2022 Report

RFP RESPONSE TRENDS & BENCHMARKS

Data-driven insights from 811 companies for measuring performance and improving win rates.

Research Conducted by

Loopio

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About the Authors

Loopio's RFP software helps companies streamline their response process for RFPs, DDQs, and Security Questionnaires. With Loopio, teams respond faster, improve response quality, and win more business. Serving over 1,000 customers globally, Loopio is the leading, most-loved RFP response solution in the market.

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INTRODUCTION AND TOP TRENDS

RFP operations are maturing in 2022—but only select companies are seeing higher win rates. In this third annual industry report, learn what top teams are doing differently to win.

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THIS YEAR, RFP RESPONSE TAKES A PROFESSIONAL LEAP FORWARD

> *41% of teams surveyed won more than half of the RFPs they bid on.*

In spite of this year's peaks and valleys, 41% of teams surveyed won more than half of the RFPs they bid on. Select companies are leading the pack for revenue-earned and win rates. So throughout this year's report, we highlight what best-in-class teams do differently to drive success (and what you can do, too).

This report answers several big questions for our industry: How much revenue do proposal teams really influence? Does team satisfaction impact win rates? And what industry-wide trends will impact your team in 2022?

We've also added a new section focused on career growth and salary opportunities for full-time proposal writers and managers. This way, companies can better build and retain high-performing proposal teams. And, perhaps more importantly, those in this critical role will be empowered to negotiate salaries and grow their careers.

Thank you to those who participated in this year's survey and to everyone reading this report. We hope it continues to inspire RFP responders to work smarter and win more.

Sincerely,

Zak Hemraj
Loopio CEO and Co-Founder

P.S. A special thanks to our partners at Pavilion for supporting this year's survey.

Pavilion

About This Report: Loopio's third annual RFP Response Trends & Benchmarks Report offers year-over-year research, which reveals how 800+ companies are managing their proposal process. Our hope is that response teams can use this report to better understand their own performance—while learning best practices from top teams who win more RFPs.

WHO WE SURVEYED

We surveyed more than 800 people involved in responding to RFPs at organizations across North America. All participants are either involved directly in the response process, or indirectly through managing an RFP response team.

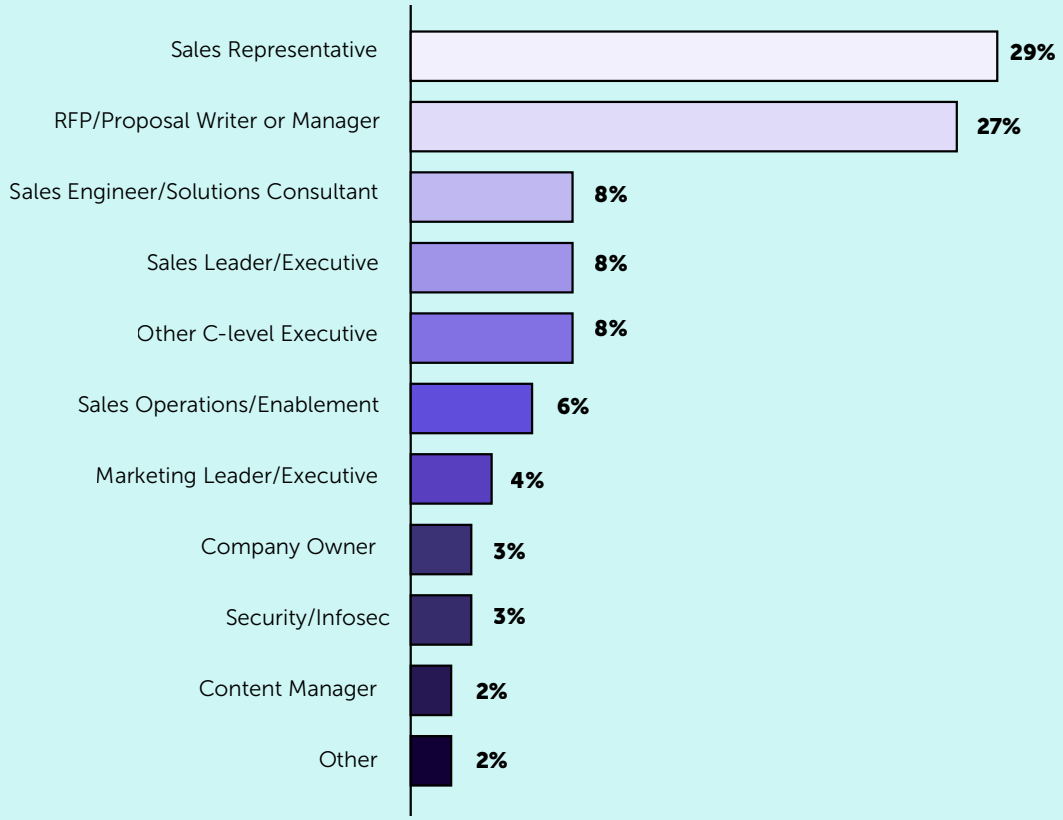
811

The number of people surveyed for this annual research report.

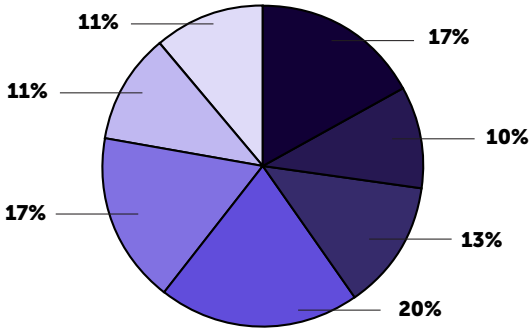
111,107 RFPs

The number of collective RFPs completed this year by the survey respondents.

Distribution by Role Type



Distribution by Company Size



Small & Midsize 40%

- < 100
- 101–250
- 251–500

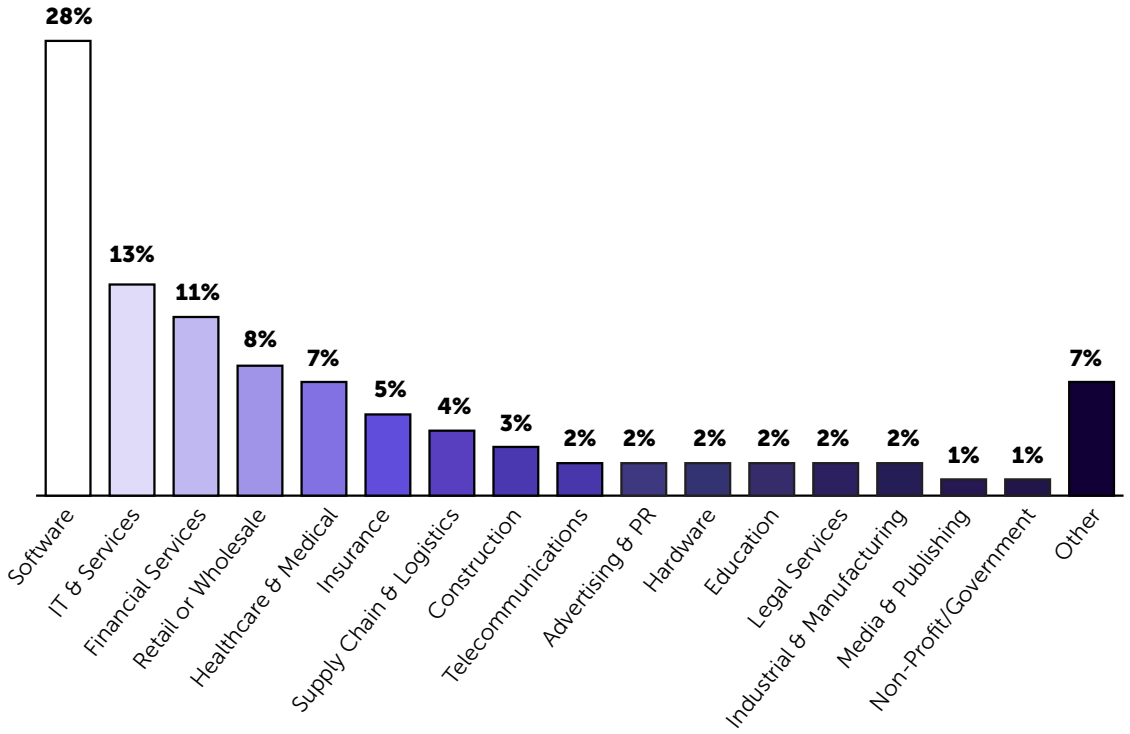
Mid-Market 38%

- 501–1,000
- 1001–5,000

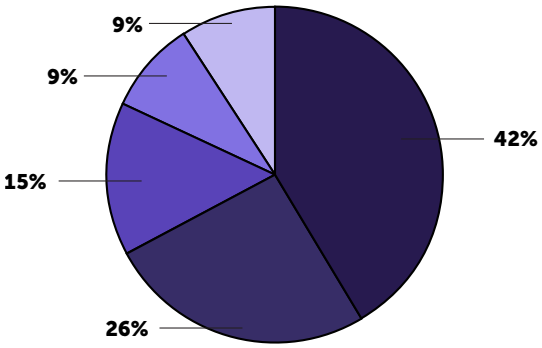
Enterprise 22%

- 5001–10,000
- 10,000+

Distribution by Industry (Granular)



Distribution by Employee Level



- Manager/Lead
- Associate/Specialist
- Director
- C-level Executive
- Vice President

THREE YEARS OF INDUSTRY BENCHMARKS

In spite of steady writing time and better bid evaluations—win rates and revenue dropped this year. Trends indicate this is influenced by more realistic reporting on metrics, or growing competition through an increased use of online bid portals.

Benchmark	2019	2020	2021
RFPs submitted annually	147	150	137
Percentage of RFPs responded to	69%	65%	62%
Bid evaluation process (go/no-go)	N/A	72%	76%
RFP response team size	N/A	7	8
Collaborators involved	7	9	9
Sales revenue sourced from RFPs	41%	35%	33%
Win rate	53%	47%	44%
Hours spent writing a single RFP	23.8	23	24
Number of questions per RFP	N/A	115	82

KEY INSIGHT: WHAT TOP TEAMS ARE DOING DIFFERENTLY

Top performers are companies that win 51% (or more) of the RFPs they participate in. Throughout this year's performance benchmarks, they exceed industry-wide averages across the board.

Top Performers Behavior	Results
Submit more RFPs than average	**155 RFPs annually** versus 137
Involve more contributors	**10 contributors** versus average of 9
Spend more hours writing	**26 hours** versus average of 24
Be selective about bids to pursue	**82% use go/no-go** versus 76%
Use a dedicated response software	**73% use an RFP software** versus 68%
Earn more RFP-sourced sales dollars	**44% of company revenue sourced** from RFPs versus 33%

The smartest teams are hyper-collaborative. With remote work increasing over the past two years, our top-performing members have prioritized building strong internal relationships and collaboration across business units.

Rick Harris
CEO | Association of Proposal Management Professionals

AT A GLANCE: TOP TRENDS FOR 2022

1. Companies are investing more in RFP operations—and response functions are maturing as a result.

Almost half of companies (44%) gained new RFP resources this year. The best part? This led to an increase in dedicated proposal individuals or teams managing the response process: 42%—up from 37% last year. This is likely the reason that more companies started tracking success metrics this year. Plus, struggling less to choose which RFPs to focus on: 76% percent of companies now use a go/no-go process. (Read more about this trend in Chapter 1: Volume and Submissions.)

2. The top reason for losing bids shifts from price to competitors.

This year, the top reported reason for losing was due to 'a competitor/incumbent' (versus last year, which was price). There's three main reasons behind this change. First, proposal teams are seeing increased international competition from the growth of online bid portals. Second, buyers are becoming less price-sensitive since economic uncertainty has improved over the past year. Third, teams may be conducting more realistic analysis, thanks to the rise of win-loss tools. (Read more about this trend in Chapter 2: Revenue and Metrics.)

3. The majority of RFPs are still turned around in a shockingly short time period (2 days).

The average time spent writing a response remains relatively steady: around 24 dedicated hours for each bid. Yet, the majority of teams (52%) are still completing RFPs—from start to submission—in less than 2 business days. How can this be? Teams seem to recognize the important role that quality plays in winning a response, but the reality is, they're still battling extremely short timelines. (Read more in Chapter 3: Writing and Content.)

4. The top response challenge was internal collaboration.

Last year, the top RFP response process challenge was finding up-to-date answers. This year, getting timely responses from their internal subject matter experts (SMEs) became the biggest issue. It could be that the effects of more remote/hybrid work environments are still wreaking havoc on team coordination, but either way, there are engagement tactics that can help RFP teams overcome this hurdle. (Read more about this trend in Chapter 4: Process and Collaboration.)

5. Software improves win rates, satisfaction, and stress levels.

Teams with a dedicated RFP software have higher win rates—45% versus 41%. They are also twice as likely to say they're reporting on RFP metrics. But perhaps the most interesting trend: software users also report having lower stress levels. 68% of teams that use a dedicated RFP response software say their stress levels at work are almost always manageable, versus 54% of non-users. (Read more in Chapter 5: Tools and Software.)

6. Proposal people are satisfied with their roles—but serious equity challenges plague the industry.

Eighty-one percent of RFP respondents say they plan to stay in this career because they enjoy the work and see excellent job prospects. But there are also troubling signs that the industry is not as diverse as it could be, nor as equitable. Only 2% of those surveyed identify as people of color, and while women make up 71% of proposal professionals, they're much more likely to be in the mid-to-low pay bands compared to their males counterparts. (Read more in Chapter 6: Salary and Career.)

7. With targets rising, timely SME responses may offer a competitive advantage.

Fifty-seven percent of companies plan on increasing their RFP targets this year, representing a 10% increase over 2020. To get ahead, responders believe that the best way to win more in 2022 is through faster responses from SMEs. That's why they're planning on investing more in team training, hiring, and technology, in that order. (Read more about this trend in Chapter 7: Resource Predictions.)

Chapter 1

THE PROGRESS OF RFP VOLUME & SUBMISSIONS

Submissions are down across the industry as a whole. While some companies are simply becoming choosier about which RFPs they respond to, other factors, like process improvements are contributing to the shift, too.

ANNUAL RFP SUBMISSIONS SLIGHTLY DOWN

Companies replied to an average of 137 RFPs this year, fewer than last year's 150. Although this is lower than the year before, it's important to know that this decline is influenced by a key industry: Software. The Software industry made up almost a third of all responses (28%), which influenced a lower average overall. (See: Annual Submissions by Industry.)

147 RFPs 2019

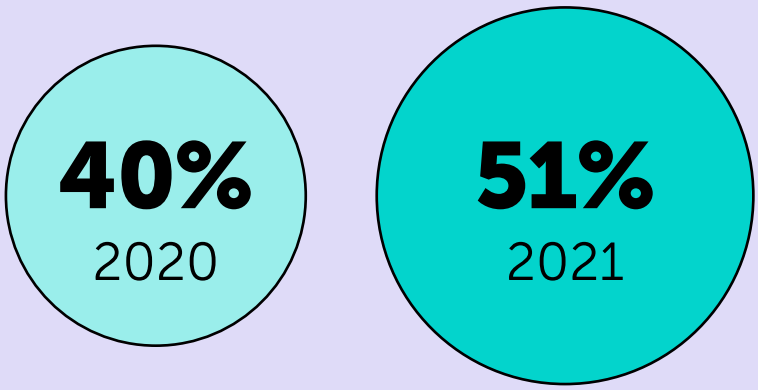
150 RFPs 2020

137 RFPs 2021

The average number of RFPs submitted annually.

Interestingly, more than half of companies (51%) said they replied to more RFPs than the prior year—which tells us this year's lower average is not a result of an industry-wide decline.

Fig 1.1 **2021 vs 2020 Submission Rate**



"We responded to more RFPs this year."

COMPANIES GROW MORE SELECTIVE ABOUT RESPONDING

Over the past three years, companies have consistently decreased the percentage of RFPs that they respond to. This is an encouraging sign that teams are growing choosier about which proposals they take on. A lower response rate means more time spent on fewer RFPs, which tends to result in higher win rates.

69% 2019

65% 2020

62% 2021

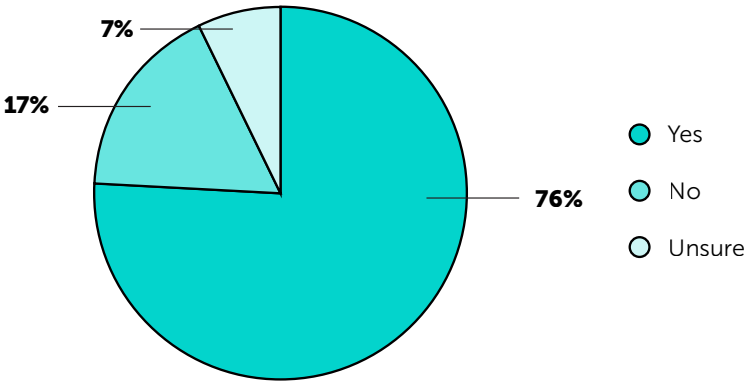
Percentage of RFPs responded to.

