State of Bid Management 2024 Report

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AI revolution? No. It's a bid manager revolution.

in **Matthijs Huiskamp,** Founder & CEO

The "State of Bid Management 2024" report arrives at a time when the role of bid managers is undergoing a significant transformation. Traditionally, they were responsible for managing projects, tasks, and reminders, as well as gathering documentation. However, expectations are evolving dramatically today. They need to do much more without additional resources —mitigate risks, qualify opportunities effectively, or allocate resources efficiently, just to name a few—all while driving revenue growth.

This growing pressure is reshaping the role of bid managers, pushing them to adopt a more strategic approach in every aspect of their work. They are expected to engage in higher-level thinking, building winning proposals, and make

decisions that align with their organisations' broader goals. This shift demands not just a change in mindset but also a change in behaviour, requiring the use of new tools and methods.

One key challenge bid managers face is stepping into the spotlight within their companies. Historically, their roles have been behind the scenes, focused on admin work rather than strategy. As their responsibilities expand, bid managers must learn to connect more deeply with their teams and stakeholders, fostering collaboration and communication in ways they hadn't before.

The State of Bid Management 2024 Report aims to set a baseline for the role of bid managers today. It seeks to

help organisations across industries understand, assess, and adapt to the evolving landscape of bid management. By providing insights into current trends and future directions, this report serves as a valuable resource for companies looking to enhance their bid management practices and drive success in a rapidly changing environment.

In essence, use this report as your guide to navigating the future of bid management. It highlights how bid professionals can do more with less and step into a new strategic role, leading their organizations to greater heights in the years ahead.

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Never Lose a Winnable Bid

The bidding process has remained largely unchanged for decades. This often confines bid professionals to an operational role that not only limits their potential, but reduces the company's commercial power.

The increasing pressure on organisations to grow their revenue is transforming the nature of bids. This is reshaping bid management to evolve into a dynamic, strategic function. With technology, bid managers can free up their time from manual, repetitive work. This gives them the bandwidth to focus on adding real value. Our vision is to turn bid management into a commercially-driven role.

Altura is an end-to-end platform designed to assist bid teams, from forecasting to writing and evaluation. Our platform connects every step of their bidding process, by gathering input from across your organisation. It automates tasks, reminders and summaries and turns feedback into qualification scores. With the use of AI technology, it can scan hundreds of documents, generate proposals, and guide you with tailor-made insights. All of this so you can make confident decisions, know which bids can be won and become a commercial powerhouse.
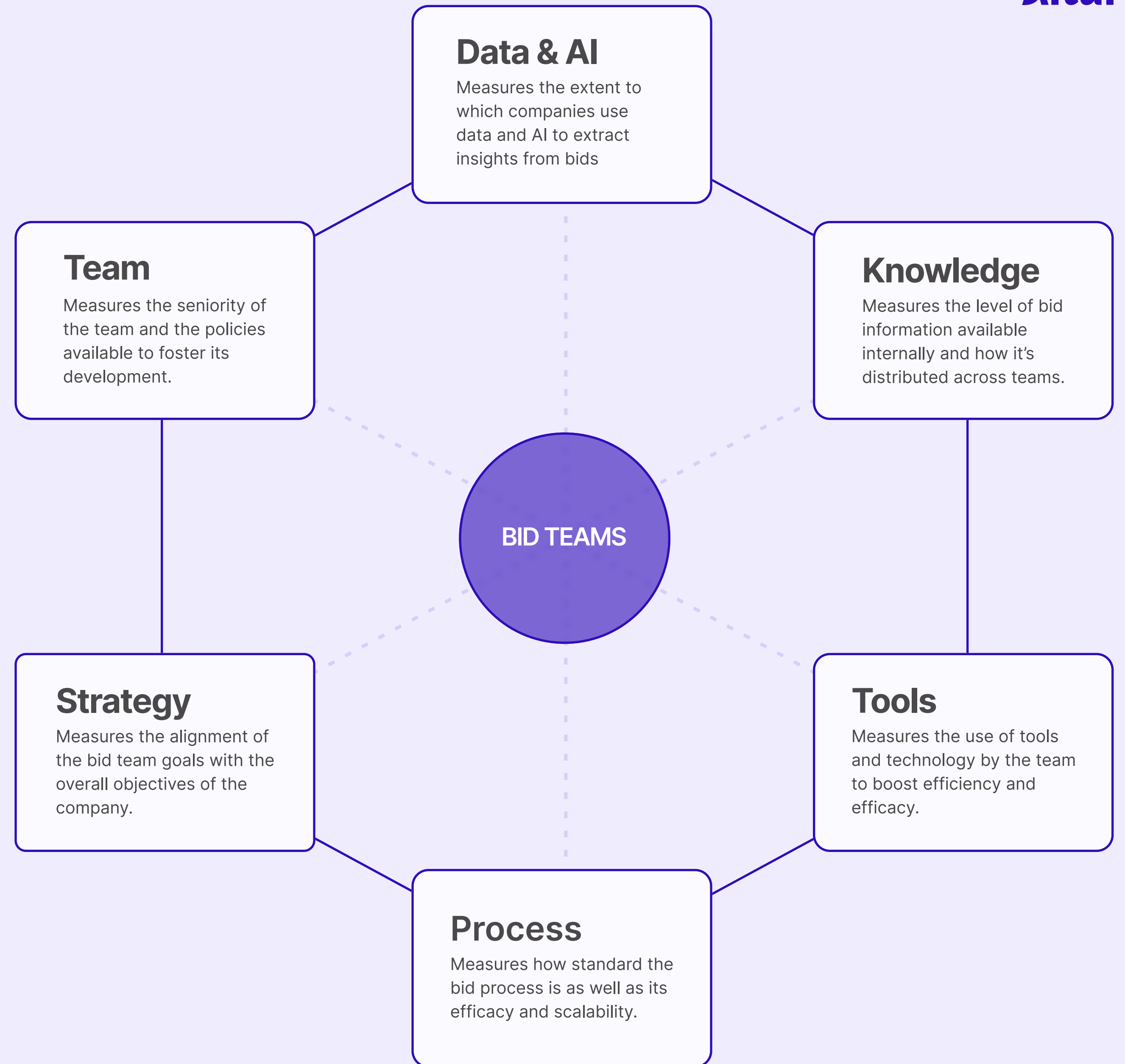
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Bid manager
52%

