

Winning the Bid

Secrets of top general contractors

 **AUTODESK** Forma





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01

Introduction

Welcome to our bid management playbook. This resource contains the top lessons to overcome the most painful parts of bid management.

These lessons include:

- **How to build a strong bid list**
- **How to accurately level your bids**
- **How to reduce risk with qualification**
- **How to build stronger relationships with subcontractors**
- **How to find the right bid management technology**

Together, the lessons teach strategies for effective bid management, helping you win more work with the right teams. This playbook is yours to keep and share with your stakeholders. Use these lessons to provide insights into the key areas that impact your bid management. Now that you've got the tools for success get out there and level up your game!

02

Improving bid lists

There's almost nothing more frustrating than contacting your go-to person for a trade—only to find they've dropped off the map.

Maybe they've switched companies. Maybe they started a new company. Or perhaps they went out of business.

But the more time you spend updating the contacts in your bid lists, the less time you spend crafting a winning bid.

Instead, you have to go into your Excel spreadsheet, delete Bob from Zeus Glazers, add a listing for Athena Glazers, and grab the new contact information from his email signature.

(Phew, did you get tired just thinking about that?)

Online subcontractor databases like **BuildingConnected** or regional builder exchanges make it easy to find the latest contact information for your subcontractors.

Instead of your bid list managing you, you don't have to worry about updating it ever again. You can find up-to-date contact information on your favorite subs simply by looking up a contact or company name.

Improving bid lists

But a hidden benefit of these online databases is also being able to add new contacts to your network—we're talking about hundreds of subcontractors just waiting to bid on your projects. More trades bidding on your project means you get a more competitive number for your bid.

If the selected subcontractor and your project manager are at odds, that might destroy your relationship in the future with your project manager, the subcontractor—and the client.

So, make sure you're not just looking at the lowest cost but also the relationship.

Pro tip

If you want to select a particular sub for a project, double check with your project managers. The go-to drywall contractor who provides rock-bottom prices might also be providing rock-bottom levels of service on the jobsite.



03

Effective bid leveling techniques

The bid leveling brainteaser

You know what it's like reviewing and comparing incoming bids: it can feel like a brain-twisting math problem.

On one side, you have a curtain wall bid from Gamma Concrete for \$130,000 for 20 items. But on the other hand, you have a bid from Sigma Concrete with 40 items for \$50,000.

What services is one bidder providing that the other isn't—and how much is the markup?

Bid leveling gets so difficult because bids are never “apples to apples”. (Heck, it can feel like apples to oranges to pineapples.)

However, general contractors can make bid leveling easier with bid management platforms that enable subs to break down their estimates line by line.

For example, if you're trying to build a door frame, you can ask subs to break out their line items by the cost of labor, cost of paint, cost of drywall, and cost of the door.

Now, the subs may just send you a lump sum anyway. But communication goes a long way, so don't be afraid to pick up the phone, text them, email them, and share why they need to break their bid out line by line.

Getting into this level of detail in bid leveling helps you and the owner truly understand what you are getting for the price.

Effective bid leveling techniques

Getting more bids is always a win

One question an estimator or preconstruction manager is always going to ask themselves, is:

“What did I miss?”

An overlooked line item can cost you tens or hundreds of thousands of dollars, meaning you’re already in the red before the project starts.

Now, you can train yourself to spot discrepancies before the project kicks off. For instance, if you’re working on an office project, you can search online for how much it costs to install a door and compare that to what you see in bids.

But when you multiply that by every single material for every single trade, it’s untenable. There’s only one of you and at least three subs per trade—and they’re less likely to miss the details since they know their trades like the back of their hand.

While it might feel like more of a slog to go through 10 bids per trade vs. three or four, you’re likelier to get a better price, and catch any mistakes.

Now, tools like **BuildingConnected** make communicating with subs easy and convenient. For instance, if specs change or you need a new line item from all bidders, you can contact everyone at the same time with just a few clicks.

Pro tip

Pull in more bids from subs. It might help you catch mistakes.

04

Qualification best practices

Hiring the wrong subcontractors is a construction risk that all general contractors aim to avoid. The start of a project can often feel like a blind audition. Pick the wrong crew, and you may face serious consequences, such as lengthy delays, budget overruns, and even litigation.

For many companies, the bidding and qualification processes can feel pretty disjointed, especially when evaluating subcontractor risk. Risk managers and estimators often work in silos, meaning the critical information estimators need—like company data, safety records, and financials—tends to be locked away on a platform they can't easily access.

Often, bids are awarded and then qualified, forcing estimators to make decisions without all the necessary information. This makes it challenging to analyze and manage risk effectively.

You should always prequalify subcontractors before hiring them. This essentially means you're "interviewing" them before bringing them on site, enabling you to weed out the unqualified. One great tactic to do this is by using subcontractor qualification software.

By using qualification software like **TradeTapp**, contractors can easily assess a subs financial situation, safety record, and insurance. While there is always an element of risk when it comes to selecting subcontractors, using an industry-recognized qualification platform helps to put more control back in their hands.

Qualification best practices

The goal is to integrate risk considerations into the systems and workflows that estimators use daily. Ease of discovery is crucial, which is why **TradeTapp's** integration with **BuildingConnected** displays qualification details in five different locations within the app. As estimators search for subcontractors, invite them to bid, review and compare bids, and ultimately award contracts, **TradeTapp** data is always front and center. This keeps risk top of mind, encouraging estimators to consider more than just cost and availability.



