

# Business Evaluation Process - Example

## Introduction

This document describes the Business Evaluation Process (BEP), which is applicable to all new business opportunities with a total contract value of **£250,000** or above. New business means any commercial opportunity that is not already contracted; therefore this applies to both new bids, and new projects with existing clients. This process does not apply to standardised packaged offerings, or training courses, which will be handled through business-as-usual (BAU) workflows. However, complex or non-standard deals below the £250,000 threshold, which require a significant investment in time or resources, should follow this framework.

## Objectives

The purpose of the Business Evaluation Process is to support our strategy of "**WINNING and DELIVERING**", ensuring that:

- ✓ when we bid, we **manage it to win**
- ✓ when we win, **we deliver high quality and exceed our clients' expectations**
- ✓ when we deliver, we **maintain profitability and seek to improve our business potential**
- ✓ we **minimise and manage potential risks** to ourselves and our partners

The purpose of the BEP is to qualify and present essential information to assess whether the deal will provide sufficient business opportunity to justify the total estimated costs. If it does, then the resources will be committed, if not, then we will withdraw before any further investment is incurred. Initial qualification should be undertaken (compatibility, budget, timescales etc.) as soon as an opportunity has been identified to understand whether it is viable to proceed. Ultimately qualification is the responsibility of the Business Development Director in consultation with the Business Unit Director.

## Responsibilities

The business development function is responsible for the business evaluation process as a whole. Their first responsibility involves qualifying an opportunity during the initial stages; paying particular attention to the budget, scope, timescales and compatibility of the project. Secondly, it is important that a completed New Business Qualification form (Annex A) is shared with the relevant internal stakeholders and delivery teams for further input and review.

## New Business Evaluation Process

The decision to proceed will be made after a New Business Qualification form has been properly completed, and then reviewed at a BRM.

The following people should attend the review (depending on the scope and complexity of the deal):

- Business Development Lead/Bid Manager
- Business Development Director - Chairperson
- Project Finance Controller
- Head of Technical Services
- Project Manager
- Technical Design Authority
- Business Unit Director

ROLES	RESPONSIBILITIES AT BID REVIEW
Business Developer	Presenting the client relationship and history, the opportunity and business case, strategic fit, our win strategy and the competitive status. Presenting the Bid Plan and ensuring actions are completed.
Project Manager	Presenting and underwriting the project timetable, project plan, sizing, costing and the Risk Plan with the necessary containment plans and required contingency.
Technical Design Authority	Presenting and underwriting the overall technical design and development process including technical validation of all partner products and services.
Business Development Director	Chairing the bid Reviews. Providing management commitment and approval as owner of the opportunity, at each key stage of the bid. Ensuring profitability of all opportunities.
Financial Controller/ Manager	Presenting and underwriting the bid budget, and project P&L and cash flow.

Head of Technical Services	Responsible for reviewing and agreeing the project and resource plans, project management costs, project management and technical personnel.
Business Unit Director	Chairing the Review as overall "owner" of the opportunity and providing management commitment and approval to proceed at each key stage of the bid.

As a minimum the following roles should attend the BRM

- Business Development Director (or representative)
- Technical Design Authority
- Business Development Lead
- Project Manager

There are 3 possible outcomes for the bid review:

1. Proceed with the opportunity  
The project is perceived as being core or strategic to our business, and we believe we have the expertise and resources to win and deliver a high quality solution.
2. Deferred for further review and action  
The deal warrants further investigation and/or action before being allowed to move forward. In this scenario a follow-up review meeting will be arranged.
3. Qualified Out:  
The opportunity is dropped. Accordingly our decision not to proceed must be communicated appropriately with the client and any partners.

The outcome of the bid review, along with full details of the project, should be saved in the appropriate bid register located in our CRM system. Once the bid has been submitted the Win/Loss report should be completed and filed in the system.

# Annex A

## New Business Qualification Form

1 - CLIENT PROFILE?			
Client Name:		Existing client?	
Strategic or key account?		Line of Business	
Where do we have key relationships?		Is there/will there be a formal tender?	
Names/Job titles			
Do we know the clients budget for this project?			
Do we know the clients purchasing strategy?			

2 - OPPORTUNITY DETAILS	
Client location(s)/onsite delivery? <i>(Enter number and locations)</i>	No: Locations:
What is the project?	
Why is it needed?	
Key technology drivers : Open Source, Technical Standards, Legacy Systems etc.	

3 - TIMESCALES	
Proposal/milestone date's	
Project start date	
Implementation/go-live date	

4 - WHAT'S IN IT FOR US?	
What future business opportunities may we have for repeating this project?	
How is this opportunity consistent with our business strategy and product road map?	
Is the project innovative or does it support us in developing valuable new skills or assets?	
Are there any reputational gains to be made from taking the work?	
What is the effect of not bidding and what is the impact of not winning?	

5 - COMMERCIAL & STRATEGIC	
<b>Type of Project?</b> <i>(Please select boxes)</i>	
Re-negotiation of existing business <input type="checkbox"/> New bid for new business <input type="checkbox"/> Re bid <input type="checkbox"/>	Design, development & deployment <input type="checkbox"/> Customization and deployment <input type="checkbox"/> Ad-Hoc development/tech consultancy <input type="checkbox"/> Business analysis & requirements gathering <input type="checkbox"/> Support <input type="checkbox"/> Training <input type="checkbox"/>
<b>Other services</b>	
<b>Estimated revenue and margin values</b>	
<b>Up-front investment commitment pre-sales/tech services?</b>	
<b>Risks. What are the risks associated with the project? (Do we have a risk plan with appropriate containment actions?)</b>	

<b>Other considerations</b>	
<b>What are our unique differentiators?</b>	
<b>What are our strengths over the competition?</b>	
<b>What are our relative strengths in the eyes of the Client?</b>	
<b>Resistance/issues to overcome</b>	

<b>6 - CAPABILITY PROFILE?</b>	
<b>Can the requirements be met by current technical and service capability?</b>	
<b>Do we have the right resources with the right skills, in the right places?</b>	
<b>Service Level Agreement requirement</b>	
<b>Do we need to involve a strategic partner</b>	
<b>Do we need to invest in infrastructure?</b>	