How to Write Compelling Proposal Documents

Association of Consulting Actuaries

September 2017

Writing proposals should not feel like a chore.

They could be the difference between winning and losing.

Hello – Chris Matthews

- Arthur Andersen, Advertising / Marketing / PR
- CEO biggest financial & corporate PR firm in Europe – many demanding clients:
  - Cabinet Office and other Government
  - C-Suite – Accountants; Banks; Global Financial Services Firms; Actuaries; Hermes; Trustees: Royal Mail, Cadbury, Sainsbury, ICI,
  - FTSE-100
  - etc

The Problems

Imagine…

What’s Wrong

- Your latest proposal looks like all your previous proposals
- Your proposal looks just like your competitors’ proposals
- They are tough to read
- They are too long
- They are focussed on the wrong thing

…insights…

…insights and solutions…

…ideal solutions…

…cost effective…

…largest…

…largest…

…design and deliver solutions…

…market leaders…

…leading global…

…tailored for our clients…

…leading provider…

…significant expertise…

…leading global…

…client focussed…

NOISE

Typical Client Views

“Just answer the question that you’ve been given, rather than give us a general blurb in relation to your particular expertise as a firm.”

“Hate people being too general…try to understand exactly what we are looking for…"

“Hate…having to wade through quite a lot of information about the firm…"

At what point do they say **YES**

Win by page 3

Credentials

Send Credentials Separately

- It’s not the bit the client is really interested in
- Demonstrates responsiveness
- Gives opportunity for follow up
- Does not dilute “main” document

Make Credentials Interesting & Relevant

- Why we are different and better (*explain* rather than assert)
- Sector experience (nb conflict)
- Case studies (**S**ituation **C**hallenges **A**ction **R**esults **R**elevant)
- Client endorsements, awards, etc
- Include the entire team (offer a chemistry check, if relevant):
  - Highlights
  - Discursive (but not down with the kids)

Main Document

Conviction Structure

- Engages the reader at an emotional level as well as rationally (yes, even for actuarial proposals!)
- Maintains their interest throughout (yes, even for technical material!)
- Provides a compelling, logical structure
- Helps keep the document focussed on the right things
- Helps keep it short

‘Conviction’ Structure

- [Summary]
- The brief
- Challenges, Challenges, Challenges (*esp. those they have not thought of*)
- Strategy (or approach), Value (measures of success)
- Work
- Other (Fees etc)
- Appendices

- NB: Credentials separate

Plan your document **before** you start to write*

*and do plenty of homework – including scoping meetings, using Insight / Challenger techniques to flush out issues

