



The Anatomy of an RFP

SARRC Meeting

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Agenda

- Definitions
- Pre-Work
- Development
- Launch
- Supplier Evaluation
- Supplier Selection
- Award Contract
- Transition

Definitions

- RFI: Request for Information is used when companies need to define qualified participants
- RFP: Request for Proposal is used for a complete supplier selection process
- RFQ: Request for Pricing is used when companies are simply testing the market to ensure current fees are competitive
- SLAs: Service Level Agreements
- KPIs: Key Performance Indicators
- NDA: Non-Disclosure Agreement
- SOW: Scope of Work

Pre-Work (30 days)

- Define overall goals and objectives (why?)
- Establish transition team of key stakeholders (i.e. HR, business, procurement, tax, legal, finance, IT)
- Outline the process, budget constraints and a timeline through implementation
- Define SOW
- Create a weighted evaluation matrix
 - financial stability, services offered, team, locations, technology, fees
- Create a pricing matrix per SOW
- Identify participants thru RFI, interviews or site visits
 - include suppliers with an existing business relationship

Development (30 days)

- Include the following:
 - goals/objectives (performance and financial)
 - company background/fact sheet
 - program trends and future vision with no guarantee of future volumes
 - instructions (company contact person, max pages, format, deadlines, submission)
 - Intent to Respond including NDA
 - detailed SOW
 - pricing matrix template (required pricing format)
 - eSourcing tool/online reverse auction training session

Development (contd.)

- Ask questions that will impact selection:
 - the type and quality services
 - account team location(s) and bios (certifications?)
 - geographic reach/office locations
 - client references (similar scope)
 - technology capabilities
- Request the following:
 - transition plan
 - list of standard reports and examples
 - list of standard KPIs/SLAs

Respect the suppliers' time and investment

Launch (15 days)

- distribute the RFP
- record receipt of Intent to Respond/NDA
- schedule conf call for all participant Q&As
 - distribute documented Q&As to all participants
- briefly review RFP responses
 - disqualify noncompliant participants and notify accordingly

Supplier Evaluation (45 days)

- distribute qualified proposals to evaluation team members to review RFPs
- prepare cost analysis and investigate pricing discrepancies
- evaluate and score the responses in the evaluation matrix , identifying at least two finalists
- conduct site visits with finalists for oral presentations at suppliers office to see operations and meet team
- check finalists references

Supplier Selection (30 days)

- present recommendation to senior management
- notify suppliers not awarded first, then the selected supplier
 - *Suppliers not awarded deserve a call clarifying why and providing them with feedback based on time invested in the process. Formal written email can be sent after the call.*
- communicate internally about the selection of new service provider accordingly (HR, management, impacted employees)
- conduct a wrap-up meeting with internal transition team within two weeks of selection to discuss lessons learned

Award Contract (30 days)

- execute the completed contract prior to go-live date
 - negotiate fees for transitioning to new provider and include in contract
- co-develop supplier SLAs/KPIs (obtainable)
 - review and modify annually
 - attach as addendum for ease in updating annually

All modifications to the SOW must be reflected in an amendment.

Transition (30-90 days)

- co-develop transition and implementation plan with both the incumbent and new suppliers
- share transition plan with internal team
- schedule regular meetings with transition teams (both internal and external)

