



Civil Rights Division

Small Business Development Program

DBE Supportive Services

Presents

Managing The Profitable Business Webinar Series

Week 5: Are You Bidding On The Right Projects?

Supportive Services Program Manager & Consultant

TYLER
Construction Engineers, P.C.

Nashville, Tennessee

www.tylerengineers.com

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Business & Technical Assistance Services:

TDOT DBE Supportive Services makes available Subject Matter Experts to assist certified TNUCP DBEs with the development (*webinars & one-on-one*) of their businesses.

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- Construction Estimating and Bidding
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- Business Development/ Strategic Marketing
- QuickBooks Accounting Assistance
- Financial Ratio Analysis
- Human Resources Compliance Assistance
- Indirect Cost Rate Schedules
- How to do business with TDOT





Civil Rights Division
Small Business Development Program



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Please Complete Webinar Evaluation Form:

<https://www.surveymonkey.com/r/NVC6R5W...>

see Chat for the link



Civil Rights Division
Small Business Development Program

TYLER
Construction Engineers, P.C.

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Program Manager
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Leadership Development & Coaching



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Curtis Webb

Strategic Marketing Consultant
External Board of Advisors Facilitator



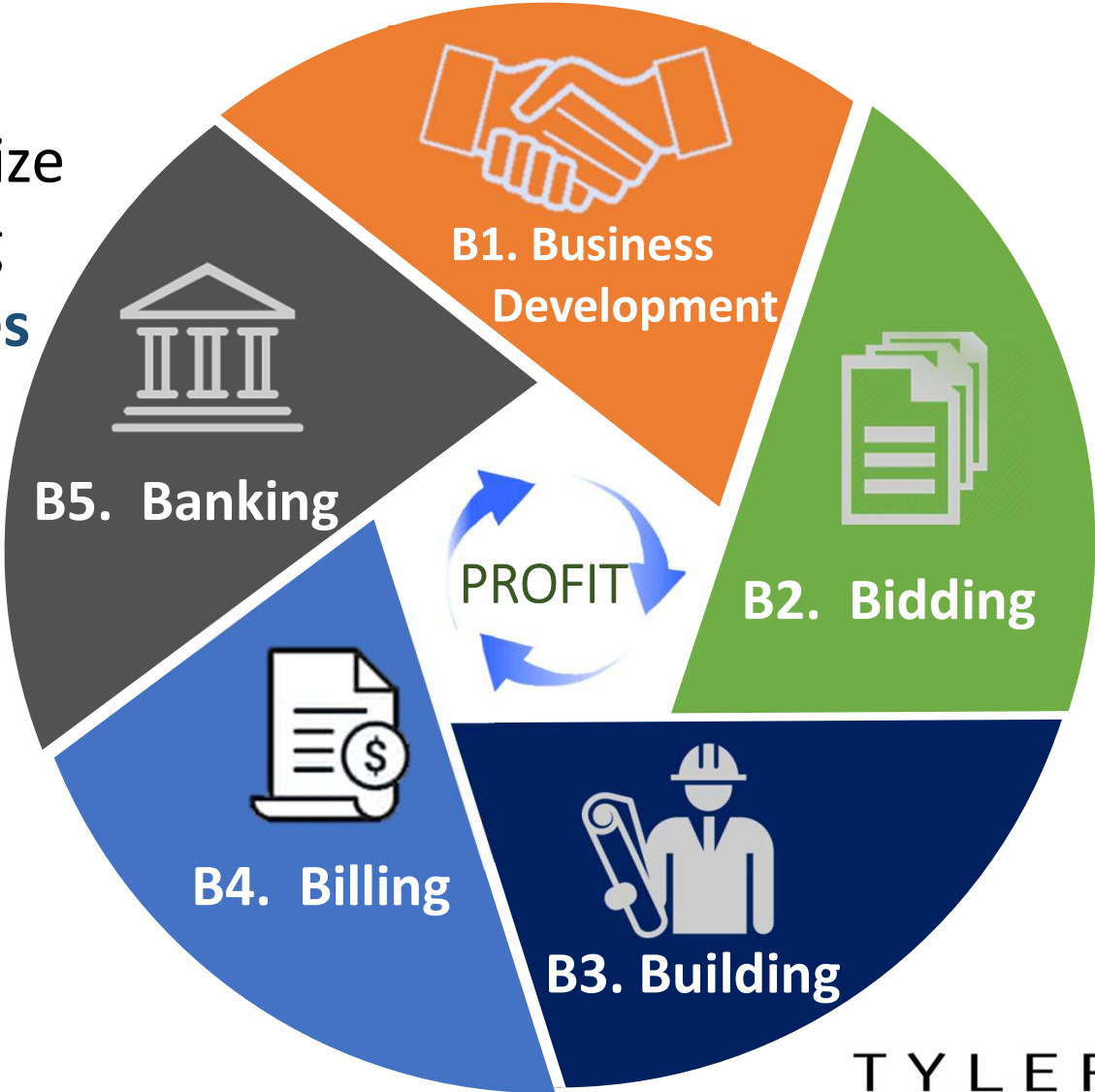
Teresa Daniel, PHR, SHRM-CP

Human Resources Consultant
Leadership Development & Coaching



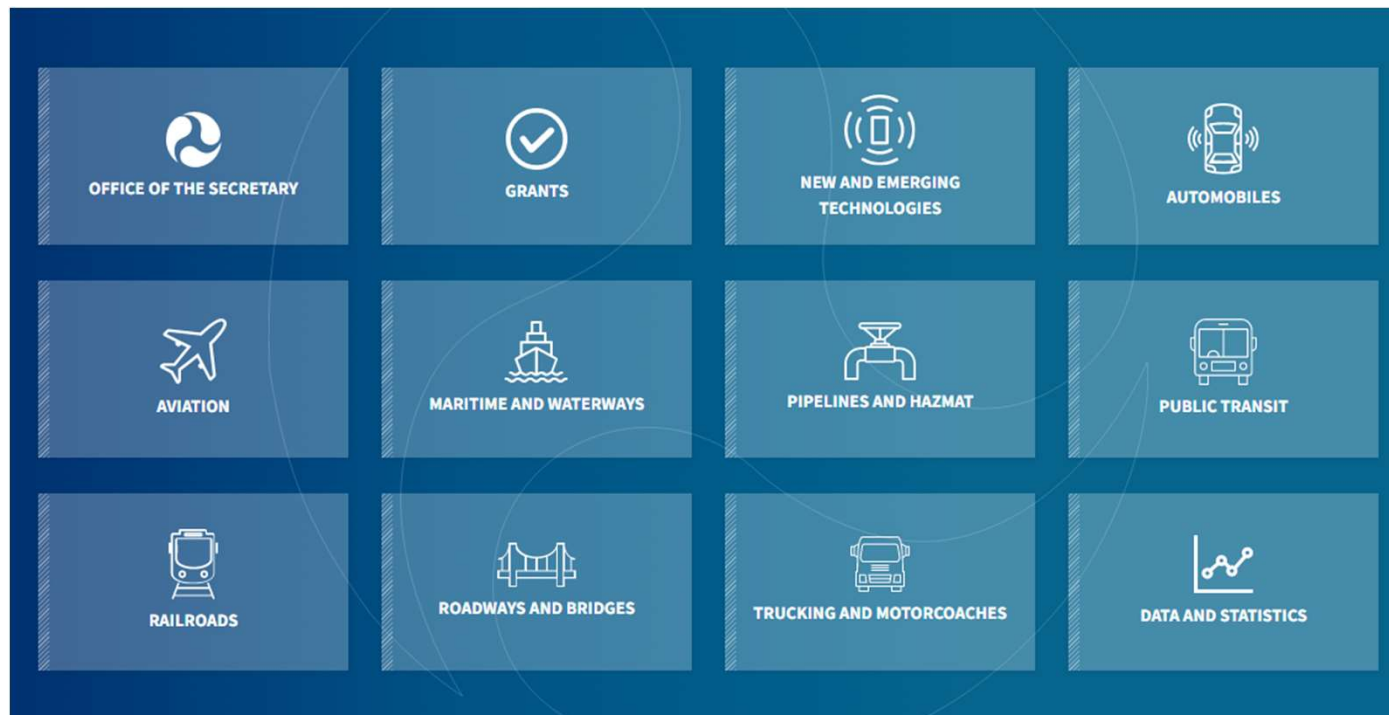
Community Engagement and
Outreach Consultant

Small Contractors Can Maximize Profitability by Understanding the **5-B's of Project Businesses**



Bipartisan Infrastructure Law

The Bipartisan Infrastructure Law makes historic investments in the transportation sector: improving public safety and climate resilience, creating jobs across the country, and delivering a more equitable future.