Other
9%

Sales leader
5%

Bid writer
5%

Sales manager
7%

Bid leader
22%

+
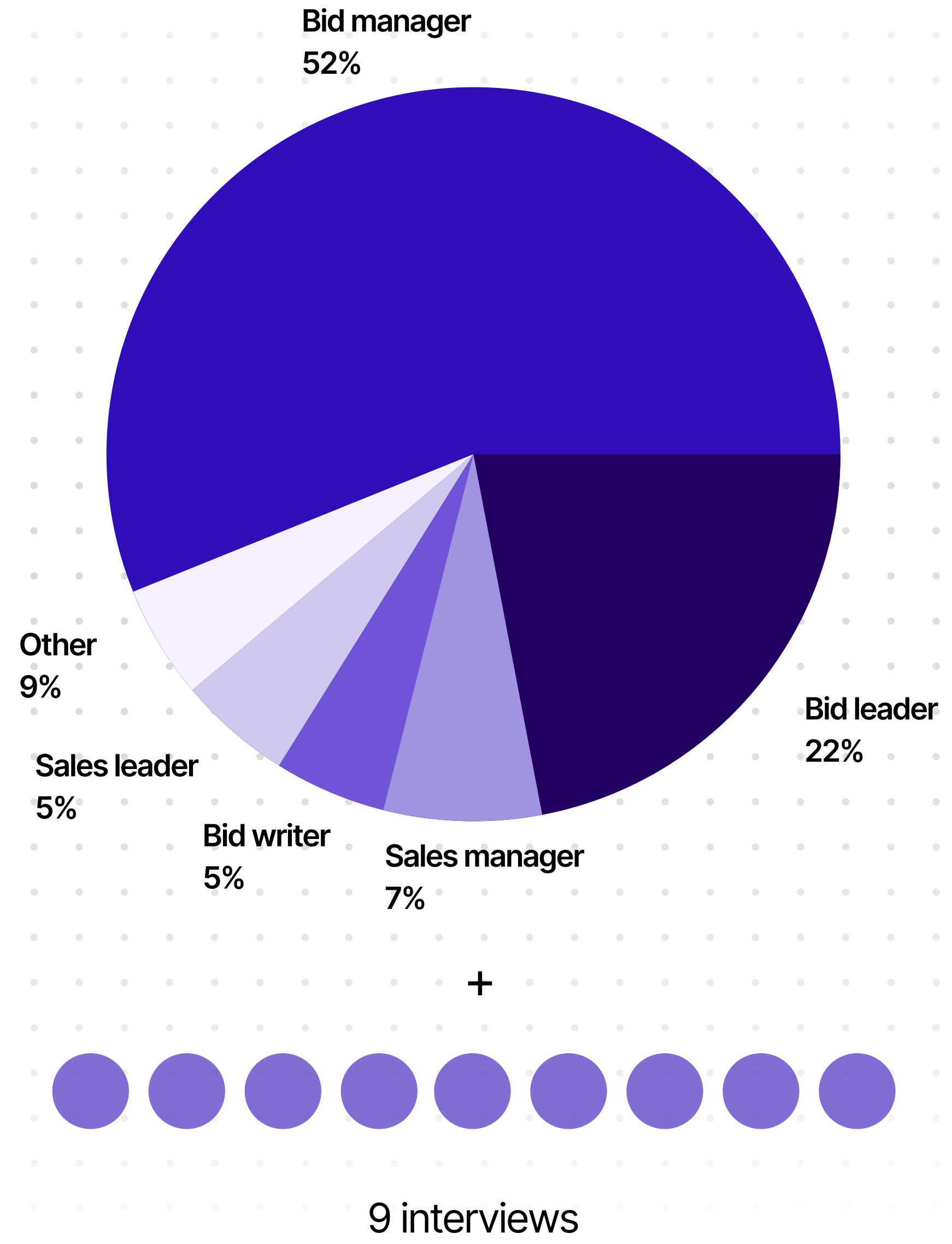
9 interviews

Who did we talk to?

We surveyed 70 bid professionals across 6 different industries. In addition, we ran 9 in-depth interviews.

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The Bid Management Maturity Model

Respondents were benchmarked into 6 different growth pillars in the bid process. These pillars constitute the Bid Maturity Model. We designed this framework to help bid teams assess their skills, needs and opportunities, providing them with actionable insights and resources to develop and grow in each category. We also asked bid managers additional questions to understand how satisfied they are with their own process.

Data & AI
Measures the extent to which companies use data and AI to extract insights from bids

Team
Measures the seniority of the team and the policies available to foster its development.

Knowledge
Measures the level of bid information available internally and how it's distributed across teams.

BID TEAMS

Strategy
Measures the alignment of the bid team goals with the overall objectives of the company.

Tools
Measures the use of tools and technology by the team to boost efficiency and efficacy.

Process
Measures how standard the bid process is as well as its efficacy and scalability.

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If you must remember something, let it be this.

67% of respondents mention they are not satisfied with their current win rate.

The overall performance across industries in the bid maturity model sits just below the approval threshold, at **2.4/5.**

Data & AI remains the biggest opportunity for improvement and growth in **5 out of the 6** industries surveyed.

58% of bid teams don't have tools to collect data, and **82%** do not distribute collected data.

41% of respondents aim to win more high-revenue bids in 2024, yet more than half don't have a clear plan to achieve this.

On the impact of AI in the bid process:

"AI can help with document reviews, but the human touch will remain crucial to understanding our client's needs."

Proposal Manager, transportation company

Part #1

Challenges and goals
for bid professionals

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What is top of mind for bid managers?

New regulations, change in roles, best practices and new technologies…bid professionals must stay on top of it all to stay relevant, maintain a healthy win rate and beat competition. In this section, we dive into the changes bid professionals face today and what they see as opportunities to keep winning.

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10 forces changing the bidding process in 2024

Green Public Procurement (GPP)

Sellers will need to demonstrate their compliance with sustainable standards in their proposals. More than 15 laws are being prepared by the EU and it will be key for bid teams to learn about them to keep winning.

Source: European Commission Green Public Procurement

AI cybersecurity concerns and issues

44% of organizations have experienced negative consequences from AI-related cybersecurity issues. In bid management, ensuring the security of sensitive data will remain as crucial as ever.

Source: McKinsey

New e-procurement platforms

Several EU countries are moving towards mandatory digital procurement systems. Companies must adapt to using these platforms, which will require training and investing in new technologies.

Source: European Union Public Procurement

Shortage of talent remains a huge risk

26% of CEOs cite it as the most damaging risk for their organization, specifically in procurement and bid management, where thousands of open vacancies remain unfulfilled throughout Europe.

Source: Gartner

New EU e-invoicing requirements

In order to reduce fraud in public procurement, sellers must be prepared to issue and manage electronic invoices in compliance with EU standards, impacting financial and administrative processes.

Source: EU E-Invoicing Directive

EU Procurement Directives

The new directives are expected to further streamline and modernize procurement procedures, including simplified procedures, increased use of electronic communication, and measures to facilitate access for SMEs

Source: EU Public Procurement Reform

New EU Circular Economy Principles

Aimed at promoting resource efficiency and waste reduction. Sellers will need to demonstrate how projects align with circular economy goals, such as recycling and reuse of materials, influencing project design.

Source: EU Circular Economy Action Plan

Up-skilling is the new hiring

64% of businesses are investing in upskilling their workforce to handle AI tools effectively in order to improve productivity and reduce the impact of the impending shortage of talent.

Source: Appian

Adoption of AI in Enterprise

70% of executives plan to increase their AI investments in 2024, fuelled by the potential for AI to cut costs and enhance cross-team efficiency. The anticipated growth will also include new AI-powered roles.

Source: Investopedia

Stricter cybersecurity measures

Enhanced security regulations are coming to EU countries. Sellers will have to adhere to these new standards, increasing the complexity of submitting bids for those who still rely on analog processes and tools.

Source: European Union Cybersecurity Strategy

Bid teams focus on these goals in 2024

We asked bid managers about their priorities and focus in 2024. We covered 6 different goals based on our Bid Maturity Model. These three goals were their answer.

41%
win more high-revenue bids

38%
professionalise their team

21%
use more data and AI in the process

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# The Critical Gaps in High-Revenue Bid Performance

Winning high-revenue bids is a top priority for bid teams, but the lack of a scalable process significantly hampers their ability to perform at the required level. Our research shows that companies typically underperform at developing effective processes internally, from setting clear goals to streamlining processes, or fostering cross-departmental knowledge.

This performance deficit underscores the ability to implement scalable, strategic processes to improve their win rates and secure higher-revenue bids. At the core of it all sits a process that's underpinned by tools that are not fit for purpose.
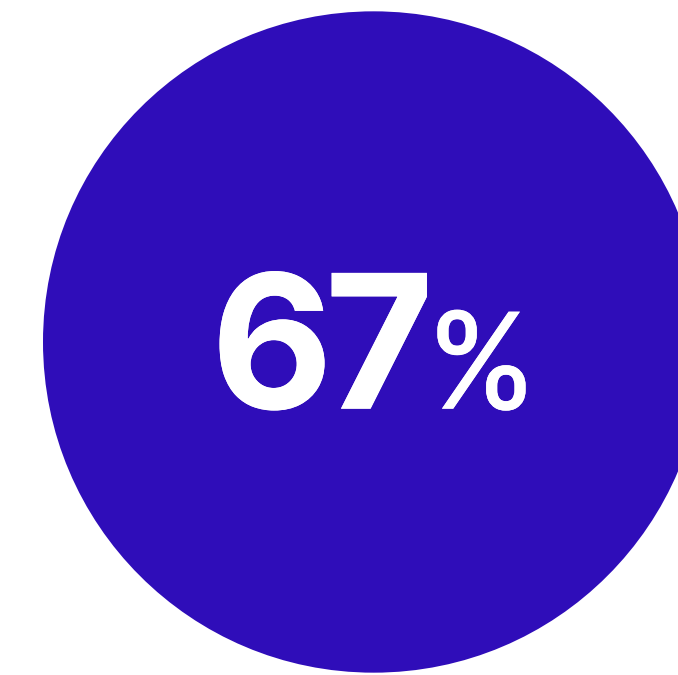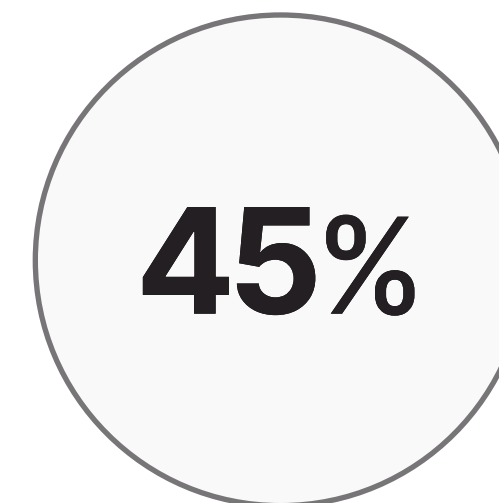
67% are not satisfied with their current win rate

