
Business Opportunity Management

Policy

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1 INTRODUCTION

1.1 SCOPE

This Policy takes effect from 1 October 20xx.

The Business Opportunity Management policy applies to all bids/proposals in all business units with VENDOR X content exceeding a minimum total contract value (TCV) for services revenue of \$250,000.

This amount applies irrespective of any consideration of lines of service or vendor participation, unless participation is entirely standard product from a preferred vendor, in which case its contribution may be halved when calculating TCV for application of this Policy.

Any VENDOR X engagement that has **all** of the following characteristics shall be reviewed and approved by application of this Policy through the business units Business Opportunity Manager:

- Custom opportunity or Statement of Work and
- Greater than the minimum total contract value for services revenue. A business unit may elect to use a lower amount eg \$50,000 and
- Not subject to the terms and conditions of an existing customer contract. When existing contract terms partially override provisions of this policy the unaffected provisions shall be applied.

If an opportunity does not meet the criteria and does not require application of this policy then it is still subject to the appropriate business unit approval processes.

1.2 PURPOSE

All VENDOR X business opportunities require some level of management oversight to ensure that the engagement and its deliverables are delivered efficiently, on time and with customer satisfaction. This document describes the business controls for the management of customer proposals. It is designed as a high-level document to provide the minimum mandatory requirements for applicable VENDOR X customer proposals.

It defines operational management responsibility and phases in assessing a sales opportunity, preparing an offer and, in the event that the offer is accepted, preparing to hand over to the delivery team. Certain mandatory steps and auditable review documents are described.

Business units shall define procedures to comply with this Business Opportunity Management (BOM) Policy. This document uses terminology that has common, uniform and agreed meaning throughout the business. In order to facilitate a national approach to development of proposals, the business units shall comply with terminology used in this document.

1.3 BACKGROUND

Members of the VENDOR X Group make many offers and proposals to a large number of clients in the course of a year for many different types of projects using a wide variety of different technologies and services. A measure of uniformity in those proposals is desired to:

- Effectively manage risk and achieve profitability goals
- Ensure cost and assets are effectively leveraged
- Drive operational excellence and quality outcomes
- Present VENDOR X in a consistent manner
- Meet legislative, regulatory and business requirements.

1.4 AUDIENCE/PEOPLE AFFECTED

These functions shall comply with this policy:

- All sales staff
- All Business Opportunity Managers and Proposal Managers or equivalent
- All Regional / Operational Managers
- All Commercial Managers
- Service Unit Managers (as their resources will be required for proposals) and
- Quality Managers (in order to be able to audit compliance with the Policy and other applicable standards).

1.5 REVIEWS

There shall be four mandatory reviews conducted during the development and offer stages of a proposal. They are described in the POLICY section and are:

- Opportunity Assessment Review - approval is required to move forward to pursue opportunities
- Final Submission Review - approval is required before submitting the Bid/Proposal to a customer
- Negotiated Final Offer Review - approval is required if customer negotiations significantly (greater than 10%) impact revenue, profit, risk or scope beyond the financial parameters approved at the Final Submission Review and

- Contracts Review - approval is required before signing the contract(s) with the customer

At each review an output document shall be completed and authorized appropriately. Documents shall contain the key data items relevant to the review as specified in APPENDIX A - KEY DATA FIELDS. If a CRM record for the specific proposal and an individual, respective data field exists then the corresponding Review data field may refer to it by insertion of the CRM identification number. The format of documents is at the discretion of the Business Unit.

The reviews shall consider the following risk and opportunity factors:

- Ability to comply with the contract, if offered by the prospective customer
- The ability of the proposed technical solution to meet the customer's requirements
- The ability of VENDOR X to meet customer expectations
- The cost, offered price and the prospective customer's budget and expectations
- The competitive landscape
- The capability of VENDOR X to manage and deliver the required solution
- The ability of the solution to meet relevant safety, regulatory and legislative requirements
- The ability of the solution to meet relevant standards, including the business unit's quality management system.

1.6 APPROVAL LEVELS

Approvals require signoff of the appropriate level delegate as detailed in the VENDOR X Authorization Policy that is available on the VENDOR X Intranet.

Major business opportunities with a total contract value for services revenue exceeding \$25M or expenditure exceeding Level 2 delegation shall include a representative of Business Operations in the mandatory reviews.

1.7 DOCUMENT RETENTION

The documents associated with these approval stages and supporting schedules shall be retained in the permanent file for the customer opportunity by the engagement team and in the VENDOR X document repository catalogue.

1.8 EXCEPTIONS AND TAILORING

Given the enormous variation in the proposals made by the business units, there is a need for flexibility to allow for exceptions to, and tailoring of, this policy. Some examples are:

- A proposal for an existing client with an existing contract, where the legal reviews would be unnecessary or
- A classified proposal that is unlawful for un-cleared staff to review (for example, Defense or Security proposals).

An alternative, appropriate approach for each case shall be agreed with the appropriate level of delegation. The exception approval shall be made available to VENDOR X Group for audit on request.

1.9 ITERATION

Some proposals require repetition of certain steps, for example a customer may require a Rough Order of Magnitude cost, followed by a fully costed and competitive proposal. Each repeated step shall be bound by the requirements described above.

1.10 INTRANET SITE

The first point of reference for local forms and detailed procedures is the business unit's intranet or quality management system.

Further information, including guidelines, suggested forms and contacts, is available at the VENDOR X intranet site.

2 POLICY

The following tables define the Business Opportunity Management policy.

The delegated authority amounts are specified in the VENDOR X Authorization Policy.

2.1 PRE-PROPOSAL PHASE

The following shall be the steps, delegated authorities and auditable review information for the Opportunity Assessment Review:

STEPS	Delegated Authority CEO and above	Delegated Authority Level 1	Delegated Authority Level 2	AUDITABLE OUTPUT	FORMAT / COMMENT
Log proposal				ID Number	For example, CRM id no.
Opportunity Assessment Review	Mandatory	Mandatory	Mandatory	Opportunity Assessment Worksheet	For example, Proposal Management Form
				Initial Risk Assessment	
Go/No Go decision	Mandatory	Mandatory	Mandatory	Opportunity Assessment Worksheet with appropriate authorization	Note that authorization to pursue only approves the estimated budget to win. Authorization to submit approves the financial parameters for the delivery phase at the Final Submission Review.