

# BD-CMM White Paper #1: A Case Study in BD Process Improvement

<b>THE CHALLENGE</b>	For years, leading companies have out-performed their competitors by adhering to best practices in business development. Over the last 20 years, case studies have recorded organizations that have tripled their win rates and learned to consistently win large, strategic opportunities. And their return on cost of sales has dramatically exceeded their leading competitors.
<b>THE SOLUTION</b>	The Capability Maturity Model® for Business Development (BD-CMM) describes industry practices that correlate with increased business development (BD) capability and translates that capability into a “maturity” level. As an organization becomes more mature in its business development capability, it becomes increasingly effective and efficient at winning business.
<b>THE PAYOFF</b>	Experience to date suggests that organizations with more mature BD capability increase both quantity and quality of business captured. In particular, win rates increase as organizations increase their BD maturity levels; more importantly, their capture ratios increase at a higher rate and typically exceed win rates.

In this paper, we share one such company’s case study and the underlying framework of BD practices that enabled its success. This case study provides a dramatic example of what can be accomplished when an organization commits to industry “best practices” in business development. Similar results have been achieved by other organizations over the last 15-20 years.

The subject of this study was a mid-sized company in the Washington DC area that was recently acquired by others. It delivers Information Technology (IT) services to Federal, state, and local governments. This company was committed to aggressive growth goals.

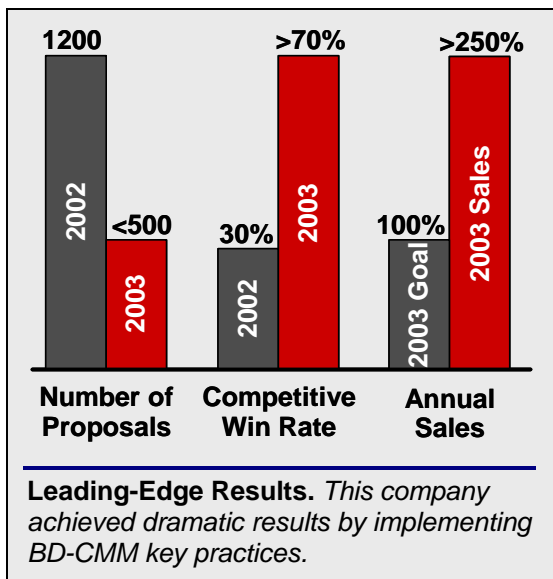
The organization’s improvement program included a new BD management team, as well as a broad program of process re-engineering during the first quarter of 2003. Results included:

- Grew its win rate from 30% to 72% in one year
- Increased the average size of new contracts by a factor of 7
- Contracted >\$1 billion in sales against a \$400 million goal (250% of goal)

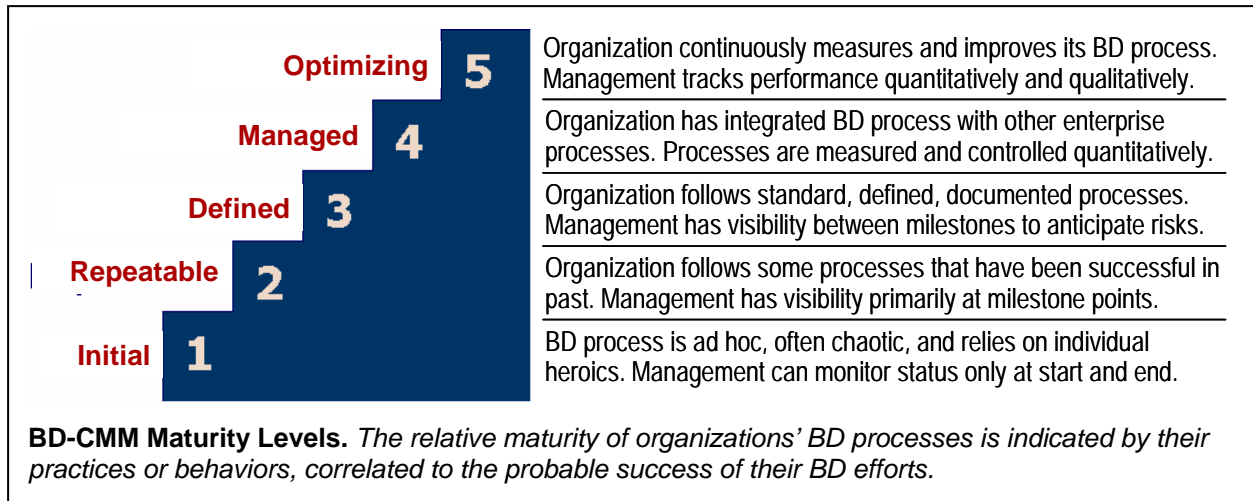
To achieve these results, the company increased its

*Your company can achieve dramatic improvements in business development capability through the BD-CMM:*

- *Predictable results through defined BD “best practices”*
- *Proven practices embodied in the BD-CMM*
- *Clear steps to use the BD-CMM in your company*
- *Readily available resources available to maximize benefits*



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business development budget by less than 10% and invested less than 10% of its equivalent annual budget in the process re-engineering project. Of course, the unequivocal commitment of the management team was essential, and the relatively short business acquisition cycle associated with the company's business model facilitated significant results in a short timeframe.

However, the "secret" to this company's success was the framework of practices provided by the BD-CMM. The BD-CMM identified a coherent set of initiatives directed to create the level of "capability" appropriate for the results the company wanted to achieve.

### About the BD-Institute

The BD-Institute is a non-profit organization dedicated to promoting leading-edge results in business development through the BD-CMM. Our mission is to promote and extend best practices in business development, and we provide training, appraisal services, research, knowledge management, and support to small and large businesses around the world. Through alliances with professional societies, collaboration with service providers, and partnering with both government and industry, we maintain an innovative Community of Practice that transforms business-development organizations and produces high performance and long-term value for stakeholders.

For further information, please visit our website at [www.bd-institute.org](http://www.bd-institute.org) or contact us by email at [info@bd-institute.org](mailto:info@bd-institute.org).

*The BD-CMM is based on the original Carnegie Mellon® Software Engineering Institute (SEI) capability maturity models (CMMs).*

*The BD-CMM was validated as part of a study sponsored by the Association of Proposal Management Professionals (APMP) that found significant correlation between performance results and BD-CMM key practices.*