FEWER COMPANIES STRUGGLED WITH CHOOSING QUALITY RFPS

We asked respondents about their top challenges this year. Only 23% replied "Selecting which RFPs to focus on and which to ignore," which is a small decline from 25% the year prior. Companies using a go/no-go process were also up as a whole: 76% of RFP teams use one on average this year, in comparison to 72% in 2020. This indicates that companies are (rightfully) growing more selective by focusing their efforts through a stronger evaluation process.

Beyond this, 82% of Top Performers were found to use a go/no-go process—showcasing that it pays to spend more time on the bids you're more likely to win.

Fig 1.2 **Go/No-Go Process Adoption**



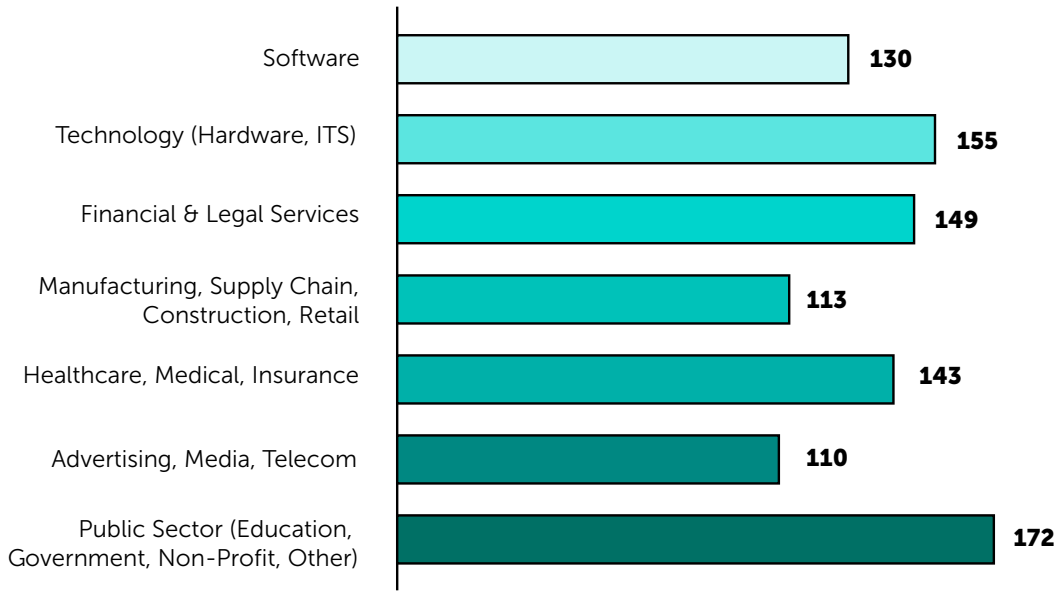
Go/No-Go Template

Loopio's Customer Success team developed a scoring system to help proposal teams quickly decide which RFPs to take on—and which ones to leave behind. Download the free go/no-go decision template here.

PUBLIC SECTOR RESPONDS TO THE MOST RFPS

Annual submissions do vary widely by industry. The Public Sector responds to the most (172) and Advertising, Media, and Telecom respond to the least (110).

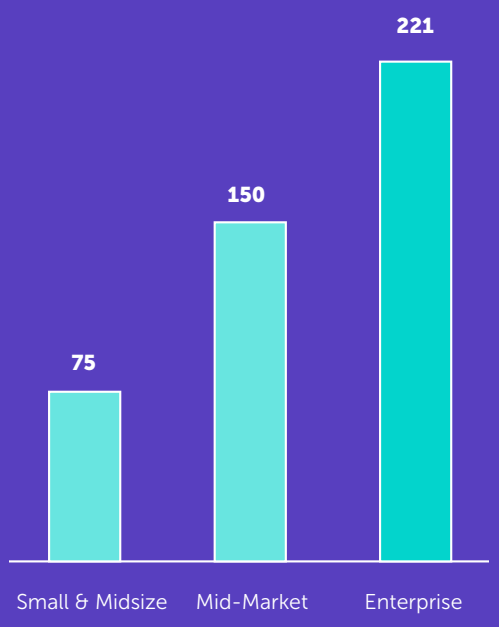
Fig 1.3 **Annual Submissions by Industry**



Key Insight: Enterprises Respond to 3X as Many RFPs

Enterprise companies respond to three times as many RFPs as Small & Midsize companies, and the correlation is clear: The larger you are, the more RFPs you're capable of responding to. Despite responding to more, Enterprises also win a significantly greater percentage of RFPs than Small & Mid-size companies. (See: Win Rates.)

Fig 1.4 **Annual Submissions by Company Size**



Companies considered 'Top Performers' (who win more than 51% of their bids) were found more likely to submit a higher volume of responses annually.

At a high-level, consider the following questions for every bid you receive. What service is being requested? Is the customer new or existing? What are the requirements of this submission? And, what capacity do you have to complete the response?

Nicole Robinson
Bid Manager | The Herjavec Group

Top Takeaways:

Companies are growing choosier. They're responding to a smaller percentage of RFPs they receive and are adopting processes that allow them to focus on proposals that are the best fit.

To respond like a Top Performer:

- **Adopt a go/no-go process:** Seventy-six percent of companies now use one, and 82% of Top Performers do. They allow you to focus your effort on RFPs you're likely to win.
- **Find your ideal response rate:** A higher or lower response rate isn't inherently good or bad—what matters is your team capacity, and how it impacts advancement and win rates. The best response rate benchmark is the one based on your own team's past performance.
- **Manage expectations on RFP volume:** While Top Performers have been shown to submit more RFPs as a whole, increasing volume isn't a fail-safe solution for winning more. Best-in-class teams value quality over quantity, since they tend to spend more time evaluating RFP fit upfront. Caution executives that a balanced approach is best—and that it takes time for improvements to bear results.

Chapter 2

DOWNTURN OF WIN RATES & REVENUE

RFP revenue and win rates dropped this year. While economic factors need to be considered, better metric tracking indicates that teams are more accurately tracking performance.

WIN RATES DOWN, COMPANIES GROWING MORE REALISTIC

Companies are winning fewer RFPs than years prior—mirroring the slight decline in percentage of RFPs responded to. This could be a sign of the industry becoming more competitive, as proposal teams have also increased their use of dedicated tools (like RFP software) over the past three years. Plus, performance and metric tracking has improved, so it's also likely that RFP win/loss analysis is becoming more accurate.

53% 2019

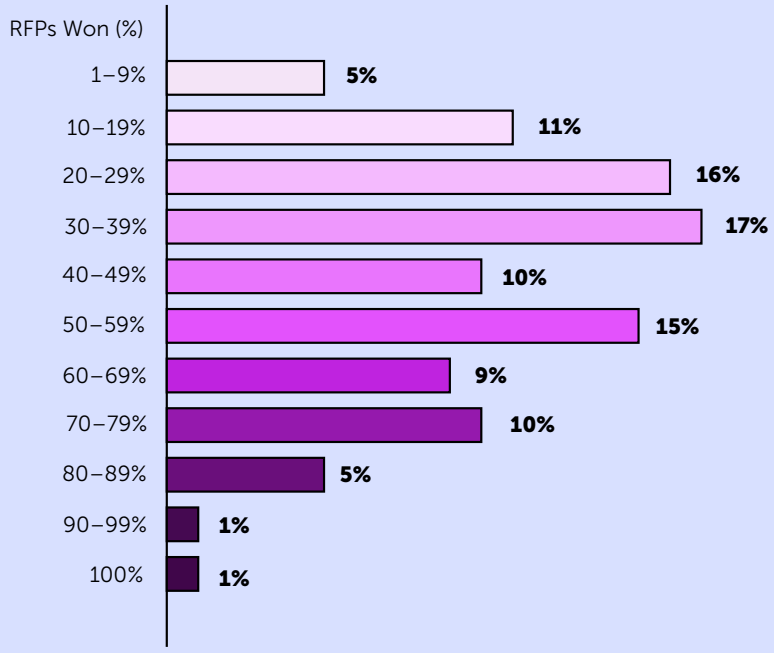
47% 2020

44% 2021

Average percentage of RFPs won.

Compared to last year, far fewer respondents fall into the improbable category of saying they win an excess of 80% of their RFPs. This year, 7% claimed that, down from 13%. This likely indicates that more professional RFP managers and a greater reliance on metrics have shed some light on what's truly happening.

Fig 2.1 **Average Annual Win Rate**

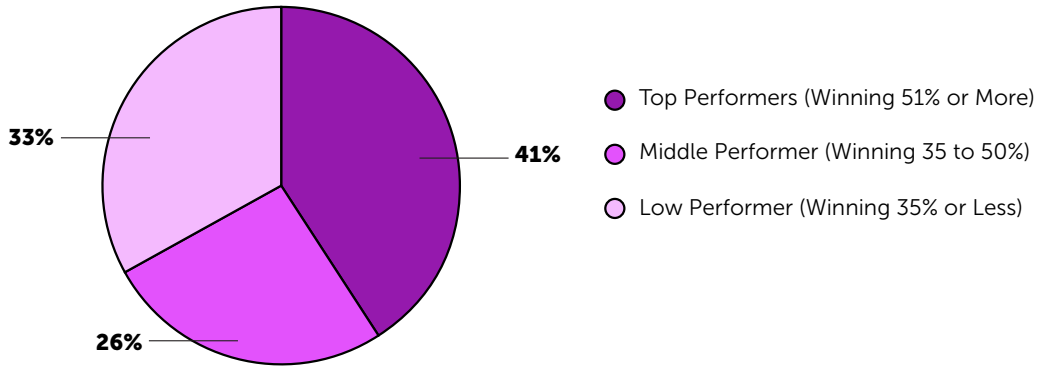


51%

What's a Top Performer?

Companies that win 51% or more of their RFPs.

Fig 2.2 **Performance Distribution**

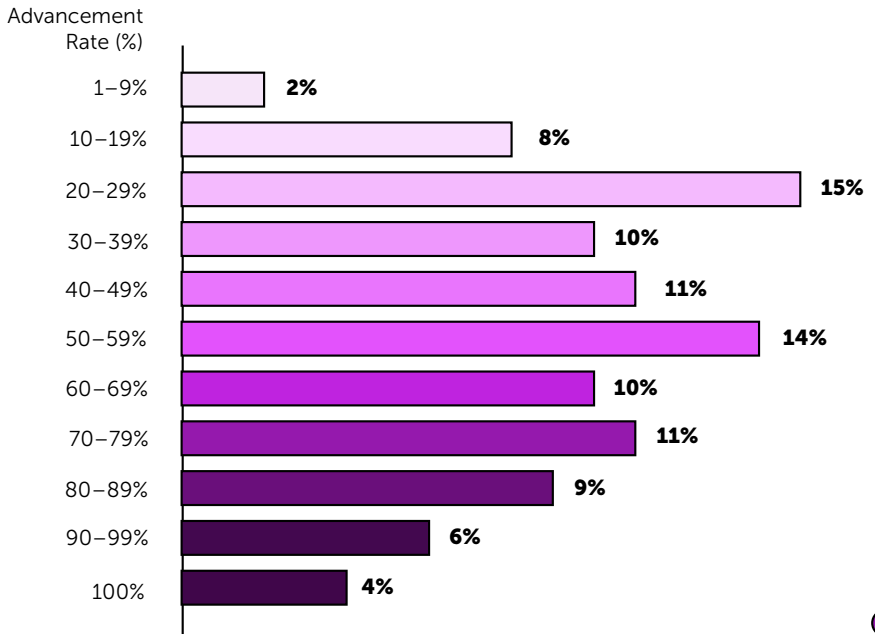


This year, 41% of respondents fell into our "Top Performer" cohort, judged as those that win 51% or more of their RFPs. This ratio was the same last year.

SMALL & MIDSIZE COMPANIES STRUGGLE WITH A PUNISHING ADVANCEMENT GAP

Advancement rates are somewhat rosier than win rates. On average, 53% of companies advanced to the next stage, but that varies quite a bit by company size. Generally, the larger the company, the more likely they are to have both a higher win and advancement rate.

Fig 2.3 **Average Advancement Rate**



Small & Midsize companies appear to invest the most time into RFPs that they don't win. They have the largest gap between advancement and winning—48% advancement versus a 38% win rate. It's probably no coincidence that they're the least likely company size to have a go/no-go process and three times less likely than Enterprise companies to be tracking metrics—both things Top Performers are more likely to do.

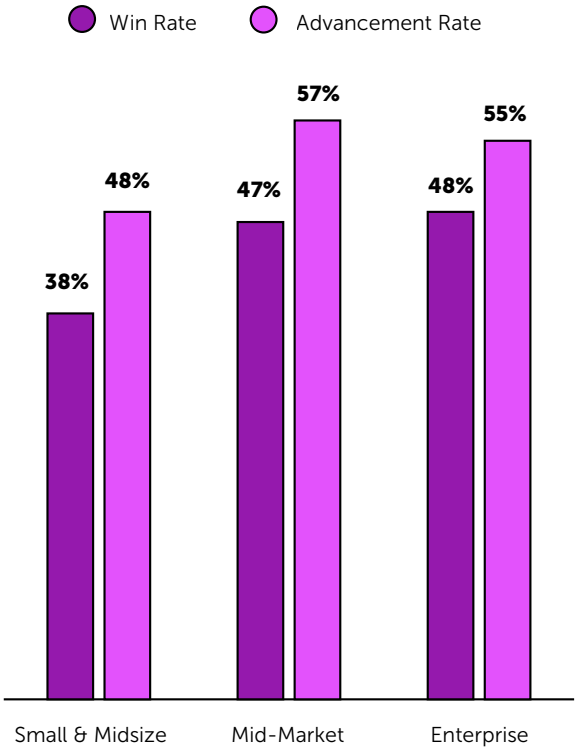
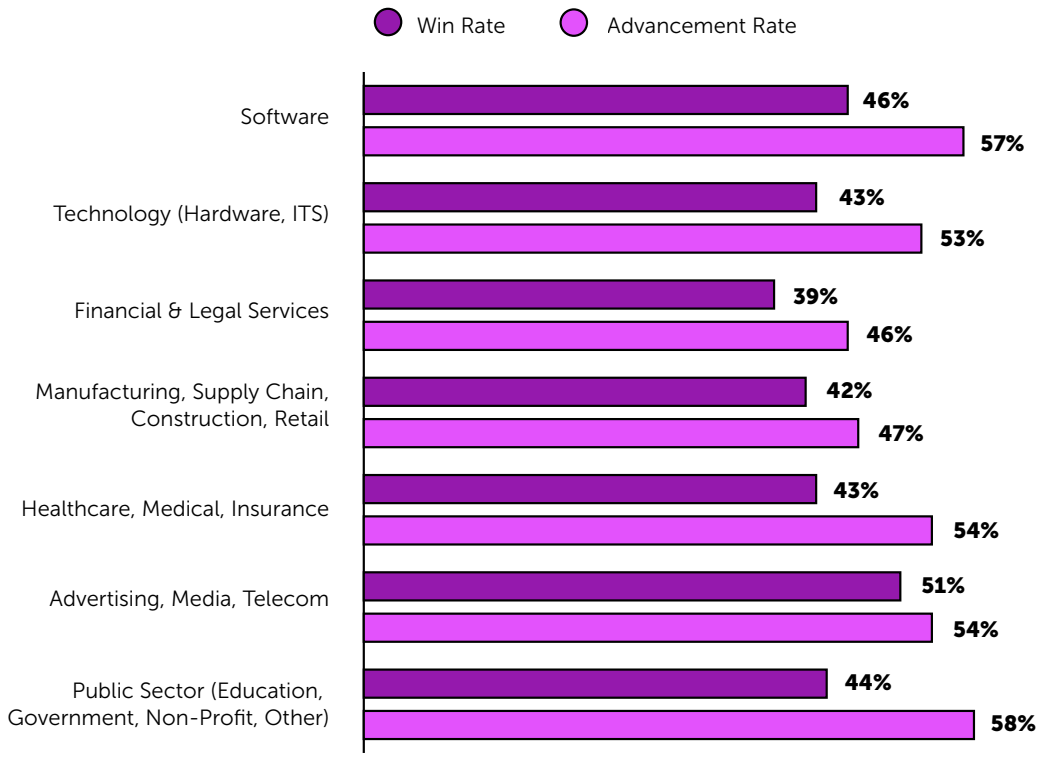


Fig 2.4 **Win & Advancement Rates by Company Size**

It's also the case that being a larger company probably holds an inevitable advantage in deals—they're known, have more offerings, and have more resources.