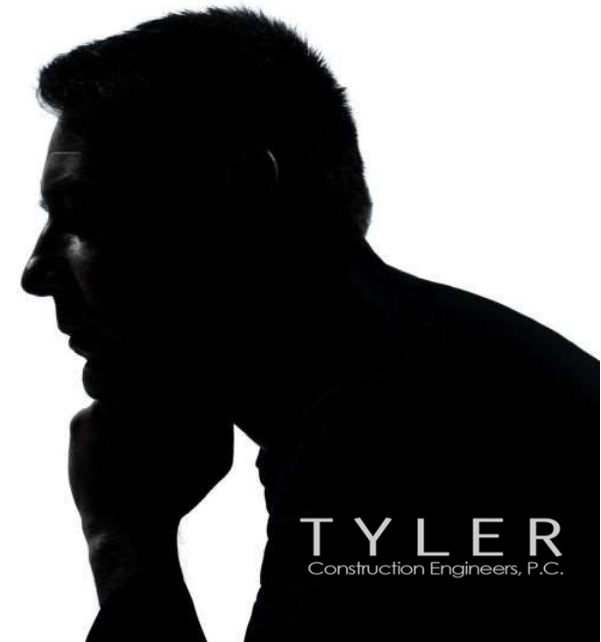
In The Construction Industry

- 25% of construction business fail each year.
- General Contractors, and Subcontractors spend considerable time and labor bidding on jobs they don't win.
- Results of Industry surveys say, General Contractors win only 1 out of 6 bids and Subcontractors only 1 out of 7 bids
- Improving your bid-hit ratio isn't easy, but it's not impossible.



Managing The Profitable Business

Looking for the **Big Contract Score...** but
you need a way to manage the **RISK** Better.



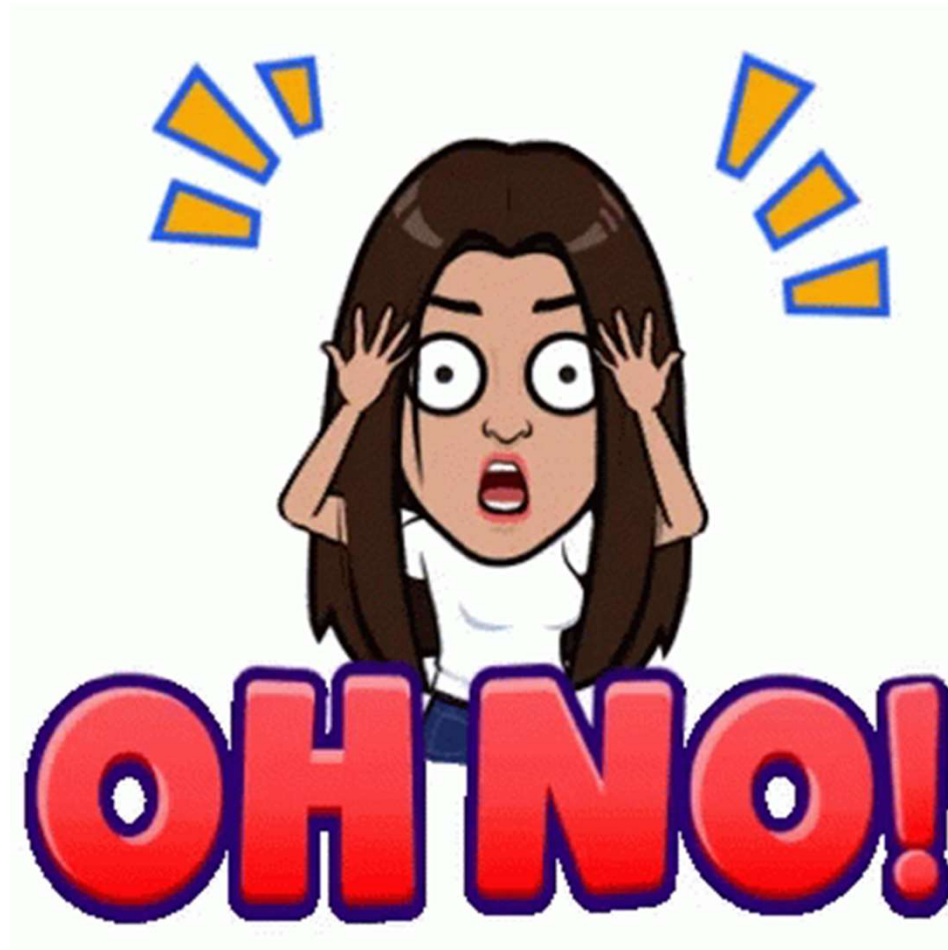
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What happens during Bid / Proposal Time?

- You scramble to find ITBs, documents, plans, and information.
- You spend large chunks of time understanding project requirements, tracking down information.
- You miraculously submit the bid package just under (or over) the deadline and do it all again the next week.
- And then, the job (goes to someone else).

The FOMO Factor

Fear Of Missing Out



How do you improve your bidding process and your chances of winning jobs?



Bid on Every Project Advertised in Your Inbox!



Best Ways To Beat The Odds?



Know The Odds!

Notable Quote 1

In order to have a successful company, you have to have successful projects.

