

Consider competitors and contractors

March 2022

transport.nsw.gov.au

Table of Contents

About this video series.....	3
About the author	3
Disclaimer.....	3
Contributors	3
Copyright.....	3
Competitors.....	5
Competitive analysis.....	5
Existing contractors.....	5
How to complete a competitive analysis	6
Competitive differentiation.....	7
Working with competitors	8
Contractors.....	8

About this video series

The NSW Government is committed to supporting economic participation and social outcomes, developing skills and creating jobs for the citizens of NSW. This includes building a diverse supply base by enabling all types of businesses to engage with procurement opportunities – including small and medium enterprises, social enterprises, disability enterprises and Aboriginal businesses. Numerous policies reflect these priorities and commitments, including the [Small and Medium Enterprise and Regional Procurement Policy 2021](#).

We recognise that our supply chains are complex and that opportunities are not always directly with the NSW Government but indirectly through our supply chains, e.g. with principal contractors.

This video series supports small and medium enterprises and diverse businesses in applying for tenders associated with infrastructure projects. The guidance in the videos is adapted from ‘real life’ examples of tender documentation and minimum requirements related to infrastructure procurement opportunities in NSW. This video series was developed by Transport for NSW and iClick2Learn, a Dubbo-based social enterprise certified under [Social Traders](#).

About the author

Natalie is a tender and grant writer and assessor. Working with enterprises, small businesses and the not-for-profit sector, she has helped raise over 45 million dollars for services and product submissions. Natalie holds an 82.5% grant and 94.2% tender success rate. She teaches and mentors people to apply for tenders and grants and establish grant and tender businesses. Natalie is the author of ‘Win the Grant’ being published in May 2022 and ‘Win the Tender’ scheduled for late 2022.

Disclaimer

The video series helps businesses position themselves for success. The content is intended for information purposes only. Using the video content does not guarantee inclusion in any commercial opportunities or the award of any contracts or other engagements.

Contributors

Transport for NSW

Copyright

© NSW Government 2022 This information has been made available to you under creative commons licensing Attribution-Non-Commercial 4.0 International. This content in this video series and accompanying handouts remains the intellectual property of the Author, Natalie Bramble of iClick2Learn. Transport for NSW and NSW Government retain copyright ownership of these handouts and video series.

You are permitted to use this information to benefit your business in the pursuit of securing tenders. You cannot use this information for any other commercial purpose.

Competitors

In any tender process, you'll be competing against other businesses. You may expect some of your competitors while others might be a surprise. The assessment process involves comparing you against your competitors and their responses. You can't control this as you don't know that level of information or detail about another business in their tender.

Competitive analysis

It's helpful to understand the competitive environment. Insight into your competitors and their strategies helps you understand how your offering differs. Consider the evaluation criteria and the client's strategy, plans, values and priorities. Then, think about your results, processes and systems. These might include your people, standards and accreditation. Perhaps you have insights into your industry that others don't. Brainstorm these points and identify your strengths.

One benefit of competitive analysis is identifying areas for improvement. Think of this as an opportunity to strengthen weaker areas before submitting the tender. Even if you don't secure the tender, improvements put you in a stronger position for the future. Every time I write a tender, there is opportunity to learn, improve and grow.

Existing contractors

If the prospective client is putting previously offered work out to tender, you may be competing against an existing contractor, the incumbent, who is already delivering services or products. In this case, the prospective client is not necessarily unhappy with the incumbent contractor. They may simply be going through a due diligence process to ensure they have the best supplier available. This situation comes with a degree of risk, so be prepared to emphasise your solution's benefits.

Reinforce your record, including your results, innovations, customer service focused work and milestones met. You can demonstrate your record through case studies and testimonials. Show that you have the necessary processes in place and that you meet quality standards. Additionally, demonstrate how your values align to the values of the prospective client and what you implement, such as social procurement or community support.

