

Responding to Procurement Opportunities



Assessing Your Business

Evaluating Your Capacity

- Facilities
- Production
- Technology
- People and Skills
- Professional Skills

Assessing Your Business

Review Your Financials

- Cash Flow
- Current and Projected Expenditures
- Current and Projected Revenues

Assessing Your Business

Review Your Operating Environment

- Current Customers
- Alignment with Company Vision and Values
- Company Buy-In

Understanding the Language

Key Terms:

- Expression of Interest (EOI)
- Request for Quotation (RFQ)
- Request for Proposal (RFP)
- Tender

Expression of Interest (EOI)

- Used by procurement officers to identify potential suppliers interested in, and capable of, delivering the required and/or desired goods or services

Request for Quotation (RFQ)

- Usually a request used for commodities or products
- A formal way for procurement officers to request quotes from suppliers
- Contains all necessary information for the suppliers to give their quote
- Creates a potential for competitive bids

Request for Proposal (RFP)

- A more complex document
- Invitation is presented to suppliers to submit a proposal on a specific commodity or service
- Brings structure to the procurement decision
- Allows for risks and benefits to be identified up front

Tender

- A formal offer of money
- An offer to carry out work or supply goods at a stated fixed price
- Unconditional offer to perform or produce what is specified in the agreement

Tenders vs. Proposals

TENDERS

- A promise to pay, regardless of competition
- Submitted in private; sealed and secret
- Final offer

PROPOSALS

- A promise to pay based on overall best value of submissions
- Open, competitive, subject to change
- Negotiable

Reviewing the Request

Prior to putting together your response consider:

- Probability of winning
- Cost of responding
- Estimated profit

Main Components of Procurement Documents

- Summary and Background
 - Overall description of the project
 - Why the project is necessary
 - Background information of the requesting organization

Main Components of Procurement Documents

- Proposal Guidelines
 - Description of what each submission should contain
 - Timelines and Important Dates
- Project Purpose and Description
 - Purpose of the project
 - Detailed description of project outcomes
 - Description of work to be completed

Main Components of Procurement Documents

- Project Scope
 - Highly detailed description of work to be performed
 - What will not be included in the project
 - Additional work that may be required

Main Components of Procurement Documents

- Request for Proposal and Project Timeline
 - Request for information deadlines
 - Submission deadlines
 - Any known project deadlines or time constraints

Main Components of Procurement Documents

- Budget
 - Details how to illustrate cost breakdown
 - Items that will be included or excluded in costs
- Bidder Qualifications
 - Company specific information to help in evaluating each submission objectively

Main Components of Procurement Documents

- Proposal Evaluation Criteria
 - List of components that provide the basis for objective evaluation
 - Clearly defined requirements for each component

Importance of Research

- Research the company you are submitting your proposal to
- Research past proposals accepted by the company
- Research fluctuations for product or service pricing
- Learn the company's procurement process

Ask Questions

- What criteria are important to you in selecting a firm? How would you rank the criteria?
- Are there any special circumstances of which we should be aware?
- What role will pricing play in the decision? What issues are of concern about pricing?
- Do you have a timeline for making a decision?

Process for Responding

Your proposal should clearly state:

- The problem or need the potential client is currently facing
- The solution you are able to provide
- The value of choosing you over your competitors

Organizing Your Proposal - Opening

- Title Page
- Cover Letter/Introduction
- Copy of RFP
- Table of Contents
- Executive Summary (Nontechnical language)

Organizing Your Proposal – Middle:

- Revisit your audience's need as indicated in the RFP
- Present your solution – your product or service
- Describe implementation
 - Products or services
 - Method and schedule of delivery
 - Costs, fees, budgets
 - Quality assurance methods
 - Personnel
 - Statement of responsibilities

Organizing Your Proposal – Middle:

- Outline your benefits for the audience
 - Highlight your strengths
 - Recognize your weaknesses and how you will overcome/compensate for them

Organizing Your Proposal – Closing:

- Describe your company and its resources:
 - Testimonials, Key Personnel and Resumes, Current and Past Customers, and so on.
- Provide a summary:
 - Focus on the audience's need
 - Restate your solution and its advantages

Reviewing Your Proposal

Strong Ideas:

- Demonstrates your understanding of the problem, need, resources, alternative solutions, and so on
- Clear and persuasive throughout
- Contains accurate information and realistic figures, deadlines, and expectations
- Tables and graphs are clear and visually appealing

Reviewing Your Proposal

Logical Format:

- Clarifies the problem and demonstrates your understanding
- States the proposed solution and highlights benefits
- Outlines an implementation plan
- Includes quality assurance measures and methods

Reviewing Your Proposal

Conversational Voice:

- Positive, confident, objective
- Pays attention to reader's perspective

Reviewing Your Proposal

Clear Words:

- Uses language that speaks to the reader
- Define technical words
- Pay specific attention to word choice in cases where translation may be required

Reviewing Your Proposal

Smooth Sentences:

- “Read-aloud” your proposal
- Main ideas, recommendations, summaries, and conclusions are easy to understand and easily identifiable

Reviewing Your Proposal

Correct Language:

- Spelling and grammar
- Punctuation and usage

Reviewing Your Proposal

Reader-Friendly:

- Complies with requested format expected by the reader
- Sections and headings are consistent and identifiable
- Use layout features, white space, and other formatting to your advantage

Final Tips and Considerations

- Ensure your proposal answers – Who, What, When, Where, Why, and How
- If you aren't an expert, ask one
- If you are unsuccessful, find out why
- If you don't write it, they won't know it
- 'Pick battles big enough to matter, but small enough to win'
- Jonathan Kozel