the pioneers and predominant organizations that have provided proposal consulting services over the years, and have shaped and influenced the direction our profession has taken. Many other individuals and organizations more recent to our profession, and some from the past that few have heard of, have also been fighting the battles of time, budgets, changes, facilities, and long hours, with little recognition. I offer my thanks to all of you, and my apologies to those I have not had time to include in this article.

WHERE IS IT ALL GOING?

We have certainly moved away from the individual proposal Icons and Gurus like those of the 60s and 70s that did so much to advance our philosophies toward competing. Seldom does a company bid alone, we generally team with one or more other companies. We can't operate out of just

any old space that is available. We are constantly faced with new government initiatives and new electronic requirements for proposal submittals. These rapidly changing proposal requirements, along with new company attitudes toward funding in-house capability, have produced a favorable environment for outsourcing to the large, corporate-sized proposal consulting organizations.

Is outsourcing the long-term solution, or just another step toward next year's or the next decade's way of competing? Should we turn over New Business Acquisition and key proposal positions to personnel on temporary assignment, or maintain full-time employees who understand our companies and have a long-range interest in their success? Is there a more appropriate place for consultants, such as in training/workshops, specialty services not yet developed in the company, proposal surge periods not capable of being staffed internally, transfer of latest knowledge of new Government Initiatives and processes, or Red Team advisors and participants? Is this the consultant's place, rather than total responsibility for managing our Proposal Development Centers and overall proposal efforts? Is the Proposal Development Professional now required to be a consultant in order to be employed?

It seems to me the people from within our companies, who have worked so hard and such long hours just because it was their company, will not be around in the future. I fear we may lose that company or corporate memory that has helped us move from proposal to proposal.

In this article I have referred to several individuals of tremendous talent and foresight that shaped the career of the proposal development professional decades ago. I have also referred to several that have gone on to build the major

consulting organizations of today. I have had the privilege of working with, or at least knowing personally, each and every one of them. All have been dedicated to further the professional way we compete, and to delivering a better product to the customer. I hope this never changes.

One significant, favorable change in our profession is the growing number of women that have found a meaningful career in proposal development. If there was ever a male-dominated profession, Proposal Development was it. I have attended all of the seminars and workshops of the 60s, 70s and 80s, and the conferences of the 90s. In the 60s and 70s, if there were 100 attendees at a session, there might be one woman. As women have moved up in the ranks of engineering and management, and as we added more specialties to the profession to meet the needs of automation, we have seen greater and greater female participation. Our APMP membership well reflects this change.

I would like to close this article by referring back to the points I offered as the Keynote Speaker at the first Annual APMP Conference, which was held in San Diego in May, 1990.

- We are prone to forget the limitations of yesterday.
- Too often we take today's capability for granted.
- Seldom do we foresee the path to the demands of tomorrow.

If the past predicts the future, as it surely must, then I feel the next decade is sure to bring some exciting and explosive changes in the proposal processes and the electronic media we use in acquiring new business. This should open many new specialties and challenges in the proposal development profession.

Tom Boren's Personal Look Back at...

The Impact of Evolving Government Procurement Practices

Understanding How Changes in Government Requirements Affect Proposal Development

To fully understand the changes in the Proposal Development Profession over the decades, we must also look at what was happening with our biggest customer – the federal government. Technology reigned supreme in the 50s and 60s. In the 50s the Military was so eager for technology and new capability that many, if not most, awards were sole source. If you could do the job, you had a contract.

By the 60s the "Shalls" of the Statement of Work (SOW) and the requirements of the RFP had taken over. All we did in the proposal was to try and meet all the "Shalls." If we could do a better job of meeting the performance requirements we had a contract. The Technical Volume was the predominant volume, and all others were just considered HO-HUM material. As technology leveling developed among the competitors, we began to be concerned about "Proposal Strategy" and started turning to the proposal consultant Gurus for guidance.

The 70s — New Concerns for Cost

As we moved into the 70s the Lowest Credible Cost, and Perceived Differences between competitors, moved into the foreground. The Government started regulating competitions by issuing Directives and Regulations governing the competitive process. We had DoD Directives 5000.1 governing Major System Acquisitions, and 4105.62 governing Source Selection. Each of the military services and NASA issued their own interpretations of the source selection process.

Along with these Directives and Regulations came an Office of Management and Budgets (OMB) Circular A-109. This one really was an eye-opener. It basically stated that government agencies could not specify the concept that was to be proposed. An example would be a requirement for moving material and goods from San Diego to Coronado, across the harbor. The Agency releasing the RFP had to have a Mission Elements Needs Statement (MENS) stating the task and *not* specifying the concept for a solution. Bidders could then offer solutions

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Tom Boren's Personal Look Back at...

The Impact of Technology

Increased Mechanization, Automation and Evolving Technologies Bring Quality to the Production Process

We hardly ever find a typewriter in a Proposal Development Center today. The processes and equipment of the 50s and 60s ("Ditto" carbons, typewriters, slide rules, Marchant calculators) were prehistoric compared to today's capabilities and capacity.

SMALL CHANGES IN THE 70s

We began to have Proposal Development Centers and Proposal Specialists in the 70s, which put more focus on the inadequacies of previous approaches. With new Correcting Selectric typewriters, a well-organized soliciting of secretaries for support, and the use of pre-printed "Non-repro" blue-lined paper, we were able to crank out drafts and final copy. We had single spaced, double spaced, single column and double column blue lined paper to meet whatever layout was required. Of course all the illustrations had to be "Laid-down" on the paper in predetermined spaces with rubber cement. As we moved on into the 70s, we acquired production support from the Technical Publications group with their editors, their typists with MemoryWriter typewriters, and production artists for laying out the pages. It was still cut-and-paste with rubber cement. Collocation of the proposal teams in the Center, storyboarding, and Red Teaming were now accepted approaches when developing proposals.

such as A Bridge Across The Harbor, A Tunnel Under The Harbor, or Ships And Barges to Cross The Harbor. This led to great difficulties in the evaluation process.

The 80s — Source Selection to "Best Value"

As Technology Leveling continued and most competitors were considered to have adequate technology, the customer started looking toward "Best Value." Suddenly, "Discriminators" and their "Benefits" to the customer began to take on new importance. It was critical that we did in depth Cost vs. Performance trades for our concept and our competitors. Exceeding requirements could be detrimental if you could not show significant benefits to offset the additional costs. The complexity of our proposals, and the increasing cost of preparation, became a major concern in the 80s. Accurately defining our discriminators and conducting in-depth trade studies to put our

concept in its best light was adding considerably to the cost of developing a proposal. The term "Best Value" itself left a high degree of vagueness to how it fit in the evaluation process. We had no specific equations to establish the merits of the trade studies, and we had no specific requirements to measure against.

During this time period our proposal development philosophies failed to embrace our Cost Volumes, and we did not prepare these volumes with the same competitive attitude we applied to all other volumes. For some reason these volumes seemed to be held sacred. They came together at the last moment. Only the bottom line costs were reviewed. No Red Team Reviews were conducted on Cost and Contracts Volumes. Limited copies were printed. Few people ever saw how difficult they were to follow, and many times they were even non-responsive. Few ever had an Executive Summary or any defini-

tion of the concept being bid, and usually didn't explain or defend the costs being presented. Some of the more successful competitors moved to overcome these problems, but it has been a painful transition in some companies.

The 90s — Proven Ability to Manage Programs

As we entered the 90s, the Government's concern for Program Risk and Past Performance became a major influence on proposal content and the source selection process. We had seen a new element added to source selection, that of the Performance Risk Assessment Group (PRAG). Their task was not to evaluate the specific proposal being submitted, but to review our past successes and problems to determine the probability of successfully performing on the present bid. The PRAG relied heavily on previous program reports filed by the Government Program Managers and

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The time consuming effort was in the print shop. When proposal sections were completed they went to a photo lab where each page was separately photographed. Photo negatives had to be put on a light table to have all the scratches and blemishes painted over with India ink. Once the section was completed, it was transferred to "paper plates" and then to the printing presses. It was a one shot deal, since the paper plates weren't reusable. The next big advance was when we were able to go to "metal plates" that weren't much thicker than aluminum foil. We could reprint with them and the quality was such that you could print photos and half tone illustrations.

As the decade progressed, the Xerox Copier came on the scene. A battle raged as to whether the copies were good enough to replace the printing presses. As time went on we did many tests for comparison to see if people could tell the difference. Finally, Xerox copy quality improved to the levels needed, and we dropped the photo to negatives to light table to plates process, and went to full use of copying machines.

THE 80s: Word Processors, Computers, Author-Generated Graphics and LANs

Moving into the electronic and computerized era was not easy as far as funding was concerned. Many com-

panies had not yet accepted the electronic productivity wave that was coming. Automation was really only looked at as applicable to manufacturing and production.

My first attempts to procure a word processing station were typical. I did not want a full-up computer, just a word processing station. I was notified by the Controller's Office that I needed to prepare a justification package to show cost savings. My then Secretary/Administrative Assistant prepared a package showing time savings from redoing Proposal Outlines, Executive Summaries, Action Item Reports, and all the other things we try to keep updated in a

Impact of Evolving Government Procurement Practices...

Contracts Personnel in Contract Performance and Analysis Reports (CPARS). These CPARS remain on file for several years for all significant programs, and are only available to Government personnel. This new emphasis on Past Performance and the ability to manage was aimed at reducing the Government's risk. Our old approach — saying we made a few mistakes, but look at the lessons we've learned — no longer holds up. The evaluation process doesn't give us credit for lessons learned unless we can show where we have put specific corrective actions in place and proven their good results. That's now called "Systemic Improvement."

Management, Risk And Affordability Continue to Dominate

The RFPs of the mid-90s contain new instructions and requirements that have changed the contents of the proposal and required changes in the way contractors organize and perform contracts. These new management approaches are placing new demands on the Proposal Development Specialist, and in many cases forcing outsourcing for training or performance of proposal development.

The Federal Acquisition Streamlining Act of 1994

This Act encouraged the use of commercial products and relaxed requirements to meet Mil-Standards and other government specifications. Along with Source Selection Streamlining, the act is intended to reduce time and cost when developing a new system. This has added a new facet to proposal development. We must now justify and warrant commercial products when not measured against a Government specification.

Source Selection Streamlining has brought new visibility and meaning to the winner/loser debriefing process. It is poor judgement for either a winner or a loser not to request a debriefing, because debriefing material is a great source for a Proposal Development Specialist to study when determining their customer's perception of strengths and weaknesses as derived from evaluating the proposal content.

Integrated Product and Process Development (IPPD)

This process drastically changes the way most companies do business. It has a major impact on the Management Volume, especially in Department of Defense proposals, and as an internal battle it can cause much delay and frustration when preparing a proposal. The Integrated Product Team (IPT) causes a complete restructuring of a company's

Impact of Technology...

Proposal Center. I was notified by the Controller that our justification package was outstanding and we could order the word processor as soon as I identified who could be laid off, since the only justification for new equipment was "Staff Reduction" due to more efficient equipment. Since my Secretary/Administrative Assistant was to be the only operator of the word processor, I had to retract my request.

The experience was similar when we tried to order a few computers. The purchase was turned down, but we found a devious way to lease them as long as we recycled them for different ones every 89 days. Anything leased for less than 90 days was not reviewed for purchase. It did amaze the computer rental company each 89 days when I would call and tell them to come pickup the computers, printers and software, and bring replacements. After a while the company caught on to this, but by that time management didn't dare take the computers away from the proposal team using them. The next thing I knew, I had a budget to equip my Proposal Development Center with computers and enough funds to

install the company's first Local Area Network (LAN.)

One area that has evolved through improved computer automation is the area of author-generated illustrations. In many cases, unfortunately, the authors have tried to become artists, and spend too much time developing illustrations instead of turning over a draft of the illustration to Technical Publications. As a result, we get too many styles (fonts, line weight, etc.), too much data on an illustration, and unregulated use of color.

institutional approach. Moving responsibility from the conventional Engineering, Quality Assurance, Testing, and other departments into an IPT structure designed to accomplish tasks that acquire goods and services is a difficult change for most companies. Multifunctional teams are the foundation of the process. The IPT decision-making processes and the empowerment of the team requires cultural changes in the way decisions are made throughout a company. In this area the Proposal Development Specialist can carry lessons learned from one proposal to another.

Integrated Management Plan and Integrated Master Schedule (IMP/IMS)

The government's new thrust on program execution makes IMP/IMS management tools *the* way to monitor

and manage a program. This process reverses the way we used to develop a program in the proposal. We developed the Program Master Schedule, and then built everything around that schedule.

Now we must start with the RFP-referenced documents to build a Contractor's Work Breakdown Structure (CWBS) and a Statement of Work (SOW) based on the RFP's Statement of Objectives. The customer no longer provides a detailed SOW. From our contractor-developed SOW we build the IPTs. Now we are ready to develop the Integrated Master Plan (IMP). This IMP is an event-driven plan that documents the significant accomplishments necessary to complete tasks defined in the SOW, and ties accomplishments to key program events. Each task has events, significant accomplishments,

and criteria for establishing when the accomplishment has been achieved so we can move on to the next task. Only after this IMP is completed can we move on to preparing the Integrated Master Schedule.

This new level of proposal complexity and discipline has placed greater tasks on the Proposal Team and the Proposal Development Specialist. It is necessary to have competent specialists (ether in-house or outsourced) to develop this material for the proposal and then be ready to manage the program under this system.

There were numerous procurement practices implemented by the government over the last three decades. I don't intend to elaborate on these, but it does reflect the always-changing challenge that faces developing a winning proposal.

THE 90s — To Be Competitive, We Must Be Automated

Automation in today's Proposal Development Centers, and throughout the proposal process, is a must-have necessity. Almost every engineer has a computer on his or her desk, and for most this is only way they know how to work. Our customers generally release their RFPs through an electronic media, and require the proposal submission to be in an electronic format. Our IMP/IMS and Cost Volumes must be in an electronic format to allow faster and more thorough evaluation.

When our proposal team members join us in the PDC, they don't arrive with a briefcase. They bring their laptop computers. They bring their databases in an electronic format. They expect to be able to interface with the rest of the proposal team. They also expect to be able to go out on the Internet and communicate with their organization for reporting and additional support.

Electronic media doesn't just mean computers any more. It now encompasses LAN systems, high quality Laser printers, color printers, scanners, and video capability. Many of today's customers require video presentations of Executive Summaries, and in some cases the entire

Technical Volume is presented in video taped Orals.

This automation has resulted in new planning for required budgets, facilities, and equipment. When I joined Raytheon's Missile Systems Division in 1992 as Manager of Division Proposals, I had one small proposal room (about 3,000 square feet), 13 computers, and one laser printer. Five years later the demand for collocation and automation had grown such that we had five Proposal Development Centers with over 25,000 square feet of space, and 300 high end computers with all the supporting laser printers, scanners, and LANs.

Impact of Evolving Government Procurement Practices...