but
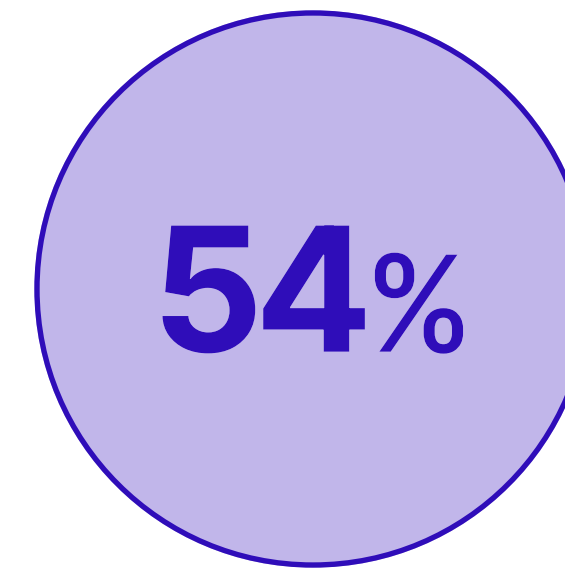
54% don't have a clear path to reach their target win rate

and

45% lack insights on the market and key competitors

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The Challenge in Professionalising Bid Teams

The majority of respondents invest considerable resources into training and developing their teams. Despite this, 40% of them feel their companies don't prioritise or invest enough in professional training, potentially missing out on critical growth and improvement opportunities.

Skills-based frameworks, initiatives to develop employees on new skills that are required for their roles can be a very effective resource for bid organisations. According to L&D Platform Cognota, companies running

skills-based learning are 63% more likely to achieve desired outcomes and 52% more likely to innovate compared to those that do not.

Moreover, Deloitte's $1.4 billion investment in its "Project 120" underscores a broader shift towards more personalized, tech-driven L&D. This initiative aims to provide over a million hours of training on new technologies such as AI, cloud computing and data analytics. With training and development, bid teams can close gaps in their process, gain key insights, and ultimately win more high-revenue bids.

40%

companies are understaffed and/or underinvest in training.

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The harsh truth about data

Data can provide an incredible competitive advantage in bid management. From learning about your pricing strategy efficacy to discover improvement areas in your process based on feedback patterns. By integrating artificial intelligence, this advantage can deepen further. Despite its benefits, our survey reveals that bid managers struggle to adopt a data-first mindset. Capturing, analysing, and acting on data remains a desired, if elusive, goal in bid management.

Usage of data insights today

Expectations on data insights usage
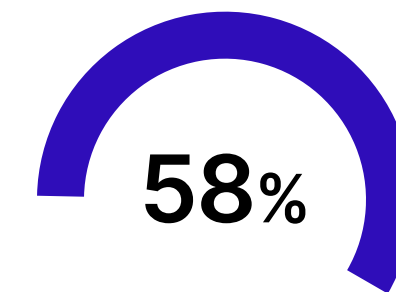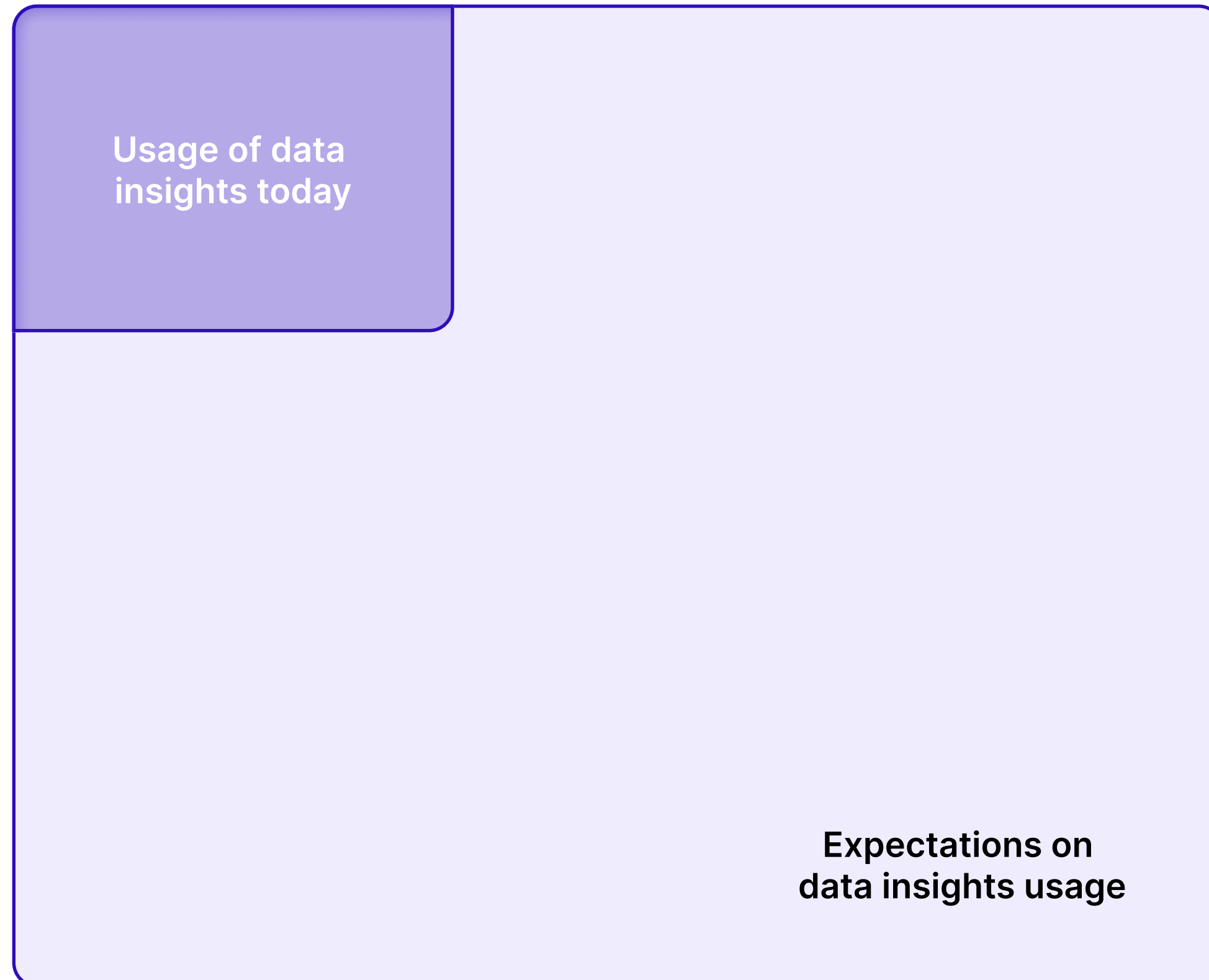
58% — Don't use dedicated tools to collect data.
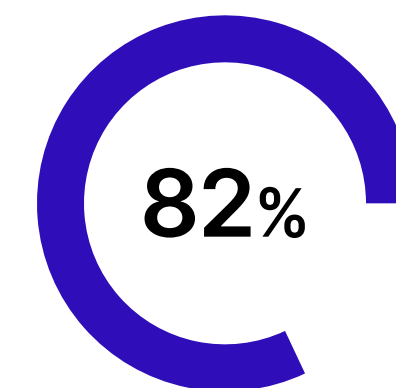
82% — Don't distribute the data they collect.
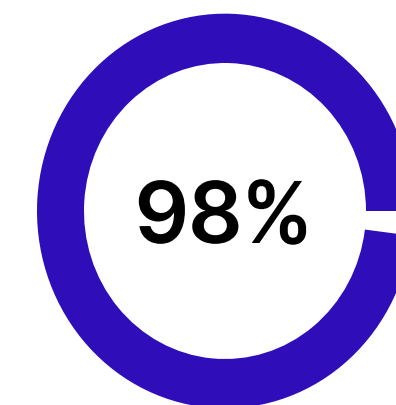
98% — Don't leverage data across the bid process.