The hardest, least efficient way to write is to start writing

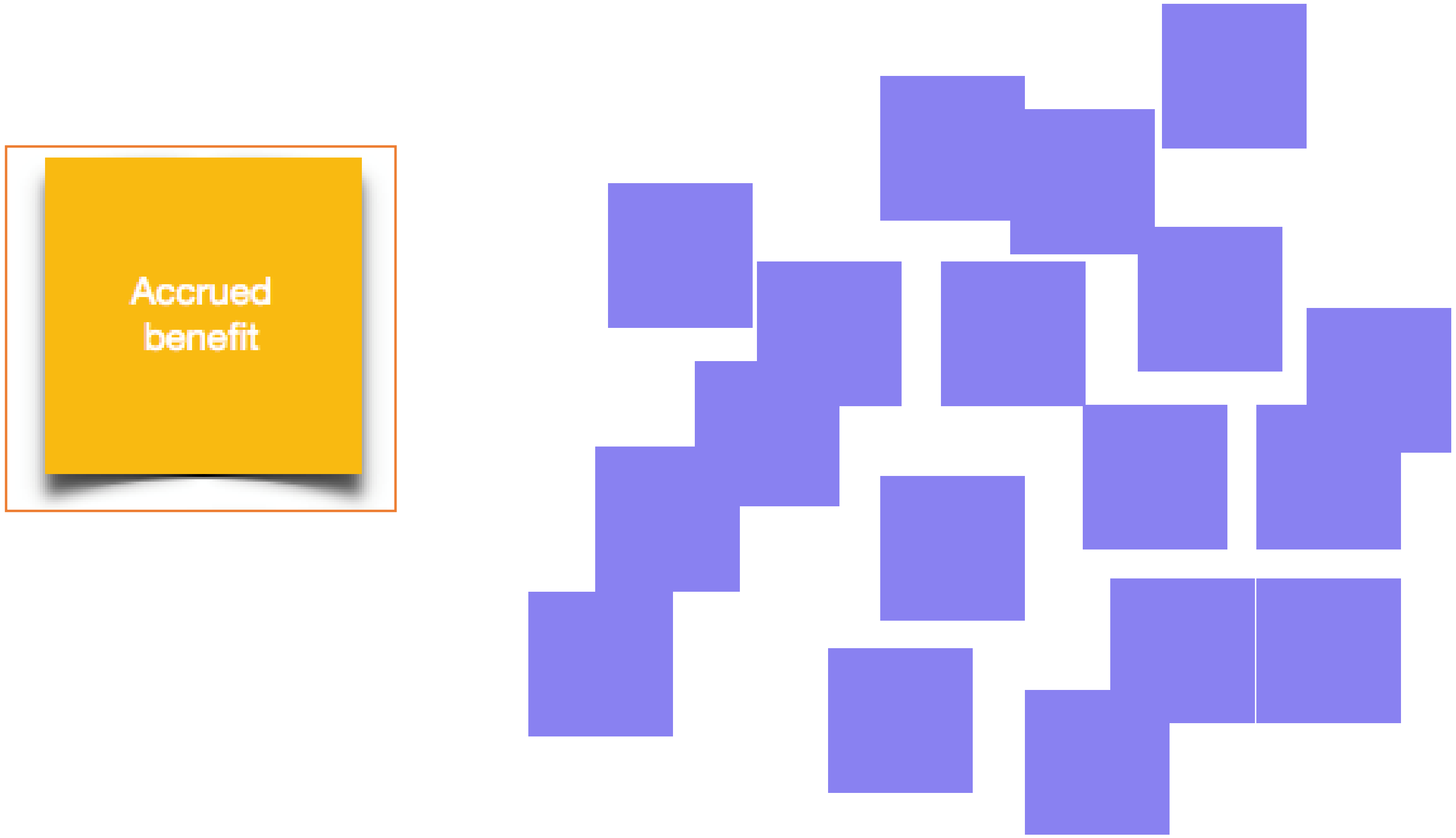
- Capture your thoughts
- Arrange them into right order
- Edit as you go
- Without losing track of what you are trying to say

}
}
} **Simultaneously**
}
}

- Instead, do these tasks one at a time
- It’ll save you **hours** and you won’t lose track