Procurement Practices In Recent Decades	
Fly Before You Buy	This one dates back to the Wright Brothers and is still around.
Cradle to Grave Procurement	Introduced with the C5A program. Caused Lockheed financial grief. Also known as "Womb-to-Tomb."
Commonality	McNamara's Dream that began with the TFX Program (F-111) It did not work very well.
Specification Tailoring/Streamlining	A new push began in 1995.
COTS NDI	Commercial Off The Shelf (Non-developmental Item) a concept that really has been around for quite a while.
Draft RFPs	A trial balloon approach, more of a request for information. Aeronautical Systems Division at Wright Patterson AFB took the lead in the 70s to try it, but industry dragged their feet.
Video Executive Summary	First appeared in the early 80s – We quickly found we needed screen tests before selecting our Program Manager.
8(a) Program	Small/Small Disadvantage and Women Owned Business Set-Asides. This led to new criteria for teaming to meet government agency's quotas.
MANPRINT	Manpower Personnel Integration, an Army concept. A total design concept meaning that the product or system must be designed so that the end-user can use it.
TQM - Total Quality Management	This one turned some companies inside out.
DTC/DTUPC	Design to Cost/Design to Unit Production Cost.
Wooden Round Concept	Designed for long-term storage with no maintenance.
Second Source/Dual Source/ Leader-Followers	For major acquisition and production programs. It is the government's way of ensuring they do not put all their eggs in one basket.
Procurement Warranties	"We guarantee this aircraft will fly this many hours without breaking or we'll fix it at our cost." This can spread risk to subcontractors. VERY complicated metrics involved.
PRDAs	Program Research Document Announcement—The government's way of soliciting unsolicited proposals.

Enough, enough! Who knows how many others there were, are, and will be? The message here is that Proposal Development is an ever-changing environment, one that places ever-changing demands on the proposal specialist to stay current and competent in order to be competitive. **APMP**

Thomas C. Boren, President, T.C. Boren & Associates, LLC.

Mr. Boren's experience includes 21 years with General Dynamics, where he served as Aeronautical Engineer, Preliminary Design Specialist, Project Engineer, Program Manager, Proposal Development Specialist and Manager of Proposal Administration. In subsequent years he has served as Corporate Director of Proposal Development at Ford Aerospace, Manager of Division Proposals at Raytheon Missile Systems and Raytheon Equipment Division and a consultant. He has a BS in Aeronautical Engineering from the University of Illinois. Mr. Boren is a Founding Member of the APMP Board of Directors (membership # 8) and was formerly Chair of APMP's National Advisory Council.

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Wright Brothers' 1908

PROPOSAL FOR A HEAVIER-THAN-AIR FLYING MACHINE

Proposal Management looks back on this legendary procurement and the proposal which helped launch a new industry for a forward-looking world.

By Jayme A. Sokolow, Ph.D. and R. Dennis Green

The miracle of flight and the U.S. government's interest in supporting it were brought together in 1907 with the issuance of a two-page procurement notice. This solicitation for a heavier-than-air flying machine soon led to a War Department contract with Wilbur and Orville Wright, one of the most significant contracts ever signed by a federal agency.

The story behind this procurement grows more amazing in its retelling. In some ways, it shows us how far proposal development has come. In other ways, it reminds us how little government procurements and proposals have changed.

Similarities to contemporary procurement would include a cautious and conservative government agency, the need for behind-the-scenes encouragement of government officials (pre-bid), and an early mandate for competitive bidding, even when few if any legitimate competitors where known

to exist. They also include a specification with some aggressive and technically challenging requirements, a clarification cycle, and—when the Wright brothers were underbid —multiple awards.

There were also significant differences to contemporary procurements. The Wright brothers' proposal is refreshingly brief (two pages). There is no fluff. Its content is focused on engineering requirements and the bidder's careful compliance with each one. Moreover, the government made its selection and sent the award notice in just one week.

"They have done it! Damned if they ain't flew."

The Wright brothers' work on a flying machine actually began many years prior to the War Department's procurement notice. After many experiments with kites, gliders, and engines, on a cold and clear December 17, 1903, Wilbur and Orville Wright made aviation history when Orville flew a machine-operated airplane about 120 feet in 12 seconds over the smooth sands of Kitty Hawk, North Carolina. Later that day, Wilbur beat his brother's record when he flew the same plane almost 852 feet in 59 seconds. "They have done it! Damned if they ain't flew," marveled one astonished eye-witness.

Despite its importance, the Wright brothers' accomplishment was at first not appreciated by the government. The Wright brothers lived in Dayton, Ohio where they ran a modest printing and bicycle business. Although they had different personalities, the brothers had two important traits in common—mechanical ability and a keen analytical

intelligence. They were problem solvers who enjoyed engineering challenges.

Wilbur wrote the Smithsonian for information on aeronautics in 1899, and in just four years he and his brother had built three gliders and then their famous airplane. Although the U.S. government was very interested in gliders and airplanes as military weapons, it was reluctant to support the Wright brothers. Almost four years after Kitty Hawk, however, they were writing their first government proposal to build and test an airplane for the War Department.
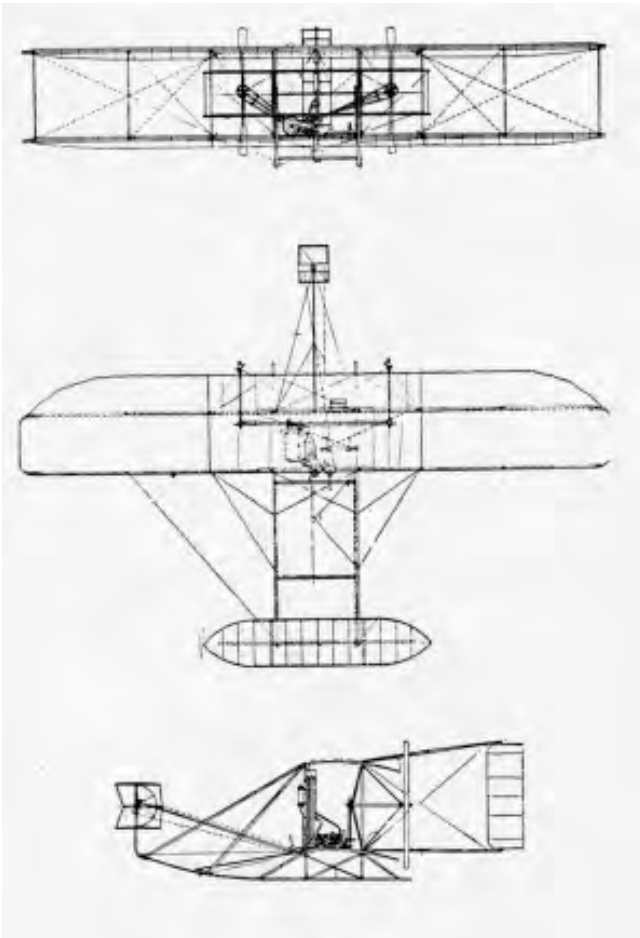
DRAWINGS ACCOMPANIED THE WRIGHT BROTHERS PROPOSAL — Though we are unable to identify the specific drawings which accompanied the Wright Brothers' proposal, they probably resembled those of this 1905 machine which are found in The Papers of Wilbur and Orville Wright. *We know that the 1905 machine was taken to Kitty Hawk, North Carolina, and altered so that the operator and one passenger could sit upright on the lower wing surface. It was tested there in May 1908.*

By 1905, the Wright brothers had made hundreds of successful flights to the amazement of newspaper reporters and curious onlookers. But when they contacted the War Department about their airplane, the replies were not encouraging. One memorandum from the Recorder of the Board of Ordnance and Fortification, in fact, set a standard that has rarely been equaled in contracting language. "The Board," the letter intoned, "does not care to formulate any requirements for the performance of a flying machine or to take further action until a machine is produced which by actual operation is shown to be able to produce horizontal flight and to carry an operator." When the Wright brothers wrote letters to the French and British governments, they also received unenthusiastic responses.

In 1907, the Wright brothers' prospects brightened when the American Aero Club and Lieutenant Frank P. Lahm intervened on their behalf. The American Aero Club met with President Theodore Roosevelt and asked him to have the War Department purchase the Wright brothers' airplane. Meanwhile, Lahm, a balloon enthusiast assigned to the Aeronautical Division of the Army Signal Corps, also lobbied the War Department. He had met the Wright brothers in Dayton and was convinced that their airplane would make military balloon flights obsolete.

In June of 1907, Lahm wrote a letter to the Chief Signal Officer and urged the Board of Ordnance and Fortification to buy the Wright Flyer. The Board agreed but told him that it could not pay more than $10,000 unless Congress appropriated more funds. In December, the Board interviewed Wilbur, who said that he and his brother did not want to be paid by the government until they produced a successful airplane. The Board was so impressed with his presentation that it decided to buy an airplane for $25,000 using unspent funds from the Spanish-American War, which had ended nine years earlier. First, however, the Board would solicit competitive proposals from all interested bidders.

REQUEST FOR PROPOSALS

On December 23, 1907, the Aeronautical Division issued Signal Corps Specification No. 486, "Advertisement and Specification for a Heavier-Than-Air Flying Machine." As shown in the accompanying copy of the specification, the War Department wanted to purchase an airplane that could be assembled within an hour. "It should be sufficiently simple in its construction and operation to permit an intelligent man to become proficient in its use within a reasonable length of time." The airplane had to carry two people weighing a total of 350 pounds at a minimum speed of 40 miles per hour for at least 125 miles. It also had to land safely on a field even if the propulsion system failed.

SIGNAL CORPS SPECIFICATION, NO. 486.

ADVERTISEMENT AND SPECIFICATION FOR A HEAVIER-THAN-AIR FLYING MACHINE.

To the Public:

Sealed proposals, in duplicate, will be received at this office until 12 o'clock noon on February 1, 1908, on behalf of the Board of Ordnance and Fortification for furnishing the Signal Corps with a heavier-than-air flying machine. All proposals received will be turned over to the Board of Ordnance and Fortification at its first meeting after February 1 for its official action.

Persons wishing to submit proposals under this specification can obtain the necessary forms and envelopes by application to the Chief Signal Officer, United States Army, War Department, Washington, D. C. The United States reserves the right to reject any and all proposals.

Unless the bidders are also the manufacturers of the flying machine they must state the name and place of the maker.

Preliminary.—This specification covers the construction of a flying machine supported entirely by the dynamic reaction of the atmosphere and having no gas bag.

Acceptance.—The flying machine will be accepted only after a successful trial flight, during which it will comply with all requirements of this specification. No payments on account will be made until after the trial flight and acceptance.

Inspection.—The Government reserves the right to inspect any and all processes of manufacture.

GENERAL REQUIREMENTS.

The general dimensions of the flying machine will be determined by the manufacturer, subject to the following conditions:

1. Bidders must submit with their proposals the following:
    (a) Drawings to scale showing the general dimensions and shape of the flying machine which they propose to build under this specification.
    (b) Statement of the speed for which it is designed.
    (c) Statement of the total surface area of the supporting planes.
    (d) Statement of the total weight.
    (e) Description of the engine which will be used for motive power.
    (f) The material of which the frame, planes, and propellers will be constructed. Plans received will not be shown to other bidders.

2. It is desirable that the flying machine should be designed so that it may be quickly and easily assembled and taken apart and packed for transportation in army wagons. It should be capable of being assembled and put in operating condition in about one hour.

3. The flying machine must be designed to carry two persons having a combined weight of about 350 pounds, also sufficient fuel for a flight of 125 miles.

4. The flying machine should be designed to have a speed of at least forty miles per hour in still air, but bidders must submit quotations in their proposals for cost depending upon the speed attained during the trial flight, according to the following scale:

    40 miles per hour, 100 per cent.
    39 miles per hour, 90 per cent.
    38 miles per hour, 80 per cent.
    37 miles per hour, 70 per cent.
    36 miles per hour, 60 per cent.
    Less than 36 miles per hour rejected.
    41 miles per hour, 110 per cent.
    42 miles per hour, 120 per cent.
    43 miles per hour, 130 per cent.
    44 miles per hour, 140 per cent.

5. The speed accomplished during the trial flight will be determined by taking an average of the time over a measured course of more than five miles, against and with the wind. The time will be taken by a flying start, passing the starting point at full speed at both ends of the course. This test subject to such additional details as the Chief Signal Officer of the Army may prescribe at the time.

6. Before acceptance a trial endurance flight will be required of at least one hour during which time the flying machine must remain continuously in the air without landing. It shall return to the starting point and land without any damage that would prevent it immediately starting upon another flight. During this trial flight of one hour it must be steered in all directions without difficulty and at all times under perfect control and equilibrium.

7. Three trials will be allowed for speed as provided for in paragraphs 4 and 5. Three trials for endurance as provided for in paragraph 6, and both tests must be completed within a period of thirty days from the date of delivery. The expense of the tests to be borne by the manufacturer. The place of delivery to the Government and trial flights will be at Fort Myer, Virginia.

8. It should be so designed as to ascend in any country which may be encountered in field service. The starting device must be simple and transportable. It should also land in a field without requiring a specially prepared spot and without damaging its structure.

9. It should be provided with some device to permit of a safe descent in case of an accident to the propelling machinery.

10. It should be sufficiently simple in its construction and operation to permit an intelligent man to become proficient in its use within a reasonable length of time.

11. Bidders must furnish evidence that the Government of the United States has the lawful right to use all patented devices or appurtenances which may be a part of the flying machine, and that the manufacturers of the flying machine are authorized to convey the same to the Government. This refers to the unrestricted right to use the flying machine sold to the Government, but does not contemplate the exclusive purchase or patent rights for duplicating the flying machine.

12. Bidders will be required to furnish with their proposal a certified check amounting to ten per cent. of the price stated for the 40-mile speed. Upon making the award for this flying machine these certified checks will be returned to the bidders, and the successful bidder will be required to furnish a bond, according to Army Regulations, of the amount equal to the price stated for the 40-mile speed.

13. The price quoted in proposals must be understood to include the instruction of two men in the handling and operation of this flying machine. No extra charge for this service will be allowed.

14. Bidders must state the time which will be required for delivery after receipt of order.

JAMES ALLEN,
Brigadier General, Chief Signal Officer of the Army.

