

RESEARCH PAPER

Responsive 2023 Strategic Response Management Maturity Report

Habits of Leaders vs Laggards



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Executive summary

Responding to requests for proposal (RFPs) and other critical, often complex information requests has long been a method for companies to source — and win — business. Companies that have done a superior job with their RFP and information request responses have traditionally enjoyed a leg up over their competition.

RFP response teams, where companies centralize the skills and responsibilities for responding to these requests, often are the primary groups that handle this function.

Today, however, response teams are being called in to cover an ever-increasing array of response types. And other internal teams are increasingly being asked to respond to inquiries in a scalable, accurate and efficient manner.

Joining the traditional list of RFPs, requests for quote (RFQs) and requests for information (RFIs) are items like due diligence questionnaires (DDQs); vendor security questionnaires (VSQs); risk assessments; diversity, equity and inclusion (DEI) questionnaires; and environmental, social and governance (ESG) questionnaires. **This broader set of responses has evolved into the category known as strategic response management (SRM).**

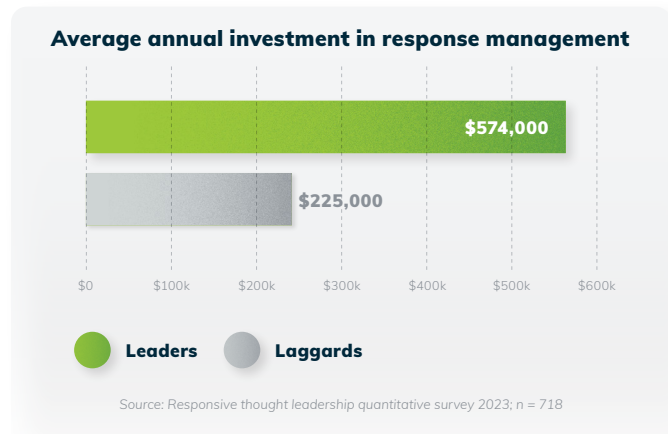
*Strategic response management is a crucial aspect of many businesses, yet far too many organizations continue to use **inefficient tools and cobbled-together processes.***

To understand the **state of SRM** and the benefits of using the best and most modern tools and processes, Responsive commissioned a **global research study** to identify companies with different maturity levels in SRM and profile their practices and business outcomes. **The goal of this research is to provide prescriptive advice and concrete recommendations for companies looking to improve their strategic response management function.**

We surveyed 718 executives and managers responsible for strategic responses around the world, supplemented by focus groups and in-depth interviews with 20 executives in the U.S., Europe and Asia.

*We found that companies with the most mature SRM practices, response leaders, enjoyed better business outcomes, with **16 percent higher win rates** and **34 percent more revenue** coming through the response function than response laggards.*

With levels averaging \$574,000 per year, **response leaders invest more than double on SRM tools and software than response laggards**, who invest an average of \$225,000 per year.



Our study shows that it clearly makes business sense to adopt the tools and practices that will enable you to become more mature in your SRM function. And not only can increasing the maturity level drive real benefits to your company, but by extension, it also can be a good career move for the executives and managers in charge of the company’s response function. C-level executives at response leaders understand the strategic nature of this function to the business, pay attention to it, and care about getting it right.

Further, you don’t have to be a response leader to benefit from these recommendations. While it’s true that response leaders do enjoy the greatest level of business benefits, there’s value for any company to move to the next stage of the maturity scale, regardless of where it is today. It all comes down to having the will, resources and road map to take the next step. **Findings from this study show that organizations that take the next step reap tremendous benefits.**

We need a better process over the responsibilities/roles of those involved. It is a manual process today that is not working extremely well. It’s not broken but it’s not the most efficient.

– Head of Business Development, Technology/Telecom Provider



We get a lot of our revenue from responses to RFPs that we win. If there is a platform that can increase our chance of winning and make it easier to respond, the organization would want to invest.

– Sales Director, Technology Company

We are always looking to improve things and make things more efficient. We are currently haphazard in how we manage this, and this would be something we would be interested in.

– VP Product Management, Financial Services

Research methodology

This study is based on a **global survey of 718 executives** responsible for strategic responses for their organization. It was commissioned by Responsive and conducted by Callan Consulting, a third party marketing consulting and research firm with significant experience building maturity indices in Spring of 2023. The surveyed executives came from organizations of greater than \$50 million in annual revenue across a range of industries, including technology, manufacturing, financial services, healthcare and business services. The survey was supplemented with focus groups and in-depth interviews with executives and response managers in the U.S., Europe and Asia.