Dr. Thomas C. Schleifer



Homework Assignment

Business Development & Strategic
Planning

- *Curtis Webb*

One-Page Strategic Marketing Plan

SUMMARY -

VISION -

OBJECTIVES -

TARGET MARKETS -

MARKETING PLAN STRATEGY -

SALES FORECAST -

BUDGET SUMMARY -

PROGRESSION MEASUREMENT -

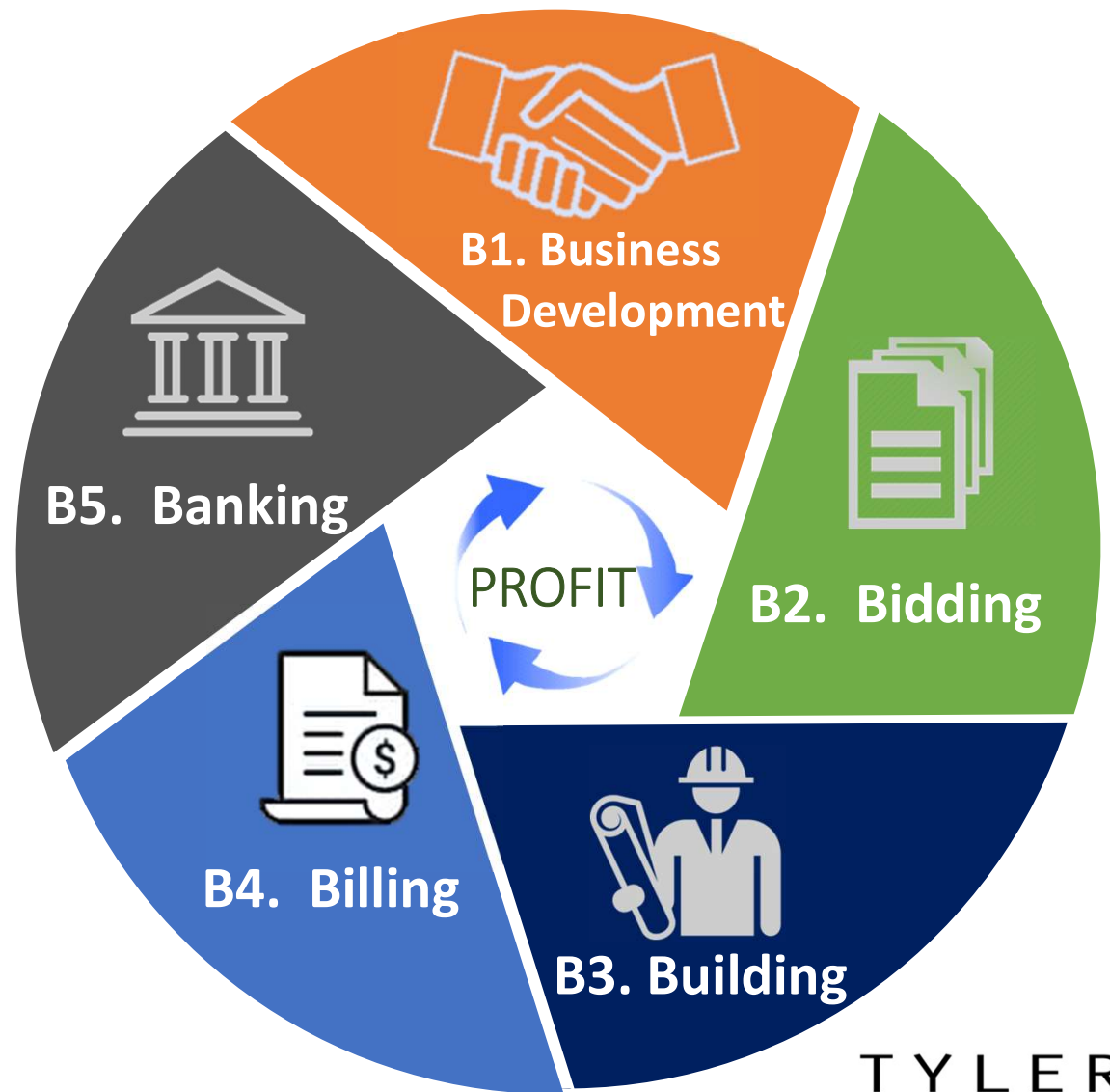
MARKETING STAFF & ACCOUNTABILITY -



Homework Assignment

Business Development &
Strategic Planning

- *Curtis Webb*



Tip #1: Find Opportunities Early

- Consider using a lead generation service
 - a) Dodge , IMS
 - b) PlanHub
 - c) Building Connected
 - d) SAM.gov
 - e) APEX Accelerator (UT-PTAC)
 - f) GoDBE
 - g) DBE Supportive Services, and
 - h) various other bid lists
- Find opportunities by connecting with others business owners



Tip #2: Be Selective

- Time is money
- Create a due diligence checklist.
- Not every job is worth your time, therefore stop bidding on everything
- By **reducing** the number of bids submitted may **improve the quality and accuracy** of your bids/ proposals



Tip #3: Know Your Competition

- First, know your strength and weaknesses
- Who is the competition?
- Match your competitors strength where you can.
However, do not try to look like your competitors
- Highlight key competitive advantages wherever possible



Tip #4: Know Your Team's Value

- Experience
- Qualifications
- Safety record
- Reputation
- Your Team Expertise
- Customer Services
- Communication
- Financial Security
- Technology



Tip #5: Build Relationships

TIME WELL SPENT™



Tip #5: Build Relationships

- Develop levels of trust
- Communicate outside of the individual bid opportunity
- Take note who you work well with
- People in general like working with people they know and like working with
- Attend Pre-Bid Meetings (Ask questions)
- Communicate early & often
- If you received an invitation to bid, and you don't intend to bid, let the potential client know
- Deliver quality work



Tip #6: Know The Details

It will increase your confidence in deciding to bid or not to bid

- Read, read and re-read the Solicitation, Plans, and Specifications
- Know the skills / expertise of your staff
- Know your true cost of doing the work
- Know your true cost of doing business
- Know your capacity, capability and capital



Knowledge
Knowledge is the
acquired through exper
practical understandin
familiarity gained by
understanding gain
- is ver

Tip #7: Get It Right Before You Submit



- *Avoid* doing *quick* estimates or guess-estimates
- Check for errors.
- Make assumptions that are as accurate as possible
- Spend sufficient time reading the bid documents and understanding the scope of work
- Before submitting your bid, double and triple-check
- Go back to the request for bid and ensure you've addressed what's being requested
- If something is unclear or you need more information, don't be afraid to ask clarifying questions

Tip #8: Perform Post-Bid Reviews

- A [post-bid review](#) on every submission can help you improve your next bid and may increase your win rate.
- Take time to look at what [went well](#) and [what didn't](#).
- Ask what you could do better next time
- Look at what the [competition](#) did well.
- Pay attention to what types of [projects you frequently win](#).
- Ask for a [debrief](#) if you are truly interested in working with that Prospect.
- This can help you [adjust your approach](#) and [market focus](#)





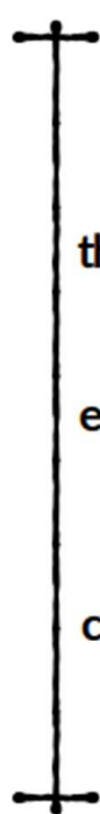
- Tip #1: Bid Early
- Tip #2: Be Selective
- Tip #3: Know Your Competition
- Tip #4: Promote Your Value
- Tip #5: Build Good Relationships
- Tip #6: Be Detailed
- Tip #7: Get It Right
- Tip #8: Post-Bid Analysis

By applying the tips above, you can improve your bid proposals and begin to increase your odds of winning profitable projects — without undervaluing your service

How do I improve my bid/proposal process and my chances of winning (*profitable*) jobs?



