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استراتژی مدیریت قرارداد

پیکره دانش مدیریت قرارداد (Contract Management Body of Knowledge)

بخش ششم: فاز Pre-Award از چرخه حیات مدیریت قرارداد

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What we will learn?

- Pre-Award
  - Plan solicitation
  - Request offer
  - Plan sales
  - Prepare offer

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The CMBOK structure

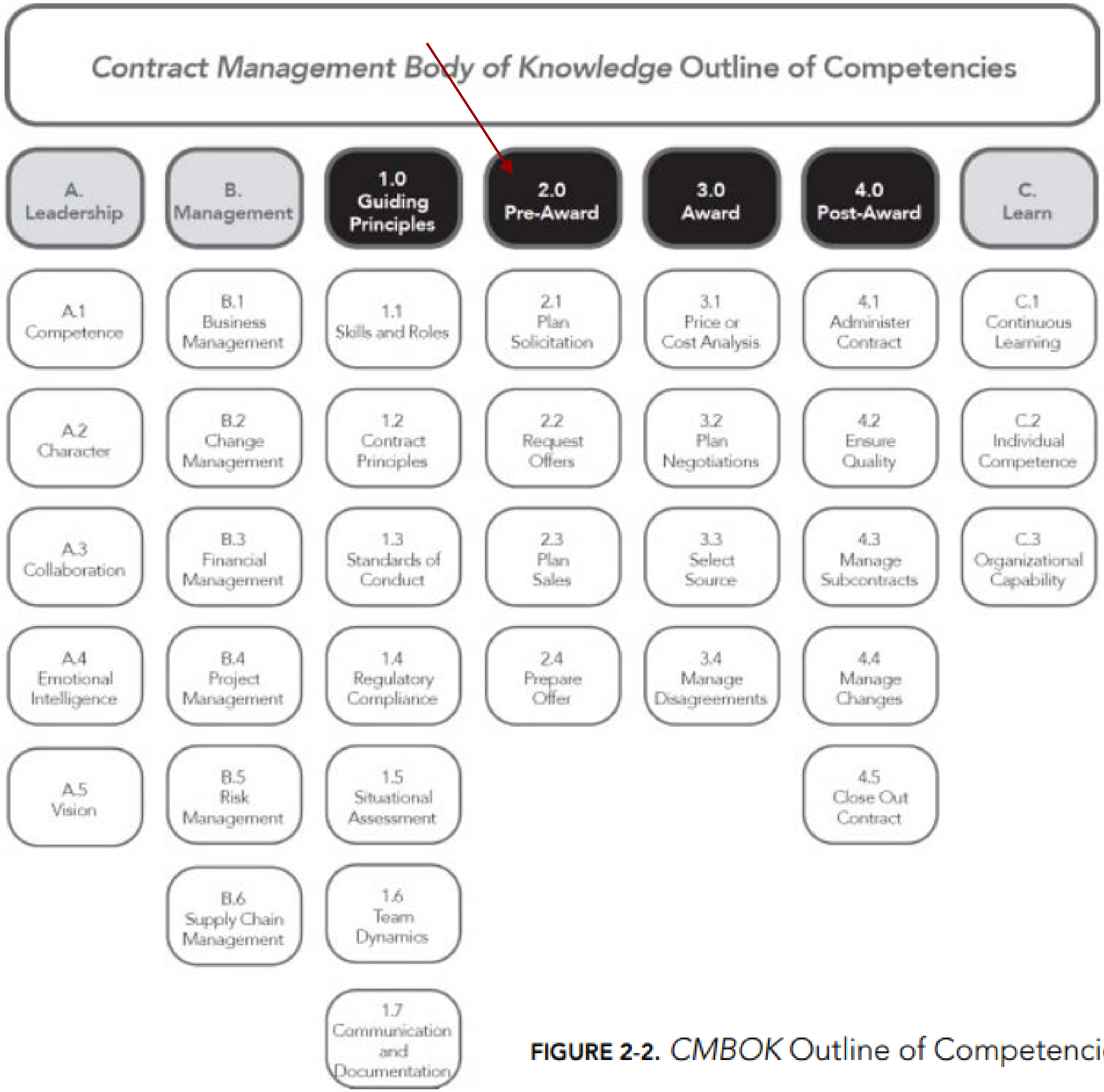


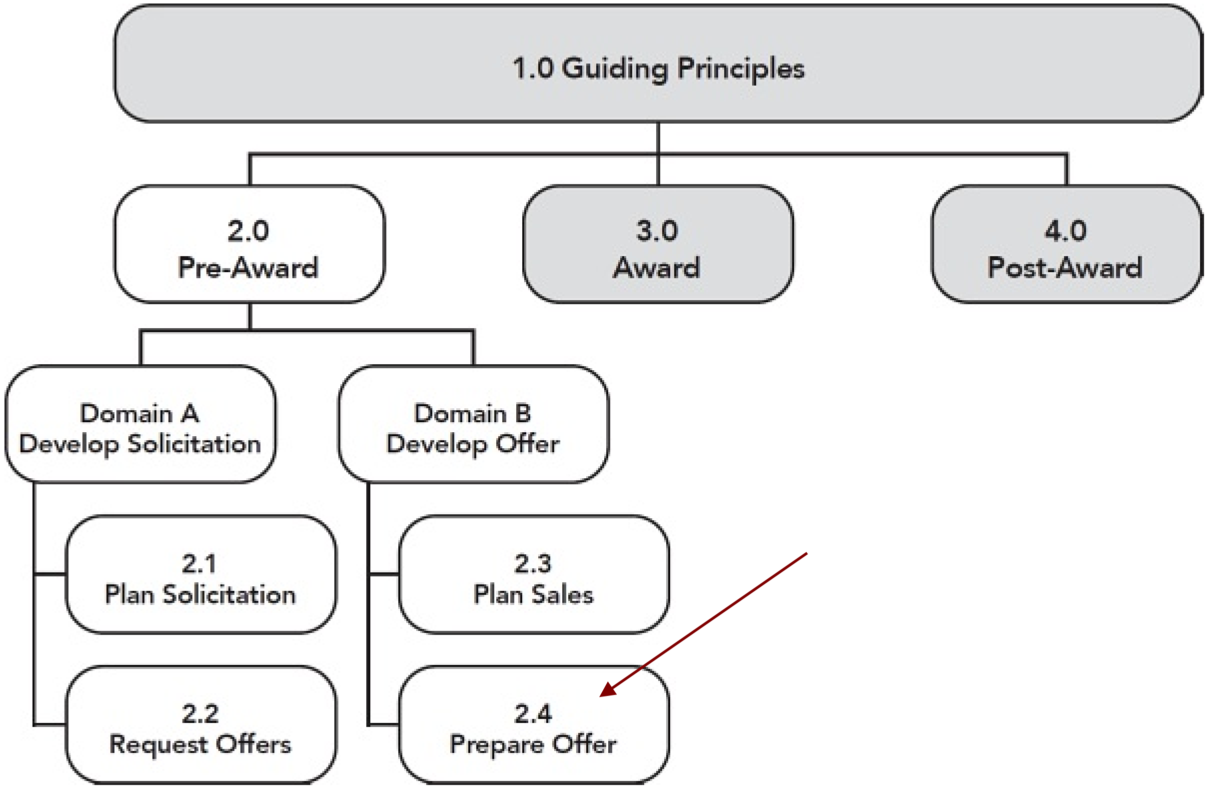
FIGURE 2-2. *CMBOK* Outline of Competencies

DOMAIN A: DEVELOP OFFER

(PREPARE OFFER)

Develop offer

FIGURE 6-2. Overview of the Pre-Award Competencies



Prepare offer

Prepare Offer is the process of executing the sales plan as it assembles an offer to win business. The skillful application of common job tasks in preparing an offer will exploit and increase organizational strengths and efficiencies in order to enhance marketplace positioning.

Prepare offer

1. **Capture Team**
2. Best Practices for Understanding a Solicitation
3. Cost or Pricing
4. Quality Control Plan (QCP)
5. Compliance Matrix
6. Performance Risk Plan
7. Reviewing the Offer
8. Submitting the Offer

Capture team

- (From the book, Solicitations, Bids, Proposals, and Source Selection: Building a Winning Contract, by Gregory Garrett and Gail A. Parrott)

Capture team

- An example of an agenda for the capture team's kickoff meeting is presented in FIGURE 6-22.
- Once this meeting is completed, follow-on meetings should be scheduled to determine
  1. Progress
  2. Accountability
  3. Future activities

Capture team

FIGURE 6-22. Capture Team Kickoff Agenda

Agenda Topics	Reference Documents	Discussion Leader
Introduction • Purpose, agenda, limit • Introduce team members		**Capture manager**
Review Opportunity • Customer profile • Opportunity profile • Competitor profile • Win theme and strategies • Issues and concerns	• Stakeholder opportunity review package	**Sales leader**
Validate Capture Plan • Work tasks • Resources • Timeline • Communication plans	• Work breakdown structure (WBS) • Organization breakdown structure (OBS) • Responsibility assignment matrix (RAM) • Team leader roles and responsibilities • Task list schedule • Customer positioning and contact plans • Project communication plan • Change request plan • Alert-jeopardy-escalation Plan	**Capture manager**

Capture team

Review Proposal Development Plans • Development process • Production requirements • Layout and assignments • Proposal reviews	• Proposal development checklist • Proposal production checklist • Proposal layout with assignments • Pink team and red team checklists	**Proposal manager**
Action Items and Next Steps • Action items • Meeting schedule	• Action item register	**Capture manager**

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Best practices for understanding a solicitation

- (From the book Understanding Solicitations and Preparing Proposals, Third Edition, by James N. Phillips Jr.)

Best practices for understanding a solicitation

- While the **buyer** must clearly articulate the **need** in a solicitation,

  the **seller** must accurately understand the **need** in order to

  1. Determine internally whether the seller will pursue the contract and
  2. Whether it can deliver the expected contract performance.

Best practices for understanding a solicitation

- The following **best practices** are recommended in order for sellers to **understand solicitations**.

