

# Housekeeping Notes for Today

- **Please have your Course Handbook ready**
- **Have your audio/video ready for the workshop**
- **Workshop will start in roughly 5-10min**

# WORKSHOP: Statement of Work and Current Conditions



# Agenda

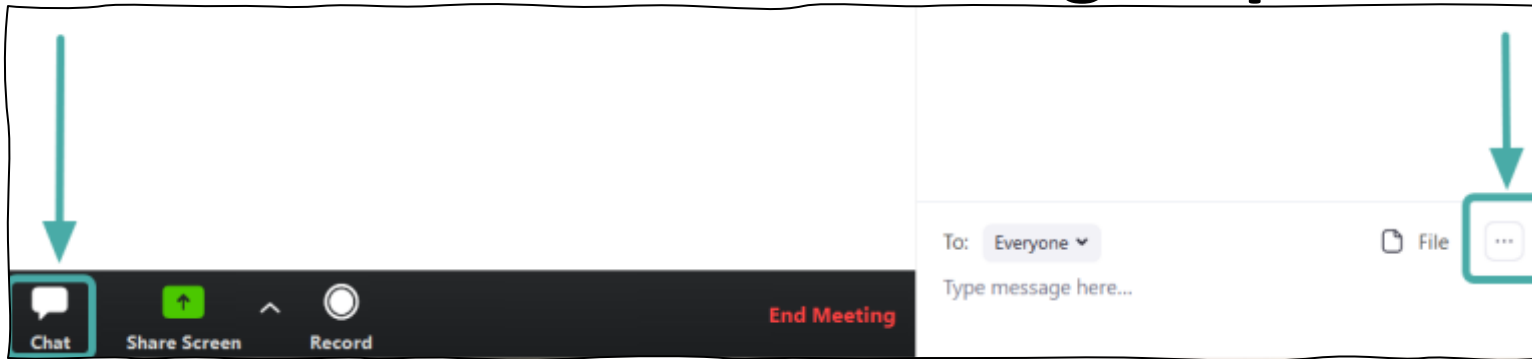


- **Overview**
- **Workshop**
- **Content & Structure of a High-Performing SOW**
- **The Importance of Current Conditions**
- **Summary & SOW Assessment Handout**

# Zoom Best Practices



- **ASK QUESTIONS! Use the group chat function**



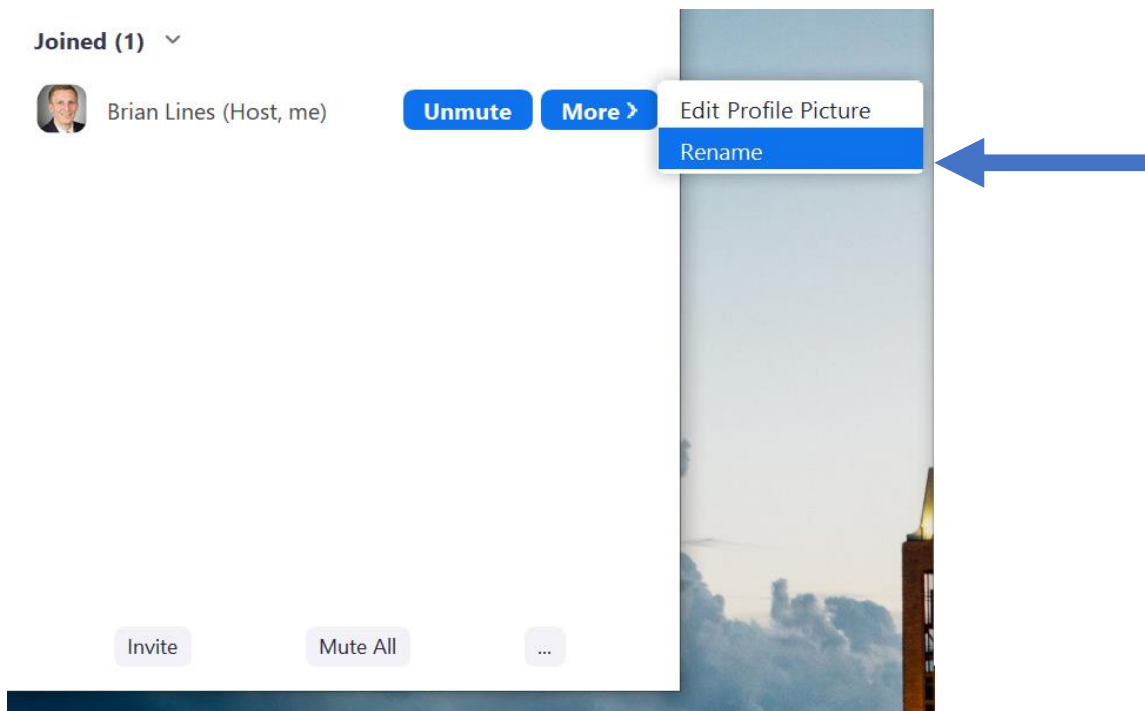
- **During breakout sessions, be sure to 1) turn on your video & audio and 2) share your screens for collaboration**
- **During the breaks... step away from your computer!**



# Please update your “Zoom” Name!!!



**Please include your full name!**  
**(State/Province/etc. welcome too!)**



**Via Participants panel in Zoom**  
**Click on “More”**  
**Then “Rename”**



# Overview

# Organizing a High-Performing RFP



## RFP

Request for Proposal



Information Technology (IT)  
Software Implementation Template

RFP Number: #####

RFP Release Date: MM/DD/YYYY

RFP Due Date: MM/DD/YYYY



Take A Quick Step Back...

# RFP

Request for Proposal



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Software Implementation Template

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RFP Due Date: MM/DD/YYYY

*What is the  
**Goal**  
of the RFP?*

# Goals of the RFP?



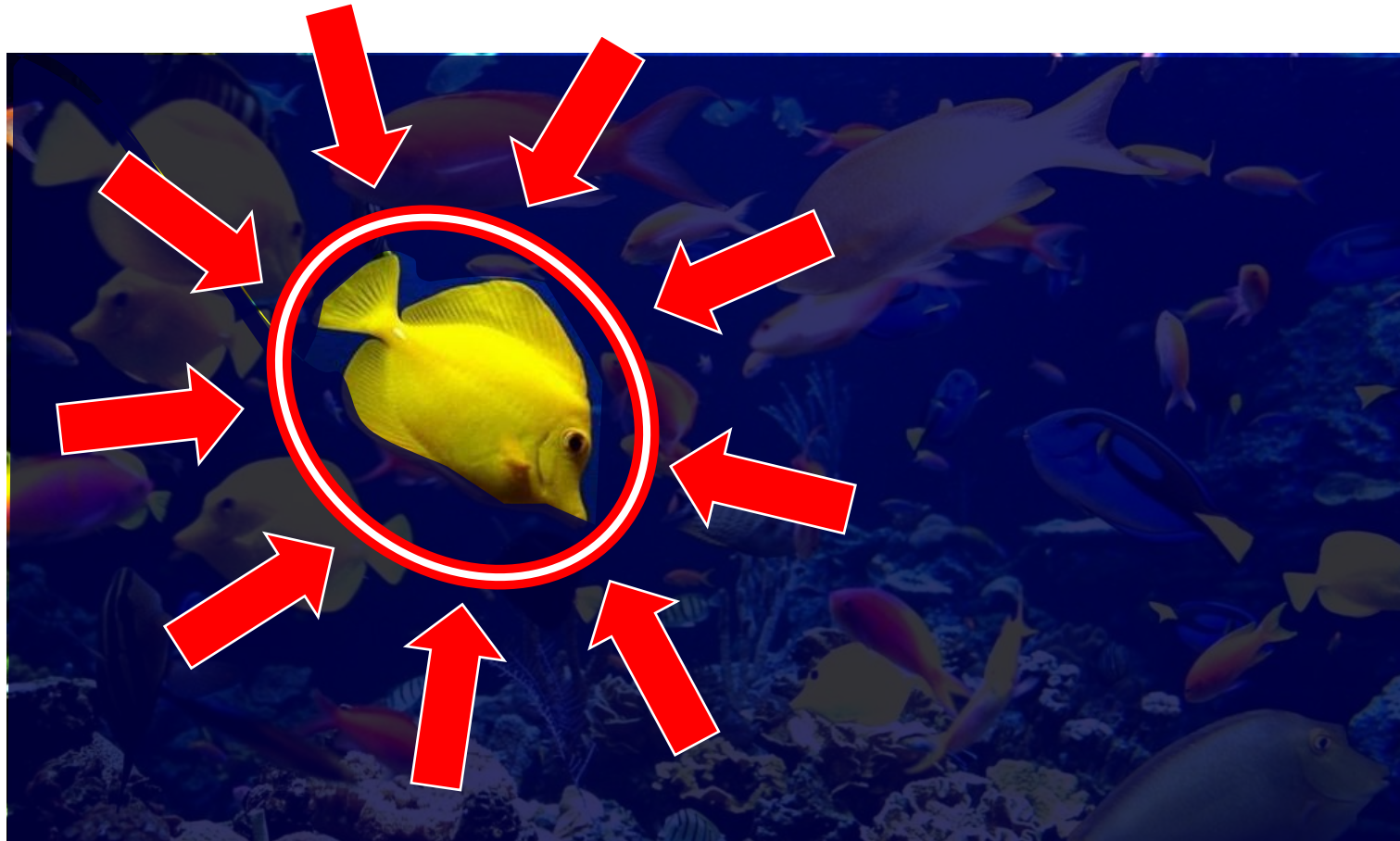
- **Make it difficult to determine your needs?**
- **Confuse vendors?**
- **Frustrate vendors?**
- **Increase the odds of missing a requirement?**



# Always Remember...Vendors Have Options!



# You Want To Look More Attractive Than All Other Current Owners!!!





# If You Look Dangerous....





So how do we attract more  
High-Performing Vendors?

**Starts With  
Your  
Solicitation!**

**RFP**

**Request for Proposal**



**Information Technology (IT)  
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# RFP vs. SOW: How are they Related?



## RFP

Request for Proposal



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# RFP vs. SOW: How are they Related?



## RFP

Request for Proposal



Information Technology (IT)  
Software Implementation Template

RFP Number: #####

RFP Release Date: MM/DD/YYYY

RFP Due Date: MM/DD/YYYY

- 1 Statement of Work
- 2 Current Conditions
- 3 Proposal Requirements
- 4 Evaluation Procedures
- 5 Administrative Requirements
- 6 Proposal Forms
- 7 Attachments & Exhibits

# Organizing a High-Performing RFP



## RFP

Request for Proposal



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Software Implementation Template

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What the Client  
is Purchasing

# Organizing a High-Performing RFP



## RFP

Request for Proposal



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What the Client is Purchasing

How the Client will Evaluate and Select the vendor

# DEFINITION: Statement of Work (SOW)




- The Statement of Work (SOW) is an essential part of any solicitation.
- Describes what you are looking to purchase, acquire, or achieve.



## Could be any combination of...

- **Statement of Work (SOW)**
- **Scope of Work (SOW)**
- **Specifications or Minimum Specifications**
- **Requirements or Minimum Requirements**
  - **Business Requirements**
  - **Technical Requirements**
  - **Functional Requirements**
- **Minimum Qualifications**



**SOW =  
What you are  
Hiring the  
Vendor to do**

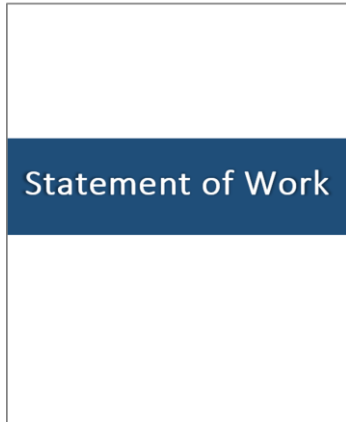
# General RFP Process...



**Contract**



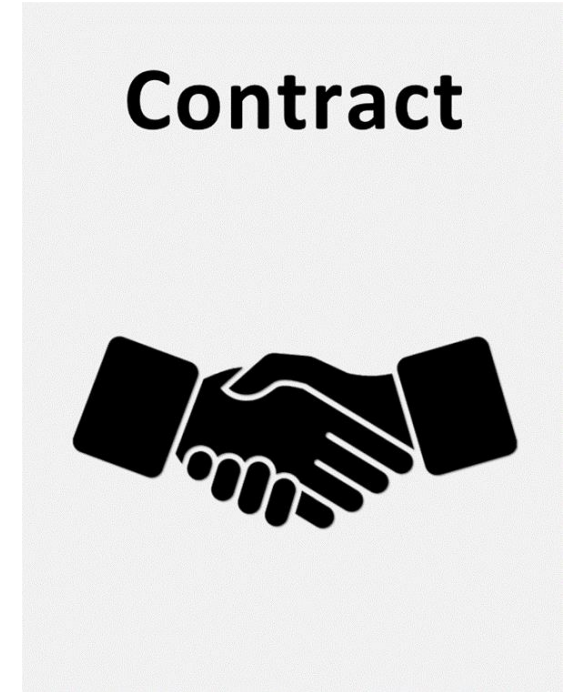
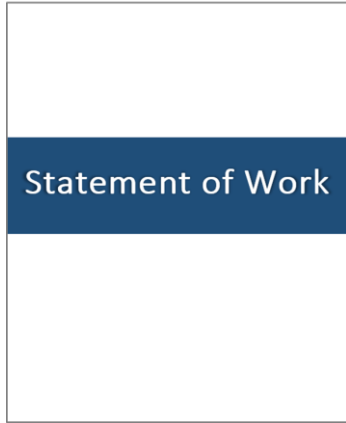
# 1) Prepare the SOW (and Current Conditions)