Signal Office,
Washington, D. C., *December 23, 1907.*

ADVERTISEMENT AND SPECIFICATION FOR A HEAVIER-THAN-AIR FLYING MACHINE — Issued December 23, 1907, this two-page request for competitive proposals was criticized by the American Magazine of Aeronautics *as asking for the impossible. The magazine predicted that no one would bid.*
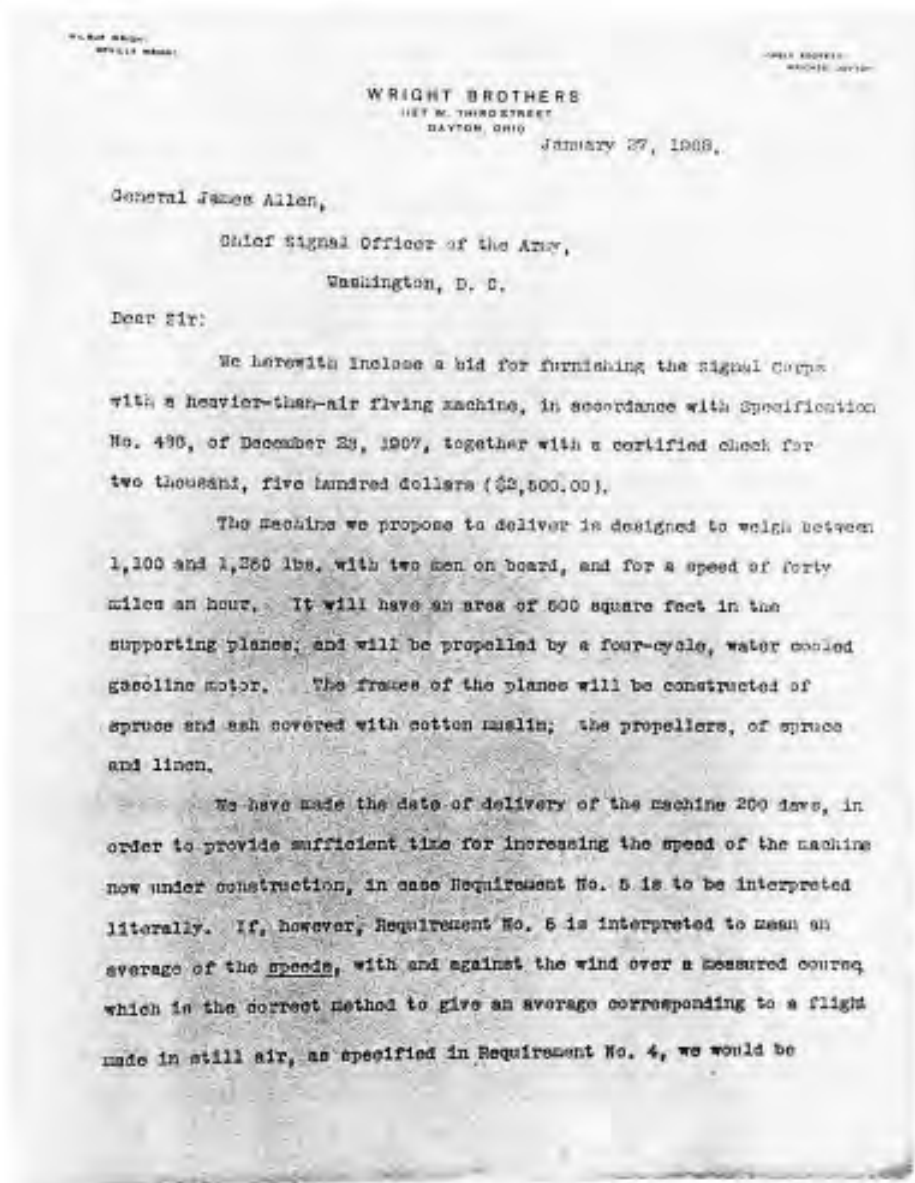
WRIGHT BROTHERS' PROPOSAL —
This two-page Wright Brothers'
proposal was accompanied by
drawings, a photograph of their
1905 machine, and a method for
computing the speed of a flying
machine in the wind. The
proposal references a certified
check for $2,500 — ten percent of
the price being quoted for the
machine if performing at the
specified 40-mile speed. The Wright
Brothers' original carbon copy of this
proposal is held by The Library of
Congress, Manuscript Division, in
Washington, D.C.
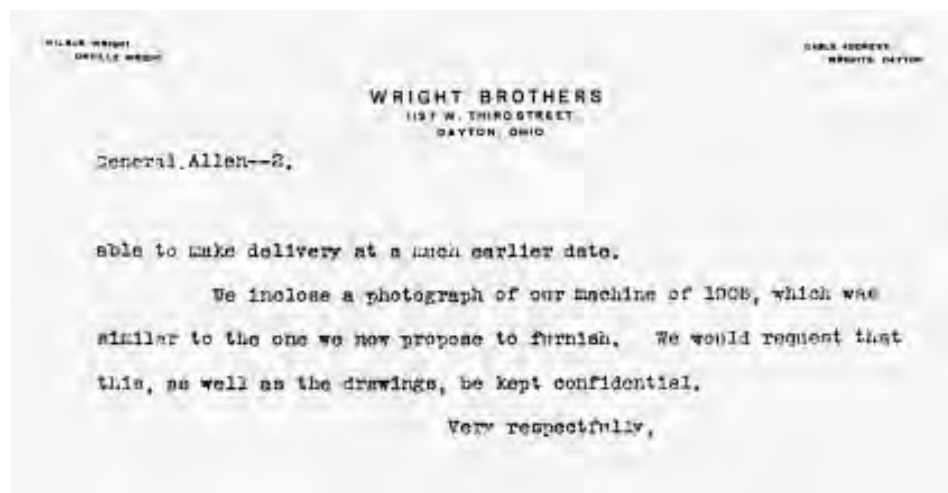
If the airplane flew less than 36 miles per hour, the government would not purchase it. For each mile the airplane flew under 40 miles per hour, the government would deduct 10 percent from the contract. But if the airplane could fly between 41 and 44 miles per hour, the contractor would receive a 10 percent bonus for each mile. To encourage only serious proposals, all applicants had to deposit 10 percent of their total project budget with the Aeronautical Division. Deposits would be forfeited if airplanes failed to meet Specification No. 486.

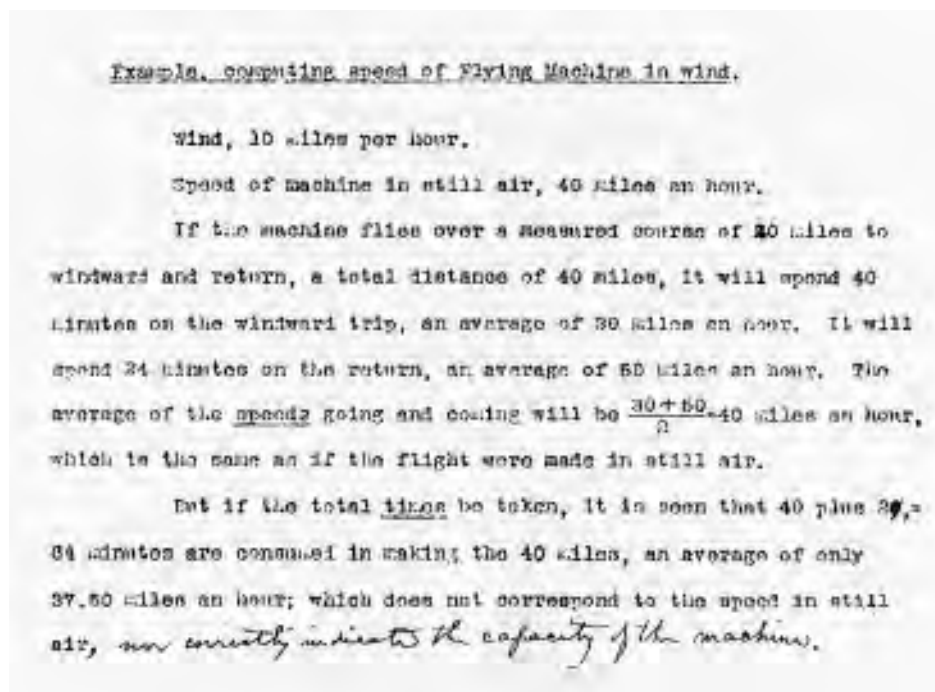## "I hardly think that the perfect flying machine will appear in such sudden fashion."

Although the Wright brothers had already demonstrated that heavier-than-air flight was possible, the experts were as skeptical about the procurement as the War Department had once been about airplanes. The American Magazine of Aeronautics believed that "there is not a known flying-machine in the world which could fulfill these requirements," and the former editor of Aeronautical Annuals was equally dismissive. "I hardly think," he wrote, "that the perfect flying machine will appear in such sudden fashion." Many newspapers were equally dismissive.

FORTY-ONE BIDS

As with modern-day government procurements, the proposal preparation period included correspondence to clarify the bid. Topics for clarification included the manner for keeping certain design features confidential, the extent of a bondsman's liability (in the event of successful but incomplete performance), and the selection of Ft. Myer, Virginia as the location for delivery and trials.

By the February 1, 1908 deadline, the Army Signal Corps received 41 proposals ranging from a low of $850 to an astronomical $1 million. Some bids were patently absurd. One federal prisoner offered to build an airplane in exchange for his release while another applicant submitted his design on wrapping paper. Only three proposals were accompanied by certified checks.

One legitimate bidder was J.F. Scott of Chicago, who quickly dropped out of the competition. A second was Augustus M. Herring of New York City, who failed to construct an airplane despite receiving two generous extensions on his contract. The third bid came from the Wright brothers. Their two-page proposal was accompanied by drawings, a photograph of their 1905 machine, and a method for computing the speed of a flying machine in the wind. They promised to build an airplane to the War Department's specifications in 200 days for $25,000.

Example, computing speed of Flying Machine in wind.

Wind, 10 miles per hour.

Speed of machine in still air, 40 miles an hour.

If the machine flies over a measured course of 20 miles to windward and return, a total distance of 40 miles, it will spend 40 minutes on the windward trip, an average of 30 miles an hour. It will spend 24 minutes on the return, an average of 60 miles an hour. The average of the speeds going and coming will be $\frac{30+60}{2}=40$ miles an hour, which is the same as if the flight were made in still air.

But if the total times be taken, it is seen that 40 plus 24 = 64 minutes are consumed in making the 40 miles, an average of only 37.50 miles an hour; which does not correspond to the speed in still air, nor correctly indicate the capacity of the machine.

PROPOSAL ADDENDUM—The Wright brothers recognized the need to clarify how speed would be measured from the ground if the machine were flying in wind.
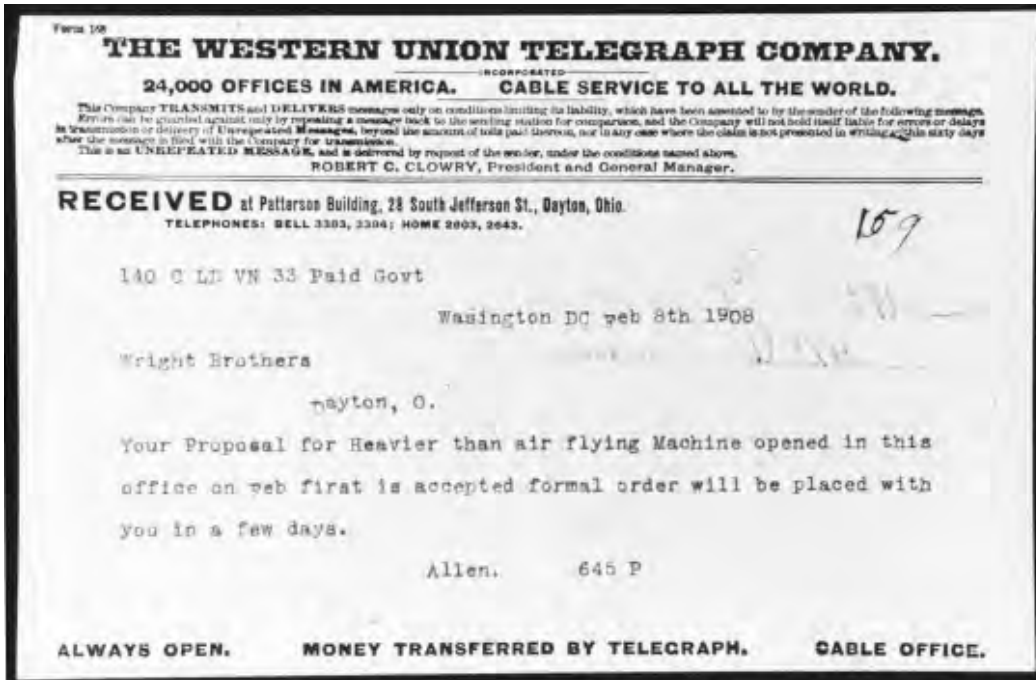
NOTICE OF AWARD—The Wright Brothers received formal notice that their proposal had been accepted via Western Union telegram after just one week.

It did not take long for awards to be issued. A Western Union telegram dated February 8, 1908, advised the Wright brothers that their proposal had been accepted. Copies of a contract were issued for signature just three days later.

STELLAR PERFORMANCE EARNS BONUS FEE

On August 20, 1908, Orville Wright delivered his airplane to Ft. Myer, a military installation adjacent to Arlington National Cemetery. With the help of a contract extension the Wright brothers tested and modified their Army Flyer for the War Department.

In September, Orville set a new airplane endurance record with Lieutenant Lahm as his passenger. By July of 1909, Orville and Lahm set yet another endurance record of one hour, 12 minutes, and 40 seconds. On July 27, Orville and another passenger flew the Army Flyer over 40 miles per hour at an altitude of 400 feet. During this test run, 7,000 spectators, including President William Howard Taft, watched the graceful airplane fly between Ft. Myer past the present site of the Masonic Memorial to George Washington's estate in Alexandria, Virginia.

According to the Associated Press, "as if drawn by invisible power, it rose higher and higher, reached the end of the field, turned at a right angle and came about, facing the madly-cheering multitude. Hats and handkerchiefs were waving, automobile horns were tooting, some overwrought spectators even wept as the great white creature turned again southward at the starting tower." When Orville landed, a "wild demonstration. . .welcomed the triumphant aviator."

"as if drawn by invisible power..."

By October 1909, the airplane was staying aloft for more than three hours at an official speed of 42.583 miles per hour. With a 10 percent per mile bonus, the War Department paid $30,000 for the Army Flyer. The Wright

brothers had finally demonstrated that their airplane could benefit the War Department.

That same year, Orville and Wilbur created the Wright Company to manufacture airplanes with a capital stock issue of one million dollars and financial titans such as Augustus Belmont and Cornelius Vanderbilt on its board of directors. In 1912, Wilbur died of typhoid fever but Orville kept working on airplanes until his death in 1948. By then, airplanes could go faster than the speed of sound.

The 1908 War Department agreement with the Wright brothers is one of the most important contracts ever signed by the U.S. government. Although other inventors quickly introduced monoplane wings, a front propeller, a closed body, single stick control, and wheels, another Wright brothers' contract deliverable — the Wright Model B 1911 — is still the basic model for airplanes today. **APMP**

The public demonstrations of the Wright Flyer in 1908 sent shock waves across the United States and Europe.

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The Evolution of Competitive Intelligence

DESIGNING A PROCESS FOR ACTION

The purpose of a competitive intelligence (CI) program is to develop action-oriented implications for managers. This is an overview of the evolution of competitive intelligence and of the fundamental concepts of CI, including the intelligence production process. Effective CI is critical in helping the proposal management professional create competitive responses to RFPs and commercial opportunities.

by John E. Prescott, Ph.D.

The purpose of a competitive intelligence (CI) program is to develop action-oriented implications for managers. Intelligence also needs to be delivered on a timely basis so it can be incorporated into the decision making process. Building on this basic conception, I first provide an historical overview of the evolution of competitive intelligence, and then an overview of fundamental CI concepts, including the intelligence production process. Six key decision areas related to the development of an action-oriented CI program are discussed. Next, applying an evolutionary framework, four levels of sophistication in CI programs are examined. Although CI and proposal development are separate and distinct activities, effective CI is critical in helping proposal management professionals create more competitive responses to Requests for Proposals and commercial opportunities.

COMPETITIVE INTELLIGENCE: DESIGNING A PROCESS FOR ACTION

Proposal management professionals (PMPs) who base their decisions on action-oriented CI will outperform their counterparts who do not invest in the intelligence process. While this may seem to be a bold statement, there is growing evidence demonstrating that an action-oriented CI program leads to positive organizational and individual outcomes (APQC 1996; 1997). The process of CI involves the development of intelligence products, their flow to decision makers on a timely basis, and the incorporation of said intelligence into the decision making process. The tripartite activities of CI do not occur naturally, but must be managed as a core business process.

