Sample RFP Timeline

A guide to keeping your requst for proposal on track

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Think of a request for proposal (RFP) as an invitation to work with you. You draft and send a document with your project's requirements, and vendors respond with their bids. The ultimate goal is to find a vendor that can complete the project while adhering to your technology needs, budget, and time frame.

Most RFPs are quite elaborate, so it can often take a considerable amount of time to perform all of the steps involved. These steps include: assessing the project, researching potential solutions, writing the proposal, and choosing the vendor best aligned with your nonprofit's goals and budget.

When it comes to these steps, it's important to strike a balance in terms of timing. While you want to spend enough time on individual steps to make sure that you end up with an ideal solution, you also want to keep things moving forward at a decent pace.

Use the sample RFP timeline and checklist below as a rough guide for keeping the RFP process on track, from developing and writing an RFP, to distributing it to select vendors, to choosing the firm that will bring the solution to fruition.

This timeline is based on a moderately complex project with a budget of about $50,000; simpler, less expensive projects may require less time, while extremely complicated undertakings with larger budgets might necessitate a longer time frame. If you want to learn about each step of the RFP in more detail, read <u>The RFP Process: An Overview</u>. For additional information, see NPower's worksheet <u>Selecting the Right Technology Vendor</u> (PDF).

Sample RFP Timeline

We have indicated with an asterisk* the stages where organizations would benefit the most from the help of an outside technology assistance provider or consultant in preparing the document.

1. <u>Evaluate the Project</u> (one to two months)
2. <u>Plan and Document</u> (one to three weeks)
3. <u>Research and Target Vendors</u> (one to three weeks) *
4. <u>Develop and Write RFP</u> (one to two weeks) *
5. <u>Distribute RFP to Select Vendors</u> (one to two weeks)
6. <u>Allow Time for Vendors to Return Proposals</u> (two to four weeks)
7. <u>Evaluate Vendor Proposals</u> (one to three weeks) *
8. <u>Compile a List of the Most Favorable Vendors</u> (one to three weeks)
9. <u>Select the Vendor</u> (one day to day week)
10. <u>Develop a Contract</u> (two to four weeks)

Total Time: *three to eight months*

1. **Evaluate the Project**

   ○ **Clearly identify objectives and stakeholders.**
   This includes any environmental and organizational forces driving your need for a new system.

- **Assess project feasibility.**
  Make sure that your organization's key decision makers support the plan and that the technology will be a smart investment.

- **Determine impact on staff.**
  Ensure that your organization's staff can devote the necessary time and resources to make the project a success.

- **Consider your budget.**
  Determine how much money your organization can afford to spend on the project.

2. **Plan and Document ***

- **Document your current processes and technology.**
  Document how your organization operates and the technologies it already uses. This helps vendors develop a focused solution.

- **Determine your organizational priorities.**
  Of the list of processes identified in the prior step, which ones have the largest impact on your organization? Summarize all of the process information, identify tasks that are crucial, and separate them from those you consider to be luxuries. Establishing this prioritization will give vendors a sense of where they should focus their energy while designing a solution.

- **Think toward the future.**
  Technology tends to change rapidly, so consider how the proposed solution will fit with your organization's goals and projected growth a few years down the road.

- **Drive consensus around your proposed plan.**
  It's very important that everyone involved in the project supports the plan, since making changes to the RFP at a later date can adversely affect the project's budget and time frame.

3. **Research and Target Vendors**

- **Learn about the overall technology.**
  Conducting research about the technology you wish to implement helps you identify vendors who can meet your specific needs.

- **Get advice from existing contacts.**
  Locate potential vendors by reaching out to sources, such as technology directors of other nonprofits, consultants you may have used, and funders. A request for information (RFI) may be an appropriate way to gather this information. If the products and services are universally known and available -- for instance, commodity services such as Web hosting -- a request for quote (RFQ) may be appropriate.

- **Keep the vendor pool broad and diverse.**

- **Develop an estimated budget.**
  This budget is for your organization's information, so do not share it with others as your circulate your RFP. Most RFPs do not contain budget information unless there is an explicit reason to do so. If you publish your budget, vendors will find a way to reach nearly 100 percent of it with their proposals, leaving you less room to bargain later. Your "internal" budget should cover expenses for all staff, as well as the hardware and software costs. To the best of your ability, consider other one-time and recurring costs.