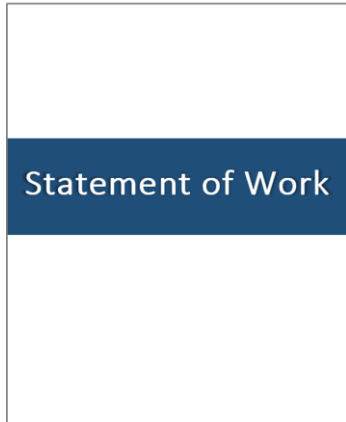
**Contract**



# 2) Prepare the RFP



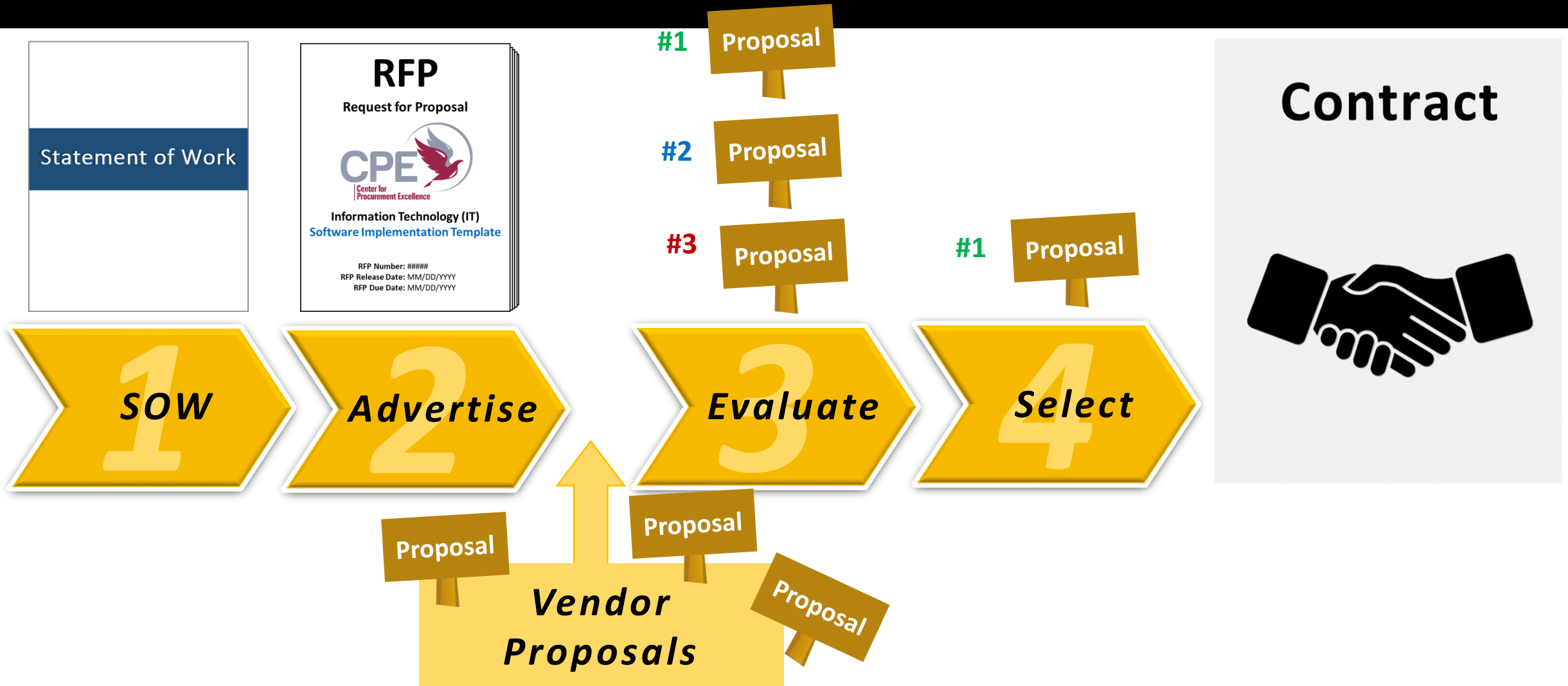
# 3) Advertise the RFP & Receive Proposals



# 3) Evaluate the Proposals



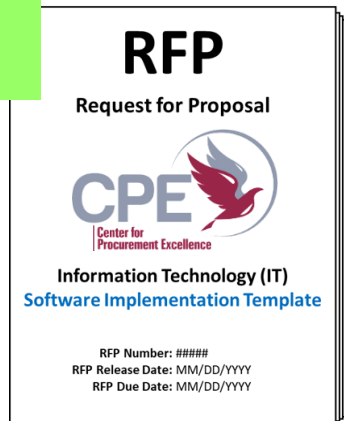
# 4) Select the Top-Evaluated Vendor(s)



# 4) Select the Top-Evaluated Vendor(s)

Yes, here!

Statement of Work



#1

Proposal

#2

Proposal

#3

Proposal

#1

Proposal

Contract  
Not talking  
about here!



1  
SOW

2  
Advertise

3  
Evaluate

4  
Select

Proposal

Proposal

Proposal

Vendor  
Proposals



**ITB** **RFP** **SOQ**  
**RFQ** **Solicitation** **RFT**  
**SOI** **IFB**  
**RFSQ**

**Solicitation**

**Contents**

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Section 1 Scope of Work  
Section 2 Evaluation Criteria and Procedures  
Section 3 Administrative Requirements  
Section 4 Submittal Forms & Exhibits

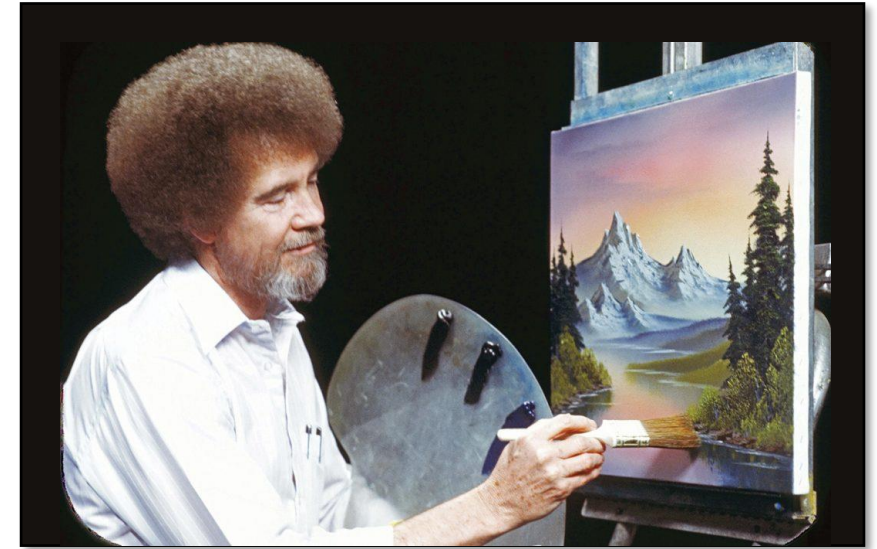
***Whatever Type of Solicitation...***

***... A High-Performing SOW is Crucial!***

# The Goal of the SOW



- **Paint the picture of what success looks like**
- **Describe what it will take to make you 100% satisfied (what are the outcomes & achievements)**
- **A good SOW assures that all of the vendors propose a proper solution (that meets your needs)**



A hand in a dark suit sleeve holds a car key with a black fob and a silver key. The background is a blurred image of a car, overlaid with a semi-transparent blue filter. The text 'Workshop' is written in yellow, and 'Purchasing a Vehicle' is written in white below it.

**Workshop**

**Purchasing a Vehicle**

# Turn to the "SOW Workshop" Tab of your Handbook



CATEGORY	MAKE	TYPE	MILEAGE	COLOR				SEATS	OPTIONS			SAFETY	MSRP	
				W	B	R	S		BACKUP CAMERA	REMOVABLE SEATS	TOW PACKAGE			
SEDAN	1	Kia	Used	59,000		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		4				5 Stars	\$14,000
	2	Honda	Used	66,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4				5 Stars	\$16,000
	3	Ford	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4			<input checked="" type="checkbox"/>	5 Stars	\$21,000
	4	Chevy	New	13	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>			5 Stars	\$23,000
SUV	5	Honda	Used	39,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$19,000
	6	Toyota	New	8		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$29,000
	7	Dodge	New	12	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$29,000
	8	Chevy	New	6	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$38,000
LUXURY	9	Audi	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$35,000
	10	BMW	New	12	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5 Stars	\$60,000
	11	Porsche	New	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		2				5 Stars	\$105,000
	12	Ferrari	New	2			<input checked="" type="checkbox"/>		2				5 Stars	\$125,000
TRUCK	13	Toyota	Used	74,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	3	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$18,000
	14	Dodge	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$22,000
	15	Ford	Used	98,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5			<input checked="" type="checkbox"/>	5 Stars	\$15,000
	16	Chevy	New	24	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$28,000
VAN	17	Kia	Used	47,000	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$22,000
	18	Dodge	New	23	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>			5 Stars	\$24,000
	19	Chrysler	New	17	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$25,000
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W = White | B = Black | R = Red | S = Silver

# Summary of Objectives



- You will play the role of a **salesperson** for a Car Dealership.
- Your task will be to identify the **'best' vehicle** for a customer based on your current inventory of vehicles.



# Breakout Rooms



- **Reminder: you can share screens in the breakout**
- **Please take a screenshot of the SOWs before heading into breakout rooms.**
- **When you are done – you can re-join main room.**
  - **A poll will be launched in the main room to submit your choice.**

# SCENARIO #1



- **I need to purchase a vehicle.**
- **What is the best deal that you can offer me?**
- **I will be back at the end of the week to purchase the vehicle!**

CATEGORY	MAKE	TYPE	MILEAGE	COLOR				SEATS	OPTIONS			SAFETY	MSRP	
				W	B	R	S		BACKUP CAMERA	REMOVABLE SEATS	TOW PACKAGE			
SEDAN	1	Kia	Used	59,000		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		4				5 Stars	\$14,000
	2	Honda	Used	66,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4				5 Stars	\$16,000
	3	Ford	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4			<input checked="" type="checkbox"/>	5 Stars	\$21,000
	4	Chevy	New	13	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>			5 Stars	\$23,000
SUV	5	Honda	Used	39,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$19,000
	6	Toyota	New	8		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$29,000
	7	Dodge	New	12	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$29,000
	8	Chevy	New	6	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$38,000
LUXURY	9	Audi	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$35,000
	10	BMW	New	12	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5 Stars	\$60,000
	11	Porsche	New	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		2				5 Stars	\$105,000
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TRUCK	13	Toyota	Used	74,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	3	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$18,000
	14	Dodge	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$22,000
	15	Ford	Used	98,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5			<input checked="" type="checkbox"/>	5 Stars	\$15,000
	16	Chevy	New	24	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$28,000
VAN	17	Kia	Used	47,000	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$22,000
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	19	Chrysler	New	17	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$25,000
	20	Honda	New	19	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$35,000



# Feedback?



- **Insert feedback here**

# Most Common Feedback...



- *What does “best-deal” even mean?*
- *Open-ended SOW = free for fall, price-gauging, etc.*
- *Some teams will pick most expensive option / Others pick the cheapest*
- *Many teams are frustrated and annoyed and didn't really spend much effort?*

# What do you want to know???



- **Budget**
- **Use / Purpose**
- **New or Used**
- **# of people**
- **How far**
- **Warranty/extras/options**
- **Longevity**

# Clarify Assumptions...



- The Salesperson can only offer **1 vehicle**  
(**cannot** offer multiple options)
- The Salesperson really wants to make the deal
  - (**would rather not 'lose' the deal** or see client purchase a vehicle from the dealer across the street)

# SCENARIO #2



- **Here are my expectations:**
  - **Need a new vehicle, not used**
  - **Need 5-star safety rating**
  - **Would like it to be black or silver**
  - **Would like Back-Up Camera**
  - **Probably an SUV (3 kids plus 2 adults)**

CATEGORY	MAKE	TYPE	MILEAGE	COLOR				SEATS	OPTIONS			SAFETY	MSRP	
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	2	Honda	Used	66,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4				5 Stars	\$16,000
	3	Ford	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4			<input checked="" type="checkbox"/>	5 Stars	\$21,000
	4	Chevy	New	13	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>			5 Stars	\$23,000
SUV	5	Honda	Used	39,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$19,000
	6	Toyota	New	8		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$29,000
	7	Dodge	New	12	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$29,000
	8	Chevy	New	6	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$38,000
LUXURY	9	Audi	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$35,000
	10	BMW	New	12	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5 Stars	\$60,000
	11	Porsche	New	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		2				5 Stars	\$105,000
	12	Ferrari	New	2			<input checked="" type="checkbox"/>		2				5 Stars	\$125,000
TRUCK	13	Toyota	Used	74,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	3	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$18,000
	14	Dodge	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$22,000
	15	Ford	Used	98,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5			<input checked="" type="checkbox"/>	5 Stars	\$15,000
	16	Chevy	New	24	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$28,000
VAN	17	Kia	Used	47,000	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$22,000
	18	Dodge	New	23	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>			5 Stars	\$24,000
	19	Chrysler	New	17	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$25,000
	20	Honda	New	19	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$35,000

# Feedback...



- **Most Common:**
  - SUV Dodge @ \$29k
  - SUV Chevy @ \$38k
  - VAN: Dodge @ \$24k
  - VAN Chrysler @ \$25k
- Which cost option **should** the dealer pick (if you can only pick one)?
- It was clearly helpful to have **more** information?
- What was **missing**?

# Feedback...



- **Be clear on your expectations:**

- Need a new vehicle, not used
- Need 5-star safety rating

- Would like it to be black or silver
- Would like Back-Up Camera
- Probably an SUV (3 kids plus 2 adults)

*Mandatory Requirements?*

*Desired Items?*



# SCENARIO #3



- **Here are some of my expectations:**
  - **Need a new vehicle, not used**
  - **Need 5-star safety rating**
  - **Do not want a red-colored vehicle**
  - **Would like Back-Up Camera**
  - **Need at least 5 seats (3 kids plus 2 adults)**
  - **Must be able to go/take it camping in the forest**
  - **My maximum budget is \$27,000**

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				W	B	R	S		BACKUP CAMERA	REMOVABLE SEATS	TOW PACKAGE			
SEDAN	1	Kia	Used	59,000		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		4				5 Stars	\$14,000
	2	Honda	Used	66,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4				5 Stars	\$16,000
	3	Ford	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4			<input checked="" type="checkbox"/>	5 Stars	\$21,000
	4	Chevy	New	13	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>			5 Stars	\$23,000
SUV	5	Honda	Used	39,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$19,000
	6	Toyota	New	8		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$29,000
	7	Dodge	New	12	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$29,000
	8	Chevy	New	6	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$38,000
LUXURY	9	Audi	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$35,000
	10	BMW	New	12	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5 Stars	\$60,000
	11	Porsche	New	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		2				5 Stars	\$105,000
	12	Ferrari	New	2			<input checked="" type="checkbox"/>		2				5 Stars	\$125,000
TRUCK	13	Toyota	Used	74,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	3	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$18,000
	14	Dodge	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$22,000
	15	Ford	Used	98,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5			<input checked="" type="checkbox"/>	5 Stars	\$15,000
	16	Chevy	New	24	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$28,000
VAN	17	Kia	Used	47,000	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$22,000
	18	Dodge	New	23	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>			5 Stars	\$24,000
	19	Chrysler	New	17	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$25,000
	20	Honda	New	19	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$35,000

# Discussion



- Was it helpful to have the budget?
- Was it helpful to know the purpose/goals/objectives of the vehicle?

