



How Important is the Procurement Proposal Process (RFI RFQ RFP RFT)?

What is a Request for Proposal (RFP)?

This article and guide are designed to answer questions commonly asked by would-be vendors, suppliers, partners, consultants, and/or contractors about responding to a Request for Proposal.

We recognize that each organization has its unique way of doing things; this only reflects some of the procurement best practices, methods, and processes we conduct in our Request for Proposal (RFP) process.

Our intent with this article and guide is to help you submit successful proposals. Unfortunately, we cannot guarantee that if you use our suggestions you will win. Nothing in here is intended to relieve you from forming your own opinions and conclusions about the best way to respond to a Request for Proposal.

The Request for Proposal Process: Request for Proposal versus Invitation for Quote (RFQ)

What is a Request for Proposal?

A Request for Proposal is a formal solicitation document inviting binding proposals for delivery of a service, product, and/or project. The Request for Proposal describes the existing situation and asks proponents to offer their ideas, pricing, information, and data for a solution.

It is used when:

- We want to investigate more efficient and better methods.
- In selection when price is not just the final factor.
- We would like to see what the experts suggest.
- The requirement is complex.
- Would like to see if there is an alternative to the way we usually acquire the product and/or service.

How does an RFP differ from a Quote?

The Request for Proposal differs from the Invitation to Quote in that with a Request for Proposal ATS evaluates responses against a variety of criteria, as opposed to an Invitation to Quote where the winner is generally the lowest bidder who meets the specification. In the Request for Proposal, price is generally just one of the evaluation criteria.



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Other criteria could include such factors as the proponent's experience, skills of the proposed project team, appropriateness and creativity of proposed solution, or the proponent's sensitivity to the needs of our company, ATS, and/or its clients.

What is a Proponent?

When ATS invites proposals, the term "proponent" is used to describe an individual or company that submits, or intends to submit, a proposal. This term is used to differentiate between the participants in the process of a Request for Proposal and those participating in another solicitation process where the laws governing the process may be different.

What Steps does the RFP go through?

The following bullets roughly chart the steps in the process:

- ATS and the company identifies a need.
- ATS may be consulted and options assessed with the company team.
- Request for Proposal drafted with evaluation criteria.
- The Request for Proposal is issued.
- Proposals are received and evaluated.
- A winner is selected and notified.
- A contract is negotiated and signed.
- Work is performed.

How long can the process take?

From the time you first see the Request for Proposal, it could be months before a contract is signed. However, the length of the process varies significantly from project to project.

The Request for Proposal will often provide an outline of the anticipated time frame. If the information does not appear in the Request for Proposal, it may be a good idea to ask what its timetable is for the requirement in question.

The Document: What information do I get form the RFP?

Request for Proposal usually describes most of the following:

- Project background.



- Specific needs outlined.
- Project scope described.
- Parameters provided with submission of solutions.
- The price, unit, part number, and description for each item.
- Give a deadline for the proposal.
- RFP package faxed to you for review and signatures.
- Evaluation – Terms, Conditions, Acceptance, Contract Award.
- Whom questions should be addressed to.

Should I Bid? The Decision...

Is it worth my while to submit a proposal?

Only you can decide whether to submit a proposal.

What will happen if I do not?

Should you choose not to participate, your involvement in future projects will not be hindered. Any exceptions to this will be explained in the Request for Proposal. For example, the Request for Proposal may be for the first stage of a project for which competitive offers for subsequent stages will be requested only from respondents to the first stage.

What if I do not agree with all the terms of the RFP document?

The RFP document outlines the current terms and conditions that all proposals must either comply with or will be evaluated on. Non-compliant, conditional, or counter-offer responses cannot be considered. Some RFPs may allow for alternate solutions to be presented. If this is not explicitly outlined in the document, then proponents should ensure their proposals directly respond to the requirements outlined in the RFP document to be given full consideration.

What if I win ... then decide to not go forward with the contract? Will I be free to back out?

No, you will have to decide before the closing date whether you are serious about submitting a proposal. You can amend or withdraw a proposal up until the closing time, but at the stated closing time all proposals become irrevocable.

Other Proponents

How many organizations are invited to submit a proposal?

Depending on the estimated value of the project, a company may invite as few as three firms to submit proposals or may invite many more known suppliers of the product or service.



Will you accept proposals from organizations other than those invited?

Proposals will usually be accepted from any firm that expresses an interest. Exceptions to this are:

- A requirement where a source list is used, and proposals are invited from qualified firms on a rotational basis.
- Where an open pre-qualification process was held to identify qualified proponents and where only firms successful on that process were subsequently permitted to submit a proposal.

