

5 Crisis Quoting Tips for Manufacturers!



While there are a wide variety of reasons that manufacturers get inundated with quote requests, it should come as no surprise that “quote overload” can be both an asset and a liability.

On one hand, more quotes mean more opportunities for growth and success. On the other, too much of a good thing can turn bad. Jobs can be under/over quoted, inconsistencies in quoting can arise and it can take significantly longer to deliver quotes out the door.

Besides the estimators, this can cause unnecessary stress on many people within an organization; this includes management, production personnel and the sales force. It can also lead to the sudden and seemingly unexplainable loss of a customer.

One of the industry’s most challenging problems is balancing the demand for fast, accurate quotes with one’s ability to deliver. After all, buyers are increasingly becoming more intelligent about how they work with their manufacturing suppliers and the end consumer – for that matter. They want quick quoting delivery at a competitive price.

With this in mind, we’ve assembled five tips that can be considered to help improve your quoting process:

1. Develop an action plan...

As is the case with any problem, one needs to have a plan of attack. That means identifying the problems within the quote process that need to be fixed. It also means gaging the cost and scope of the problem. Some engineers like to call it ‘doing the ground work’. All too often, people ask a question about a problem and when they hear a sexy answer, they take it and run with it instead of laying it out on the table and taking it’s totality into consideration. Doing so... makes it much easier to figure out what kinds of resources you’ll need to fix said issue instead of making quick decisions just for the sake of administering a said solution. When it comes to “quote overload” what’s the plan?

2. Use networkable software...

Every company should have collaboration with other departments for increasing the quality and deliverability of the company’s first strike at winning a new order or keeping an existing customer. Cost estimating and effectively delivering competitive quotes should be no different.

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3. Allocate tasks...

When cost estimators experience high quoting levels, the organizational value provided by software becomes a key player in helping to increase an organization's output. Give the quoting and estimating team access and if possible – allow them to do so remotely as well. It puts cost estimators at the same starting point and ensures that they land on the correct end point. Consistency is key. Using networkable software, with a database, also provides instant access for other members in the estimating review team.

4. Expand the effectiveness of the software...

Some software features get overlooked because, in some cases, they appear to be more appropriate for the long-term of high quantity output. That can be a mistake. Powerful software has a number of features that can be of great value to any manufacturer regardless of volume. Features such as databases, templates, cost models and reporting options can go a long way towards maximizing output. Be sure to take each into consideration carefully, even if at first some features don't seem to be of use to you and your business they may have an increasing effect – over the long run. Periodically review what the software can do for your estimating.

5. Evaluate results and react...

One of the biggest mistakes companies and organizations make is not taking the time to analyze the end results of their decisions. That's especially true of cost-estimating, which is a process that's centered on...well... process. Identify the pros and cons of your system and determine whether the identified solution can be implemented over the long-term. Analyze opportunities and take the time to make sure that you get your quality estimates right. When using software, engineers increase their ability to not only get it right – but get it right the first time – more often.

Quality estimates are what win and keep winning. A satisfied customer – one who feels they have been offered a fair or better-than-fair-price can become a loyal customer reducing review times, reducing costs, increasing profits and providing referrals.

Today's cost-sensitive marketplace is more challenging and the consumer is better educated. Meeting the demands of both, when trying to defeat an overload of quote requests, can be daunting, even for the most seasoned professional. However, combining collaborative analysis with effective cost estimating software can go a long way towards improving the company's overall cost-estimating process and receiving cost effective results manufacturing companies strive for – **“A great bottom line!”**