Introduction to strategic response management and the SRM Index

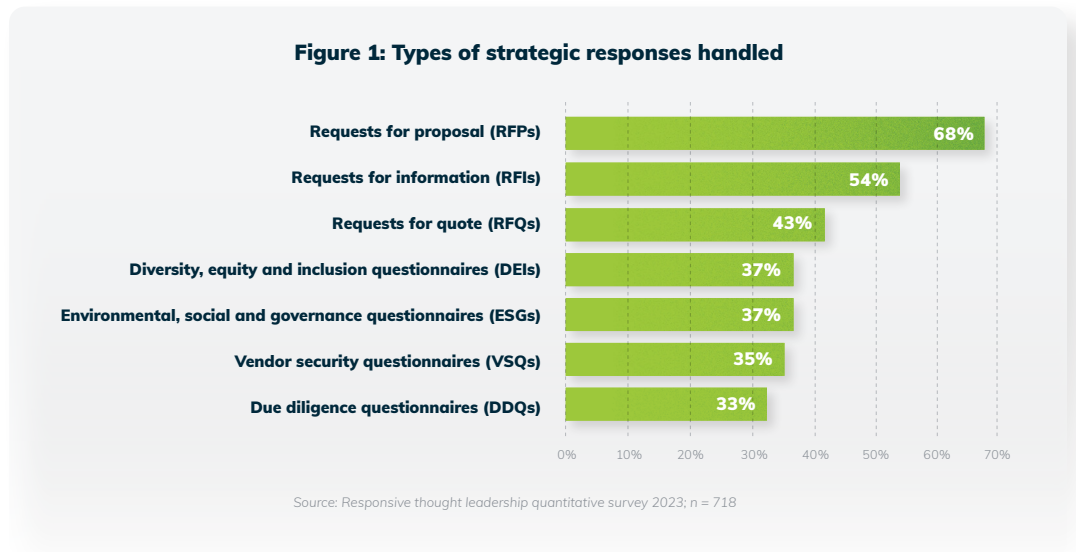
A pioneer in strategic response management (SRM) with deep roots in RFP software, **Responsive (formerly RFPIO)** has long helped companies better respond to RFPs, empowering them to win more deals and drive increased revenue. But with the added complexity of today's business climate, teams across a variety of organizations must react and respond to a wider variety of use cases and response types, each of which is also highly strategic to the business.

In addition to RFPs, RFIs and RFQs, response teams and business leaders are increasingly responding to DDQs, vendor security questionnaires, risk assessments, DEI questionnaires, ESG questionnaires and other information requests. There also is a heightened need to access and use the vetted, approved content and documents developed by response teams for everyday requests across the organization like business presentations and sales proposals.

*Responsive defines **strategic response management** as the practice of responding to these critical, often complex information requests from buyers, customers, partners and other parties using a software platform that centralizes the organization's most valuable content and documents.*

It is more important than ever to respond to these information requests quickly, accurately and skillfully. By **adopting SRM best practices**, companies not only can **accelerate deals** and transactions, but also **mitigate risk, increase efficiency, ensure compliance, build trust**, and **improve internal collaboration** across a variety of strategic response types.

The pervasiveness of different types of use cases that organizations must respond to was evidenced by our study. While **RFPs** were the largest single category of responses handled by survey participants, more than half also deal with **RFIs** and more than a third get involved in **DEI**, **ESG**, **VSQs** and **DDQs** (Figure 1).



Definition of strategic response management: The practice of responding to critical, often complex information requests from buyers, customers, partners and other parties using a software platform that centralizes the organization’s most valuable content and documents.

I definitely find the definition of SRM compelling. I would love to have a centralized platform where I could find all of the information I need to respond. We have a SharePoint site and Teams channel, and other items are on our website. Collecting all of this info each time is difficult, and having software that does it (especially if search and discovery is great) is something I would stand by.



– **Director of Business Development, Technology Company**

This definition makes sense. What we don't do is centralize everything in a software program. It sounds like a good idea and like something we should be doing that would make it easier to respond to complex information requests.

– **Sales Director, Technology Company**

Developing the SRM Index

To better understand how companies are addressing these new strategic needs, we developed the **SRM Index**. This index is based on our global survey of 718 executives and managers who own response management in their organizations. We asked about a wide variety of response management practices, skills and technologies, and we categorized respondents by their maturity across the key dimensions identified as being most important to driving business outcomes. We identified four maturity categories (Figure 2).



Response leaders. Response leaders (sometimes referred to simply as “leaders” in this paper) display the highest levels of maturity among survey respondents, with the greatest skills, most efficient processes and greatest use of SRM platform technologies. They represent 18 percent of the sample.



Response achievers. Response achievers represent the next level down when it comes to SRM maturity. They still are above the median in terms of skills, processes and use of technologies, but are not as advanced as response leaders. They represent 34 percent of our sample.

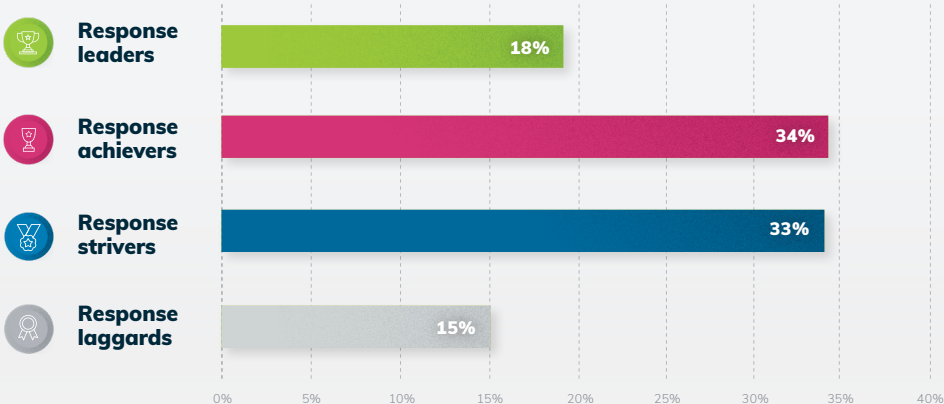


Response strivers. Coming in at 33 percent of the sample, response strivers are just below the median in terms of skills, processes and use of technologies.



Response laggards. The lowest level of maturity is the response laggards (or simply “laggards”). Making up 15 percent of the sample, they have the lowest level of skills, have the least efficient processes, and are making the lowest use of SRM platforms and technologies.