- **Circulate an RFI.**
  Depending on the scale of your project and the amount of knowledge you already have about this type of solution, it may be appropriate to circulate an RFI to others for feedback.

4. **Develop and Write the RFP ***

- **Explain your organization.**

Outlining your organization's mission helps provide vendors with the context they need to develop a suitable plan. Identify the environmental and organizational forces driving your need for a new system.

○ **Describe your business requirements.**
Identify the problems that you hope to solve with the proposed technology plan, as well as challenges that may occur during the implementation phase. Include information about both key and optional requirements.

○ **Disclose your organization's constraints.**
Explain your organization's limitations, including known technology constraints. While the RFP should list your desired time frame, it generally should not contain information about fiscal limitations. Include any pilots or proofs of concepts that may be required.

○ **Develop the criteria for evaluation.**
Create a rubric with weighted criteria so that you know in advance how you will evaluate proposals. The weight of each criterion should be based on your organizational priorities which you identified in the Planning and Documentation stage.

○ **Request a sample project plan.**
Even though the project plan would have a fictitious timeline, the sequence and description of deliverables and activities will reveal the bidder's methodology.

○ **Set a hard deadline for proposal submissions.**
Ensure that vendors file their proposals by a specific date.

○ **Make your expectations clear.**
Ensure that vendors know what to include in their proposals and how much detail to provide. Be sure to tell them the exact format for responses so that you can compare proposals more easily. Specifically, you should provide a pricing scenario so that all bidders use the same assumptions when they provide their quote.

5. **Distribute RFP to Select Vendors**

○ **Send out your proposal.**
Email your proposal to prospective vendors.

○ **Hold a pre-bid teleconference.**
About a week after you distribute the RFP, hold a teleconference for interested bidders to call in and ask questions. This will save you the time of responding to individual inquiries.

6. **Allow Time for Vendors to Return Proposals**

○ **Give vendors ample time to review your RFP.**
Technology vendors may have a number of RFPs to contend with; giving them enough time to review yours greatly increases the likelihood that you'll get a response.

○ **Check in with vendors frequently.**
Contacting vendors who seem promising increases the chance that they will submit a proposal by the deadline.

○ **Assemble a list of FAQs.**
Compile a list of vendors' frequently asked questions and supply answers. Send this document to all vendors at least a few days before the deadline so they'll have time to review it and make necessary changes to their proposals.

7. **Evaluate Vendor Proposals ***

○ **Evaluate responses based on scoring criteria.**
Develop an evaluation matrix to score and rank your vendor responses. An evaluation matrix (see Business Solutions the Positive Way's Evaluation Matrix for an example) can help ensure that your

selection process is unbiased. Make sure key staff members participate in the proposal-review process.

- ○ **Consider your timeline and budget.**
  Focus on vendors who can deliver a finished solution that stays within your budget and time frame. Be sure to consider the total cost of ownership (TCO) for each solution. This includes, not only the external vendor costs, but also your organization's infrastructure costs, internal staff costs (including training), and recurring costs (such as annual subscriptions or updates).

8. **Compile a List of the Most Favorable Vendors**

- ○ **Request product demonstrations ("demos").**
  Once you've narrowed the field to a handful of serious contenders, set up product demonstrations, making sure that key players at your organization attend them.

- ○ **Check prospective vendors' references.**
  Speak with consultants or organizations that have previously worked with the potential vendor -- ideally on comparable projects.

9. **Select the Vendor**

- ○ **Choose a winner and at least one runner-up.**
  Even if you've identified a clear-cut winner, select one (or more) runner-ups in case your first choice fails to deliver or becomes cost prohibitive. Having a runner-up also gives your organization more bargaining power with the winner.

- ○ **Keep in contact with the runner-ups.**
  Keep runner-ups vendors in the loop, especially those who would make for an easy transition should your first choice fall through.

10. **Develop a Contract**

- ○ **Arrive at a mutual understanding of expectations.**
  Ensure that the selected vendor understands the details of the contract, including the time frame, expected quality of work, and level of technical support your organization will require.

- ○ **Practice smart negotiating.**
  Although you should bargain with the vendor regarding price, make certain that your negotiations don't cause the vendor to omit elements that are crucial to the project's success.

- ○ **Conduct the pilot phase.**
  All technology projects carry financial and organizational risk. Before rolling out new technology across your entire agency, consider piloting it with one site or one department. Spend at least one week testing the application to ensure all of the functions work properly and that you have a clear understanding how to use the solution.

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