Disclaimer

The video series helps businesses position themselves for success. The content is intended for information purposes only. Using the video content does not guarantee inclusion in any commercial opportunities or the award of any contracts or other engagements.

Be proactive and consider how to strengthen the value you offer, while identifying and reducing any weaknesses in your response. This process is called a competitive analysis.

How to complete a competitive analysis

In the first column, list factors that may be assessed. The evaluation criteria are a good start. You can also include weighting if it applies. This analysis helps you mind the most important criteria and decide if you should take action to strengthen or neutralise a weakness.

For every item listed, consider each group, including their strengths and weaknesses. You do not have to consider potential contractors if you have the strength to fulfil the tender requirements within your business. However, contractors might help improve areas of weakness. Keep in mind, you can work with other businesses, even competitors offering complimentary services. For example, your cleaning business may know that other cleaning businesses do not use or promote the use of eco products. You would note this in the last column as your competitive edge.

Competitive criteria	Competitors			Our business
	A. Similar small to medium businesses	B. Similar larger businesses	C. Potential contractors	
Capability, capacity and experience	List their known strengths and weaknesses in this area	List their known strengths and weaknesses in this area	List their known strengths and weaknesses in this area	How do you compare? What do you need to do?
Compliance with contract terms				

Disclaimer

The video series helps businesses position themselves for success. The content is intended for information purposes only. Using the video content does not guarantee inclusion in any commercial opportunities or the award of any contracts or other engagements.

Health,
safety,
environmental
and quality
assurance

Innovation

Social
procurement
and
workforce
development

Sustainability
and lifecycle
environmental
management

Tender price

Value for
money

Competitive differentiation

In the last column, highlight your competitive differentiation. Some call this your unique selling proposition, or unique value proposition. In essence, it's what makes your products or services better than those of your competitors.

Do not name competitors in your tender response. Further, do not make detailed statements about your competitors such as 'they never' or 'they always' as you do not and should not have that level of insider information.

Disclaimer

The video series helps businesses position themselves for success. The content is intended for information purposes only. Using the video content does not guarantee inclusion in any commercial opportunities or the award of any contracts or other engagements.

Without naming them directly, show empathy for the challenges people have had, or that the prospective client might have, with other competitors.

Working with competitors

This analysis lets you consider working with competitors on a joint tender. If you're considering this, identify the competitors as potential contractors.

Contractors

If you want to work with other businesses, there are three potential scenarios. The first is to be the principal contractor responsible for fulfilling the contract. In this case, you contract out services to subcontractors. The second is for you to be a subcontractor for another business who is the principal contractor. The third is working with a group of businesses in a joint venture or consortia.

Every approach has rewards and risks. The reward is that together you offer many strengths that add value to the proposed solution. The risk is that you are involved with other organisations, either within their control or trying to control them. For their part, the prospective client wants to achieve their results at the quality standard they expect without increasing risk.

There are a few things you need to consider in these arrangements. We've linked a joint venture handbook below to help you prepare.

Examples of key considerations include:

- The objectives of the other business
- How well their values and culture align to yours, and to the prospective client's
- How you'll manage the relationship, including formal contracts and governance for decisions and modifications to agreements
- Your communication process, including resolving disputes
- How the other business can help you meet your quality standards and achieve your goals
- Confidentiality and intellectual property rights

Indigenous Business Australia Joint Venture Guide:

Disclaimer

The video series helps businesses position themselves for success. The content is intended for information purposes only. Using the video content does not guarantee inclusion in any commercial opportunities or the award of any contracts or other engagements.

https://www.iba.gov.au/wp-content/uploads/Indigenous_JV_InfoGuide.pdf

Disclaimer

The video series helps businesses position themselves for success. The content is intended for information purposes only. Using the video content does not guarantee inclusion in any commercial opportunities or the award of any contracts or other engagements.



© Transport for New South Wales

Users are welcome to copy, reproduce and distribute the information contained in this report for non-commercial purposes only, provided acknowledgement is given to Transport for NSW as the source.