*Need a new vehicle, not used*

*Need 5-star safety rating*

*Do not want a red-colored vehicle*

*Would like Back-Up Camera*

*Need at least 5 seats (3 kids plus 2 adults)*

*Must be able to go/take it camping in the forest*

*My maximum budget is \$27,000*

# SCENARIO #4



- **Here are some of my expectations:**
  - Prefer a new vehicle, not used
  - Would like a 5-star safety rating
  - Would prefer a red vehicle
  - Would prefer a sedan or SUV
  - I plan to use the vehicle to take my small boat to the lake on occasion
  - I generally only have 1-2 people in the vehicle, but may have a few more when going to the lake
  - Do not want a van
  - A maximum budget of \$75,000

CATEGORY	MAKE	TYPE	MILEAGE	COLOR				SEATS	OPTIONS			SAFETY	MSRP	
				W	B	R	S		BACKUP CAMERA	REMOVABLE SEATS	TOW PACKAGE			
SEDAN	1	Kia	Used	59,000		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		4				5 Stars	\$14,000
	2	Honda	Used	66,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4				5 Stars	\$16,000
	3	Ford	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4			<input checked="" type="checkbox"/>	5 Stars	\$21,000
	4	Chevy	New	13	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>			5 Stars	\$23,000
SUV	5	Honda	Used	39,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$19,000
	6	Toyota	New	8		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$29,000
	7	Dodge	New	12	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$29,000
	8	Chevy	New	6	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$38,000
LUXURY	9	Audi	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$35,000
	10	BMW	New	12	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5 Stars	\$60,000
	11	Porsche	New	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		2				5 Stars	\$105,000
	12	Ferrari	New	2			<input checked="" type="checkbox"/>		2				5 Stars	\$125,000
TRUCK	13	Toyota	Used	74,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	3	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$18,000
	14	Dodge	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$22,000
	15	Ford	Used	98,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5			<input checked="" type="checkbox"/>	5 Stars	\$15,000
	16	Chevy	New	24	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$28,000
VAN	17	Kia	Used	47,000	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$22,000
	18	Dodge	New	23	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>			5 Stars	\$24,000
	19	Chrysler	New	17	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$25,000
	20	Honda	New	19	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$35,000

# Discussion...

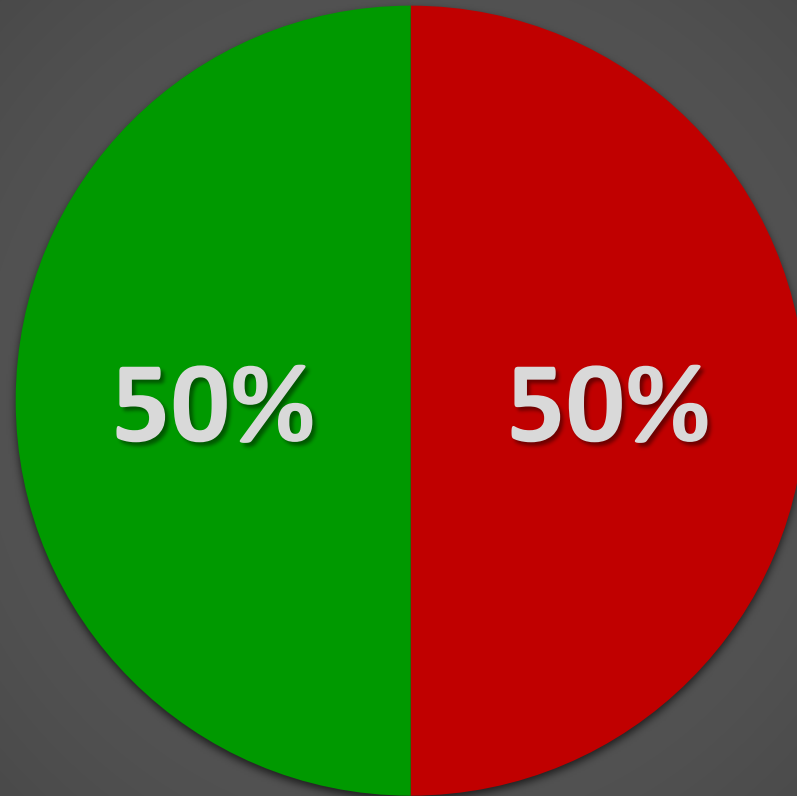


- **Was it helpful to know the purpose/goals/objectives of the vehicle?**
- **Is it OK to release your budget when you have more money than you need?**
- **Will you always get price-gauged?**

# Research Shows That...



**YES**



**NO**

# Procurement...



- **Generally, most professionals have been trained/educated to not share the budget.**
- **Most common response:**
- ***“If we give them our budget, they will all raise their price”***



# Procurement...



- Generally, most professionals have been trained/educated to not share the budget.
- Most common response:
- *“If we give them our budget, they will all raise their price”*

**We will discuss in this  
after the Workshop!!!**

# SCENARIO #5



- **Here are some of my expectations:**
  - **Need a truck**
  - **Must be a new vehicle (not used)**
  - **I will be using this to tow my construction trailer**
  - **Must have back-up camera**
  - **Would prefer a lighter color (white or silver)**
  - **I have a maximum budget of \$20,000**

CATEGORY	MAKE	TYPE	MILEAGE	COLOR				SEATS	OPTIONS			SAFETY	MSRP	
				W	B	R	S		BACKUP CAMERA	REMOVABLE SEATS	TOW PACKAGE			
SEDAN	1	Kia	Used	59,000		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		4				5 Stars	\$14,000
	2	Honda	Used	66,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4				5 Stars	\$16,000
	3	Ford	New	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4			<input checked="" type="checkbox"/>	5 Stars	\$21,000
	4	Chevy	New	13	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>			5 Stars	\$23,000
SUV	5	Honda	Used	39,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$19,000
	6	Toyota	New	8		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	5 Stars	\$29,000
	7	Dodge	New	12	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$29,000
	8	Chevy	New	6	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$38,000
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	10	BMW	New	12	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		5 Stars	\$60,000
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VAN	17	Kia	Used	47,000	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$22,000
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	20	Honda	New	19	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	7	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5 Stars	\$35,000

# Discussion



- **Does client have enough money to meet all expectations?**
- **What are the options?**
- **What would happen if you didn't release the budget?**

# SCENARIO #6



- **Here are some of my expectations:**
  - **Must be a Nissan Truck**
  - **Must have a tow package**
  - **Must have back-up camera**
  - **Must be white**
  - **I have a maximum budget of \$30,000**

- **Would this be acceptable in Public Procurement?**
- **Cannot specify a product (unless there is clear justification), must allow “or-equal”**

# SCENARIO #7



**• I need to purchase a vehicle. I would like you to identify the best deal you can provide for a vehicle? Here are some of my expectations:**

- The vehicle must come with synthetic engine oil
- The vehicle must have windshield wipers
- I was born in May
- I have 3 younger brothers
- My brothers live in the same State
- I work for an IT company
- I would like a new car, not used
- I generally work 40-45 hours per week
- I really like my current vehicle
- I get headaches from the smell of cigarettes
- Do you think I need a tow package
- My house has really cool carpet
- I do not want a red or yellow vehicle
- I have set aside extra funds for the 'right' vehicle
- Vehicle must have a 4-speed automatic or better
- The vehicle should get great MPG
- I really like Thai food, but not sushi
- My maximum budget is \$29,000
- Would like the vehicle to have tinted windows
- The vehicle must have great lights for night driving
- Would like to purchase by end of the week
- Vehicle must come with 2 sets of keys
- Vehicle must come with full tank of gas
- How do you take a shower in the forest?
- If I get a vehicle, is 5-star better than 4?
- The vehicle must have Firestone tires
- The vehicle should have chrome wheels
- Would really like a luxury sedan
- I am open to any color vehicle
- I've never been camping
- I think SUV's are really cool
- I currently drive a 4-door sedan

# SCENARIO #7



• I need to purchase a vehicle. I would like you to identify the best deal you can provide for a vehicle? Here are some of my expectations:

- The vehicle must come with synthetic engine oil
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# SCENARIO #7



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- I think SUV's are really cool
- I currently drive a 4-door sedan

# Discussion



- **Is providing more information in the Statement always better?**
- **What happens if your requirements accidentally conflict?**

# General Feedback...

**Most common requests from the Dealerships:**

- **Budget**
- **Schedule**
- **Background about intended use or purpose (family, luxury, work truck, etc.)**
- **Technical requirements**



# Key Takeaways

# Common Responses...



- Quality of Statement impacts level of **vendor frustration/satisfaction**
- Quality of Statement impacts how much **time & effort** vendors spend
- **Budget** is critical
- All you need is for one vendor to be **honest**, to get the best deal
- **Purpose** is just as important as technical specs
- **Not enough** information can frustrate vendors
- **Too much** information can be just as bad



# Sharing the Budget

# Should We Share the Budget?



- **Let's look at the scenarios and the data.**

# Should We Share the Budget?



- Let's look at the scenarios and the data.

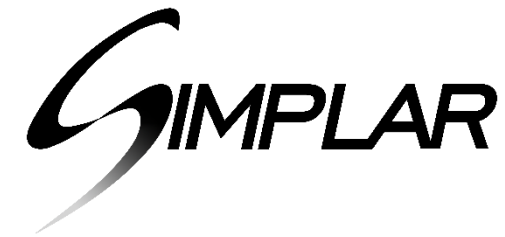
There are two possible scenarios:

- Scenario #1 = More Budget than We Need
- Scenario #2 = We Don't Have Enough Budget



# Which is more common?

- Scenario #1 = More Budget than We Need
- Scenario #2 = We Don't Have Enough Budget



How often do we have  
more money  
than we need?

# Scenario #1: More Budget than We Need



- **Not** the most common scenario
- Experience = our budgets are “tight” most of the time.
- Therefore, price gouging is more perceived than reality.

# Scenario #1: More Budget than We Need



- But let's say we do have more money than we need.
- Price gouging is a possibility in these scenarios.

# Scenario #1: More Budget than We Need



**Client's SOW** \_\_\_\_\_

# Scenario #1: More Budget than We Need



**Client's Budget (\$\$)** \_\_\_\_\_

**Client's SOW** \_\_\_\_\_

# Scenario #1: More Budget than We Need



**Client's Budget (\$\$)**



**Vendor Proposals?**



**↑ (+\$ inflated cost?)**

**Client's SOW**



# Scenario #1: More Budget than We Need



- But let's say we do have more money than we need.
- Price gouging is a possibility in these scenarios.



1 = \$99,999



2 = \$99,900



3 = \$99,975



4 = \$99,500



5 = \$99,986

Your Budget  
**\$100,000**



# Think About...



- *What type of vendors would do that?*
- *What can throw-off this strategy?*
- *Who do low-performers care about?*
- *What is a low-performers greatest advantage?*

A large green arrow pointing to the left, containing a list of five items. Each item consists of a worker icon, a number, and a dollar amount.

	1 = \$99,999
	2 = \$99,900
	3 = \$99,975
	4 = \$99,500
	5 = \$99,986

# It Only Takes **1** Vendor To Be Honest!!!



1 = \$99,999



2 = \$99,900



3 = \$59,975



4 = \$99,500



5 = \$99,986

Your Budget  
**\$100,000**

What does the data say?



# New Health & Education Building (DBB)

(1<sup>st</sup> time this organization ever shared their budget!)

- Budget: **\$21 Million**
- Average Proposal: **13% below budget (\$17½ to \$20M)**

**Total Score**    **87**    **55**    **44**    **69**    **42**    **95**    **58**

No	Criteria	Detailed Weight	Vendor 1	Vendor 2	Vendor 3	Vendor 4	Vendor 5	Vendor 6	Vendor 7
1	Lump Sum	30	\$ 18,044,000	\$ 18,043,000	\$ 19,675,000	\$ 17,490,000	\$ 18,570,000	\$ 17,778,000	\$ 17,710,000
2	Project Capability	10	6.4	1.6	1.6	5.2	1.0	8.0	2.8
3	Risk Assessment	15	6.6	4.0	4.6	2.0	3.6	8.0	2.4
4	Value Added	10	9.0	3.4	1.4	4.2	1.2	5.6	5.0
5	Interview - Project Manager	15	6.8	1.8	0.0	6.8	0.0	6.6	3.4
6	Interview - Site Superintendent	15	5.4	2.6	0.0	3.0	0.0	10.0	1.8
7	PPI Average Rating (all entities)	5	9.85	9.46	9.74	8.61	9.69	9.44	9.67

# Research Proves That Providing Budgets Will **Not** Necessarily Result In Higher Costs



## In Summary...

- Analyzed **248 RFPs** that shared their Budgets
- Shared Budget = **\$222 Million**
- Average Proposals = **\$143 Million (36% below budget)**

# Scenario #1: More Budget than We Need



- **Not the most common scenario.**
- **Lots of reasons why price gouging may not occur.**
  - Still have price competition.
  - Only takes 1 honest vendor to negate price gouging.
  - Low performers may be tempted, but their advantage is price.
- **Data shows that price gouging does not occur very often.**
- **Budget information is only an advantage to High Performers.**
- **Vendors are much more likely to raise prices due to...**
  - Their perceived level of risk
  - How much they need the work
  - **And their perception of the Client!**

# Scenario #2: We Don't Have Enough Budget



**Client's Budget (\$\$)** —————

# Scenario #2: We Don't Have Enough Budget



**Client's SOW** -----

**Client's Budget (\$\$)** \_\_\_\_\_



# Scenario #2: We Don't Have Enough Budget



**Client's SOW** -----

↓ (-\$ fake prices?)

