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## UNIT 11: Writing Business Project Proposals

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### Structure

- 11.0 Objectives
- 11.1 Introduction
- 11.2 Basic Components of Business Proposals
- 11.3 Business Proposal Letter
- 11.4 Proposal Document
- 11.5 Grammar: The Present Perfect Tense
- 11.6 Let Us Sum Up
- 11.7 Answers

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### 11.0 OBJECTIVES

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After going through the unit, you should be able to

- ... understand the importance of project proposals
- ... identify the purposes for the different components of proposals
- ... write sample business project proposals

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### 11.1 INTRODUCTION

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In the last unit you learnt about the basic features of proposals written within an organization.

In this unit we will examine the importance of business project proposals sent outside the organization and the process of writing them.

Business implies the buying and selling of a product or a service for profit. This involves a series of transactions with agencies outside the organization. It may also involve extended communication with Government bodies.

Communication is generally executed through letters. These could be for enquiry and sales, placing orders and executing them, dealing with complaints and negotiating.

Another important format of business communication when a business organization undertakes to offer a service or deliver a product to a client is the **technical proposal**.

Technical proposals have a definite format. Formats help in giving all the requisite information and help the reader to look for specific items of information. In order to win business, proposals must be drafted with care and attention.

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### 11.2 BASIC COMPONENTS OF BUSINESS PROPOSALS

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A business sustains itself on the amount of work it does. Work generates money. Work in business is goal-oriented. Hence the objective of work is of utmost importance. A business proposal is an undertaking to complete a project with a specific goal in a stipulated time period with maximum cost benefits.

Let us consider a gigantic public utility project like the Metro Rail Project. Think of:

## Proposals and reports

- the costs involved
- the staffing required
- the time for completion
- the number of parties that will have to collaborate
- government procedures and regulations
- financial support from banks and investors
- quality assurance

In such cases, bids are invited from business firms. These are called solicited proposals. Each business firm sends in a proposal to undertake the project. The proposal which is the most economical and the most beneficial is accepted. Winning the project among a number of competitors will depend not only on the financial potential of the organization but also how well the firm has projected the work plan and the costs of construction. Proposals can also be submitted voluntarily after ascertaining customer needs.

### Activity 1

An institution is setting up a digital laboratory for its students. It asks for proposals from digital companies. You are working in the company and are asked to prepare a proposal. Put down the points you will include in the proposal.

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### Discussion

Have you included the following points?

- 1 **Introduction:** Background of your company and the extent of experience that it has in undertaking such projects. (Instilling trust and confidence)
- 2 Reasons for taking up the project: Sharing of know-how; Benefits of service to the educational sector; Growth and expansion.(Stating objectives clearly)
- 3 Hardware requirements
- 4 Software requirements
- 5 Electrical equipment
- 6 Installation procedures
- 7 Demonstration and Training on use of Equipment
- 8 Operational Maintenance
- 9 After-Sales Service
- 10 Budget Estimate: Costs of items 3-9
- 11 Time schedule for project (Presenting facts and figures)
- 12 Conclusion: Summing up of benefits to client; highlighting unique selling points (USPs)
- 13 Offering addresses of previous clients for verification of quality standards of product and service.

- ❑ Executive Summary
- ❑ Background
- ❑ Technical Description
- ❑ Overview
- ❑ Hardware Details
- ❑ Technical Requirements
- ❑ Business Issues
- ❑ Total Cost Matrix

Proposals from a number of business players in the field are compared by the client. Hence a great deal of research and analysis is essential before framing the proposal.

The manner of presentation and the use of language are equally important. The proposal needs to be complete in all respects. The proposal, as already mentioned, is the blueprint for the formal contract to be signed by the supplier and the buyer.

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### 11.3 BUSINESS PROPOSAL LETTER

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In its basic form a proposal may be written as a letter in response to an enquiry.

How would you begin writing a proposal? Do this simple activity.

#### Activity 2

Imagine you are a bookseller and a library in a residential colony has approached you to supply books. What are the first questions that would arise in your mind? Put them down.

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#### Discussion:

You will begin to think about:

- the kind of residents and their interests
- your own previous experience supplying books to such libraries
- catalogues
- collections in other libraries
- your benefits in dealing with this kind of business
- the kinds of discounts you can offer

In other words, we begin by **collecting information**.