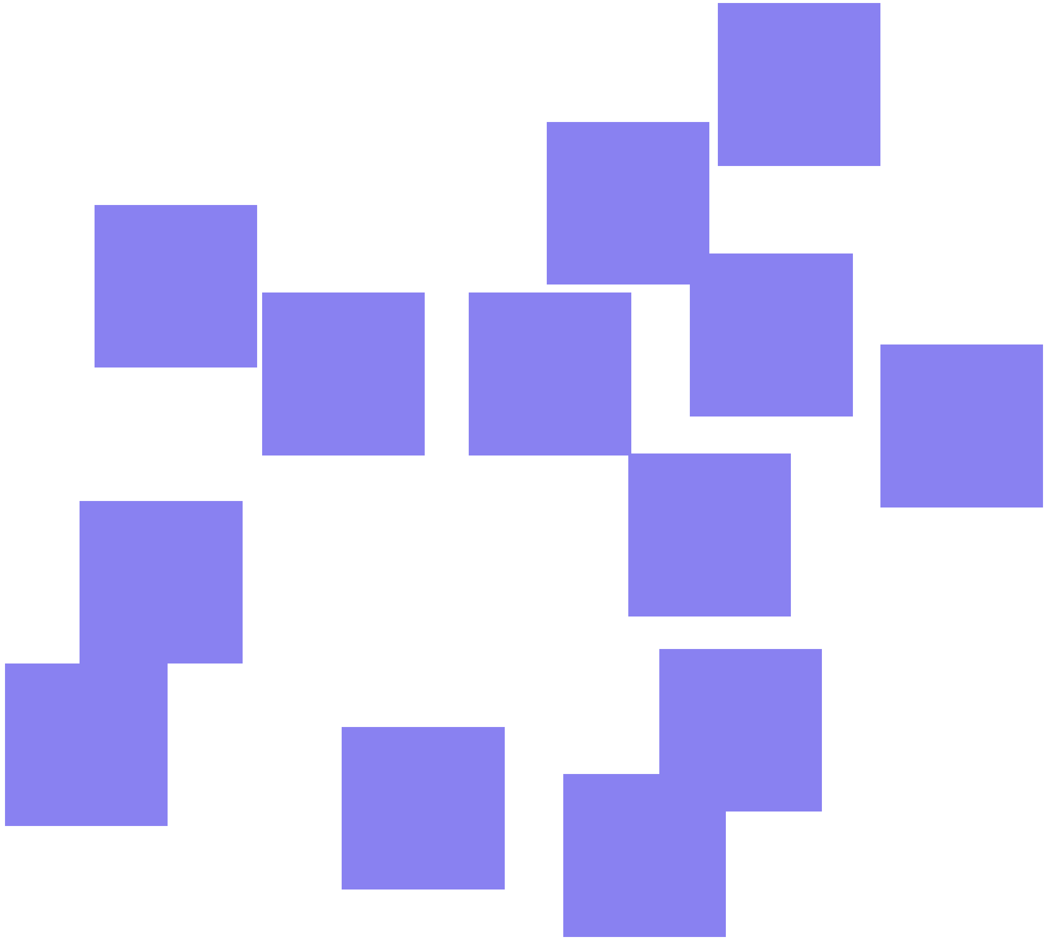
1. Capture your thoughts

Generate ideas (all the points you