1. Reading the Solicitation
2. Rereading the Solicitation
3. Write a Two-Paragraph Summary of the Requirement
4. Read Instructions to Offerors
5. Read Evaluation Factors for Selection
6. Resolve Inconsistencies and Ambiguities
7. Understand Contracting Method and Award
8. Identify Key Information
9. Identify Key Words or Phrases
10. Separating the Solicitation into Sections
11. Identifying Deliverables
12. Creating a Table
13. Identify Critical Skill Sets
14. Is it Worth It? The Bid/No-Bid Decision
15. Offer Formatting

Best practices for understanding a solicitation – Reading the solicitation

- The seller must read the entire solicitation, including

  all attachments and referenced materials (such as clauses, provisions, specifications, standards, drawings, and handbooks),

  in **order to gain**

  1. An overall familiarity with **document** and
  2. General understanding of what the **buyer needs** and what will be **required** of the seller to comply with the solicitation's terms

- The **timing** of this first review of the solicitation is critical in case the potential seller discovers inconsistencies or ambiguities in the solicitation.

Best practices for understanding a solicitation – Rereading the solicitation

- **Once the requirement** is **understood**,

  then the solicitation should be reread with the intention of

  annotating key points and features.

Best practices for understanding a solicitation – Write a two-paragraph summary of the requirement

- After reading and rereading,

  the **seller** should write two paragraphs **summarizing** the requirement.
- This will serve as the **basic understanding** of the need as presented by the buyer in the solicitation.

3 key points to be considered in summarizing:

requirements
A description of what is expected to be performed by one or both parties to an agreement.

- *Technical* requirements specify what the product should do and how the seller will support it.
- *Administrative* requirements specify how the customer/buyer relationship will work.

- Consider the following:
  1. Is it a service or a product?
  2. What is the **problem** the buyer is asking the seller to solve?
  3. How much creativity is the buyer **asking** the seller to present?

Best practices for understanding a solicitation – Read instructions to offerors

- Reading the solicitation is **important**,

  but reading and understanding the Instructions to Offerors is **critical**.

- These **instructions** are typically included in a solicitation provision.

- They **instruct** the seller on what needs to be done

  when responding to the solicitation.

- **Failure to follow** every instruction could cause the offer to be rejected.

Best practices for understanding a solicitation – Read evaluation factors for selection

- The evaluation factors are also found in the **solicitation provisions section**.

- Evaluation factors **alert the seller** to the **relative importance** of certain elements of the solicitation (e.g., technical, past performance, price).

Let's see some examples

Best practices for understanding a solicitation – Read evaluation factors for selection

- Examples of **how evaluation factors** can be presented to show their **relative importance** include:
  - Technical is greater than Past Performance and, when combined, the two are greater than Price.
  - Technical is greater than Past Performance and, when combined, the two are equal to Price.
  - Technical is equal to Past Performance and, when combined, the two are less than Price.

Best practices for understanding a solicitation – Resolve inconsistency

- If the **solicitation states** a requirement in one area
  but **elsewhere states the same requirement** in different or contradictory language (e.g., dates, times, quality standard, performance, etc.),
  then there is inconsistency or ambiguity.
- Any inconsistency, ambiguity, or other problem with the solicitation should immediately be brought to the attention of the buyer.
- It is important to raise these issues immediately,
  as **buyers often limit the time** after the release of the solicitation when such questions can be raised.

Best practices for understanding a solicitation – Understanding contracting method and award

- The **seller** must understand the contracting method (e.g., IFB, RFQ, RFP) to understand **when the offer** can become a binding or potentially binding contract.

Best practices for understanding a solicitation – Identify key information

- The **seller** must **identify information** such as:
  - Times/dates
  - Skills and skill sets
  - Performance measures
  - Quality factors
  - Deliverables
  - Dates of submission
  - Where to invoice
  - Who to call with questions
  - Bond and Insurance
  - Use of prevailing labor rates
  - Certifications,
  - etc.

Use those presented in claim course!

Best practices for understanding a solicitation – Identify key words or phrases

- The **seller** should **identify key words or phrases** in the solicitation to understand what is desired or required by the buyer.
- If an **item is required** in the solicitation,

  but the proposal makes no commitment to its delivery or performance by the seller,

  this could cause the offer to be rejected.

  Examples of words to search include:

  Shall
  Will
  Must
  Should
  May
  Recommend
  Required
  Provide

Best practices for understanding a solicitation – Separating the solicitation into sections

- Separating the paragraphs into a series of **functional statements** could be useful to **understanding** the requirement.

- However, the sentences should not be rearranged when performing this analysis, as this may affect the **contextual understanding** of the buyer's total requirement.

Best practices for understanding a solicitation – Identifying deliverables

- Identify all deliverables and their expected due dates.

- Deliverables may be annotated as specific line items in the schedule, or they may be identified in the narrative of the solicitation.

- Examples of possible deliverables include:
  - Products/Goods
  - Services
  - Data
  - Timelines
  - Status Reports, interim or final
  - Qualified Personnel
  - Performance Bonds
  - Certifications

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Best practices for understanding a solicitation – Creating a table

- **Deliverable due dates** from the solicitation can be placed into tabular format to give them structure.

- This information will provide the seller with clear expectations of **all delivery dates**.

- In addition, this information can support a quality control plan when it is developed.

Best practices for understanding a solicitation – Creating a table

- Upon **receiving the contract award**, the seller should confirm the **exact delivery dates** with the buyer.
- FIGURE 6-23 illustrates a sample table to track delivery dates.

FIGURE 6-23. Sample Table to Track Delivery Dates

Tasks	Expected Due Date (Solicitation)	Exact Due Date (Contract)
Attend orientation meeting	NLT 5 Days After Award	
Submit Deliverable 1	NLT 30 Days After Award	
Submit Deliverable 2	NLT 45 Days After Award	

Best practices for understanding a solicitation – Identify critical skill sets

- The seller needs to know if its company
  1. Has access to the right skill(s) and in the right quantities to meet the **buyer's needs**, or
  2. If the skill needs to be acquired through a teaming arrangement, consultant, new hire, or some other means.

Best practices for understanding a solicitation: Is it worth it? The bid/no-bid decision

- Once the **seller** fully understands the **buyer's requirement**, the seller conducts an opportunity/risk analysis and gathers any other information and analysis.
- At this point the **seller** must **make a decision** as to whether it believes it can submit a winning proposal or not.
- The decision to pursue the sales opportunity or not is typically referred to as the Bid/No-Bid Decision.

Best practices for understanding a solicitation – Offer formatting

- Even with specific offer formatting required by the buyer, the **seller is encouraged** to add value through creativity, yet be clear, concise, and simple.

- When evaluating offers, the buyer **compares the offers** with the requirements of the solicitation.

- An **offer that is not consistent** with the solicitation can cause confusion and may be rejected if deemed nonresponsive.

Best practices for understanding a solicitation – Offer formatting

- When formatting the offer, understand and address what is truly important to the buyer in the evaluation **factors for selection** (e.g., price, schedule, technology, quality, support).

- Once a decision to submit an offer has been made, a technical proposal development team should be established to ensure the **seller's solution** is accurately **conveyed to meet the buyer's need**.

- Also, the price should be based on economic drivers of the marketplace and the technical and business risk.

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Cost or pricing

- (From the book, Developing Winning Proposals: Proposal Preparation Techniques and Tips, by Federal Publications Seminars and Capital Edge Consulting)

Cost or pricing

FIGURE 6-24. Quantitative Estimating Techniques

Estimating Technique	Characteristics and Considerations
Bottom Up or Grass Roots	• Detailed cost-estimating technique • Requires knowledgeable estimators • Work must be understood • Basis of estimates extremely important • Very time consuming
Analogy	• Estimates based on similar projects or products • Must be able to identify differences • Must be able to isolate the differences and account for the cost impact of those differences • Often used for "sanity checks"
Parametric	• Mathematically driven • Requires calibration • Often used for rough estimates • Often involves the use of detailed mathematical models • Cost-estimating relationships are a simple form of parametric cost estimating

A **sanity check** or **sanity test** is a basic test to quickly evaluate whether a claim or the result of a calculation can possibly be true.

Cost or pricing

FIGURE 6-25. Analysis Techniques for Pricing, Cost, and Cost Realism

Type	Analysis Technique

Price Analysis	• Determination of price reasonableness through consideration of pricing factors only—individual cost elements and profit are not analyzed
	• Techniques include:
	  ○ Comparison to all prices received in response to the RFP
	  ○ Comparison to historical prices paid for the same item in prior contracts
	  ○ Comparisons to catalog or market pricing
	  ○ Comparisons to independent government estimates
	  ○ Others
	• Comparisons to prices received in response to the RFP and historical prices are the two preferred methods

Cost Analysis	• Determination of price reasonableness through an analysis of the elements of cost and proposed profit
	• Techniques include:
	  ○ Determination of the necessity to incur a cost
	  ○ Trend analysis
	  ○ Manufacturing techniques; yield, scrap, and rework
	  ○ Make vs. buy
	  ○ Historical data for the same or similar work
	  ○ Vendor quotes and purchase history
	• Always performed if certified cost or pricing data is provided

Cost Realism Analysis	• Consistency between the technical proposal and the cost proposal • Ensure the technical approach described in the technical proposal is consistent with the resources estimated in the cost volume • Ensure the skill sets are consistent • Ensure subcontractor estimates are consistent with the technical approach

Cost or pricing – Validating the estimate

- The **cost estimate** should be validated against **four characteristics**:
  1. It is comprehensive; includes all likely costs; ensures that no costs were omitted or double-counted; and explains and documents key assumptions.
  2. It is documented in such a manner that it can easily be repeated or updated and traced to original sources by auditing.
  3. It is accurate, not **too conservative or too optimistic**; is based on an assessment of most likely costs; and has adjusted properly for inflation.
  4. It has identified any data limitations from uncertainty or bias; results were cross-checked; an independent cost estimate was developed to see if results were similar.

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Quality control plan (QCP)

- The QCP demonstrates to the buyer **how the seller intends** to manage the quality of contract performance.

- The QCP is typically included in the technical approach.

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Compliance matrix

- The compliance matrix is a helpful tool that aids the buyer in assessing the seller's ability to meet the **buyer's need**.
- It can also be used by the buyer to **ensure** all relevant requirements have been addressed.
- It is a **best practice** to prepare such a matrix even when not required by the buyer to be **included in the proposal**.
- See FIGURE 6-26 for a sample compliance matrix.