You can now begin to write a letter of proposal in reply to the letter soliciting a proposal from you. This is the letter you receive from the library:

**FRIENDS' HOME LIBRARY  
MASROC, Vanagaon, Pin: 408675**

13 Jan 2...

Mr. Santosh Yadav  
Manager  
Popular Booksellers  
MG Road  
Nashik

Dear Mr. Yadav,

1

We wish to stock our library with various kinds of general, fiction and technical books for the residential colony library of the industrial township of MASROC located 100 km from Nashik.

We understand that you are one of the leading book suppliers in this region. Please send us a proposal for the kinds of books you will be able to supply us, the discounts you can offer and the modes of payment along with catalogues.

3

We would like you to submit your proposal as early as possible.

Thank you

Regards,  
Meenakshi Patil  
Librarian

**Let us examine the stages in the letter:**

- Move 1: States the customer's requirement
- Move 2: States reason for approaching the supplier
- Move 3: Asks for proposal with details
- Move 4: Urges quick action

**Your response will include:**

- Move 1: Thanks, acknowledgement of request.
  - Move 2: Introduction of your firm
  - Move 3: Description of business dealings
  - Move 4: Emphasize experience in such business
  - Move 5: Willingness to supply
  - Move 6: Offer of maximum discount
  - Move 7: Enclosure of catalogues
  - Move 8: Urging order
- The Proposal letter can now be drafted along these lines.

Thank you for approaching us with the request to supply books to your residential library. We are happy to know that you wish to order bulk stocks. [1]

Thanks, acknowledgement of request

We have, indeed, been in this business for almost a decade now and have established ourselves as leaders in this region. We supply books to more than 50 educational institutions in the Nashik region. We also are suppliers for factory and office libraries in and around Nashik. In fact, we have been a steady supplier to three other residential colony libraries in the townships of Mure and Kopegaon.

Introduction of firm, Description of business dealings, Emphasis on experience in such business

We supply both technical and academic books in English as well as fiction, poetry, religious literature and general informational books in English, Marathi and Hindi. We have had an excellent relationship with our customers because of the professionalism in delivering stocks and replenishing them when required. [2]

*We would be very happy to honour your requests. As a first time offer, we will be able to offer you 30% discount on academic and technical books and 25% discount on fiction, drama, poetry and general books. We also allow for retaining of books for approval for a period of 15 days and 90 days' credit from the date of delivery.* [3]

Willingness to supply, Offer of maximum discount

We are enclosing our catalogue. Please select the titles that you *would like to order*. We *will deliver* whatever is in stock immediately and *will arrange* for delivery of books not in stock at our warehouse here, within 10 days' of the receipt of the order. [4]

Enclosure of catalogues

Urging order

We look forward to an early order from you.

### Language focus:

Notice the use of present perfect form of the verbs, 'have been', 'have established', in paragraph 2 to describe past and present status. The present perfect is used for actions which happen in the past and continue in the present or have an impact on or relevance to the present.

The forms 'will be, would be' are used (in paragraphs 3 and 4) to indicate the future along with the notion of willingness.

## 11.4 PROPOSAL DOCUMENT

In the previous section we looked at a letter proposal. Now let us examine a detailed proposal document in response to a letter of solicitation.

### Activity 3

After every section of the document, there are questions given which you need to answer. These answers will help you in understanding the process of writing proposals better.

Project Description: **Renovation of a Heritage Well in PNR college campus**

A proposal is accompanied by a Letter of Transmittal or in other words a "Cover Letter" which introduces the proposal.

## I LETTER OF TRANSMITTAL

21 Jan 2....

The Principal  
PNRCollege  
Erode

Dear Madam,

**Sub: Renovation and Landscaping of the Heritage Well site**

Stating objective

We are submitting our proposal expressing our intent to undertake the project of renovating and landscaping the Heritage Well located on your premises.

As a first step our engineers have assessed its feasibility and submitted a report. Based on this, the undertaking would involve repair of the structural damages, reinforcement of existing structures, laying new water conduits for the tank and beautification. The landscaping would be designed by our landscape architect and can be maintained by your gardeners thereafter.