want to make)



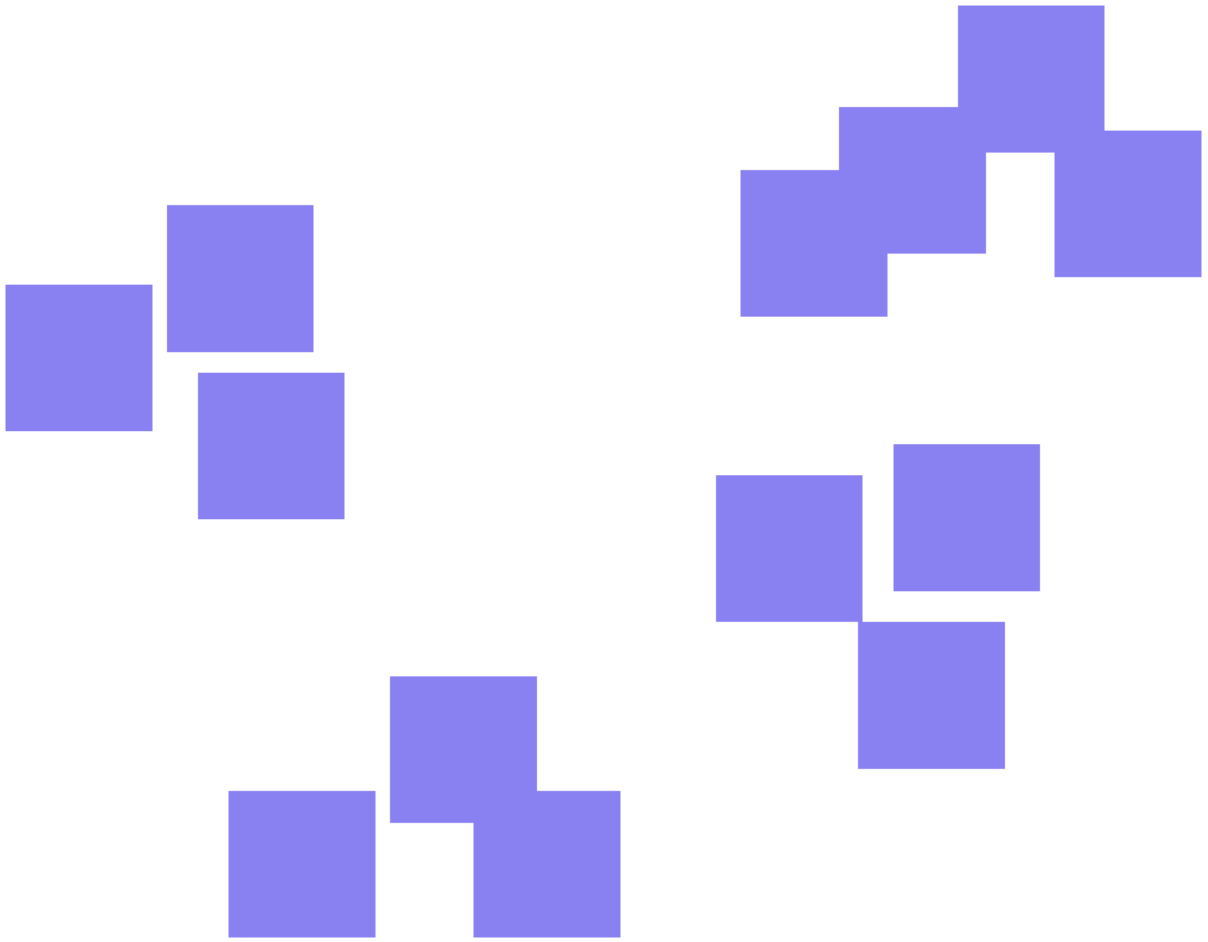
2. Reflect and put ”rejects” to one side