Compliance matrix

FIGURE 6-26. Sample Compliance Matrix (Phillips, 2017)

Solicitation Reference	Functional Requirement	Full	Partial	None	Explanation
					(Explain here where in the proposal the buyer can find evidence that the seller has addressed this requirement.)

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Performance risk plan

- There are **two types of risks** to be addressed:

1. Business risk is the risk incurred as a business, such as staffing, finance, supply chain, etc.
   - Business risk can be assessed by comparing the weighted opportunity against business capability and capacity.

2. Performance risk is the ability to perform the work as defined in the solicitation.
   - This risk is **directly** related to the compliance matrix and the risk assessment of the solicitation in total. (Phillips, 2017)

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Reviewing the offer

- (From the book, Solicitations, Bids, Proposals, and Source Selection: Building a Winning Contract, by Gregory Garrett and Gail A. Parrott)

Reviewing the offer

- The following are some of the ways in which **proposals can lose evaluation** points:
  - Questionable or inadequate understanding of **requirements** or needs.
  - Incomplete response to the solicitation; **critical sections left** out of the proposal.
  - Noncompliance with **specifications**; misinterpretation of the specifications.
  - Insufficient resources (time, funds, personnel, etc.) to accomplish the required services or tasks.

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Reviewing the offer

- The following are some of the ways in which **proposals can lose evaluation** points:
  - Insufficient information about the **resources required** for **satisfactory performance** under the contract.
  - Poor proposal organization; **obstacles** in correlating proposal content to the solicitation or requirements.
  - Failure to show relevance of **past experience** to the proposed project.
  - Unsubstantiated or unconvincing **rationale** for proposed approaches or solutions. Wordiness.
  - Excessive wordiness.
  - Simply restating or repeating seller's requirements **without discussing** how they will be met.

Wordiness means using more words than necessary within a sentence, especially short, vague words that do not add much meaning.

What are the characteristics of a wining proposal?

Reviewing the offer

- The following are **characteristics of a winning proposal** (Federal Publications Seminars and Capital Edge Consulting, 2013):
  1. Clear;
  2. Offers precisely what the customer asked for;
  3. Responsive to the terms and conditions;
  4. Concise; and
  5. Supported with assumptions, explanations, and logic.

responsive

Describes a bid that meets, without any material deviation, the expressed requirements of a solicitation.

- When a bidder fully complies with and does not materially deviate from the terms, conditions, and specifications set forth in an invitation for bids (sealed-bid method), it is deemed "responsive."
- When an offeror materially complies with a solicitation and is capable of being made compliant through discussions, it is deemed "responsive."

Reviewing the offer

1. **Conduct "Pink" Team Reviews**
   1. Tracking "Pink" Team Review Deficiencies
   2. "Pink" Team Review Deficiency Log

2. Conduct "Red" Team Reviews
   1. Tracking "Red" Team Review Deficiencies

Conduct "pink" team reviews

- The **first step** in reviewing offers is to conduct what some refer to as "pink" team reviews.
- The object of pink team reviews is to ensure the offer is complete and accurate.
- Due to the size and complexity of the offer, the timing of when it is available for review, and the size of the opportunity, team, and content in each response, there will likely be multiple pink team reviews.
  - For example, it is not unusual to have
    1. One pink team for the technical-delivery response,
    2. A separate pink team for the pricing-contractual response, and
    3. A third pink team for the executive summary.

Reviewing the offer – Conduct "pink" team reviews

- Sellers should also consider involving **other knowledgeable individuals** who were **not directly** involved in **preparing the proposal** to get a more objective assessment

What questions should be asked during pink team reviews?

Reviewing the offer – Conduct “pink” team reviews

- Following is a list of questions that should be considered in pink team reviews:
  - General
    - Organization
      - Is the offer organized in a logical manner?
      - Does it have a clear, logical table of contents?
      - Does the internal organization follow the table of contents?
      - Is the offer a consistent document that appears to have been written by one person?

Reviewing the offer – Conduct "pink" team reviews

- Following is a list of questions that should be considered in pink team reviews:
  - General
    - Appearance
      - How does the overall offer look? Does it look professional?
      - Is it inviting to read? Is the offer easy to follow?
      - Is the style consistent? Is the format consistent?
      - Is the offer free of serious mistakes or typographical errors?

Reviewing the offer – Conduct “pink” team reviews

- Following is a list of questions that should be considered in pink team reviews:
  - General
    - Accuracy
      - Is the solution presented credible?
      - Are the facts correct? Are the data correct?
      - Are the assertions believable? Are they proven?
      - Is every assertion supported? Is there an appropriate amount of supporting data?

Reviewing the offer – Conduct “pink” team reviews

- Following is a list of questions that should be considered in pink team reviews:
  - General
    - Graphics
      - Are there enough graphics? Are there too many? Are they appropriate?
      - Are they well designed to present information and key concepts at a glance?
      - Are they creative as well as accurate?
      - Are they correctly referenced in the text?

Reviewing the offer – Conduct "pink" team reviews

- Following is a list of questions that should be considered in pink team reviews:
  - Executive summary
    - Does it give a sense of the overall offer?
    - Does it present the customer problem/objective and the solution?
    - Is it an effective presentation of the company?
    - Is it sensitive to the customer's needs and requirements?
    - Does it sufficiently and clearly convey the win theme and strategies?
    - Was it worth reading?

win theme

Customer-focused messaging; limited, high-level ideas and concepts; and the melding of the buyer's priorities and the seller's differentiators/strengths. It frames the offer as the best overall solution.

Reviewing the offer – Conduct “pink” team reviews

- Following is a list of questions that should be considered in pink team reviews:
  - Technical/delivery
    - Is the customer problem or objective stated and analyzed?
    - Does the proposed solution solve the problem or attain the objective?
    - Is it clear? Does it have too much detail? Not enough detail?
    - Is this the best solution? Why? Are there alternate solutions?
    - Are all the customer’s specific questions answered?
    - Are there any conflicting responses?
    - Do the responses support the solution?
    - Are all responses satisfactory to the team and properly represent the company?
    - Is the delivery response complete and realistic?
    - Will the delivery response satisfy the customer’s requirements?

Reviewing the offer – Conduct "pink" team reviews

- Following is a list of questions that should be considered in pink team reviews:
  - Pricing/contractual
    - Do all the numbers add up?
    - Are the detailed pricing pages consistent with the summary pricing pages?
    - Has anything been "double-counted?" Has anything been omitted?
    - Is there a logical flow of information that follows an outline?
    - Are all appropriate terms and conditions addressed? Are any missing? Has the seller agreed to comply with the terms and conditions, or have exceptions been noted and explained?

Reviewing the offer – Conduct "pink" team reviews

Tracking "Pink" Team Review Deficiencies

- To **ensure feedback is captured** for the authors of the offer, an offer deficiency form is recommended (see FIGURE 6-27).

FIGURE 6-27. Sample Offer Deficiency Form

Offer:	Volume:	Deficiency Number
Offer Manager:	Section:	
Deficiency Owner:	Offer Reference:	
Identified By:	Page Number:	Date Resolve:
Deficiency:		
Recommended Action:		
How Resolved:		

Reviewing the offer – Conduct "pink" team reviews

"Pink" Team Review Deficiency Log

- To ensure all deficiencies are closed, an **offer deficiency log** should be created.
- FIGURE 6- 28 illustrates a sample Offer Deficiency Log.

FIGURE 6-28. Sample Offer Deficiency Log

Opportunity:				Offer:		
Volume/Section:				Volume/Section Owner		
Deficiency Number	Solicitation Reference	Page Number	Deficiency	Recom-mended Action	Deficiency Owner	Identified By

Reviewing the offer

1. Conduct "Pink" Team Reviews

i. Tracking "Pink" Team Review Deficiencies

ii. "Pink" Team Review Deficiency Log

2. Conduct "Red" Team Reviews

i. Tracking "Red" Team Review Deficiencies

Reviewing the offer – Conduct "Red" team reviews

- Below is a **list of questions** reviewers can use as a guide

Reviewing the offer – Conduct "Red" team reviews

- Organization and Emphasis

  - Do the content and organization of the response follow the content and organization of the customer request?
  - Are all the main ideas up front?
  - Has the content of each section been previewed at the beginning?
  - Has the content been summarized at the end?
  - Are the paragraphs logical and easy to follow?
  - Does each paragraph have only one idea?

Reviewing the offer – Conduct "Red" team reviews

- Win Theme and Strategies

  - Does the response effectively present the value of the company's solution?
  - Is it persuasive? Does it sell?
  - Does it follow the overall win theme?
  - Are the win strategies reflected throughout the document?
  - Does the response emphasize the company's strengths?
  - Does the response mitigate the company's weaknesses?
  - Does the response ghost the competition's weaknesses?

Reviewing the offer – Conduct “Red” team reviews

- Compliance and Responsiveness
  - Does the solution solve the customer’s problem or attain the objective?
  - Have all of the customer’s questions been answered?
  - Has every part of every question been answered?
  - Does the response address every customer request requirement?
  - Do the answers echo the customer’s language?
  - Is the writing clear and to the point? What would make it clearer?
  - Do all the sentences make sense?
  - Are any statements vague or confusing or misleading?

Reviewing the offer – Conduct “Red” team reviews

- Appearance and Presentation

  - Is the response document professional?
  - Does it reflect the proper image of the company?
  - Do the pages have a clean, professional appearance?
  - Are all the names and dates correct?
  - Do all the cross-references have the correct page numbers?
  - Are all the figures numbered consecutively?

Reviewing the offer – Conduct “Red” team reviews

- Consistency and Brevity

  - Do the writing styles match? Does the response seem as though one person wrote it?
  - Are consistent terms and abbreviations used?
  - Are the numbers consistent?
  - Have extraneous words, sentences, paragraphs, visuals, facts, or data been eliminated?
  - Has all of the boilerplate been customized for this customer and the requirement?
  - Do any brochures or information sheets reflect a different format, give extraneous information, or appear to have been placed in the document merely to add bulk?

Reviewing the offer – Conduct "Red" team reviews

- Visuals
  - Do visuals and text complement each other?
  - Are any visuals unnecessary?
  - Does the text make them redundant?
  - Are the visuals appropriate for the technical level of the readers?
  - Are visuals simple and uncluttered?
  - Does each one have a clear message?
  - Do visuals stand by themselves?
  - Is each visual introduced before it appears?
  - Do the key visuals reflect the strategy?
  - Do they illustrate the major benefits for the customer as emphasized in the solicitation?