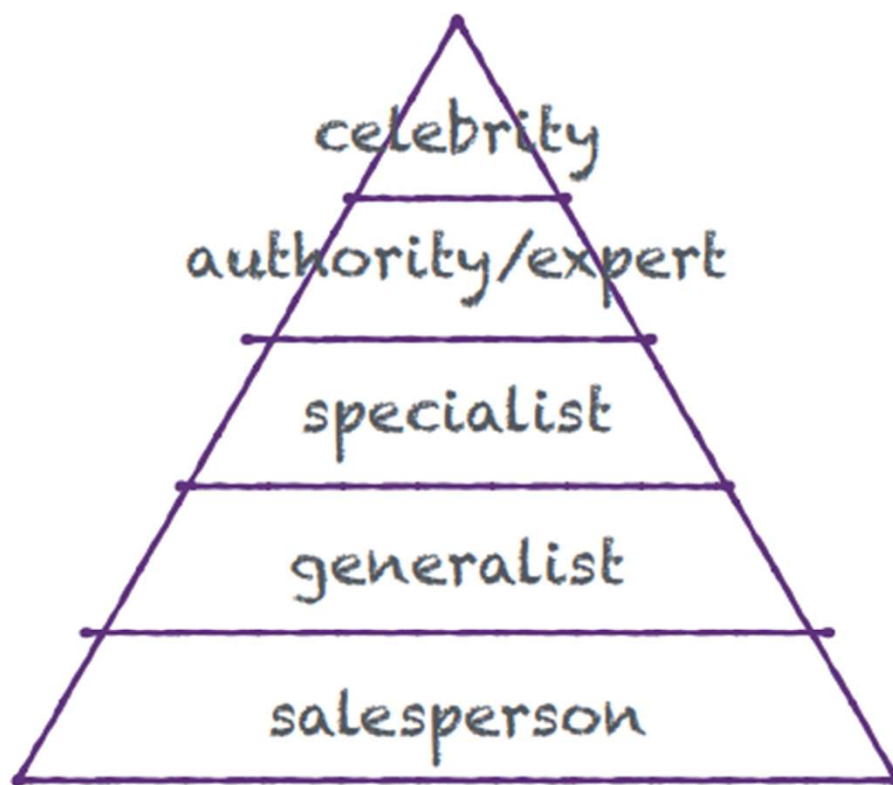
Power



the 'go to' expert

exclusivity

commodity



Thought #1: Know Your Areas of Risk

... not understanding risk may lead to Business Failure

- Increased Project Size
- New Geographic Area
- Unknown Customer
- New Type of Work
- Key Personnel Mobility
- Management Maturity
- Not Knowing Your Financials



Notable Quote 3



“There isn’t one way to run a business enterprise, but there are only a few ways to run one successfully.”

Dr. Thomas C. Schleifer

Fact

Most *construction business* failure take place during ... the company's *profitable* years.

Why Create an Annual Business Action Plan?

Answer: To Ensure Success

Elements of Contractor Failure

- Lack of experience in work
- Increase in project size (growth)
- Unfamiliarity with new geographical areas
- New type of construction
- Changes in key personnel
- Lack managerial maturity

Money Problems

- Not charging enough
- Improper use of change orders
- Not understanding contracts
- Not understanding project schedule
- Too many employees for work to be produced
- Lack of profitable work

Why Failure Occurs: know the risk in ...

Unrealistic Growth

Performance Issues

Employee Issues

Management Issues

Accounting Issues

CASH FLOW SCHEDULE **WITHOUT** PROJECT FINANCING

		PERIOD													
		Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	
Contract Revenue	\$ 1,153,000	Invoice Amount Per Period <i>(Assume No Retainage Held)</i>	\$ 34,590	\$ 34,590	\$ 69,180	\$ 69,180	\$ 115,300	\$ 138,360	\$ 115,300	\$ 276,720	\$ 103,770	\$ 57,650	\$ 92,240	\$ 46,120	\$ -
		Amount Rec'd	\$ -	\$ -	\$ 34,590	\$ 34,590	\$ 69,180	\$ 69,180	\$ 115,300	\$ 138,360	\$ 115,300	\$ 276,720	\$ 103,770	\$ 57,650	\$ 92,240
Direct Job Costs															
	\$ 275,000	8,250	8,250	16,500	16,500	27,500	33,000	27,500	66,000	24,750	13,750	22,000	11,000	-	
	\$ 210,000	6,300	6,300	12,600	12,600	21,000	25,200	21,000	50,400	18,900	10,500	16,800	8,400	-	
	\$ 30,000	900	900	1,800	1,800	3,000	3,600	3,000	7,200	2,700	1,500	2,400	1,200	-	
	\$ 162,000	4,860	4,860	9,720	9,720	16,200	19,440	16,200	38,880	14,580	8,100	12,960	6,480	-	
	\$ 11,000	330	330	660	660	1,100	1,320	1,100	2,640	990	550	880	440	-	
	\$ 688,000														
Job Site Overhead (Indirect Costs)															
	\$ 24,000	720	720	1,440	1,440	2,400	2,880	2,400	5,760	2,160	1,200	1,920	960	-	
	\$ 23,000	690	690	1,380	1,380	2,300	2,760	2,300	5,520	2,070	1,150	1,840	920	-	
	\$ 39,000	1,170	1,170	2,340	2,340	3,900	4,680	3,900	9,360	3,510	1,950	3,120	1,560	-	
	\$ 110,000	3,300	3,300	6,600	6,600	11,000	13,200	11,000	26,400	9,900	5,500	8,800	4,400	-	
	\$ 38,500	1,155	1,155	2,310	2,310	3,850	4,620	3,850	9,240	3,465	1,925	3,080	1,540	-	
	\$ 22,000	660	660	1,320	1,320	2,200	2,640	2,200	5,280	1,980	1,100	1,760	880	-	
	\$ 12,500	375	375	750	750	1,250	1,500	1,250	3,000	1,125	625	1,000	500	-	
	\$269,000														
Job Gross Profit (Cash Flow)	\$ 196,000	28,710	28,710	57,420	57,420	95,700	114,840	95,700	229,680	86,130	47,850	76,560	38,280	-	
Home Office Overhead	\$ 145,617	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	
		(40,845)	(40,845)	(34,965)	(34,965)	(38,655)	(57,795)	7,465	(103,455)	17,035	216,735	15,075	7,235	80,105	
		(40,845)	(81,690)	(116,654)	(151,619)	(190,274)	(248,069)	(240,603)	(344,058)	(327,023)	(110,288)	(95,212)	(87,977)	(7,872)	

The only thing worst than losing money in a business is losing money and not know it!



Financial Planning, Forecasting & Budgeting

Backlog

Liquidity

Financial Capacity

Working Capital

Cash Flow

CASH FLOW SCHEDULE WITH PROJECT FINANCING

		PERIOD													
		Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	
Contract Revenue	\$ 1,153,000	Invoice Amount Per Period <i>(Assume No Retainage Held)</i>	\$ 34,590	\$ 34,590	\$ 69,180	\$ 69,180	\$ 115,300	\$ 138,360	\$ 115,300	\$ 276,720	\$ 103,770	\$ 57,650	\$ 92,240	\$ 46,120	\$ -
		Amount Rec'd		\$ -	\$ 34,590	\$ 34,590	\$ 69,180	\$ 69,180	\$ 115,300	\$ 138,360	\$ 115,300	\$ 276,720	\$ 103,770	\$ 57,650	\$ 92,240
Direct Job Costs															
DIRECT LABOR	\$ 275,000	8,250	8,250	16,500	16,500	27,500	33,000	27,500	66,000	24,750	13,750	22,000	11,000	-	
DIRECT MATERIAL	\$ 210,000	6,300	6,300	12,600	12,600	21,000	25,200	21,000	50,400	18,900	10,500	16,800	8,400		
DIRECT EQUIPMENT RENTAL	\$ 30,000	900	900	1,800	1,800	3,000	3,600	3,000	7,200	2,700	1,500	2,400	1,200	-	
DIRECT SUBCONTRACTOR	\$ 162,000	4,860	4,860	9,720	9,720	16,200	19,440	16,200	38,880	14,580	8,100	12,960	6,480		
OTHER DIRECT COSTS	\$ 11,000	330	330	660	660	1,100	1,320	1,100	2,640	990	550	880	440		
	\$ 688,000														
Job Site Overhead (Indirect Costs)															
LABOR BURDEN	\$ 24,000	720	720	1,440	1,440	2,400	2,880	2,400	5,760	2,160	1,200	1,920	960		
FRINGE BENEFITS	\$ 23,000	690	690	1,380	1,380	2,300	2,760	2,300	5,520	2,070	1,150	1,840	920		
INSURANCE	\$ 39,000	1,170	1,170	2,340	2,340	3,900	4,680	3,900	9,360	3,510	1,950	3,120	1,560		
JOBSITE SUPERVISION	\$ 110,000	3,300	3,300	6,600	6,600	11,000	13,200	11,000	26,400	9,900	5,500	8,800	4,400		
OWNED EQUIP MAINT. & FUEL	\$ 38,500	1,155	1,155	2,310	2,310	3,850	4,620	3,850	9,240	3,465	1,925	3,080	1,540		
VEHICLE EXP	\$ 22,000	660	660	1,320	1,320	2,200	2,640	2,200	5,280	1,980	1,100	1,760	880		
OTHER JOBSITE COSTS	\$ 12,500	375	375	750	750	1,250	1,500	1,250	3,000	1,125	625	1,000	500		
	\$269,000														
Job Gross Profit (Cash Flow)	\$ 196,000	28,710	28,710	57,420	57,420	95,700	114,840	95,700	229,680	86,130	47,850	76,560	38,280	-	
Home Office Overhead	\$ 145,617	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	12,135	
		303,213	(40,845)	(34,965)	(34,965)	(38,655)	(57,795)	7,465	(103,455)	17,035	216,735	15,075	7,235	80,105	
Working Captiol Available	\$ 344,058	303,213	262,369	227,404	192,439	153,784	95,990	103,455	0	17,035	233,771	248,846	256,081	336,186	