The topic of intelligence is vast. In any one paper it would be impossible to describe the history of the intelligence field, which has its roots in the military. One of the earliest sophisticated references is *The Art of War* by Sun Tzu (Griffith, 1967). This set of essays was written around 500 B.C. and is the basis for many of the developments in military intelligence. A second stream of intelligence activity concerns national security as a policy issue (Berkowitz & Goodman, 1989). This stream, particularly in the U.S., has its roots in the World War II era and is linked to political science. A third stream that is the focus here places the business organization at center stage (Ecells & Nehemkis, 1984). A systematic orientation towards business intelligence in organizations is a recent phenomenon.

> "One cannot use spies without sagacity and knowledge, one cannot use spies without humanity and justice, one cannot get the truth from spies without subtlety. This is a very delicate matter indeed."
>
> Sun Tzu

In this article, I will provide a historical perspective on the development of the field, a conceptual framework for CI, and an overview of six key decision areas for the development of an action-oriented CI program. I will conclude with a brief look at the implications of CI for proposal management professionals.

APPLYING AN EVOLUTIONARY FRAMEWORK TO ASSESS YOUR CI EFFORTS

The field of competitive intelligence has passed through three stages and is currently struggling to define its next stage of development. The first stage, "Competitive Intelligence Gathering," occurred through the 60s and 70s.

Around 1980 the second stage, "Industry and Competitor Analysis," emerged and was most strong during the mid-to-late 80s. Currently, the stage of development can be characterized as "Competitive Intelligence for Strategic Decision Making." The future rests on developing CI as a source of competitive advantage and is labeled "Competitive Intelligence as a Core Capability."

The value of this classification for managers is that they can identify the level of sophistication that best meets their needs. Each of the stages can be thought of in terms of successive stages of sophistication in CI programs. While the descriptions below represent a time line analysis of the evolution of best practices, in reality most firms have yet to move beyond the second stage: Industry and Competitor Analysis.

The stages portrayed in Table 1 and described below are based on the combination of five attributes: the sophistication of the formal and informal CI network, the balance between intelligence oriented towards strategic versus tactical decisions, the type and extent of analysis conducted on the data, the degree of top management attention, and the linking of CI into the decision making process.

The movement between stages in the evolutionary framework is based on key defining events. A defining event fundamentally alters the direction, scope, and acceptance of CI in the business community. The discussion below describes each of the stages in the evolution of CI. I have drawn on empirical surveys to develop the stages and their descriptions (Sutton, 1988; Wall, 1974; and the Pittsburgh studies of 1987, 1990 and 1994).

My focus is bounded in four ways.

- First, the historical analysis begins in the 1960 – 1970 period. The choice of that date is admittedly judgmental. However, academic writing and practitioner activity was limited before 1970. A database search of citations on the topic of competitive intelligence confirms this assertion.

- Second, the analysis and discussion of the historical periods centers on "leading-edge" firms. Leading-edge firms were chosen because they represent the state-of-the-art within a particular period. Since many firms are just beginning to implement competitive intelligence programs, it is important to recognize that both the field of CI and a program within a particular firm follow an evolutionary path.

- Third, the historical analysis centers on North America and to some extent Western Europe and

Table 1

Evolution of Competitive Intelligence				
Time Period	**Pre-1980**	**1980-1987**	**1988-Present**	**Future**
Stages	Competitive Data Gathering	Industry and Competitor Analysis	Competitive Intellgence	Competitive Intelligence as a Core Capability
Key Defining Event	Porter's 1980 book, *Competitive Strategy*	The founding of the Society of Competitive Intelligence Professionals	The establishment of the Competitive Intelligence Review	CI courses taught in business schools across the world
Attributes:				
Degree of Formality	Informal	Emerging Formal Units	Formal	Integration of formal and informal
Orientation	Tactical	Tactical	Mixed	Strategic
Analysis	Little or none	Limited quantitative	Both quantitative and qualitative	Qualitative emphasis
Top Management Attention	Low	Limited	Moderate	High
Link to Decision-Making Processes	Little	Weak	Strong	Direct input
Location:				
Principle Location of CI Personnel	Library/Marketing	Planning/Marketing	Marketing/Planning/ CI Unit	CI Units/Marketing/Planning
Key Issues:				
	Development of skills in information acquisition	Building a business case for CI Spy image Analytical skill development	Demonstrating bottom-line input Demand vs. supply-driven CI Counter-intelligence International CI CI Technology Role of information technology	Managing the parallel process Intelligence infrastructures for multinationals CI as learning Network analysis

Australia. CI activities in Asia and developing countries are beyond the scope of this paper (for discussions related to these areas (see Prescott & Gibbons, 1993).

• Fourth, the academic literature rooted in organizational theory and strategic management, while important in its development of theoretical constructs, has had limited impact on the practice of competitive intelligence (for a useful classification framework and review see Lenz and Engledow, 1986). In this regard, I will draw on the literature only to the extent that it directly pertains to CI.

COMPETITIVE DATA GATHERING

Prior to the end of the 1970s, CI can be classified as fundamentally involving the collection of competitive data. Leading-edge firms' use of CI could be described as follows:

Competitive intelligence was primarily a library function although market research with an orientation towards customers was well established. There was little in the way of a formal CI process or network established throughout the firm. CI was done on an ad hoc basis involving limited (if any) analysis. Overall, there was a generally low level of top management involvement and relatively little input into the decision making process.

This description characterizes an ad hoc, informal process. The firms collected data and created files on their competitors and industry structure. The analysis, if conducted, was static. The primary skills of CI personnel were oriented towards the "finding" of information. While this was not a particularly glamorous time for the field, it was important. Its significance centers on academic writing and the establishment of firms such as Washington Researchers.

Firms such as Washington Researchers, Fuld and Company, and Find/SVP concentrated their efforts on cataloging information, training, and information brokering. The underlying assumption of these firms was that intelligence

is only as good as the data on which it is based. The primary need for these firms was the fact that most of the companies that needed CI did not have in-house intelligence capabilities.

> Critical information planted in the customers organization was found to flow back to the supplier in small, distorted bits.

During the formative years the academic literature was disjointed. A survey conducted by the Harvard Business School in 1959 focused on the current state of the practice of intelligence. This study illustrated that the process was in its infancy and informal. Albaum's (1962, 1964) research was an important beginning in the sense that he not only developed arguments for the development of business intelligence, but empirically illustrated some of its consequences. He was interested in what would happen to the quantity, accuracy and speed with which information traveled between a customer and one of its key suppliers. Critical information planted in the customers organization was found to flow back to the supplier in small, distorted bits. The information was planted with individuals in the customer organization who had frequent contact with employees of the supplier firm.

Pinkerton (1969) produced another significant set of research. A set of five articles outlines in detail the steps undertaken by a company in the Midwest that established a marketing intelligence system. This is the most detailed case study in the field. Other significant articles of this time period included Guyton (1962), Kelly (1965), Greene (1966), Aguilar (1967), Cox & Good (1967), Wall (1974), Cleland & King (1975), and Montgomery & Weinberg (1979).

There were two characteristics of these works. First, they primarily were oriented towards marketing intelligence. Thus, the scope of the material was narrower than today. Second, most of the work was conceptual or contained anecdotal evidence of leading-edge firms. Aguilar's (1967) work was an exception to both of these points. However, it took the publishing of Porter's (1980) book to bring CI to the next stage of its development.

INDUSTRY AND COMPETITOR ANALYSIS

The early 1980s saw the transition of CI from an emerging field to one in a growth period. During this time, there was a strong emphasis on the analysis of industry structure and competitors. Three challenges faced proponents of CI as they strove to make the transition from collection to analysis. First, the groundwork that was laid during the initial stage of collecting data gave employees in leading-edge firms an upper hand in their ability to "build a business case" for CI. Building a business case was centered on illustrating to management what CI was, why CI was important, how it could assist in decision making, where the process should be located in the organization, and the resources that should be devoted to CI. Line managers were particularly interested in CI personnel demonstrating the bottom-line outcomes of their efforts.

A second challenge facing in-house advocates was the spy image. Reporters working for newspapers and magazines such as *The Wall Street Journal, Fortune, Business Week,* and the *Financial Times* appear to be more interested in espionage and breaches in ethics than the methodology for doing CI. As a result, many managers were concerned that being involved with CI might result in their organizations being featured in articles in a manner that was not particularly attractive. In fact, this occurred on several occasions and to this day, some firms are very reluctant to discuss their CI processes.

A third challenge was developing skills in a variety of analytical techniques to transform data into intelligence. This challenge had two outcomes. First, the field of planning took center stage. Planners had long been interested in relationships of a business to its environment. Now they had a set of frameworks (e.g., Porter's work and the early writings on the design of marketing intelligence systems) that allowed them to systematically apply environmental analysis in a manner line managers could relate to more easily. Second, a division of labor between those who specialized in collection and those who did the analysis/management of CI began to crystallize. Today, this division is even more entrenched with the increased availability of information technology.

The leading edge CI operation of this time is described below:

> The CI effort is in the process of developing and refining a formal structure and network. At least one person is responsible for CI activity. The collection of data includes a mix of general information and ad hoc projects related to industries and competitors. The analysis of the data is limited and

involves primarily quantitative summaries. Emphasis is placed on tactical, as opposed to strategic, decisions. Top management's involvement in the process is limited to issues of high salience, and as a result there is a relatively weak link to the decision making process.

There was an explosion of writing during this stage. Practitioners (Sammon, Kurland, & Spitalnic, 1984) and consultants (Fuld, 1985; Kelly, 1987; Myer, 1987; Tyson, 1986; Vella & McGonagle, 1987) were particularly active. These books primarily focused on how to collect information and techniques for analyzing data. The books were important because they further helped institutionalize and demystify CI (Smith & Prescott, 1987a). Academic writing was beginning to appear but was scarce. There were a couple of articles that focused on the role of intelligence in industrial marketing (Smith & Prescott, 1987b; Zinkhan & Gelb, 1985). Both of these articles focused on the practices of practitioners. Drawing on field research, Prescott & Smith (1987) formalized a project-based orientation to CI. A large group of academics primarily in the planning area were oriented during this time to developing and implementing a variety of analytical techniques for the assessment of competition. Their efforts related to CI were summarized in two articles (Prescott & Grant, 1988; Prescott, 1986) and books by authors such as Hax & Majluf (1984). These works summarized and illustrated the rich diversity of techniques available to the intelligence analyst. In Europe, the emphasis on CI was directed more towards security issues in general and national security in particular. Steve Dedijer organized a bulk of the work at Lund University. Unfortunately, much of his writing has not been widely distributed.

COMPETITIVE INTELLIGENCE FOR STRATEGIC DECISION MAKING

Currently, the field has progressed to the point where an increasing emphasis is given to the strategic implications of CI efforts. Often, this involved the integration of CI efforts with other initiatives such as the quality movement. A much broader array of issues has surfaced in recent years as firms push the envelope of CI practices. The impetus occurred during the late 1980s when many organizations that had funded CI units were beginning to seriously question their contributions. While there was evidence that CI efforts assisted in the sharing of ideas, sensitized managers to the value of addressing competitive dynamics, identified new business opportunities, and avoided surprises, there was a lack of consensus on how it influenced the bottom line and whether it was user-oriented (Prescott & Fleisher, 1991; Bardnt, 1994). One technique that addressed the issue was benchmarking. Benchmarking grew in popularity because it was a focused activity that had become an integral part of the quality movement and had a demand as opposed to a supply-driven orientation. That is, managers who want to address a particular issue commission benchmarking studies. The user (demand driven) directs what the CI analysts (suppliers) do. By focusing CI on benchmarking activity, CI analysts were able to address the bottom line issue in a manner that was more tangible than other outcomes such as predicting the effects of industry evolution.

> The current debate is about the role that governments should play in business intelligence operations.

A second issue that was emerging was the focus on counterintelligence. The downsizing that was occurring in the U.S. armed forces and related intelligence activities resulted in many qualified intelligence officers looking to apply their skills in other arenas. One arena where they found a home was in business organizations. Related to this issue is the current debate on the role that governments should play in business intelligence operations (see the Fall 1994 issue of the *Competitive Intelligence Review*). The question is not whether governments should play a role, but rather what role they play in different countries and how it impacts competitiveness.

A third issue was to what degree would information systems play a role in CI. While information systems had been available for many years, the question focused on the strategic

use of those systems. For the CI unit, the emphasis was on how they could design, access, and interface with internal and external data in a manner that facilitated managerial decision making. Organizations such as Corning were leaders in this area as it related to CI.

A fourth area was the role of technology CI (see the Spring 1994 issue of *The Competitive Intelligence Review*). Again, many organizations had technology orientations as a central part of their strategic planning efforts. Part of the rise in the interest in technology and CI can be attributed to the type of organizations that were becoming more interested in CI. The computer, telecommunication, and pharmaceutical industries wanted to explore how technological CI could assist them.

A fifth, previously ignored area was international CI (Prescott & Gibbons, 1993). As firms increasingly competed across boarders, regional trading groups emerged, and industries felt the sting of new foreign competitors as their interest in international CI grew. This interest provided another opportunity for the information specialists. How to collect data and how international CI is different from domestic CI became an opportunity for information brokers. For example, one organization, OPEN SOURCE SOLUTIONS, was formed to serve as an international public information clearinghouse. This interest also gave rise to a desire to better understand how to manage CI units that operated in different geographical areas (Prescott & Gibbons, 1992b).

The leading-edge firms today can be characterized as follows:

> The CI unit has a well-developed, formalized process and network. There exists a strong link to the users of intelligence, who primarily dictate and fund the types of projects undertaken. There is often sophisticated analysis involving a combination of both quantitative and qualitative data. A significant number of projects are oriented towards strategic decisions. Top management explicitly recognizes the value of CI and links it directly to the decision making process.

The writing during the third period has even further intensified. Practitioners and consultants (Fuld, 1988, 1995; Gilad & Gilad, 1988; Roukis, Conway, & Charnov, 1990) have increasingly turned their attention to the management processes of competitive intelligence. An analysis of the content of 100 articles published in *The Competitive Intelligence Review* between 1990 and October 1994 shows that 41 focused on management-related issues while 59 involved some type of data collection or analysis orientation. In this content analysis, it is interesting to note that only two articles focused exclusively on ethics and four on computer/software.

Academics have still not devoted much attention to the field of competitive intelligence. Some of the works during this time that are applicable to practitioners have focused on the management issues of CI (Ghoshal & Westney, 1991; Prescott, 1989; Prescott & Smith, 1989a; Prescott & Gibbons, 1992a, 1993; Zahra & Chaples, 1993). There are, however, three research streams that have the opportunity to make an impact on CI. First, the area of issue management holds the promise of bringing information processing research more directly into CI (for a set of key references see Greening & Gray, 1994). This is particularly important as analysts focus on demand-side CI. A second area is encapsulated by the work of a group of colleagues at the University of Maryland (Smith, Grimm & Gannon, 1992). These researchers are examining how competitive dynamics can be studied with an orientation towards moves and countermoves. A third stream involves the learning literature (Senge, 1990). The development of learning principles and learning organizations rests heavily on competitive information and its conversion into intelligence. However, to date none of these streams of research have been oriented towards the competitive intelligence professional.