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Who can use the data you generate? Everyone.
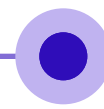
These 18 data metrics can be really useful for everyone in your commercial organisation. Are you sharing them yet?

|	MANAGEMENT	SALES / BID MANAGEMENT	PRODUCT MANAGEMENT	LEGAL, RISK & COMPLIANCE
1. Sales/Tender Pipeline + Forecasts	✓	✓	✓	
2. Insight into Roadmap Items, Certifications, and Performance	✓	✓	✓	
3. Rates (Won, Lost, Pending, etc.) + Metrics	✓	✓	✓	✓
4. Risks and Risk Appetite	✓	✓	✓	✓
5. Go/No-Go Decisions	✓	✓	✓	✓
6. Feedback Based on Data (Bid/No-Bid)	✓	✓	✓	✓
7. Customer Satisfaction Based on Implementations	✓	✓	✓	✓
8. Optimization, Product-Market (Services or Products & Combinations)	✓	✓	✓	✓
9. Policy - Automating or Manually Executing Processes	✓	✓	✓	✓
10. New Business vs. Retention + Public vs. Private	✓	✓		
11. Contract (Value + Durations + Expiry Dates)	✓	✓		
12. Profit & Loss (Opportunity/Contract Level)	✓	✓		
13. Business Reviews (Yearly, Quarterly, Monthly)	✓	✓		
14. Number of Implementations/Products Purchased	✓	✓		
15. Insight into Product, Competition, FAQs, Success Factors	✓	✓		
16. Type of Procedure - Tender, RFP, RFQ, RFI		✓	✓	
17. Team Effort/Resource Allocation		✓	✓	
18. Customer Evaluations		✓		

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# While the path to success is clear, the implementation can be steep and challenging.

A dedicated strategy is required in order to increase your win rate.

The blocker to winning more is the lack of preparation. Define your winning strategy first, then identify what needs to change to get you there. Be disciplined in your implementation. There are no silver bullets, just consistency.
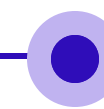
Team development is more fundamental than ever.

In a market where bid management talent is scarce, companies will need to become strong in providing growth opportunities not only to develop their own talent, but also to keep such talent in-house.
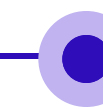
Data-driven companies need tools and processes to succeed.

Investment in technology is inevitable for companies that want to increase revenue from bid activities. Technology can also open the door to a world of opportunities to reshape the bid process, like supporting gut-based decisions with data.

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| If you want to...	Tools & Data	Process	Growth	Team
Leverage data in your bid process	**Automate your data collection process** Switch to a bid management platform with dedicated data reports and dashboards.	**Implement data steps beyond bid/no-bid** Keep all collected data organised, up-to-date and ready to use throughout your bid.	**Build internal feedback loops** Make sure everyone in the team can easily share and access information.	**Train your team regularly on different data skills** Provide ongoing training on new technologies, best practices and more.
Professionalize your team	**Digitalise your bid process** Invest in a solution that frees up your time from admin to tackle the most important stuff	**Involve your stakeholders more consistently** Standardise how you request input by upgrading your tech stack.	**Prioritise recruitment as a key objective** Make sure your team is adequately staffed to handle the workload.	**Build a development plan for your team** Provide a clear roadmap towards seniority to keep your team motivated and happy
Win more high-revenue bids	**Leverage AI for more effective data management** Move to technology that can automate data collection and provide performance insights	**Set clear qualification rules and segments** Review, update or build your qualification process by sector and customer segment.	**Conduct quarterly assessment sessions** Spot where your weaknesses are with key stakeholders and tackle them.	**Invest in customer research training** Encourage your team to understand market trends and what competitors are doing.
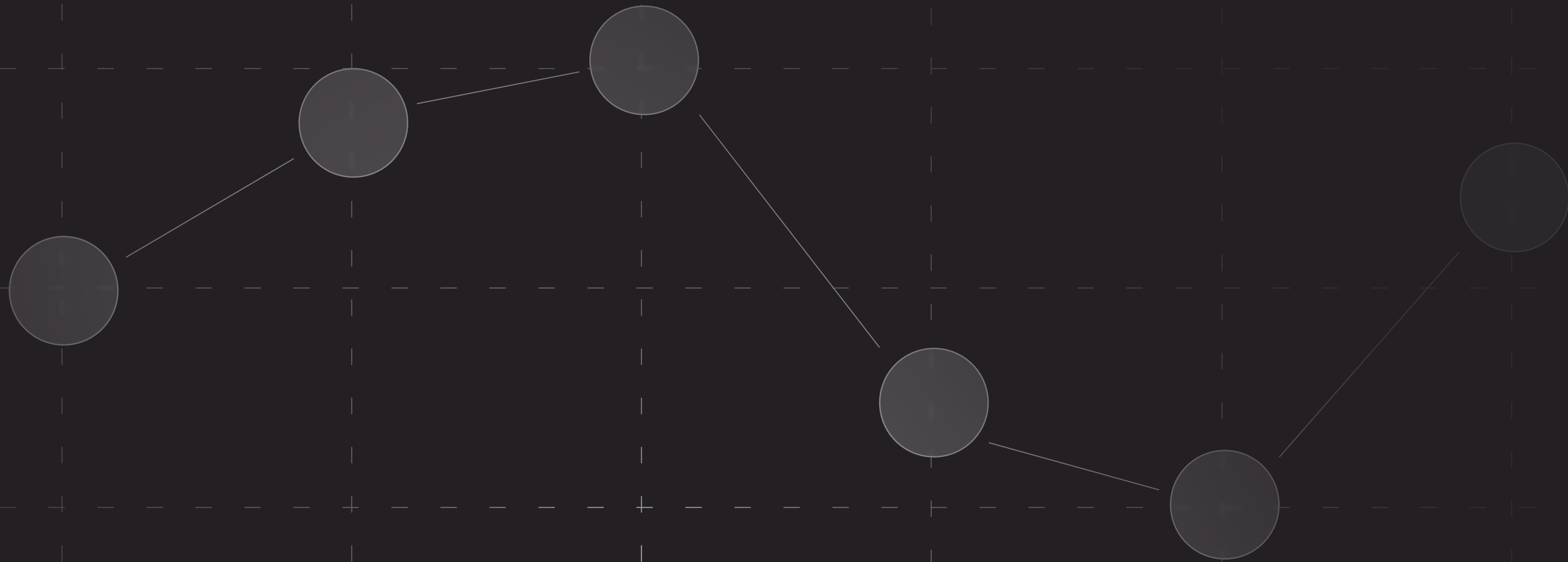
Performance comparison across industries