Fig 2.5 **Win & Advancement Rates by Industry**



Advertising, Media, Telecom is the most consistent industry: If these teams advance, they're more likely than any other company to win the deal. The Public Sector has the hardest time closing the deal. They have a 14-point delta between advancement and win rates, which is especially discouraging considering that they respond to more RFPs than any other industry.

It is critical for you to look at advancement rates and win rates as parts of a single story if you want to identify the right actions to improve your success in the market.

For example, if you are advancing beyond the RFP 80% of the time, but winning only 20% of those deals, you need to understand the "why" behind that 20% win rate. This may, or may not be connected to why you are advancing to the final round so often. The actions you take from the data needs to be grounded in your organization's story if you want to see real improvement.

Trevor Evans
Americas Sales Programs Leader | Qualtrics

OVERALL RFP REVENUE IS DOWN—EXCEPT FOR TOP PERFORMERS

Companies sourced one-third of their revenue from RFPs this year, which continues a moderate downward decline since 2019. However, this is likely due to delayed economic activity from 2020, and it may not take into account those deals with longer sales cycles.

41% 2019

35% 2020

33% 2021

Percentage of total revenue sourced from RFPs.

This average conceals a great deal of variation. Top Performers generate twice as much of their revenue from RFPs as Low Performers, and one-and-a-half times as much as Middle-Performers. This suggests that if you tend to win many of your RFPs, you'll likely generate 25% more revenue than average.

25% Low Performers

32% Middle Performers

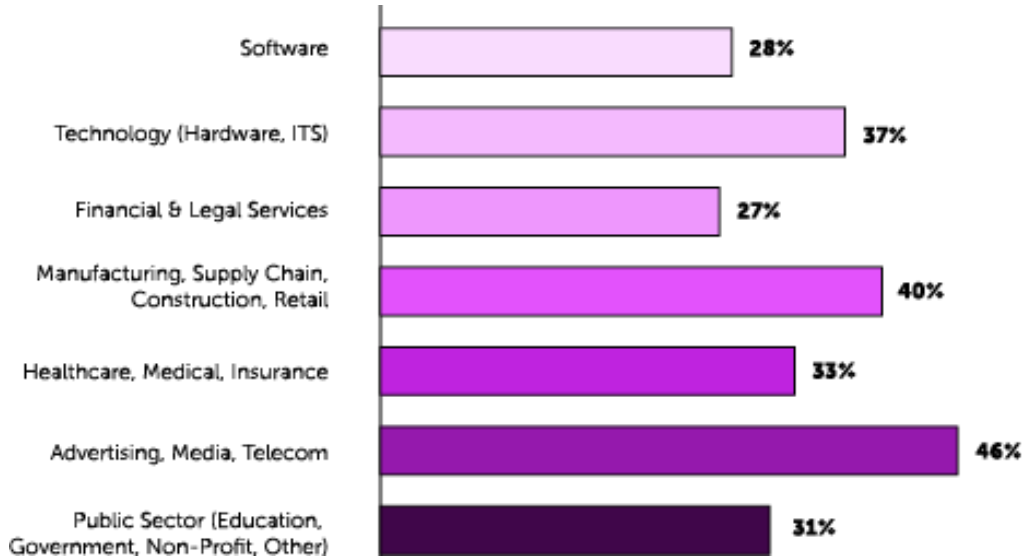
44% Top Performers

The average percentage annual revenue sourced from RFPs by performance distribution.

ADVERTISING, MEDIA, AND TELECOM DRIVE THE MOST RFP REVENUE

The percentage of revenue sourced varies a lot by industry. Advertising, Media, and Telecom derive nearly half its revenue from RFPs (46% to be exact). This is impressive, given that they respond to the fewest RFPs of any industry—but it also may be evidence that focusing more attention on fewer proposals can lead to more revenue.

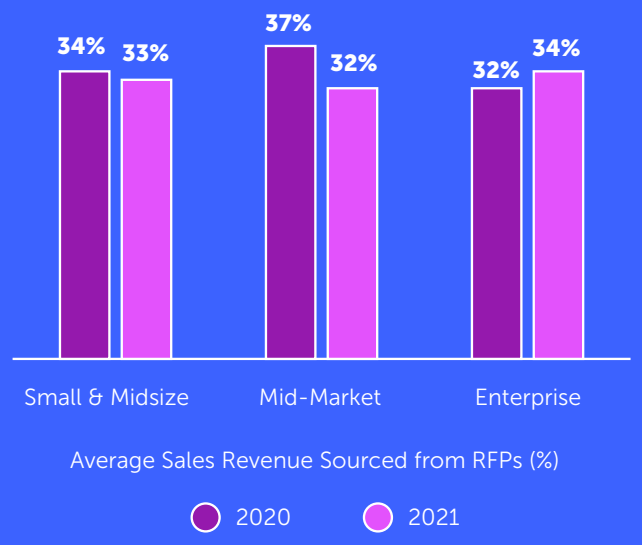
Fig 2.6 **Revenue Sourced by Industry**



Key Insight: Average Company Sources a Third of Revenue from RFPs

Across all company sizes, the average organization was found to source 33% of their annual sales revenue through RFPs. These numbers are fairly consistent with the trends seen in 2020, which saw an average of 35% sourced through RFPs.

Fig 2.7 **% Revenue Sourced by Company Size**

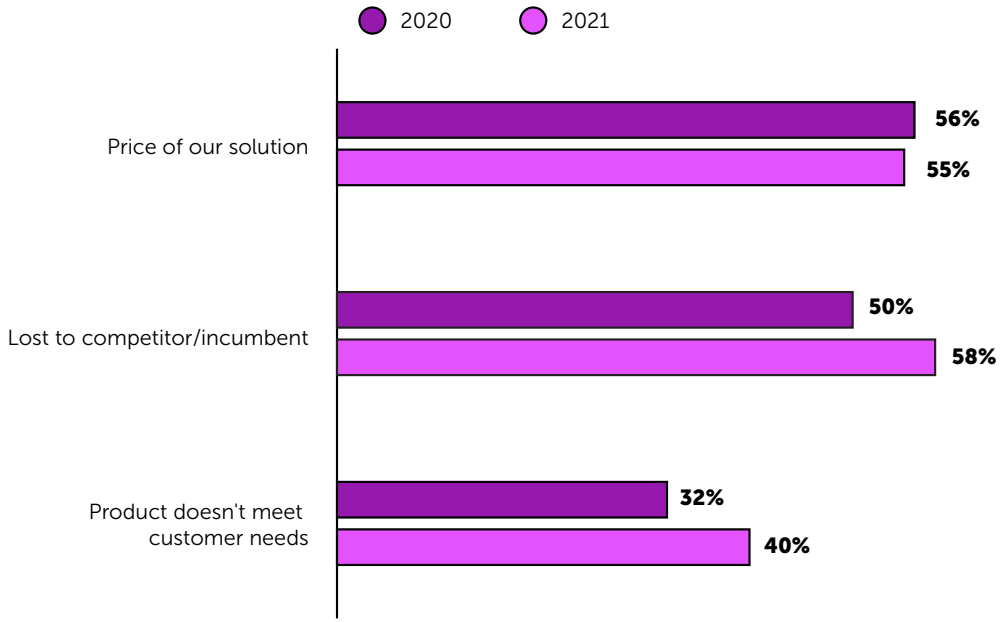


ASSOCIATES AND EXECUTIVES DISAGREE ON WHY THEY LOSE

When asked why they lost RFPs, the top reason this year was "Lost to a competitor/incumbent." Price as a reason has dropped, while product fit has increased.

Fig 2.8 **Top Reasons for Losing RFPs (2021 vs. 2020)**

Respondents could select multiple options.



What to make of all this? That RFP responders are growing more advanced. They're less likely to always be blaming price, which is often treated as a catchall for "We're not actually sure." Improved sales win/loss analysis tools may be helping.

If we look at responses by role, there is some disagreement between executives and associates. Executives are likely to say the issue is with the product, whereas associates say it's price. If you ask an RFP manager, they're the most certain that the issue is the product (66%).

Interestingly, 15% of RFPs led by sales were lost because they missed a deadline, as opposed to 0% led by an RFP manager. Some 30% of Security & Other Roles said they never found out why they lost. (Someone should tell them.)

15% of sales-led RFPs were lost because they missed a deadline.

0% of RFP manager-led bids were lost by a missed deadline.

MORE TEAMS TRACKING SUCCESS METRICS

Ninety-two percent of companies are tracking RFP success metrics this year, up from 90% the year before. Enterprises are the most diligent trackers. Compared to them, Small & Midsize companies are three times less likely to track metrics, and Mid-market is twice as likely to not track metrics.

An exciting outcome of this year's report is that companies are tracking more sophisticated metrics. The more mature an organization is, the more likely they are to track a mixture of metrics.

Fig 2.9 **RFP Teams That Track Success Metrics**

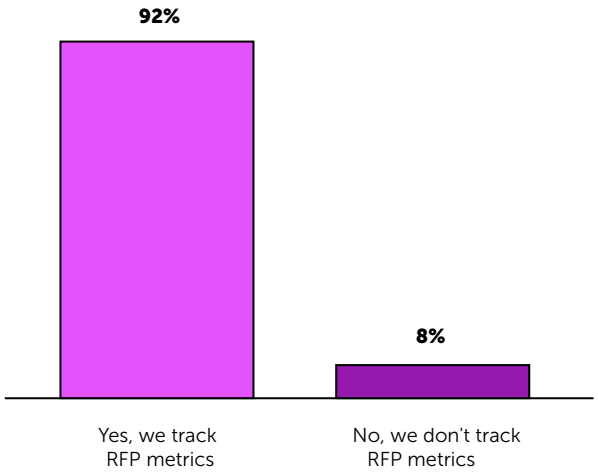
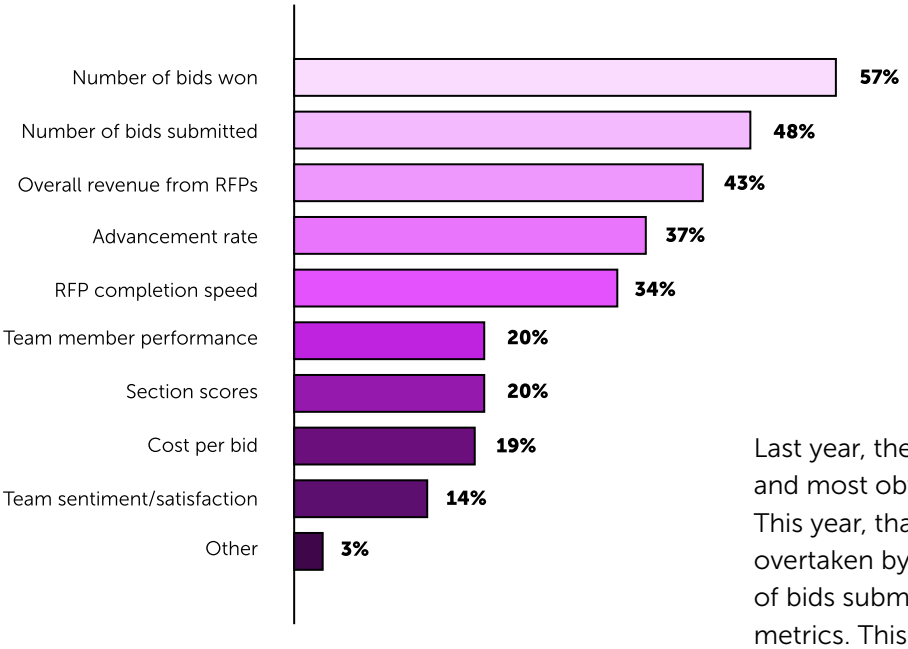


Fig 2.10 **Top Success Metrics Tracked**

Respondents could select multiple options.



Last year, the top tracked metric was the easiest and most obvious—"Overall revenue from RFPs." This year, that answer has fallen to third place, overtaken by "Number of bids won" and "Number of bids submitted"—a mix of revenue and process metrics. This indicates that teams are tracking a broader variety of metrics overall (giving themselves more opportunities to understand what they can change, in order to win more).

Not sure which RFP metrics you should be tracking? Check out Loopio's guide to RFP Metrics That Matter. You can use it to make smarter decisions about your process, win more RFPs, and ultimately, measure the value of your work. Read the RFP Metrics guide.

Top Takeaways:

As companies track more metrics, consider a more balanced basket of metrics, and rely on professional RFP responders, their win rates are declining—but that's likely because they're tracking them more accurately—and introducing a broader variety of metrics overall.

To respond like a Top Performer:

- **Conduct more competitive research:** "Losing to a competitor / incumbent" rose to the number one reason for losing an RFP this year. Consider refreshing or launching a competitive insights program, and updating your stored RFP answers accordingly.
- **Track a blend of process and revenue metrics:** A combination of RFP metrics provides the most balanced view of changes you should make to win more in your proposal process. Revenue metrics could be overall $ sourced from RFPs, while process metrics may focus on timelines. Understanding where your team lies with both is critical for success, so you can set-up the systems your team needs to succeed.

You need every advantage you can get during the sales cycle, especially for large, complex deals. So if you don't answer RFPs well, or don't have a clear process, it's going to impact your ability to win.

Sam Jacobs
Founder of Pavilion | Host of the Sales Hacker Podcast

Chapter 3

THE BALANCING ACT OF WRITING QUALITY & SPEED

Despite collaboration challenges, winning teams have found the sweet spot for customizing responses under speedy timelines.

Loopio

RESPONSE WRITING TIME REMAINED CONSISTENT THROUGHOUT THE PANDEMIC

The average time spent writing a response this year was 24 hours, or about three workdays. While writing time has remained relatively constant over the past few years, it has risen slightly this year. This may be a reflection of work-from-home collaboration taking a little bit longer during the pandemic (alongside a rise in at-home responsibilities).

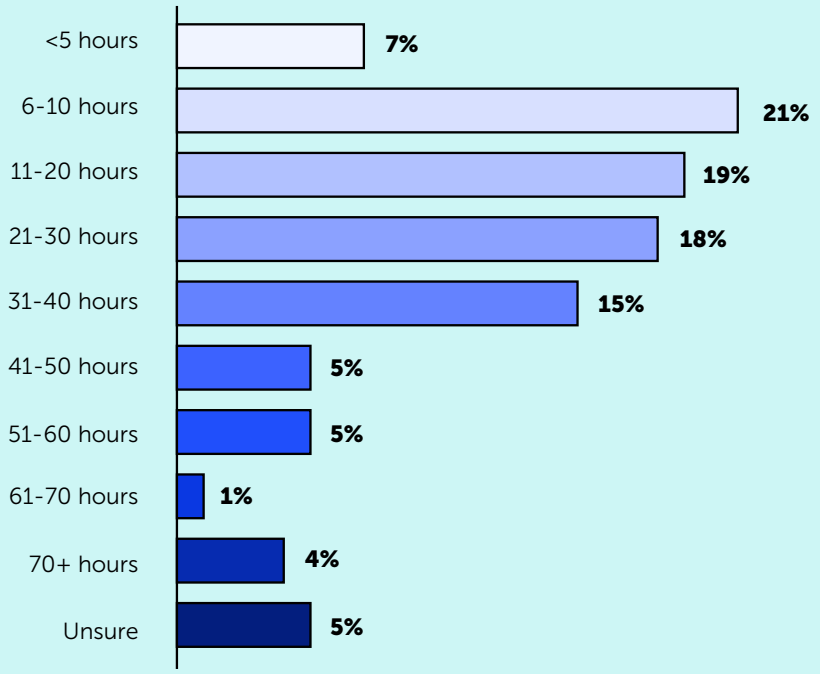
23.8 hours
2019

23 hours
2020

24 hours
2021

The average time spent writing a single RFP response.

Fig 3.1 **Average Response Writing Time**



The fact that writing time has remained steady is impressive given that 51% of organizations say they responded to more RFPs this year. This could be due to added support that helped responders recently scale the writing process: many companies received new resources like RFP response software (44%) and dedicated RFP responders (42%) this past year.

MORE WRITING TIME CORRELATES WITH HIGHER WIN RATES

In past years, more time spent writing was correlated with higher win rates, and that held true this year. On average, Top Performers spend two more hours than average writing each RFP. Furthermore, 35% of Top Performers spend 30+ hours writing RFPs, while only 22% of low performers spent that much time.

If your team is looking to improve RFP quality and—ultimately—win rates, consider spending more time thoughtfully writing each response.