Filter them



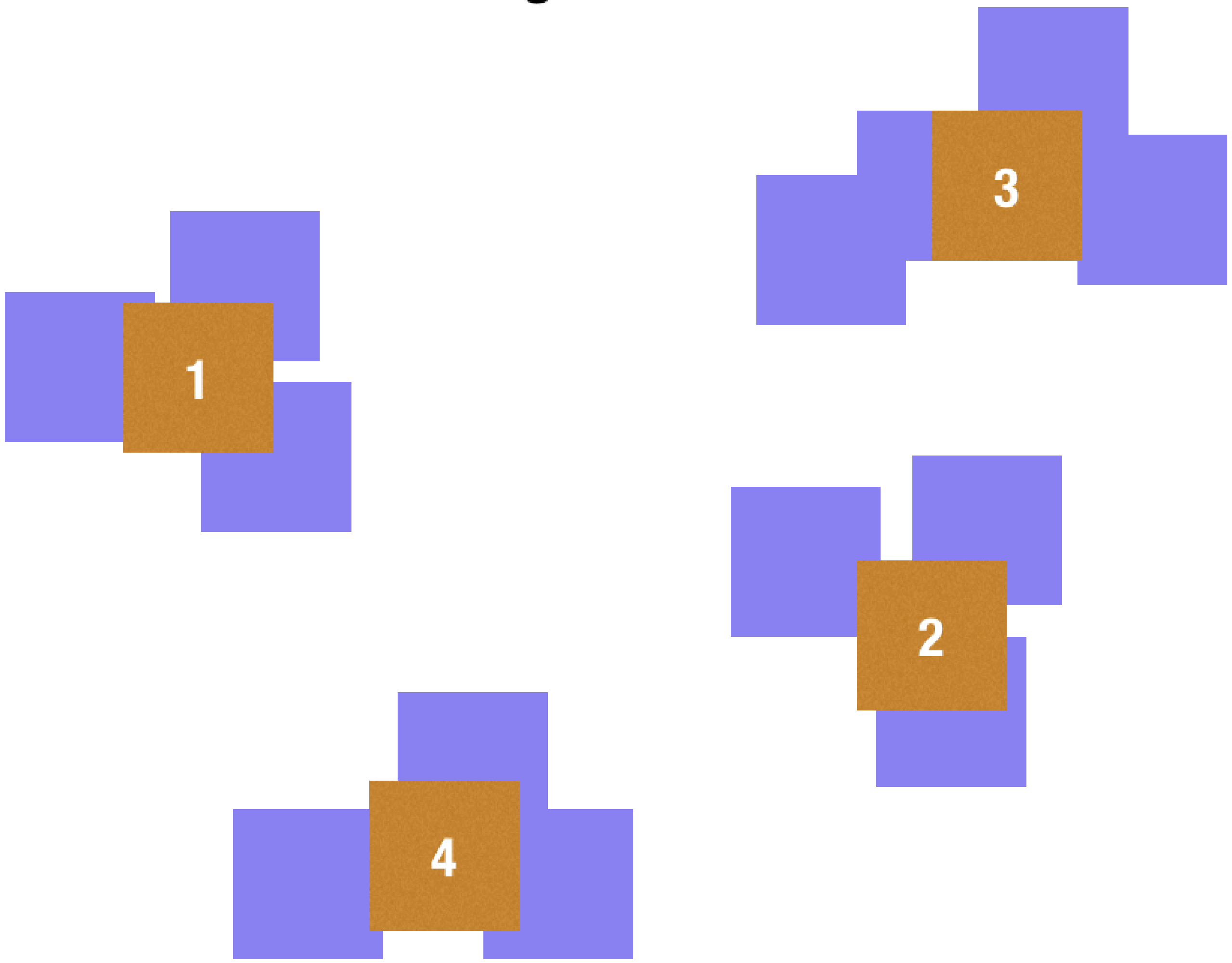
3. Cluster, find connections

Cluster them

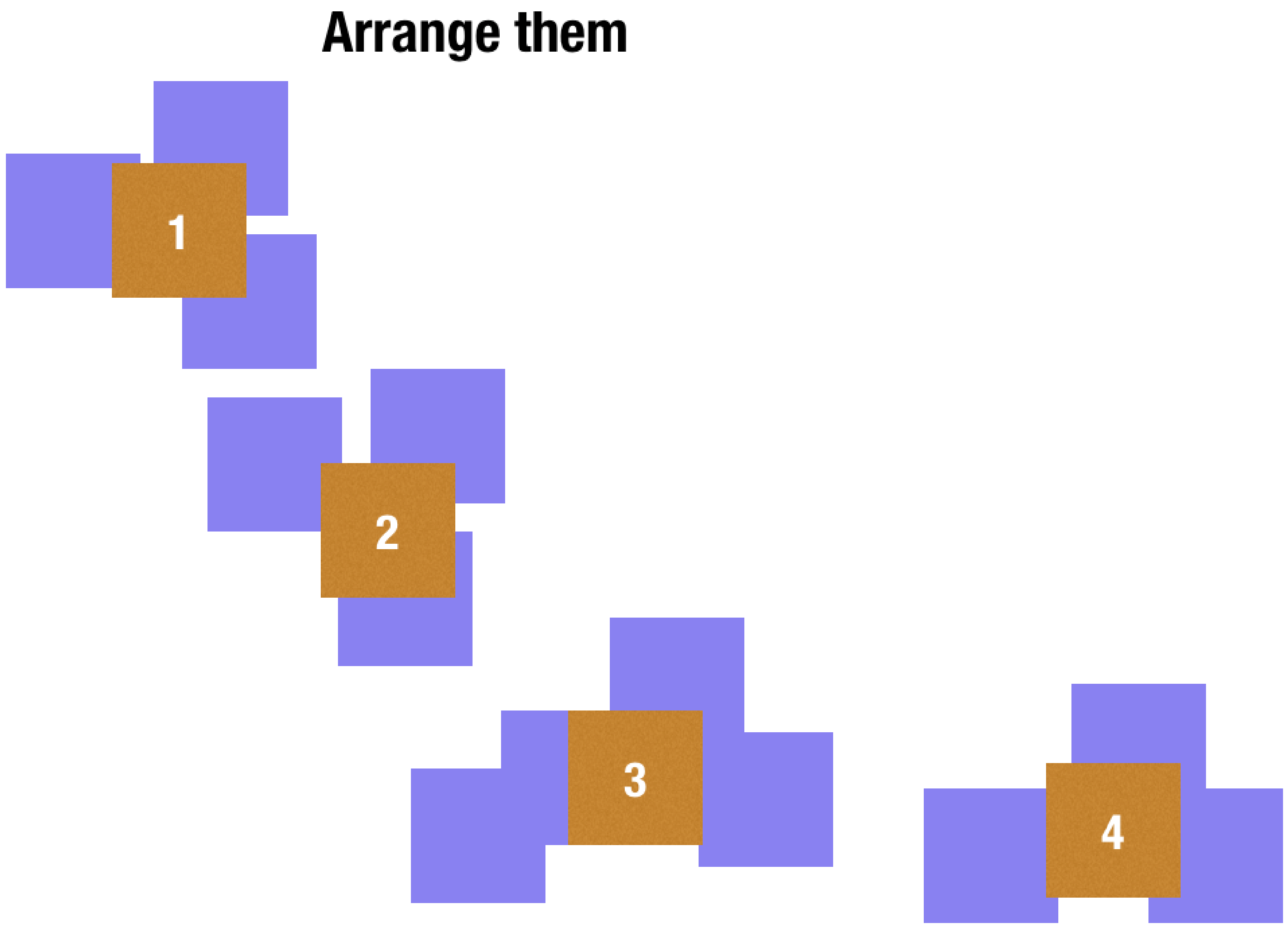


4. Clusters form sections / paragraphs

Give them headings



5. Order them – most important material first



Write from Post- It Notes to the Document

Post It Note

Document

- There is a risk that executives may have accrued benefits, unknown to the Trustees, in previous employments.

Write the summary **first**

Design your document to look good

Don’t waste the cover

- Your firm’s logo
- Your firm’s name
- Your firm’s colourways
- Document title

- Looks pretty much like everyone else…..

Make the cover distinctive, welcoming, working

Proposal for Cadbury

INSERT AN IMAGE OF THEIR PRODUCTS

We have more experience designing LTA schemes than any other firm.
Our proposals will protect the tax efficiency of your spend
We would regard working with you as a prestigious appointment.

Acme Consulting LLP

Match the client’s style

Use of white space