**Client's Budget (\$\$)** \_\_\_\_\_

# Scenario #2: We Don't Have Enough Budget



- **Now the budget is critical – whole project is at risk!**

# Scenario #2: We Don't Have Enough Budget



- Now the budget is critical – whole project is at risk!
  - What happens if we **do** (or **don't**) share the budget?

# Scenario #2: We Don't Have Enough Budget



- **Now the budget is critical – whole project is at risk!**
- **What happens if we don't share the budget:**
  - Vendors can't offer solutions to a problem they don't know
  - Increases the chance of cancelling the project
    - “blame game” and frustrations (prices are too high and we don't have options!”)
  - Gives advantage to low performers who “promise” a low cost (initially)
  - Slows everything down!

# Scenario #2: We Don't Have Enough Budget



- **Now the budget is critical – whole project is at risk!**
- **What happens if we do share the budget:**
  - High-Performing Vendors can help minimize the risk.
  - Gives High-Performing Vendors a chance to stand out.
  - Helps all Vendors better understand the intent of the SOW.
  - Helps you learn why the budget is “off” (vendors can explain in detail by their estimate differs from your budget)
  - Speeds things up (you have options, ideas, and “proof”)

# Should We Share the Budget?



- **Yes!** It is a **best practice** because it...
  - Minimizes risk
  - Helps high-performing vendors stand out
  - Makes you a more attractive client
  - Is supported by the data
- **Of course, not every organization is comfortable.**
  - That is normal! Training & awareness helps!

# Handout: The Budget

## To Share or Not to Share? That is the Question!



### The Budget

To Share or Not to Share? That is the Question!

#### Our recommendation

If your project has a budget, share it. Put it right into the RFP/solicitation docs. Not a budget range or approximation, but the actual budget. The amount of money you, as the client, actually have that you can actually spend. No tricks, no hidden contingency, but the actual number, raw and exposed. Let the vendors know how much money you have...

Share your budget

...but of course, you have to do this in the right way, and with the right procurement process, and with the right training for both your project team AND especially the proposing vendors.



Nevertheless, you may be thinking right now: "Share my budget? That's crazy talk!" Let us explain.

#### First, some context

Initially, the big fear most clients have in sharing their budget is: "Won't vendors artificially raise their prices to meet my budget? They'll turn my money into their profit!" But first ask yourself this: "How often do I have more money than I need? How often is my budget bigger than my scope?"

For most organizations the answer is almost always Never. But it does happen sometimes, so let's say that on 5% of your projects your budget isn't "tight." This means that 95% of projects have tight budgets, essentially more scope than budget. When this occurs, you are asking vendors for more scope than you are able to afford.

For those times when the budget is tight, let's look at both options:

#### The 95% of Projects



#### Option 1 What happens if I don't share the budget?



**Problem #1:** The budget is commonly the single biggest risk to the project. If it is not shared, your high performing vendors cannot use their expertise to help you minimize your biggest risk.



**Problem #2:** Withholding your budget, gives low performers an advantage. A low performer's only competitive advantage is that they're cheap (initially).

Taking the biggest risk out of consideration in your evaluations makes it more difficult for high performers to differentiate themselves and easier for lower performers to look more attractive. A "good deal" may just be the beginning of problems on your project.



**Problem #3:** If the prices come in too high, it causes frustration, the blame-game, the potential of canceling the project, etc.

It can lead to inappropriate scope shaving, "value-engineering," and aggressive negotiating. These all cause inefficiency and waste additional time & effort.



**Advantage:** The advantage is we don't have to worry about price gouging from vendors. But if you don't have enough money to begin with, this potential advantage doesn't exist.

#### Option 2 Benefits to Sharing the Budget



**Advantage #1:** High performing vendors can use their expertise to help you minimize your budget risk within their proposals. This may come in the form of cost-saving ideas, innovative scope alternatives, etc. It makes the proposals more valuable & your interviews more productive.



**Advantage #2:** It is easier for high performers to differentiate themselves in your evaluation process. High performing vendors can use their expertise to provide cost-savings and value-adding innovations. Any such ideas that are contained within a proposal will inherently need to be specific to your project. Thus, it even helps minimize the boilerplate nature of many proposals.



**Advantage #3:** It helps the vendors better understand the intent of your scope and purpose. A scope with a budget not only defines the needs and desires of the client, it does so within the framework of their constraints and resources.



**Advantage #4:** If your evaluations are set up properly, vendors can explain, in detail, why your budget and their estimated pricing differ.

Often, client project teams are under pressure to make a project happen, even when the project team feels the budget is inadequate. They try to convince their superiors that the budget is wrong, but often to no avail. The evaluation process can be used to help clarify reality and provide the project team with more, and better, cost information that can be used in discussions with supervisors and executives.

#### Problem:

If you share your budget, and you have more money than you need, vendors may raise their prices up to your budget. But if 95% of the time you are tight on money, then this risk is not a possibility... it is largely imaginary.

In our experience, there are more advantages to sharing the budget.

#### The other 5% of Projects

If you share your budget and you do have more money than you need, then price gouging is now an actual possibility. The good thing is that it just takes one honest vendor to keep the competition in check. In other words, it only takes one vendor to submit a fair and realistic price to negate ALL potential price gouging of other vendors. Vendors know this and rarely artificially raise their prices based upon a client's budget. They are more likely to raise prices based upon perceived risk and how badly their company needs the work.

Vendors are always looking to gain evaluation points everywhere they can, which means a lower price. Price is still heavily weighted in Simplar's XPD selection process with additional cost controls and protections in place. You will never get "burned" on price if you run the right procurement process. In any solicitation process, it is optimal to share your budget 100% of the time.



#### The Reality

There is no real risk in sharing your budget. Only perceived risk. We recommend always sharing your project budget and using XPD.



The Simplar XPD approach gets you faster procurements, more competition, higher performance, and better project and service outcomes.

Sharing the budget is just one concept that the best clients use to get the best vendors with the best pricing. Simplar helps your organization become a "Client of Choice."

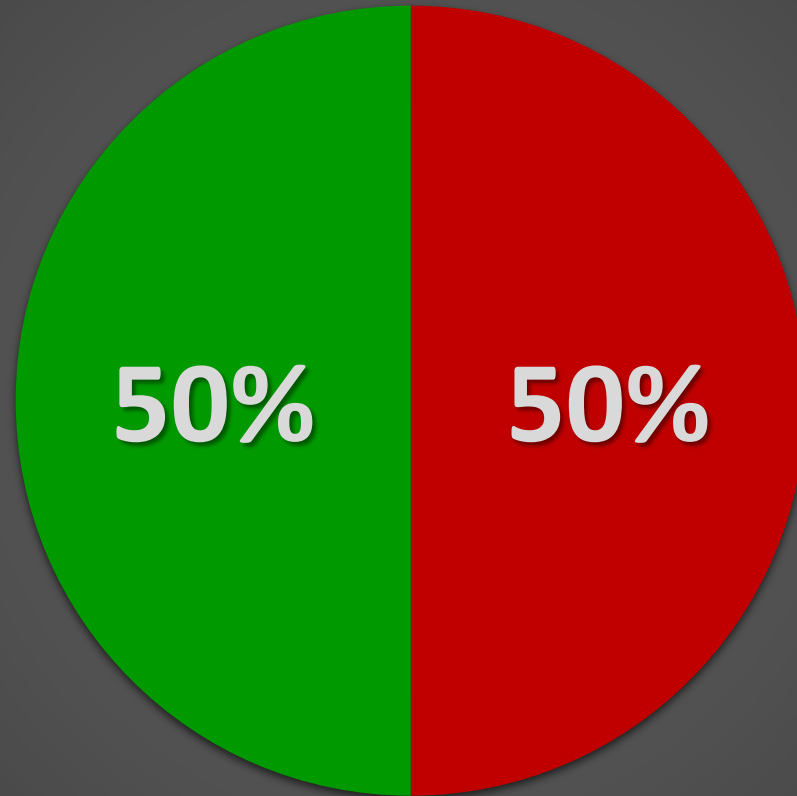


## Review the major Pros & Cons of releasing the budget.

# Research Shows That...



**YES**



**NO**



# Content & Structure of a High-Performing Statement of Work

# City of San Jose Process

## Department Contact Information

Department:

Department Contact Information (Name, Title, Phone Number):

## Scope of Work

Project Title:

Project Background:

Estimated Dollar Value:

Description of Project (include need and objectives of the project):

## ACQUISITION PROCEDURES

### I. Processing of Purchase Requisitions:

Department

1. Identifies the operational need to procure non-professional services.
2. Obtains such non-professional services through citywide open purchase orders, if available.
3. If not through citywide open purchase orders, the Department determines the continuous or one-time requirement for such non-professional services.

# What About AI?

# Organizing a High-Performing RFP



## RFP

Request for Proposal



Information Technology (IT)  
Software Implementation Template

RFP Number: #####

RFP Release Date: MM/DD/YYYY

RFP Due Date: MM/DD/YYYY

1 Statement of Work

2 Current Conditions

3 Proposal Requirements

4 Evaluation Procedures

5 Administrative Requirements

6 Proposal Forms

7 Attachments & Exhibits

What the Client  
is Purchasing

# Organizing a High-Performing RFP



## RFP

Request for Proposal



Information Technology (IT)  
Software Implementation Template

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1 Statement of Work

2 Current Conditions

3 Proposal Requirements

4 Evaluation Procedures

5 Administrative Requirements

6 Proposal Forms

7 Attachments & Exhibits

What the Client is Purchasing

How the Client will Evaluate and Select the vendor

# Content & Structure of a High-Performing SOW



## Statement of Work

- 1 Overview & Purpose
- 2 Future State
- 3 Itemized Requirements
- 4 Schedule & Budget
- 5 Unique Considerations

# Important in all areas of the SOW + CC



**1**  
Clear &  
Concise

**2**  
Accurate

**3**  
Complete



# Content & Structure of a High-Performing SOW



## Statement of Work

- 1 Overview & Purpose**
- 2 Future State
- 3 Itemized Requirements
- 4 Schedule & Budget
- 5 Unique Considerations

**Concisely Describe  
“What” & “Why”**

# Content & Structure of a High-Performing SOW



## Overview & Purpose

- **Project Overview:** high-level summary that is easily understandable (**1-2 sentences up to 1-2 paragraphs max**)

# Content & Structure of a High-Performing SOW

## Overview & Purpose



- **Project Overview:** high-level summary that is easily understandable (**1-2 sentences up to 1-2 paragraphs max**)
  - **Avoid technical language, jargon, details, or specifics.**

# Foundations of a High-Performing SOW



- **Clear, Concise, Complete:** comprehensively describe needs

## **EXAMPLE:**

1. I'm looking to buy a 4-wheel drive truck.

Accurate?      Concise?

Clear?      Complete?

# Content & Structure of a High-Performing SOW



## Overview & Purpose

- **Project Overview:** high-level summary that is easily understandable (**1-2 sentences up to 1-2 paragraphs max**)
  - **Avoid technical language, jargon, details, or specifics.**

- **Goals, Objectives & Motivation:** primary business drivers and purpose

# Goals or Objectives



- **Install a new shingles on my roof...or waterproof my building?**



# Goals or Objectives

- **Provide food to students...or ensure that the students are happy and keep buying more food**





# Goals or Objectives



- **Goal = transport 5 children**
- **Goal = haul construction material and tow a trailer**





# Foundations of a High-Performing SOW



- **Clear, Concise, Complete:** comprehensively describe needs

**EXAMPLE:** I'm looking to buy a 4-wheel drive truck.

**GOAL:** to haul my construction trailer

# Content & Structure of a High-Performing SOW

## Overview & Purpose



- **Project Overview:** high-level summary that is easily understandable (**1-2 sentences up to 1-2 paragraphs max**)
  - **Avoid technical language, jargon, details, or specifics.**
- **Goals, Objectives & Motivation:** primary business drivers and purpose

- **Key Measures of Success:** top 3-5 quantifiable metrics (cost, time, quality, functionality)

# Key Measures of Success



- **Key Measures of Success:** top 3-5 quantifiable metrics (cost, time, quality, functionality)
- **Difficult for Business Units to do!**
  - They often focus on activities rather than outcomes.
  - Takes intense questioning.

# Organizing a High-Performing RFP



## RFP

Request for Proposal



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Software Implementation Template

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What the Client  
is Purchasing

Overview & Purpose are right up front, so must be easy to find & understand!

# Content & Structure of a High-Performing SOW



## Statement of Work

- 1 Overview & Purpose
- 2 Future State**
- 3 Itemized Requirements
- 4 Schedule & Budget
- 5 Unique Considerations

**Departures from  
Current Conditions**

# Content & Structure of a High-Performing SOW



## Future State

- Describe each of the deliverables/services to be provided by the selected vendor for this Statement of work
- Describe the minimum requirements that must be performed to achieve a 100% satisfaction
- Attach exhibits to make this easier to follow (i.e. drawings, specs, pictures, site plans, etc.)