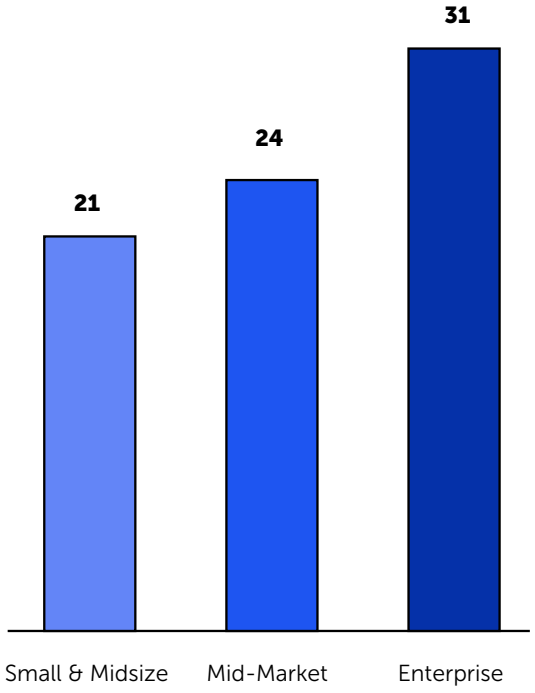
26 hours

The average time that Top Performers spend writing a single RFP response.

Perhaps unsurprisingly, enterprises continue to spend more time writing than small businesses. A smart rule of thumb: the larger the company, the more time spent writing per RFP.

Larger companies also tend to have the highest win rates: Enterprise and Mid-Market sized companies have higher win rates (48% and 47%, respectively), while Small & Midsize win 38% of the time. This supports the correlation between writing time and winning. Though, there are many factors at play, including the fact that Enterprises are also more likely to have more people involved in each RFP (11 people, versus nine for Mid-Market and eight for Small & Midsize).

Fig 3.2 **Writing Time by Company Size (Hours)**

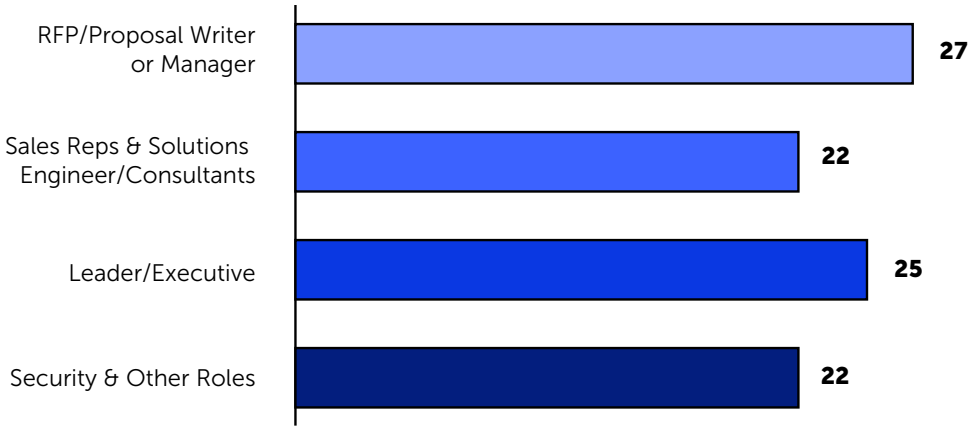


Writing Time by Role (Hours)

DEDICATED PROPOSAL ROLES SPEND THE MOST TIME WRITING

Of all groups surveyed, proposal managers spent the most time writing RFPs. Sales, security, and other roles spent the least. One way to think about this is that dedicated RFP people can devote more time to writing—which is a good thing for win rates.

Fig 3.3 **Writing Time by Role (Hours)**



Key Insight: Proposal Manager Writing Time Decreases YoY

Although proposal roles spend more time writing than other roles, when we look at year-over-year trends, they've actually decreased the time spent writing, in comparison to other roles. In 2021, proposal managers spent an average of 27 hours on a single RFP response—3 hours less than the year before. In contrast to this, other teams increased their writing time throughout 2021 (Sales Reps and Leaders spent 2-3 hours more time writing this year, in comparison to last year). This could mean that proposal teams have been more successful at assigning sections to other departments to write. Alternatively, increased use of RFP software may be unlocking new efficiencies and contributing to faster writing speed.

-10% ↓

The decrease in time spent writing each RFP by proposal managers this year vs. last.

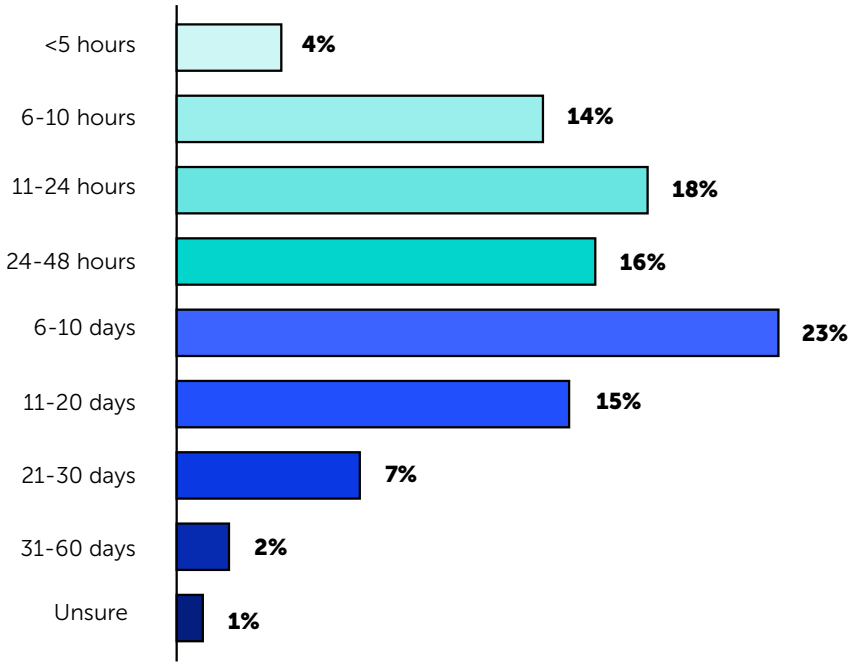
MAJORITY OF RFPS COMPLETE IN LESS THAN 2 BUSINESS DAYS

The majority of RFPs (52%) are completed—from start to submission—in under two business days. This is shockingly fast, given that the average writing time accounts for half of that (24 hours).

However, total response turnaround times have grown slightly longer this year. More responders took longer than 2 business days, and half as many wrapped things up in only five hours compared to the year prior.

Low Performers are significantly more likely to respond quickly. And many of those quick responses came from Small & Midsize businesses. They are 2-3x more likely than mid-sized companies to reply within five hours—and it shows in their win rates.

Fig 3.4 **RFP Response Turnaround Time**



52% of RFPs are completed in under two business days—but fast responses correlate with low win rates.

AVERAGE NUMBER OF QUESTIONS DROP

The average number of questions has gone down since 2020 (previously 115). Since the average time per RFP response has increased, this shows that on average, companies are actually spending more time on each RFP question.

82 ↓

Questions

The average number of questions in an RFX.

17.5 ↑

Minutes Per Question

How long it takes to answer each question, on average.

Top Takeaways:

Companies this year answered far fewer questions but spent the same overall time writing and responding. This means RFPs are either growing more complex or that responders are growing more diligent—or a combination of the two.

To respond like a Top Performer:

- **Dedicate more time to writing:** Generally, teams that invest more time in writing, win more (in combination with other factors).
- **Deploy a dedicated software:** Or you'll be left behind as "Choosing the best answer" ceases to be an issue for everyone but you.
- **Hire a full-time RFP-focused resource:** They'll have more time to dedicate to writing. This advice is most relevant to those in Industrial & Manufacturing, which are more likely than any other industry to say the primary person responsible for the RFP is the salesperson (38%).

Chapter 4

COLLABORATION CHALLENGES IN THE RFP PROCESS

While response teams grew modestly this year, so did collaboration challenges. But more brains means more knowledge too, if you can harness it.

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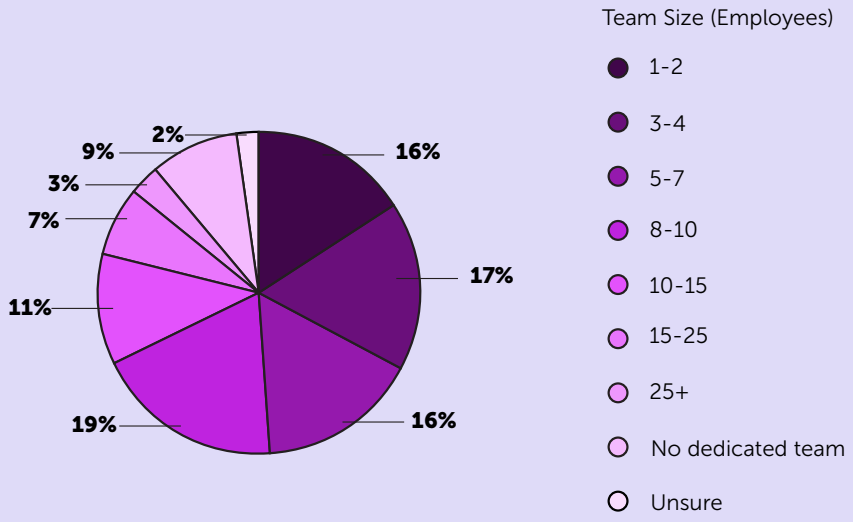
RFP TEAMS GREW THIS YEAR

The average RFP team this year was eight people, up from last year's seven. Nearly half (46%) of teams fall into the range of 5-15 team members, in comparison to approximately a third of teams (37%) falling into that range last year. This steady increase in team size is another indication that RFP teams are successfully gaining more resources.

Fig 4.1 **Average Team Size**



8 The average number of people on a dedicated RFP team.

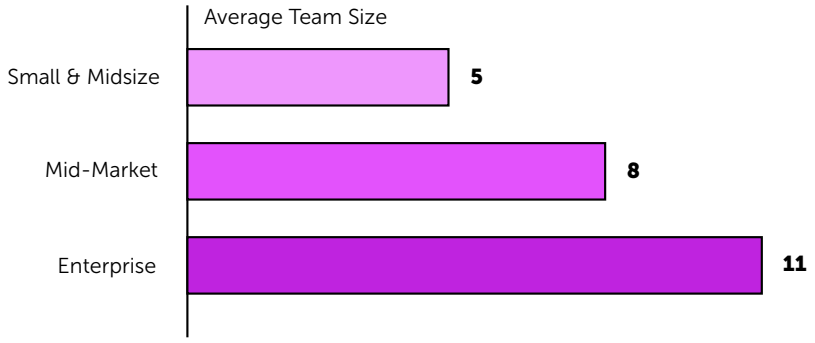
Even though this year has been known for the 'Great Resignation', RFP team sizes have not been impacted by this trend. More professionals are becoming tenured in their roles, while others are adding to their growing teams. It's a sign of our industry maturing.

Kathryn Bennett
Proposal Expert

RFP TEAMS GROW WITH COMPANY SIZE

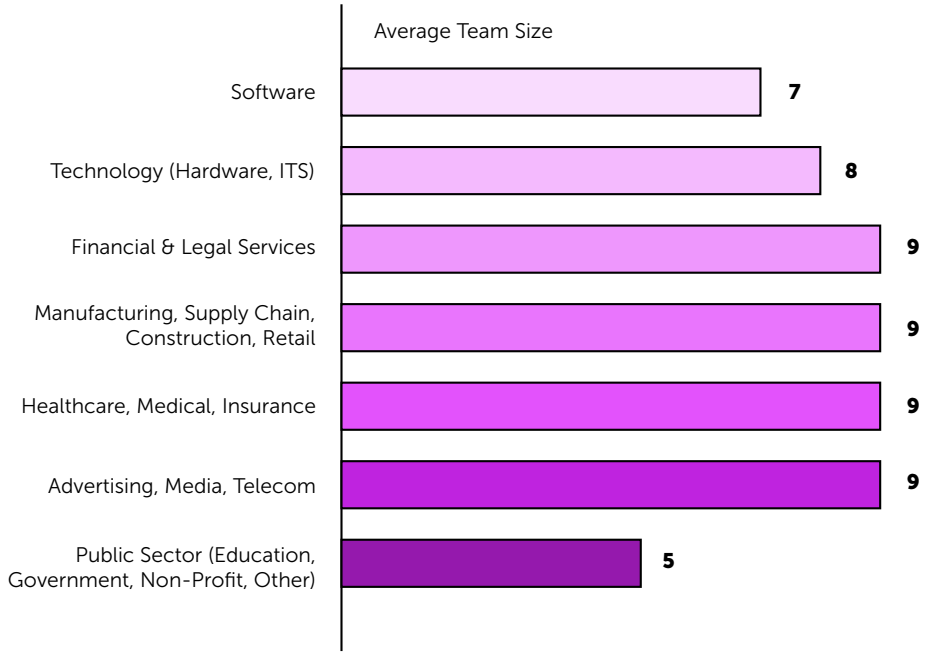
Small & Midsize companies tend to have the smallest teams, as well as the lowest win rates. Although team size may impact their decreased chance of winning, it's not the only contributing cause. Smaller companies are also less likely to have resources like RFP software at their disposal. They also lack the name recognition of larger competitors.

Fig 4.2 **Response Team by Company Size**



Public Sector has the smallest average response teams at just five individuals. This probably reflects a general shortage of capital and resources in this industry, and its effects are apparent in their below average win rates. Software, ever trim and efficient, has the second smallest RFP response team.

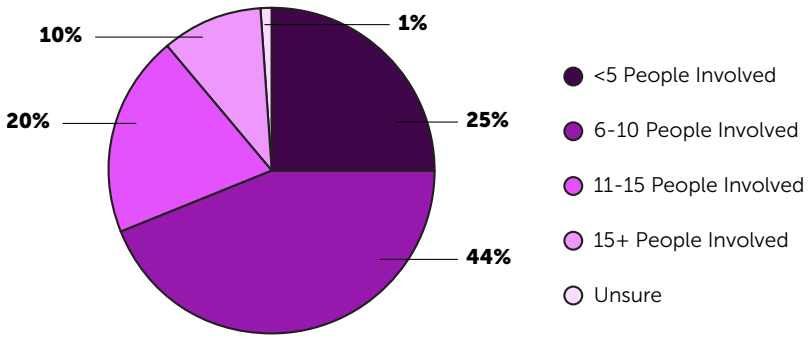
Fig 4.3 **Response Team by Industry**



THE NUMBER OF CONTRIBUTORS REMAINED CONSTANT

Companies involved an average of nine contributors, consistent with the year prior. However, more companies landed in the 6-15 people range this year than last. The good news: fewer companies reported involving less than five people, in comparison to last year. Likely, small teams are realizing the value of adding perspectives and insights during the response writing process.

Fig 4.4 **Average Number of Contributors to a Single RFP**



Small & Midsize companies appear to punch far above their weight in terms of involving contributors. Their teams may be small (just five people), but they seem to call in favors to involve almost as many contributors as their larger counterparts.

Perhaps people are more willing to chip in on projects like an RFP at smaller companies, in comparison to Enterprises, which don't have any additional contributors involved in the process, beyond their core team.

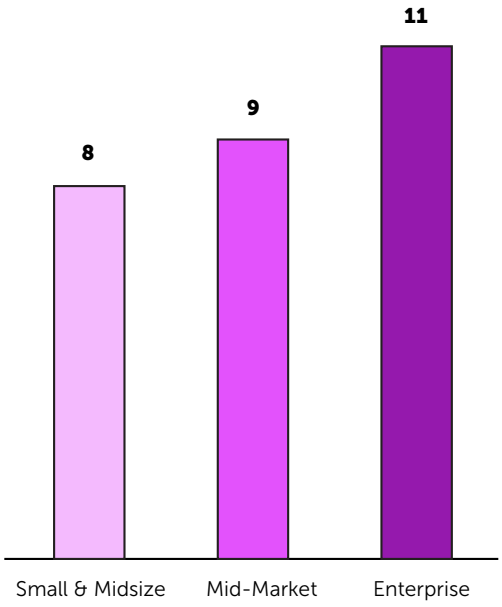
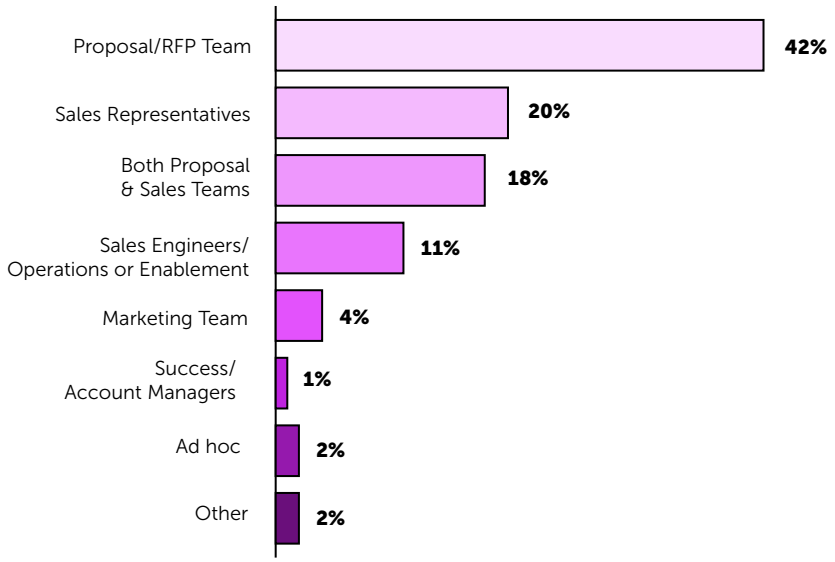


Fig 4.5 **Number of Contributors by Company Size**

MORE BIDS RUN BY RFP MANAGERS

This year, more dedicated Proposal/RFP Teams became primary owners of the process—42%, up from 37%. That leap may explain the increasing professionalization and process maturity we've mentioned throughout this report, since RFP managers bring a sense of true ownership to the process.