Preparation Time

How much time can I expect to spend on preparing a proposal?

It is difficult to provide advice on this because so much depends on the complexity of the requirement and the magnitude of the potential contract. Some proposals take as little as half a day to prepare and some can take months!

This is also dependent on whether the proponent has done a proposal before and whether they are utilizing the services of a professional proposal writer.

How do I make sure I hear about any changes made to the RFP before it closes?

If there are any changes, we will notify you of this by phone call, by email, and/or eProcurement system.

Project Budget

Does the RFP provide the budget?

There are a couple of ways the Request for Proposal can be set up. Usually, the Request for Proposal will describe what is needed and ask you for a solution and for your price to deliver that solution. But on occasion, through the Request for Proposal, will describe the project and tell you the budget and say, in effect, “How much of our wish list can you provide for this money?”

If not, can I find out how much money is set aside for the project?

If the budget isn't given in the Request for Proposal, then we will not be letting any firm involved with the RFP know our budget. This is in part because when organizations are looking for creative solutions to their situations, they are often interested in seeing a range of solutions and prices. By releasing a budget figure an organization may limit the options.



Insurance

The contract usually requires contractors to indemnify the organization conducting the RFP against any losses it incurs because of the contractor's activities in performing the contract.

To ensure that contractors fulfill this indemnity, we require evidence of adequate liability insurance. Arrangement and payment of this insurance are the contractor's responsibility.

Proposal Preparation

Content: What makes one proposal better than another?

The proposal that best demonstrates that it meets the specified needs will receive the highest score. Before you start writing, there are two things you should determine: The audience and the message.

The audience is typically easy to ascertain; proposals are generally evaluated by the organization represented in the RFP who will be actively involved in the subsequent contract.

The second thing of importance is the message: What exactly are we looking for? Your proposal should not just describe what you would do if successful, it must be able to convince us that:

- You understand its request.
- Its objectives will be achieved by entering a contract with you.

Where do I start?

Read all the instructions and explanations. Ensure that you have read all the information in the Request for Proposal, and you understand the request, bid specifications, and concerns.

I could offer the top-of-the-line solution or the bare-bones version. Which is going to win me the contract?

The evaluation criteria are the keys to your success. They show you how proposals are going to be evaluated so you can propose an appropriate solution.

First, whichever proposal you submit, it must meet all the mandatory criteria. Then the order of importance of the desirable criteria, and their relative weightings, will determine the content of your response.

If you are still unsure of what type of proposal would be best, you can submit more than one.



Format: What format should my proposal take?

Many Requests for Proposal will include a suggested format, such as the one described below. If so, the suggested format and sequence should be followed to ensure your proposal receives full consideration. If no format is suggested, the following would probably work for most proposals:

- Title Page, showing Request for Proposal number and/or title, proponent's name and address, closing date and time, proponent's telephone, email address, point of contact person, and any other pertinent information.
- One-page letter of introduction signed by an authorized signatory for the proponent.
- Table of contents including page numbers. Make sure all the pages are numbered.
- A short one- or two-page summary of the key features of the proposal.
- The body of the proposal.
- The Pricing formula in detail for each item – Description, Item Number, Unit of Measure, Price, etc. (if applicable).
- Any additional information, brochures, warranty overviews, etc. (May take the form of appendices).

Partners

Can I sub-contract?

Yes, you are usually free to sub-contract if no conflict of interest is created by your doing so. You must identify all sub-contractors in your proposal and state that you are willing to take responsibility for work performed by the sub-contractor(s).

How should this be addressed in the proposal?

If you are awarded the contract and later want to change one of the sub-contractors, you will have to get approval before doing so.

Can we get together with another company to submit a joint proposal?

Yes, if the proposal makes it clear that one of you is going to take overall responsibility for the work done and as long as there is a legal entity with whom we can enter a contract with. Again, this is only permitted where no conflict of interest is created.

Resumes

Should I include Resumes?

Sometimes the RFP will specifically request résumés. If it does not mention them and the experience and skills of the project team are being evaluated, it would be a good idea to include them.



Should resumes be customized for each proposal?

Yes, to the extent practical. It is up to you to decide how much time and effort to put into proposal preparation. Ideally, résumés will be in the same typeface as the rest of the proposal and will highlight skills and experience relevant to the project. They should not be too long.

Detail Level

I've done lots of work for the company being represented, surely, I do not to describe my company's experience in detail, the way I would to a new client.

Yes, you do.

Each proposal must stand-alone and will be assessed on its merits. To ensure fairness to all, information not contained in the proposal will not be considered during evaluation.