Brief Description

We expect the project to be completed within four and half months in time for the Golden Jubilee Celebrations next year. The expected expenditure for the initial phase of the project will be Rs. 5 lakhs. The maintenance will require Rs. 50,000 annually for cleaning and painting and other basic repairs.

Time Cost Projections

A detailed document is enclosed.

Thank you

Atia Mathai-Luke and Dipannita Chakraborty  
For VeekayConsultants

1 What is the purpose of this letter?

.....  
.....  
.....

**II TITLE PAGE**

**PROJECT PROPOSAL**  
for  
**RENOVATION AND LANDSCAPING**  
**OF THE HERITAGE-WELL SITE**

*Submitted to*

**The Principal**  
**P.N.R. College of Science**  
**Erode**

*By*

**Veekay Consultants**  
**16, Tarun Towers**  
**M.G. Road, Coimbatore**

Comprehensive title

Addressee

Name and Address of Proposer

2 What is the purpose of the title page? Is it necessary? (Why/Why not?)

Project proposals

.....  
.....

### III TABLE OF CONTENTS

Page nos.

1	Project Chart	→	Preliminary information	...
2	Executive Summary	→	at a glance	...
3	Background	→	Qualification	...
4	Project Plan	→	Visualizing	...
5	Proposed Procedure	→		...
6	Project Schedule	→	Planning	...
7	Budget			...
8	Conclusion			...

Now answer the following questions:

3 What does the Table of Contents indicate?

.....  
.....

4 Why do we need this table?

.....  
.....

5 Will the items be the same for all kinds of proposals?

.....  
.....

6 Which items will be found in all proposals?

.....  
.....

### IV PROJECT CHART

<b>Project Title</b>	<b>RENOVATION AND LANDSCAPING OF HERITAGE WELL-SITE</b>
<b>Name and Address of Proposer</b>	Veekay Consultants 16, Tarun Towers M.G. Road, Coimbatore
<b>Project Location</b>	PNR College, Erode
<b>Time required for the commencement of the project after receipt of approval</b>	1.5 Months
<b>Duration of the Project</b>	3 Months
<b>Estimated Budget</b>	Project cost: Rs. 5 Lakh Recurring expenses: Rs. 50000 p.a.

Answer the following questions:

6 What is the function performed by this chart?

.....  
.....

7 Why is a table format used?

.....  
.....

8 Why is the matter in the left hand column highlighted?

.....  
.....  
.....

V EXECUTIVE SUMMARY

This proposal is submitted for the renovation of the Heritage Well at PNRCollege, Erode.

Prefatory statement

The feasibility of renovating the old well in the PNRCollege premises has been studied.The well, identified by the Archeology Department of the Government as a heritage site in the precincts of the college built in the 1826, is currently in a state of severe disrepair and the structure needs extensive renovation measures and landscaping. It can be transformed into an ideal site for open-air concerts, literary evenings, dramatic presentations and pop music concerts. Drainage and water connections will need to be replaced.

Problem

Solution

The work will be entrusted to a civil engineer, assisted by two junior engineers and a landscape architect after the primary phase of structural repairs are completed.

Procedure

The project will commence 45 days after approval and will take about 90 days to be completed from the date of commencement of work. The cost has been estimated at about Rs. 500000 for the renovation of the site and landscaping of the surroundings at present and a further Rs. 50000 yearly for maintenance of the structure.

Time

Cost

9 Why is the summary placed before the actual proposal?

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.....  
.....  
.....

10 What are the main items mentioned?

.....  
.....



- 11 Is the summary concise, clear and complete?  
.....  
.....
- 12 Does it create interest in the reader?  
.....  
.....

**Language Focus**

Notice the underlined verb forms: is submitted, will be entrusted etc.

You can recognize them as passive forms. The passive voice is used to convey the formal, impersonal tone. It also indicates that the work done is more important than the agents of action.

Notice that the passive can be applied to all tense forms:

*is submitted, has been studied, will be completed*

**PROPOSAL**

**VI BACKGROUND**

Veekay Consultants are one of the leading pioneers in the field of architecture and landscaping. We have had experience in restoring several old monuments to shape, in and around Coimbatore, Salem and Erode districts of Tamil Nadu. We have units in almost every state in the country doing similar work.