Reviewing the offer – Conduct “Red” team reviews

Tracking “Red” Team Review Deficiencies

- As with pink team reviews,

  it is extremely important to **capture and track** the deficiencies found in the red team review to ensure that **no deficiency identified** by the review team goes unaddressed.

- In fact, the means used to track deficiencies found in pink reviews can also be **adjusted to track** the deficiencies found in red team reviews.

Reviewing the offer – Conduct “Red” team reviews

Tracking “Red” Team Review Deficiencies

- In addition, red team reviewers should provide an **overall evaluation** of each volume.

FIGURE 6-29. Example of an Offer Evaluation Form

Opportunity:						
Volume:	Evaluator:					
Evaluation Factor/Subfactor	Excellent	Good	Average	Poor	Terrible	Score Assigned
	5	4	3	2	1	
Organization and Emphasis						
Win Themes and Strategies						
Compliance and Responsiveness						
Appearance and Presentation						
Consistency and Brevity						
Visuals						
Total						

Reviewing the offer – Conduct "Red" team reviews

Tracking "Red" Team Review Deficiencies

- Once the reviewers have **submitted their scoring**, it is recommended to **review** the volume from the customer perspective, **utilizing** the customer's evaluation factors and weighting of those factors.

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Submitting the offer

- (From the book Understanding Solicitations and Preparing Proposals, Third Edition, by James N. Phillips Jr.)

Submitting the offer

- Once the **seller** is satisfied with its offer,

  the **offer** must be submitted

  1. In correct manner,
  2. To the right place,
  3. At the right time, and
  4. In the right format.

  Failure to do so could cause the offer to be rejected.

Submitting the offer

- Be sure to receive an acknowledgment from the buyer that the offer was received.

1. **Sample Offer Format**
2. Responding to Solicitations
   1. Responding to an Invitation for Bid (IFB)
   2. Preparing an Unsolicited Proposal

Submitting the offer – Sample offer format

- Follow exactly the format for the offer described in the solicitation.

- In the **absence of specific instructions** for the format of the offer,

  the following would be a <u>typical format</u>:

Submitting the offer – Sample offer format

1. **Cover**

- ❖ The Cover includes the completed and signed offer forms.
- ❖ The executive summary should be on **letterhead**, no more than 1½ pages.
- ❖ The summary
  - ✓ Must convey seller's capabilities
  - ✓ Must convey understanding of the problem
  - ✓ Must entice the proposal reader to read further (i.e., develop interest).

Refer to the two-paragraph summary mentioned earlier in this section.

Submitting the offer – Sample offer format

2. Technical volume

- The technical volume is the **heart** of the proposal.
- If it is not done correctly, then **nothing** else in the proposal matters.
- The technical volume is often seen with a variety of **sub-factors** such as
  - ✓ Technical,
  - ✓ Management,
  - ✓ Personnel,
  - ✓ Quality Management,
  - ✓ Experience, and
  - ✓ Project Management.

Submitting the offer – Sample offer format

2. Technical volume

- There may be more elements to the sub-factors.
- The seller must read the instructions and evaluation criteria to determine **what to include** and **where to add emphasis**.
- If the factors are not weighted, then they are deemed all equal.
- Consider
  - ✓ Charts,
  - ✓ Graphs,
  - ✓ Milestone Plans,
  - ✓ Project Plans,
  - ✓ Risk Assessments,
  - ✓ Compliance Matrices, and
  - ✓ Quality Control Plans (QCP) and
  - ✓ Draft Quality Assurance Surveillance Plans (QASP).

Submitting the offer – Sample offer format

3. **Past performance**

- Past performance is another common evaluation factor and serves as the **seller's reference check.**
- While
  - ✓ past experience reflects performance of the **same or similar work** in the past,
  - ✓ past performance relates to **how** the seller performs as a **working partner**.
- Note: When providing references, be sure to **let the references know**.

Submitting the offer – Sample offer format

4. **Price**

- Price is a separate evaluation factor and will be evaluated separately.
- In the Instruction to Offerors, the **buyer** will **present how the seller should submit** this information.

Submitting the offer – Sample offer format

5. **Quality control plan**

- ❖ Including a **quality control plan** demonstrates the **seller's attention** to details of the solicitation and how the seller intends to protect the buyer's interest.

Submitting the offer – Sample offer format

6. Critical skill

❖ Critical skill sets must be addressed when requested in the solicitation.

Submitting the offer

- Be sure to receive an acknowledgment from the buyer that the offer was received.

1. **Sample Offer Format**
2. **Responding to Solicitations**
   i. Responding to an Invitation for Bid (IFB)
   ii. Preparing an Unsolicited Proposal

Submitting the offer – Responding to solicitations

- **Although** there are differences in how responses to the various solicitation types should be written, there are **also similarities**.
  - *For example, regardless of type, solicitations have due dates and require companies to provide pricing and technical information in order for the buyer to conduct an evaluation and make a contract award decision.*

- This section
  1. Explains ways to respond to these different solicitation types
  2. Concludes with an overview of how to prepare unsolicited proposals in the **absence of a formal solicitation**.

Submitting the offer – Responding to solicitations

1. **Responding to an Invitation for Bid (IFB)**

- When using the **sealed bidding** method of solicitation, the buyer issues an **IFB**.
- The **IFB** is used when the buyer can **state the requirements** clearly, accurately, and completely.
- The buyer will **provide** all the **documents necessary** to submit a complete bid.
- The seller must provide **all the information** the buyer requests to make an award decision.

Submitting the offer – Responding to solicitations

1. **Responding to an Invitation for Bid (IFB)**

- Award is made **without any discussions** with offerors.
- The contract award is made to the **responsible seller** whose **bid conforms** to the IFB and is most advantageous considering only price or price-related factors.

responsible offeror

A prospective seller that has the financial resources, personnel, facilities, integrity, and overall capability to fulfill specific contractual requirements satisfactorily.

Submitting the offer – Responding to solicitations

2. Preparing an Unsolicited Proposal

- If a company has a **new and innovative idea** it would like a buyer to consider, it may consider **submitting an unsolicited proposal**.
- **Unsolicited proposals** should be prepared without assistance or endorsement from the buyer.

unsolicited proposal

A written proposal that is submitted to a buyer on the submitter's initiative for the purpose of obtaining a contract with the buyer, and which is not in response to a formal or informal request. In the federal government, it is:

- A written proposal for a new or innovative idea submitted to an agency on the initiative of the offeror for the purpose of obtaining a contract with the government and is not in response to a request for proposals, broad agency announcement, Small Business Innovation Research topic, Small Business Technology Transfer research topic, program research and development announcement, or any other government-initiated solicitation or program.
- A research or developmental proposal made by a prospective seller without prior formal or informal solicitation from a purchasing activity.

Submitting the offer – Responding to solicitations

2. Preparing an Unsolicited Proposal

- Unsolicited proposals **cannot be used** by a potential offeror to preempt the **buyer's public notice** for a planned competitive solicitation.
- If a **competitive solicitation** is planned, buyers will **typically return** the **unsolicited proposal** without action and

alert the **potential offeror** to the upcoming public notice.

The federal government has specific rules about unsolicited proposals at FAR 15.603.

Submitting the offer – Responding to solicitations

2. Preparing an Unsolicited Proposal

15.603 General.

(a) Unsolicited proposals allow unique and innovative ideas or approaches that have been developed outside the Government to be made available to Government agencies for use in accomplishment of their missions. Unsolicited proposals are offered with the intent that the Government will enter into a contract with the offeror for research and development or other efforts supporting the Government mission, and often represent a substantial investment of time and effort by the offeror.

(b) Advertising material, commercial product or commercial service offers, or contributions, as defined in 15.601, or routine correspondence on technical issues, are not unsolicited proposals.

(c) A valid unsolicited proposal must-

(1) Be innovative and unique;

(2) Be independently originated and developed by the offeror;

(3) Be prepared without Government supervision, endorsement, direction, or direct Government involvement;

(4) Include sufficient detail to permit a determination that Government support could be worthwhile and the proposed work could benefit the agency's research and development or other mission responsibilities;

(5) Not be an advance proposal for a known agency requirement that can be acquired by competitive methods; and

(6) Not address a previously published agency requirement.

(d) Unsolicited proposals in response to a publicized general statement of agency needs are considered to be independently originated.

(e) Agencies must evaluate unsolicited proposals for energy-savings performance contracts in accordance with the procedures in 10 CFR436.33(b).

استراتژی مدیریت قرارداد

فصل دوم: پیکره دانش مدیریت قرارداد (Contract Management Body of Knowledge)

بخش هفتم: فاز Award از چرخه حیات مدیریت قرارداد

ارائه دهنده:

سید محمدرضا علوی‌پور

(PhD, PMP, CMIT)

دانشگاه Illinois Tech آمریکا

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What we will learn?