How much detail should I include in my proposal?

Evaluations of proposals are not a matter of checking boxes to indicate that a criterion has been addressed or not. Therefore, to address a topic by saying “Yes, I will do this” is insufficient. We want to know how you will do it. The preferred method is to avoid simply paraphrasing our requirement(s).

Below are two examples:

Example One

Statement in Request for Proposal: Building should be readily accessible by people with physical disabilities.

Response A – Not Recommended

Our building is readily accessible by people with disabilities.

Response B – Recommended

Our building was selected with our clients in mind. We are on a main bus route, the front door of the building is right on the sidewalk in front of the bus stop, and there is a parking lot directly besides the building. The floors inside the building are covered with carpet that is safe and smooth. Although there is a large elevator to the second level, most events take place on the main floor, which has no steps. The security podium at the building entrance is always staffed.

Example Two



Statement in Request for Proposal: Proponents should have extensive experience in this or a related field.

Response A – Not Recommended

Proponent has extensive experience in this field.

Response B – Recommended

The proposed project manager has been a technical writer for twenty-three years.

For nine years he was with Microsoft, responsible for providing technical writing training and advice to staff and clients. He now lectures on Technical Writing at the University of Washington. Lists of his recent publications are attached.

In addition to his lecturing, in the last three years the proposed project manager has completed the following contracts:

Accomplishment #1.

Accomplishment #2.

Accomplishment #3.

I still cannot decide which of my two ideas you would like, can I submit them both?

Yes (unless of course the Request for Proposal specifically allows for only one proposal).

Submit the two ideas, as two separate stand-alone proposals so they can be evaluated separately, in the same way as proposals from two different companies would be.

Criteria Evaluation

What do the percentages beside the evaluation criteria mean?

Note: The evaluation criteria can differ for each RFP.

They show the weighting that will be placed on each criterion during evaluation. If “experience” shows as 25%, it means that points for experience account for 25% of the total mark.

If these percentages are not listed in the RFP Specifications, you can follow the format of pricing, service, warranty (if applicable), and experience.



Is it possible to score nothing at all on a section and be the overall winner?

It could be, but it's unlikely. It depends how the evaluation is conducted. Many times, there will be an "upset" score, so that proposals will have to score a minimum mark on a given section to be further evaluated.

In the example above, where experience is given 25% of the total mark, we may have decided that experience is sufficiently important that it would be unwilling to enter a contract with a company that did not have at least a minimum level of experience. In this case, the available percentage could be 25%, but proposals may have to score at least 15% to receive further consideration.

What are the mandatory criteria versus desirable criteria?

Mandatory criteria describe the features your proposal must have, or elements it must contain, to receive further evaluation. We determine whether you have met each criterion is by a simple "yes" or "no".

Desirable criteria represent those features we would like to see in your proposal. Your score in this section indicates how far your proposal goes towards providing what we are looking for.

Are evaluation criteria other than those identified in the RFP used?

No. We can only evaluate your proposal in accordance with the criteria and weightings previously provided. However, the Request for Proposal will not usually show a detailed breakdown of how we intend to award points for each of the criteria.

Price: Do I have to worry about submitting my best price now, or will prices be negotiated later in the process and/or with the winner?

Because price is being evaluated along with all the other aspects of your proposal, you should put forward your best price now to win the business.

Each RFP project is different because every company and bid are different. There are some Bids that take several negotiations between all proponents of the RFP.

Expenses

Proposal preparation is costly; can I be reimbursed for my expenses?

No. While we understand that preparing a proposal can be expensive, we believe the Request for Proposal to be the most fair and effective way to solicit ideas and give companies the



opportunity to compete for our business. We make every effort to eliminate unnecessary expense to proponents, but we are not able to pay for the preparation of proposals.

Cover Letter

Does the format of my cover letter matter?

The cover letter will probably only be about three-quarters of a page long. It should briefly:

- Introduce the company, e.g., “we are a Seattle based plastics manufacturer employing 92 people with 2 plants in Auburn and one in Seattle.
- Highlight the most convincing features of the proposal, based on results rather than process.

The person authorized to sign on behalf of the proponent should sign the cover letter. It should state that you agree to all the terms and conditions of the Request for Proposal and you agree to be bound by statements and representations made in the proposal and to any agreement resulting from the proposal.

Timeframe

How can I prepare a schedule with Timelines that are accurate?

Perhaps your schedule can make certain assumptions and highlight the various decision points. A separate explanation could identify the assumptions and explain how different decisions might affect the schedule.

Executive Summary

What should be in the executive summary?