COMPETITIVE INTELLIGENCE

The field of competitive intelligence has grown over the past two decades to become an integral part of most large organizations (Fuld, 1995; Kahaner, 1996; McKinnons and Burns, 1992; Goshal and Westney, 1991). Global competition, the emphasis on quality management, and the realization by managers that actionable intelligence can be a key competitive advantage have spurred this growth (Prescott and Gibbons, 1993).

Competitive intelligence is defined as the process of developing actionable foresight regarding competitive dynamics and non-market factors that can be used to enhance competitive advantage. Competitive dynamics refers to the evolution of a firm's industry, and the moves and countermoves of competitors, suppliers, customers, alliance partners, and

potential competitors. Non-market factors such as government regulation, tariffs, and the culture of a country impact competitive dynamics but are not suppliers of products or services in the industry. CI is concerned with developing intelligence that has actionable implications. Only by developing actionable implications does a CI program have the opportunity to create a competitive advantage and truly deliver value.

> Many Fortune 500 companies have made the decision to invest resources in the development and utilization of competitive intelligence processes and products.

Building on my definition, we see that the domain of CI is quite broad (Berhnardt, 1994; Gilad and Gilad, 1988, Prescott, 1989). Competitive intelligence moves beyond traditional environmental scanning and market research by focusing on all aspects of the firm's environment (i.e., competitive, technological, social, political, economic, and ecological) and at various levels of the firm's environment (i.e., remote, industry, and operating). Competitive intelligence delineates between information and its analysis to produce intelligence. It also emphasizes the importance of the use of intelligence in decision making. Ultimately, competitive intelligence is not only a product, but also an organizational process designed to serve several key roles including early warning of opportunities and threats, decision making support, competitor monitoring and assessment, and strategic planning support.

Many Fortune 500 companies have made the decision to invest resources in the development and utilization of competitive intelligence processes and products. The competitive intelligence initiatives which I will describe below range in scope and sophistication from corporate libraries to large centralized CI staff functions. The rationale for conducting CI is provided by the continuous change in the competitive landscape. As a result of these changes, organizations are increasingly dependent on the external environment to access critical information. In addition, mere access to information is no longer sufficient. Rather, it is the firm's ability to compile, interpret, and ensure that it reaches the hands of appropriate decision-makers that leads to an advantage (Dugal & Prescott, 1998). Another important benefit of CI is that it identifies managerial blind-spots (Gilad, 1994; Zahra & Chaples, 1993; Zajac & Bazerman, 1991).

In addition to understanding what competitive intelligence is, it is equally important to understand what competitive intelligence is not. Competitive intelligence is not a high stakes game of industrial espionage aimed at uncovering a competitor's trade secrets and other proprietary information (Fialka, 1997). A successful competitive intelligence effort is neither haphazard nor unfocused. CI is neither a database of endless information nor does the mere investment in expensive information technology constitute a CI process. Rather, a value-adding competitive intelligence process is a series of systematic organizational activities that are driven by specific intelligence needs within the firm with the objective of achieving competitive advantage.

DISTINGUISHING BETWEEN THE METHODS AND MANAGEMENT OF CI

One of the central tenets of strategic planning has been that relationships between a firm and its environment affect performance (Andrews, 1987). While there was some early strategic planning-oriented work in the area of CI (Aguilar, 1967; Fair, 1966), a substantial amount of it was not easily operationalized by those struggling to understand their competitors. Strategic planning, however, has played a major role in the areas of analysis where a range of techniques have been developed to assess competitive positions (see Oster, 1994; Prescott, 1986). It is important to note that most strategic planning techniques assume away the data collection issues. That is, they assume that the data is available or easily collected. This is a troublesome assumption.

> The spy image has been perpetuated to a large degree by the media industry.

There is a growing acceptance of the "methodology" of CI, which is drawing from these three areas and developing methods on its own. Practicing competitive analysts now have a broad set of books to draw on to both demonstrate the methodologies of the field to skeptical managers and to assist them in conducting a study (Gilad and Herring, 1996). For example, Washington Researchers has developed a series of books on virtually every topic of information collection. One final topic related to "doing" CI relates to ethics (Paine, 1991). CI continues to emerge from the shroud of the "cloak and dagger" image. The spy image has been perpetuated to a large degree by the media industry. The media, interested in selling copy, continues (Caudron,

1994; Robinson, 1998) to play up the role of spying. Yet, there has been no large-scale study in the business community that demonstrates that ethical issues are a major concern. In fact, the little empirical data that does exist (my 1990 and 1994 surveys of competitive intelligence professionals) suggests that ethics are becoming less of a concern. Many firms have codes of conduct and practice the following advice: do not do anything that you would be embarrassed seeing on the front page of the *Wall Street Journal* or *Financial Times*.

The management of CI is less well developed than its counterpart, "doing." Academics (Cox & Good, 1967; Cleland & King, 1975) played an early role in describing how monitoring systems should be designed. In recent years, other academics (Prescott & Smith, 1989b) and consultants (Bernhardt, 1994) have refined and extended the early prescriptions (see also the *Competitive Intelligence Review*). In a following section, management issues will be discussed in detail.

THE INTELLIGENCE PRODUCTION PROCESS

The most fundamental concept in the field of CI is the intelligence production process, often referred to as the intelligence cycle. The production process contains all of the elements required to produce actionable CI. While the process is intuitively simple, its operation is often quite complex. The CI process is initiated through a request from management. Requests come in many forms. An essential aspect for any CI professional is to gain the confidence of management so that they will continuously bring requests. The sum total of these requests represents management's key intelligence topics or, in other words, key areas of intelligence interest. Often, key intelligence topics are broad and requests are not well articulated, thus making the second phase of the process particularly important. Before the intelligence process can effectively begin, agreement must be reached on the parameters of the specific intelligence request in terms of exactly what is sought, the required time frame, and any constraints such as budget and confidentiality. For the CI professional, interviewing skills that involve extensive probing to determine the exact needs of management enhances the chance that the request will be properly interpreted.

When the request is established, the collection of information begins. The CI professional develops a collection plan that can include secondary sources, tapping the human network and the design of primary research. The design and implementation of a collection plan involves project management skills. The collected data is transformed into intelligence through analysis. Analysis permits the CI professional to draw conclusions from information. Those conclusions then need to be interpreted in light of the original request leading to the production of implications and recommendations. Unfortunately for many CI professionals, however, proficiency in analytical tools is often one of their weakest areas. Continuously strengthening one's analytical skills and the ability to utilize analytical tools is paramount to the success of a CI professional (Gilad and Herring, 1996). Action-oriented CI is the result of producing implications and recommendations for managers.

At first glance, the intelligence cycle may seem to be reactive in nature, based on the appearance that intelligence is only produced through the requests of managers. However, studies of best practice companies have revealed that the process is actually dynamic and interactive (American Productivity and Quality Center, 1997). Throughout the intelligence cycle, feedback and updates from CI professionals allow for midcourse adjustments and new issues to surface. Further, the proactive CI professional brings intelligence issues to the attention of managers. This description of the intelligence cycle illustrates the variety of skills that are required for an effective CI operation. Thus, best practice companies also typically have many individuals throughout the organization involved with the intelligence process.

A DECISION-ORIENTED APPROACH TO DESIGNING A CI PROGRAM

The design of a CI program requires answers to six key decision areas. While I present the decisions independently, it will be clear that the decisions are interrelated. Table 2 provides a summary of the decision areas for your reference.

Table 2

Decision-Oriented Approach to Designing a CI Program Key Decision Areas	
Decision Area	**Key Concerns**
Focus of CI Efforts	Early warning of opportunities and threats Strategic decision making support Tactical decision making support Competitor monitoring and assessment Strategic planning support
Location and Structure	Decision Parameters: Where are profitable sales? Where do new products come from? Where are the largest threats?
Location and Structure	Champion/Manager of CI Human Intelligence Network Information Specialists Analysts
CI Products	Timely, Accurate, Relevant (TAR) (See Table 4)
CI Projects	Project-based approach Focus on decisions Prioritize intelligence needs Virtual teams Try a demonstration project Pitfalls
CI Ethics	Develop a code of ethics before first project Economic Espionage Act of 1996 (EEA) (See Table 5)

Decision Area 1: Focus of CI Efforts

CI programs need to have a focus. A 1997 study by the American Productivity and Quality Center clearly illustrated that best practice CI units developed a clear focus for their efforts. There are five generic focuses that can be developed (see Table 2):

- A focus on early warning centers on identifying opportunities and threats in the competitive landscape before they become obvious to all industry players. The primary efforts of this focus center on how the firm should position itself in light of a potential opportunity or threat.

- A second focus is providing support for strategic decision making. These CI activities are designed to bring information and analysis to bear on important strategic thrusts. For example, deciding if a proposed

expansion of operations into another country should proceed is a case where CI can deliver strategic decision making support.

- A third potential focus area, tactical decision making, emphasizes the day-to-day operations of a business. When CI is linked to the sales function, we often see a tactical focus.

- The fourth potential CI program focus would be competitive monitoring and assessment. In this situation, developing a deep understanding of competitors strategic and tactical intent and how to position the firm receives central attention.

- The fifth focus area is assistance with the strategic planning process of the organization. CI supporting this focal area centers on the collection and analysis of information that is an essential input into the design and implementation of strategic plans.

It is tempting to design a CI process that addresses multiple foci. In reality, CI operations are often requested to assist on multiple fronts. However, if a CI operation is spread across too many foci, it is likely to be ineffective because its resources will be spread too thin. Thus, a central question to ask is: How should we decide on a focus? One of the more effective methods is to conduct an intelligence audit (Fuld, 1988; Gilad and Gilad, 1988).

An intelligence audit is the process of identifying from mangers and other key personnel such as the sales force the intelligence needed to make informed decisions and the state of current intelligence efforts (see Table 3). From this analysis, your firm will be able to make decisions related to the focus of your CI effort. In many ways, the audit process will create a mission statement for CI undertakings.

Table 3

Intelligence Audit Framework	
Key Questions	
Question One	What intelligence activities are currently being conducted in the firm?
Question Two	What types of intelligence do my employees and I need to do our jobs better?
Question Three	How will a CI effort assist us in our jobs?
Question Four	What role will my employees and I play in an organized intelligence effort?
Question Five	What are the current facilitators and barriers to developing an action-oriented intelligence effort?

Most firms engage in some type of intelligence efforts, even if it is on an ad hoc basis. While these efforts may be as simple as talking to customers, suppliers and distributors, reading trade magazines, or using the Internet, they are all viable sources of potential intelligence. By determining the extent to which organizational members are currently conducting intelligence activities, an initial assessment can be made of the usefulness and intelligence yield associated with these activities.

By determining the types of intelligence that are most critical, both currently and in the future, management will begin to lay the foundation for the development of key intelligence topics and key CI needs (Herring, forthcoming). Many businesses choose to focus on competitor moves, industry conditions, customer needs, or pricing as key intelligence topics (Oster, 1994). Other key intelligence topics may stem from the firm's mission statement or long-term objectives. Key intelligence topics and CI needs, regardless of their origin or focus, ultimately drive the entire CI process.

Decision Area 2: Location and Structure

A CI operation can be located virtually anywhere in the organization. We know from the study of large organizations that they locate their CI groups primarily in marketing, planning, R&D, or directly reporting to the CEO. More importantly, we have found that location matters. In a study of more than 350 intelligence units, Prescott and Bhardwaj (1995) found that the activities undertaken by the CI groups were strongly influenced by where they were located in the organizational structure. Managers need to answer the following three questions to determine where to locate the CI effort.

Where do profitable sales come from?

It is a mistake to conclude that your product offerings are the source of profits. For many businesses, location, customer service, dedicated employees, networks, and efficient operations are the source of profitability. Identify your value position and understand the CI issues surrounding that position to determine the location of your CI efforts.

Where do our new products come from?

What is the real source of new products for your small business? Do customers, suppliers, or alliance partners provide the impetus? Does your sales force or operations provide new ideas? CI should be located near the key sources of new products. After all, your competition is probably creating their new products in a similar manner.

Where is the largest threat to our competitive position?

What keeps you up at night? The answer to this question will highlight areas of your business that you feel are under competitive threat. Areas of competitive vulnerability need to be identified and addressed. For example, would a new manufacturing process proposed by a competitor in the

trade press undermine your cost structure? Will loyal customers take their business to a competitor because of a more convenient location or new service offerings?

The answers to these three questions are also linked to the decision of where to focus your CI efforts. The advantage of focusing on these questions is that the CI effort can immediately demonstrate value by letting you sleep better at night.

Decision Area 3: CI Personnel

Someone in the organization has to assume the role of, and be recognized as, the CI champion. This person is the focal point for the CI effort. While the champion will typically have other duties, this person assumes the critical role of providing resources and moral support to others participating in the process. Further, the champion must interact with mangers to determine the key decisions where CI can play a role. The responsibilities of the champion should flow from the previous two decision areas.

There are potentially three additional roles for individuals assisting in the CI effort. Each of the roles requires different skills, and in some cases, training. In your business, you are likely to find that the same person performs multiple roles.

The first role is the one who coordinates the human intelligence network. Employees have their own networks that can be tapped for intelligence without serious disruptions to their normal job responsibilities. However, someone needs to be the point person to periodically tap the overall network and be available when an employee has extremely important, time-sensitive information. Information technology can facilitate this process, but is often expensive to install and operate. An example of effectively tapping the network is provided by a museum. Tour buses were a key source of revenue for the museum. One of the employees made a point of talking with the tour bus drivers to learn more about how they decided on destinations and tapped potential customers. Using this information, the museum was able to develop improved relationships with several tour companies and significantly increase the flow of tourists through the museum.

A second role involves the collection of secondary information through information technology. There is a wealth of secondary information on databases that can be tapped through the Internet and information vendors. On some occasions, you may want to outsource an information search to a professional firm. However, developing skills in the use of these sources is becoming easier and, if possible, someone should be designated to learn the process of secondary searching (Berinstein, 1998). There are also a variety of classes, and a CD-ROM has been developed to teach

information collection. The limitations of secondary research are that it is yesterday's information, it rarely answers your question directly and the validity of the data needs to be confirmed. Secondary research is good for learning about a topic area that then sets the stage for more specific CI.

The third role that is fundamentally important but underutilized is the analyst. Analysts convert information into intelligence. The analyst needs to develop skills in a variety of areas including forecasting, profiling, financial analysis, and statistics. Above all, analysts need to have a mindset oriented toward developing implications and recommendations.

Decision Area 4: Products

Like any other service area within a firm, CI programs must produce products and services of value to managers. While there are a variety of products and services (as shown in Table 4), it is more important that the products have certain qualities. Products should be what I refer to as **TAR**. That is they should be **T**imely, **A**ctionable, and **R**elevant. The products should be placed in a context that the decision-makers relate to, formatted in a manner that users prefer, and provide an indication of missing information, sources, and what the intelligence means. Creativity is a very useful guide for anyone developing CI products. For example, one firm delivered intelligence reports in a newspaper format. Another firm always has a special section devoted to implications for our company.

As shown in Table 4 on the following page, services such as training can be extremely valuable tools for companies. The study by the APQC (1997) found that training was one of the most valued services that best practice companies offer. For example, before introducing new products, one firm always conducts a competitor response modeling exercise. In the exercise, teams representing the competitors develop responses to the companys new product offering. As a result of the competitor modeling exercise, many products and their positioning have been modified and some even canceled.