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How did we come up with the scores in this report?
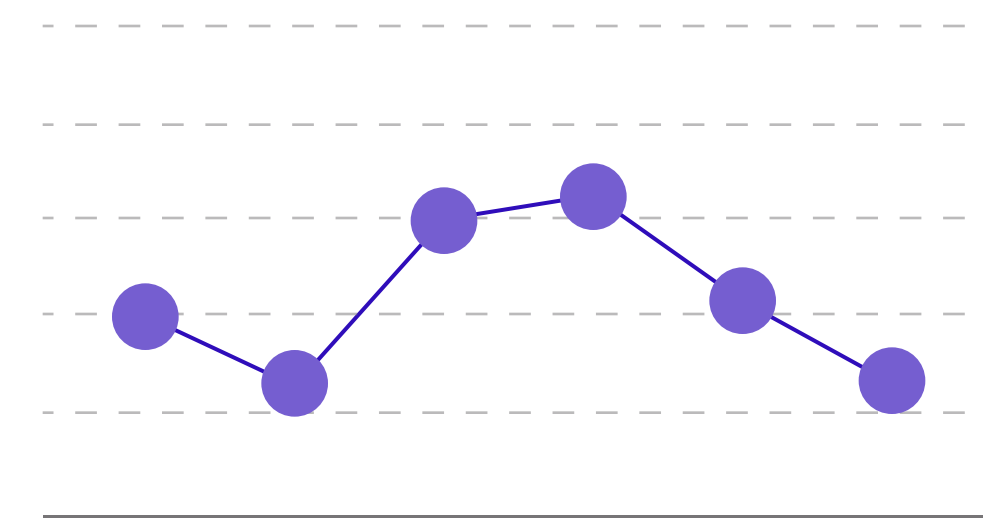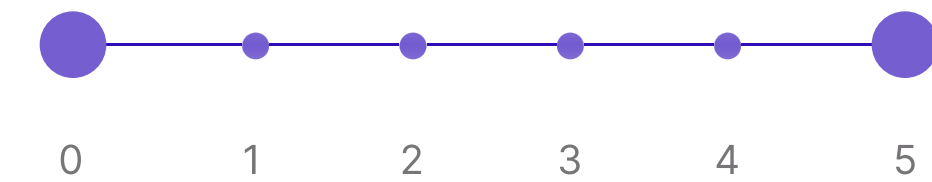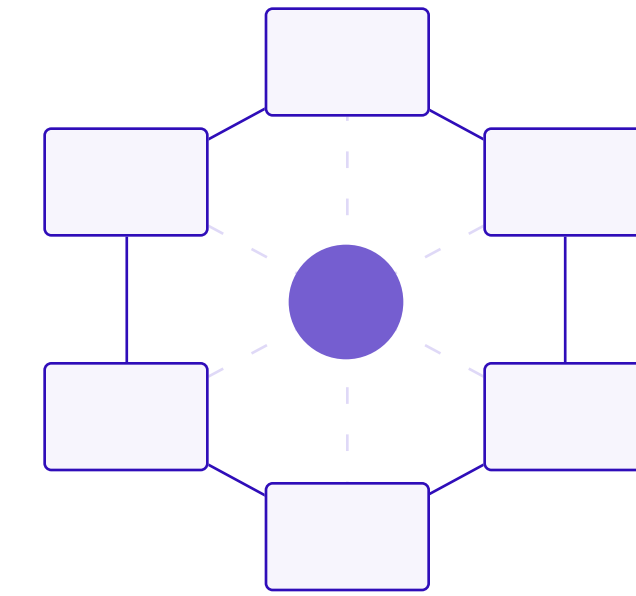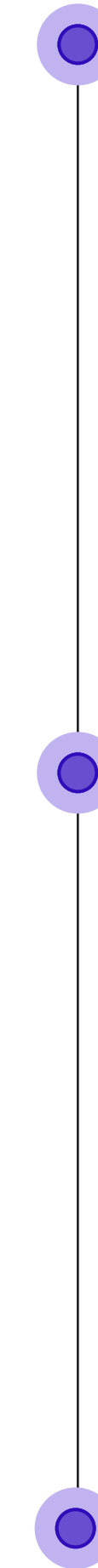
What did we ask?

We asked each respondent a series of questions across 6 categories, based on our bid maturity model growth pillars.

How did we score?

Each category was scored on a scale from 0 to 5, based on the maturity and expertise in executing activities in that level.

What did we do then?

We then consolidated responses by industry, including highest scoring and lowest scoring pillars.

0 1 2 3 4 5

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2.4/5

| #1 Strategy |
| #2 Team |
| #3 Knowledge |

Highest ranked maturity scores across all pillars with strategy as most mature.

| #4 Process |
| #5 Tools |
| #6 Data & AI |

Lowest ranked maturity scores across all pillars with data & AI as least mature.

Average maturity score

Overall, the maturity score sits just below the approval threshold.

Highest maturity scores

Strategy has the highest maturity score followed by team and knowledge.

Lowest maturity scores

Data & AI dominate the lowest score across al industries. Followed by tools and process.

Scaling knowledge with technology

Bid teams in business consulting excel in knowledge. They deeply understand industry standards, client needs, and competitive strategies, which helps them create high-quality proposals. This expertise often comes from experienced staff with significant industry insights. However, many of these companies lack modern software, analytics tools, and current data sets. Without these, even the most knowledgeable teams can struggle to process information efficiently.

Interestingly, these organisations score lowest in the use of tools and data. This might be due to the complex, matrix structures of consulting firms, which can make collaboration and communication difficult, especially under pressure. Implementing technology can improve transparency among bid teams working across various sectors, leveraging their knowledge to enhance the bid process through better qualification.

Average maturity score
2.4/5

Average win rate
59%

Highest maturity score
Knowledge

Lowest maturity score
Tools, Data & AI
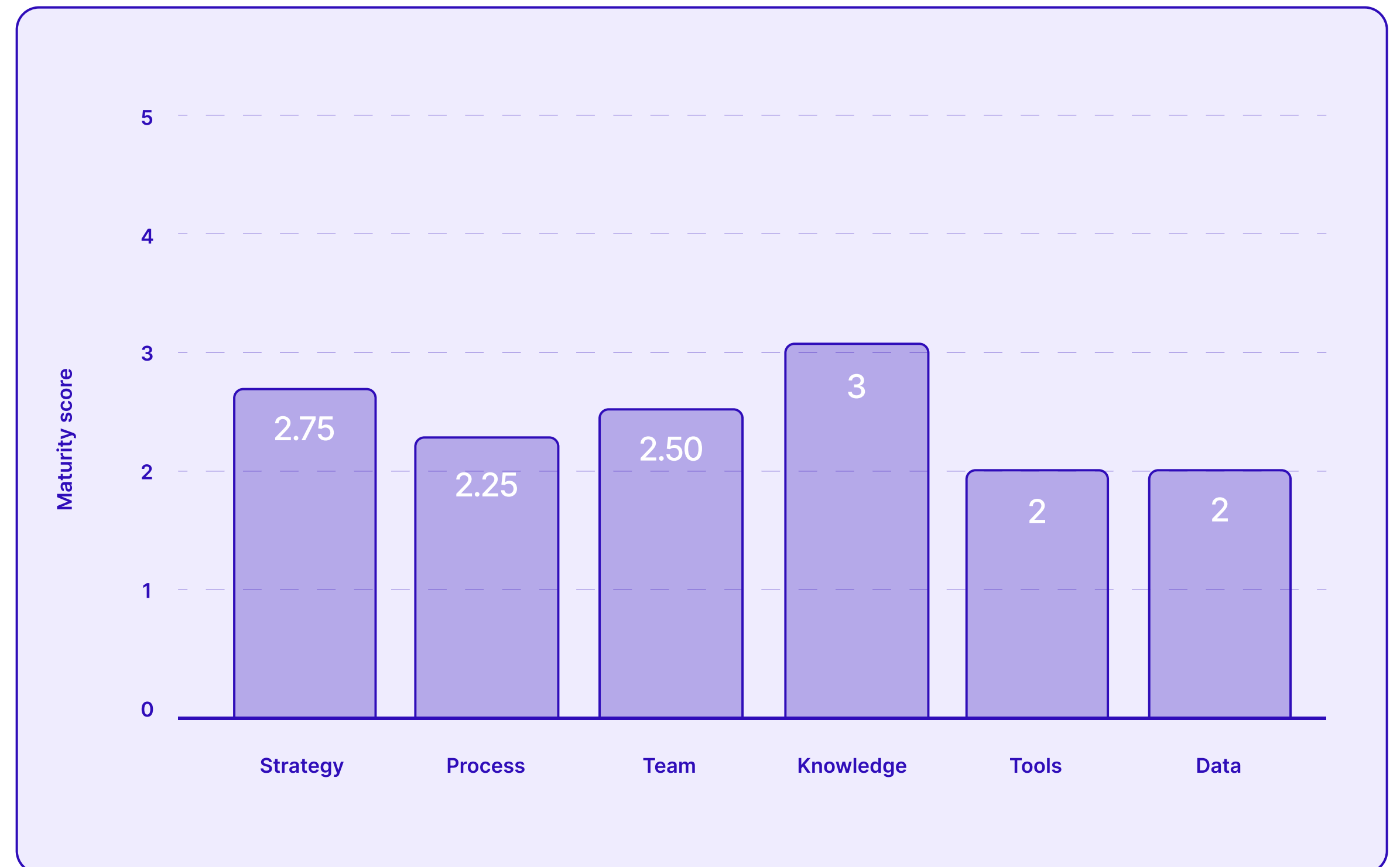
Turning knowledge into data-driven qualifications

Companies often have a solid grasp of their customers' needs, but they struggle to share that knowledge effectively and manage the data collected from interactions. Without the right tools and processes, this valuable information can't be utilised efficiently. Poor data policies and processes hinder these organisations from making informed decisions and scaling their impact.

Civic and social organisations, in particular, face challenges despite their strong knowledge base. They often lack the resources, technology or skills needed for effective data management. This creates a gap in their ability to systematically use information. Consequently, even with a wealth of knowledge, these organisations find it difficult to maximise their impact.

