

How to achieve breakthroughs with competitive bidding

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Competitive bidding is high pressure

Competitive bidding is one of the most high-pressure situations an executive must face, and if there ever were an area where breakthrough thinking was needed, this is it. In order to win a contract or deal, one often must bid against other competitors who also want to win the deal and to soundly defeat you. Consider a representative person in that situation, John, who, being astute, knows that to win the deal, he has to conceive a breakthrough idea, something exciting and impressive that sways the customer on cost, deliverables, or both. Most major construction or investment projects, acquisitions and other big-ticket activities require bidding against others. The pressure on John was extremely high, and you could see it in his brow due to the very real possibility of losing, and if he lost, he knew from experience that the fingers would be pointed at him. Somehow and even if the odds were against him, the other executives in his firm would think that his job was to beat the odds.

How Decision Breakthrough Technology helps beat the odds and make more money

The purpose of the Theory of Breakthroughs and Decision Breakthrough Technology is to assist you develop distinctly better ideas, breakthroughs, in order to beat the odds and make more money. Let us outline the fundamental DBT process and put it center stage in the spotlight, much as John had mastered them.

No one wants to fail; yet the traditional means fail in several ways to achieve breakthroughs:

- 1. Evaluating the Quality of a Proposal and Its Probability of Success.**

The traditional methodology has no means to accomplish this, and at best, it would be a subjective judgment. Think of a football game without any way of knowing the score. Obviously that is not a good way to play the game. DBT provides the score. DBT possesses a metric for the chance of beating the competition and winning, and thus tells you the score, a quantitative metric that evaluates the chance of winning.

- 2. Identifying Aspects to Improve the Proposal and Increase Its Chance of Success.**

The traditional means has no means to accomplish this. DBT will statistically identify issues where the proposal can be improved. Using the football analogy it is like identifying possible strengths and weakness in the opposition that might lead to strategies that will win.

- 3. Organized Process to Improve the Proposal and Create Breakthrough ideas.**

The traditional approach has no system to accomplish this. Using DBT's fast test approach, however, one quickly develops a new idea, and then improves upon that idea to spawn a better idea. Doing this iteratively, the ideas build and get increasingly excellent, and soon an exceptional, breakthrough idea is spawned. It is analogous to a very fast mini-simulation that helps you develop an excellent strategy likely to win.

What results with DBT is an organized process, essentially a very fast mini-simulation, designed to develop better and better ideas and win the bid with metrics to inform you how well you are doing relative to the probability of winning.

The underlying concepts that make this process succeed

One key to success is the metrics that evaluate the probability of success. This is achieved by analyzing the causes of success, the underlying factors. By estimating the likelihood the underlying factors succeed, DBT can determine the probability the entire effort succeeds.

Then by comparing what the different proposals are likely to be, DBT helps examine the proposals and determine on what factors and aspects you are strong or weak. That points to where you have to improve.

Then the fast test and iterative improvement capability, analogous to a mini-simulation, has you keep improving your proposal until the metrics display that you are highly likely to win. In conducting this process, the ideas systematically build upon each other and breakthroughs occur, as the ideas get increasingly better and better.

Quite different from brainstorming

Note that DBT is totally different from brainstorming and other idea generation exercises. These other means lack metrics to determine how good the idea is, lack means to identify strengths and weaknesses, and lack the organized improvement process that builds better ideas to achieve the breakthroughs and win.

About Decision Command

Decision Command's software designed by Professor Zangwill of the U of C Booth Business School helps decision-makers at every level achieve breakthroughs far beyond traditional strategic planning. We help key decision-makers focus on success through the following:

- Highlight areas ripe for improvement or considerations that may have been missed
- Identify and address risks; Expose possible biases and assumptions
- Estimate the probability of outliers, black swans, and other highly unlikely events
- Test your decision against key metrics
- Compare alternative solutions that are not directly comparable and iterate as many times as needed to improve your outcome

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