Figure 2: SRM Index: Percentage of sample surveyed



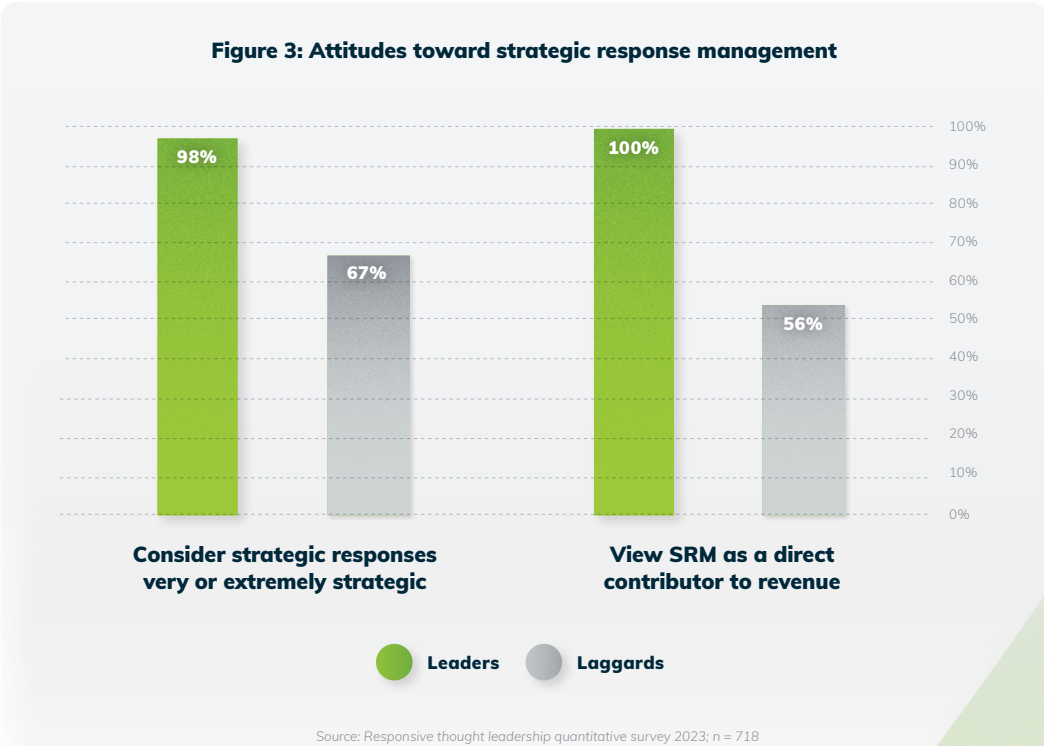
Source: Responsive thought leadership quantitative survey 2023; n = 718

A more detailed description of the SRM Index development and survey methodology can be found in the appendix.

Response leaders have better business outcomes

Perhaps not surprisingly, organizations with greater levels of response maturity believe that the SRM function is highly strategic to their organization, having greater appreciation of SRM's role when it comes to improving organizational competitiveness, compliance and efficiency.

Minimizing risk exposure from inaccurate responses was also cited as strategically important by focus group participants. **Nearly all response leaders (98 percent) consider SRM to be strategic,** compared to 67 percent of response laggards. Similarly, **all leaders view SRM to be a direct contributor to their company's revenue,** compared to 56 percent of laggards (Figure 3).



And these executives' confidence in the strategic nature of SRM is borne out by the data, starting with win rates.

When asked about their win rates for RFPs and other types of strategic responses, **leaders told us they win 58 percent of their responses**, compared with 50 percent of laggards. This corresponds to a **16 percent greater win rate** (Figure 4).

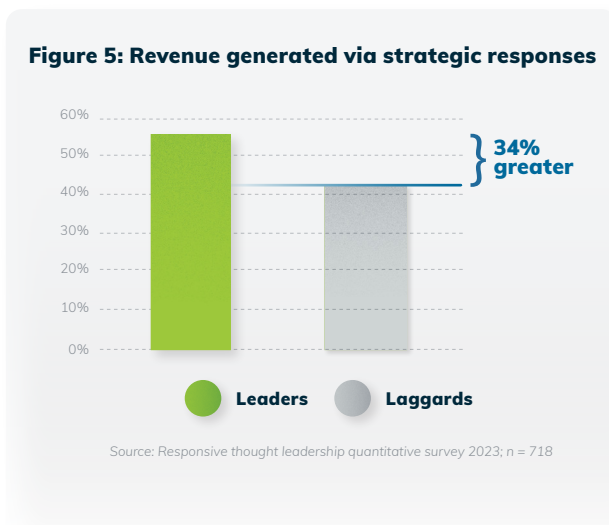
Leaders have a **16% higher win rate** than laggards.



Driven in no small part by these higher win rates, leaders generate more revenue through RFPs and other types of information requests than the other maturity categories in our study.

On average, **leaders generate 55 percent of revenue** from strategic responses, while laggards generate 41 percent, a **34 percent difference** (Figure 5).

Leaders generate **34% more revenue** through responses than laggards.



This study makes clear that implementing more mature response practices makes good business sense for the organization.

In addition to driving additional revenue, benefits described include improved risk management, more accurate responses, brand consistency, higher employee sentiment and improved company culture.

And by extension, it can be very good for response managers' and executives' careers as well. This was a theme that emerged from our focus groups and in-depth interviews, with respondents noting that with the strategic view organizations take of the response management function, top executives value and invest in individuals who proactively optimize and improve it.

If you get the bids right, you get the money, and you get to grow, develop and transform the business.