Questions

- Is there a way to ensure the projects you choose will be profitable?
- How do you avoid a problem project?
- How do you select projects that match your firm's experience?

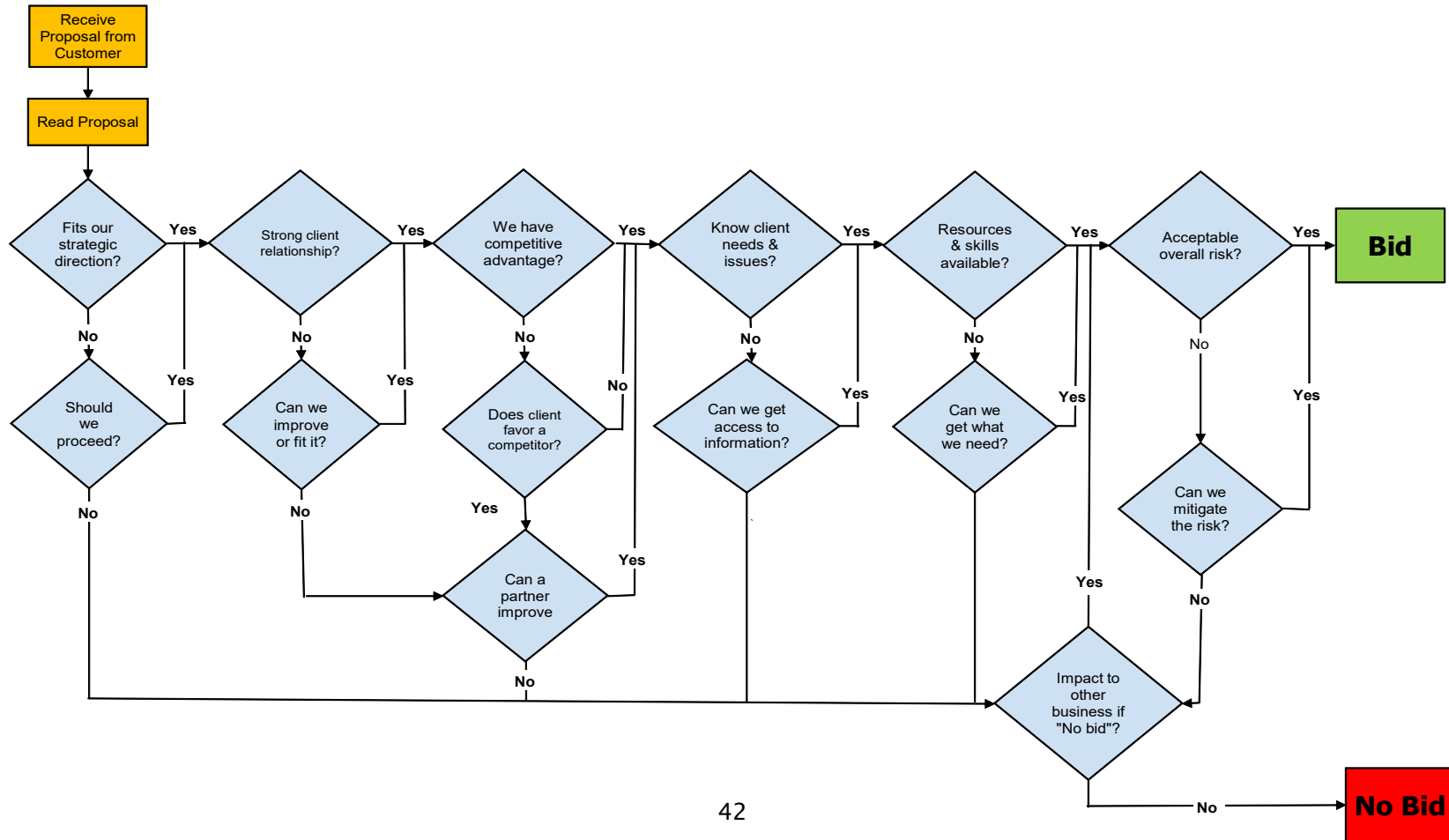


How do you improve your bid process and your chances of winning (*the right & profitable*) jobs?

Use a Checklist

Examples Bid/ No Bid Decision Processes to assist in Bidding the Right Projects

Bid/ No Bid Decision Tree



BID / NO BID WORKSHEET

TOTAL SCORE
1.0-1.9- No Bid
2.0-2.5- Consider Bidding
2.5-3.0- Bid
ANSWER SCORE
1-Unfavorable
2-Neutral
3-Favorable

Entity Issuing RFP	Proposal Due Date	
Solicitation Number	Period of Performance	
Solicitation Title	Place of Performance	
Evaluator's Name	Graded RFP Score	2.93

1. READ THE QUESTION	2. INSERT THE ANSWER	3. SELECT A SCORE ▼
1. THE SOLICITATION		
How long is the response time?	Enter answer here.	3
Does the solicitation appear to be written for another organization?	Enter answer here.	3
Is the only information we have inside the RFP?	Enter answer here.	3
What is the evaluation criteria?	Enter answer here.	3
Were we surprised to receive the solicitation?	Enter answer here.	3
Does it seem like the issuing organization is seeking free consultation?	Enter answer here.	3
	SUBTOTAL	18
2. THE SOLICITOR		
Who's our point of contact and what's the contact information?	Enter answer here.	N/A
What are the main requirements and objectives in the RFP?	Enter answer here.	2
Do we have experience working with the solicitor?	Enter answer here.	3
If so, list contracts and dates.	Enter answer here.	N/A
Do we have inside information about our chances of winning?	Enter answer here.	3
Do we know the decision makers?	Enter answer here.	3
Have we performed capture work?	Enter answer here.	3
Do we have an internal advocate?	Enter answer here.	3
Are we a good fit for the solicitor's culture?	Enter answer here.	3
What do we know about the solicitor's payment practices?	Enter answer here.	3
	SUBTOTAL	23
3. THE COMPETITION		
Is there an incumbent?	Enter answer here.	3
Evaluate the solicitor's view of the incumbent.	Enter answer here.	3
List all known competitors / bidders.	Enter answer here.	3
Has the competition worked with the solicitor in the past?	Enter answer here.	3
Compared to us, do one or more competitors provide a superior service or solution?	Enter answer here.	3
	SUBTOTAL	15