# Content & Structure of a High-Performing SOW



## Future State

- **Overview:** clear, concise, & easily understandable description
- **Project Deliverables:** tangible outcomes to be produced by vendor
- **Figures, Diagrams, & References:** supporting explanation
- **Transition/Migration:** efforts to bring legacy data forward

# Content & Structure of a High-Performing SOW



## Statement of Work

- 1 Overview & Purpose
- 2 Future State
- 3 Itemized Requirements**
- 4 Schedule & Budget
- 5 Unique Considerations

**Mandatory & Desired  
Items**



# Content & Structure of a High-Performing SOW

## Itemized Requirements



### Organization:

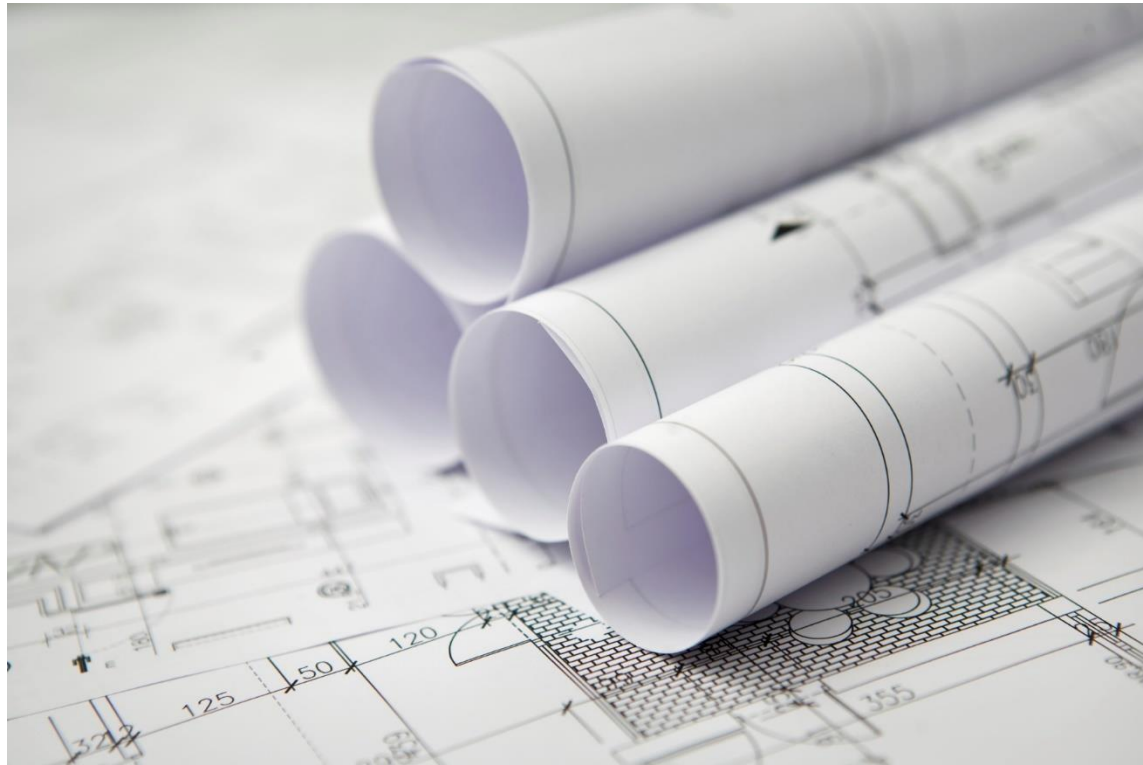
- Itemized
- Organized into major categories
- Attach (and reference) Exhibits to make this easier to follow (i.e. drawings, specs, pictures, diagrams, site plans, reference files, etc.)
- Do NOT need a written commentary for each requirement

# Content & Structure of a High-Performing SOW

## Itemized Requirements



- Drawings & Specs (Construction)



- Requirements (IT/Software)

ID Num	Requirement Area	Requirement Subcategory	Requirement Name	Requirement
5402	System and Technical	Workflow	Approval / Denial	System shall provide ability to define multiple approval levels for electronic transactions / documents / business events processing.
5403	System and Technical	Workflow	Approval / Denial	System shall provide ability to restrict processing of electronic transactions / documents / business events until they pass all required approval levels.
5404	System and Technical	Workflow	Approval / Denial	System shall provide ability to set up Approver Groups associated with electronic transaction / document / business event processing.
5405	System and Technical	Workflow	Approval / Denial	System shall provide the ability to define a unique approval process for each user and type of document/business event.
5406	System and Technical	Workflow	Approval / Denial	System shall provide the ability to specify multiple approvers for a document/business event where only one of the approvers listed must approve the document in order to consider the document approved.
5407	System and Technical	Workflow	Audit Trail	System shall provide an audit trail of all adds, changes, and deletes to workflow rules.
5408	System and Technical	Workflow	General	System shall ensure that any transaction, document or business event entered into the on-line system is reviewable prior to its saving / processing / commitment.
5409	System and Technical	Workflow	General	System shall provide the ability to reverse / unwind processed transactions, documents and business events.
5410	System and Technical	Workflow	General	System shall permit a minimum of 10 levels of approval that may be established for each type of electronic document/business event.
5411	System and Technical	Workflow	General	System shall allow all authorized users to see the approval status of a document/business event.
5412	System and Technical	Workflow	General	System shall assure that an employee is removed from and added to the workflow process based on qualifying events (e.g., termination from or appointment to agency, or transfer to another organization entity within the agency).
5413	System and Technical	Workflow	General	If a user modifies an electronic document/business event, the system shall allow approvals to be reprocessed in accordance with business rules.
5414	System and Technical	Workflow	General	System shall provide the ability to search/retrieve documents/records based upon user defined criteria.
5415	System and Technical	Workflow	Notification	System shall include a workflow process, with notification options, for business events and documents.
5416	System and Technical	Workflow	Notification	System shall provide the ability to re-route transaction/document/business event for approval based upon user defined criteria such as dollar thresholds or random selection for statistical sampling purposes.
5417	System and Technical	Workflow	Notification	System electronic document management function shall be integrated with the State's electronic mail system or provide other means to alert "reviewer" of documents awaiting approval.
5418	System and Technical	Workflow	Tracking Document(s)	System shall provide ability to track (e.g., identify, record, inquire, report) the progress of electronic transactions / documents / business events.

# Content & Structure of a High-Performing SOW

## Itemized Requirements



- **Mandatory Requirements (minimum, pass/fail):**
  - vendors **MUST** meet these or be disqualified.  
itemized, organized, and categorized
- **Desired Requirements (value proposition):**
  - vendors **NOT disqualified** for missing any individual item.
  - But the Client's goal is to achieve as many as possible.  
itemized, organized, and categorized

# Content & Structure of a High-Performing SOW



## Statement of Work

- 1 Overview & Purpose
- 2 Future State
- 3 Itemized Requirements
- 4 Schedule & Budget**
- 5 Unique Considerations

**Time & Financial  
Constraints**

# Content & Structure of a High-Performing SOW

## Schedule & Budget



- **Schedule:** clear & transparent identification of timing needs and constraints
- **Budget:** clear & transparent identification of financial needs and constraints

# Content & Structure of a High-Performing SOW

## Schedule & Budget



- The Budget & Schedule are crucial
- Clarify your SOW & Requirements (*what you can afford*)
- Clearly define any financial constraints or expectations that you have (**not ranges or “fuzzy” information → don’t cause confusion!**)
- Be direct, such as:
  - The construction budget for this Project is \$150,000
  - The estimated spend for this Project is \$2 Million
  - The project budget is \$250,000 for one-time implementation services  
+ \$500,000 for annual subscription/support.

# Content & Structure of a High-Performing SOW



## Statement of Work

- 1 Overview & Purpose
- 2 Future State
- 3 Itemized Requirements
- 4 Schedule & Budget
- 5 Unique Considerations**

**Supplemental  
Information**

# Content & Structure of a High-Performing SOW

## Unique Considerations



- **Unique:** what may be unusual in your environment?  
(vs. the vendor's other clients)
- **Unknowns & Assumptions:** list any conditions that are unknown or assumed
- **Attachments & Exhibits:** pertinent supplemental information



# Content & Structure of a High-Performing SOW

## Unique Considerations



- Building will house a cyclotron (radioactive material)



# Content & Structure of a High-Performing SOW

## Unique Considerations



- Building is on an island 6 hours from mainland



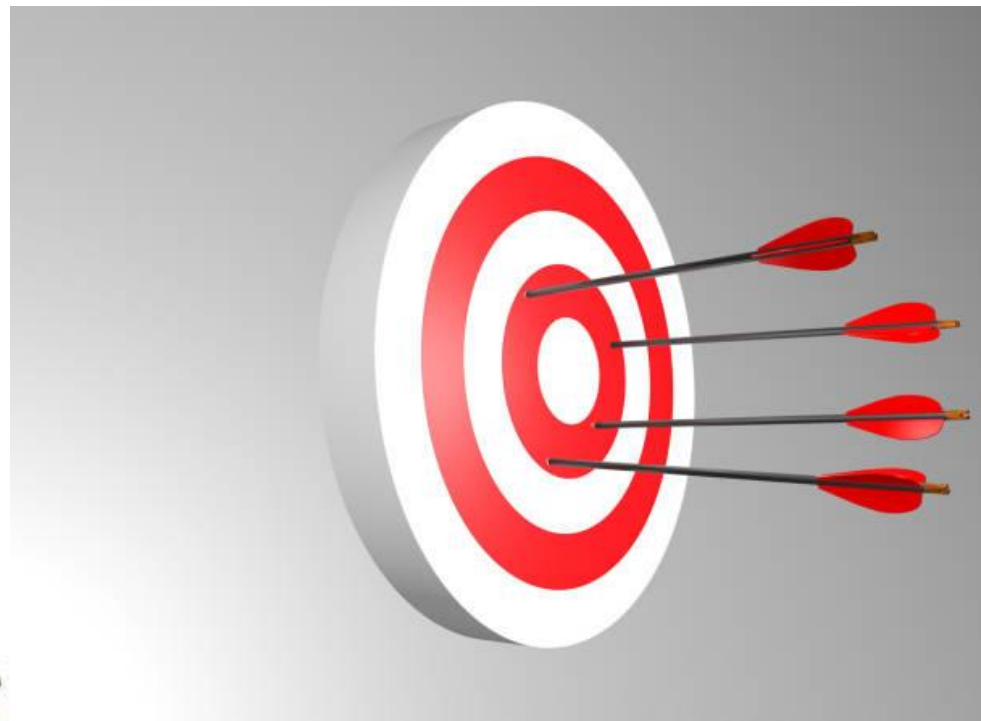


*Keep in Mind...*

***Goal Is Not  
Perfection!***



***Goal Is Not  
Perfection!***



***Do Our Best  
Within Resource  
Constraints***



***...But We  
Can't Totally  
Miss The  
Target!!!***



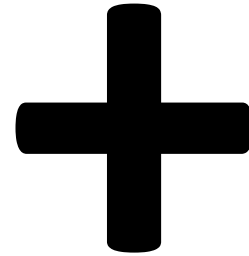


# The Importance of Current Conditions

# Content & Structure of a High-Performing SOW



Statement of Work



Current Conditions



# Content & Structure of a High-Performing SOW



Current Conditions

- 1 Overview & Background
- 2 Volumes & Quantities
- 3 Pain Points
- 4 Strengths
- 5 Figures, Diagrams, & References

# Current Conditions



- Easiest to document
- Often skipped, ignored, missed
- **Most common request from vendors!!!**

# Painting-The-Picture (Statement of Work)

**We spend a lot of time focusing on the SOW...**

- What success looks like**
- What will make you happy at the end of the contract**
- What you want to look like**
- What you want to achieve**



# Painting-The-Picture (Current Conditions)

*...But we forget to describe what we look like right now*



# Do Your Current Conditions *Really* Matter?





# Importance of Current Conditions



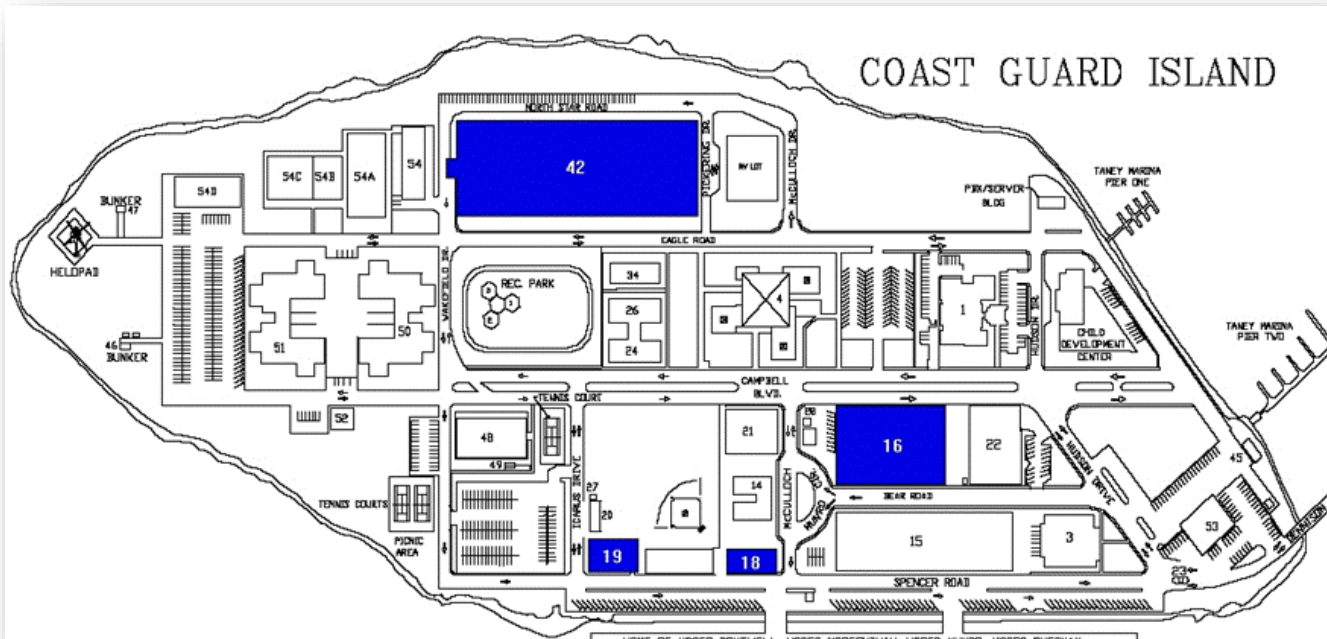
- Allows the vendors to understand the impact of the change
- Allows the vendor to confirm if SOW is achievable
- Allows the vendor to identify & address challenges
- Allows the vendor to verify the accuracy of your SOW



# Current Conditions in Re-Roofing



- **SOW:** Remove and replace existing roofing system and replace with a new built-up roofing system as shown in the drawings and specifications.