– Technology Strategist, Insurance Company



Senior management knows that if we do a good job with our RFP responses, we increase our chances of winning, which means more revenue.

– Director of Business Development, Technology Company

Characteristics of response leaders

This study surfaced four key characteristics that differentiate companies in terms of strategic response maturity:



Skill levels of the response management team



Efficiency and effectiveness of response management process



Level of C-level executive engagement



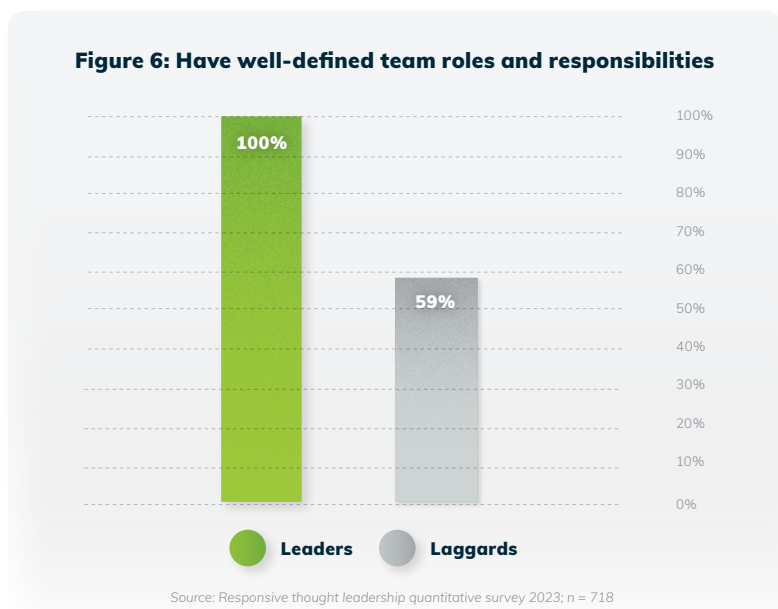
Investment in SRM platform, tools and technologies

Response management team skills

The first characteristic that differentiates **response leaders** from **laggards** is the skills of their team, including both the response team itself and the subject matter experts (SMEs) that they tap into to respond to requests.

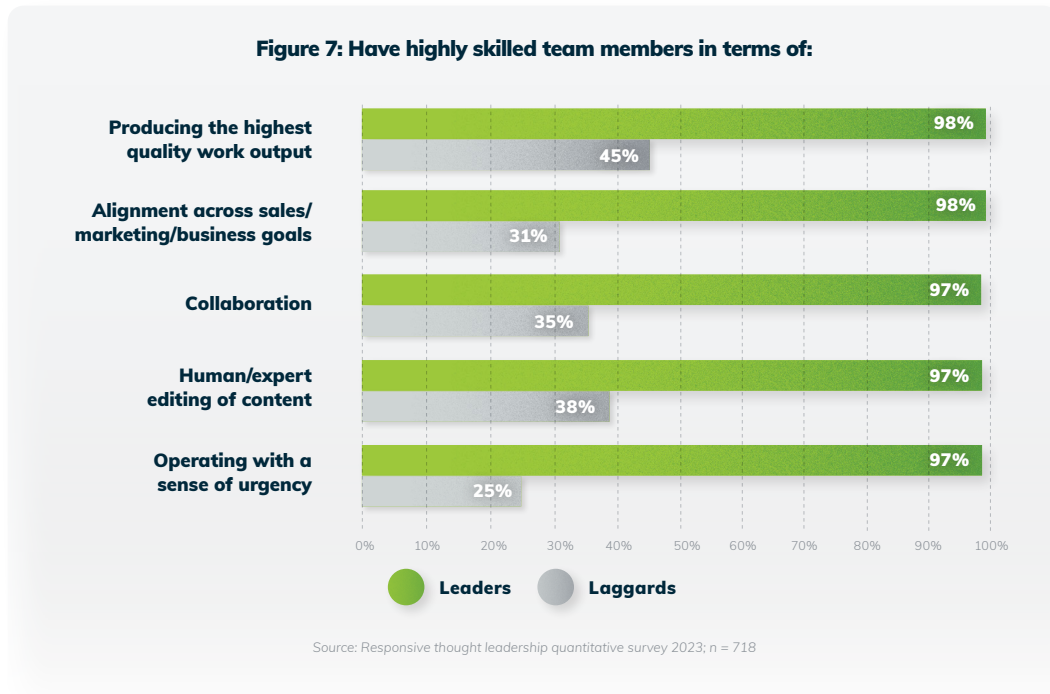
Personnel involved in SRM responses come from many different departments, including security, sales, legal, business development, risk management, IT, compliance, finance, marketing, HR and more.

And the skills conversation starts with having well-defined roles and responsibilities, as any lack of clarity around roles can lead to confusion in the process. **All leaders in our sample have well-defined team roles and responsibilities**, compared to only 59 percent of laggards (Figure 6).



All leaders said their response team members are highly knowledgeable about the process of responding to RFPs, compared to 72 percent of laggards. Leaders' response teams have a significantly greater set of skills across the board, including producing the highest-quality work product, collaborating, content editing, business goal alignment and operating with a sense of urgency — the largest observed skills gap between leaders and laggards (Figure 7).

Focus group participants described how leader team members tend to be **more highly motivated, connected with business objectives, and foster a positive work environment**.



Responding to an RFP is not just about being participative. It's about the value that can be provided. We need strategic skill sets, especially on cloud [our service delivery area]. You can't just outsource. You need to understand intent and partnership and then you can customize the response to the needs.