4. OUR ORGANIZATION		
Would we respond as prime or sub?	Enter answer here.	3
Do we have the resources available to respond?	Enter answer here.	3
Do we have the resources available to implement the solution?	Enter answer here.	3
If not, can we partner with someone who does?	Enter answer here.	3
Are we currently marketing to this solicitor?	Enter answer here.	1
Have we influenced the RFP?	Enter answer here.	3
Would we be shocked if we won?	Enter answer here.	3
	SUBTOTAL	19
5. OUR SOLUTION		
Does our solution fit the solicitor requirements and objectives?	Enter answer here.	3
Is the solution within our area(s) of expertise?	Enter answer here.	3
Is this type of work desirable for us?	Enter answer here.	3
Is the location of performance a good fit for us?	Enter answer here.	3
	SUBTOTAL	12
6. OUR STRATEGIC OBJECTIVES		
Does this opportunity align with our strategic objectives?	Enter answer here.	3
Would winning provide access to a new market?	Enter answer here.	3
	SUBTOTAL	6
7. THE RISKS		
What risks are associated with winning?	Enter answer here.	N/A
Has the solicitor assigned a budget for the work?	Enter answer here.	3
What, if any, are the penalties for nonperformance?	Enter answer here.	3
Are the known risks acceptable?	Enter answer here.	3
If the risks are not acceptable, can they be mitigated or shifted?	Enter answer here.	3
	SUBTOTAL	12
8. OUR FINANCES		
What is the cost of responding?	Enter answer here.	3
Do we have the budget to respond to this opportunity?	Enter answer here.	3
What is the estimated cost of providing the solution?	Enter answer here.	3
Evaluate the benefit of winning over the cost of bidding?	Enter answer here.	3
	SUBTOTAL	12

9. OUR PARTNERS

Do we need a partner?	Enter answer here.	3
Have we identified the partner?	Enter answer here.	3
Have we worked with this partner in the past?	Enter answer here.	3
How well do we trust this partner?	Enter answer here.	3
Is the partner available to assist with response and performance?	Enter answer here.	3
SUBTOTAL		15
TOTAL		132
GRADED SCORE		2.93

FINAL BID DECISION

Are you aware of any additional reason why we should bid?	If so, what?	No
Are you aware of any additional reason why we should not bid?	If so, what?	No
Considering the score and all other information, what is the bid decision?	Please provide a brief explanation.	BID

[For more free proposal management templates, visit MyPM.](#)

Project Selection Program

v1 © Thomas C Schleifer, Ph.D. tschleifer@q.com

Project Selection Program v1 © Thomas C Schleifer, Ph.D. tschleifer@q.com

51.0%

Project Name:

Completed By:

Date:

Introduction: [Click here](#)

Directions: [Click here](#)

Change weights: [Click here](#)

Click on question for more detail

Section 1 - Project Fit	Weight	Default Weight
1.1 Has the firm successfully completed projects this size (this large)? <input type="radio"/> Never <input checked="" type="radio"/> Few <input type="radio"/> Often	10 pts	<i>10 pts</i>
1.2 Has the firm successfully completed projects of this type? <input type="radio"/> Never <input checked="" type="radio"/> Few <input type="radio"/> Often	10 pts	<i>10 pts</i>
1.3 Has the firm successfully completed projects in this geographic area? <input type="radio"/> Never <input checked="" type="radio"/> Few <input type="radio"/> Often	10 pts	<i>10 pts</i>
1.4 Has the firm successfully completed projects with this owner? <input checked="" type="radio"/> Never <input type="radio"/> Few <input type="radio"/> Often	10 pts	<i>10 pts</i>

Section 2 - Firm's Experience		Weight	Default Weight
2.1	<p>Has the firm successfully completed projects with this owner's representatives, inspectors, etc.?</p> <p><input checked="" type="radio"/> Never <input type="radio"/> Few <input type="radio"/> Often</p>	2 pts	2 pts
2.2	<p>Has the firm successfully completed projects with this designer (architect/engineer)?</p> <p><input checked="" type="radio"/> Never <input type="radio"/> Few <input type="radio"/> Often</p>	5 pts	5 pts
2.3	<p>Has the firm successfully completed projects with this designer's field personnel, inspectors, etc.?</p> <p><input checked="" type="radio"/> Never <input type="radio"/> Few <input type="radio"/> Often</p>	2 pts	2 pts
2.4	<p>Has the firm's estimating team priced this type of project?</p> <p><input type="radio"/> Never <input type="radio"/> Few <input checked="" type="radio"/> Often</p>	4 pts	4 pts
2.5	<p>Has the firm's anticipated field team (PM, Supt, Foreman) built this type/size of project?</p> <p><input type="radio"/> Never <input type="radio"/> Few <input checked="" type="radio"/> Often</p>	6 pts	6 pts

Section 3 - Project Complexity		Weight	Default Weight
3.1	Is the required project schedule reasonable? <input type="radio"/> No <input checked="" type="radio"/> Unknown <input type="radio"/> Yes	4 pts	4 pts
3.2	Is there sufficient labor available to produce the project? (consider available skill levels) <input type="radio"/> No <input checked="" type="radio"/> Unknown <input type="radio"/> Yes	5 pts	5 pts
3.3	Has the firm had prior successful experience with the intended major subcontractors? <input type="radio"/> No <input type="radio"/> Unknown <input checked="" type="radio"/> Yes	5 pts	5 pts
3.4	Are there unusual access, room-to-work, parking, dust, noise, storage space or traffic issues? <input type="radio"/> Yes <input type="radio"/> Unknown <input type="radio"/> No	3 pts	3 pts
3.5	Are there unusual ground or surface water conditions? <input type="radio"/> Yes <input type="radio"/> Unknown <input checked="" type="radio"/> No	3 pts	3 pts
3.6	Are there rock, soft soils or unusually deep excavations that may complicate or delay the project? <input type="radio"/> Yes <input type="radio"/> Unknown <input checked="" type="radio"/> No	3 pts	3 pts
3.7	Are there unusual, circular, curved or angled design elements: i.e. walls, bridges, roofs, structures or other that may complicate/delay the project? <input type="radio"/> Yes <input type="radio"/> Unknown <input type="radio"/> No	4 pts	4 pts
3.8	Are there critical long-lead, sole source or unusual items that may delay the project? <input type="radio"/> Yes <input type="radio"/> Unknown <input type="radio"/> No	2 pts	2 pts

Section 4 - Financial and cash flow impacts		Weight	Default Weight
4.1	Is the owner's financing in place? <input type="radio"/> No <input type="radio"/> Unknown <input type="radio"/> Yes	2 pts	2 pts
4.2	Does the firm have experience with the payment processes of this owner? <input type="radio"/> No <input type="radio"/> Unknown <input type="radio"/> Yes	2 pts	2 pts
4.3	Will this project strain the organization's resources: i.e., financial, equipment, manpower, management, or other? <input type="radio"/> Yes <input type="radio"/> Unknown <input type="radio"/> No	3 pts	3 pts
Section 5 - Contract issues		Weight	Default Weight
5.1	Are contract terms reasonable? <input type="radio"/> No <input type="radio"/> Unknown <input type="radio"/> Yes	1 pts	1 pts
5.2	Are there any unusual retainage issues or liquidated damages that will affect cash flow? <input type="radio"/> Yes <input type="radio"/> Unknown <input type="radio"/> No	1 pts	1 pts
5.3	Are there any unusual bonding requirements? <input type="radio"/> Yes <input type="radio"/> Unknown <input type="radio"/> No	1 pts	1 pts
5.4	Are there any unusual insurance requirements? <input type="radio"/> Yes <input type="radio"/> Unknown <input type="radio"/> No	1 pts	1 pts
5.5	Are there any unusual indemnity issues? <input type="radio"/> Yes <input type="radio"/> Unknown <input type="radio"/> No	1 pts	1 pts

Section 6 - Additional Issues to Consider (*these are not scored*)

6.1 Do you believe you have a competitive edge on this project?

Going after a project generally has a cost associated with it along with potential lost opportunity if the use of resources to get the project prevents or impacts going after another job or reduces efforts of attracting other projects. This makes the measurement of a competitive edge or lack of one significant. Where there is a competitive edge on a project it may make sense to invest more resources than on one where there is less or no competitive edge. This is difficult to measure, but for most contractors it is intuitive.