Decision Area 5: Systematize the Process by Using a Project-based Approach

Projects are the basic building blocks of an action-oriented CI program. That is, making the intelligence production process operational is a project. Each step in the intelligence process is not followed for every project. Since each project is unique, you must use those steps in the production process that best fit the current demands. For example, some projects can best be handled through secondary research, and involving the human intelligence network is not necessary.

Table 4

CI Products and Services	
CI Product Offerings	**CI Service Offerings**
Newsletters: Summary of many intelligence topics Information search: Secondary source information Intelligence report: Human network assessment Analytical alert: Analysis of current hot topic or issue	Training Participation in multifunctional teams Database management CI Forums Vendor qualifications Best Practice investigations Development of human networks Competitor response modeling exercise War room scenarios

Key intelligence needs or topics that result from the intelligence audit are also best handled through projects. Key intelligence topics and CI needs must be prioritized. Those topics and needs assigned the highest priority should be developed and approached as a focused CI project as opposed to ad hoc or random searches. Methods for handling routine intelligence requests and intelligence intakes must be developed and institutionalized. Here the development of either an intelligence request form or intelligence hot line is useful in ensuring that the intelligence needs of internal customers (e.g., sales representatives) not currently being addressed within the context of a formal project are not neglected. Although many firms rely heavily on informal processes to provide the impetus to their CI activities, a more formalized, project-based approach to CI has several benefits. The benefits include effective and efficient data collection, cost effectiveness as compared to a comprehensive approach, and actionable intelligence that is directly tied to decisions.

In their study of project-based CI, Prescott and Smith (1987) found five pitfalls for firms to avoid:

- Fuzzy objectives often lead to project outcomes that do not meet the requirements of management.

- A heavy emphasis on style as opposed to substance including implications weakens project deliverables.

- If key competitors or central non-market players are omitted from the analysis, the conclusions are likely to be suspect.

- Most CI projects are looking for general accuracy (the competitors market share is in the range of 27% - 30%) rather than point estimates (the competitors market share is 30.237%). If corroborating evidence is found from several sources, there are diminishing returns in trying to locate the last piece of evidence.

- Firms tend to use the same methods repeatedly. Best practice firms utilize a variety of methods and often experiment.

An effective way for businesses to implement projects is to use virtual teams, which are comprised of individuals from throughout the company who can be brought onto the project as needed. Thus, there is minimal disruption to their normal business activities.

Demonstration projects are an excellent way to showcase the benefits and methods of CI. Since there will be skepticism when you try to introduce CI concepts, a demonstration project breaks the ice for many employees. Select an important project from the outputs of the intelligence audit and use the results to illustrate the benefits of CI as well as the good and bad lessons learned from conducting the project.

Decision Area 6: Ethics

Ethics is one of the most important topics of our field. Many firms have avoided conducting CI for fear of appearing on the front page of the *Wall Street Journal*. President Clinton's signing of the Economic Espionage Act of 1996 has further heightened this concern. The majority of ethical problems have centered on the methods used in the collection of information. Questionable collection techniques are those methods that obtain information that a firm has not disclosed, is not obligated to disclose, and is not willing to disclose to the public (Paine, 1991).

There are a few basic guidelines to follow that will keep you from running into ethical problems (see Table 5). The Society of Competitive Intelligence Professionals (SCIP) has devoted a considerable amount of resources to address the topic of ethics, and proposal professionals can benefit from their work. SCIP has a code of ethics and a book entitled *Navigating the Grey Zone* (1997). There have also been numerous presentations at their conferences, and audiotapes from these sessions are available. SCIP also has a special issue of their magazine devoted to the subject of ethics. You should develop a code of ethics for CI before beginning the first project. I recommend the following process for developing your code. A team of employees from the legal department (or external legal counsel), along with the CI champion and individuals from the primary human collection network should work together to create the code. Develop a simple and brief code based on four principles related to deception, influencing the judgment of individuals, covert intelligence, and unsolicited intelligence (see Table 5). Train all employees when the code is developed. Some companies go as far as to have employees sign a statement that they will abide by the code. I recommend that all vendors and consultants used by your firm be exposed to the code and sign a statement that they will abide by your code when working for you.

One of the added benefits of exposing your employees to the ethics of CI is that they will see the value of protecting your company secrets. Often, employees inadvertently give away key information due to a lack of awareness. Training in this area is money well spent.

Competitive Intelligence as a Core Capability

Having laid out the past and present state of competitive intelligence, I will develop some ideas related to the future of CI. A key assumption of this scenario is that CI will continue to become institutionalized in the business community. A description of how the leading-edge firms of the future will use CI is described below:

> The CI process within a multinational firm is institutionalized on a worldwide basis although there is local responsiveness. The vast majorities of the employees appreciate the value of CI and participate in the process including counter-intelligence efforts. Data analysis is extensive with qualitative input often dominating quantitative data. The intelligence is integrated directly into strategic decisions often through sophisticated information systems. Top management uses CI as one of the ways it shapes the future of the organization and considers it an integral part of the "learning" organization.

A key component of the firms of the future is that managing behavioral dimensions of CI becomes critical. While collection and analysis are important, how organizations mobilize the informal CI process will determine their effectiveness. The

Table 5

Core Principles for Developing Codes of Ethics for the Collection of Competitive Intelligence		
Principle	**Decription**	**Examples**
Misrepresentation	To purposely mislead or falsely represent oneself or organization	Posing as a vendor or academic when collecting information Conducting phony job interviews
Improper Influence	To induce others to divulge information for which they have an obligation to keep confidential	Promises of jobs, promotions, gifts, bribery
Covert Collection	Applying collection techniques in a manner where the observed person or organization does not know that intelligence is being sought	Electronic espionage Planting a mole in a competitors firm Examining a rivals trash
Unsolicited Information	The receipt of information that was not requested	Strategic plan of a competitor found in a hotel conference room Overhearing a conversation about new products in a bar

process of integrating the formal and informal CI activities has been labeled the "parallel CI process" by Prescott & Gibbons (1992a). Their research identified reasons why the parallel process exists, and actions that organizations can take to integrate, but not eliminate, the process.

The parallel process is closely linked to the integration of CI operations across geographical locations in multinationals. While the international business literature has grown rapidly, it has not adequately addressed how multinationals manage the flow of information across subsidiary-subsidiary and corporate-subsidiary relationships. This is a rich area for research. It will be increasingly important in the coming years, especially given the advances in IT.

One set of analytical techniques that will gain wide acceptance is network analysis (Burt, 1992). Network analysis is concerned with the nature and type of relationships that firms establish. In this view, competition is concerned with how productive relationships give the firm access to information and control benefits. The field of network analysis has a rich tradition in sociology but is only beginning to emerge in the business arena.

The evaluation of CI programs and products has been slow in developing (Herring, 1996; Simon, 1998). Even the benchmark firms have spent little time developing performance indicators. This is a rich area for future research.

Academics can contribute to the field in at least two ways. First, as mentioned earlier, they need to begin to teach the topic of CI in their curriculum. Second, I suspect that one reason why CI has not gained more attention in academics is the lack of a theoretical framework. Given the promotion requirements of most schools, publication in a select set of journals is required. Those journals require theoretical frameworks. When a theoretical framework is developed that is subject to empirical testing, academics will flock to the field.

Implications for Proposal Managers

A recent Benchmarking Survey Report by Marianne Gouveia and John Ballard presented at the Fifth Annual Association of Proposal Management Professionals Conference in 1994 (Gouveia and Ballard, 1994) concluded that none of the companies included in the study made Proposal Management Professionals (PMPs) responsible for managing their firm's CI. Nonetheless, the use of CI was considered to be within the purview of PMPs. Typically, PMPs are the recipients of CI, not the group charged with managing the CI process.

As I stated at the beginning of this article, I strongly believe that PMPs who effectively use action-oriented CI will outperform their competitors who do not use CI or who use it ineffectively. In companies with a high proposal win rate, CI is usually critically important in the following proposal management functions:

- Bid/No Bid Decision Process
- Program Win Strategy Development
- Proposal Strategy
- Pricing (especially pricing to win)
- Ghosting

In other words, before a company can make an informed Bid/No Bid decision, managers and PMPs need to have detailed knowledge about the competition. Are competitors planning to bid on the procurement? Do they already have a contract with the customer? What are their strengths and weaknesses? What is your past relationship with the customer? What products, services, approaches, and solutions does your firm have that will make your proposal the most highly rated? Important questions such as these can only be answered with good CI. In order to answer the big question "what will it take for our company to win?" PMPs must have continuous and useful CI or their proposals are not likely to be competitive.

CONCLUSIONS

The field of competitive intelligence has experienced rapid growth and considerable legitimacy over the past 30 years. Developments in IT, analysis, ethics and the management of CI continue to be the significant issues facing the field. While we know how to establish an action-oriented CI program focused on addressing managerial needs, developments in IT, analysis, and ethics need to be monitored carefully. My approach has been to address practitioner concerns by detailing six key decisions regarding the design of a CI effort. Further, the evolutionary framework developed here allows managers to evaluate their current level of sophistication. Using the evolutionary framework and the design principles, managers can determine how they need to enhance their current CI efforts.

To be successful, PMPs must closely coordinate their efforts with those individuals involved in CI. Without good CI, PMPs will be at a serious competitive disadvantage because their proposals will be developed without the critical background information needed to make an informed bid decision and to write the winning proposal.

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...can you help us bring the facts to light?

R. Dennis Green

Folklore — quite interesting folklore — surrounds the heritage of storyboards in our profession. The problem for us is that its early history has not been memorialized. After nearly twelve months of research and inquiries, there are still parts of the story that remain shrouded in myth. We hope to resurrect the history. If you have insights, or access to related information, please help.

THE QUESTIONS

The specific questions we're asking are these:

1. Who introduced the storyboard to proposal development?

2. Did it come from the movie industry or some other discipline?

3. What was the evolution of the storyboard? What were the roots of today's popular forms?

WHAT WE HAVE TO GO ON

One popular legend we hear suggests that credit go to Howard Hughes, the corporate titan with feet in both the engineering and movie production worlds. Because storyboards were already being used by movie producers to block out scripts, it seems quite plausible that someone at Hughes would devise an adaptation for its large aircraft proposals. Perhaps the adaptation included Hughes Aircraft's STOP methodology (for "Sequential Thematic Organization of Publications") first developed in the 1960s. Another legend says that both Hughes and Northrup developed storyboard methodologies at about the same time.

More legends and myths abound. Some suggest that our discipline's use of storyboards was a crossover from Walt Disney (who used them for his feature length animations) or from their use in the advertising field.

Several members already have provided promising leads and related story fragments, including Bob Evans, Roy Wallace, and Jeff Longshaw. Evans, for example, has written (for later publication) a detailed account of the storyboard's introduction at North American Rockwell (in approximately 1972). But other pieces of the history remain illusive.

The more we have prodded these legacy questions, the more intrigued we have become.

CALLING ALL SUPER-SLEUTHS

All super-sleuths who help us to piece this story together will be honored and acknowledged. The results of our research will be published in a future issue. To that end, please share your clues with the managing editor.

The hunt is on! **APMP**

Show Me

SHOW ME: The Complete Guide to Storyboarding and Problem Solving is for those interested in using storyboard techniques to organize tasks and solve problems.

By Linda Mitchell

SHOW ME: The Complete Guide to Storyboarding and Problem Solving is intended for a general audience interested in using storyboard techniques to organize tasks and solve problems. The book is clearly written and contains many helpful illustrations of different storyboard techniques.

The book has twelve chapters covering:

- Background and Introduction
- The Importance of Teams
- Problem Solving
- Quality Improvement Tools
- Identify the Problem, Find the Reason for Improvement
- Understand the Problem and the Current Situation
- Analyze the Problem
- Generate Potential Actions
- Evaluate and Select Actions
- Action
- Appraise or Evaluate
- Documentation, Future Plans, and Lessons Learned
- Appendices include storyboard examples for health care and education, a comparison of problem-solving structures, and a compendium of different kinds of storyboards.

Many of us in the proposal field are familiar with storyboards. In our context, storyboards can be viewed as

Harry I. Forsha. 1995. Milwaukee, WI: ASQC Quality Press. 300 pages, including appendices and index. $ 42.00 (hardcover)

formulaic worksheets that — when completed — provide us with a road map and a plan for the development of a winning proposal.

What is a storyboard? For Forsha's purposes, a storyboard is a "series of panels showing clearly, using pictures, numbers, and words, important changes, in order of occurrence, that taken together tell an interesting story."

This useful book begins with the idea that storyboarding, rooted in an ancient tradition of storytelling, is underused. Why? Perhaps because it takes practice; perhaps because it tends to force whole-brained thinking; or perhaps because there is no universal language and discipline of storyboarding. Everyone does it differently.

Out of this thinking came a purpose: to define, describe, and explain the practical use of storyboards. Not the kind of storyboards used in advertising and industry, or the kind used for presentations, but all kinds. The storyboard is a powerful tool, according to Forsha. It is a metatool that uses other tools. The storyboard works; it gives people a comprehensive way to communicate with one another, and it may make problem solving a little more enjoyable.

A storyboard is used because it provides an organized framework in which to put thoughts, plans, and activities. It

is recognized by people worldwide. As the globe shrinks ever smaller in terms of communications, it becomes even more important to transcend language barriers. The benefits of storyboarding include clear thinking, improved organizational relationships, better solutions, and the satisfaction that comes from routinely and effectively solving problems and capitalizing on opportunities.

The author includes a discussion of teams because whether readers realize it or not, they are always on at least one team and probably many more. The way people select, nurture, and grow their teams can make the difference between success and failure. The author's objective is to make clear how good storyboarding and effective teamwork interrelate.

What are the risks in using storyboards? According to Forsha, essentially none. The title of the book is a difficult taskmaster. Yet "Show me!" is a phrase that continually raises its head when someone is trying to introduce change. Decision makers want to see and understand the reasons for proposed actions and the facts that justify them. Due to the press of business, it is vital that presentations be brief, factual, clear, and interesting. If these requirements are not met, the chances of success are slim.

The purpose of this book is to present the storyboard as a tool to get things done. Individuals, by themselves or as part of an organization, can use storyboards to accomplish their objectives.

Forsha provides an expanded view and application for storyboards. The following are typical uses for storyboards:

- Stimulating creative thinking
- Planning a project
- Collecting ideas
- Exploring an organization
- Communicating concepts
- Illustrating a briefing
- Understanding the big picture

Forsha, whose background is in the field of quality control, explores the distinctions between storyboarding and problem solving. Though different methodologies apply for each, they are complementary.

The ancient history of storyboards is entirely visual. They consisted of sequential pictures showing significant events. For instance, cave paintings could be thought of as storyboards. In the Wei Dynasty of China, carvings and paintings were arranged in sequential panels, and many years later, the ceiling of the Sistine Chapel was organized in storyboard format (as shown below).

The recent history of storyboards is also primarily visual, beginning in the early twentieth century with the popularization of movies. Then with talkies, television, and the growth of the advertising industry, words were added. The storyboard is now used routinely to plan and develop the stories told in a movie, television show, or commercial.