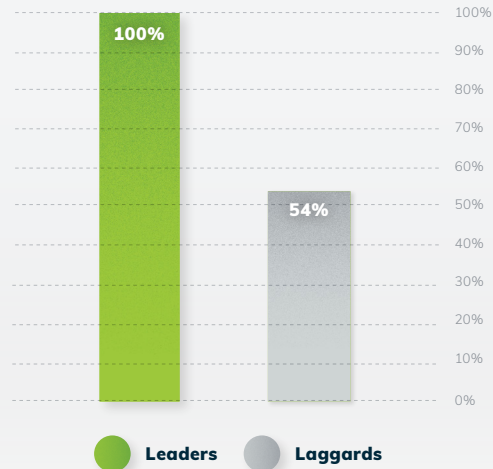
– Technology Strategist, Insurance Company

Strategic response management processes

The next characteristic of response maturity has to do with the process itself.

Leaders have a much smoother process for responding to RFPs; all leaders are very or extremely satisfied with their company's process, compared to only 54 percent of laggards (Figure 8).

Figure 8: Very or extremely satisfied with company's current response process

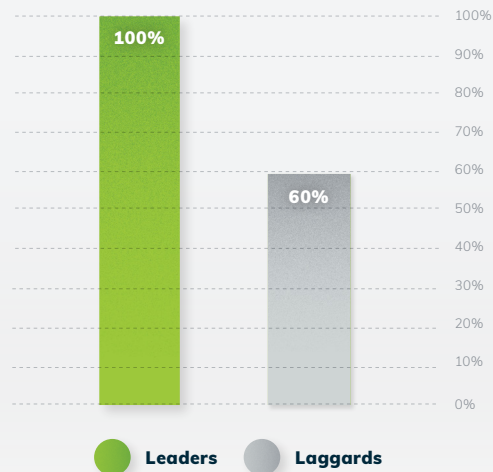


Source: Responsive thought leadership quantitative survey 2023; n = 718

For the strategic response process to be efficient and effective, it must be data-driven.

Leaders have a much more data-driven culture than laggards, with 100 percent of leaders saying they are very or extremely data-driven in their SRM process, compared to 60 percent of laggards (Figure 9).

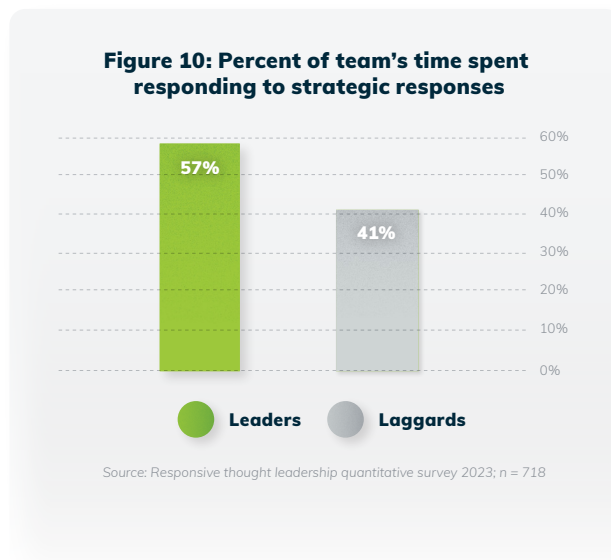
Figure 9: Pursue a data-driven response management process



Source: Responsive thought leadership quantitative survey 2023; n = 718

Leaders involve more people in the process of handling strategic responses, with an average of 11 people per response compared to nine for laggards.

Further, **leaders' response teams** have more concentrated focus on strategic responses, with team members spending on average **57 percent** of their time handling strategic responses (and 43% on lower-value-added administrative and support activities), compared with 41% for laggards (and 59% on lower-value-added activities) (Figure 10).



One of the benefits of **greater process efficiency** is the ability of response teams to realize greater throughput, with leaders telling us they are able to close and submit on average **14.8 responses per month**, compared to 10.2 responses per month for laggards. In addition, our focus group showed that leader team members describe increased consistency and accuracy of responses as a key output.

We have a manual process. Each function owner goes back to the content owner and checks if it is up to date and needs to be refreshed. Not efficient.

– Head of Business Development, Technology/Telecom Provider



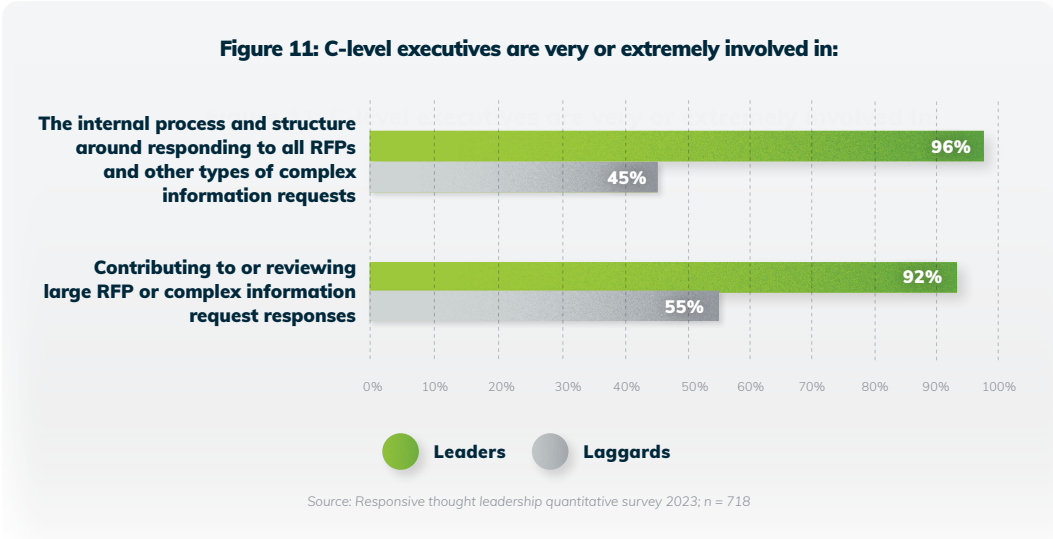
People don't have the time in spite of multiple follow-ups. Then they give half-baked content. Final drafts need to be improved, go back to editing,