**SOW**

**Install a New Roof**



# As a Vendor...



***Is There Anything You Would Like To Know??  
(About The Current Conditions)***

# Why are you really doing this project?



## Current Conditions

- **What activities occur in the building / building use?**
- **What issues or concerns do you currently have?**

# Current Conditions



- **Building use = employee rec center (gym and basketball courts)**
- **Issue 1: we have leaks every time it rains**
- **Issue 2: we are worried about our wood basketball courts**
- **Issue 3: we don't want to have people monitor the gym during storms**



**SOW**

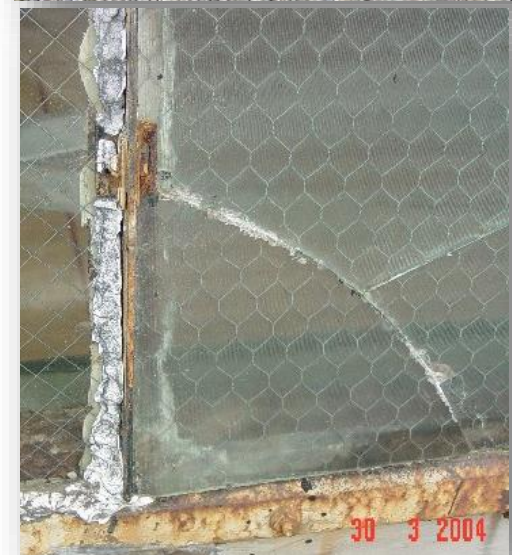
**Install a New Roof**

***“The building leaks  
aren’t just coming  
from the roof...”***













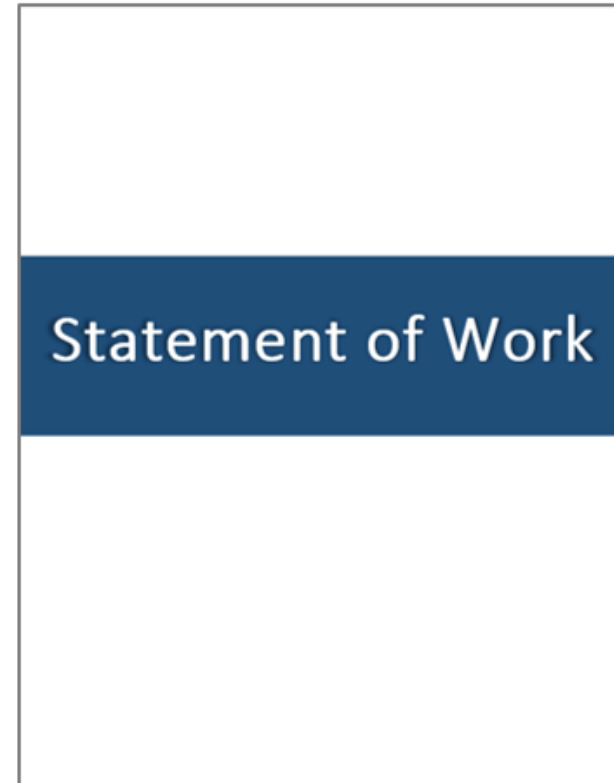
Current Conditions  
Can Allow An Expert vendor To  
Address Your Needs





# The Importance of Leadership

# Who is Responsible for Writing the SOW?



- 1 Overview & Purpose
- 2 Future State
- 3 Itemized Requirements
- 4 Schedule & Budget
- 5 Unique Considerations

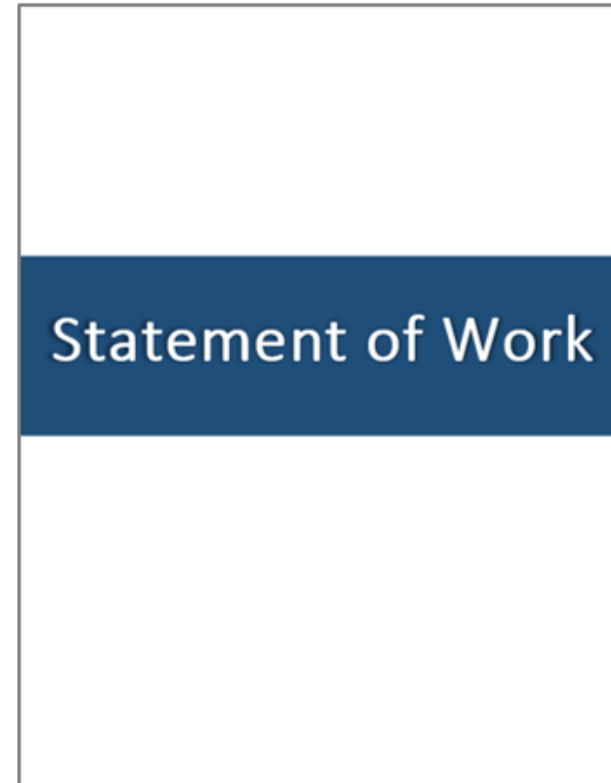
# Who is Responsible for Writing the SOW?



## Procurement



????



- 1 Overview & Purpose
- 2 Future State
- 3 Itemized Requirements
- 4 Schedule & Budget
- 5 Unique Considerations

# Who is Responsible for Writing the SOW?

**Procurement**



**Must work with  
internal client/user**

**Client / User**



# SOWs (and RFPs) Require Leadership Skills!



**Procurement**



**Must be a  
Facilitator (Leader!!!)**

**Client / User**



# Be Aware of Your Internal Clients / Users



## Common Questions from Internal Clients / Users

- Where do we start?
- What should we include?
- What should we exclude?
- How much detail?
- What if we don't know what we want?
- What if we don't know what we don't know?

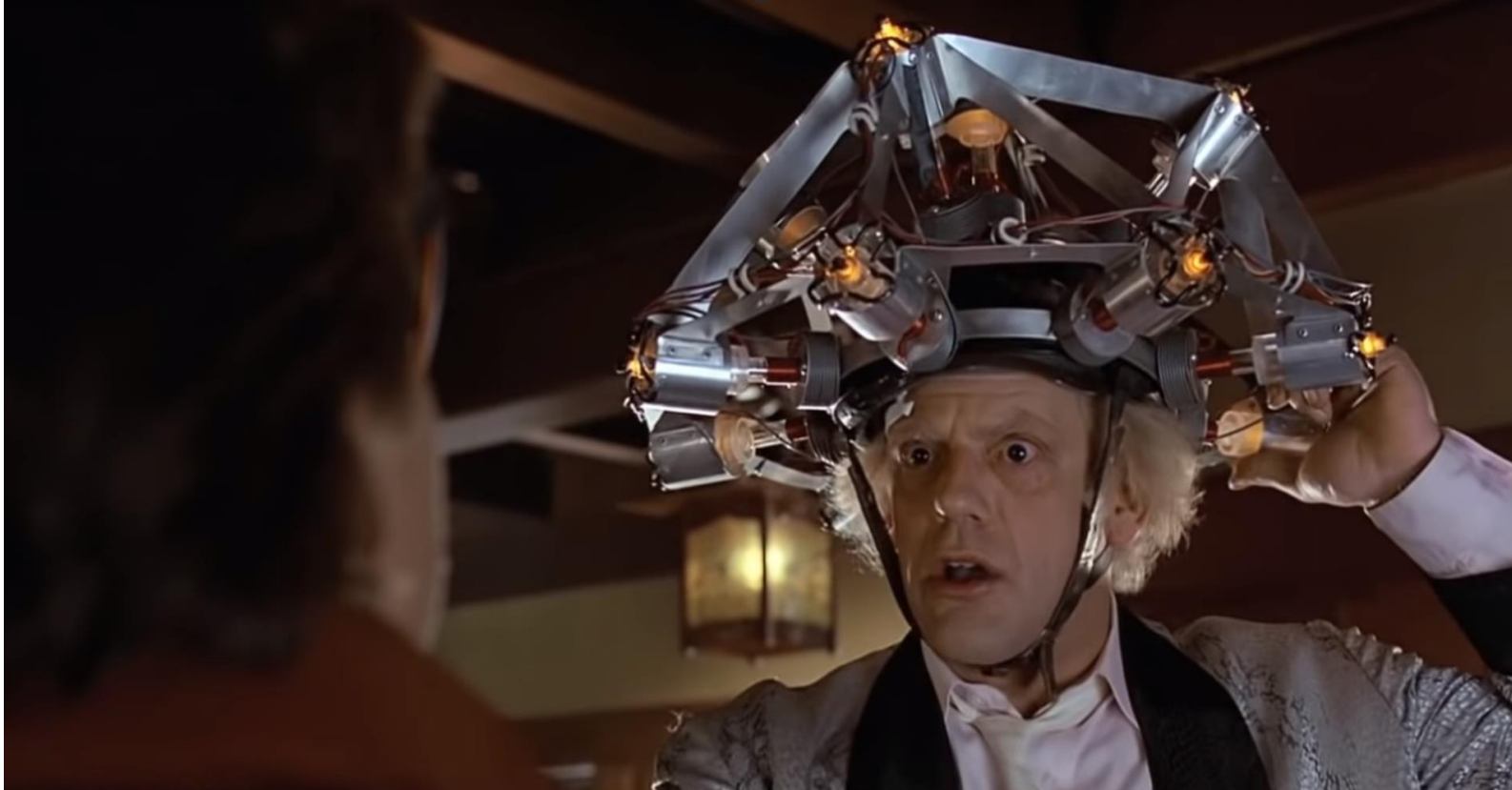


# Facilitation Procedures – CC's + SOW



1. **Buyer** should educate/train the **Internal Client** on importance of Current Conditions and SOW
2. **Buyer** should prepare a template of questions that may apply to the **Internal Client's** project or service
3. **Buyer** should walk the **Internal Client** through the questions, template, assessment and respond to any questions.
4. **Buyer** should support & “coach” the **Internal Client** (but they do the details) as they draft the content.  
– **Don't wait! Check in regularly.**

Most clients assume that you (and the vendors)...



**... can read their minds!!!**






# SOW Assessment

# SOW Assessment





## Scope of Work Assessment

Client:

Project:

Date:

**OBJECTIVE**  
A 100% perfect Statement of Work (SOW) does not exist. The real objective is to create a *High-Performing SOW*.

**WHAT IS A HIGH-PERFORMING SOW?**  
A High-Performing SOW gives Expert Vendors information needed to prepare an accurate proposal response. This SOW Assessment provides a list of minimum elements to consider when developing a High-Performing SOW.

SOW Element	ASSESSMENT	Average Score
<b>SECTION 1 – OVERVIEW &amp; PURPOSE</b>		
Project Overview: clear, concise, & easily understandable (1-2 paragraphs max)	1	1.0
Goals, Objectives & Motivation: primary business drivers and purpose	1	
Key Measures of Success: top 3-5 quantifiable metrics (cost, time, quality, function)	1	
<b>SECTION 2 – FUTURE STATE</b>		
Overview: clear, concise, & easily understandable description of future state	1	1.0
Project Deliverables: tangible outcomes to be produced by the supplier	1	
Figures, Diagrams, & References: supporting explanation to describe future state	1	
Transition/Migration: efforts to bring legacy data forward into new system	1	
<b>SECTION 3 – ITEMIZED REQUIREMENTS</b>		
Minimum Requirements (pass/fail): itemized, organized, and categorized	1	1.0
Desired Requirements (value proposition): itemized, organized, and categorized	1	
<b>SECTION 4 – SCHEDULE &amp; BUDGET</b>		
Schedule: clear and transparent identification of timing needs & constraints	1	1.0
Budget: clear and transparent identification of financial needs & constraints	1	
<b>SECTION 5 – UNIQUE CONSIDERATIONS</b>		
Unique: what may be unusual in your environment? (vs. the supplier's other clients)	1	1.0
Unknowns & Assumptions: list any conditions that are unknown or assumed	1	
Attachments & Exhibits: pertinent supplemental information	1	

Key for Assessment Scoring: 1 = Not Provided or Missing; 2 = Substantial Improvement Needed; 3 = Minor Improvements Needed; 4 = Ready for Release; 5 = Exemplar Quality (a "gold standard" example for future projects)

Current Conditions	ASSESSMENT	Average Score
Overview: clear, concise, & easily understandable description of current state	1	1.0
Figures, Diagrams, & References: supporting explanation to describe current state	1	
Pain Points: biggest dislikes, problems, challenges that must be fixed	1	
Strengths: aspects that should remain or be built upon	1	
Volumes/Quantities: describe the level of current operations	1	
Other: other miscellaneous information to paint the picture of current state	1	

Key for Assessment Scoring: 1 = Not Provided or Missing; 2 = Substantial Improvement Needed; 3 = Minor Improvements Needed; 4 = Ready for Release; 5 = Exemplar Quality (a "gold standard" example for future projects)



# Summary



Balancing Act:  
Too Open-Ended  
vs.  
Overly Prescriptive

- Full Technical Specification: “Pls dig a hol”





