

Tender Tip – Teaming

Teaming is a strategy where two (or more) organisations agree to cooperate in a partnership to improve their chances of winning a bid. This is done to gain an advantage over competitors and/or provide a total offer that could otherwise not be provided by an individual organisation. Teaming can range from informal contractor/subcontractor relationships to the development of a new Joint Venture (JV) organisation.

However, bidding in a team situation adds another level of complexity to the bid response environment as there are additional aspects to consider. Here are some tips to help make your team more effective.

1. Assess The Fit:

- Are the parties a good fit? Do you share the same bid vision and values? If you can't cooperate and agree in a bid situation, how will you work together during contract execution?
- What does your client think of the team/JV?
- Is this a new team/JV? If so, how will you convince your client that it will be a happy marriage?
- Have you worked together before? What knowledge do you have from that experience that will be useful for this bid?
- Is the scope of work split clear and understood?
- Can you clearly articulate the value proposition of the team/JV? Why is it better than if the same parties were considered in isolation?

2. About The Entity:

- Is a JV the best vehicle to bid? Or is a contractor/sub-contractor relationship, or some other form of entity, better?
- Is it a 50/50 JV or is there a leading party?
- What form of legal structure will the JV take? The logic behind the decision should be made clear to the client who will be assessing the commercial risks the team/JV poses against competing bid structures. Will the JV be set up during the bid or just prior to contract award?
- Do you have a Bid Agreement and/or a contract Heads of Agreement in place for the bid?
- Who will be responsible for the bid costs? (Consider any third party or shared costs.)

3. Bid Management:

- Do the Bid Managers from each company have the authority to agree/make all the decisions on behalf of their respective companies?
- Whose bid processes/systems will you use?
- People within a company are often used to working with each other so many rules/procedures/processes are known or implied. Are your JV team rules very clear?

- Establish clear lines of authority. Who will have the final say?
- Strong bid leadership is needed by both parties. Are leadership styles compatible?
- Appointing a “neutral” third party Bid Manager answerable to both parties is often a good idea.

4. Branding (Names and Logos):

- What will be the full name of the JV? Will it be shortened at all for the bid responses?
- If the JV name is simply a merger of the two company names, whose name will go first? (Alphabetical is always a good fallback.)
- Will the JV have a new joint logo? If yes, then this is best done and agreed very early in the bid process.
- Will the JV have a new joint letterhead? If yes, this is best done and agreed early in the bid process.

5. During the Bid:

- Will a bid “War Room” be set up? If so, where?
- In considering resources (for both the bid and the contract), will there be a “best for role” policy or will resources be allocated based on the work scope split?
- How will version control of bid drafts be managed, especially if resources are in more than one location?

6. Finalising the Bid:

- Will the cover letter and any Form of Tender be signed jointly?
- Where will the final bid document be printed, compiled, reviewed and packaged?
- Who will be the main contact for the client for post tender correspondence?
- What contact address will be used for post tender correspondence?