– Technology Strategist, Insurance

C-level engagement

Another significant indicator of strategic response maturity is the level of commitment and involvement of senior management. This was a common theme in our focus group and executive interviews, with C-level executives telling us that they **appreciate the strategic nature of response management** and that they take the time and spend the focus to ensure that the process is working correctly. While they don't always get involved on a hands-on level (especially if the process is running well), they are aware of its importance to the business and are monitoring the response process's health and output.

This level of C-level attention was evident in the survey. **Ninety-two percent of leaders said their executive teams get involved in contributing to or reviewing large RFPs** and other strategic responses, compared to 55 percent of laggards. And not only do they take a hand in individual responses, but they also keep an eye on the process itself, with **96 percent of leaders** saying their executives are very or extremely involved in the process and structure of responding to strategic responses, compared with 45 percent of laggards.



Our President [cares about this]. He will call on executives to explain the process, explain why you do a certain thing with the brand or with staff ...

– Chief Risk Officer, Financial Services



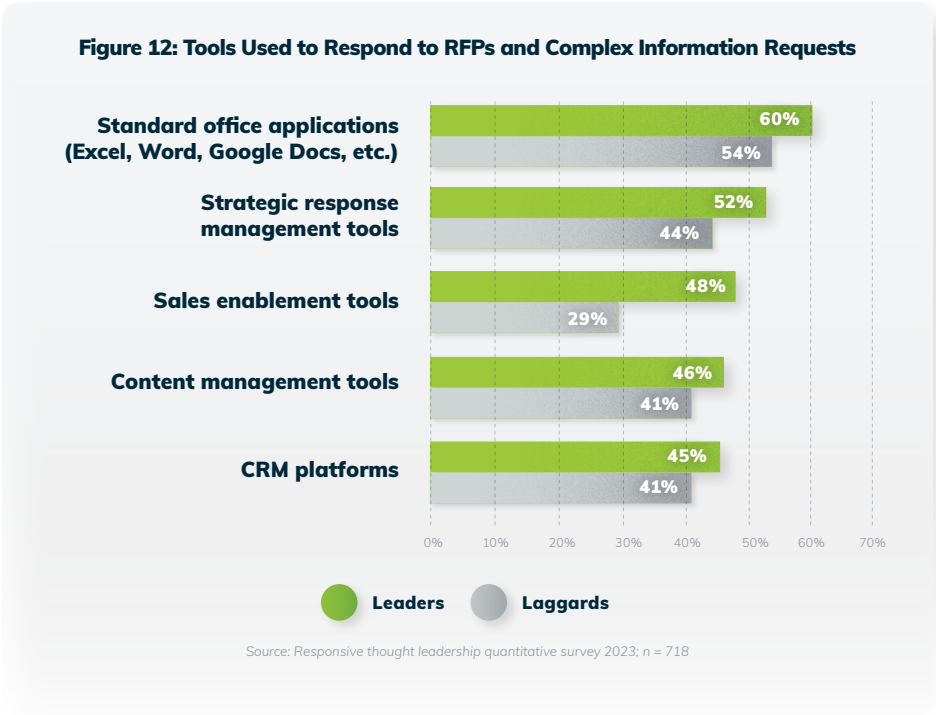
The C-level is responsible for the gating process (review) but not for the individual responses. They try to understand the business objective and the benefits we will gain. What costs/resources we are supposed to use. They are involved in the financial overview of the response and our risks and mitigation actions.

– Head of Business Development, Technology/Telecom Provider

Investment in strategic response management platform and tools

Finally, leaders are **much more likely to invest** in a modern suite of tools and technologies to **automate their processes** and enable their teams to **access the right data at the right time** in the process.

Response teams use a variety of tools to support their processes. The most-used tools are office applications (such as Microsoft 365 or Google Workspace), followed by SRM tools, sales enablement tools, content management tools, collaboration tools and CRM platforms (Figure 12).



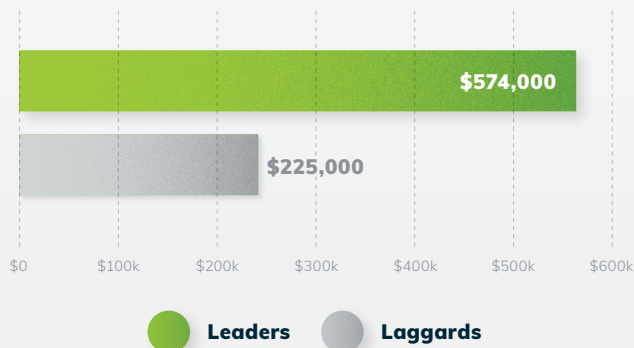
As shown in Figure 12, all types of tools were used across most maturity categories, with only slightly greater use of tools in general among leaders than laggards. This speaks to the ubiquity of tools like office applications, content management tools and CRM applications. But against this backdrop, two types of tools are of particular note.