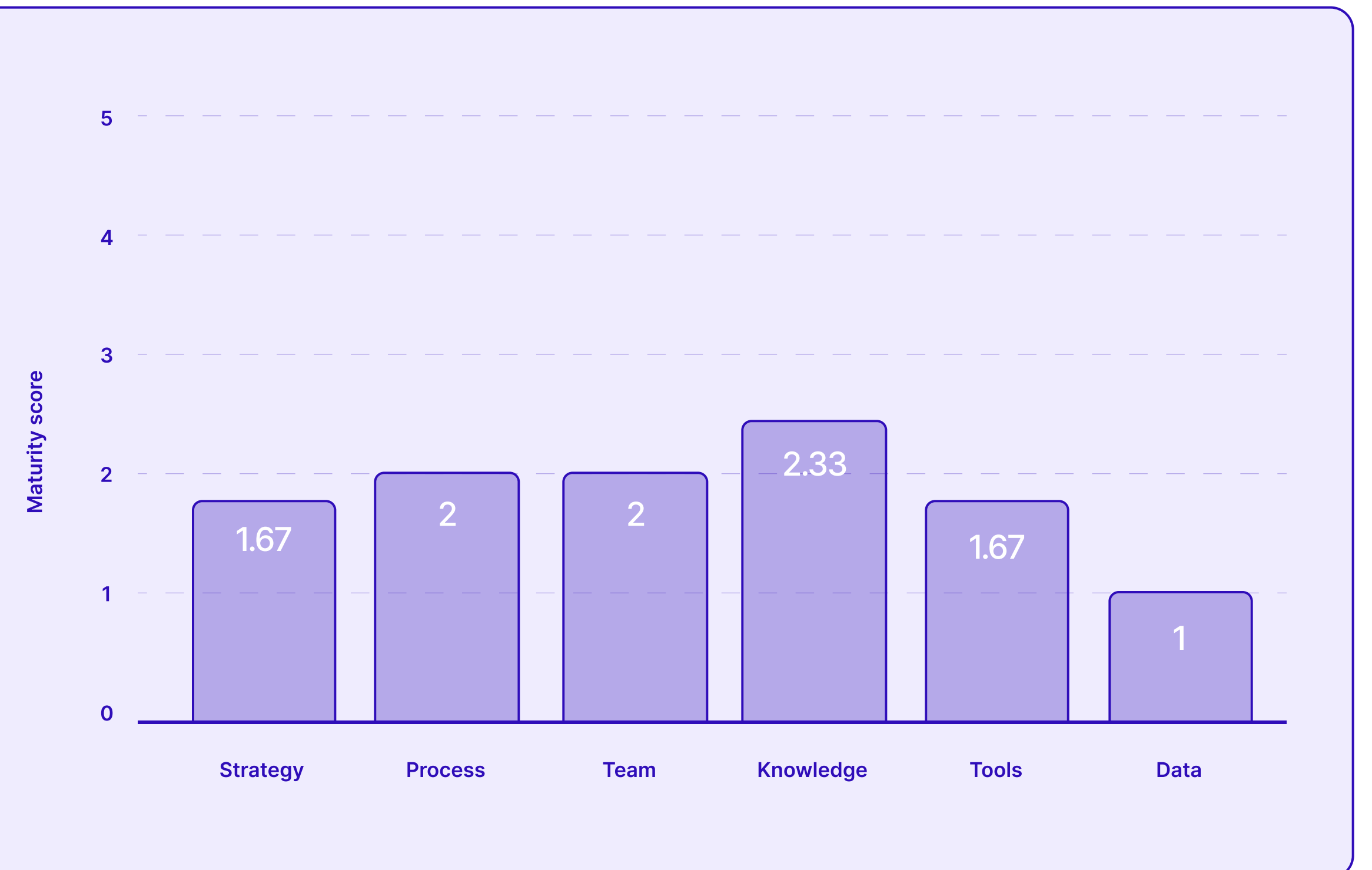| Average maturity score	Average win rate
2.1/5	**44%**

Highest maturity score	Lowest maturity score
Knowledge	**Data & AI**

Bar chart — Maturity score:
- Strategy: 1.67
- Process: 2
- Team: 2
- Knowledge: 2.33
- Tools: 1.67
- Data: 1

Using data to professionalise your team

Facility Services teams are good at using tools to manage different stages of their bid process to save time and reduce errors. However, there's room for improvement by embracing new technologies and enhancing staff training for better effectiveness.

They may miss out on using analytics to understand market trends, customer preferences, or historical performance. This gap limits their strategic decision-making abilities.

Even with the right tools and technology, it's crucial to invest in your team's mindset. Ensuring they know how to use data effectively is key. Just because data is available doesn't mean it will be used. By focusing on data usage, these teams can significantly improve their win rates.

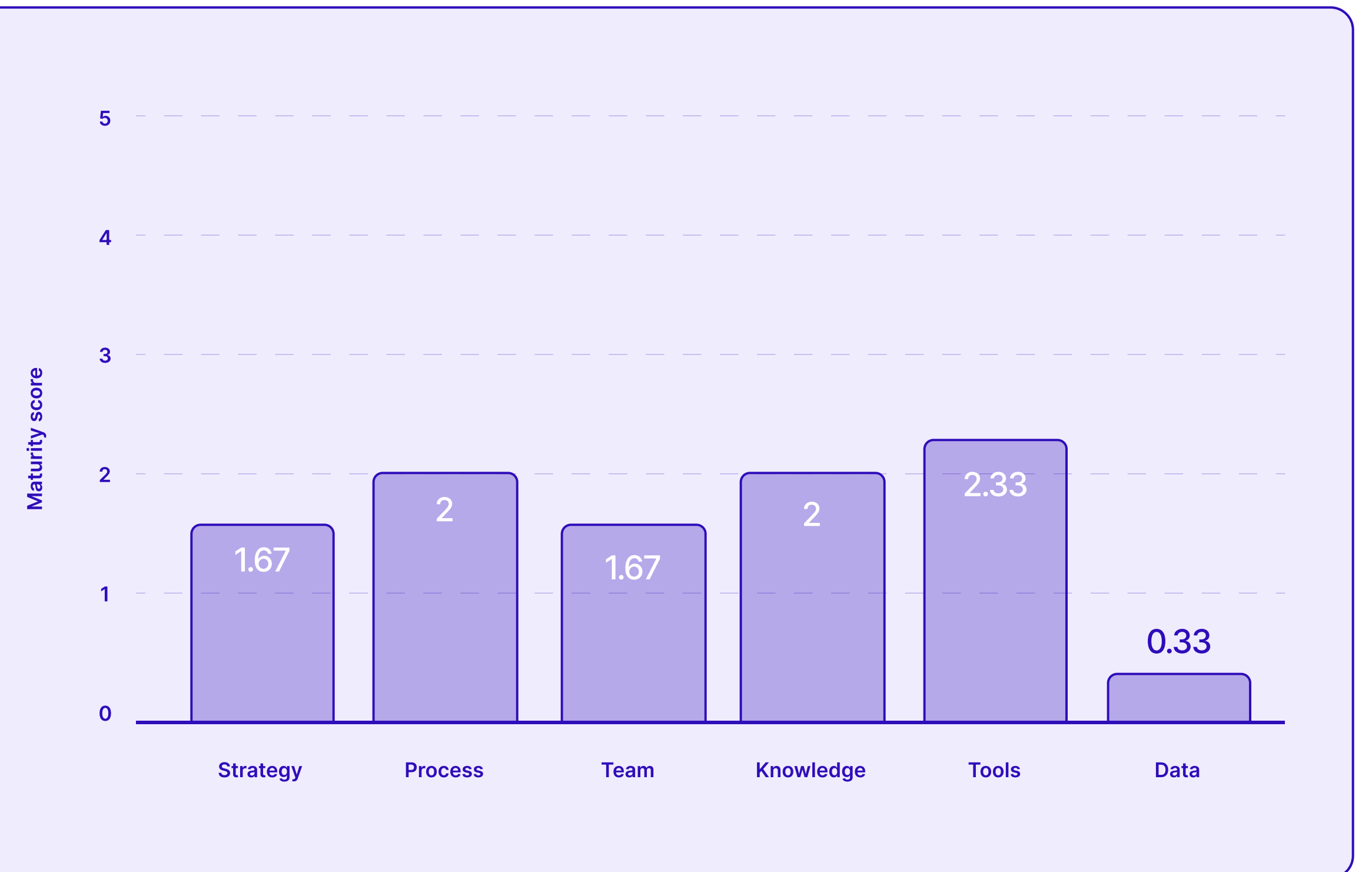Average maturity score

1.6/5

Average win rate

41%

Highest maturity score

Tools

Lowest maturity score

Data & AI

Operational excellence to boost win rate

Bid management teams in human resources excel in strategy and collaboration, leading to high win rates. Their strong planning and teamwork allows them to meet their clients' specific needs effectively, resulting in successful bids.