Fig 4.5 **Ownership of the RFP Process**



5% ↑

The increase of proposal teams owning the RFP process.

Key Insight: When Sales Leads the Process, Win Rates Tend to Decrease

Small & Midsize businesses were more likely than any other company size to have a sales-led proposal process (25%). Interestingly, they're also most likely to have the lowest win rate out of any company size. Along a similar trend, Manufacturing companies were the industry found most likely to have a sales-led proposal process (38% of them follow this path). And out of all industries, they were found to have the lowest win rate on average (42%).

COLLABORATION WITH SMES BECOMES #1 CHALLENGE

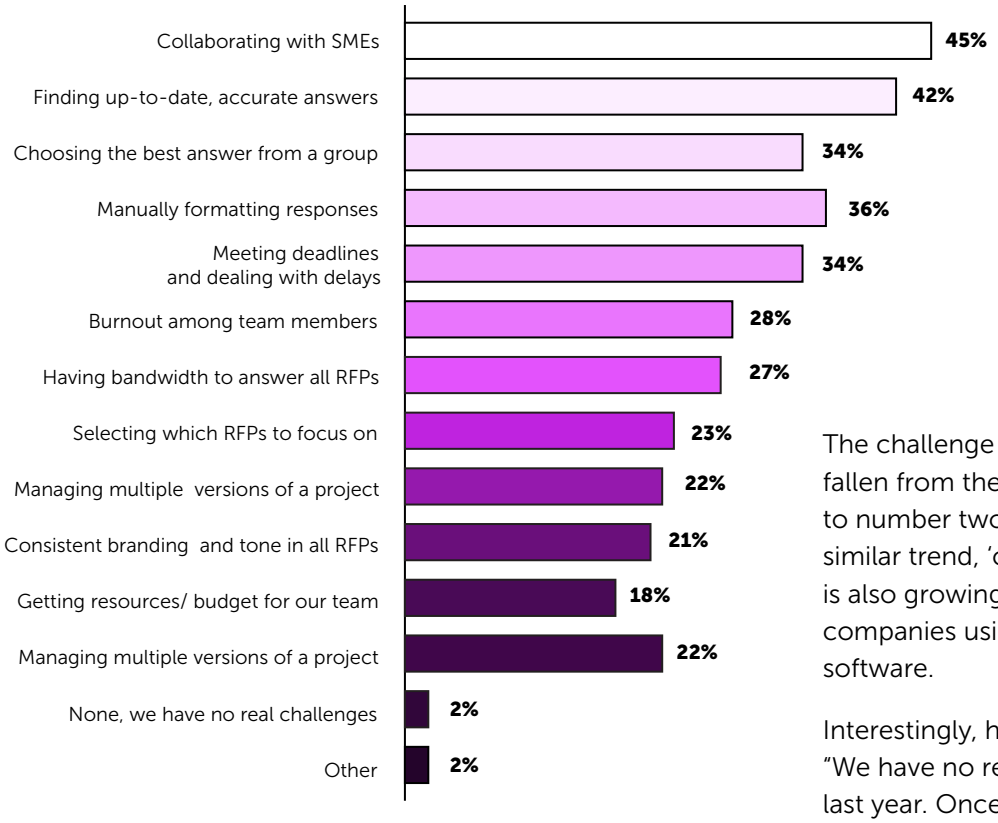
The number one reported challenge this year was "Collaborating with subject matter experts (SMEs) across your organization." The chaos of hybrid work and high level of resignations have likely taken their toll.

44% 2020

45% 2021

For the past two years, almost half of RFP teams have cited collaboration with SMEs as a top challenge.

Fig 4.7 **Top Challenges in the Response Process**
Respondents could select multiple responses.



The challenge of 'finding answers' has fallen from the number one spot last year to number two spot this year. Along a similar trend, 'choosing the best answers' is also growing easier, likely due to more companies using content libraries in RFP software.

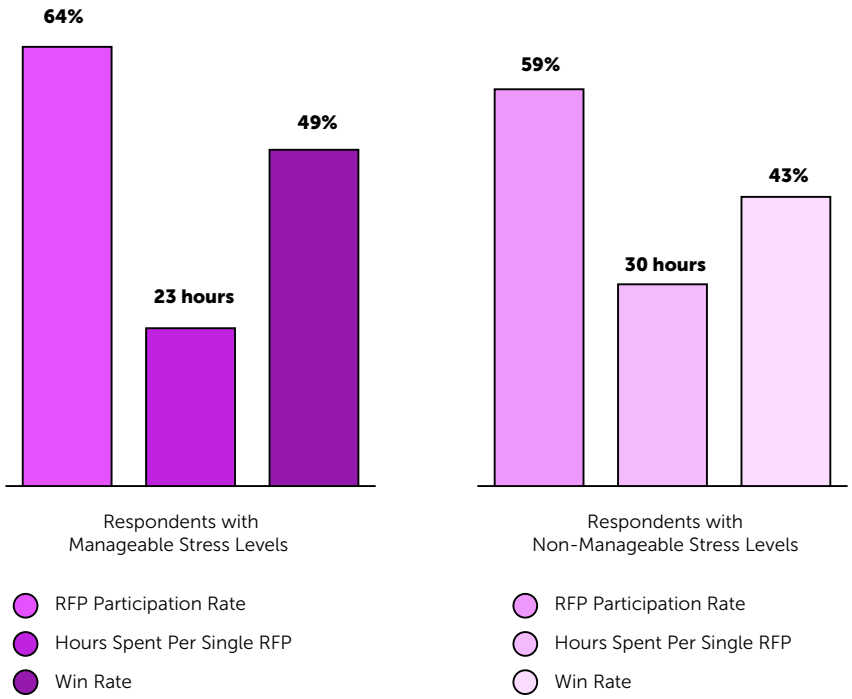
Interestingly, half as many companies said "We have no real challenges" compared to last year. Once again, RFP responders are growing more realistic.

MANAGEABLE STRESS LEVELS = FASTER WORK AND MORE WINS

Research in this report shows that teams under stress are not performing as well as their peers. They respond to 5% less RFPs, spend seven hours more per response, and win 6% less RFPs overall. Stressed teams are also more likely to have an ad-hoc process (no dedicated owner).

On the flip side, teams with manageable stress levels have a higher participation rate, spend less time on RFPs, and see higher win rates.

Fig 4.8 **Stress Levels Impact Success Rates**



How many more RFPs non-stressed teams win annually.

STRESS LEVELS DECREASING, NEW RESOURCES INCREASING

Stress among RFP teams has declined slightly since last year. This trend may be influenced by the increase in respondents gaining new resources in 2021. Over 2 in 5 (44%) of respondents claim that they gained new resources such as headcount, budget, software in the past year.

61% 2020

64% 2021

The percentage of RFP teams who say their stress levels are manageable.

Key Insight: RFP Tools Decrease Stress Among Associates & Managers

Among those at associate or manager level, those using RFP software appear to have more manageable stress levels compared to those who do not, and a substantially larger proportion believe that they have the resources and tools needed to respond to RFPs.

Resources & Stress Levels	Not Using RFP Software	Using RFP Software
My stress levels at work are almost always manageable.	63%	68% ↑
I have the resources and tools I need to efficiently and effectively respond to RFPs.	45%	71% ↑

**Arrows indicate an upward trend in comparison to 2020.*

When we look at how individuals rank their stress levels by role this year, there's broad alignment between functions that wasn't present in the past. An equal number of executives, managers, and associates agree that they (or their team's) stress levels are almost always manageable. In fact if anything, leaders are fretting over team stress more than they may need to.

Top Takeaways

There appears to be a rising awareness that building quality RFP responses is difficult, driven in no small part by RFP managers, who were more likely to be in charge of the proposal process this year.

Companies appear to have a new understanding that they're not performing to their potential, and employing more dedicated resources, leads to greater success. Though, those wins are tempered by remote collaboration issues, especially around getting timely responses from SMEs. Based on key learnings from this chapter, here's how to respond like a Top Performer.

To respond like a Top Performer:

- **Put a proposal manager in charge:** Teams with an RFP manager at the helm have higher selection and win rates.
- **Invite more contributors to your RFPs:** More brains means greater access to more intelligence. The trick is harnessing those people's wisdom productively, and that's much easier to do when there's a dedicated resource to play project manager.
- **Encourage managers to become their own SME:** The more your RFP owners can learn about the product, competition, and messaging, the less they're beholden to waiting on SMEs for answers (the number one challenge this year). Dedicated RFP software can help by serving as a repository for winning responses.
- **Take pains to save your SMEs time:** SME trust is easily broken, and if they find their time was poorly spent, their suggestions weren't heeded, or the process felt chaotic, they're less likely to participate. Forewarn them of what's coming and be very clear with what's required by when. RFP response software can help reduce their burden by recycling winning questions and reminding them of deadlines.

True value comes from proposal teams really owning the process and showing up to these RFPs as a strategic partner..

Olivia Hartman, MPH
Senior Manager, Proposals | Lyra Health

Chapter 5

THE IMPACT OF SOFTWARE ON STRESS & SATISFACTION

While some companies still struggle with buy-in for bid tools—others are seeing unexpected perks. There's a clear correlation between software, team satisfaction, and win rates.

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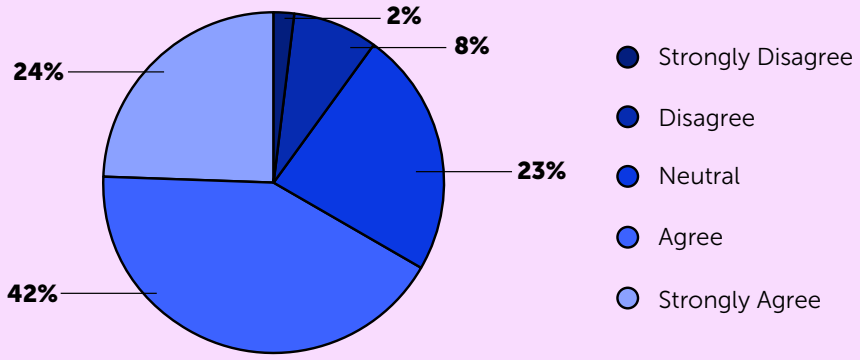
TEAMS ARE STILL LOSING TIME TO TEDIOUS, MANUAL TASKS

Similar to last year, 66% of teams lost time to repetitive manual RFP response tasks such as getting asked the same question repeatedly, formatting documents, or copying and pasting content. This is likely why almost three-quarters of teams are now using dedicated software to make their process more efficient.

Fig 5.1 **Time Lost to Manual, Repetitive RFP Tasks**



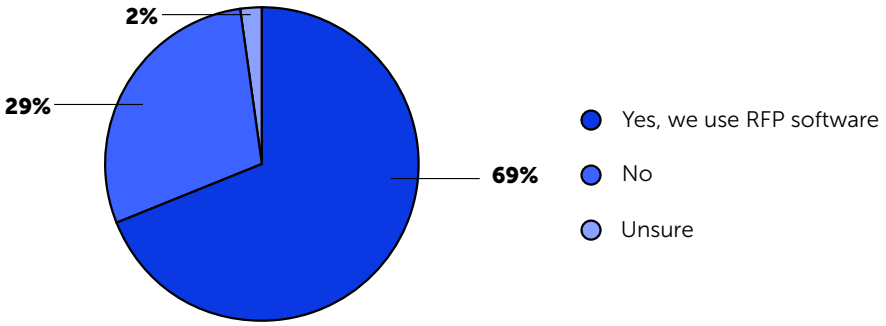
69%

How many teams use dedicated RFP software.

RFP SOFTWARE USE REMAINS STEADY

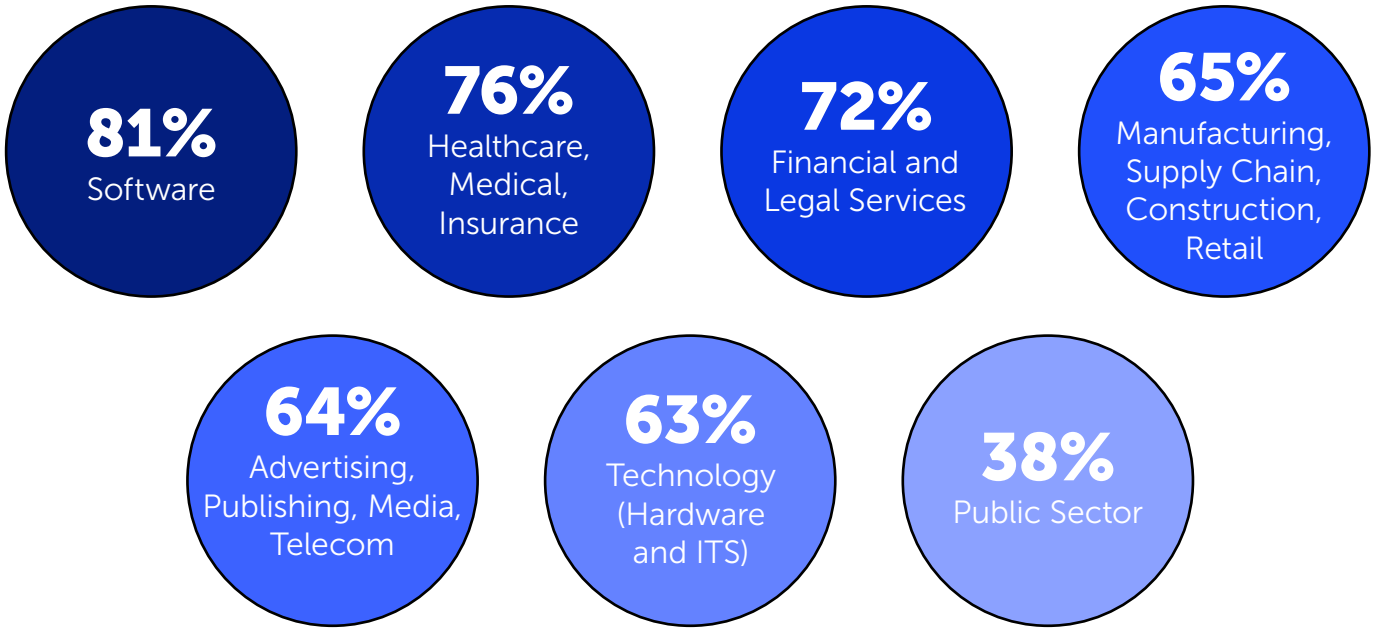
The percentage of companies using RFP software is the exact same as last year at 69%. Midmarket companies are by far the most likely to use it (80%), followed by Enterprise (67%) and Small & Midsize (58%).

Fig 5.2 **RFP Response Software Users**



Software companies have by far the highest usage. For them, it's probably familiar and the value proposition of using software to save time and automate tasks is already clear.

