

# 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](http://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

# 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.