It was only in the 1950s, with its translation into the world of quality improvement, that the storyboard became a numerical tool. Although perhaps not deliberately, quality improvement professionals minimized the visual aspect while adding the numerical dimension to the storyboard.

GTE, Florida Power and Light, Alcoa, Walt Disney, and others included storyboards as a key part of their quality programs. Since storyboards were an official method of communication within and outside the organizations, serious efforts were made to present information in a visually appealing way. In its ultimate extension, this form resulted in professionally produced, full-color storyboards that would fit right in with the graphic work in a fine book or magazine.

Not far behind the storyboard idea came the storybook. Many teams found it impractical or uneconomical to produce a finished storyboard. A simple solution to the problem was to produce the storyboard in booklet form. Since most of the original work is on standard 8 1/2 by 11 inch paper stock or lined notebook paper, it is a simple matter to organize the
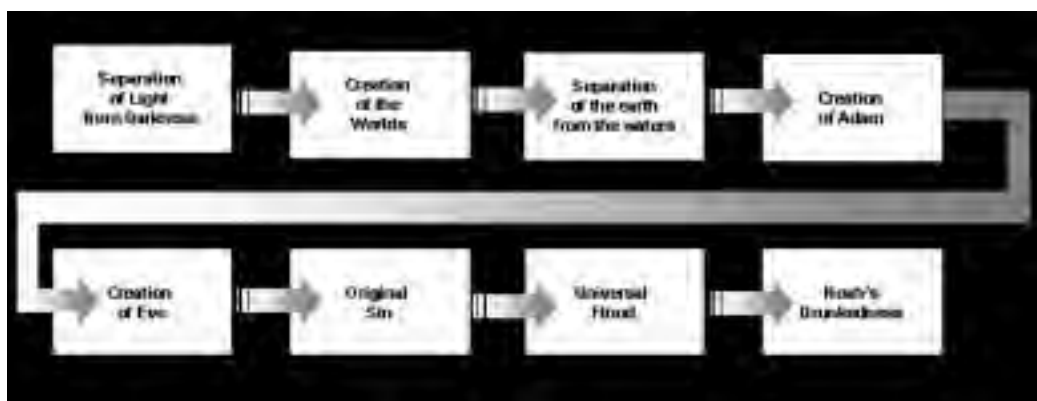
Sistine Chapel Ceiling — organized as a storyboard

information in booklet form. This still fits the definition of storyboard, if the word *page* is substituted for the word *panel*. This technique also allows for a cover page that can be embellished graphically to provide visual interest.

With the increasing popularity of computer graphic programs, it is now possible to make high-quality, single page graphic presentations that can be used both as an element on a storyboard and as a page in a storybook. But Forsha argues that even without computer graphics, pictures and words used together make a powerful team.

Another method of developing a storyboard that combines creativity and problem-solving techniques with the storyboard concept is the use of notecards or self-adhesive flags. When this technique is used, participants generate ideas on notecards, with one idea per card. Then they place the notecards on the wall or other convenient surface.

Team members can then rearrange the ideas according to their closeness, order, or other organizing concepts. This provides an opportunity to compare ideas, to generate new ideas, to look at the issue from many points of view, and to visualize the progress of a project. Sometimes called an *affinity diagram*, this process is a good way to start a project.

Of course, as Forsha points out, it is possible to take a project to completion without ever expending one whit of effort on visual appeal. The quick-and-dirty approach gets the job done fast with a minimum of effort. But clear language, crisp graphics, and well-prepared numerical tables significantly enhance the ability to tell a story to others. It is in the telling, not the problem solving, that most people fall short.

Example Storyboard
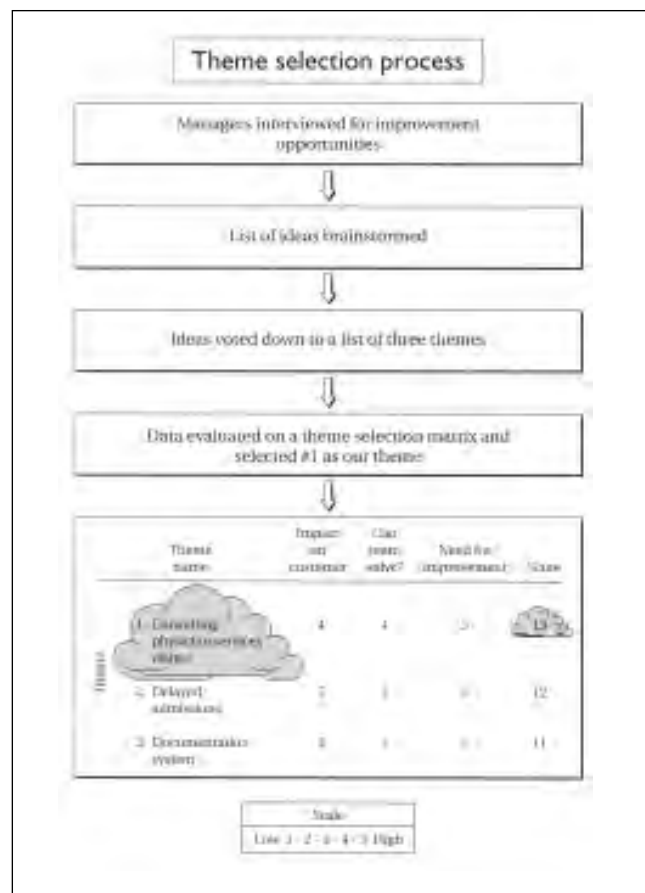
Forsha's book is profusely illustrated with many different kinds of storyboards. Some are quite simple while others take great skill to develop. Throughout, Forsha takes a very practical approach to the storyboard. For him, its purpose is to solve problems more effectively by illustrating processes.

Forsha's book concludes with a lengthy appendix that concisely describes different kinds of storyboards and their many uses. Even highly experienced storyboarders will find new tools to express themselves.

This book is a great introduction to the storyboard, especially as a planning and problem solving tool in business environments. Although its use of storyboards differs from the storyboard worksheets typically used by proposal professionals, anyone who has been involved with proposals will find many good ideas and thoughtful approaches to organizing teams and solving problems.

Adherents of Forsha's approach may also want to read Edward R. Tufte's beautifully illustrated *Visual Explanations: Images and Quantities, Evidence and Narrative* (1997).

Linda N. Mitchell is Senior Proposal Manager with Sprint in Herndon, Virginia. E-mail: linda.mitchell@mail.sprint.com
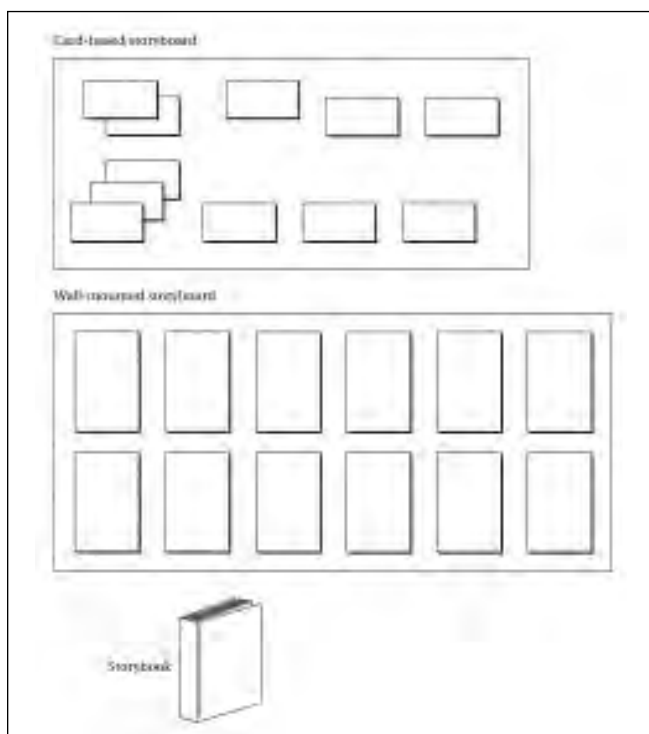
Renaissance Proposal Managers

by Jayme A. Sokolow

Suppose you appeared on Jeopardy, the popular television quiz show, and host Alex Trebec asked you to pick one of these categories—Icelandic writers, Czech silent film stars, or famous proposal managers. Without a moment's hesitation, you would probably pick famous proposal managers for $1,000, hoping to catch the daily double.

Imagine your shock when this clue appears: two famous and unlikely proposal managers of the Italian Renaissance. Would you be able to name Leonardo da Vinci (not DiCaprio) and Niccolo Machiavelli? If so, you would dazzle even Trebec, not to mention making your parents feel really good about the money they spent on your college education.

According to Roger D. Masters's *Fortune is a River: Leonardo da Vinci and Niccolo Machiavelli's Magnificent Dream to Change the Course of Florentine History* (NY: Free Press, 1998), in the early years of the sixteenth century the Florentines da Vinci and Machiavelli combined their formidable talents in an audacious project. They proposed to do nothing less than divert the Arno River, which would cripple Pisa, Florence's downstream rival, and irrigate Tuscany.

Leonardo da Vinci, as everyone knows, is widely admired today as an inventor, scientist, and painter of the *Mona Lisa*. Niccolo Machiavelli, best known as the author of *The Prince* (1532), was one of the Renaissance's most innovative political philosophers. They met in 1502, and for the next four years worked closely together on a project that even the Army Corps of Engineers would find daunting.

Each man realized the other was indispensable to his success. Da Vinci needed Machiavelli, second chancellor of Florence's fickle government, to convince his colleagues that the Arno could actually be diverted to the city's benefit. And Machiavelli needed da Vinci because of his exceptional knowledge of hydraulics.

Quickly, they developed a bold plan to change the course of Florence's history. In the first phase, Florence would build canals on the Arno above Pisa, which would leave the enemy city high and dry. In the second phase, Florence would build another canal to control the Arno's flooding and irrigate the rich agricultural lands surrounding the city.
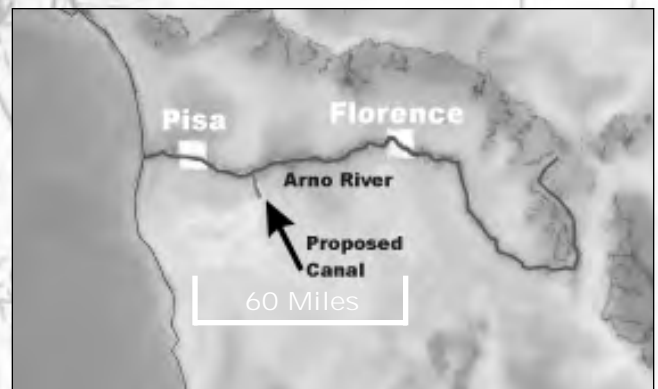
The Arno River begins in the Apennine mountains north of Florence, loops through the heart of city, descends about 50 miles to the plains around Pisa, and then empties into the Mediterranean Sea. The river is extremely picturesque, but also very dangerous, because floods periodically destroy buildings and farmland along its banks. As da Vinci vividly described, "amid all the causes of the destruction of human property, it seems to me that rivers hold the foremost place on account of their excessive and violent inundations." When the Arno overflowed, it carried its "prey down to the sea… bearing along with it men, trees, animals, houses, and lands."
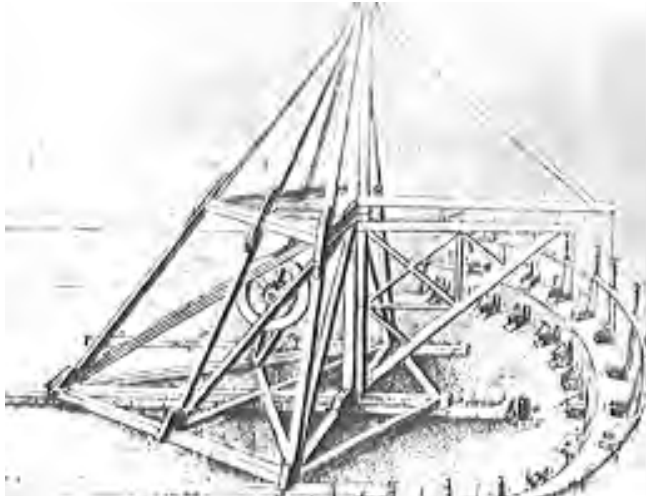
Leonardo's machine permitted excavation on two levels at once. The tower held two cranes which lifted boxes of dirt from the excavation. A crescent-shaped wall with two working levels moved ahead of the tower. Gates in the curved wall were raised and dirt tumbled into the box below.

Flooding, however, was not the only problem the Arno caused. Pisa, close to where the Arno meets the Mediterranean, frequently feuded with Florence, its more powerful inland political and commercial rival. When these cities fought, Florence's commerce suffered because it could not use the river to transport its goods to the sea.

When Machiavelli submitted his proposal to the government of Florence, officials first considered it "little more than a fantasy." They agreed with Machiavelli that whoever controlled the Arno River could dominate the province of Tuscany, but officials insisted it was impossible to divert the surging river.

Then, in 1504 Florence captured a strategic fort near Pisa but could not directly attack the city. Desperate, the Florentine government approved da Vinci and Machiavelli's proposal. By August, Machiavelli had picked a commissioner and a hydraulic engineer to supervise the project.

According to da Vinci's *Notebooks*, behind a temporary barrier along the Arno slightly upstream from Pisa, Florentine workers would dig one large canal that split into two large ditches. Once completed, the diversionary channel would be one mile long, 30 feet deep, 80 feet wide at its mouth, and deeper than the Arno. Da Vinci thought that its width would discourage the Pisans from trying to destroy it. Once the Arno was redirected into the surrounding swamp, Pisa would no longer have access to the sea.

Since 2,000 laborers would be needed to complete the project, da Vinci sketched the design of a mechanized device to help dig the canal. To complete this project, da Vinci estimated a staggering one million tons of earth would have to be moved!

We will never know if da Vinci's plan would have worked, for the hydraulic engineer did not adhere to the original proposal approved by the government of Florence. Too few workers were hired, and the hydraulic design was changed. Instead of having one breach in the Arno leading to two separate ditches, the engineer constructed two fourteen foot canals from the Arno leading to one ditch.

Machiavelli worried about these alterations and predicted that the shallowness of the canals "would have negative effects and in our opinion it would not direct the project to the end we wish." He was correct. When water was released into the shallow ditches, they failed to divert the course of the Arno. In early October, a storm destroyed some of the canal walls and killed 80 Florentine soldiers guarding the construction project in boats. Several days later, angry Pisans tore down the temporary barrier and began filling the channel.

The diversion of the Arno failed because the canals were not wide and deep enough. As the river flooded and its channel deepened, water would not flow into the new channel. Equally disastrous was the financial loss in the midst of an expensive war. "This undertaking," said one Florentine, "came to cost seven thousand ducats, or more, because in addition to the salary for the workers and the other things, it was necessary to keep a thousand soldiers in that place to protect the workers from the attacks of the Pisans." Government contract cost overruns are not a recent phenomenon.

Da Vinci and Machiavelli never worked together again. After their project collapsed, for the rest of his life da Vinci searched for influential and wealthy patrons in Milan and France. He believed that science and technology in the service of power could solve problems like the flooding of the Arno.

Machiavelli came to a different and more political conclusion. He blamed the failure to divert the Arno on "fortune," which behaves capriciously like a river, and "the impotence of whoever has governed." For him, only a sound system of government and "good arms" could address the problems Florence faced with its neighbors.

