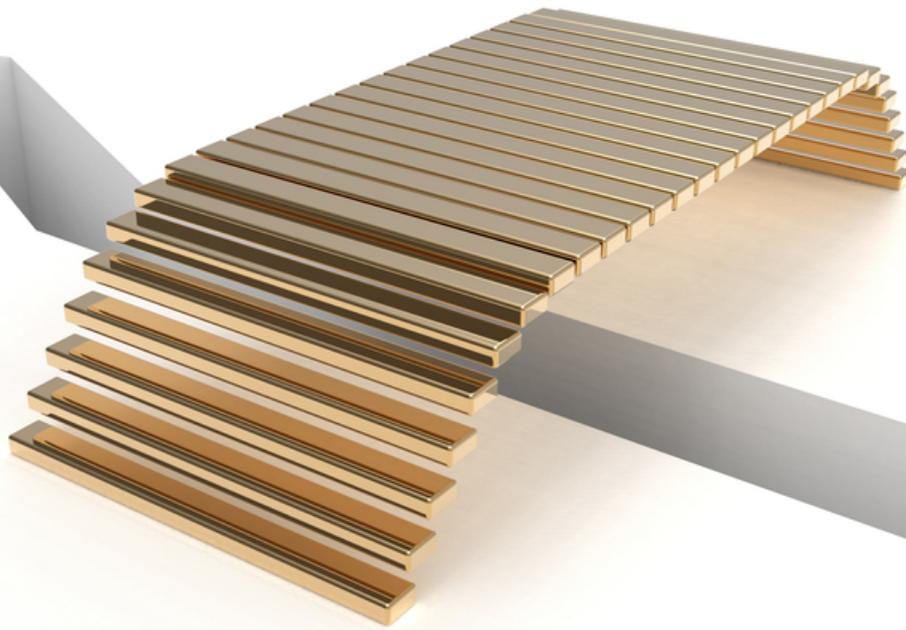


Making the most of the transition

How to best use your transition advantages as incumbent in your rebid submission





Making the most of the Transition

Transition to the new contract can be a big strength for incumbents in their rebid submission. Incumbents often require less of a transition to move from their existing solution to the new solution proposed, as they already have assets, staff, processes and systems in place. That should mean reduced risk for the customer as well as less time and cost in getting the new solution in place compared with competitors. So it should also mean the incumbent gets high marks for this section of any rebid submission.

But too often incumbents turn this strength into a weakness by not taking the transition seriously, assuming the customer implicitly understands these benefits or (as in the case study we use below) just telling the customer that no transition is needed.

It can be tempting to spend less time on a transition plan, or the answer to a question about transition in the rebid if you believe there is little to do. Although there is always the danger that the incumbent underplays the amount of change actually required even by themselves to address changes in the specification.

But assuming you as the incumbent are alive to the changes being asked for, you are still likely to be in a position of relative strength regarding transition. As we said in the introduction your transition is likely to be lower risk, shorter, and less costly than those of your competitors because you are already present on the contract delivering the existing solution. To win however you need to make the most of this, not just pass over it with a simple statement in your submission. Even if you think your transition will be minimal, fully answer all the customer's questions. Put in a full plan for the actions you will need to take and resource the transition properly.

Don't be afraid to make changes

Some incumbents we've seen take the benefit they feel they have in transition too seriously in developing their solution for the new contract. They actively reject potential changes to their new solution because by making a change it will weaken their benefit of a minimal transition. In our view that's a mistake. It's rare for a customer to be so risk averse to transition that they will forego a beneficial change in the solution because it will mean a transition. And even if they are risk averse you still hold most of the cards as the incumbent as your transition, even with changes, will still be less risky than a new provider coming in with all the additional changes that would entail.

Conversely, by not making changes you run the real risk of losing out to a competitor who offers something new and exciting (and/or significantly lower cost) to the customer – who with the prospect of this improved delivery will soon overcome their worries about the transition it will take to get to this new solution.

So always look at transition **after** you have made sure you are offering the right solution for what the customer needs in the future. Make all the changes to the solution you can to meet changes in the specification, changes in what the customer will need in the future, and changes you know will improve your solution – either because they are now best practice in our business or industry, or from the lessons you've learnt from the contract to date.