Beyond the specifics of individual projects, the Smarter Planet idea also managed to crystallise exactly why it is that society needs IBM. Ginni Rometty became CEO in 2012 with the aspiration to make IBM ‘essential to each of our vital constituencies’. The power of Smarter Planet is that it defines, in a universally appealing and memorable way, exactly how IBM will achieve that aspiration.

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Headings make documents flow. Or not.

- Headings that are informative make a document easier to read

- Capital requirements
- Impact of bond yield stability
- Triennial valuation
- Cohort

FT: “Hammond admits EU has ‘legitimate’ concerns about City regulation

Vs

Chancellor’s comments

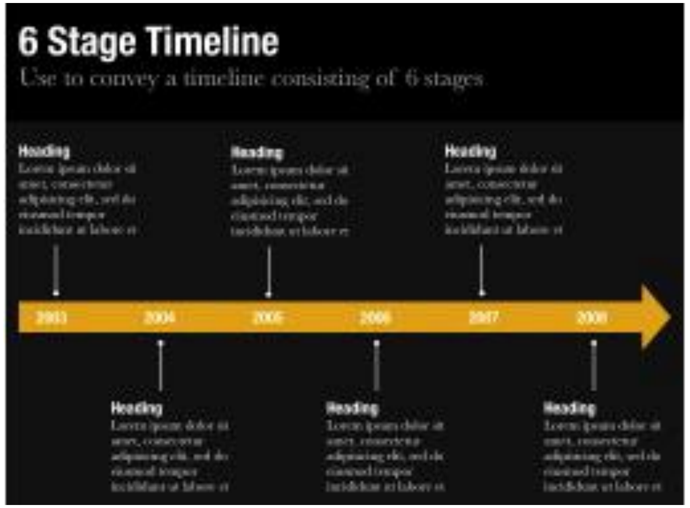
Other design elements

- Use **highlighting** *sparingly*, to <u>draw</u> attention to key points

- Use bullet points, lists and tables:
  - They are easier to read
  - They stand out
  - Can be scanned quickly

