

## CFAM&LFC2 (SQA Unit Code - H428 04)

### Bid for contracts

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#### Overview

This standard is about bidding for contracts to supply products and services following a formal tendering process.

This standard is for managers and leaders who, as part of their role, are required to bid for contracts to supply products and services.

This standard links with the other standards in key area *FC Manage sales*. It mirrors, from a supplier's perspective, the procurement standard *CFAM&LED3 Select suppliers through a tendering process*.

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#### Performance criteria

- You must be able to:*
- P1 Engage people within your organisation and other key stakeholders in obtaining contracts to supply products and services.
  - P2 Maintain systems to identify opportunities to tender to supply products and services.
  - P3 Carry out targeted research amongst existing and potential customers to identify opportunities to tender to supply products and services.
  - P4 Evaluate your organisation's capacity and capability to respond to opportunities to tender to supply products and services credibly and competitively.
  - P5 Collaborate on tenders with other organisations with complementary capabilities, where appropriate.
  - P6 Prepare tenders in line with customers' requirements, emphasising your organisation's capacity and capability and the unique features and potential benefits of your products and services.
  - P7 Prepare financial quotations that take account of your organisations' financial objectives, the customer's ability to pay and your estimates of competitors' quotations.
  - P8 Present your tender clearly and convincingly, anticipating or pre-empting any queries and objections.
  - P9 Evaluate potential trade-offs, whereby particular aspects of your offer might be enhanced whilst others of lesser importance might be reduced, which will be beneficial both to the customer and to your organisation.
  - P10 Respond to any queries or objections and check the customer understands and accepts your response.
  - P11 Negotiate contracts that meet both the customer's and your organisation's requirements.
  - P12 Ensure formal agreements are drawn up and signed which meet legal requirements.
  - P13 Obtain specific feedback from customers to help you understand how you can improve, in cases where you fail to obtain contracts.
  - P14 Review the tendering process with those involved and use the lessons learned to be more effective in the future.

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#### Knowledge and understanding

*You need to know and understand:*

##### **General knowledge and understanding**

- K1 How to engage people within your organisation and other stakeholders in obtaining contracts to supply products and services.
- K2 How to conduct research to identify sales opportunities.
- K3 How to prepare tenders which emphasise your organisation's capacity and capability and the unique features and benefits of your products and services.
- K4 How to calculate the cost of supplying products and services and prepare competitive financial quotations.
- K5 How to present tenders clearly and convincingly.
- K6 The importance of anticipating customers' queries or objections, and how to do so.
- K7 The importance of identifying trade-offs, and how to do so.
- K8 Principles and methods of effective communication and how to apply them.
- K9 Principles and methods of negotiation and how to reach agreements that meet both the customer's and your organisation's requirements.
- K10 What agreements to supply products and services should cover and how to draw these up.
- K11 The importance of seeking feedback from customers to improve future tenders.
- K12 The importance of reviewing the tendering process and identifying the lessons to be learned.

##### **Industry/sector specific knowledge and understanding**

*You need to know and understand:*

- K13 Industry/sector requirements, guidelines and codes of practice for procurement.

##### **Context specific knowledge and understanding**

*You need to know and understand:*

- K14 Individuals within your area of work, their roles, responsibilities, competences and potential.
- K15 Your organisation's key stakeholders and their interests.
- K16 Your organisations products and services and their features and

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potential benefits to customers.

K17 Your organisation's existing and potential customers.

K18 Your organisation's capacity and capability to supply products and services.

K19 Other organisations with which it would be appropriate to collaborate on tenders.

K20 Your customers' tendering requirements.

K21 Your organisation's financial objectives.

K22 Your organisation's contractual requirements.

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#### Behaviours

*When performing to this standard, you are likely to demonstrate the following behaviours:*

- 1 Encourage, generate and recognise innovative solutions
- 2 Find practical ways to overcome obstacles
- 3 Listen actively, ask questions, clarify points and restate or rephrase statements to check mutual understanding
- 4 Present information clearly, concisely, accurately and in ways that promote understanding
- 5 Demonstrate a clear understanding of different customers and their real and perceived needs
- 6 Develop and tailor products and services to ensure customers' needs are met
- 7 Encourage and welcome feedback from others and use this feedback constructively
- 8 Seek out and act on new business opportunities
- 9 Comply with, and ensure others comply with, legal requirements, industry regulations, organisational policies and professional codes
- 10 Prioritise objectives and plan work to make the effective use of time and resources
- 11 Seek to understand people's needs and motivations
- 12 Communicate clearly the value and benefits of a proposed course of action
- 13 Work towards 'win-win' solutions
- 14 Identify and work with people and organisations that can provide support for your work

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#### Skills

*When performing to this standard, you are likely to demonstrate the following skills:*

- Analysing
- Communicating
- Evaluating
- Information management
- Innovating
- Involving others
- Negotiating
- Networking
- Obtaining feedback
- Persuading
- Planning
- Presenting information
- Prioritising
- Reviewing
- Thinking strategically
- Thinking with a focus on customers

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**Developed by** CFA Business skills @ work

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