

Successful Request For Proposals (RFP,s)

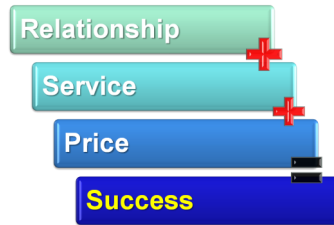
Get What You Need—Developing and Evaluating RFP's

Introduction

Getting success from your suppliers starts with how you procure them. Services are important to your success and whether it's an out tasked service or a comprehensive outsourced service, the RFP provides you with the best way to get a service partner who adds the right amount of value to your organization.

What you Need

While cost pressures are ever present and the cost of managing buildings of all types is often seen simply as a cost to the organization, the reality is that a well managed building will improve productivity and retention for corporate facilities and attract tenants for commercial buildings. The balance is between service and price. You will only be successful if your service provider is successful.



A Different Approach

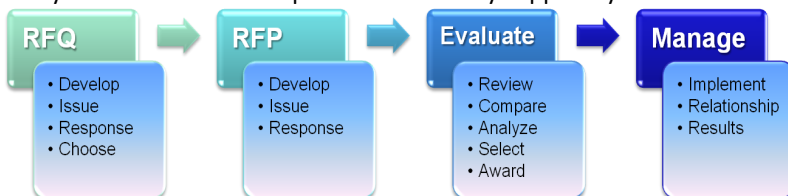
The old way is primarily price driven and inflexible. Often, procurement drives the process and focuses on price. Either a Tender is used or an RFP which doesn't provide flexibility, take into account what is important for the service or what differentiates the bidders. It's a very inflexible process that doesn't account for operations needs.

The new approach is more flexible, driven by operations and supported by procurement. Price is important and more creativity is used to manage price while getting results. The process is more flexible and enables selection of the best overall value.

3 (+ 1) Major Steps

There are three main steps to a successful RFP, with key considerations for each step to ensure success. These are the Request for Qualification (RFQ), Request for Proposal (RFP) and the Evaluation.

A fourth and often overlooked step is ongoing management. You need to build a process to manage and get results from your supplier. You aren't buying widgets or tendering for a short project. This is a long relationship and a service that directly impacts your tenants and occupants and certainly supports your success.



1. Request For Qualification

Use the Request for Qualification to narrow the bidders down or simply select and invite only the best in the market place. Keep the RFQ simple and ask questions that will enable you to choose 3 or so of the best for the next phase.

2. Request For Proposals

Communicate your requirements and expectations to get solutions and pricing that meet your needs. Focus on what matter the most to you and your company's success. Establish key comparisons between suppliers.

Solicit solutions and approaches from a proponent rather than set a rigid, prescriptive specification structure where little more than price matters. Ask for pricing broken down so you can compare proposals and if necessary, negotiate scope to fit your budget.

When asking questions, ask for examples and have them demonstrate experience and capabilities, not just give you a sales pitch.

3. Evaluation

Create a scoring matrix that balances price and the technical RFP response. Know in advance what you expect and score against that expectation. The pricing detail enables you to better understand the bids and cost impacts and whether they match the proposed services. Check references and do interviews with the suppliers. Avoid a formal sales pitch.

4. Manage Services

They provide a service that is important to your success so add performance management to the agreement and manage the relationship and the results proactively. Communicate and use Quality Assurance principles to focus performance and results on achieving success for your and your company.