The executive summary should normally not be more than a couple of pages long and it would explain in simple terms what you are proposing. It should describe both the anticipated results and the process you would follow to achieve these.

The executive summary should contain all the basic elements of your proposal so that anyone not on the evaluation team would be able to read the summary and understand exactly what you are proposing.

The summary should be written in plain English, readily understood by the layperson (or the specified language in the RFP). It would not contain technical details except to the extent these are essential to an understanding of the proposal.



Avoid

Is there anything I should specifically avoid doing or saying?

- Avoid underestimating the evaluators. People evaluating the proposals are knowledgeable in their fields.
- Do not take this opportunity to point out any flaws in our existing program unless it is necessary to do so to describe the benefits of your proposal. Proposals should be upbeat and positive and should be suggesting solutions.
- Do not impose conditions. If you make it too difficult for us to accept your proposal, you can be reasonably sure the proposal will not be accepted.
- Define any acronyms used and refrain from using technical jargon. Your proposal should stand on its substance and not be overly complicated to describe your solution.
- If you are making any assumptions in preparing your proposal, make sure they are clearly stated.
- Do not rely on anyone else to get your proposal in on time. Late proposals cannot be accepted, regardless of the reason for being late.

Checklist

The following checklist will help you make sure you are finished with your Request for Proposal:

- Everyone involved in putting together the proposal has read and understand the requirements.
- You have included any attached pricing lists via email, portal, and/or mail.
- The proposal addresses everything asked for.
- The proposal meets all the mandatory requirements.
- The appropriate number of copies of the proposal has been made.
- The proposal clearly identifies the proponent, the project, and the Request for Proposal subject and/or number.
- The proponent's name and the Request for Proposal number and/or RFP Title appear on the proposal envelope.
- The proposal will be at the closing location before the closing time.
- The proposal is being delivered by hand, courier, mail, portal, or email.
- The cover letter has been signed and attached.

The Proponent's Meeting

Attendance: Do I have to go to the proponent's meeting?

Not usually. If attendance is mandatory the Request for Proposal will say so. Generally, attendance is optional unless the meeting incorporates a site visit. However, if attendance at



the meeting is mandatory you will have to go if you want your proposal to receive consideration.

The RFP will state if there is a proponent meeting. If it is not stated, that means there will be no proponent meeting.

Asking Questions

Can I ask questions without having the competition find out who asked?

Yes. Usually, you will be offered the opportunity to submit questions in writing in advance of the meeting. These questions will be answered at the meeting without identifying the enquirer.

What sort of information should I expect to get from the proponent's meeting?

The proponents' meeting is intended as an information session to ensure you have all the information needed to submit a sound proposal.

You can get clarification on anything that is unclear in the Request for Proposal. If the Request for Proposal does not say so, you can find out if the service was contracted previously or done in-house; you can gain an understanding of the rationale for decisions made; you might get an idea of who else is bidding; and you can ask what the anticipated timeframe is for contract award.

How can I make sure that I ask enough questions at the proponents meeting to get the information I need, but not in such a way that I lose any advantage I may have?

Because it would be too easy to give away your ideas, and with them your competitive edge, by asking questions in the wrong manner, it is a good idea to spend some time in advance of the meeting preparing the questions you are going to ask.

You might think twice about asking questions along the lines of "Would the following approach be acceptable?"

Proposal Presentation and Submission

Appearance: Does it matter how my proposal looks?

There may not be any points allocated to the beauty of the proposal, but first impressions count. You want us to believe that your company is professional and organized, and your proposal should reflect this. It should not be necessary to go to a lot of expense, but care should certainly go into presentation.



Here are some examples or suggestions. None are rules. Although we have tried to identify common approaches, your judgment will always be the best.

- Use a binding method that works, even if it's only a staple. The pages shouldn't fall out when the evaluation committee reads your proposal.
- Use short paragraphs and leave plenty of white space on each page.
- As much material as possible should look as if it was created specifically for this proposal. Attachments should all be pertinent to the proposal. Keep in mind that too much material can be off-putting to evaluators and can even detract from the parts you want them to focus on.
- Related topics should be kept together, and statements should not be repeated in the proposal (except, perhaps, statements from the executive summary).
- Avoid cross-references to the extent possible, as it can be hard for evaluators to evaluate the proposal if they must frequently jump between sections to get the full picture.
- If you choose to use color to highlight, use it sparingly for greater impact. Any photographs used to illustrate a point should be clear and attractive and not too busy.
- Section headings usually work best if they are the same size as the text or only slightly larger, and it's often best to stick to one typeface throughout the proposal, varying only by using bold face or underline or other formatting. Avoid excessive use of capital letters.
- Always number the pages, preferably with one numbering series from the first to the last page.