Use bullet points, lists and tables. They are easier to read, they stand out and can be scanned quickly

Well-designed diagrams and tables make understanding easier



Slidevana

Design

If you see a great diagram someplace else, “borrow” it

The table duplication duplication trap

The team has used a ten year projection for the business case. The financial projections are shown below. The table shows how the IFRS profit, S2 balance sheet, value at risk and margin develop

Key Business Metrics	**£ million**									
	2018	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
IFRS Profit	-6,117	-16,486	-1,189	3,226	4,879	10,208	14,881	21,638	38,962	42,778
Capital requirement	23,667	34,887	41,592	55,884	56,482	59,524	52,278	41,876	39,229	22,739
Solvency 2 Balance Sheet										
Risk Assets	22	67	297	490	387	354	339	309	269	254
Capital injection	2,874	29,201	77,359	120,139	189,623	207,849	326,408	338,101	398,450	572,816
Solvency requirements	337	28,906	67,809	44,782	61,851	72,804	81,827	107,338	129,238	142,861
SCR Cover rate	6x	6x	5x	4.2x	4.1x	4x	3.9x	3.9x	3.2x	3.2x

The table shows that the business expects to generate an IFRS profit in 2021, capital injections peak in 2027 and the SCR cover ratio is 3.2x in year 10

At what point do they say **YES**

When Do They Say “Yes”

The Bahamas Telecommunications Company Privatisation

Hogarth Partnership - Response to ITT

We have extensive privatisation experience

We have extensive telecoms experience

We have experience of working with Governments

We have agreed arrangements with a local PR firm

We regard working with you as a significant and prestigious appointment

When Do They Say “Yes”

<u>The Purpose of PR in this Privatisation</u>

Privatisation = trade auction	The BTC privatisation is not a classic public privatisation - it is more akin to a complex trade auction.
	We know from experience that such auctions rarely run smoothly; they can evolve, be deferred or interrupted by external factors.
PR protects value	Consequently, the role of PR is to help preserve the perceived value of the business in the face of delays and changes; from the criticism of those opposed to the transaction; from adverse events and potential negative publicity.
PR builds value	PR also helps promote a high value for the business in auction, through creating a perception of scarcity and demand, and using the media to suggest an aspirational valuation for the business.
Proven track record	We have a track record of success in using PR to assist in building and protecting value in this way.

When Do They Say "Yes"

Hogarth in a Nutshell¶

Our proposed team has run the communications aspects of the following privatisation programmes:

Significant privatisation experience

- PowerGen
- Northern Ireland Electricity
- Polish Mass Privatisation Programme
- Office of Passenger Rail Franchising
- Rosco's (BR rolling stock privatisation)
- British Rail (advice provided jointly to HM Department of Transport)
- QinetiQ

We have experience of the following telecoms businesses:

Significant industry experience

- Atlantic Telecom
- Cable & Wireless
- Energis (Freeserve)
- Grainger Telecom
- Orange

No conflicts

have no conflicts of interest.

£60 billion of transactions

We are routinely ranked in the top ten of UK financial PR firms, despite being just ten years old. Our rise through the league is a function of our hunger and skill, which has led clients to entrust us with in excess of £60 billion of transactions.

We would be delighted to work with you

The list of activities shown here represents a tremendous amount of experience vested in the Partners of Hogarth. We would be delighted to be able to work with you on this and put that experience to good use on your behalf.

Summary

In a nutshell

- Separate credentials from proposals
- 80 / 20: the client / you
- ”Conviction” structure – WIN BY PAGE 3
- Plan before you write
- Design to be easy to read
- Match the client’s style / culture