To achieve even higher win rates and stand out from other industries, these teams need to enhance their data use. By focusing on data, they can gain deeper insights into market trends, client requirements and past performance. This will further improve their success rates in winning bids.

Average score	Average win rate
2.5/5	**62%**

Highest maturity score	Lowest maturity score
Strategy & Team	**Data & AI**

Maturity score

	Strategy	Process	Team	Knowledge	Tools	Data
	2.78	2.68	2.78	2.60	2.44	1.56

Beating bid complexity with data

IT companies score higher on average than other industries surveyed. However, their average win rate sits lower compared to others due to the industry's competitive and complex nature. Customized proposals, complex solutions and well-defined positioning against competitors are essential to understand the bidding landscape.

Software & IT services teams excel in strategy and team. They effectively plan to meet client needs while differentiating their solution from competitors. All while fostering collaboration between internal teams.

To further improve, these teams could increase the use of tools that can go deeper into their data. This way they can extract insights on market trends, client requirements and past performance, setting themselves apart from competitors.
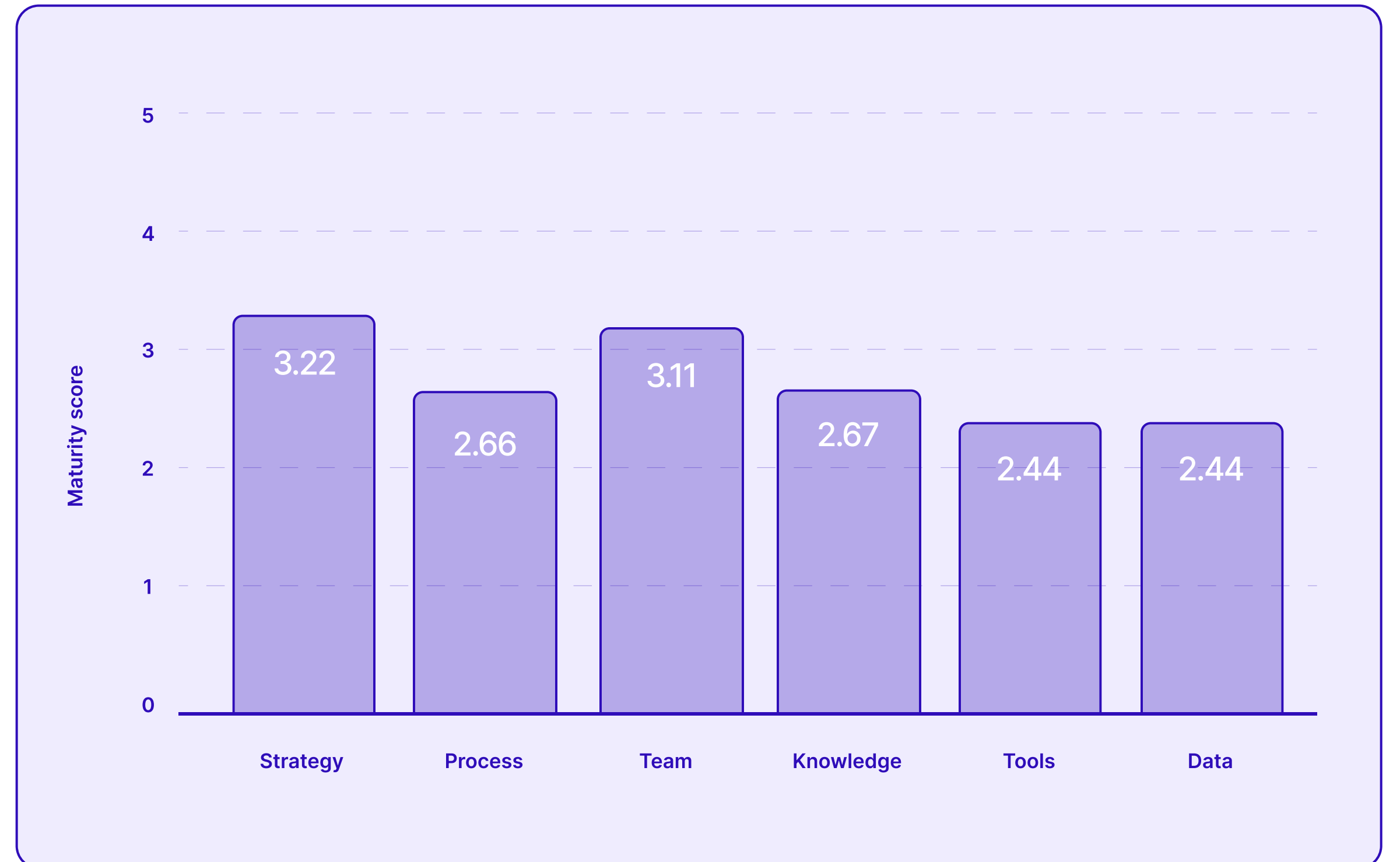
Average score	Average win rate
2.7/5	**45%**

Highest maturity score	Lowest maturity score
Strategy & Team	**Data, AI & Tools**

Maturity score

3.22	2.66	3.11	2.67	2.44	2.44
Strategy	Process	Team	Knowledge	Tools	Data

Beating competition with data

Bid teams in this sector operate in a highly competitive market environment. Despite their strong performance in the surveyed areas, these companies face heavy competition, indicated by the average win rate. Their advanced capabilities are crucial for survival given the intense competition.

Strategic planning allows logistics companies to optimize delivery. Strong data utilization helps them analyze market trends and adapt their bids to meet current demands and client expectations efficiently.

Logistics companies' tender teams need to improve their processes and tools to make sure the strategies are being executed and progress is tracked. Streamlining processes will reduce errors and upgrading tools will enhance data analysis.
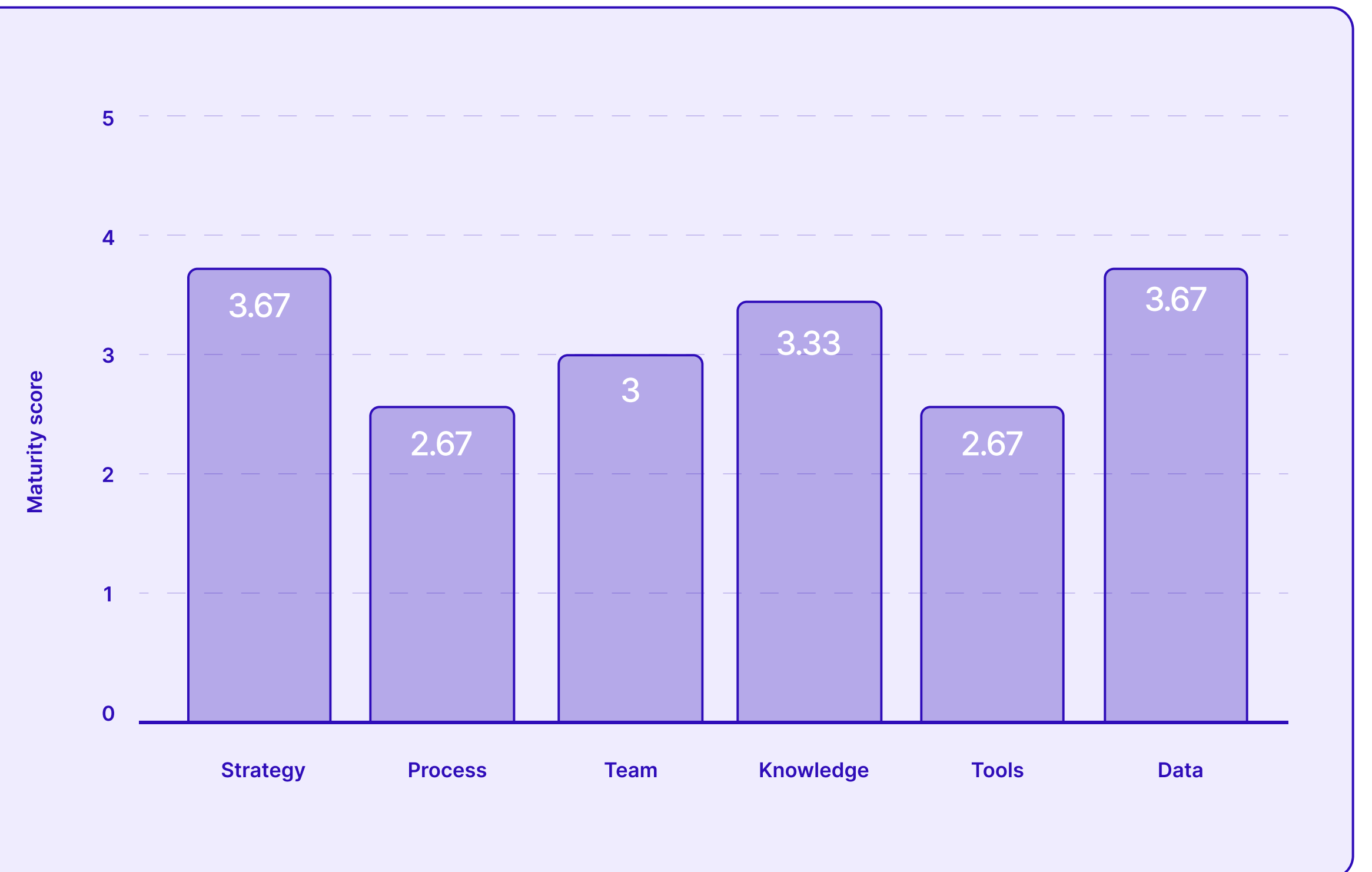
Average score
3.2/5