Make the most of your advantage

Don't just assume the customer will know your advantages in the transition. Make them clear and evidence them. Just saying your transition will be lower risk, faster and less expensive won't work. As with all other aspects of your proposal you won't get the marks from evaluators unless you write into



your bid the detail of what you will do, why this is the best way to do things and clearly evidence the benefits this gives the customer.

Put in as much effort into your transition planning as you would for a new bid and ensure you identify all the specific advantages of this plan for the customer, matched against their key needs.

We've seen some incumbents make the most of this strength by putting into their submission a 'shadow' transition plan against their own, showing all the actions that a competitor would need to take to implement the contract and comparing this to their own. In doing this they take a fair view of what would need to be done, rather than exaggerating the work, or assuming competitor incompetence- they base it on what they would do if this was a new win for themselves. This both illustrates that the incumbent knows how a full implementation would work, and highlights in detail the specific differences to their own transition requirements – putting evidence to claims of lower risk, less time and less cost. It also allows (particularly if a risk register for the transition is included) the incumbent to show all the risks of a full (competitors) implementation vs their own, showing how many of these risks are mitigated by the incumbent. And by doing so 'ghosting' the competitors, and giving the evaluator a template to test competitors' responses against if they choose to do so, potentially showing up areas that competitors may not have covered adequately

Your competitors will be well aware of the benefit you have in transition and will be putting forward their own plans and assurances they will be able to provide the customer with a seamless, risk free transition to their own solution. By using this technique you can show in detail how your transition will be better.

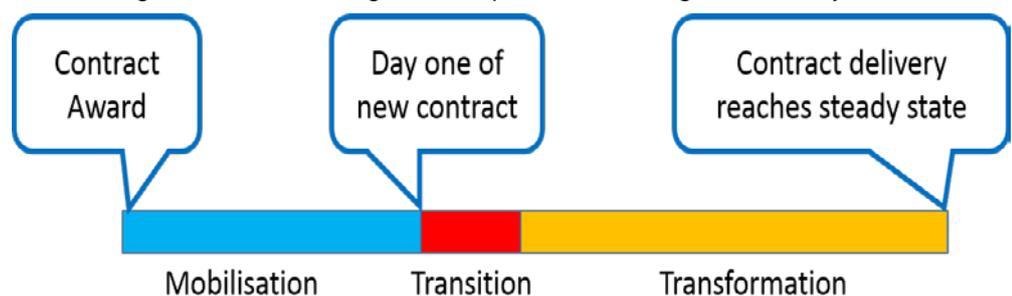
You already have an example of your ability to successfully mobilise and transform a contract for the customer – you did it when you first started the contract. Look back at your last implementation process. What went well? What lessons did you learn that were specific to this customer and contract? Which of these can you show have informed your transition plan this time (and also that competitors may not be aware of)?

Resource the Transition properly

Identify the resources and people you will need for the transition to your new solution. Whilst you have the advantage of having the existing contract team in place, don't rely on them to make the transition alone. They might be able to take a significant role in the transition but show the customer you will take the transition seriously by bringing in the additional staff to support the team, as you would for a new contract (keeping a clear eye on the costs of this). After all, the contract team will still need to maintain a high level of contract delivery throughout the change.

Look at what you can deliver early

So far we've used the term transition. But the period of change into a new contract has several phases, and different people use different terms. The figure below gives a view of the terms we typically use. Because you will be running the contract through the bid period and though what many customers call the mobilisation period, you can make even more of an advantage of this. Firstly you can break out your answer to cover each of the areas of work involved to show specifically how you reduce risk, cost etc at





each stage – especially the ‘transition’ stage in our diagram – those first few days of the new contract which would involve most change and uncertainty for the customer, staff and customers if a new supplier was taking over.

But you can also make the most of your existing presence on the contract prior to day one of the new contract to look at whether you could be delivering changes during the mobilisation period – when no competitor possibly could as they wouldn’t be on the contract yet. What changes that you are proposing in your new solution could you be starting to deliver during the mobilisation phase? By offering to make these changes this early you can show a real advantage over any competitor. Of course you will need to ensure the customer will allow you to make these changes during what is still in effect the existing contract, but if it is a change they want, they are more likely to agree.