The first is sales enablement tools (such as Seismic or Highspot), which had the largest gap between leaders and laggards. This is not terribly surprising, as sales enablement tools are a more established category, and it makes sense that the more progressive leaders would be the first to embrace them, with laggards being slower to adopt.

The other category is strategic response management tools and platforms, such as Responsive. These are purpose-built to help response teams manage the process and act as a central repository for content required to respond to strategic response requests. As seen in Figure 12, the use of SRM tools and platforms represents the second-largest adoption gap between leaders and laggards.

Ongoing investment in software and tools is one of the greatest differentiators of the four maturity categories. **Leaders invest on average \$574,000 per year** on these tools and technologies, more than twice as much as laggards at **\$225,000** per year (Figure 13).

Figure 13: Average annual investment in strategic response management



Source: Responsive thought leadership quantitative survey 2023; n = 718

Leaders also have **much better integration** of their response management technology stack with the business applications their company uses to run the rest of its operations; this could include applications such as productivity, CRM, financial and communication systems. **Ninety-nine percent of leaders** say their SRM technology is well-integrated with the remainder of their corporate systems, compared to 61 percent of laggards.



Every tool we have introduced has helped. Having multiedit capabilities in [office applications] so multiple people can work at once is helpful. Technology makes it much easier to respond to RFPs.

– Director of Business Development, Technology Company

Conclusion

Strategic response management matters. Companies that focus on best practices in their response teams enjoy **higher win rates** and **greater revenue** coming through the response organization. Executives in our study realize this; they acknowledge the strategic nature of SRM and the importance to their business of getting it right.

Yet not all organizations handle SRM the same way. Our study identified four categories of SRM maturity, with the leaders — those focusing on the required skills, practices and technologies — enjoying **16 percent better win rates and 34 percent more revenue** coming through their response function than the laggards. If you are less mature when it comes to SRM, you risk being less competitive than your peers and are likely leaving money on the table.

Our study showed four key dimensions that separate response leaders from laggards, including team skills, efficiency of the overall process, amount of C-level involvement, and — underpinning it all — investing in the right tools and technologies to enable their response teams. **Companies looking to improve their SRM maturity should:**



Invest in team skills. Take the time to ensure you are hiring for the right skills and investing in training to ensure that your response team has all the skills required to deliver excellent responses. Required skills include subject matter expertise in your industry and solutions, as well as more horizontal skills such as collaboration and content development. The need for high skills extends both to the SRM team itself as well as SMEs elsewhere in the organization.



Improve strategic response processes. Examine the collaboration tools and techniques your team is using to communicate with SMEs in other departments and the processes by which they gather and ensure consistency and accuracy of content. Concentrate your response team to increase expertise within a focused set of individuals. And take a data-driven approach to the end-to-end process. Doing so will increase accuracy, brand consistency and compliance, and will further minimize risk.



Engage the C-level team. Senior executives have many demands on their time, but executives at the most forward-looking strategic response organizations understand and appreciate the strategic nature of SRM to their organization and take the time and focus to ensure that their organizations are doing it right. If your C-level executives aren't engaged, you should take the time to educate them (have them read this research paper) and elevate the importance of strategic response on their radar screen.



Invest in a modern SRM platform and tools. Less-mature organizations perform too much of their SRM using standard office productivity tools and decades-old collaboration technology not fit for purpose. One of the hallmarks of SRM leaders is their level of investment in SRM platforms designed to streamline and automate the process with a single, centralized content repository that's integrated into the core systems on which their business runs.

Appendix A: Study methodology

The information for this research paper came from the *Responsive global strategic response management maturity study 2023*, conducted by Callan Consulting. Callan Consulting surveyed 718 executives and managers responsible for strategic responses for their organization in the U.S., U.K. and India

They came from organizations of **\$50 million or greater in annual revenue** across a range of industries, including technology, manufacturing, financial services, healthcare and business services.

Survey respondents were asked about their current response management practices, skills and technologies. In addition, they were asked about a variety of KPI metrics, including overall win rate for strategic responses, percent of revenue coming through responses, and amount of time staff spends on responses, enabling Callan Consulting to create an SRM Index linking response management practices to KPIs.

Callan Consulting developed the maturity levels — **response leaders, response achievers, response strivers** and **response laggards** — using the following methodology: Responses to all questions in the survey were scored on a four-point maturity scale. For example, for the question, “How defined are the roles and responsibilities of team members when it comes to responding to RFPs and other complex information requests?” we defined “somewhat defined or lower” as zero points and “extremely well defined” as three points. Break points were manually normalized.

Callan Consulting performed **statistical analysis** to identify questions best correlated to positive business outcomes. For example, the question, “How much does your company invest in strategic response management software?” is highly correlated to the overall success (win) rate of strategic responses and the percent of revenue coming through responses. Callan Consulting then selected a subset of 12 questions with the highest statistical correlation that also balanced the four key areas: skills, processes, executive involvement and technology investment.