# Construction Example: Site Excavation & Remediation





# Construction Example: Site Excavation & Remediation



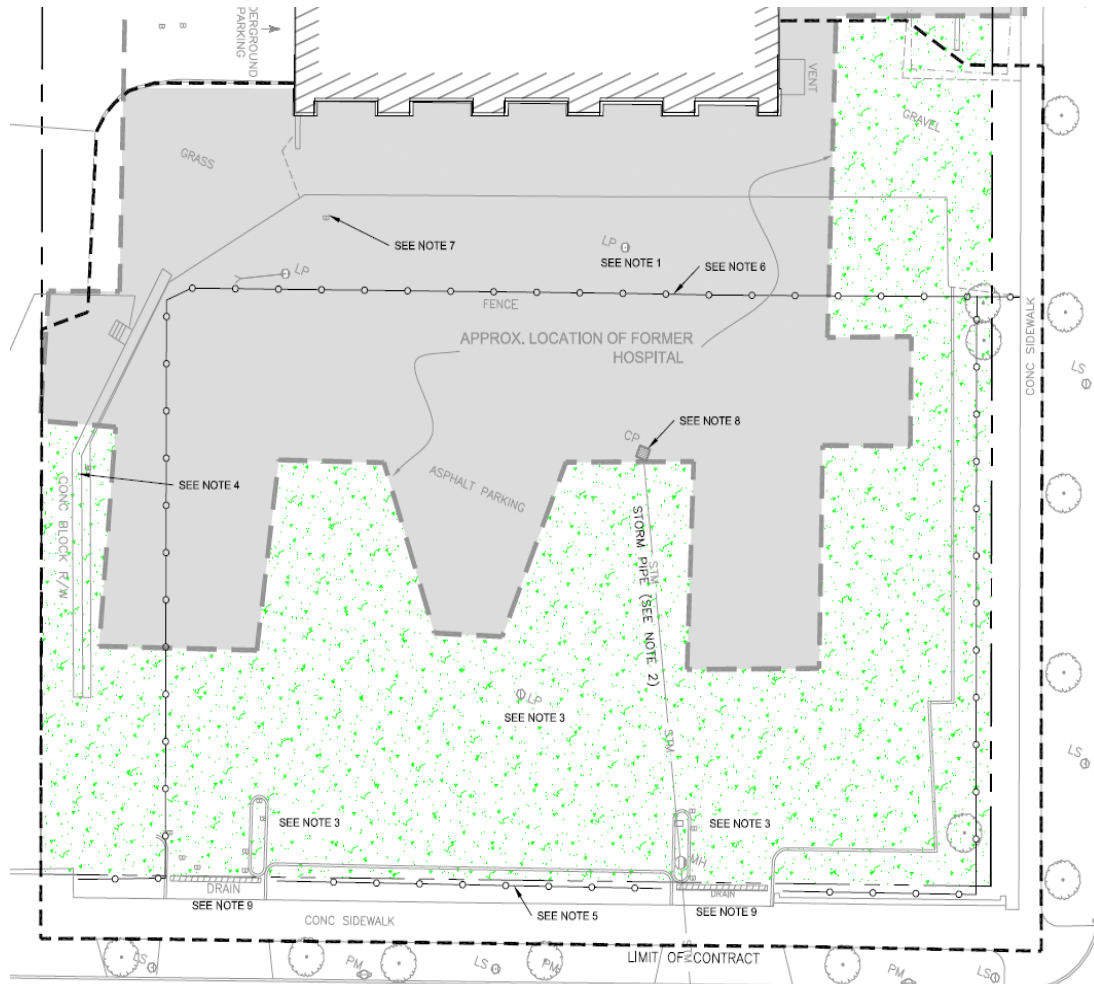


# Construction Example: Site Excavation & Remediation





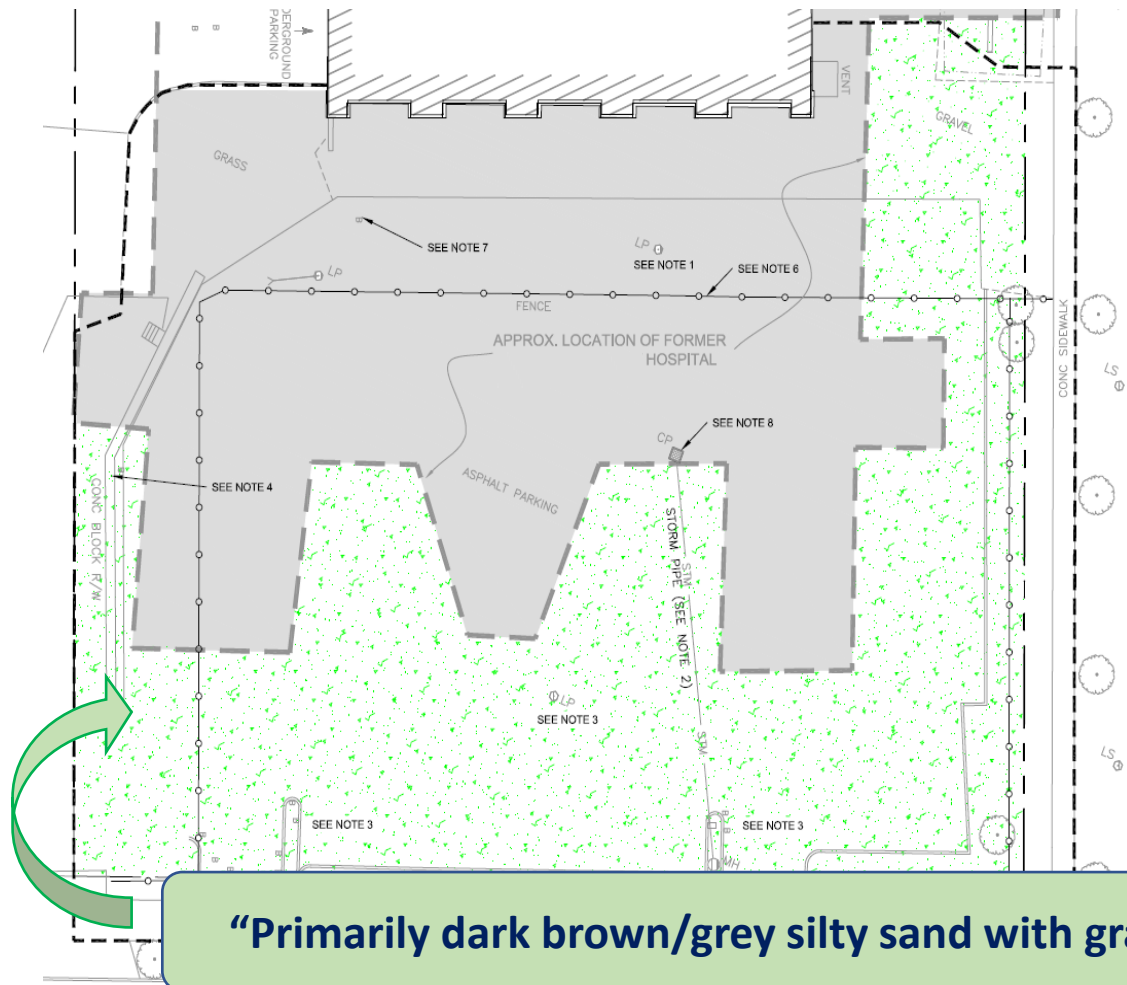
# Construction Example: Site Excavation & Remediation



**Overhead View**

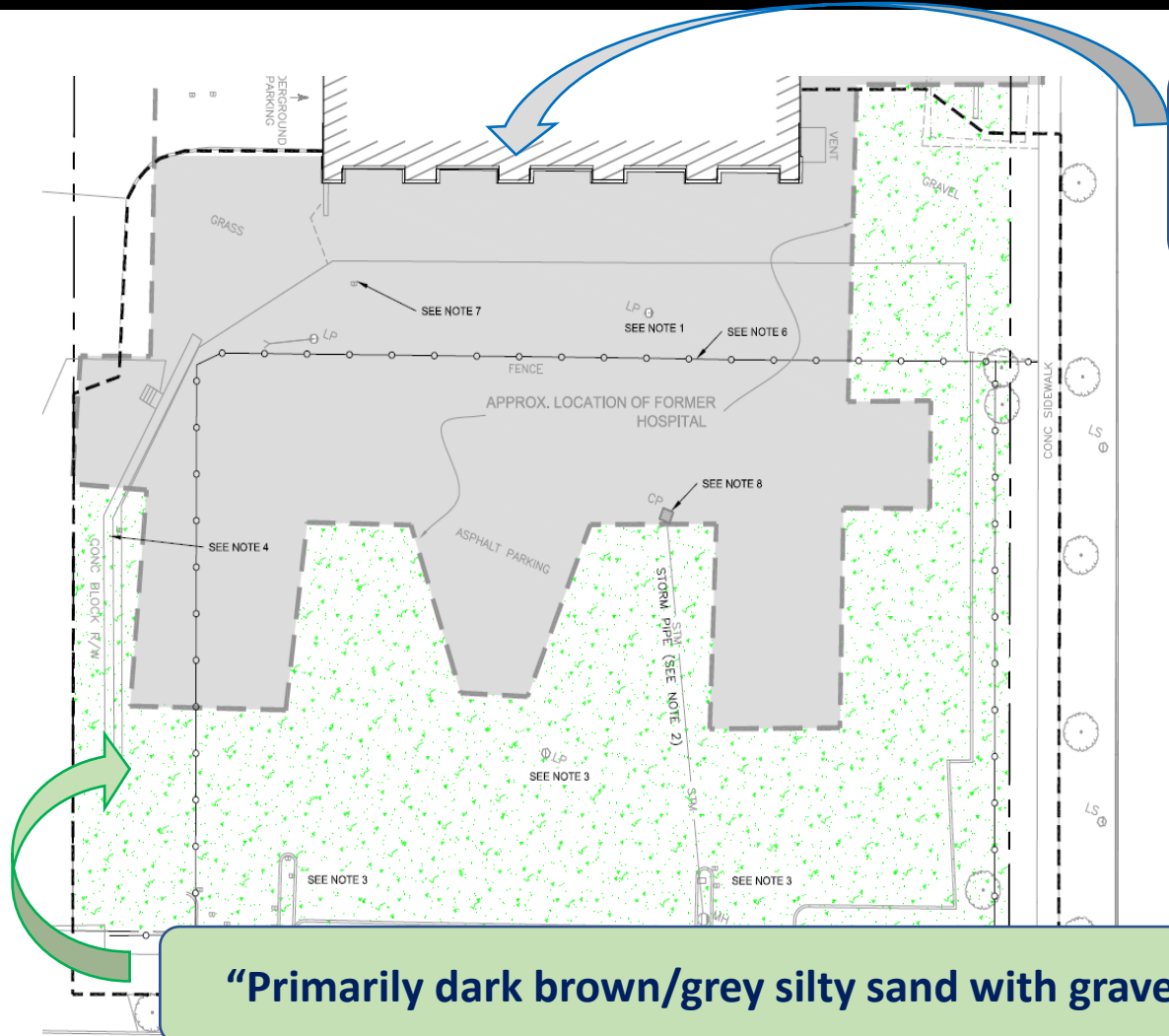
**of the Site!**

# Construction Example: Site Excavation & Remediation



**“Primarily dark brown/grey silty sand with gravel.”**

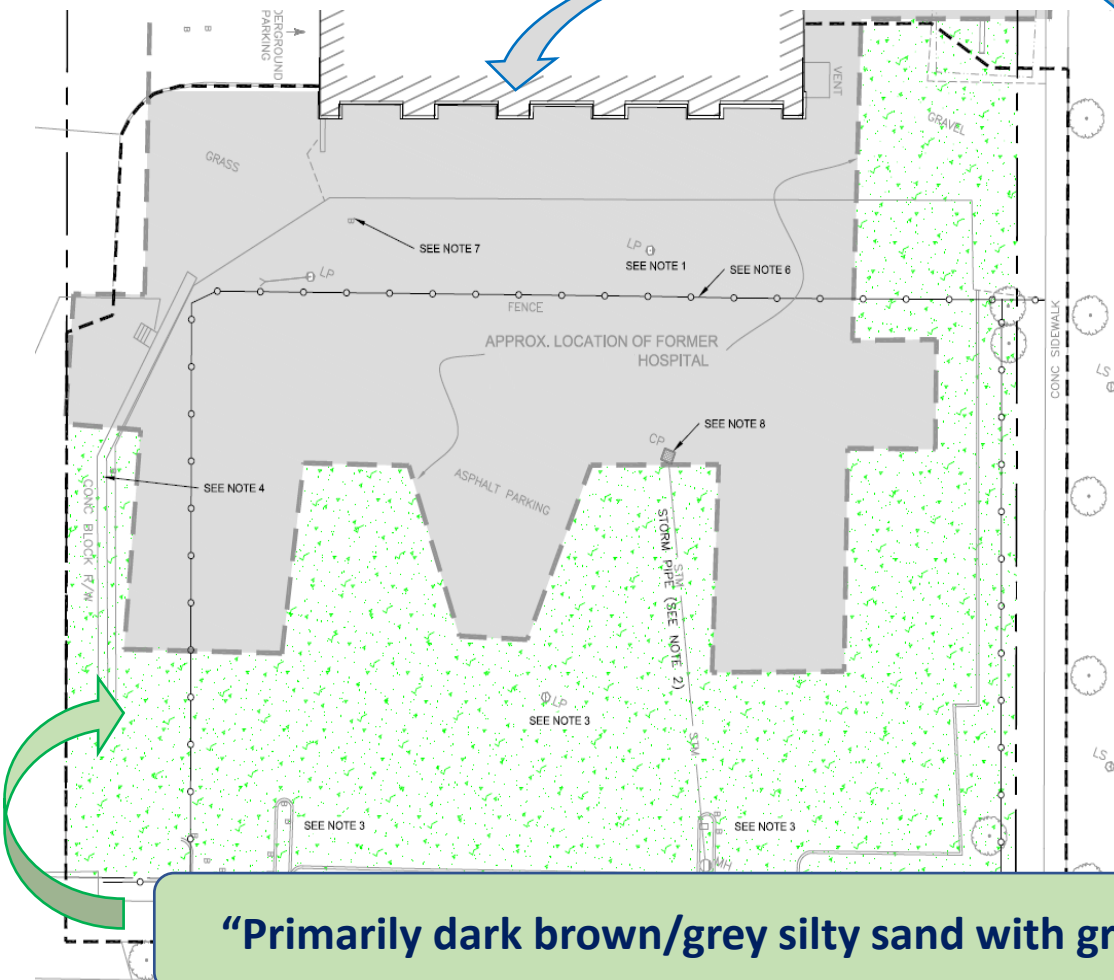
# Construction Example: Site Excavation & Remediation



**“Silt and sand soil, mixed with debris from the demolition of the hospital, and often underlain by a concrete slab or footings ranging from 1.8 to 3m thick.”**