Average win rate
56%

Highest maturity score
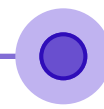**Strategy, Data & AI**

Lowest maturity score
Process & Tools

5 out 6 industries surveyed scored lowest on data & AI

This can lead to inaccurate bid submissions, missed deadlines and revenue leakage.

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# What are the main roadblocks for bid teams to reach their goals?

The lack of consistent data management

5 out of 6 industries in bid management performed badly in the data category. This leads to inaccurate bid submissions, missed deadlines and lost opportunities.
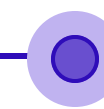
Unclear path to improve win rates

54% operate with beginner-level processes and lack clear steps for achieving their target win rates. This results in a lack of direction and focus, leading to inefficient resource allocation and lower chances of winning bids.
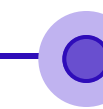
The slow adoption of digital tools

More than half of the companies don't use advanced tools and stick to doing their entire bid management process in Excel or SharePoint files. This leads to inefficiencies and errors due to inability to access more sophisticated analytics or automation opportunities.

Part #3

Interviews with
bid professionals

The Balancing Act Between Technology & Experience

Bid Manager   **Software Solutions**

A bid manager at a large software solutions company provides a unique and personal perspective on the evolution of bid management. With years of experience and a deep understanding of the complexities involved in the process, she discusses the challenges of low-tech adoption and the need for a more data-driven approach.

Despite her extensive experience, she acknowledges some significant challenges in the bid management process. Lacking a strong culture around data can make the process arduous, manual and unnecessary lengthy.

Q: What are some key challenges you face in bid management?

Bid Manager: "One major challenge is the lack of a data-driven mindset. Searching for the right documents and preparing risk analyses can be very time-

consuming. Additionally, convincing all stakeholders to complete their tasks on time is often difficult."

Q: How do you and your team use AI in the bid process?

BM: "The younger generation in our team is more inclined to use AI tools like CoPilot. However, there are significant privacy and security concerns, which restrict the use of some AI tools."

Q: What improvements do you think are needed in your bid management process?

BM: "We need a better system for managing documentation and searching for relevant text. A more data-driven approach during qualification and evaluation would also improve our efficiency and decision-making."

AI as the ultimate automator

Proposal Manager   Transportation

Our next expert, a Proposal Manager at a leading transportation company, offers an engaging look at the innovative approaches to bid management in the travel industry. His insights highlight the unique challenges and opportunities in managing bids for large-scale travel contracts.

One of the main challenges he faces is chasing different stakeholders to meet deadlines. "Coordinating with each stakeholder and ensuring a timely completion of tasks is a big challenge," he notes. Keeping up with changes with policies can be quite time-consuming. "Staying updated with regulations and ensuring compliance adds to the complexity," he adds.

He is optimistic about the role of technology in transforming the bidding process. "We are increasingly using AI to streamline document reviews and generate content for proposals," he shares. However, he believes AI works best when combined with the expertise of each individual, especially with regards to the requirements of each customer

personalized responses. "The human touch is still crucial, especially in understanding client needs and crafting personalized responses," he points out.

Q: What are the main challenges you encounter in the bid process?

PM: "Coordinating with various stakeholders and ensuring timely completion of tasks is a big challenge. Additionally, staying updated with regulations and ensuring compliance adds to the complexity."

Q: How is technology transforming bid management?

PM: "We are increasingly using AI to streamline document reviews and generate content for proposals. However the human touch is still crucial, especially in understanding client needs and crafting personalised responses."

Q: What potential improvements do you see in the bid management process?

PM: "A better integration of AI tools to automate repetitive tasks and a centralized system for managing all bid-related documents would greatly enhance our efficiency."

AI Precision: a winning formula for HR bids

Head of Bid Management | HR Solutions

This Head of Bid Management shares her insights on managing bids in the HR solutions sector. They primarily target private sector RFPs, focusing on relationship nurturing, qualification, proposal writing and submission.

She faces challenges such as inconsistent sales behaviour, tool optimisation and maintaining content quality. She is enthusiastic about using AI to improve proposal writing and actively trains her team to enhance their AI skills.

Her team leverages various tools for their bid management process. Despite these tools, challenges such as inconsistent sales behaviour and insight, tool optimisation and maintaining content quality persist. Some business development managers fail to adhere to deadlines or provide sufficient insights during the qualification stage, impacting the depth and accuracy of proposals.

She is particularly enthusiastic about the potential of AI, organising training sessions to develop her team's AI skills regularly, ensuring that content is not only concise but also engaging and aligned with their brand voice. Her commitment to continuous improvement and openness to exploring new technologies shows her forward-thinking approach.

Her leadership in bid management is characterized by her focus on enhancing both hard and soft skills within her team, fostering a data-driven mindset.

Her story is one of innovation, continuous learning, and a strategic approach to mastering the complexities of bid management in the HR solutions industry.

Q: What are the main challenges you face in bid management?

HoBM: "Sales behaviour and insight can be inconsistent, affecting proposal quality. Optimising tools like Loopio and ChatGPT for better efficiency and content quality is also challenging. Additionally, there is variability in design skills among team members."

Q: How is AI integrated into your bid process?

HoBM: "We use general AI tools like ChatGPT to improve proposal writing, making content more concise and engaging. I organise training sessions to enhance my team's AI skills and am open to exploring new AI tools for better results."

Data-driven mindset powered by AI

Bid Director   IT Services

Our last interviewee, a bid director for a well-known IT services company, brings a wealth of experience and strategic insight to his role. He oversees the entire bid management process from start to finish. His approach is marked by a keen focus on leveraging data and AI to enhance bid quality and efficiency.

At his company, the bid management process begins with a support request from sales, followed by an initial assessment and the formation of a bid team. This team conducts kick-off meetings with key stakeholders to align on objectives and timelines. Proposal development involves multiple review stages, including legal and compliance checks, to ensure that every submission meets Dell's high standards.

One of the significant challenges he faces is the documentation of technical knowledge by experts, which can impact both the quality and timeliness of proposals. Additionally, internal decision-making processes and the slow adoption of AI tools, due to the company's size and regionalised structure, pose ongoing challenges.

Despite these hurdles, he is optimistic about the transformative potential of AI in bid management. According to him, it is especially important to use AI to improve the win-loss analysis process, allowing for deeper data analysis and strategic planning.

Q: What are the main challenges you face in bid management?

BD: "One major challenge is getting technical experts to document their knowledge, which impacts quality and timelines.The slow adoption of tools like AI due to the company's size and local structure also pose challenges."

Q: How is AI integrated into your bid process?

BD: "It's increasing. We are currently developing new workflows using AI to facilitate quicker access to information and documents."

On the impact of AI in the bid process:

"Despite using tools like ChatGPT, we still face challenges in optimizing its capabilities for better content quality."

Head of Bid Management, HR solutions

Want to know your bid maturity level?

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