6.2 Do you believe another contractor(s) has a competitive edge on this project?

Realistically recognizing any competitive edge other contractors may have is valuable knowledge and can assist in a project selection decision. Most are familiar with projects where a favored contractor was the owner's obvious choice and many other contractors wasted a lot of effort and resources only to see the obvious choice selected. Screening out projects that a firm has limited chance of capturing saves considerable resources which can be applied to projects with a higher likelihood of success and can potentially increase sales.

6.3 Is there consensus within your organization about pursuing this project?

When everyone in an organization is excited about pursuing a particular project the odds of capturing that work go up through the quantity and quality of the energy expended. The converse is true when there is little enthusiasm for a project making capturing it more difficult. There are situations when not going after a project is the best project selection decision. If some or many are concerned about a certain project it may be the wrong job for the company.

6.4 Is your "gut feeling" about this project negative or positive?

The expression; "If all else fails trust your gut" can be a valuable inclusion in the project selection process. The information collected from the above questions is of great value, however, if persons in responsible positions within an organization still have a gut feeling about a positive or negative decision it probably makes sense to reevaluate the data before making a final decision.

6.5 How does the project fit with the existing/anticipated backlog?

A contractor whose current work is running smoothly has only limited exposure in taking on additional work. However, a contractor managing a troubled job or two may encounter additional risk in adding the next project. A well-managed and organized backlog has reasonably low exposure and makes additional, prospective projects attractive. A troubled backlog has higher risk which may indicate that this may not be the time to add another project.

6.6 Does the contract include Consequential Damages or are they expressed or implied?

Consequential Damages are damages resulting as a consequence of the project. The owner is the usual party damaged, the public and others may also be included. Fairly common are damages that result when a revenue-generating project is delivered late such as a restaurant, hotel or retail business. The damages include loss of revenue because the intended use is delayed which can result in serious potential liability for a contractor that causes this to happen. Some contractors will not undertake such exposure which unlike liquidated damages cannot be measured in advance.

POP

QUIZ!

How do you improve your bid process and your chances of winning *(the right & profitable)* job?

Undertake a Bid-No-Bid Analysis

It helps ...

1. To identify and manage the due diligence process
2. To increase the quality/ profitability of your project
3. To better communicate the benefit of your project within your company
4. It's much easier to **prevent losses** than to **manage them**.
5. Bid Less ... Win More!



Notable Quotes 3

“Project failures don’t just happen—they are deliberately pursued and captured.”

“There Are No Bad Projects - Just Bad Matches of Contractors to Projects”.

Dr. Thomas C. Schleifer



Any Questions?



Managing The Profitable Business Webinar Series

~~Session 1: The 5-Bs of Project-based Business~~

~~Wednesday, October 11, 2023, 10 am (CT)~~

~~Session 2: Human Resource Compliance – PART I~~

~~Wednesday, October 18, 2023, 10 am (CT)~~

~~Session 3: Human Resource Compliance – PART II~~

~~Wednesday, October 25, 2023, 10 am (CT)~~

~~Session 4: How To Do Business With TDOT~~

~~Wednesday, November 1, 2023, 10 am (CT)~~

~~Session 5: Are You Bidding On The Right Projects?~~

~~Wednesday, November 8, 10 am (CT)~~

Session 6: Know Your Financial Pulse: It Could Save Your Company's Life

Wednesday, November 15, 2023, 10 am (CT)

Session 7: How to Effectively Communicate, Coach And Counsel Company Policies With Difficult Employees

Wednesday, November 22, 2023, 10 am (CT)

Session 8 Financial Analysis & Capacity Building

Wednesday, November 29, 2023, 10 am (CT)

Session 9: Introduction to Job Cost Accounting Part I

Wednesday, December 6, 2023, 10 am (CT)

Session 10: Introduction to Job Cost Accounting Part II

Wednesday, December 13, 2023, 10 am (CT)

Session 11: Ask the Experts Roundtable

Wednesday, December 20, 2023, 10 am (CT)

Managing The Profitable Business Webinar Series

Session 12: Markup, Overhead & Profit (*Bidding*)

Wednesday, January 10, 2024, 10 am (CT)

Session 13: Introduction to Developing Your Indirect Cost Rates for Consultants

Wednesday, January 17, 2024, 10 am (CT).

Session 14: Have You Completed Your Planning for the New Year

Wednesday, Wednesday, January 24, 2024, 10 am (CT)

Session 15: Developing A Strategic Business Action Plan

Wednesday, January 31, 2024, 10 am (CT)

Session 16: Dump Truck & Equipment Pricing (*Bidding*)

Wednesday, February 7, 2024, 10 am (CT)

Session 17: Pre & Post Award and Contract Close-out Preparation

Wednesday, February 14, 2024, 10 am (CT)

Session 18: Small Business Insurance: What Do I Need for My Company?

Wednesday, February 21, 2024, 10 am (CT)

Session 19: Surety Bonds: What Do I Need for My Company?

Wednesday, February 28, 2023, 10 am (CT)

Session 20: Wrap Up: Ask the Experts Roundtable

Wednesday, March 6, 2024, 10 am (CT)



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see Chat for link

How to Win More Construction Bids

Most growing contractors need to win more bids – but how can you increase your output when your estimator is already short on time, burning out, and lacking confidence when the majority of his bids don't get chosen? There's an app for that.

Why You're Not Winning Bids: A Series of Unfortunate Estimating Events

Does this sound familiar? Your preconstruction team scrambles to find documents, plans, and information from ITBs. They spend large chunks of time measuring blueprints and then putting together estimates, poring over price lists and doing calculations. Down to the wire, they miraculously submit the bid package just under (or over) the deadline and do it all again the next week. And then, the job (and the next job, and the next job) goes to someone else. All that time used up for nothing.

This is maybe how the bid process had to work 30 years ago. But it's definitely not the way it needs to be now, and it's time for your company to get ahead of the game.

Speed & Strategy

To win more, your estimators need two things: tools to better use their time and tools (and time) to reduce mistakes and make good decisions.

Bid More to Win More

No matter what your bid-hit ratio, you know your chances of winning increase with the number of bids you submit. Your estimators aren't super-human, but STACK's preconstruction software is. Here's how to get more out of the workday without hiring more people and still reducing your estimators' load.

Takeoffs in Minutes, Not Hours

STACK's simple, user-friendly interface and keyboard shortcuts make measuring for any trade fast and easy. Set your scale and start clicking to measure linear area, surface area, volume, arcs, pitched area, counts, and more.

Tips, Tricks & Shortcuts for Takeoffs

- Autocount: identify the number of items such as sprinkler heads or fixtures
- Hyperlinking: easily switch between related plan pages with automatically created links
- Search: find exactly what you need on each page
- Cut out: remove features from measurements, such as windows and doors
- Undo: eliminate mistaken measurements
- Copy & paste: easily duplicate measurements on identical sections of plans
- Rotate: duplicate measurements for identical features with different orientations
- Multiplier: Duplicate calculations for identical floor plans or units
- Plan overlay: Visually compare plans to quickly identify changes

Get Rid of Manual Math

When your team has to do the calculations for amounts of materials and prices based on their measurements, those math moments add up, even for folks who are great with numbers. With STACK it's different. You can attach items and assemblies (groups of items) to each takeoff either before or after doing your measurements so that material amounts are automatically calculated for you.