Establishing credentials

Recent undertakings include the renovation of the Shiva temple in Kuttipalayam, the museum building at Umapur and the Maharaja’s Palace at Peliyur. Public commendation of the work is our credential. Our technical team has an academic interest in the projects we undertake, most of which are in the field of restoration of historical heritage.

Substantiating claims

We are very excited about the discovery of this ancient well in the PNR college premises and would like the structure to retain its historical significance while it offers an attractive venue for cultural events. Our research team will be on the job of unearthing descriptions of the heritage site in books of history and the personal autobiographies, letters and personal notes written by the people who lived in the heyday of this particular royal family with the support of its living descendants.

Procedures

- 13 Why is it necessary to present the background?  
.....  
.....
- 14 Why do we need three paragraphs here?  
.....  
.....

15 What details does this section give which may not find a place in the proposal proper?

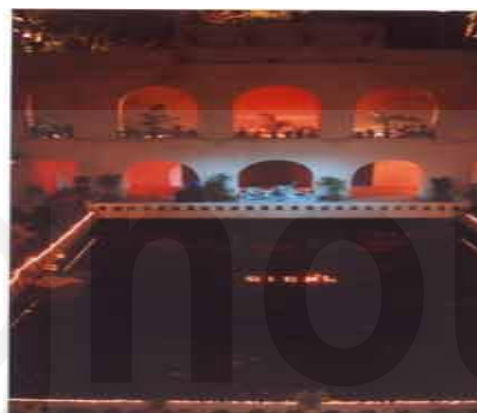
VII PROJECT PLAN

Our proposed project plan visualizes the present dilapidated structure to be made attractive so as to serve as a meeting-place for cultural events and concerts.

Defining objective



As it is



As proposed

A blueprint of the layout is being submitted.

The heritage well needs to undergo a thorough cleansing by professionals since the well needs to be dredged to clear it of sediments. The water pipes and the drainage system need to be replaced. This has to be followed up with regular maintenance measures.

Requirements

Phase wise Procedure

Phase I

- Assessment of the structural damage to the heritage well and the extent of renovation required

Phase II

- Leveling of dilapidated portions and erection of support structures to hold the superstructure without changing the original contours
Reconstruction of facade
Removal of the old drainage system and replacement with modern conduits
Drilling to augment water source
Construction of Auditorium: Step-gallery and central arena, stage and

**Phase III**

- Electrification
- Landscaping of the area surrounding the heritage well up to a radius of 100ft
- Beautification of open-air auditorium
- Weatherproof painting
- Follow-up maintenance

16 What is the format of this section?

.....  
 .....

17 What is the sequence of the items?

.....  
 .....

18 What is the pattern of the sentences?

.....  
 .....

19 Why are there no full stops at the end of each item?

.....

**VIII PROJECT SCHEDULE**

PHASE I:	10 days
PHASE II:	50 days
PHASE III:	30 days
TOTAL:	90 days

**BUDGET ESTIMATE**

Given below is an estimate of costs likely to be incurred in the renovation and landscaping of the Heritage Well site. The recurring costs shall be additional to the initial estimate and have been worked out in table 2.

**Table 1 Capital costs**

Sl.No.	Category of Expenditure	Cost in Rs. *
1	Civil construction	000000
2	Plumbing and drainage	000000
3	Equipment	000000
4	Project office maintenance	000000
5	Technical staff payment	000000
6	Landscaping artist and employee payment	000000
7	Contingencies	00000
8	Miscellaneous	00000
	Total	000000

**Table 2**      **Recurring expenses per year**

Sl.No.	Category of Expenditure	Cost in Rs.*
1	Salaries and wages	00 000
2	Maintenance	00 000
3	Contingencies	00 000

\*(Figures have not been given.)

**CONCLUSION**

The cost of renovation quoted is a very modest estimate as our primary objective is more academic than financial. Any modifications in our blueprint required will be considered. An early approval will be appreciated.



**Check your progress 1**

Draw a chart describing the sequence of the parts of a proposal.

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**Check your progress 2**

Draw up a proposal for a package tour of all the important tourist destinations in your state in response to enquiries by an educational institution with an international student population. They will need you to organize this tour on a regular basis three times a year.