Fig 5.3 **RFP Response Software Usage by Industry**

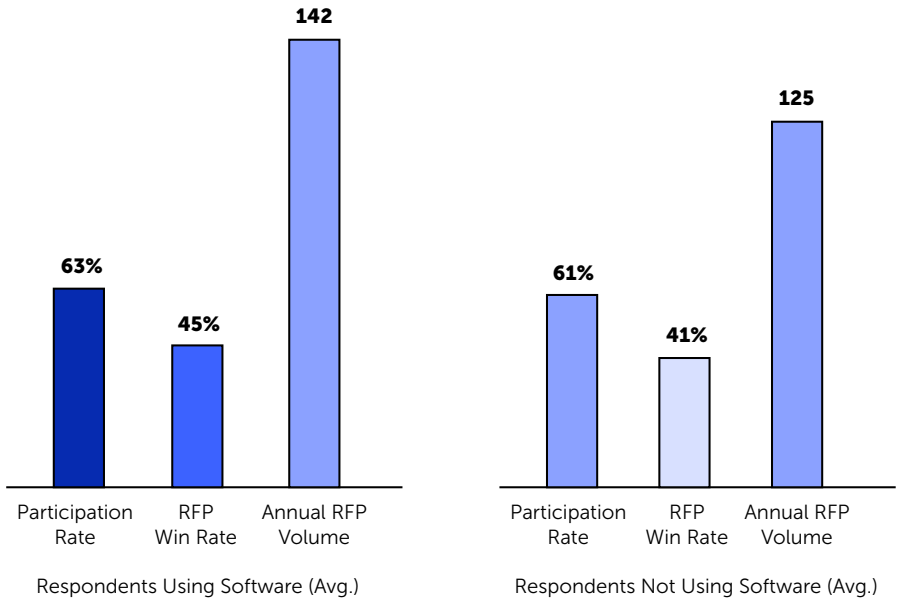


THOSE USING SOFTWARE INVOLVE MORE PEOPLE, SUBMIT MORE RFPS

Using a dedicated RFP response software confers the same advantages as last year. Teams are able to involve more contributors (nine, versus eight) and spend marginally less time on RFPs—23 hours, versus the average 24. They are also twice as likely to say they're reporting on RFP metrics—68%, versus 29% among non-users.

Performance insights also reveal that teams with RFP software submit more bids annually and have a higher win rate on average, in comparison to non-software users.

Fig 5.4 **Performance of Software Users vs. Non-Users**

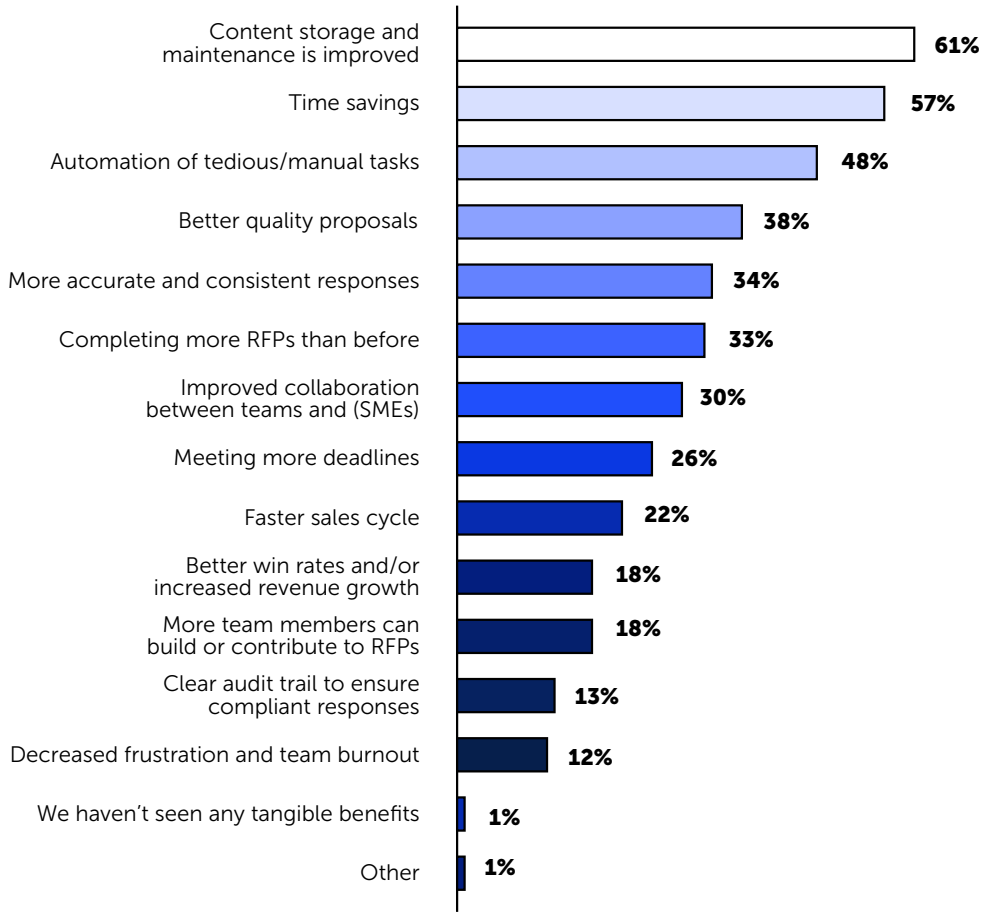


61%

The percentage of teams who say content storage and maintenance is the top benefit of using RFP Software.

TOP BENEFITS OF RFP SOFTWARE

Fig 5.5 **Top Benefits of RFP Response Software**
Respondents could select multiple options

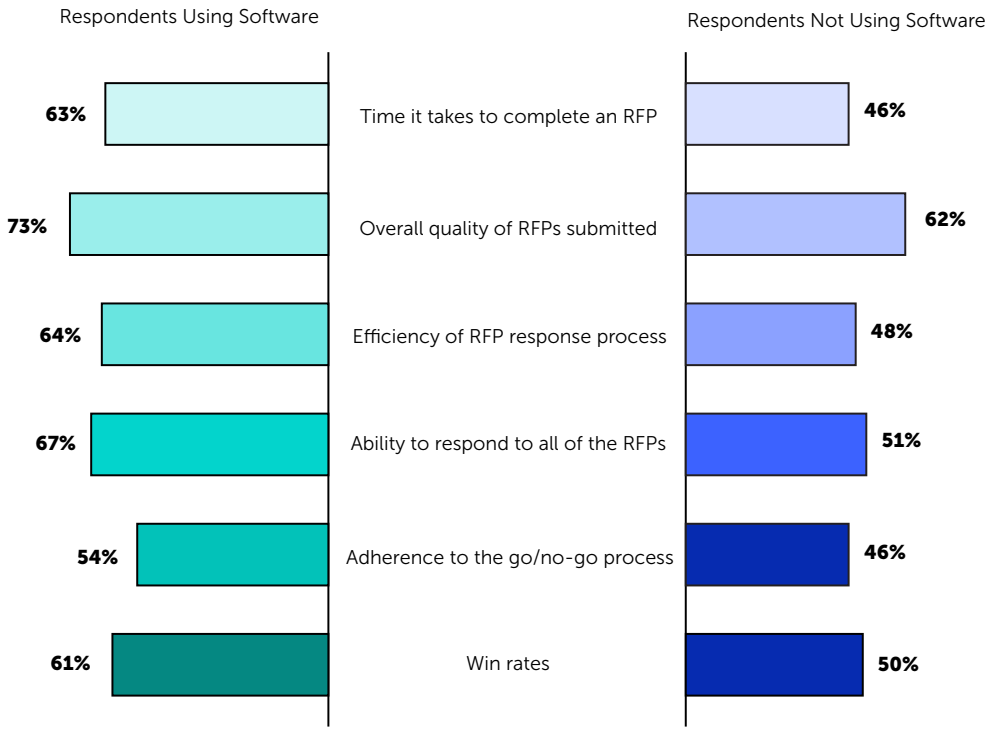


When asked what it is about RFP response software that's so helpful, the number one response was that it helps companies store and maintain content, followed by general time savings and automation. This makes it a great answer to what ails most teams today: "Time Lost to Repetitive, Manual Tasks."

RFP SOFTWARE USERS ARE MORE SATISFIED WITH THEIR PROCESS

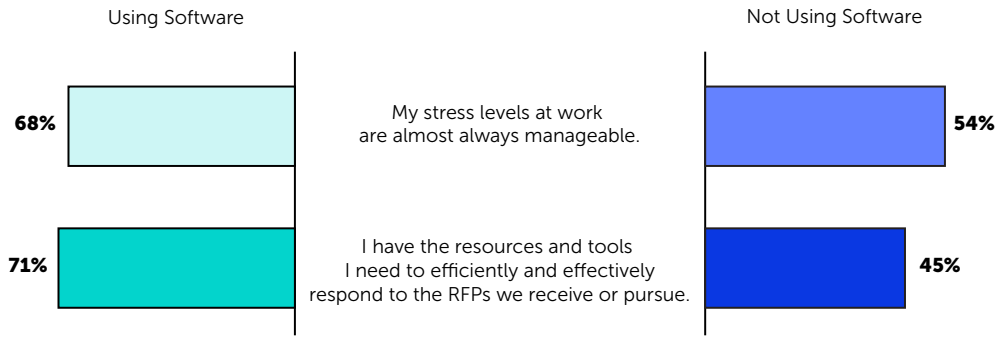
Teams using a dedicated RFP response software are more satisfied with their RFP response process by every measure.

Fig 5.6 **Satisfaction Levels of Software Users vs. Non-Users**



Teams that use software are also much more likely to say their stress levels at work are "almost always manageable."

Fig 5.7 **Employee Sentiment (Software Users vs. Non-Users)**



68%

of teams that use a dedicated RFP response software say their stress levels at work are almost always manageable (vs. 54% for non-users).

PROCESS SATISFACTION CORRELATES WITH 8-POINT HIGHER WIN RATE

Being pleased with your program is more than just a nice recruiting tool—it's correlated with higher win rates. Those who are satisfied with their process have a win rate of 48%, compared to 40% among those who are dissatisfied. So if you're looking for ways to affect your win rate this year, begin by evaluating your team's satisfaction.

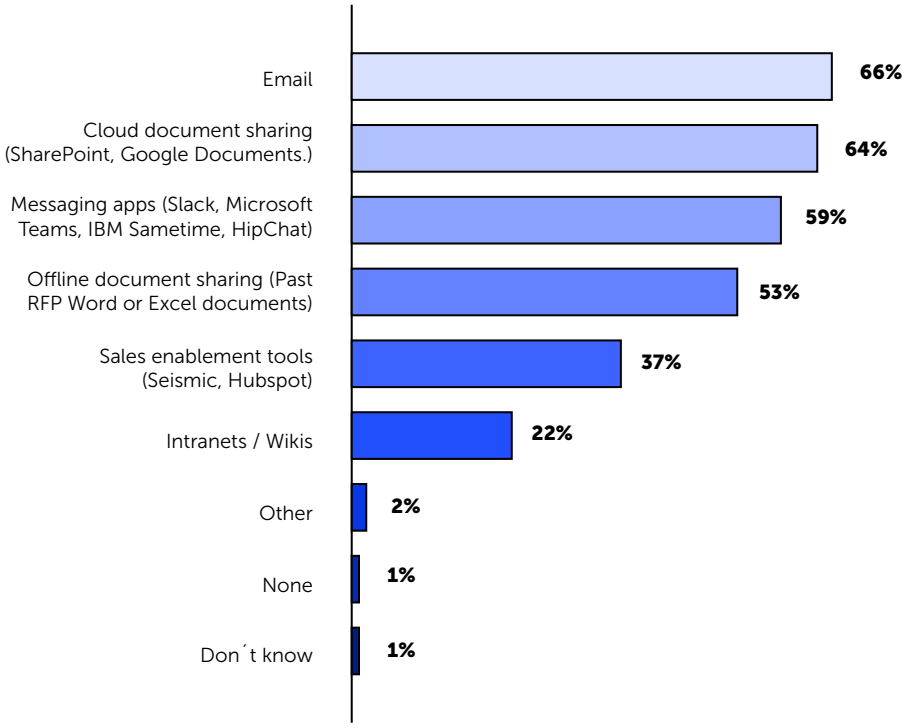
If they're not satisfied, look into software and tools you can use to make their lives easier. Those who use software are found to be more satisfied with their process as a whole—and that satisfaction correlates with more wins.

Fig 5.8 **Satisfaction and Win Rates**

EMAIL STILL USED AS ALTERNATIVE FOR MANAGING RFPS

Teams not using a RFP response software rely heavily on email and cloud document sharing, such as Microsoft SharePoint or Google Documents (extremely similar ratios to those in 2020).

Fig 5.9 **Other Tools for Managing RFPs**
Respondents could select multiple options.



Key Insight: More RFPs Submitted Through Online Portals

This year, 43% of RFPs were submitted through an online portal, up from 41% last year. An increased use of online portals, along with remote work, have likely increased competition as they open up the traditional, geographically-bound evaluations to more distant vendors.

This average is 6% higher among top–performing teams, who submit almost half of their bids through portals. (Perhaps there's a competitive advantage to proactively seeking more bids this way, which other teams are missing out on.)

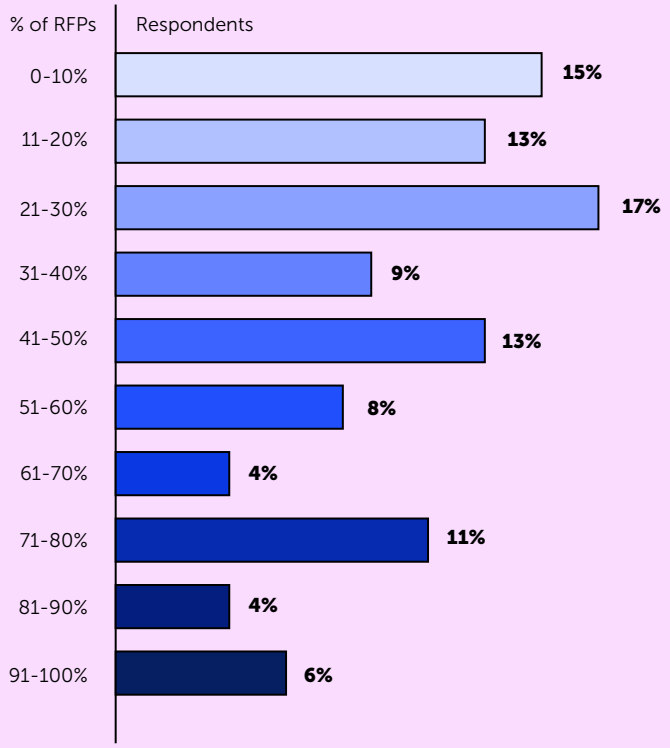


Fig 5.10 **RFPs Submitted Through Online Portals**

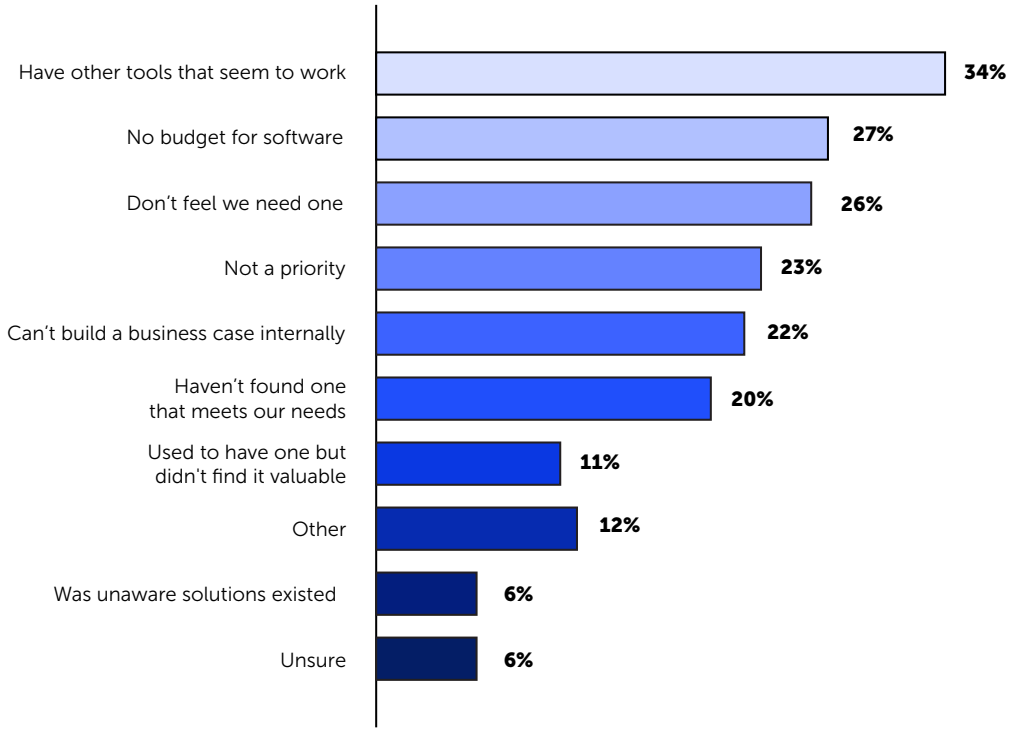
49% The percentage of RFPs that Top Performers complete through bid portals—6% higher than the average team.

INTERNAL BUY-IN CRITICAL FOR RFP RESPONSE SOFTWARE

This year, fewer teams without an RFP response software said it was because they 'didn't feel they needed one'. Going into 2022, teams were more likely to say it was because they didn't have budget, hadn't found a software that suited their needs, or couldn't build a case internally. Interestingly, respondents were twice as likely to say they weren't able to build a business case, in comparison to last year—which tells us how critical internal buy-in can be for purchasing tools.