- Award
  - Price or cost analysis
  - Plan negotiations
  - Select source
  - Manage disagreements

The CMBOK structure

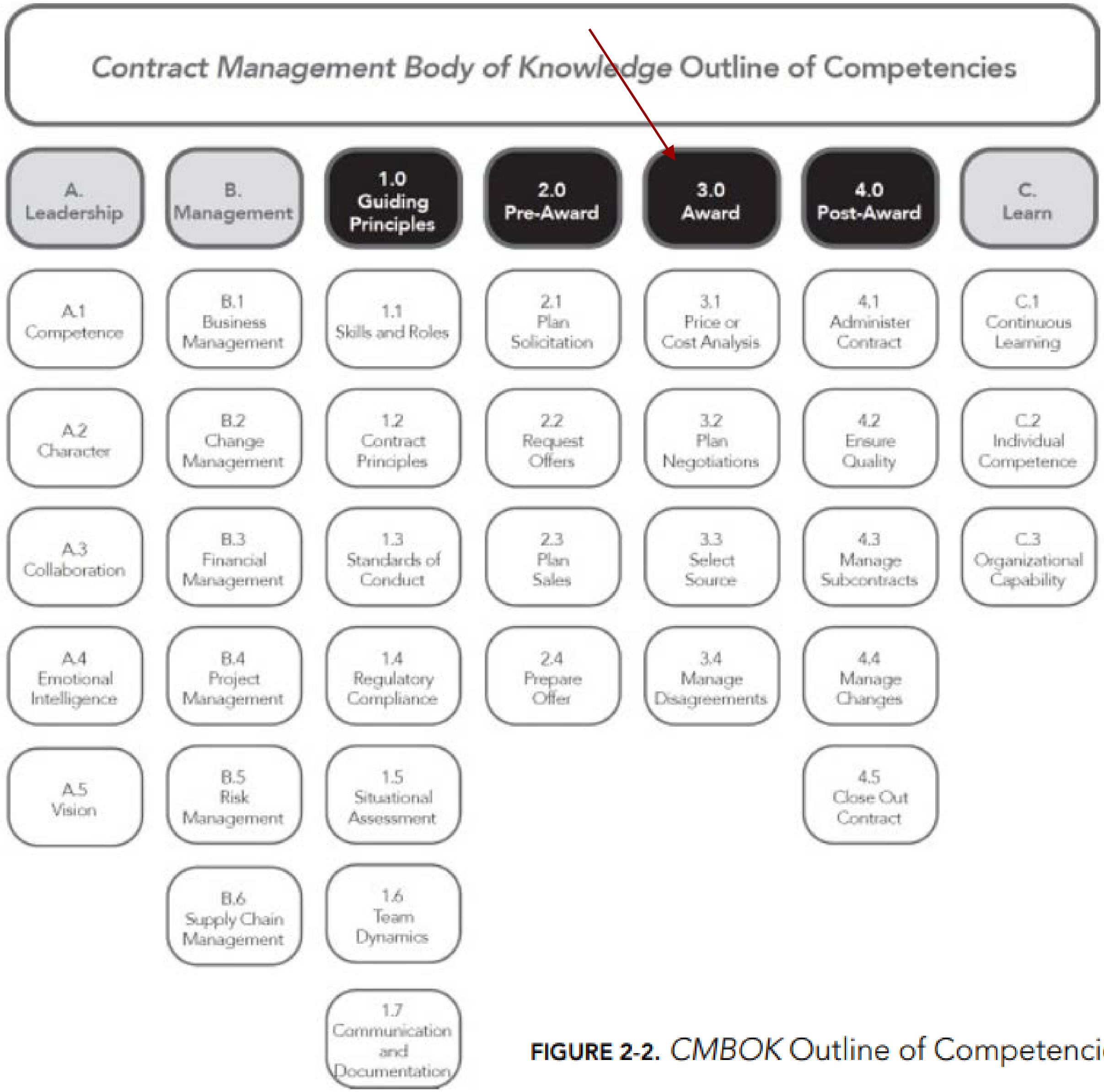
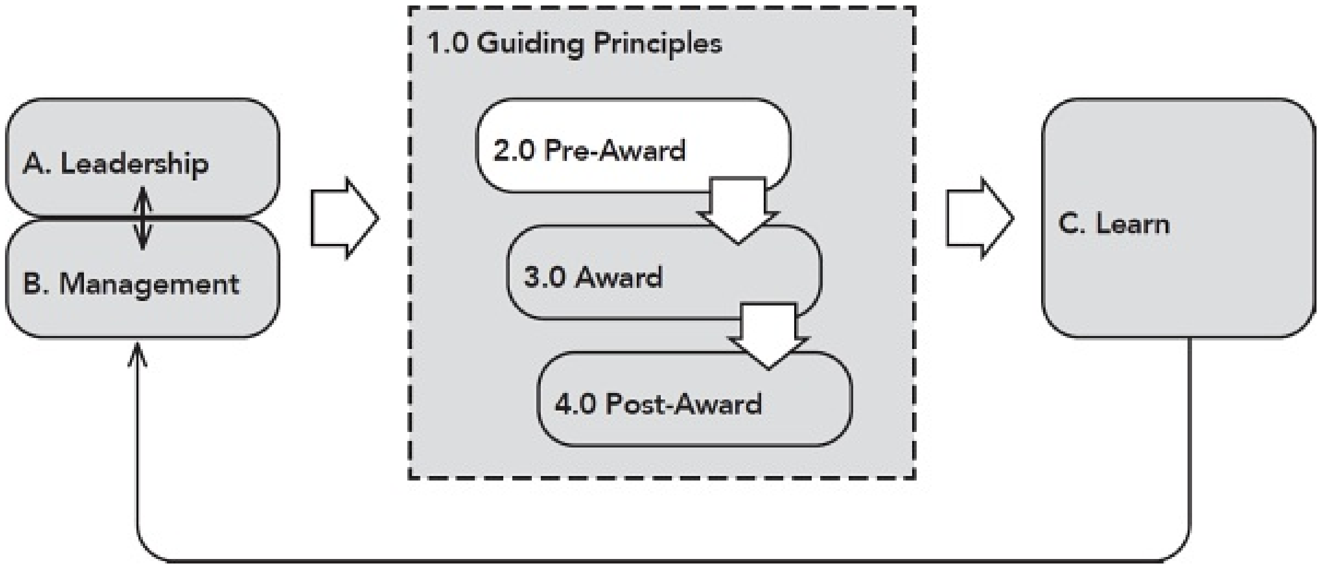


FIGURE 2-2. *CMBOK* Outline of Competencies

CMBOK competency model

FIGURE 6-1. The *CMBOK* Competency System



AWARD

Introduction

The second contract life cycle phase is *Award*. The award process involves the contract management functions known as "contract formation" and reflects all the work performed by both the buyer and seller that produces an awarded contract. Some contracts are very simple, and others are exceedingly complex, but the majority fall somewhere in between.

Introduction

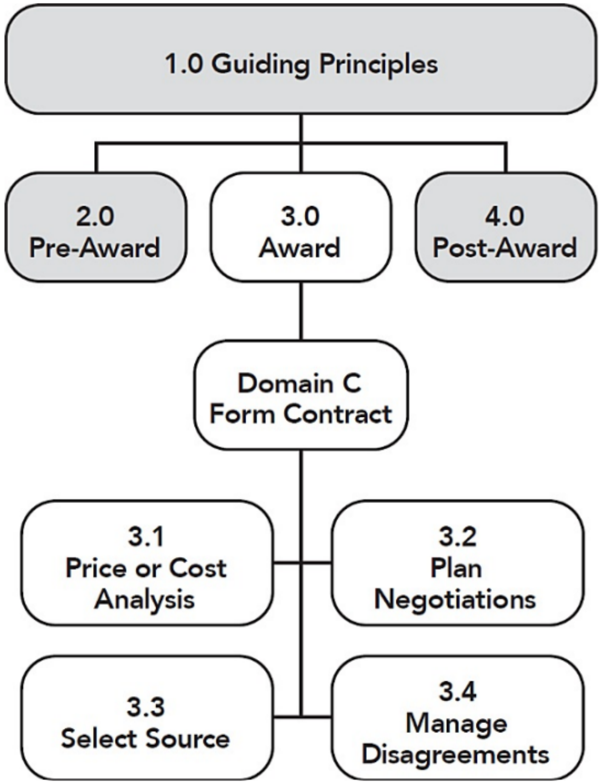
The processes in the award life cycle phase interact with each other and are continuously integrated with the Guiding Principles. In addition, the results of the processes of the award life cycle phase are directly impacted by the cumulative effect of the processes and results in the pre-award life cycle phase, and they will have a direct impact on the performance and results of the processes in the post-award life cycle phase.

Introduction

There is one domain in the award phase: *Form Contract*. The processes involved in the *Form Contract* domain produce the contract.

DOMAIN C: FORM CONTRACT

Form contract in award phase



Form contract

Form Contract involves the process of determining reasonable cost and pricing, conducting negotiations, selecting the source, and managing disagreements.

The value added by this domain is in mitigating or eliminating contract performance risk by selecting the best source and negotiating prices and terms and conditions.

Form contract

- **This domain** is primarily the responsibility of the **buyer**, but competencies
  - 3.1 (Analyze Price or Cost)
  - 3.2 (Plan Negotiations)

    require **buyers and sellers to work together** to agree to a fair and reasonable price

      that enables the seller to deliver products, goods, supplies, or services that meet the buyer's needs.

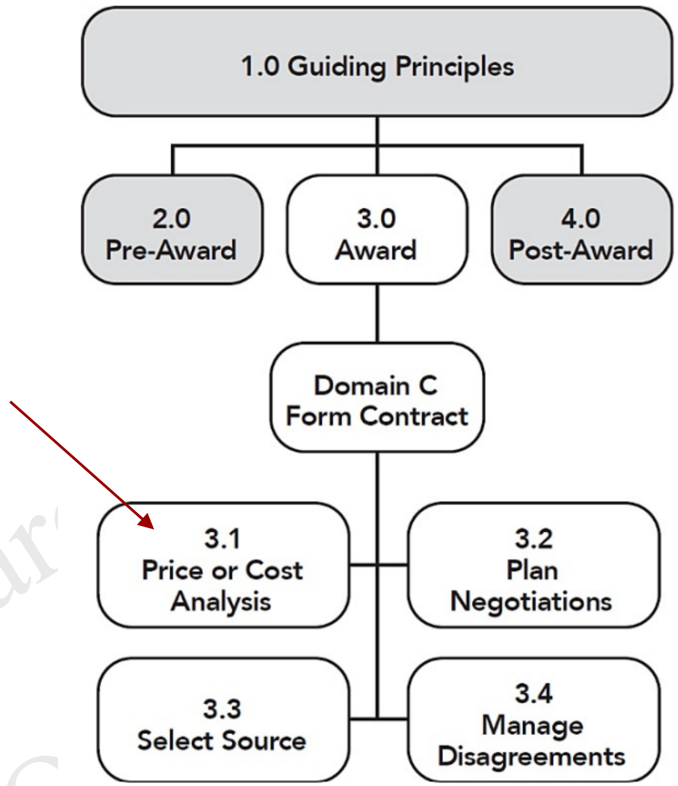
Form contract

- The **process** includes
  - Determining reasonable cost and pricing,
  - Negotiating,
  - Selecting the source, and
  - Managing challenges and disagreements.