**Preparation:**

Collect information about students: nationality, age group, attitudes

Collect information about suitable tourist destinations

Collect information about travel and accommodation tariffs

Calculate number of days required for a comprehensive tour

Calculate staff costs

Calculate profit margin

.....

.....

.....

**11.5 GRAMMAR: THE PRESENT PERFECT TENSE**

Read the sentences given below:

- 1 We **have been** in this business for almost a decade and **have established** ourselves as leaders in the region.
- 2 I **have been** a regular customer of your business and **have** always **admired** the way you operate and handle it.

The words in bold are in the present perfect tense.

Has/have + past participle of the verb

**Function**

... The Present Perfect Tense is used to talk about the present result of past actions. It is also used to talk about recent events. Examples:

- 1 I have given your report to the Director. (S/He has it now.)
- 2 I have sent them the samples they wanted.  
(I have sent them; they are in the post now.)

... The Present Perfect Tense is used for a finished action at an unknown or unstated time, often with **ever, never, just, already, yet, since** and **for**. Examples:

- 1 Sunil **has never been** to England.
- 2 I've **just finished** reading the proposal.
- 3 My office **has been** here **since** 1950.
- 4 **Have you spoken** to Sushant **yet**?

### Check your progress 3

- 1 Complete the following sentences by putting the verbs into the Present Perfect.
  - i I'm going to send them a reminder. They ..... (not pay) us for the last shipment.
  - ii I ..... (work) enough. I want to retire now.
  - iii I arrived late to the airport, I .....(miss) my flight.
  - iv We ..... (spend) a lot of money on modernizing the factory, and it is now very well equipped.
  - v Sumit, .....(you/meet) Kiran Nadar? She's is our Managing Director.
  - vi The dollar..... (fall) sharply.

- 2 You are in charge of a project. Write a short paragraph saying what you have already done and what you haven't done yet. We give you an example:

We **have** already **completed** the needs analysis...  
We **have** not **started** collecting the data as yet.

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.....

- 3 Put the verbs in brackets into the Present Perfect Tense.
  - i I .....(write) a report for Mr. Kanduri. (it is finished)
  - ii I ..... (not/take) a holiday for two years.
  - iii I'm sorry Prof. Kapil Kumar is not here. He .....(just leave).
  - iv We .....(visit) potential sites for the new office, but we haven't found anything suitable yet.
  - v Since January, our turnover .....(increase) by 40%.
  - vi I'm going to send them a notice, they .....(not pay) us for the last order.
  - vii The shares .....(fall) by over 25% and now it looks like a good buy.
  - viii I ..... (work) on those figures. They are almost ready.

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## 11.6 LET US SUM UP

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In this unit we looked at business project proposals. Proposals can be solicited or unsolicited. You learnt about the basic components of a business proposal. Proposals can be in a letter format for small projects and document format for big projects. Proposals are written after a great deal of preparation. Collection of information about various aspects is the essential first step.

Proposals should anticipate all questions that may be raised by the client. They should factor in competitors' potential and build in a cutting edge element.

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## 11.7 ANSWERS

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### Activity 3

- 1 The purpose of the cover letter is to introduce the document. It is a personal communication appealing to the client directly and indicates what the proposal contains.
- 2 The title page is necessary. A long project proposal is submitted as a booklet, usually in a spiral-bound form. The title page highlights the topic and states the name of the proposer and the addressee.
- 3 The Table of Contents indicates the major heads under which the proposal is organized with the page numbers much like a published book. As stated above, the proposal document is a booklet and follows most of the conventions of a published book.
- 4 The table of contents helps in quickly understanding what the proposal contains and helps in going to specific pages according to what one is looking for. For the writer it is an organizing support. This, in fact could be the preliminary outline that a writer makes before preparing the proposal
- 5 Not necessarily.
- 6 The essential elements are: Executive summary, Background, Budget Estimate, Conclusion. The other elements will depend upon the nature of each individual proposal.
- 7 The chart presents at a glance what the proposal aims at.
- 8 The tabular format helps in quickly identifying essential information.
- 9 The highlighting of the elements in the left column emphasizes the heads under which information is presented. These are the basic questions that the client would be interested in before reading the proposal in detail. It also helps in preparing the client for what is being presented later. It acts as checklist for the writer to see if all the possible questions have been answered.
- 10 The summary is placed before the actual proposal as it helps the reader understand the major implications of the proposal. The title page, the table of contents, the project chart and the executive summary all help in building up a picture of the detailed proposal in increasing degrees of detail.