All this suggests that RFP response software is being considered differently than in prior years. The reasons for not having it have shifted from whether it's important or not, to when or what to buy, and what the value is to the company as a whole.

Fig 5.11 **Reasons for Not Investing in RFP Response Software**



Top Takeaways:

RFP response software appears well-positioned to help teams keep stress rates low and satisfaction rates high. It helps address one of the top challenges teams face: losing time to tedious, manual tasks—and specifically, helps them store and reuse top answers.

This year, more teams wanted software, but struggled to get budget and buy-in. Though, the research shows that when they do get a solution, it leads to greater team satisfaction—which correlates with higher win rates.

To respond like a Top Performer:

- **Track team satisfaction:** The most common RFP metrics are concerned with revenue and process, but don't forget the human element. Teams that aren't stressed respond to more RFPs tend to win more. The only way you'll know how your team feels is to ask (and capture this data so you can share with leadership).
- **Explore dedicated software as a cure for stress and frustration:** Teams with software are able to respond to more proposals but less likely to feel unmanageable stress. They're able to involve more contributors, but spend less time on those responses.

Chapter 6

SALARY AND CAREER COMPARISONS

On the whole, proposal roles love their work and career prospects—but a lack of diversity in the field suggests that rewards aren't evenly distributed to those doing the most work.

This section has been added exclusively for those who contribute to RFPs in a full-time role. *(We're looking at you: proposal managers, RFP writers, and content managers.)* Our hope is to empower those in the field to understand their roles, salaries, and career prospects better, in addition to helping companies understand how to build diverse teams and retain top talent.

FEMALES DOMINATE THE PROPOSAL PROFESSION

Two-thirds of proposal managers are over the age of 35, while three-quarters are white (74%), and 7 in 10 identify as female (71%). That places the proposal profession up there with vocations like teaching[1] in terms of its gender imbalance, and airplane pilots with racial imbalance[2]. Issues with pay equality also abound for certain groups. (For more, see: Salaries.)

Fig 6.1 **Age of Proposal Professionals**

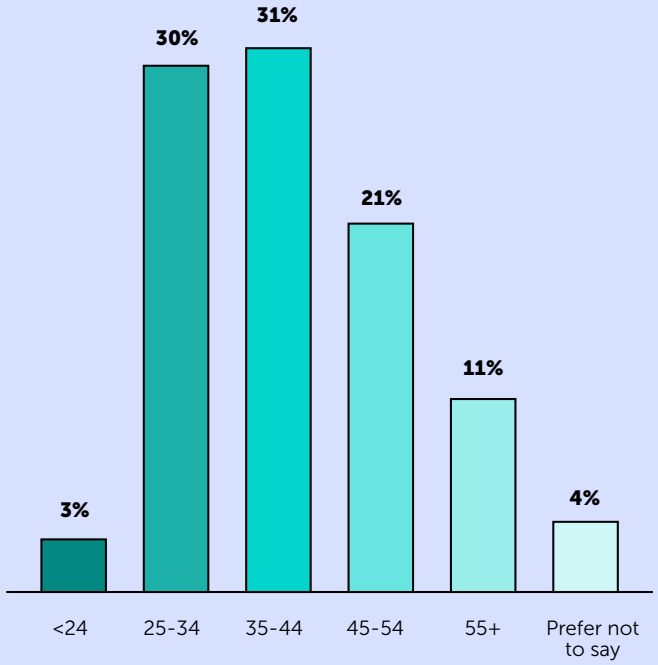


Fig 6.2 **Ethnicity of Proposal Professionals**

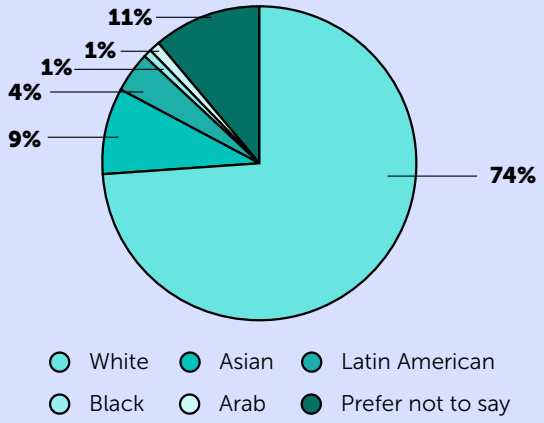
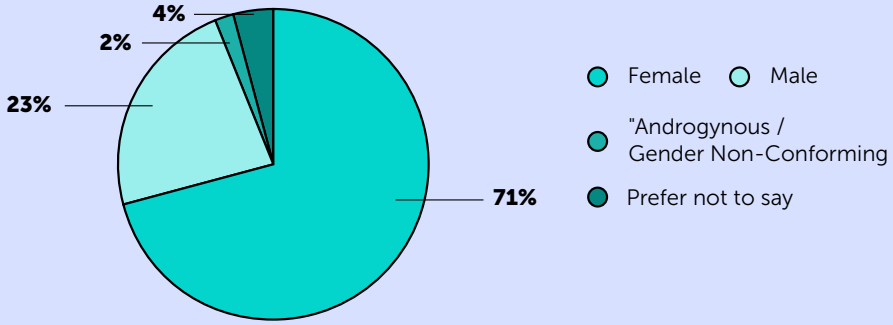


Fig 6.3 **Gender Identify of Proposal Professionals**

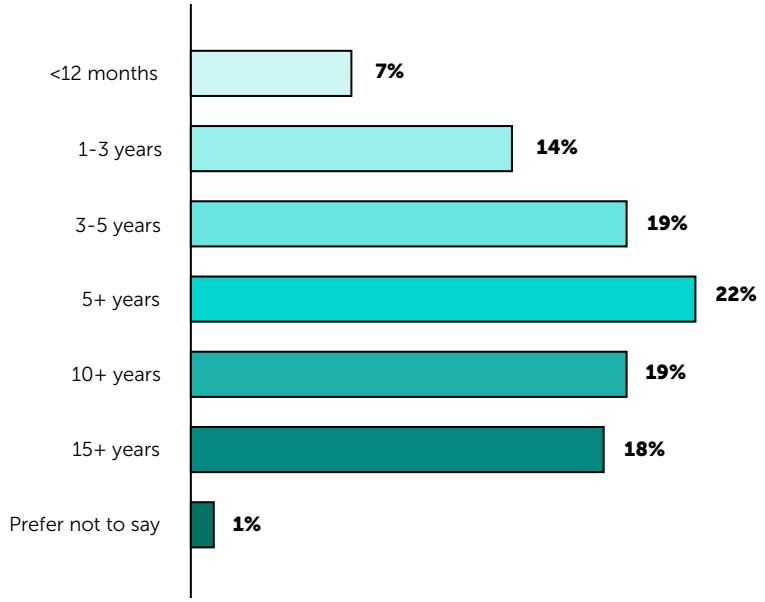


1. Seven Trends: The Transformation of the Teaching Force, 2018
2. Most and Least Diverse High-paying Professions, 2021

MOST RFP PROPOSAL MANAGERS HAVE 5+ YEARS OF EXPERIENCE

With time comes seniority, and those with more than 10 years of experience are much more likely to be a Manager/Team Lead, Director role, or higher. Enterprise-sized companies were more likely to have people with 10+ years of experience in RFP roles.

Fig 6.4 **Tenure Breakdown of Proposal Professionals**



Key Insight: More Experience = More Discontent

Those with 15+ years of experience were more likely to be unsatisfied or have neutral feelings towards their process, compared to those early on in their career. Companies, keep an eye on your more tenured professional's satisfaction levels if you don't want to lose them.

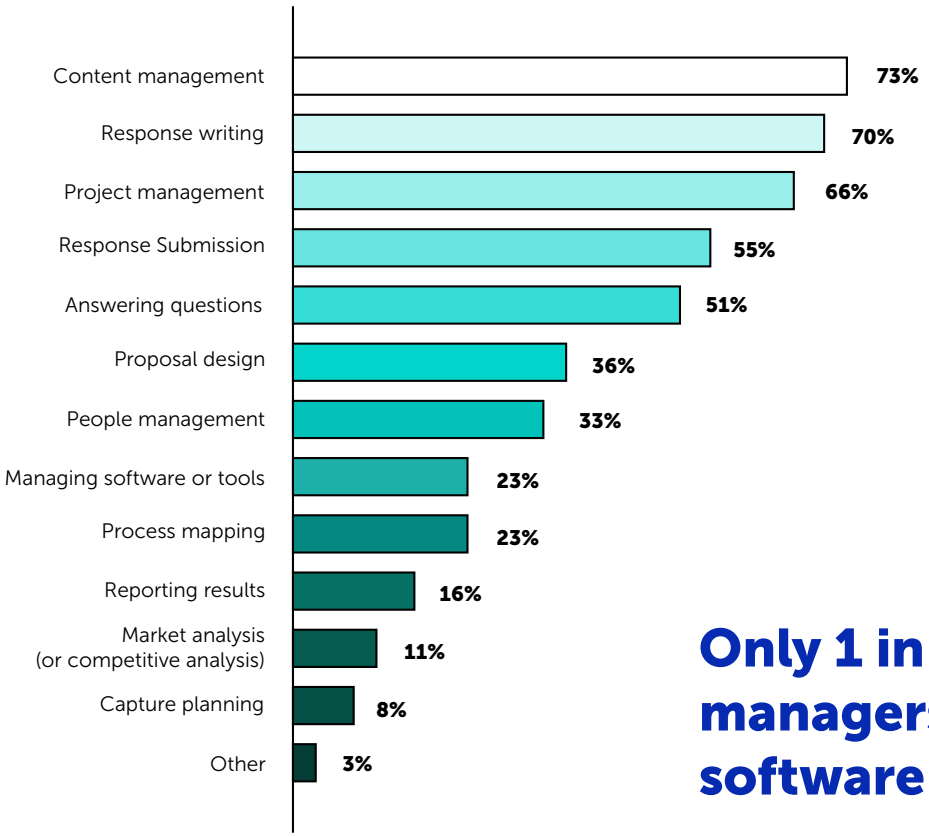
15+

This many years of experience seems to be a tipping point for satisfaction.

PROPOSAL PROFESSIONALS SEE THEMSELVES AS CONTENT MANAGER AND WRITERS FIRST, PROJECT MANAGERS SECOND

RFP professionals see their top duties as content management, response writing, and project management. Somewhat surprisingly, analysis (whether of RFP outcomes or the market) sits low on that list, in spite of its impact on overall success.

Fig 6.5 **Core Duties of a Proposal Professional**
Respondents could select multiple options.



Only 1 in 4 RFP managers say managing software is a top duty.

This may mean they have technical support handling software enablement—or they may be missing out on the chance to continuously improve platform usage and results.

How Role Impacts Core Duties:

1. **Associates were more likely to list response writing,** content management, answering questions, and managing software as core duties.
2. **Managers / Team Leads were focused on content management,** people management, project management, managing software, and reporting results.
3. **Director level roles and upwards were more likely to be doing capture planning** and competitive analysis over any other group.

Interestingly, Associates and Managers/Team Leads were also likely to share a lot of core duties, which suggests many managers are stuck being a "player-coach" role where they're responsible for associate-level work on top of management tasks. Managers/Team Leads looking to advance their career should attempt to carve out time for more proactive, strategic activities, like capture planning, in order to move to that next level.

Men were more likely than women to list market or competitive analysis as a core duty. Since they tend to earn more, women would do well to raise their hands to tackle competitive insights.

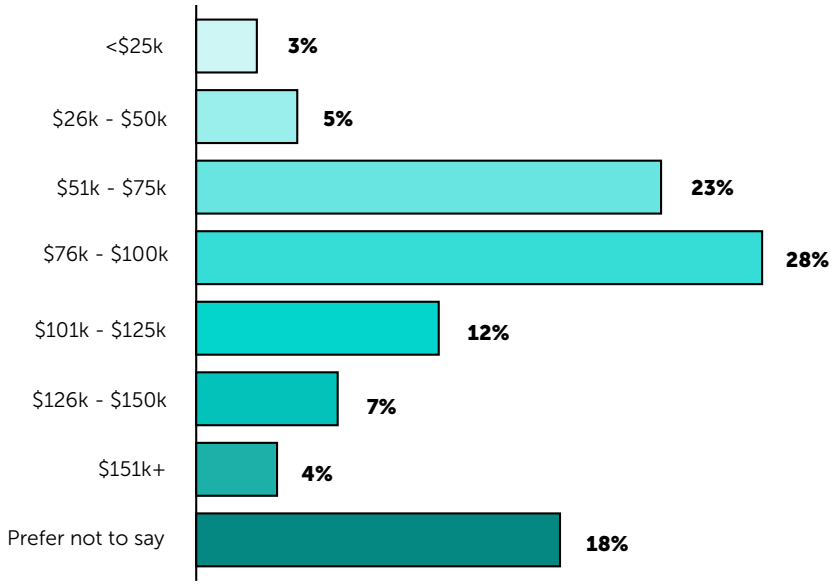
Key Insight: People, Process, and Project Management Correlate with Higher Earnings

Those whose core duties involved people management, process mapping, and project management were more likely to be High Earners. People whose core duties were content management, answering questions, response submission, and project management were more likely to be Low-to-Mid Earners.

SALARY: NEARLY ONE QUARTER OF PROPOSAL PROFESSIONALS EARN SIX FIGURES

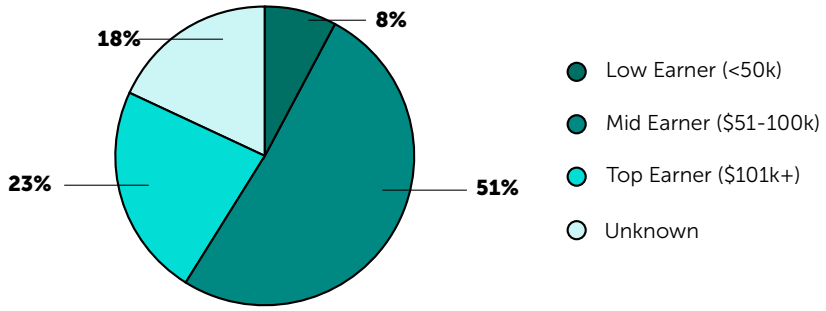
On average, proposal professionals make an average salary of $87,000 annually. A slight majority of proposal professionals (51%) earn between $51,000-$100,000 USD. Interestingly, 23% make more than $101,000 annually and thus fall into the Top Earner category.

Fig 6.6 **Average Salary Distribution for Proposal Professionals**



Unsurprisingly, pay rises with tenure and experience. Those in the 25-34 age range are more likely than other groups to fall into the lower-to-middle pay band.

Fig 6.7 **Salary Band Groupings**



Eighteen percent of respondents chose not to respond to the salary question—more than any other question in the entire survey. This is likely due to hesitancy around discussing salary in general. But the more openly everyone shares, the more people can know to ask for what they're worth.

Those in the $51,000-$75,000 range are more likely to be at a SMB or Mid-size company than a larger one. Those getting $126,000-$150,000 are more likely to be at an enterprise-sized company. Those who work at Enterprise-sized companies reported salaries that were $15,000-20,000 higher annually on average than those at smaller companies.

Women are more likely to be in the low-to-mid pay bands,

despite making up a vast majority of this industry. On the flipside, males are more likely to be in the high-to-mid pay bands.

SALARY CORRELATIONS

If you're making...	You are more likely to ...
$51-75k	Work at a Small & Midsize company
$76-125k	Have been promoted recently
$126-150k	Be later in your career Work at an Enterprise company

4 IN 5 PLAN TO STAY ON THIS CAREER PATH

An overwhelming 81% of RFP professionals plan on staying in this career path. Nearly two-thirds (63%) expect to be in a more senior proposal role within the next five years, and it appears they have a pretty good reason to believe: more than 1 in 4 were promoted within the last 12 months.

Notably, an equal number of females and males were promoted. Those already earning mid-to-high salaries or in the 25-44 age range were the most likely to be promoted this year, which likely means a sizable increase in salary, based on the levels below.