**“Primarily dark brown/grey silty sand with gravel.”**

# Construction Example: Site Excavation & Remediation

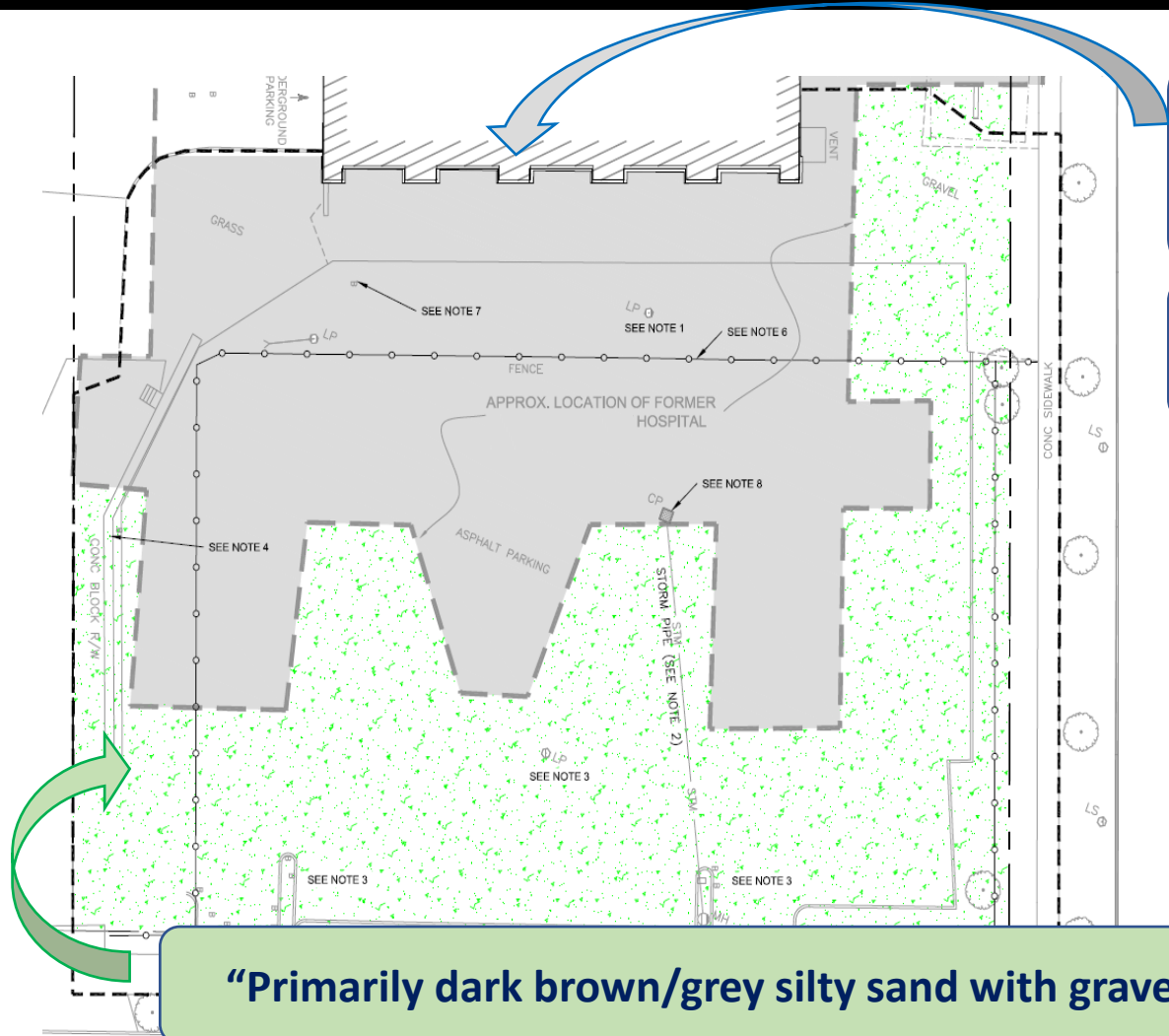


“Silt and sand soil, mixed with debris from the demolition of the hospital, and often underlain by a concrete slab or footings ranging from 1.8 to 3m thick.”

Contaminants: petroleum hydrocarbons, metals (arsenic, lead & iron), PAHs, & asbestos-containing materials, etc.

“Primarily dark brown/grey silty sand with gravel.”

# Construction Example: Site Excavation & Remediation



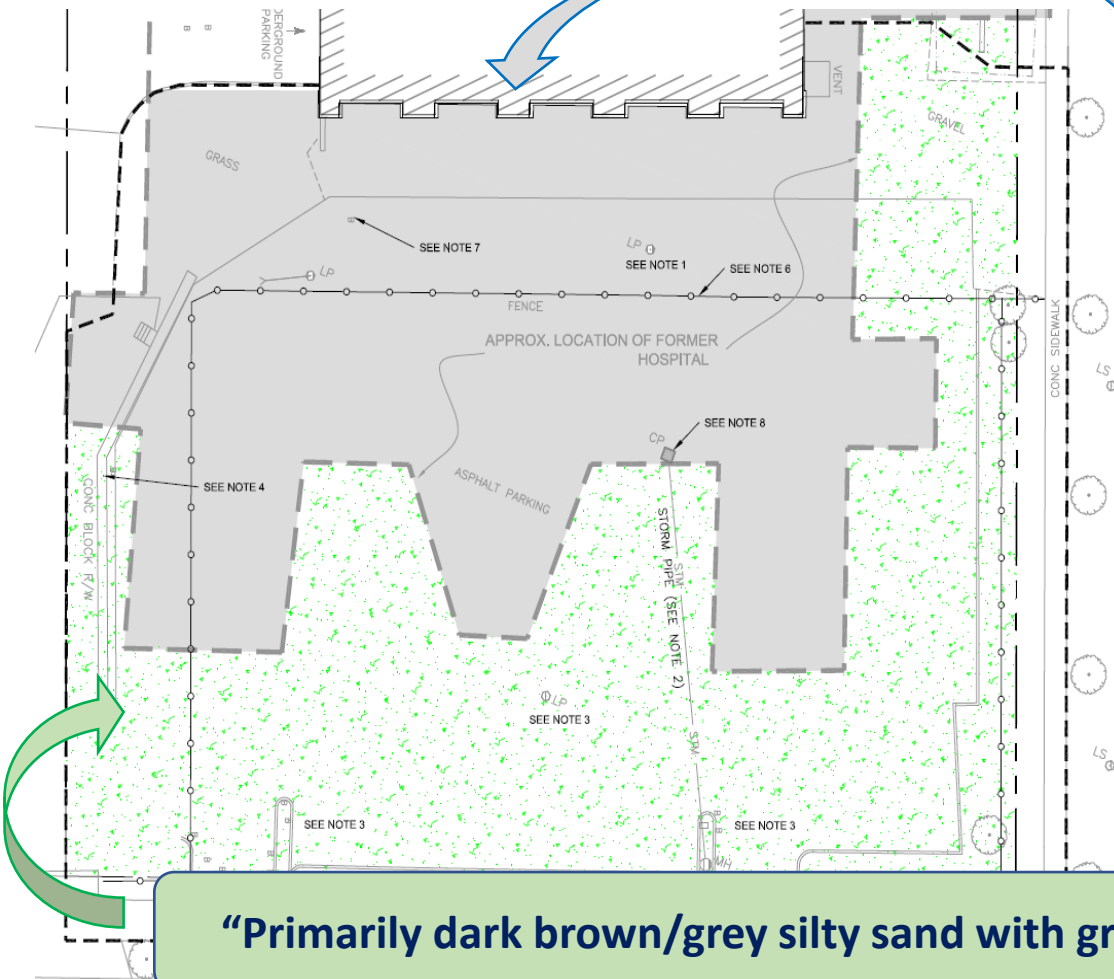
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Contaminants: petroleum hydrocarbons, metals (arsenic, lead & iron), PAHs, & asbestos-containing materials, etc.

➤ **Propose a Lump Sum!!!**

“Primarily dark brown/grey silty sand with gravel.”

# Construction Example: Site Excavation & Remediation



“Silt and sand soil, mixed with debris from the demolition of the hospital, and often underlain by a concrete slab or footings ranging from 1.8 to 3m thick.”

Contaminants: petroleum hydrocarbons, metals (arsenic, lead & iron), PAHs, & asbestos-containing materials, etc.

➤ **No benchmark to propose to...**

Contractors caught between a “no bid”

**\*or\*** adding contingency for unknowns

“Primarily dark brown/grey silty sand with gravel.”

# Set a Benchmark to Propose to!!!!



- Ensure proposals are apples-to-apples (**as much as possible**)

# Set a Benchmark to Propose to!!!!



- **Client's SOW must:**

- Make it easy for Vendors to find & understand the benchmark.

## **Example: Reviewing 4 Cost Proposals for an ERP System**

- Quoted licenses ranged from **0 – 2,200**.
  - 0 (TBD later **after they are awarded** the contract)
  - 1,260 to 1,450
  - 1,300
  - 2,200

**How can you compare the Cost Proposals?**



# Set a Benchmark to Propose to!!!!



- Ensure proposals are apples-to-apples (**as much as possible**)

# EXAMPLE

# Set a Benchmark to Propose to!!!!



- Ensure proposals are apples-to-apples (**as much as possible**)

## EXAMPLE

Question: What is the existing water pressure?

# Set a Benchmark to Propose to!!!!



- Ensure proposals are apples-to-apples (**as much as possible**)

## EXAMPLE

Question: What is the existing water pressure?

**Answer:**

**For the purposes of the proposal, Proposers should assume that the existing water pressure is adequate.**

# Set a Benchmark to Propose to!!!!



- Ensure proposals are apples-to-apples (**as much as possible**)
- This is the answer to...  
**“How do I know if I am too Open-Ended?”**
- *If you’ve established a solid benchmark to bid to...  
... you have probably provided “enough”*

# Impact of Open-Ended or Unclear SOW



- Open to interpretation
  - Encourages the minimum
  - Less consistency in pricing (*wider range in cost proposals*)
  - Less competitive pricing (*increased contingency*)
  - Discourages vendors from submitting
- **Brings Risk to the Project!**

# Waste Hauling SOW



**5,000+ tons of waste collection across urban area**

# Waste Hauling SOW



**5,000+ tons of waste collection across urban area**

- “An adequate fleet of collection vehicles should be used and maintained by the Vendor...”
- “It is the [Owner’s] expectation that collection vehicles designated for service should at a **minimum be less than two years old** at the start of the contract”

# Waste Hauling SOW



**5,000+ tons of waste collection across urban area**

- “In order to support accurate measurements towards the [Client’s] sustainability goals, all vehicles must be **solely dedicated** to [the Client] and **cannot be used for other sites.**”



# Waste Hauling SOW



**5,000+ tons of waste collection across urban area**

- Average Proposal Price: **+46% over the Budget**
- Maximum Proposal Price: **+106% Over the Budget**
- SOW was put together with great intentions
  - Seeking high quality services & impressive sustainability goals.

➤ **Over-emphasis on the inputs  
(restricting vendor means & methods)  
can detract from the outcomes (results)!**

# Elevator Maintenance (campus-wide)



- The Proponent shall assign a **dedicated maintenance technician** to this contract.
- This individual must be **solely assigned** to this contract and will perform all preventative maintenance & major repairs within the building zone.
- **Over-emphasis on the inputs (vendor resources) can detract from the outcomes (results)!**

# Major Overhaul for a Power Plant (Minimum Qualifications)



- Minimum 10 years experience
- At least 10 projects in Design-Build (DB) contracts.
- Experience in working on behalf of both owners and DB contractors.
- Minimum of 5 DB projects in [specific State]
- Must have completed 1 DB project working on behalf of a public owner.
- Have completed 1 DB project that was not new construction, but was a refurbishment, remodel, or addition in a secure operating facility.
- And more...

➤ **Over-emphasis on pre-qualifications  
can restrict the pool (or worse...)**

# Impact of Overly Prescriptive SOW



- Can significantly increase cost & schedule
  - Removes flexibility to offer strategies & innovations for the specific environment
  - “tie the hands” of vendors regarding the work and manner in which it is undertaken
  - Limits the maximum accountability & responsibility vendors have to perform
- **Brings Risk to the Project!**

# Impact of a Poor SOW

## *Perceptions of Owner SOWs*

- Unclear
- Information is missing
- Overly prescriptive
- Unrealistic
- Discourages innovation
- The owner is “fishing”
- Misunderstands Needs
- *Procurement is Not Fair*



## *Impact*

- Fewer proposals
- Low quality proposals
- Less qualified teams
- Less competitive pricing
- Less consistent pricing
- Open to interpretation
- Have to believe the vendor
- *Brings Risk to the Project*

# A “High-Performing” Statement of Work requires the appropriate perspective...



## UMPIRE MECHANICS

### Theory of Proper Positioning

“Angle is primary; distance is secondary;

Closer is better, up to a point.”

TEXAS BASEBALL UMPIRES ASSOCIATION

TBUA



# What is a **High Performing SOW**?



**Core Objective**: What would a **High-Performing Vendor** need (or want) to know?

**ALWAYS** question whether the SOW....

- Allows vendors to provide the **best price**?
- Gives vendors **information to plan** their approach?
- Enables vendors to **minimize contingency**?
- Prevents vendors from **walking away**?

# Foundations of a High-Performing SOW



- **Apples-to-Apples:** clear & reasonable proposal benchmark
- **Current Conditions:** align expectations on the starting point
- **Realistic:** understand the norms of industry structure
- **Clear, Concise, Complete:** comprehensively describe needs
- **Not Perfect:** High-Performing does not mean Flawless





Goal:  
Become a  
“Client of Choice”

# What is a Client of Choice?



- Vendors want to propose on your project...
  - With their **best people**
  - In a **thoughtful** manner
  - With their most **competitive pricing**
  
- Internal Clients see RFPs as a Value-Creator...
  - Bring **innovation**
  - Identify the **best approach**
  - Bring **solutions** to minimize risk in execution

**Because you are fast, efficient, organized, and professional!**

# Vendor Outreach

## Request to Develop a Source Selection Plan

<b>Vendor Outreach</b>
Detail advertising strategy (list trade publications, name and contact information of vendors):

# Recommendations on Outreach

- **Offer debriefings**
- **Personal outreach**
- **Hold feedback sessions with the vendors**
- **Write a good SOW!**

# Free Webinar Series!

3<sup>rd</sup> Thursdays every month

@ 12pm Central

## AGENDA

*15min Teaching Moment*

(learn a new tip, trick, or tool)

*30min Virtual Peer Group*

(network with professionals across the world)

*Office Hours*

(open Q&A until the questions run out!)



[center4procurement.org/rfp-doctor](https://center4procurement.org/rfp-doctor)

Teaching Moment Archive

Videos

## JOIN US FOR OUR NEW WEB SERIES

The Center for Procurement Excellence is pleased to announce a free new interactive web series, "Ask of the RFP Doctor". In this first-of-its-kind virtual discussion, procurement experts provide practical advice in addressing today's purchasing, supply chain, and acquisition challenges. Here's how it works:

- **Teaching Moment (15 minutes):** the RFP Doctor will kick things off with a brief presentation targeted at a specific topic
- **CPE Virtual Peer Group (30 minutes):** next, we will split up into small groups and give attendees an opportunity to network with each other and have a discussion on a relevant topic. [Learn More](#)
- **Ask the RFP Doctor – Office Hours (15 minutes or until the questions run out!):** we'll come back together for an open Q&A session. Have a challenging RFP ahead? Have a unique situation? Bring your questions and let's get it figured out!

**Third Thursdays of every month  
starting at 12:00pm Central**

[TEACHING MOMENT ARCHIVE VIDEOS](#)



Previous  
Recordings  
Online!

@

[center4procurement.org](https://center4procurement.org)

# Questions?



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