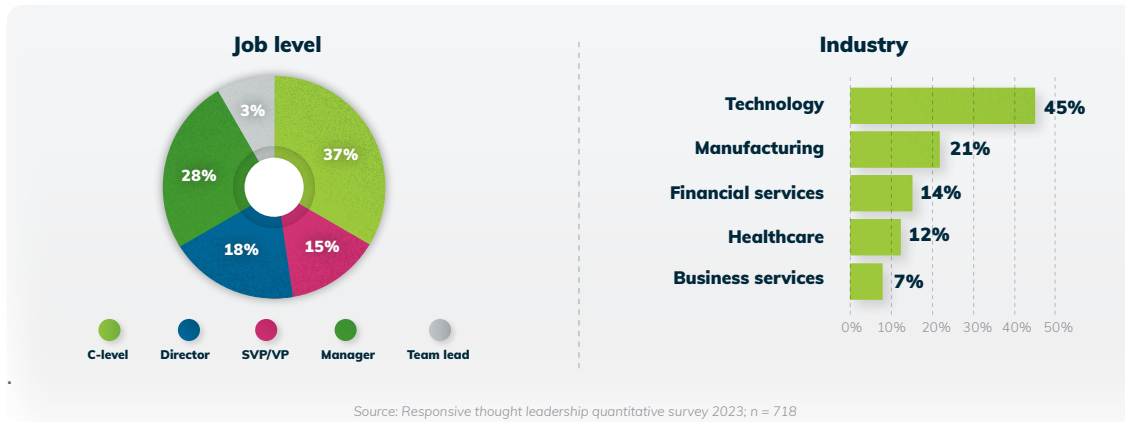
Next, Callan Consulting created a **maturity scoring histogram** for all respondents for the 12 questions to identify and score ranges for the four maturity categories and identified natural cutoffs based on mean and standard deviations.

The survey was supplemented with a focus group and **in-depth interviews conducted** in the U.S., U.K. and India. We spoke with **28 executives** from industries including technology, healthcare, financial services, business services and telecommunications; and with job titles including COO, CIO, IT Director, CISO, Chief Risk Officer, Head of Business Development, Global Sales Director, Proposal Director/Manager, Director of Business Development, Marketing Director and Director of Asset Management. **The research was conducted in March through May, 2023.**

Appendix B: Survey firmographics

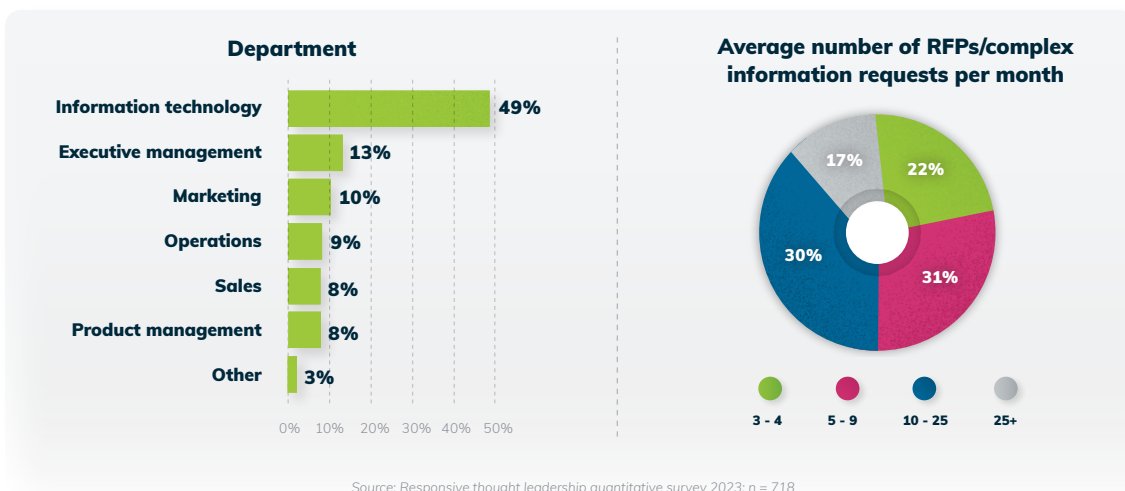
The largest single set of survey respondents by job level were **C-level**, at **37 percent** of the sample, followed by manager, director and SVP/VP.

Forty-nine percent of our sample represented **IT**, followed by executive management, marketing, operations, sales and product management. The most-represented industry was **technology**, at **45 percent** of the sample, followed by manufacturing, financial services, healthcare and business services.



Fifty-eight percent of survey respondents were located in the U.S., 22 percent in the U.K. and 21 percent in India. Looking at the three geographies, we saw C-level respondents as follows: U.S. 39 percent, U.K. 43 percent, India 25 percent. Thirty-nine percent of U.S. respondents were in IT, versus 56 percent in the U.K. and 68 in India. **Technology** was the highest represented industry in each geography.

And in terms of number of strategic responses handled, the largest single category was **five to nine responses per month**, with 47 percent of the sample handling 10 or more per month. In the U.S., the most common range of responses handled per month was 10 to 25; in the U.K. and India it was five to nine responses per month.



About responsive

formerly RFPIO

Founded in 2015 as RFPIO, the company's first goal was to **streamline the RFP process with better software**. The best-in-class, automated approach from Responsive has revolutionized the way leading organizations **respond to — and win — more RFPs**.

Today, **Responsive simplifies all of the strategic response management processes** that are critical to strategic response success, helping companies accelerate growth, mitigate risk and increase efficiency. **Some of the key benefits of the Responsive platform include:**

- Most robust platform
- Best user experience
- Most extensive customer value programs
- Broadest set of native integrations
- Industry standard adopted by leading companies

To learn more, visit responsive.io

About + CallanConsulting

Founded in 2000, **Callan Consulting** provides **executive-level marketing services** to technology companies, performing hundreds of strategic projects for clients. Their veteran team brings decades of experience delivering strategy, research, financial modeling, sales enablement and other solutions. Callan's research team developed the strategy, design and content for this paper, conducting an in-person focus group, in-depth individual interviews and a comprehensive quantitative research survey.

For more information, visit callan-consulting.com