Fig 6.8 **Promoted in the Last 12 Months**

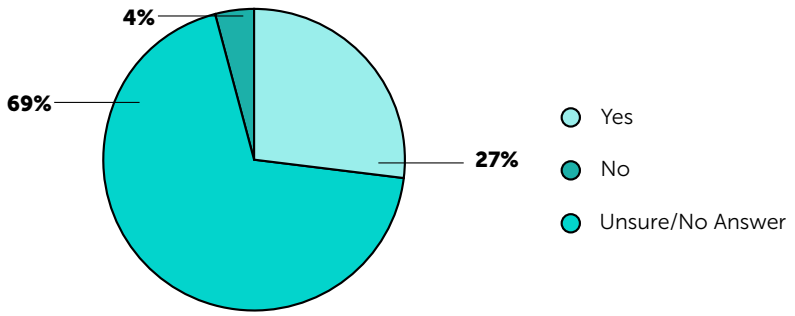


Fig 6.9 **Average Salary by Level**

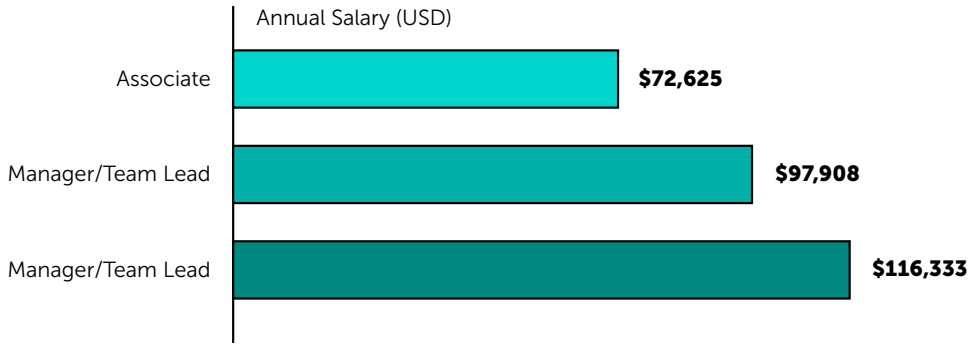
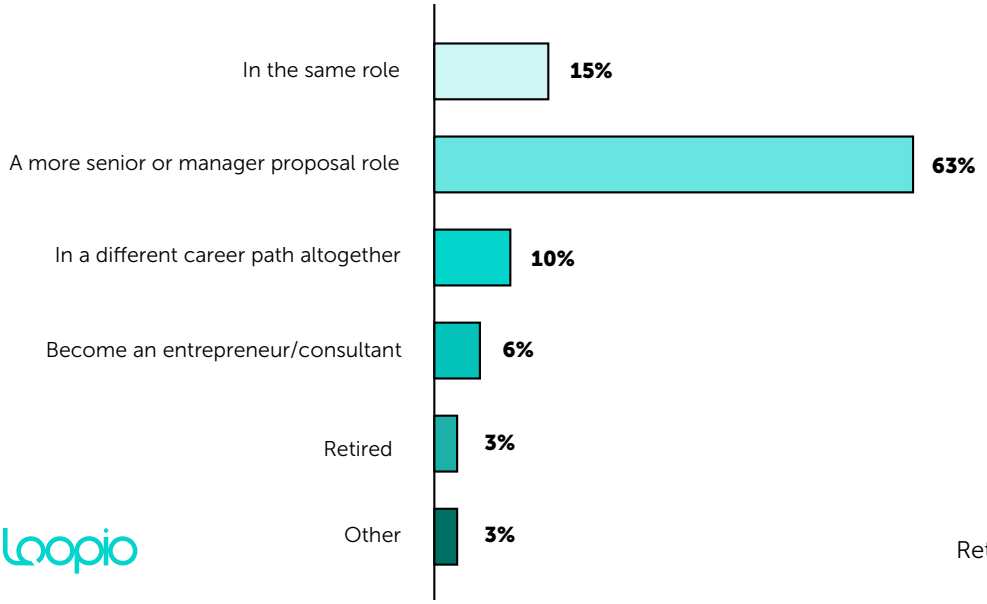


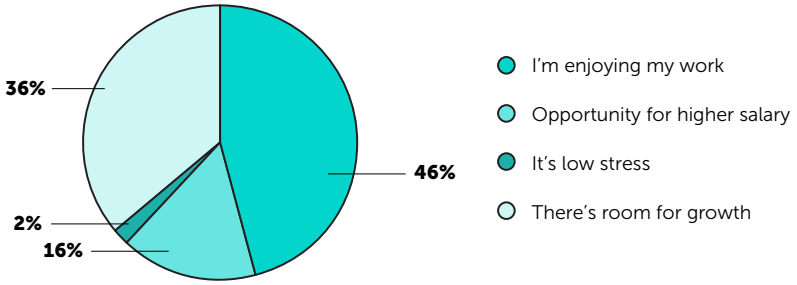
Fig 6.10 **Career Expectations in the Next Five Years**



RFP PROFESSIONALS LOVE THEIR WORK—AND WANT TO GROW IN THE FIELD

People plan to stay in this career for a variety of reasons, including that they enjoy the work and see room for growth. Ten-percent say it's low stress—and if you are one of those people, count yourself lucky.

Fig 6.11 **Reasons for Staying on This Career Path**



If we dig into these numbers, we uncover some interesting facts. RFP software users foresee better career prospects. And the older the respondent, the more they enjoy their work.

- **RFP software users see much greater opportunities.** 45% of RFP software users said there's room for growth, in comparison to 31% of those who don't use it. Software users are also more than twice as likely to say they'll stay because they enjoy the work.
- **Those at the late-stage of their career have more fun.** Those in the 55-64 year-old range say that they enjoy their work the most (64%). Interestingly, 100% of those over the age of 65 say they stay because they enjoy the work.
- **Over a third of proposal professionals crave growth.** If you've got a stellar team of responders you want to retain, make sure there's room for upward mobility in terms of titles, salaries, and interesting work opportunities—especially if you don't want your top talent looking elsewhere for work.

2x How much more likely RFP software users are to say they'll stay because they enjoy the work.

Top Takeaways:

Those in the proposal profession tend to be over 35, white, and identify as female. And though females have received an equal number of promotions in the last 12 months, they still tend to be paid less than their male colleagues—something all of us can combat by sharing salaries openly.

An overwhelming majority of RFP response professionals plan to stay in this career because they enjoy their work and see ample room for growth.

To respond like a Top Performer:

- **Train your people managers:** It appears many people managers may be getting into the weeds and writing proposals. Far too few report people management, capture planning, and competitive analysis as top duties. Challenge yours to step back and become a coach who builds a program where they make themselves less necessary. This may reduce micromanagement and increase contributor autonomy.
- **The RFP industry has a diversity problem:** The RFP industry's demographics reflect a serious diversity imbalance. There are too few males, too few young people, and far, far too few people of color. Improving team diversity improves performance, so companies would do well to review their hiring and promotional practices, expand their networks, and invest in new talent.
- **Openly share salaries and mandate pay equity:** Females tend to be paid less than males, and it's a problem every people manager can begin to address, today. Create pay bands for each proposal role and level, and make sure they're followed for hirings and promotions. This way, it's less likely that bias or negotiation skills will further some and leave others behind.

Chapter 7

RESOURCE PREDICTIONS FOR 2022

With predictions for RFP targets rising, timely SME responses may offer a winning edge for response teams this year.

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TARGET EXPECTATIONS RISE EVEN FURTHER THIS YEAR

Fifty-seven percent of organizations plan to increase RFP targets next year. This may reflect more certainty in the market that work as we knew it will resume. Managers/Team Leads and Executives are far more confident that targets will rise than their Associates are. (Someone should probably make sure Associates are more aware of workload changes so they aren't unpleasantly surprised in the year ahead.)

47% 2020

57% 2021

Intent to increase RFP targets.

Interestingly, Enterprise companies are a third less likely to increase RFP targets than their smaller counterparts. It could be that they are better at predictive modelling or are more likely to have a large market share already, and expect less new business.

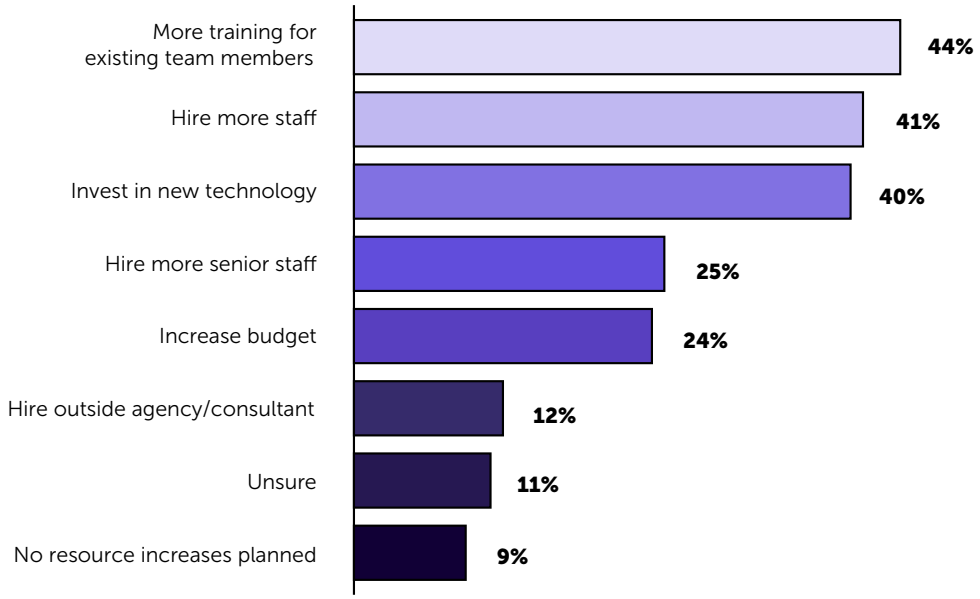
80%

Companies that say they're increasing resources for their RFP program.

RESOURCES RISE IN PROPORTION TO SUBMISSION TARGETS

It's nice to know that as targets rise, so are resources. Eighty percent of companies say they're increasing resources for their RFP program in one way or another in the year ahead. The most common investments are better training, hiring more staff, and buying new technology, in that order. Small & Midsize companies are the most likely of any group to say they won't increase resources (12%).

Fig 7.1 **Resources Investments for 2022**
Respondents selected their top three options.

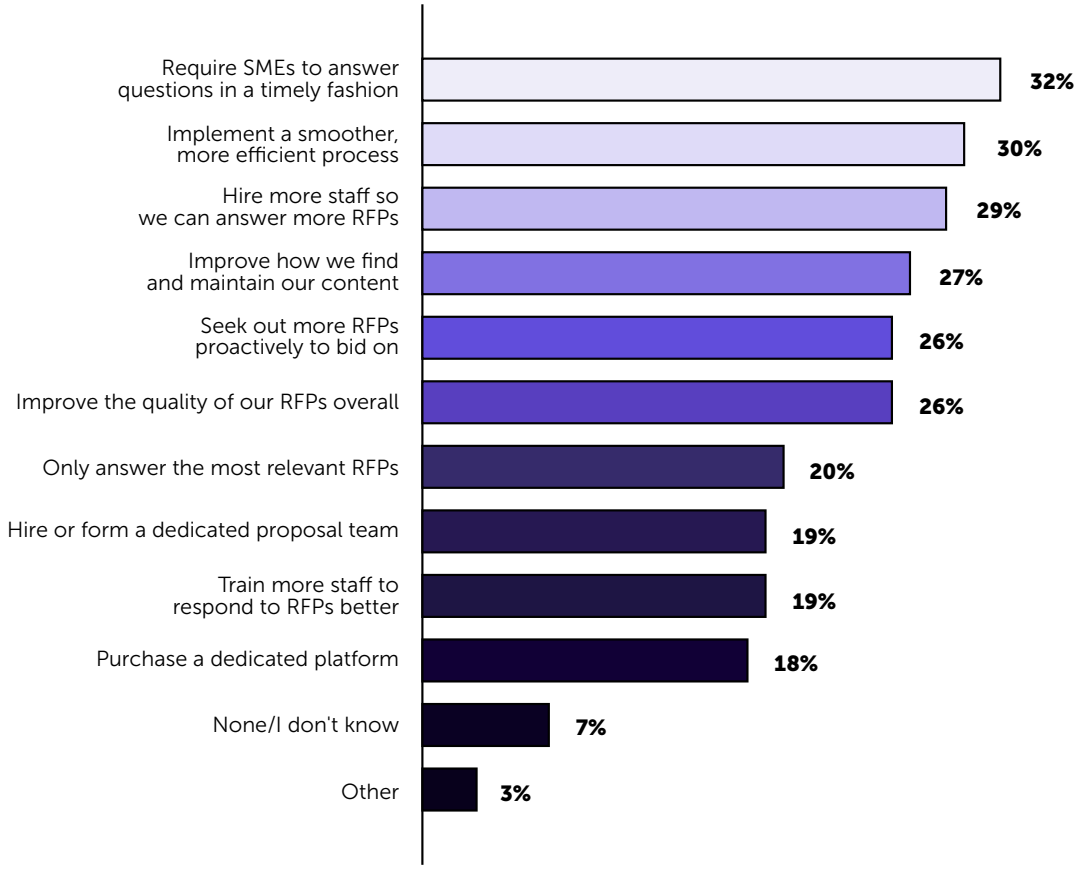


If you examine resource investments by industry, there are some notable differences. For instance, software companies are more likely than any other to increase staff (46%), while Advertising, Media, Technology companies are most likely industry to invest in technology (57%).

TOP OF THE 2022 WISHLIST: TIMELIER SME RESPONSES

The number one way RFP responders say they can improve win rates is by cracking down (politely) on SME response times. This is not a surprise, considering that collaborating with SMEs rose to the number one challenge for response teams this year. (See: Collaboration.)

Fig 7.2 **Recommendations for Winning More in 2022**
Respondents could select multiple options.



By industry, Advertising, Media, Telecom companies are the most likely to say they're investing in technology (32%).

Looking at roles, Managers are found most likely to increase resources by hiring more people (38%), and Associates want to hire more peers as well as reduce the number of responses (28%). All that said, hiring staff is lower on the list of concerns than it was last year. Teams largely have more people resources than they had in the past (see: Team Size). Now, it's all about empowering individuals to respond better and faster vs. adding more bodies to solve scale or speed issues.

Top Takeaways:

Most companies are increasing their RFP targets this year, and almost every business—9 in 10—plan on increasing RFP resources in some fashion. Businesses have built larger RFP teams, which are growing more mature, so their primary concern has shifted to training and empowering them.

To respond like a Top Performer:

- **Invest more resources to keep up:** Only 9% of companies don't plan on investing more resources in the year ahead. If you're among them, be aware that you're in the minority, and it may be time to advocate for your own response resources. The most common investments include training, hiring more staff, and investing in new technology.
- **Invest in RFP training and process:** With more RFP managers in charge of proposals, a smoother process and more participation from SMEs is a top area of concern. As part of your efforts, streamline how you involve your larger team by completing pre-work that makes participation easier for them *(SMEs are busy too)*.

CONCLUSION: 5 STEPS TO WIN MORE RFPS THIS YEAR

In spite of this year's challenges, the research indicates that you can exceed industry averages, if you're strategic about resourcing.

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1. Run a Survey Among Your RFP Team and Contributors

Satisfied teams tend to be more productive. So if you don't have a baseline for your team's satisfaction, find out how they feel and use those insights to make changes to your process. Are people struggling to get timely responses from SMEs? Buried under repetitive, manual tasks? Pinpoint the problems plaguing your team, then take steps to action those insights.

2. Compare Your Findings With Industry Benchmarks

Next, take those key findings from your survey, and compare them against industry benchmarks in this report. For example: Do your teammates struggle with hitting deadlines? Use this report to investigate how your turnaround time, team size, bid volume, or tools compare to your peers. Are you missing deadlines due to a lack of resources? Use benchmarks to make a data-driven case about where you see opportunities to improve.

3. Share Solutions With Your Leadership in Mind

Executives expect more RFP volume in the year ahead, and attribute losses to increased competition. So, when making the case for new resources or processes, center on how these investments in your response function will help you gain a competitive edge, keep up with industry standards at orgs of a similar size or industry, or tackle volume demands in the year ahead.

4. Reset on the Metrics That Matter

People tend to focus on what they're measured on. Whatever changes you propose to your program, prepare to measure them in a more balanced way than simply looking at revenue. Meet with stakeholders from the teams involved and agree which numbers you'll report back on, once an investment is made in your department.

5. Invest in Your Own Learning in 2022

Consider how you can personally upskill and invest in new opportunities that'll further your career—and hopefully, help you get that next promotion. Here's a few ideas:

- **Learn From the Best in the Bid-ness.** Learn more about the basics of a solid proposal process, check out RFP Academy, a free, 8-lesson course with insights from proposal pros.
- **Join a Growth-Focused Community.** Further your professional knowledge—or simply connect with your peers, in some of our favorites groups and communities, including: Association of Proposal Management Professionals, Pavilion (formerly Revenue Collective), and *Response Insiders*.
- **Get Certified on the Right Tools.** If you're a Loopio user, consider becoming officially certified with Loopio's Learning Station. Earn a certificate that you can display on LinkedIn to showcase your accreditation.

Win More RFPs in 2022

- ✓ Centralize your best RFP content
- ✓ Automate your RFP responses
- ✓ Collaborate seamlessly across teams

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