DOMAIN C: FORM CONTRACT

(PRICE OR COST ANALYSIS)

Analyze price or cost



Analyze price or cost

- Two techniques used to determine a fair and reasonable price are “price analysis” and “cost analysis.”
  1. Price analysis
  2. Cost analysis

Analyze price or cost

- This section will talk about:
  1. **Price analysis**
  2. Cost analysis
  3. Certified cost or pricing data

Price analysis

- **Price analysis** is the preferred method of determining a fair and reasonable price if **adequate comparative data** are available to the buyer.

- When conducting price analysis,
  - the buyer normally does not have access to a detailed breakdown of cost elements, and
    - the determination of a fair and reasonable price is made by comparing previous prices, published price lists, or market prices.

- **Price analysis** is an evaluation of the "bottom line" and does **not concern itself** with the breakdown between costs to the offeror and the ultimate profit margin.

Price analysis

- In the federal government, **adequate price competition** is an important element in determining a **fair and reasonable price** using price analysis.
- Adequate price competition means that
  1. Two or more responsible offerors,
  2. Competing independently,
  3. Submit priced offers that satisfy the **government's expressed requirement**.

Analyze price or cost

- This section will talk about:
  1. **Price analysis**
  2. **Cost analysis**
  3. Certified cost or pricing data

Cost analysis

- Cost analysis is done on contracts where the **offeror provides the buyer** with a <u>detailed breakdown</u> of the proposed contract price.

Analyze price or cost

- This section will talk about:
  1. **Price analysis**
  2. **Cost analysis**
  3. **Certified cost or pricing data**

certified cost or pricing data (Federal Government Specific)

Cost or pricing data that were required to be submitted in accordance with FAR 15.403-4–5 and have been certified, or are required to be certified, in accordance with FAR 15.406-2. This certification states that, to the best of the person's knowledge and belief, the cost or pricing data are accurate, complete, and current as of a date certain before contract award. Cost or pricing data are required to be certified in certain procurements (per 10 U.S.C. 2306a and 41 U.S.C. 35).

Certified cost or pricing data

- It is important to note that **cost or pricing data** by itself is not sufficient to determine cost/price reasonableness or realism.

- A **comprehensive explanation** of the significant factors and assumptions must support
  1. Cost data developed
  2. Offer submitted based upon that data

- This data **must be analyzed and evaluated** before the price agreed to can be considered fair and reasonable.

Certified cost or pricing data

- The results of cost analysis are normally validated by **some form of price analysis**, considering
  1. Historical prices,
  2. Market prices, or
  3. Some other relevant comparison

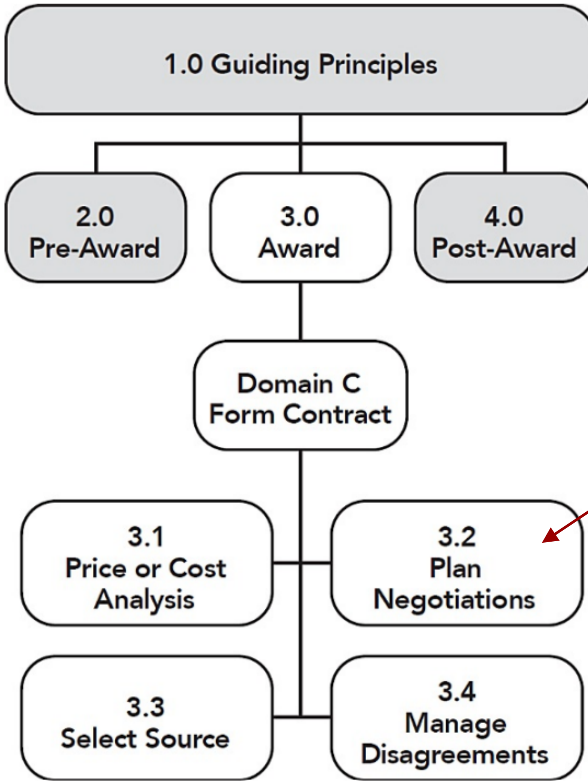
- **Assuring the reasonableness** of individual elements of cost does **not always assure** overall price reasonableness.

(reference FAR 15.404-1(a)(3)).

DOMAIN C: FORM CONTRACT

(PLAN NEGOTIATIONS)

Plan negotiations



Plan negotiations

Plan Negotiations is the process of preparing for interaction between the buyer and seller regarding all aspects of the offer and its terms, and often involves clarifying requirements and parties requesting changes or consideration of an alternate approach that may be consistent with the solicitation requirements. This process involves both parties collaborating to find common ground or offer compromises among their differences in quantity, price, delivery, quality, or other factors.

Plan negotiations

1. **Preparation**
2. The negotiation team
3. Negotiation objectives
4. Things to know about the other party
5. Contract negotiation best practices

Preparation

- The first step in the preparation process is to **understand** the acquisition's requirement and each party's critical objectives.

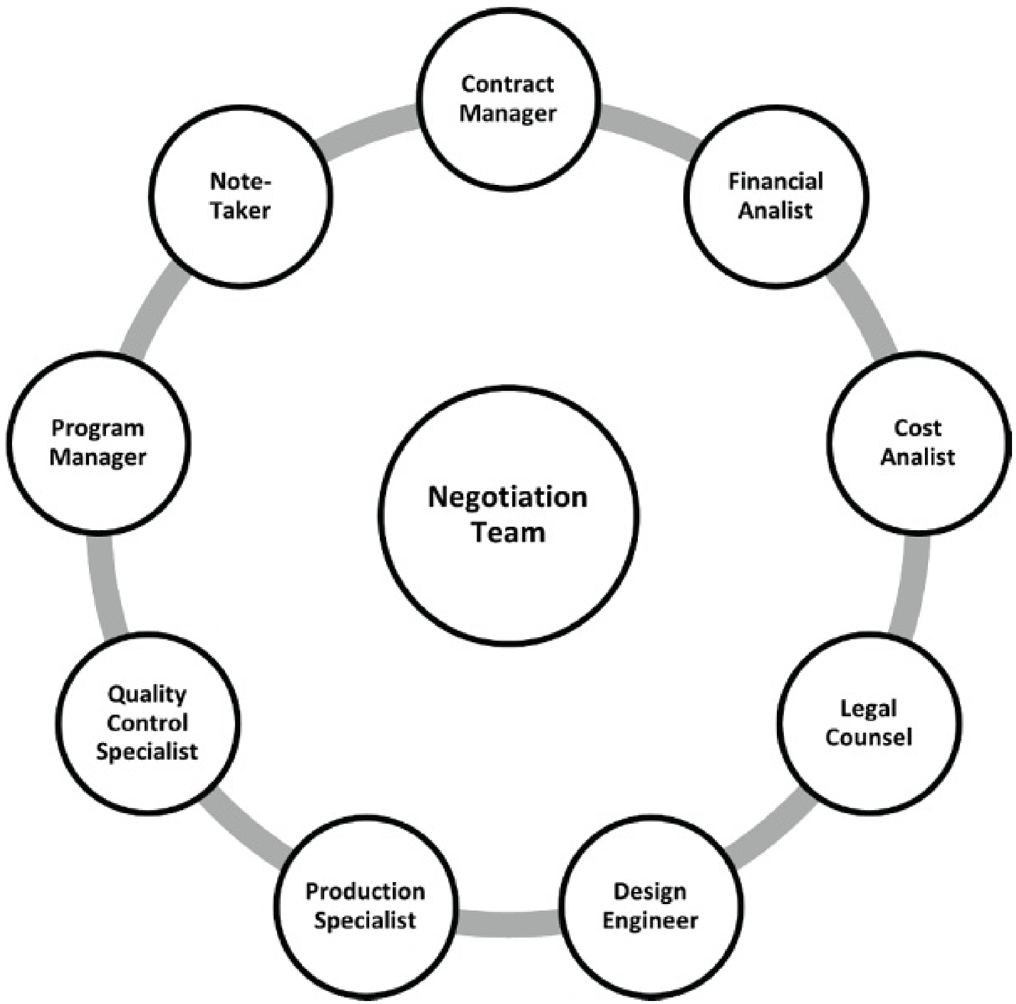
- Although it is not always possible for every negotiator to do an in-depth analysis of each acquisition, it is important to **know as much as possible before beginning** negotiations.

- **Sellers** must also understand the acquisition.
  - They should know the purpose of the acquisition, the buyer's objectives, whether the buyer is the end user (and if not, who is), and the end user's needs.

Plan negotiations

1. **Preparation**
2. **The negotiation team**
3. Negotiation objectives
4. Things to know about the other party
5. Contract negotiation best practices

The negotiation team



The negotiation team

- The buyer's and seller's teams each should **designate** a lead negotiator, **most often the contract manager**, depending on the organization's customary practice and line of business.

- In the case of **federal government contracting**, the government's lead negotiator is always a contract manager.

Plan negotiations

1. **Preparation**
2. **The negotiation team**
3. **Negotiation objectives**
4. Things to know about the other party
5. Contract negotiation best practices

Negotiation objectives

- **Both buyers and sellers** need to establish specific and realistic negotiation objectives.
- An objective of **"the best price we can get"** is <u>neither specific nor realistic</u>, as there is **no way to know** if the result is the **best price**.
- Establishing negotiation objectives is an **ongoing process** because the objectives may change as **circumstances change**.

How to make sure this works?

Negotiation objectives

1. A way to **ensure flexibility** is to develop three positions in preparing an objective:
    1. A minimum
    2. The objective
    3. A maximum

Why doing this?

Negotiation objectives

1. A way to **ensure flexibility** is to develop three positions in preparing an objective:
   1. A minimum
   2. The objective
   3. A maximum

❖ Doing so establishes a **range that permits movement** one way or another depending on the situation.

❖ When the seller's objective overlaps with the buyer's objective, both parties **find common ground**, **leading to satisfaction** with the final negotiated agreement.

Sample

Negotiation objectives

- FIGURES 7-4 and 7-5 illustrate sample forms useful in documenting a negotiation objective when price analysis is used and when cost analysis is used, respectively.

FIGURE 7-4. Negotiation Objective for a Fixed-Price Contract

Negotiation Objective for a Fixed-Price Contract			
	Minimum	Objective	Maximum
Unit Price	$	$	$

FIGURE 7-5. Negotiation Objective for a Cost-Plus-Fixed-Fee Contract

Negotiation Objective for a Cost-Plus-Fixed-Fee Contract			
Cost Element	Minimum	Objective	Maximum
Direct	$	$	$
Indirect	$	$	$
Total Cost	$	$	$
Profit/Fee	$	$	$
Total Cost Plus Fee	$	$	$

Plan negotiations

1. **Preparation**
2. **The negotiation team**
3. **Negotiation objectives**
4. **Things to know about the other party**
5. Contract negotiation best practices

Things to know about the other party

- (Garrett and Parrott, 2007)

Things to know about the other party

- Listed below are questions each party should ask themselves before entering into negotiations.