05

Managing relationships with subs

Serve up what your subs need

Relationships are all about communication—and during the bid process, everyone has a different collaboration style.

Some subs might shoot you a bid via email and disappear into the abyss, but the best ones use bid management software to submit their bids and make sure it has everything you're looking for.

It's also not just enough to communicate—you need to provide the right information to your subcontractors so they can get bids back to you faster.

For example, if your ceiling sub is working on a couple dozen projects, he probably has no time to pore through the details.

This is your opportunity to serve up a good experience. Set the table by doing the takeoffs for them. Curate the ceiling drawings from all the different sets of drawings, and make it as easy as possible for them to do the bid.

Techniques like this can get you up to 10 bids per trade, and as we discussed before, that likely means a lower cost in your final bid.

Managing relationships with subs

Spread the love with all the subs

Have you ever come across a practice so manipulative that it feels like it should be illegal? For many subcontractors, that frustration can often come up when they encounter bid shopping.

While it's not a fully widespread practice, bid shopping is common enough to become a significant concern for specialty contractors. This controversial tactic can strain relationships and undermine trust across the industry.

Give everyone an equal chance. Make sure to look at all subcontractors' proposals. After all, subs are the ones taking the most risk for a project, scaling scaffolding and building every day.

Plus, finding the best subs is an advantage in winning work because you're using the subs that you trust the most to win potential projects.

Pro tip

Just be fair, and don't play favorites.

06

Using the right technology in bid management

One of the most challenging aspects of managing bids is that there are just **too many locations for the bids to go to**. Bids hide all over the place, like Excel, email inboxes, and directories.

And you get stuck in two ways:

1. **First, with all these different places for bids to go, they simply get lost.**
2. **Furthermore, you have to search for them (which is a time-consuming headache).**

The best way to keep track of bids is to use a cloud-based solution, like **BuildingConnected**, to house all your contacts and your bids, as well as conduct leveling.

It becomes your single source of truth, where you can get the best prices, and so you can win work.

Using the right technology
in bid management

Key benefits of construction bidding software

Centralizes critical information



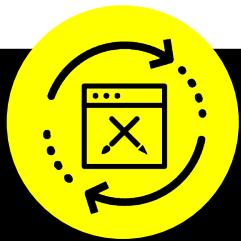
Software provides centralized bidding information, bid management, and file sharing.

Improves decision-making with better insights



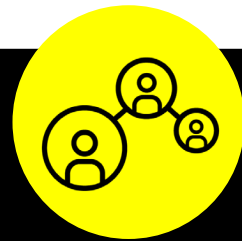
Top bidding software uses analytics and insights to help subcontractors win more business and general contractors choose the right team for the job. A data-driven bidding strategy enables you to make more informed decisions using real-time business insights.

Increases accuracy and productivity



Bidding software streamlines bidding processes, reduces errors and manual entry, and saves time.

Enhances communication and collaboration



Bidding software provides greater visibility and control over project details and timelines to all critical stakeholders. Basically, it goes a long way toward building collaboration and de-siloing processes across the board by keeping everyone on the same page.

Using the right technology in bid management

For example, are you managing your bid list in a spreadsheet? Instead of constantly keeping that list up to date, consider an online bid management database.

The right software for you will depend on several characteristics. These include the size of your business, your specific business needs, and the size and complexity of your projects.

They also include key product features and capabilities, ease of implementation, compatibility with existing tools, and cost versus value.

Pro tip

Audit your current tech stack and ways of working.

Head spinning already? Here are some key features to look for:

Cloud-based

The right centralized bid management solutions are cloud-based, so they're accessible anywhere and update automatically to share the latest information creating a single source of truth for anyone who needs it. Technology like this alleviates the problems caused by manual spreadsheets and helps subcontractors win more business with a bird's-eye-view of the entire bid process.

Bid tracking

Construction bidding software allows you to view all bid invites across your entire office or division from one place. Now you can track project files, job walks, due dates, and more. Know what needs to get done, who's responsible for it, and when it's due at all times.

Using the right technology in bid management

Subcontractor qualification

By combining your bidding and qualification processes into one seamless workflow, risk data can instantly influence estimator decision-making and optimize the way you assess costs. It can also help you identify, predict, and mitigate potential risks early on.

Construction network

Good bidding software gives GCs real-time access to a huge network of crowdsourced construction professionals. Whether you're searching for subcontractors in a new location or an unfamiliar trade, you can easily browse the network to find the right fit for every project.

Advanced data insights

Advanced data provides a ton of value. For instance, it's important for subcontractors to know which GCs always invite them and which only do some of the time. That, coupled with your win rates, can tell you exactly with whom to prioritize relationships.

Integrations with existing tools

When you can connect bidding data across multiple applications, you can automate critical workflows—saving time and reducing the risk of errors. Think things like syncing with your CRM or turning winning bids into contracts automatically.



Autodesk is changing how the world is designed and made. Our technology spans architecture, engineering, construction, product design, manufacturing, media, and entertainment, empowering innovators everywhere to solve challenges big and small. From greener buildings to smarter products to more mesmerizing blockbusters, Autodesk software helps our customers to design and make a better world for all.

For more information visit autodesk.com/construction



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