This feature alone saves our customers hours. Depending on the complexity of your business and your trade, you can use custom items and assemblies, which do take some time to set up on the front end, or we offer multiple out-of-the-box standard options for many trades, where your estimator just needs to answer a few questions and they're ready to roll.

Centralize Data & Pricing

Items and assemblies not only offer material groupings and counts, but you also get access to our [BNI regional pricing data](#), which will calculate an average of what your material costs will be in your geographic area. Of course you also have the option to easily mark up your prices on an item or project basis, and you can input your own price list from your suppliers if you prefer.

The point is that having pricing connected to material lists means all the math is done for you. What used to be a massive time suck is now completed in a few clicks – and with much more accuracy.

Templatize Everything

Reinventing the wheel for each bid submission is inefficient. Instead, get a process together that you can repeat as much as possible. Here are several functions that can be templatized and standardized within the STACK app.

- Takeoff Library – Pre-built takeoffs include items and assemblies and have measurement type assigned in advance so you can get started right away with the right information rather than adding it every time you need to measure.
- Include labor in assemblies – When you know how much a crew can complete in a given timeframe, you can include labor within your assemblies so you can bypass adding it separately to your estimate later.
- Save your scope of work and terms & conditions – Inputting your legal documentation to STACK allows you to attach it with any proposals you export; no more copying and pasting or rekeying long documents.
- Provide different quote breakdowns – STACK gives you the option to customize proposals with a simple click, so you can include detailed pricing structures, general pricing, breakouts by phase or elevation, or other custom options

Bid Better to Win More

Now that you've sped up your processes so you can get more bids out the door, you're at a huge advantage, and it's time to step back – *before* you start increasing your volume – and get a plan together. More bids don't mean more winning projects unless they're submitted with a strategy.

Give your estimators some breathing room to take a break now that they're not behind. Encourage some long overdue PTO, and when they've come back refreshed, get together to discuss tactics.

Collect & Collate Data

If your estimators are managing ITBs, tracking down information, and sending out bid submissions, it's probably time to consider hiring a bid coordinator to take on some of the administrative burden. This person will specialize in collecting and collating data from multiple sources.

Simply keeping track of all this information will free up your estimators to focus on proposals rather than searching for data. But remember that the more you grow and the more ITBs you receive from different GCs and platforms, the tougher it will be for any one individual to do the job, and eventually it will pay off to purchase a bid management tool.

Analyze ITBs

Don't increase your volume without doing some close examination of past successes and failures. Go back through past projects and find common threads among the ones that were profitable and the ones that were disasters. Think about:

- Which types of work is your crew best and fastest at performing?
- Which GCs pay promptly vs which delay payment?
- What are the location limits that make a project cost prohibitive?

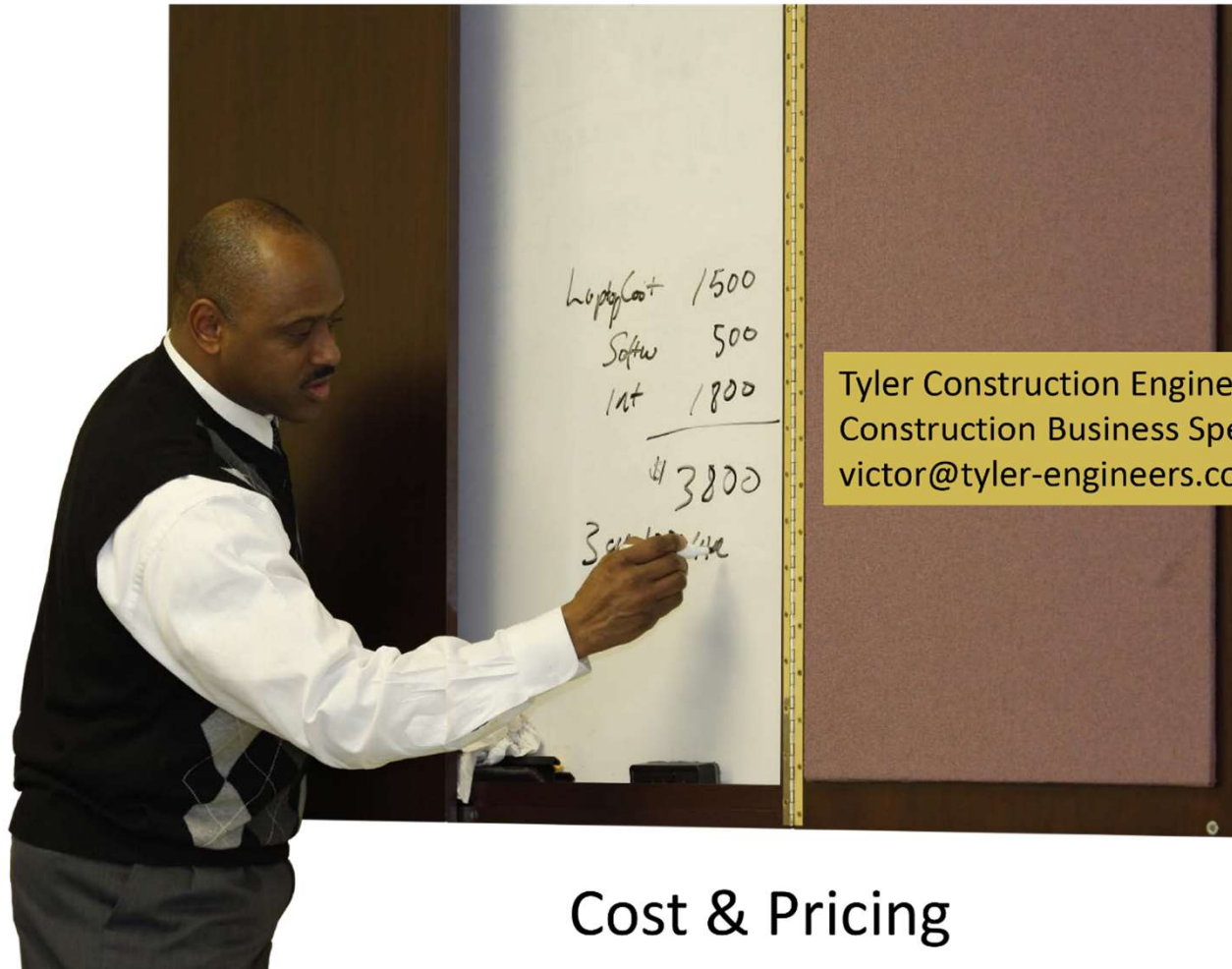
Your team should take these factors and any other relevant aspects of each project into consideration before doing any initial preconstruction planning. If a job has red flags, don't waste your time bidding. Pass on it and save your time and energy for better opportunities.

Keep a Current Bid Calendar

Having instant access to your team's schedules and workload, as well as project timelines, is a must for making good bid decisions. In a high-functioning team, the bid coordinator can quickly calibrate which estimator to assign projects to based on availability, and when a team member is out unexpectedly, everyone has easy visibility into project statuses to pick up the work without missing deadlines.

With clear insight into what's upcoming and what everyone is working on, it's much easier to get bids out more quickly and take on the projects that will work best for you.

Victor Tyler, P.E.



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Construction Business Specialist
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Cost & Pricing

Automation & Cognition: The Winning Combination

The best way to meet the demands of today's bid process is by utilizing your team's strengths rather than bogging them down with unnecessary tasks. That's where STACK comes in: let us do the calculations so your team can use their brains for bigger things. [Get started today.](#)