1. What is the organization's overall business strategy?
2. What is its reputation?
3. What is its current organizational business environment?
4. Who is the lead negotiator?
5. Who are the primary decision makers?
6. What are their key objectives?
7. What are their overall contract objectives?
8. What are their personal objectives?
9. Who or what influences the decision makers?
10. What internal organizational barriers do they face?
11. What are the significant risks impacting the potential for successful performance?

Things to know about the other party

- Questions the seller should ask:

1. When does the buyer need our products or services?
2. How much money does the buyer have to spend?
3. Where does the buyer want our products and services delivered?
4. What benefits will our products and services provide?
5. What is our company's past experiences with this buyer?

Things to know about the other party

- Questions the buyer should ask:

1. What is known about the seller's accounting system?
2. What is known about the seller's other business systems?
3. What was the seller's past performance on prior contracts?
4. What other sources of information will be useful in conducting negotiations?

Plan negotiations

1. **Preparation**
2. **The negotiation team**
3. **Negotiation objectives**
4. **Things to know about the other party**
5. **Contract negotiation best practices**

Contract negotiation best practices

- (Garrett and Parrott, 2007)

Contract negotiation best practices

- The buyer should:
  - Know what they want—lowest price or best value?
  - State their requirements in performance terms and evaluate accordingly.
  - Conduct market research about potential sources and market characteristics.
  - Evaluate potential sources promptly and dispassionately.
  - Precisely follow the evaluation criteria stated in the solicitation—management, technical, and price.
  - Use absolute, minimum, or relative evaluation standards to measure performance as stated in the solicitation.
  - Develop organizational policies to guide and facilitate the source-selection process.

Contract negotiation best practices

- The buyer should:
  - Use a weighting system to determine which evaluation criteria are most important.
  - Use a screening system to prequalify sources.
  - Obtain independent estimates from inside or outside experts to assist in source selection.
  - Use past performance as a key aspect of source selection, and verify data accuracy.
  - Conduct price realism analysis.
  - Create a competitive analysis report.
  - Use verbal presentations or proposals by sellers to improve and expedite the source-selection process.

Contract negotiation best practices

- In approaching negotiations, the buyer and seller should:
  - Understand that contract negotiation is a process, usually involving a team effort.
  - Select and train highly skilled negotiators to lead the contract negotiation process.
  - Know market and industry practices.
  - Prepare themselves and their teams.
  - Know the other party.
  - Know the big picture.
  - Identify and prioritize objectives.

Contract negotiation best practices

- In approaching negotiations, the buyer and seller should:
  - Create options—be flexible in planning.
  - Examine alternatives.
  - Select negotiation strategy, tactics, and counter-tactics.
  - Develop a solid and approved team negotiation plan.
  - Determine who has the authority to negotiate and how that person will interact with others on the team.
  - Prepare the negotiation facility at their location or at a neutral site.
  - Use an agenda during contract negotiation.

Contract negotiation best practices

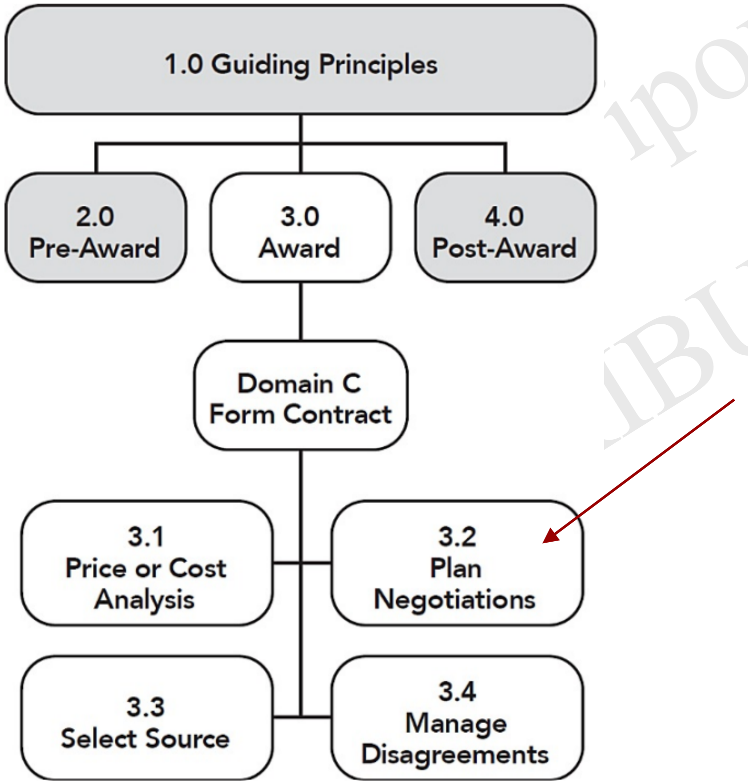
- In approaching negotiations, the buyer and seller should:

  - Set the right tone at the start of the negotiation.
  - Maintain focus on objectives, but also listen carefully to the other side.
  - Use interim summaries to stay on track.
  - Not be too predictable in their tactics.
  - Document the agreement throughout the process.

DOMAIN C: FORM CONTRACT

(SELECT SOURCE)

Select source



Select source

Select Source is the process of analyzing submitted offers in accordance with the solicitation evaluation criteria to select the source that has the highest probability of satisfactory contract performance. This process involves mitigating buyer risk by selecting the offeror most likely to satisfactorily perform the contract and assures the seller of a consistent and fair selection process.

Select source

- **Determining which company wins** a contract is often referred to as **"source selection,"** and the term is also used to

  summarize all activities in the evaluation process.

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Select source

- This section describes the following contracting procedures/methods and topics related to source selection and contract award:

1. **Simplified acquisition**
2. Sealed bidding
3. Negotiated source selection
4. Typical evaluation factors
5. Proposal evaluation techniques
6. Evaluation rating scales
7. Negotiation guidelines
8. The negotiations
9. Contract award

Simplified acquisition

simplified acquisition

A less rigorous method for entering into relatively low-dollar-threshold contracts. Simplified acquisition usually occurs without the elaborate and formal solicitation techniques required by sealed bidding and negotiation. Very small purchases should be made using simplified acquisition tools such as charge cards.

- The basis for awarding a **simplified contract** is typically to obtain well-defined products, goods, supplies, or services in a **timely manner**, and at a **fair and reasonable price**.

- Using a competitive process tends to establish fair and reasonable prices.

- The source selection decision should be documented for **future reference**.

Select source

- This section describes the following contracting procedures/methods and topics related to source selection and contract award:

1. **Simplified acquisition**
2. **Sealed bidding**
3. Negotiated source selection
4. Typical evaluation factors
5. Proposal evaluation techniques
6. Evaluation rating scales
7. Negotiation guidelines
8. The negotiations
9. Contract award

Sealed bidding

- Source selection through **sealed bidding (see FAR Part 14)** is typically accomplished using <u>price or price-related factors</u> stated in

  Invitation for bids and

  Lowest price wins the contract

- In **federal government contracting**, the **bids** must also be
  1. Responsive
  2. Responsible

  to be considered for contract award.

When the bid is responsive?

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Sealed bidding

- A bid is **"responsive"** when it **complies** in all material respects with the **invitation for bids**.

(FAR 14.301)

When the bid is responsible?

Sealed bidding

- To be determined **"responsible,"** a bidder must:
  1. Have adequate financial resources to perform the contract, or the ability to obtain them;
  2. Be able to **comply** with the required delivery schedule;
  3. Have a **satisfactory** performance record;
  4. Have a **satisfactory record** of integrity and business ethics;
  5. Have the necessary organization, experience, accounting, and operational controls and technical skills, or the ability to obtain them;
  6. Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and
  7. Be otherwise qualified and eligible to **receive an award** under applicable laws and regulations.

(See FAR 9.104-1.)

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Select source

- This section describes the following contracting procedures/methods and topics related to source selection and contract award:

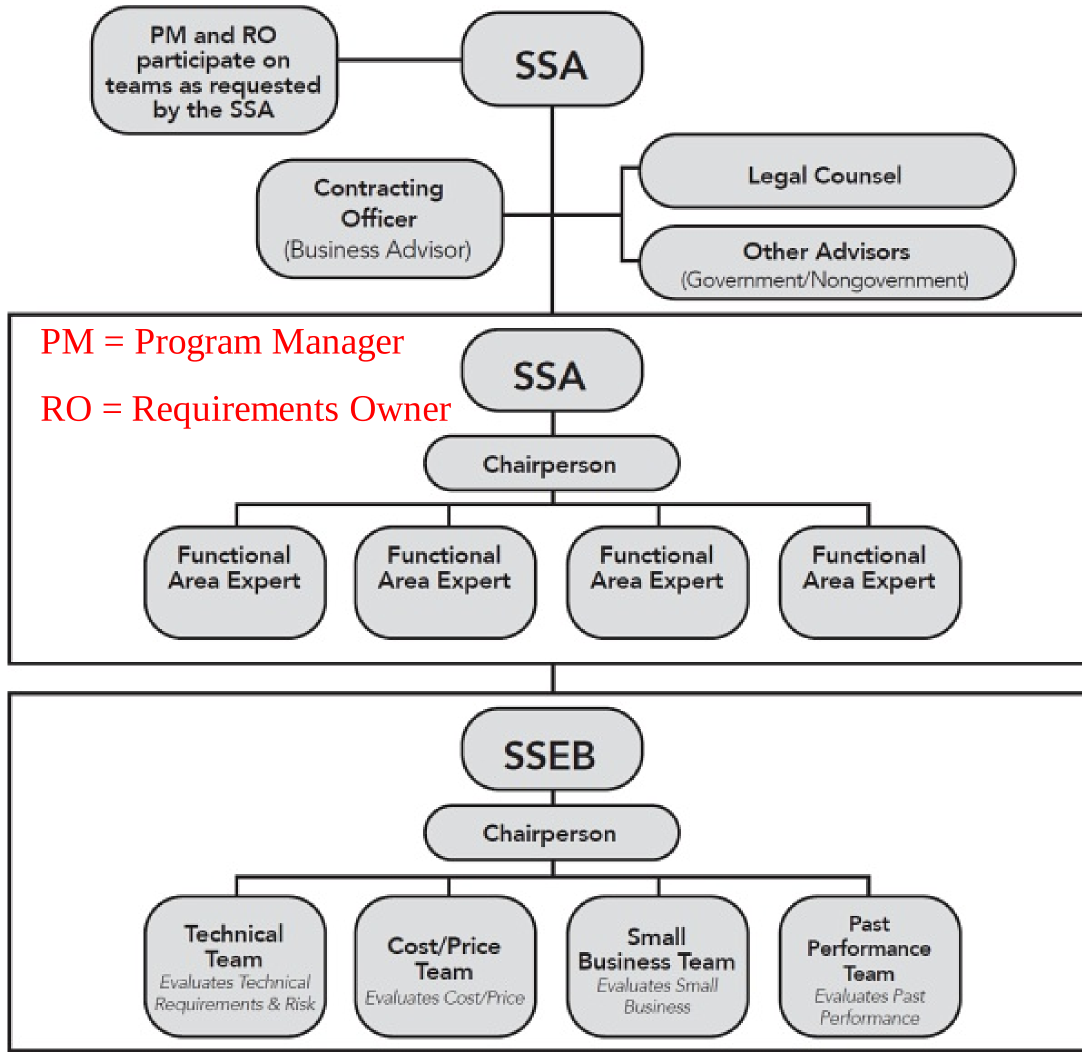
1. **Simplified acquisition**
2. **Sealed bidding**
3. **Negotiated source selection**
4. Typical evaluation factors
5. Proposal evaluation techniques
6. Evaluation rating scales
7. Negotiation guidelines
8. The negotiations
9. Contract award