- 11 The main items mentioned are the introductory statement, the problem, the solution, the procedure, the time and the cost?
- 12 It is.
- 13 It does, because it is brief, gives the essential points, is direct and does not repeat anything. It is to the point and matter of fact.
- 14 It is necessary to present the background of the proposing company in order to inform the client about the company's business standing and instill confidence in the client that the project can be entrusted to it.
- 15 The first paragraph informs the client about the company's business standing. The second paragraph gives instances of similar projects undertaken to substantiate the claims made earlier and helps the client to verify the claims made. The third paragraph informs about the company's professional way of working
- 16 It gives information about the company's standing, earlier projects undertaken and the kind of academic attitude it has adopted in relation to such projects and the background research it undertakes. All this cannot find a place in the proposal proper.
- 17 The format of this section is a list of actions
- 18 The sequence of the items is: Preparatory work, Actual structural work in step-wise stages, Basics to accessories, and External appearance.
- 19 Verbless sentences. Nominal phrases. Uniform pattern. Helps in packing maximum information with minimum words.
- 20 They are not full sentences.

### **Check your progress 2**

This is not a complete proposal. You need to fill in rest of the details.

#### **Title Page:**

**A Proposal for a Package Tour of All the Important Tourist Destinations in Gujarat**

Submitted to the Principal of LadySophieCollege by Global Tourister

#### **Table of Contents:**

- 1 Project Chart
- 2 Executive Summary
- 3 Background
- 4 Project Plan.....etc.

#### **Project Chart:**

Name and Address of Proposer:	Global Tourister
	22/B VardhmanTowers
	Limda Chowk, Rajkot
Time required for the commencement of the project after receipt of approval:	30 days



Locations selected:

Gandhinagar, Veraval-Somnath,  
Dwarka, Palitana, Daman and Diu,  
Porbandar and Kutchch-Bhuj.

**Project proposals**

### **Executive Summary:**

This proposal is submitted for the implementation of the proposed tour programmes for the students of LadySophieCollege, Rajkot on a regular basis three times a year.

Information about suitable tourist destinations across Gujarat has been collected. We have short listed some of the most popular tourist destinations across the state which are easily accessible. Some of the destinations we propose are- Gandhinagar, Veraval-Somnath, Dwarka, Palitana, Daman and Diu, Porbandar and Kutchch-Bhuj. However, you are free to add more to the list. We will be getting the governmental clearance wherever required.

### **Background:**

Global Tourister is one of the leading tour operators in Gujarat. We have been conducting tours and sightseeing for the past ten years. As our name suggests, we also have a national and global presence. ....

Recently we were given the project by Ambe Group of Educational Institutions of Baroda to organize tours on regular basis for their students from the primary section to post graduation classes. ....

### **Project Plan:**

Our proposed project plan is a visualization of the tour packages we would be offering LadySophieCollege on a regular basis three times a year.

We propose to organize the tours during the months of February, June and October. Each tour package shall consist of ten days. ....

### **Project Schedule:**

Time required for implementation – 30 days  
First phase of the tour – February 10-20, 2....

### **Budget Estimate:**

Given below is an estimate of expenditure likely to be incurred for a single tour package. We have included travel and accommodation tariffs, boarding and other related expenses. The recurring costs shall be additional to the initial estimate and the break-up is given in the table:

.....  
.....  
.....

### **Conclusion:**

The terms and conditions worked out are viable economically and will be to the satisfaction of both the College management and the students. We are open to discussion and further clarification.

We would appreciate an early response so as to accommodate further changes.

Check your progress 3

- 1
  - i have not paid
  - ii Have worked
  - iii Have missed
  - iv Have spent
  - v Have you met
  - vi Has fallen

- 3
  - i have written
  - ii have not taken
  - iii has just left
  - iv have visited
  - v has increased
  - vi have not paid
  - vii have fallen
  - viii have work

