



‘Virtual Bid Teams’ and the Global Aerospace Market

In this article, part of a series, Dermot Hill of Intramezzo expresses his views and outlines the role and deployment of a bid management programme and what this would mean to the FAC Membership.

“ Finding solutions for growth in an ever increasing competitive global market is a top priority for FAC. In our region we have the ingredients for success with world class firms, academia and people. However, today these are fragmented and not fully integrated for success. Furthermore, the rapid consolidation of the Aerospace & Defence Industry is forcing changes in the traditional supply chain structure. This is providing opportunities for new industrial models of agile consortia of SME companies closely coupled to research that can provide innovative goods and services demanded by the market. In the following article Dermot Hill of Intramezzo outlines how new support services are becoming available to assist in this new era. ”

The challenge as defined by FAC is how to deliver £3bn additional revenue over the next 5 years into the South East. This challenge is being discussed among this region’s leaders in order to determine a viable plan for success. Virtual Bid Teams offer a cornerstone to the structure and organisation from which to win new business for the vibrant market which exists in the South East.

Globalisation is generating market forces which result in change at an ever increasing pace to the structure of the South East region’s Aerospace industry. These market forces are also revealing new opportunities to reorganize, whilst unlocking considerable potential and competitive advantage for those willing to change.

One of the changes being experienced is the dependence on the Prime and Tiered supply chain. The move now is to a more flexible and adaptable solution, involving co-operation, trust, synergy and a transitional approach to natural selection. The result is the arrival of clusters, collaborations and consortia.

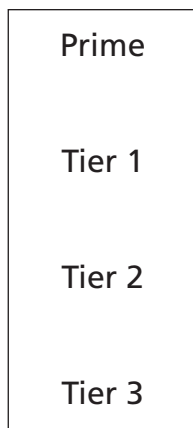
Another change has been the quiet revolution taking place in the freelance Senior Executive Talent market, evolving over the last 15 years to a £500m industry in the UK alone. In practical terms, this offers the Aerospace sector alone access to some 600 sector specialists from a pool of over 10,000 in the UK and roles can now be filled at very short notice to deliver business critical tasks.

Another major change is the use of ‘collaborative working’ technologies which centre on the use of the Internet. The internet has been used by small organisations to create ‘global presence’ as well as an unprecedented source of useful, if not vital, information and market intelligence.

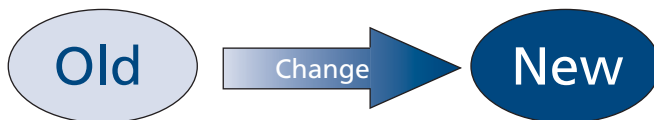
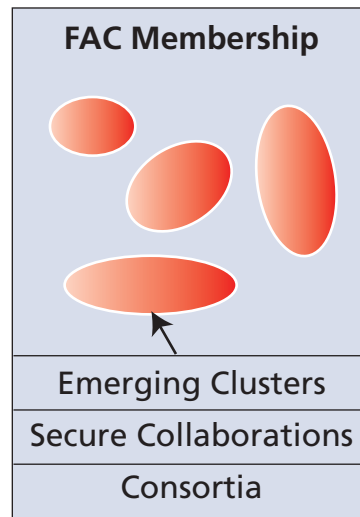
As market forces continue to evolve, the challenge is to identify the emerging opportunities for combining all constructive forces to meet this escalating pace of change. It is a combination of these forces which have resulted in the region’s companies forming the ‘clusters’, collaborations and consortia mentioned earlier. The result is a more agile supply base capable of meeting the global market’s evolving needs.

Ross Bradley
FAC Executive Director

Market Changes



Gap Analysis



The aspiration for 'World Class' status for the suppliers in the region, is the catalyst for a realistic and practical approach. 'Smart Working' is the term used to describe a streamlined way of working at reduced cost, but with a much upgraded output. Smart Working programmes include the varied use of: investment, existing supply infrastructure, senior executive talent, organisational capability and leadership, and collaborative techniques from which to derive success.

Leadership is a defining factor and the innovation being shown by the FAC and certain clustering of companies, including consortia in the region, has provided 'green shoots' for this initiative. Successfully combine this leadership with Smart Working and the result will be sustainable wealth creation based on 'best practice' which constantly adapts to global needs. An innovative approach, yes, but in fact it depends on the capability of the region's senior executives to devise ways of working effectively together. This requires a collective ability to think 'outside the box' and well beyond the existing and accepted market parameters.

Smart Working, successfully implemented, will result in sustainable price competitiveness. Effective decision support systems will enable continuous improvements to be made, based on applied knowledge. With this knowledge will come the capability to address the challenge of downward pressure on pricing. Embracing new working methods will therefore lead to improved production efficiency, enabling entry into new markets.

One aspect of the 'mix' in this new way of working, and arguably an essential component, formative in winning more new business, is the Virtual Bid Team – based on freelance and interim management skills but drawing on seconded executives provided from the appropriate supplier clusters. This would adopt a just-in-time approach to provide state of the art executive skills and market experience, without the attendant 'bench' costs. In order to deliver this type of programme with a rapid response, a pool of pre-selected talent should be identified. Effective planning is needed to support such teams to include: IT, communication and reporting, remuneration, resourcing and grants.

At a top level, the effective Bid Team will be central to winning larger projects for the region's Aerospace community. Once a bid is won some members of the bid team will transfer to equally important Project Management roles. However, before considering the detailed operation of this team, there are a number of key issues, to be prioritised, as follows:

- Responsibility for the marketing; sales and market intelligence systems
- Presenting from single point of contact with a credible, reliable and low risk image to the customer
- The management and exchange of confidential information within the Consortium
- Issues of quality performance
- The Governance model for the consortium
- The mechanisms for resolving production, quality and delivery issues
- How each consortia member is paid
- What Gap Analysis is being done to fill the shortfalls within the region's capability
- How confidence can be built between consortia members
- Who will be legally responsible for the contract
- How will each contract be underwritten
- How technology will be applied to streamline the processes
- Who will be responsible for introducing best practice into all processes
- How greater efficiencies can be delivered for continual competitiveness
- What benchmarking is being done to ensure that bids are competitive
- Who will undertake capability and Gap Analysis

The Virtual Bid Team can therefore be the vital component in co-ordinating the bid and project activity, whilst reducing the cost of the bid effort. Each team would be constructed to win a specific bid and should work into a 'headline organisation' which has the remit to bid for, win and manage the new business.

This 'headline organisation' together with co-opted in bid management talent would offer impartiality and also a level of accountability to customers and suppliers, in equal measure, for the express purposes of winning additional business. With impartiality would come confidence and trust, built out of respect and professionalism, among all parties.

Developing this headline organisation will harness and optimise concepts such as Smart Working and articulate the region's propositions to the global market place. This organisation, in whatever form it takes, holds the key to the golden gateway.

In subsequent articles Dermot Hill will expand on the themes cover and introduce more detail about the component parts of delivering World Class winning services and products to the South East Region.



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Dermot Hill
Director Intramezzo

Intramezzo specialises in 'Performance Resourcing' for companies undergoing change. The company has implemented innovative programmes in other sectors involving bid management, for clients such as HP. Intramezzo draws on sector and function specialists from over 10,000 senior executives in the UK and specifically 600 in the Aerospace sector including bid & project specialists.

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