Negotiated source selection

- FIGURE 7-6 illustrates a typical Source Selection Team (SST) for solicitations greater than $100M.
- Smaller dollar value source selections typically do not include a Source Selection Advisory Council (SSAC).
- The Source Selection Evaluation Board (SSEB) may also be called the Source Selection Evaluation Team (SSET).

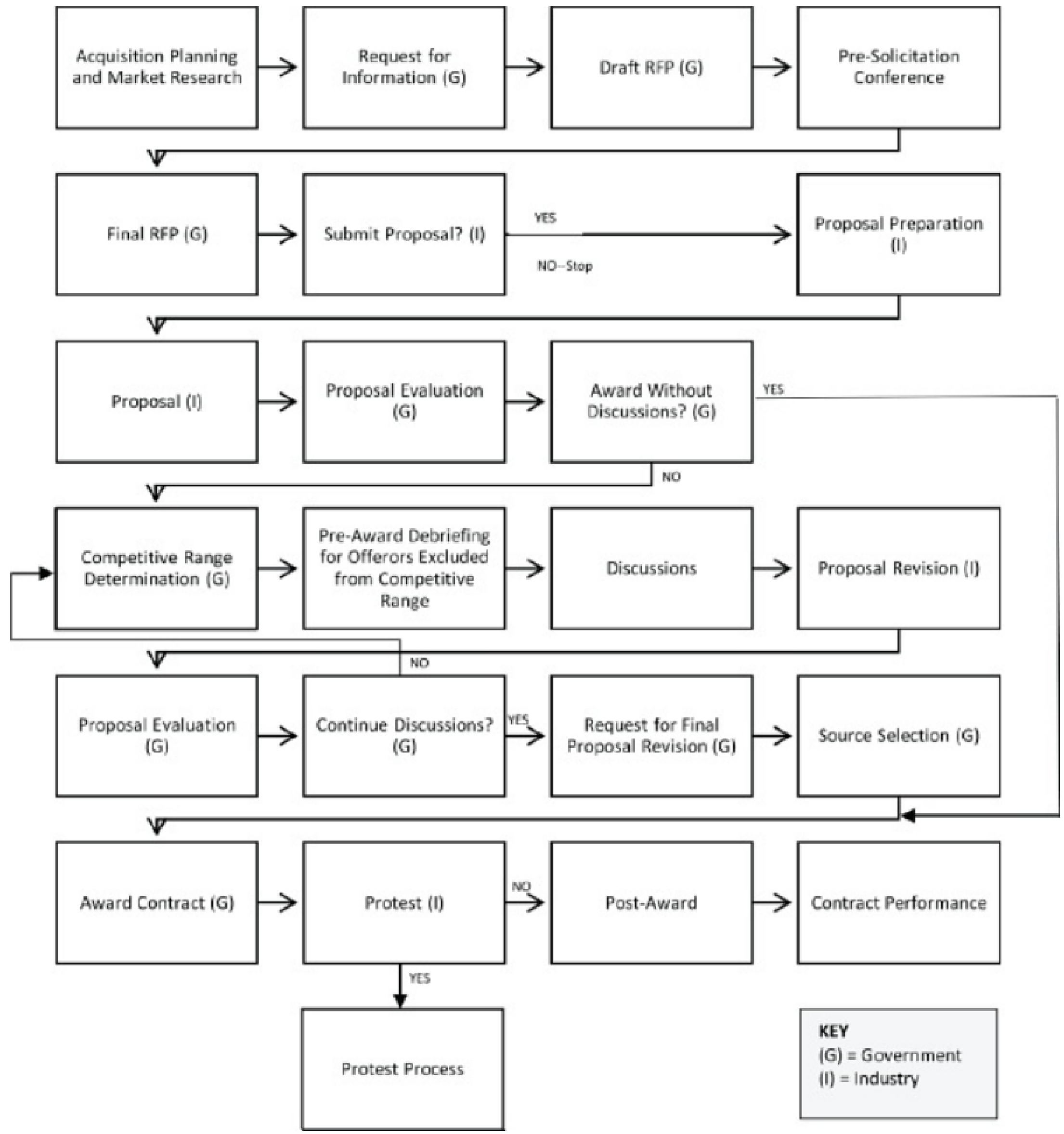
FIGURE 7-6. Typical Source Selection Team (SST) for Solicitations > $100M (Source Selection Procedures, Department of Defense, 31 March 2016).

SSA = Source Selection Authority



Negotiated source selection

- The **negotiated source selection** process has several steps that depend on the nature of the acquisition.
- FIGURE 7-7 shows a **sample** source selection process.
- **Not all of the steps** depicted in FIGURE 7-7 are **required** for every source selection.
- Because **every acquisition is unique**, the sequence or number of events **may be slightly different.**



Select source

- This section describes the following contracting procedures/methods and topics related to source selection and contract award:

1. **Simplified acquisition**
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3. **Negotiated source selection**
4. **Typical evaluation factors**
5. Proposal evaluation techniques
6. Evaluation rating scales
7. Negotiation guidelines
8. The negotiations
9. Contract award

Typical evaluation factors

- The **evaluation process** should focus on
  1. Price
  2. Technical capabilities
  3. Management capabilities
  4. Past performance requirements

  as set forth in the solicitation

Typical evaluation factors – Basic of award

- The federal government uses a variety of **source selection methods** for <u>negotiated acquisition</u>:
  1. Lowest price technically acceptable (Lower Bidder)
  2. Trade-off (Best Value)
  3. Hybrid approach

Typical evaluation factors – Basic of award: Lowest price technically acceptable

- A lowest price technically acceptable proposal is one that offers the **best price** to the government after minimum technical requirements have been met.
  - Proposals are evaluated for **acceptability** but are not ranked based on non-cost/price factors.
- The **request for proposal (RFP) must specifically state** that award will be made based on the lowest evaluated price if the **proposal meets or exceeds** the acceptability standard.
- **All factors** are evaluated using a **"go/no-go"** rating system.

Typical evaluation factors – Basic of award: Tradeoff

- Using the trade-off source selection method allows an agency to conduct trade-offs among evaluation factors as they relate to **cost or price**.
- Technical, management, or past performance evaluation factors may be traded off in this manner.
- This trade-off approach allows the buyer to award the contract to a **seller who did not submit** the lowest price,
  but offers the buyer the **best value**.
- An **RFP** using the trade-off process must state whether all evaluation factors other than cost or price, when combined,
  are significantly **more important than**,
  approximately equal to,
  or significantly less important than cost or price.

Typical evaluation factors – Basic of award: Hybrid

- The hybrid process uses some go/no-go criteria,

  as well as **permitting a trade-off** between cost or price and one or more factors.

  - *For example, a **price-performance tradeoff source selection**,*

    1. *Assesses **technical and/or management against minimum acceptability standard(s)** and*
    2. *Makes a **trade-off decision based only on the seller's record of past performance** and*
    3. *Proposed cost or price*

We have also best qualifications in construction industry.

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Select source

- This section describes the following contracting procedures/methods and topics related to source selection and contract award:

1. **Simplified acquisition**
2. **Sealed bidding**
3. **Negotiated source selection**
4. **Typical evaluation factors**
5. **Proposal evaluation techniques**
6. Evaluation rating scales
7. Negotiation guidelines
8. The negotiations
9. Contract award

Proposal evaluation techniques

- The intent of the evaluation process is to **uniformly** assess the quality and content of all proposals:

1. Separate evaluation of technical aspects
2. **Evaluation worksheet or template**
3. Independent evaluation

Proposal evaluation techniques – Evaluation worksheet or template

- Organizations frequently use a prepared **evaluation checklist** or document to promote uniformity in the evaluation process.

- This checklist should contain an evaluation structure, which usually consists of:
  1. All evaluation **factors** and **subfactors**;
  2. The **rating scale** to be applied;
  3. **Weights** to be applied to factors, if appropriate; and
  4. Room for **evaluator comments**.

Select source

- This section describes the following contracting procedures/methods and topics related to source selection and contract award:

1. **Simplified acquisition**
2. **Sealed bidding**
3. **Negotiated source selection**
4. **Typical evaluation factors**
5. **Proposal evaluation techniques**
6. **Evaluation rating scales**
7. Negotiation guidelines
8. The negotiations
9. Contract award

Evaluation rating scales

- Rating scales usually take **one of several forms**.

1. Numeric scales
2. Color scales
3. Adjectival scales
4. Compare results and reach consensus

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