

Conducting an RFP: An Inside Look at the Process from Start to Finish

Presentation for the
National Organization for Competency Assurance

Presenters

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Session Overview

- PTCB Benchmarking
- Making the Decision
- Building the Process
- Identifying components of the Request For Proposals (RFP)
- Concluding the Process

PTCB Benchmarking

PTCB

- Test 3x annually on set dates
- Paper-and-pencil
- Low cost exam fee (\$120)
- 120+ locations per exam administration plus DANTES
- High stakes
- Inception in 1995
- Projected candidate population for 2002 is 30,000-40,000
- Register over 1M hits/month on www.ptcb.org
- National Accounts

Making the Decision

Getting the Board and Staff on Board

- Identify purpose for conducting the RFP
 - End of current contract
 - Change in the program
 - Change in the current testing service provider
 - Desire for new/different skills or capabilities
- Achieve consensus
 - Process
 - Roles and responsibilities (staff, Board, others)
 - Desired outcomes
 - For the process
 - For the program

Best Advice #1

- Be inclusive, not exclusive, to help achieve buy-in for the process and its outcomes!

Performing a Needs Analysis and Self-Assessment

This is the most important part of the entire RFP process – it drives everything!

Needs Analysis

- Incorporate strategic elements

- What is important/not important to us?
- Where do we want to be in 1, 3, 5, 10 years?
- How will or could a change affect current internal and/or external processes?
- How will or could a change affect outcomes, including quality, efficiency, effectiveness, staffing levels, stakeholder relationships, costs?
- What does our marketplace look like, what are the trends affecting our marketplace and what do we need to do (or not do) to adapt to changes in the marketplace?

Needs Analysis

- Look at the components of the program
 - What does the current program look like?
 - What could the current program look like?
- Identify operational and service metrics
 - What is required and when?
 - Who currently provides these items and who should provide them with a new contract?

Results of the PTCB's Needs Analysis

- Full-service testing service provider
- Excellent reputation
- Deliver a high quality product consistently
- Maintain low costs
- Able to manage and *facilitate* rapid growth
- Research, other services
- Works with other high-stakes programs
- Paper & pencil and CBT
- 120+ US locations matching candidate demographics and DANTES
- Online and paper application processes
- Toll-free call center



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Self-Assessment

- Use this to focus on your organization and your stakeholders
 - Goes beyond the needs to looking at how your organization operates – 360° view of the program
 - What are your organization's strengths and weaknesses?
 - What is the culture of your organization?
 - How does your organization interact with others (vendors, stakeholders, etc.)?

Results of the PTCB's Self-Assessment

- Market driven
- Committed to superior customer service
- Collects and uses data for benchmarking
- Heavy use of technology to facilitate business processes
- Adherence to policies and procedures
- Highly motivated and principled staff
- Willing to take risks for the right rewards
- Emphasis on productivity and value
- Strong control of expenses
- Low tolerance for errors

Building the Process

Establishing a Schedule for the Process

- Begin at the end
 - By when *must* a decision be made? Why?
 - What happens if a decision cannot be made by the pre-determined (internal or external) deadline?
 - How much “room” do you have to renegotiate decision points?
- Allow sufficient time for real deliberation and evaluation at the end of the process
- Be realistic!

Establish Performance Indicators

- Performance indicators will help you monitor the process
- Use the desired outcomes, needs analysis and self-assessment as guiding forces
- Ask questions to help establish the performance indicators
 - How will you know if the process is on track?
 - Where are the soft spots?
 - How will you know if the process isn't giving you what you need?

Best Advice #2

- Don't be afraid to change the process!

PTCB's (Internal) Schedule for the Process

- Driven by the following factors
 - Board of Governors meetings and schedules
 - Printing and publishing schedule of candidate materials for the following test year
 - Opening of application receipt period for the March 2002 examination
 - Planned strategic initiatives

Best Decision #1

- Bring in the professionals!

Components of the Request for Proposals (RFP)

Identifying Potential Respondent Organizations

- Easiest part of the process (!)
- Look at the sustaining or associate member communities
 - American Society of Association Executives (ASAE)
 - Association of Testing Professionals (ATP)
 - Council on Licensure, Enforcement and Regulation (CLEAR)
 - National Organization for Competency Assurance (NOCA)

Preparing the Request Document

- Gather samples from other organizations
- Identify components of the current versus the ideal program using the results of the needs analysis and self-assessment
- Be specific!

Best Decision #2

- Submissions from each respondent organization needed to be complete in one document

(note that this is different from the number of copies you request)

The PTCB's RFP

- Overview and Organization Background
- Statement of Need
- Description of Required Services
- Description of Interest in Other Services
- Testing Company Capabilities
- Cost Structure and Other Considerations
- Rules Governing Submission of Proposals
- Timeline
- Proposal Evaluations
- Appendices

Finishing the Process

Evaluating the Proposals

- This was the hardest part! Don't rush it!
- Word-by-word, point-by-point
- Consider developing a matrix to help identify similarities and differences
- Establish quality and criticality factors
- Try to incorporate at least one evaluator who is unfamiliar with the program and the players
- Ask questions

More on Evaluations

- Try to narrow the larger group down to something more manageable
- Ask evaluators to submit evaluations independently first
- Consider holding a face-to-face or teleconference evaluating session with evaluators to select the finalist organizations

Reference Checks

- Conduct reference checks with the same thoroughness with which you've conducted the rest of the process
- Ask open questions and try to get examples
- Conduct at least three reference checks per finalist organization
- Ask the reference to identify what services are provided by the finalist organization
- Talk with groups who may not be listed as references

The PTCB Modified the Process

- Added presentations by the three finalist organizations
- Added time to two parts of the process
 - Submission of questions
 - Submission of the proposal after the PTCB's response to questions
- Provided three separate Executive Summaries to the Board of Governors on the status and outcomes of the project

Notifications

- What happens if the outcome is different than originally envisioned?
- The respondent organizations put considerable time into their proposals – it is appropriate to notify the non-finalists

Best Advice #3

- Communicate, communicate, communicate!

Tips for a Win-Win RFP Process

- Don't wait until the breaking point to issue an RFP.
- Appearance counts! Prepare a detailed, professional RFP.
- Give respondents ample time to prepare a customized proposal.

Tips for a Win-Win RFP Process

- Be frank about the budget available for the project.
- Provide an outline to which the description of services and costs must conform.
- Ask respondents follow-up questions.
- Don't be afraid to discuss price reductions.

Tips for a Win-Win RFP Process

- Recognize that the key distinctions between respondents typically are:
 - Unique products, services, or facilities offered
 - The quality of the client-vendor relationship
 - The level of customer service provided to candidates/certificants
- Ask for references from *long-term* clients for which respondent has provided *similar services*.

Tips for a Win-Win RFP Process

- When checking references, ask open-ended, probing questions.
- Inquire about the respondent's reputation within the certification community.
- Talk to organizations that have used multiple vendors.
- Don't base decisions on price alone.