

DEVELOPING SPECIFIC, TARGETED AND TANGIBLE **VALUE STATEMENTS**

The Value Quantification Cheat Sheet helps you to find and communicate your value in bids. It moves you from vague value statements that use generic and broad words (often with fluff, guff, geek and weasel*) to more specific, targeted and tangible statements of value. Your bids will then be much more customer focused, compelling and persuasive.

PART 1: FOUR FOUNDATIONS FOR SELLING VALUE*

1

The customer must want the value you are offering.

2

Linking value to differentiators separates the competition.

3

Value is more compelling if you can quantify it.

4

If you can quantify value, you can present it visually.

PART 2: THE FIVE TYPES OF VALUE*

FINANCIAL

- Lower price
- Price certainty
- Total owner cost
- Lower Opex
- Increased revenue
- Improved cashflow
- Greater profit

SOCIAL

- Job satisfaction
- Staff retention
- Lower absenteeism
- Faster onboarding
- Community benefit
- Customer loyalty
- Brand recognition

QUALITY

- Ease of use
- Longevity
- Improved reliability
- Reduced defects
- Reduced rework
- Better compliance
- Fewer complaints

PRODUCTIVITY

- Staff productivity
- Simpler systems
- Optimised process
- Reduced waste
- Production times
- More flexibility
- Better automation

RISK

- Lower failure risk
- Better safety
- Environmental
- Fewer liabilities
- Accountability
- Lower uncertainty
- Future proofing

PART 3: THE SIX STEP FRAMEWORK TO QUANTIFYING VALUE

1. IDENTIFY	2. CONNECT	3. ASSESS
Identify your most compelling value from examples in the five common value types. Does your customer value this value? If yes, how do you know?	Check that this value connects to one of your discriminators. If so which one?	Can you quantify this value in any way? If so, how?
<i>Lowering operating costs. We met with the Ops Manager for the client and her KPI is based on achieving a major reduction in OPEX.</i>	<i>Our ability to reduce costs is enabled through our unique, end to end asset management platform.</i>	<i>Yes, we can show a savings glide path over the three year contract term.</i>
4. DRAFT	5. ACTION	6. FINALISE
Draft a broad target value statement. (At this point, you may not have actual quantities).	What actions are needed to quantify the value? Consider processes or barriers to overcome. Complete the activities needed to quantify your value and assign to the team.	Finalise your quantified target value statement. This is key as it puts a number to the value.
<i>Through the efficiency gains enabled by our technology platform, ABC Corporation will realise XX% savings over YY time in your maintenance spend.</i>	<ul style="list-style-type: none"> • <i>Understand current spending baseline (Jane)</i> • <i>Benchmark savings areas and estimate range (John)</i> • <i>Get sign off from our delivery team (Jordan)</i> 	<i>Through the efficiency gains enabled by our technology platform, ABC Corporation will realise 25% savings per annum in your maintenance spend.</i>

REPEAT: What other values can you quantify and where in the bid can you use the value statements?

FIVE FINAL TIPS TO HELP QUANTIFICATION

1. Concentrate on the more important ones
2. Start the process early
3. Get executive level buy in and support
4. Extend governance to value definition and communication
5. Get everyone on the same track

*Some parts adapted from "Persuasive Business Proposals" by Tom Sant.