Pitching to Win

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Chapter 1: Pitching and sales opportunities

THE UNPRECEDENTED nature of the prolonged economic downturn has created massive pressure on company cost bases. This in turn has translated into companies putting pressure on their legal advisors in order to get the best deal. Previously, lawyers knew exactly who their competitors were for particular pieces of work; however, deal flows have dried up and advisors face much stiffer competition both from larger firms but also from smaller, more flexible, and more nimble firms. It is now more important than ever to make sure that the time and effort you put into getting new work is succeeding for you. And that means perfecting the art of the law firm pitch.

Unfortunately, many professional service advisors have never been taught formally how to respond to proposals for new business. Anyone who has been involved in the compilation of a pitch knows that structuring and writing the document isn't easy. However, many people fail to understand that from the point when a request for proposal (RFP; also known as an Invitation to tender (ITT)) is issued, you are already being judged against your competitors.

Many firms (with which the author has been involved) have very low pitch win rates: around 30–40 per cent. By using the principles outlined in this report, particularly regarding a rigorous stop/go decision, win rates can be increased to over 85 per cent. We will start by recognising the pitch and sales opportunities.

What is a pitch?

Let's start with a definition. For the purposes of this report, a pitch is 'a form of words used when trying to persuade someone to buy or accept something'. Pitches, of course, can go by other names, including:

- Bid;
- Proposal; and
- Tender.

For the purpose of this report, though, the term 'pitch' will be used. Whatever you call them, pitches involve a lot of people, resources, time, and energy. You have to be very clear at the outset that it will be worth the effort and you must ensure that the time you spend preparing for the pitch doesn't exceed the value of the contract itself.

> 'We have worked out that the average pitch costs £15,000 in terms of time and effort from the business. If you put this in terms of opportunity costs – we are only winning one in four pitches. Therefore the opportunity cost is £60,000 and it really doesn't make sense to pitch for work with a value under this amount!'
> ***Head of business development***
> ***Top 10 UK accounting firm***

How does the pitch process begin?

Often the pitch process starts when an organisation sends out an RFP or a pre-qualification questionnaire (PQQ, see below). The RFP or PQQ mostly are prompted by a review of the advisory arrangements in light of any one or a combination of the below:

- Business crisis, failure, or financial restructuring;
- Company reorganisation or change of direction;
- Merger or acquisition;
- Board or senior management changes;
- Changes within board or group responsible for appointing advisers;
- Change mandated by law regulators; and
- Appointment of another firm of advisers to:
  - the parent company; or
  - subsidiaries.

How does the opportunity to pitch arise?

The way that the opportunity to pitch arrives at the firm is very important. It may come via several sources:

1. Research: the opportunity may have arisen through your own internal research or industry research.
2. Press: the opportunity may have been reported in the press either through an advertisement (e.g. in the Law Society *Gazette*) or through a tendering database (as is the case with public sector pitches).
3. Internal cross-referral: the opportunity may have been a cross-referral that has come through an existing client relationship.
4. External cross-referral: the opportunity may have arisen from a cross-referral from other trusted business colleagues, either of the organisation or the law firm.
5. Client research: the client may have used industry directories in order to evaluate firms of advisors for specific skills that they may require.

However an opportunity arises, there must be a process in place that immediately alerts everybody to it. This is particularly important in larger organisations to ensure that different areas of the business are not pitching for the same piece of work. This can be quite common where cross-border deals and international work are involved, as the pitch could possibly have gone into different offices within the same advisory network. There was one international law firm the author worked with who received an RFP six times from the same global client. Luckily, it was caught before too many people wasted their time.

Different types of pitches

There are many different types of pitches, requiring different responses and approaches. Each will vary depending on the deadline and complexity of the documents and processes, which in turn affect the degree of customisation and the resources needed. Figure 1 below illustrates the various types of pitches.