And by starting to deliver changes this early, how much time can you reduce the ‘transformation’ stage by – bringing forward the time when the customer is getting the full benefit of all the changes you are offering?

It’s worth spending time as you prepare your new solution thinking of these timings, and looking at the advantages they could give you in your offering.

How not to treat transition

We’ve talked about what you can do to maximise your advantages in transition in your rebid. And we have said that some incumbents don’t make the most of these. Perhaps you recognise some of the things you do (or don’t do) in your rebids. But here is a real example of an incumbent who got it wrong. We’ve taken this from the U.S. Government Accountability Office publications of bid protests they investigate.

GAO decision dated: **October 10th 2014**

Reference: **B-410025**

Protector: **SunGard Data Systems, Inc.**

SunGard protested the award of a contract for mainframe computer services for the Bureau of Labor Statistics to Data Management Associates.

Amongst SunGard’s protests was the fact that the customer should not have evaluated their transition plan as merely ‘acceptable’ when the winners was evaluated as ‘outstanding’

With regard to the transition approach evaluation subfactor, the RFP stated that an offeror’s narrative should describe its transition approach, including the risks associated with transition and a description of the specific tasks associated with phasing in the new contract.

As the protest document states:

‘SunGard challenges its “acceptable” rating under the transition approach evaluation subfactor of the technical capability factor. SunGard asserts that, as the incumbent contractor, the firm did not need a transition plan, and it was unreasonable for the agency to conclude that the firm had only a “minimal understanding” of the requirements.’

However the GAO stated generally that:



“When an RFP asks firms to provide a discussion of their approach, schedule, transition plan, or the like, the agency evaluation may reasonably consider the level of detail provided in the requested discussion. We have repeatedly held, where a firm merely indicates that it will meet a particular requirement, thereby discussing only the end results, but provides little or no detail about how it plans to meet or exceed the requirement, the agency may reasonably downgrade the proposal. Ultimately, an agency’s evaluation is dependent upon information furnished in a proposal, and it is the firm’s burden to submit an adequately written proposal for the agency to evaluate.”

And more specifically:

“In response to the solicitation’s transition approach requirement, SunGard’s proposal provided, “[a]s the current Contractor, no Transition Plan is anticipated.” The agency’s evaluation of SunGard transition approach reached the following conclusion:

As for the transition approach, while the offeror is the incumbent and generally would not need a robust transition plan, the offeror did not address any of the criteria requested in the solicitation. Also, this solicitation has significantly reduced and simplified requirements from the current mainframe services contract, but the offeror did not address how they would incorporate these changes as they transition onto the new contract.

Since SunGard’s proposal did not demonstrate its understanding or provide details of its transition approach, and instead, simply stated that it need not propose a transition plan because it was the incumbent, we think the agency reasonably rated SunGard’s transition approach as “acceptable,” rather than assessing it some higher rating.”

The GAO denied SunGard's protest

Just as with all the other strengths you have as the incumbent, transition can be a real factor in helping you retain the contract. But it will only work for you if you put the work in to it.



This paper is one of many you will find in the Rebid Centre. All the ideas we refer to in the paper are more fully described in the Rebid Guide and the Rebid Centre, together with step by step guidance of how to put them into action on your contract and rebid. You will also find papers and advice on all aspects of how to prepare for and run your rebid. To join the Rebid Centre, or buy the Guide go to www.rebidsolutions.co



Rebidding Solutions helps incumbents win their rebids. As well as providing articles, advice and processes for incumbents in the Rebid Centre we have also published the Rebid Guide which contains 60 ideas for incumbents to put into practice from day one of their contract to improve their chances of winning their rebid.

We also provide consultancy and bespoke training for incumbent companies and contracts, helping them put in place the processes and actions that lead to rebid success. For an overview of all our services visit our website at www.rebidding.co.uk and sign up to our free newsletter giving hints and tips on what to do to win your rebid.