How much emphasis should be placed on grammar, spelling, and layout?

Your proposal should be easy to read and understand.

Use plain language and write in short, clear sentences. You want to make sure the evaluation team gets the right message. Errors can be distracting so although you are not writing a novel and are not being given marks for creative writing, your spelling and grammar should be accurate.

Should I send my proposal electronically or by paper?

Unless the Request for Proposal states otherwise, send a printed document, with the requested number of copies. Sometimes we will request the proposal, or a portion of the proposal, to be submitted on a disk or via email, though, so you should read the Request for Proposal carefully for instruction.



In the case of multiple items, we will email the list of items for bidding. If instructed to do so, we expect the attachment to be filled out and sent back to us via email.

How long should the proposal be?

Only if it takes to provide the information.

Proposal Submission

How important are the noted closing date and time?

Absolutely crucial. Proposals received after the closing time will not be evaluated.

Proposal Evaluation

The Steps: How are proposals evaluated?

1. Shortly after the closing time, the evaluation team meets to review the proposals. The first thing the team does is make sure each proposal has met all the mandatory criteria. Those not meeting all the mandatory requirements are put aside and will receive no further consideration.
2. Those proposals meeting the mandatory criteria are assessed and given points to indicate how the proposal performs against each of the desirable criteria. Each team member giving a number and the recorder writing down the average of the marks can do this, or it can be done by consensus. Either way, the proposal is discussed in detail and opinions are exchanged as to the extent to which each criterion is met. A scoring sheet like the one provided at the end of this document, although with additional space for comments, is used on the RFP's that require it.
3. After proposals have been evaluated against the desirable criteria a lead proponent may have been identified. Should the lead proponent still prove successful after these checks, it will be determined to be the winner. If the lead proponent fares poorly on the reference checks, the second proponent's references may be checked, and so on.
4. Once a winner is selected, all proponents are notified, and a date is set with the winner to commence discussions relating to the contract and statement of work if applicable.

What is the evaluation team looking for?

The committee will score your proposal against the evaluation criteria shown in the Request for Proposal or according to price, warranty, references, solution provided, the ability of your company, and presentation.

Sometimes the RFP shows broad headings, such as, proponent experience 40%, program content 20%, and price 40%. These headings may be broken down into sub-criteria for



assignment of points, but the sub-criteria will only enlarge upon the already-provided criteria. They will not introduce new categories. The only things that can be evaluated are those criteria identified in the Request for Proposal.

Presentation: Will I be given the opportunity to make a presentation to explain my proposal?

Not usually. The proposal should contain all the details of your proposed solution so that it can be evaluated without the need for additional information. If presentations are planned, the process is generally described in full in the Request for Proposal.

Consideration: How do I know my proposal will receive full consideration?

Make it easy to read and provide all the requested information. There is usually a section of the Request for Proposal that will tell you what must be in your proposal. If not, you should follow the RFP format as stated above.

Before you submit your proposal, make sure everything in this section and everything described under “Evaluation Criteria” is either provided or addressed. All proposals that meet all mandatory criteria will be evaluated in full.

Contract

Negotiation: Who can I expect to see during contract negotiations?

It all depends on the size of the project and the scope of the project. If the scope of the project is larger and involves more groups, then you would see those needed to conclude a successful RFP.

What if the parties cannot reach agreement on contract terms?

Most Requests for Proposal say that if we cannot reach agreement with the winner within thirty days, we reserve the right to stop negotiations and move on to try to reach an agreement with the proponent who came in second or to cancel the process. If the RFP does not state this, it is our policy.

Content: Is the organization conducting the RFP likely to select another company and then incorporate some of the ideas in the contract?

This would be contrary to any sound best procurement practice.

Dispute: How are contract disputes resolved?

Dispute Resolution processes are often outlined in the terms of the RFP and contract.



Feedback: How soon will I find out who has won the bid?

Whether a winner or not, notifications and outcomes usually take place within a week or two of the award decisions, providing all the approvals are complete to proceed.

Concerns

If a proponent has concerns with the fairness of the process who should be communicated to?

If you have concerns with the process you should start by talking with the contact person shown in the Request for Proposal.

How Can We Serve You?

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ATS has global experience empowering and changing the lives for many executives, leaders, and organizations in more than 100 nations, having increased profits in the tens of billions of dollars, with sustainable profit increase and cost reduction outcomes.

ATS, a dedicated and highly motivated global industry leader, has more than 30 years business, procurement cost reduction, artificial intelligence, growth, training, strategic, and leadership experience in many different industries, from small to Fortune MNC's.