When you are involved in procurement-led processes (most notably with public sector or financial services pitches), then you may have a lead time of 80 days or more. In some circumstances they may also require you to submit a pre-qualification questionnaire before you get the opportunity to actually pitch for the work. Other pitches may be as informal as an e-mail from a contact who says 'I've got a piece of work in 'x'. I just need to know what your

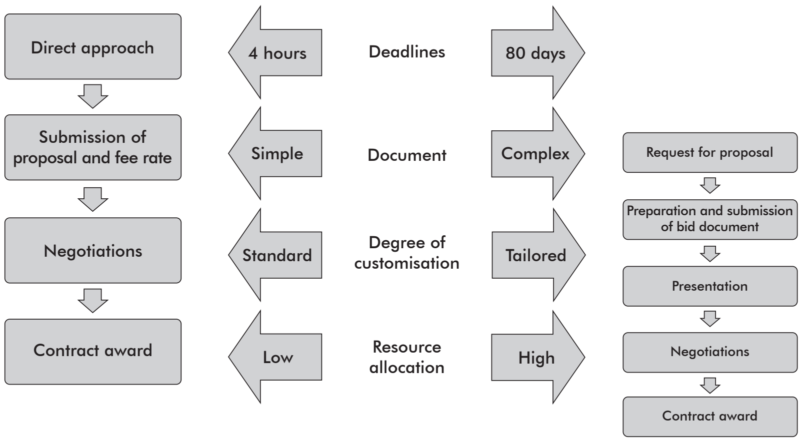

Figure 1: Various pitch types, with complexity and timeframes

expertise in this area, who will do the work, and what the fees will be'. No matter what the approach is, all the complexity of the pitch time and effort will need to be put aside in order to win the opportunity.

Stages of a pitch process

There are five stages a law firm should go through in order to ensure a best practice pitch process, one which will deliver the best opportunity for a successful outcome. It should be noted that not all of these stages will be appropriate for all pitches. These five stages are the key considerations that you need to put into your response, as well as some follow-up guidelines. (Chapter 7 provides a fast-track version of this process in the form of a checklist, for those times when you must prepare a pitch in a very short space of time.)

A note about pre-pitch qualification

The process outlined below does not take into account pre-pitch qualification, which some companies may ask you to undertake. A pre-pitch qualification is when a company puts a stage in front of the formal request for proposal. This enables the company to narrow down the field to only those advisors that it thinks can meet its criteria.

A PQQ normally involves a detailed questionnaire which is evaluated along a pre-defined point allocation system. They are often run by the company's procurement team. Pre-pitch qualification questionnaires are very common in the public sector. They also demand as much time as the formal RFP. At this point you must establish whether the time and effort needed to complete the questionnaire and subsequent formal RFP is worth the investment by the firm. (Chapter 2 details how to make a stop/go decision.) With pre-qualification questionnaires, the stop/go decision needs to be made at the point that the questionnaire comes into the firm and not at the point where the firm receives the formal RFP.

The five stages

Below are the five stages that ideally should be undertaken when responding to a pitch request, and the steps within each stage. Clearly, some stages will need to be condensed or take a shorter amount of time depending on the deadline that you have. This process is based on best practice gained across the professional services sector.

Stage one: Receiving the invitation
1. Acknowledge receipt of the RFP
2. Perform a conflict check
3. Alert key team members and business development
4. Research the opportunity
5. Make the stop/go decision
6. Respond to the client to accept or decline the invitation

Stage two: Pitch team and planning
1. Decide on the pitch team and lead partner
2. Pitch planning meeting
3. Pitch plan and timeline
4. Ask the prospect
5. Fees

Stage three: Produce the document
1. Plan and structure
2. Writing style

3. Review and proof document
4. Produce and submit

Stage four: Presentation

1. Presentation instructions
2. Strcuture of the presentation
3. Preparation of presentation tools
4. Coaching and rehearsals
5. On the day

Stage five: Results and feedback

1. Negotiations and clarification
2. Prospect feedback
3. Internal pitch team debrief meeting

Chapters 2–6 of this report will look at each of these stages in turn, detailing the key steps to be followed and referencing helpful support material and information sources. So you have an opportunity to win some work, let's start the process.