Over four centuries later, little has changed. The Arno still ravages the Tuscan countryside, and Florentine officials still review proposals to tame the river. **APMP**

Book Reviews

Nancy Brome

Book Review Editor

To be included in *Proposal Management's* book review section, selections must be currently in print, of general interest to the proposal management professional, and may address complementary areas of business, management, or technology. Book review recommendations are welcomed by the book review editor.

This issue features books on proposal writing, high-impact presentations, and the anatomy of persuasion. All books have been reviewed by a member of APMP. The opinions expressed by reviewers are their own and do not represent the views of the Association of Proposal Management Professionals.

Note: In addition to the books reviewed in this section, we encourage you to read the book review essay, *Show Me: The Complete Guide to Storyboarding and Problem Solving*, also in this issue.

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HANDBOOK FOR WRITING PROPOSALS

Reviewed by Nancy J. Brome

Sr. Proposal Coordinator, Blue Cross and Blue Shield of New Hampshire

Handbook for Writing Proposals, Robert J. Hamper & L. Sue Baugh. 1996. Chicago, IL; NTC Business Books. [208 pages, including appendixes and index. $18.95 (softcover)]

Handbook for Writing Proposals is intended for a general audience from a self-employed business person to a seasoned proposal professional working for a large company. The book is laid out in a way that the reader can use it as a periodic desk reference or read it cover to cover.

The book has eight chapters covering:

1. Where to Begin
2. 9 Step Proposal Process
3. Selecting the Bid and Choosing a Proposal Team
4. Finding the Unique Selling Point
5. Developing the Program Design
6. Writing Front Matter and Executive Summary
7. Producing the Proposal
8. Making Client Presentations
— Appendices include a sample executive summary, a sample proposal and sample resumes.

The book includes special features such as sample forms and checklists, proposal formats, graphics and illustrations. Each chapter is outlined in the beginning and then supported with text, lists, exhibits, bullet points and thought provoking questions.

The book was easy to read and engaging from the start. The book begins as a story of a company going after a large software project and the team selected to write the proposal is inexperienced. Throughout the book, the reader will be reminded how the junior proposal team is doing and what new challenges they face. The authors then elaborate on the issues with a chapter full of information and explanations.

Particularly useful sections include the proposal preparation flowchart, the proposal format, definition and responsibilities of the proposal team, and the executive summary sample.

There were areas that need to be enhanced or updated. The section on market research was elementary. This is a valuable section in the book, but the information needs to be updated. Another weak area that the authors do not address is how to respond to proposals that are in a question/answer format. The book deals exclusively with a free-form proposal that does not have specific requirements. Also, the resume formats were extremely lengthy and not appropriate for all types of proposals. Sample resumes in a few different formats would be more helpful.

In general, this book is useful as a refresher for an experienced proposal professional and as required reading in developing junior proposal team members. It is a good introduction to proposal development. I feel that readers will find at least a few useful tidbits of information. This book is worth taking a few hours to read.

HIGH-IMPACT PRESENTATIONS

Reviewed by Beth M. Prichard

Owner, Carr & Prichard, LLC

High-Impact Presentations - A Multimedia Approach, Jo Robbins. 1997, Published by John Wiley & Sons, Inc. [233 pages, including appendices and index. ($19.95 - softcover)]

This publication consists of 14 chapters and 2 appendices, including:

1. Facing Your Fears
2. Getting It Together
3. Grid for Results
4. Who's in the Audience?
5. Grabbing and Holding Your Listeners
6. Secrets of Surefire Communication
7. How to Be Your Own Voice Coach
8. The Silent Power of Body Language
9. How to Add Visual Impact
10. Show and Sell
11. Adding High-Tech Power
12. Take Charge of Your Environment
13. Handling Questions, Answers, and Surprises
14. Get Ready for a Repeat Performance.

Appendix A: Voice Exercises:

Breathing Control, Relaxing Exercise, Exercise to Correct Muffled Quality, Exercise for the Too Soft Voice, Exercise for Correct Pitch, Exercise for Eliminating Breathy-Sounding Voice, What to Do for a Dry Raspy Voice That Constantly Needs Clearing, Warming Up the Vocal Cords Exercises, Those Difficult /r/ and /er/ Sounds, The Thorny /th/ Sounds, The Lovely /l/ Sounds Exercise, Exercise for Vocal Rate, Reading to Ensure Clear Vibrant Speech

Appendix B: Famous Speeches:

The Gettysburg Address - Abraham Lincoln

Ich Bin Ein Berliner (I am a Berliner) - John Kennedy

Speech to the U.S. Congress (following the Gulf War) - General Norman Schwarzkopf

I Have a Dream - Dr. Martin Luther King, Jr.

"*Stage Fright*" - Mark Twain

The reviewer selected this publication based on personal experience with Source Selection Evaluation Boards (SSEB) for proposals submitted to the Department of Energy (DOE). Lately, the majority of the requests for proposals issued by a Management and Integration (M&I) contractor are requiring oral presentation of the technical volume of the proposal. While this is an excellent method for introducing the proposed team to the evaluators, most of the team are generally technically oriented and not accustomed to public presentations.

This publication is easy to read and organized in a manner whereby each chapter builds on the previous one. Beginning with the first stages of identifying the purpose of the presentation and identifying supporting materials, visual aids, and personal experiences, the book discusses the aspects that can be controlled by the presenter and how to manipulate these elements to obtain the desired outcome and/or decision by the audience.

The author dissects the components that influence an audience's reaction during a presentation. Each chapter focuses on a component and contains several key points for consideration with respect to the item (i.e., presentation materials, how the presenter stands, speaks, enunciates; high-tech multi-media use; software) to guide the presenter in honing presentation skills. The chapters are closed with "Robbins' Reminders," a bullet list providing a quick reference of the main points discussed in each respective chapter.

The book also presents The Jo Robbins Grid© for use as a "thinking tool" in the development stages of the presentation. The goal of the grid, as discussed, is to aid in the identification of visual aids, examples, and gestures in support of each key point of the presentation. The author recommends keeping the grid close at hand to jot down impromptu ideas (during the developmental stage of the presentation) as they cross the presenter's mind. The author developed the grid for use in conjunction with the presentation's preliminary outline.

The book is very well written and thorough. Throughout the publication, the author exhibits in her writing style the principles she promotes for presentations. Each chapter (point) is supported with several items (sub-points), as well as with accompanying graphics. The last chapter (conclusion) is particularly noteworthy. The author reminds the reader that a presentation is ". . . a work in progress." New technologies, changing standards, and knowledge require a presentation be updated every year. This publication is worth reading and keeping as a reference book.

Editorial Statement and Guidelines for Authors

Proposal Management, the professional journal of the APMP, publishes articles and original and innovative studies about proposal development and proposal management.

EDITORIAL STATEMENT

Proposal Management, the official journal of the Association for Proposal Management Professionals (APMP), invites authors to submit their best research for peer review. Manuscripts may be of practical or scholarly importance to APMP's audience of proposal development, acquisition, procurement, business development, sales, and program management professionals.

CONTENT

Proposal Management publishes the following types of peer-reviewed articles:

- Results of original research on proposal-related topics.
- Original contributions to proposal-related theory.
- Case studies of solutions to proposal-related problems.
- Tutorials on proposal-related processes or procedures that respond to new laws, standards, requirements, techniques, or technologies.
- Reviews of proposal-related research, products, books, bibliographies, and bibliographic essays.
- Views and commentary.

The journal promotes APMP and its goals through the timely publication of articles, reviews, and references. The journal is a medium for promoting constructive, intelligent discussion and debate about proposal development and management. Because the primary audience of the APMP professional journal is informed practitioners in the private, government, and nonprofit sectors, manuscripts reporting the results of research or proposing theories about topics should include descriptions of or suggestions for practical applications.

SUBMISSIONS

The following are requirements for article manuscripts submitted to the APMP professional journal:

- Articles not more than 30 pages (15 pages single-spaced) including exhibits, printed on 8 1/2" by 11" paper.
- 12-point font and at least one-inch margins on all four sides.
- Double-spaced throughout, including references.
- Submit both a hard copy and an electronic file of your article on a 3 1/2-inch disk (high density format) or via e-mail. Microsoft Word or Corel WordPerfect are preferred electronic formats; a Rich Text Format (RTF) or ASCII file format is also acceptable.
- In addition to the text file, submit one electronic file for each figure in TIF or JPG format. Screenshots are preferred to be captured and output should be 6 inches (width) by 4.5 inches (height) for full screens. Because illustrations will be reproduced in black and white, they are best captured in grayscale rather than in color.
- Submit four copies of the article to Proposal Management's Managing Editor or the Chair of the Editorial Advisory Board. (General inquiries can be made to the APMP Executive Director at 909-659-0789.)

Note: We also solicit guest commentators for contributions to Trends and Views. Such contributions should be coordinated with the Trends and Views column editor.

MANUSCRIPT PREPARATION

The following guidelines should be followed in preparing manuscripts for submission to the APMP professional journal:

- Provide the manuscript's title and name(s) of the author(s) at the beginning of the paper and text file.
- Next include an informative abstract labeled "Summary" of approximately 150 words.
- Use up to four levels of headings in your article, and use the wordprocessor's stylesheets when possible.
- Place all exhibits in the text with a descriptive caption.
- Bibliographic references should be indicated in the text by the last name and year of publication in parenthesis (i.e., (Jones, 1978)). At the end of the text, provide a complete list of works cited (labeled "References") using full names of the authors.
- All citations in References should conform to standard academic practices. Conformance with *The Chicago Manual of Style*, 14th Edition, pp. 640-699, is preferred.
- At the end of the text file, include a biographical sketch labeled "Author(s)" of no more than 100 words for each author. Describe each contributor's professional experience, education, institutional affiliation, professional organizations, and other relevant information. Include an e-mail address (if applicable) and a telephone number where you can be reached during business hours.

STYLE

Proposal Management articles must be well-organized and readable. Write clearly and avoid jargon and acronyms. Use the first person and the active voice. Avoid language that might be construed as sexist, and write with the journal's nationwide audience in mind.

Spelling and usage should conform to *The American Heritage Dictionary,* 3rd edition. Punctuation, format, and citation style should conform to *The Chicago Manual of Style*, 14th edition.

REVIEW

Submissions, if they conform to the above specifications, will be reviewed by the journal's Editorial Advisory Board in accordance with the Board's internal procedures for review. In general, articles will be evaluated in terms of the relevance of the topic; its potential contribution to our understanding of proposal development and management or complementary areas; and its readability. When appropriate, the Board may provide the author with constructive suggestions on how the article might be improved to increase its accuracy, quality, or impact.

CONFLICT OF INTEREST

While journal staff and contributors to *Proposal Management* may benefit from the professional recognition they gain through this affiliation, they shall not use the journal as a forum to give inappropriate or unfair advantage to themselves or others. Journal staff members and contributors are permitted to purchase advertising in *Proposal Management* at standard, published rates.

Any staff members or contributors who believe themselves to have a potential conflict of interest must immediately notify the Managing Editor of the journal, who will decide whether a potential or real conflict of interest exists. Based on the Managing Editor's decision, journal staff or contributors may be asked not to involve themselves on the subject of the conflict of interest.

OBJECTIVITY

The information and viewpoints expressed by authors or staff members in the journal should be based on objective and balanced research and analysis to the extent afforded by available resources. The views expressed by contributors and staff do not necessarily represent the views of APMP.

PERMISSIONS

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THE ANATOMY OF PERSUASION

Reviewed by Rich Perri

Senior Technical Writer/Editor
GenCorp Aerojet

The Anatomy Of Persuasion, Norbert Aubuchon, 1997. New York, NY; AMA-CON, a division of American Management Association. [191 pages, including appendices and index. $17.95 (soft-cover)]

The book consists of 19 chapters and a final word covering:

1. Overview
2. Creativity
3. Two Principles of Communication
4. The Buying Process
5. The Persuasion Process: Part I
6. Needs
7. The Persuasion Process: Part II
8. Controlling the Persuasion Process
9. Features, Functions, and Benefits
10. Setting Your Objective
11. Using the Tools
12. Case Study: How to Increase Staff During a Hiring Freeze
13. Case Study: How to Get Funding for Your Program
14. Case Study: How to Be a Rocket Scientist!
15. Building Your Own Proposal
16. A Touch of the Real World
17. Can You Find the Errors?
18. Selling Your Ideas to Higher Management
19. The Anatomy of Persuasion as a Management Tool
— A Final Word: Thinking and Talking in Terms of Benefits.

Appendices include a checklist of common errors, preparation guidelines, an online guide, and the author's structure and alignment chart.

"No matter where you are in life, whether young or old, no matter who you are, no matter what your occupation is, no matter what size your wallet is, no matter what your goals, hopes, or ambitions are, your ability to get others to do what you want them to do is the key to your success. Few of the really important things anyone accomplishes can be done in a vacuum."

So states the introduction to this thoughtful treatise on persuasion, a motivating form of communication, useful in all walks of life.

This book grew out of a seminar workshop the author conducted for over 10 years at the Dupont Company. There, he had a successful career in sales, advertising, and marketing before starting his training seminars at Aubuchon & Associates. Aware that some people with excellent ideas have chronic difficulty in getting them accepted, the author acknowledges that some people are better persuaders than others. However, that doesn't help recover good ideas that flounder due to weak persuasion skills.

The author claims that the best way to develop persuasion skills is through his unique step-by-step, analytical thinking process that helps analyze, organize, and present information in a logical, persuasive manner. ("In reality, nothing sells itself," he notes.) He further states that it works in any situation, with any idea, product, or service, whether tangible or intangible. It can be adapted to any mode of delivery, oral or written.

The author asks you to write a one-page proposal of your own choice as you read his book. He then asks you to use his forms and guidelines to create and evaluate all your ideas now written down in his structured approach. It doesn't take long for the reader to clarify thinking once this process has been completed. Although much of this effort may be familiar, even veteran persuaders should be able to significantly strengthen and improve their skills.

The Anatomy of Persuasion, as a structured thinking process, does help cut through to reality. You know early on whether a given idea is likely to succeed or fail and, more importantly, you know why. This book helps you examine any idea realistically, escape your personal biases, and arrive at reliable and reasoned decisions. It helps you determine whether you should invest your time, effort, and/or your money. The result: you devote your energies to the winners rather than wasting valuable time on the losers. Your success rate can improve dramatically.

I particularly enjoyed Chapter 18, "Selling Your Ideas to Higher Management," in which the author discusses how Dupont engineers were directed to sell their services within Dupont, with telling effect. Because it involves more written proposals to support group presentations, internal selling is more difficult, as many of us know from our own experience. Without a doubt, the people you must persuade are fully aware of your shortcomings and, at the same time, are totally blind to their own prejudices. Anyone who has tried it a few times knows that selling up the organization is difficult at best.

The Anatomy of Persuasion will have appeal for a large audience of readers who wish to sell their own ideas and themselves. It comprises all industries, and is useful not only to the individual employee or small business owner, but also for management at all levels of both large and small companies.

I recommend this book with confidence. It makes you think, and what could be more important to proposal professionals? As the author notes in his conclusion, encouraging readers to strengthen their persuasion skills, "The presence of a problem is often merely the absence of an idea." **APMP**