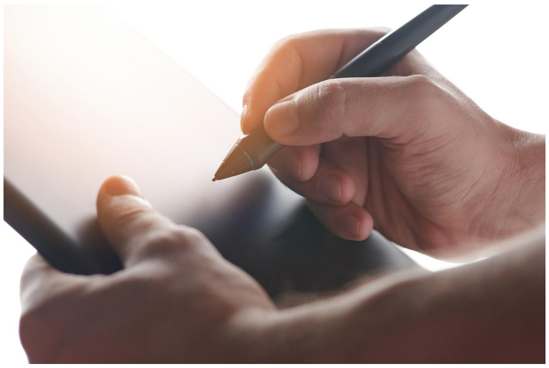
Request for Proposal

Resource Overview



How to use this guide

Following is an overview of the work created by CLOC Committees specializing in this specific topic and interest area. To gain the most from this resource, please review this document and use the links along with the search function on cloc.org to obtain the latest tools, guides, and templates to help you in review, application, and implementation.

Table of Contents

Introduction

A Request for Proposal (RFP), is a common way to procure services and products from external sources. RFPs are documents that describe a project's needs and asks for solutions from qualified vendors. In house departments often leverage this tightly structured process to evaluate pitches from law firms or service providers.

Legal departments send out RFPs for different types of work and projects and each operates somewhat differently from the others, mostly due to timing issues and scope. A legal department my request support from an external source for a number of different projects, such as: panel or preferred provider selection, specific projects, support in a specialty area, and for technology solutions.

If you are new to the procurement process, here are some simple steps to successfully execute your Request for Proposal.

Best Practices

Identify Your Needs & Determine What's Most Important

Start your project by gathering information from internal stakeholders about what they are looking for and set clear expectations and parameters for the project and the RFP.

What does the process or project include?

- Why do we need external support or resources?
- Is there a budget?
- Do we have time constraints?
- What is in scope? What is out of scope?
- How do we want the advice or services delivered?
- What checkpoints do we want throughout the project, if any?
- Who are the key stakeholders or clients?

Ultimately, you should understand the timeline, complexity, guidelines, and pricing.

Once you have identified the project scope and key stakeholders, identify the firms, or providers, to invite. As you identify firms, or providers to include, consider providers of different sizes, geographical locations, and specialty areas. Many times, smaller firms can provide tremendous value with the same level of quality as larger providers.

Don't worry if you don't know all the capabilities of firms, or providers, since the RFP will contain a list of questions that each company must answer. The questions you ask firms to complete will help determine if the responding company can handle your scope of work. The RFP questions are usually very detailed, and the answers will provide a thorough view of the interested companies.

Begin to Write the RFP

After identifying the firms or providers, prepare the questionnaire and write your RFP. The most typical format for an RFP is in MS Word, Excel, or PDF. You may also want to explore investing in a portal to automate the bidding process.

Typically, RFP's include the following components:

- Information about your organization, including history, products, and services
- Instructions to Bidders, including a single point of contact, notice of intent to respond, submission instructions, project budget, due dates
- Scope of services, including any deadlines to complete the work
- Questionnaire, that may include:
    - Company Information
    - Coverage and Capabilities
    - Operations and Staffing
    - Pricing and Alternative Fee Arrangements
    - Project and Relationship Management
    - Strategy / Rollout Plan
    - Service Delivery and Ongoing Support
- Expectations that may include: Conflicts of Interest, Outside Counsel Guidelines, Information Security Assessments, and References

Ask the Right Questions

CLOC has created and gathered various RFP templates that can be used depending on the support you are looking for. These templates provide a standard format, along with common questions to simplify the creation of your RFP.

- Firm Panel Selection
- Matter/Project (Long Form)
- Matter/Project (Short Form)
- Hourly Rate Info
- Hourly Rate Reviews
- Litigation Matter
- Secondments

Establish a Scoring System

After you complete your RFP, determine the aspects that are most important to your organization and establish a scoring criteria based on your organization's expectations. The scoring criteria should help ensure that the internal stakeholders will score each RFP response fairly.

A well thought out scoring criteria will save time in the long run. After you have determined and ranked project requirements with your key stakeholders, use this information to rank the importance of each requirement in order to determine a weighted scale method. Scoring can then be as simple as assigning a 1 to 10 value for each requirement, adding the weight, and then averaging the scores.

Suggested categories to consider when evaluating each responding firm or provider are: Strategic Fit, Proven Capabilities, Project Management, Staff Management, Use of Technology, Data Security, Subject Matter Expertise, Competitive Advantage, Total Costs, and Competitive Pricing.

Circulate the RFP to Qualified Law Firms and Legal Service Providers

When you are ready to circulate the RFP, be thoughtful in your communication. Here are some tips:

- Have the correct contact information for the firm, or provider, point of contact
- Ensure your invitation will grab their attention. Example “CLOC Request For Proposal- Response Needed” or “You are invited to Participate in CLOC’s Request for Proposal”
- Provide the communication in a way that the firms, or providers, do not see the names of other firms or providers that have been invited to respond
- Include a timeline of when responses are due, your internal review period, when the winning bid will be notified and when work should begin
- Include the contact information for designed point of contact who can answer all questions

Once the RFP has been sent, the designed point of contact should be prepared if one of the firms, or providers, asks a follow up question. They should respond in a timely manner to ensure the firm, or provider, has adequate time to discuss with their team. If the question is related to the scope of work, it may be helpful for designated point of contact to forward the question and response to all the firms invited to ensure that no one is at a disadvantage.

Gather the Responses & Communicate Next Steps to Internal Stakeholders

Once you receive all the responses, communicate the next steps to the key internal stakeholders. Be clear that you expect them to take time to review all the submissions, evaluate each response fairly, complete the provided scorecard, and communicate the amount of time they should expect to dedicate to the selection process.

Keep your stakeholders informed throughout the process and communicate the time and dates that you need them to be involved. It is also important to provide the scoring matrix and scorecard when sharing the submissions, in order to keep the organization's priorities in mind when evaluating. One suggestion is to use a shared online workspace for consolidating answers from a large group of stakeholders.

Internal Stakeholders Review & Complete the Scorecard

Reading through RFPs takes time and patience, especially since many of the responding firms, or providers, include their standard marketing promotion about themselves and their products and services. To make the review process easier for your internal stakeholders, it may be helpful to provide the following key questions for them to answer in addition to the scorecard.

- Did this company understand the scope of work?
- Have they done this kind of work before?
- Was their pricing proposal aligned to the work they will be doing?
- Do they have the right operations in place to support your business?

Once all your internal stakeholders, evaluate all completed scorecards in order to see if the scoring was done correctly and fairly.

Discuss the Responding Firms Capabilities and Proposal

Set up a meeting with your internal stakeholders shortly after they have completed the review and the scorecard. Be prepared to show the collective results of the scorecard and take notes on the feedback that will be provided during the meeting. You may want to begin by going around the room and asking each stakeholder to provide more insight into their top choices. It is important to listen to their reasoning to ensure they evaluated each response fairly, regardless of brand recognition or personal relationship.

If you discover that you are at an impasse, it is important to ensure that all internal stakeholders feel heard and their concerns are addressed. If there are differentiating opinions, begin a deep dive to compare the top 2 choices to understand the pros and cons of each firm, or provider. Ask the stakeholders if they need additional information before they make a collective decision. Follow up with the firm or provider to retain that information and set up another meeting to decide.

If all the stakeholders agree on the firm, or provider, that should win the bid, you can proceed to communicate with the firms or providers that participated.

Gather & Provide Feedback

One important step to complete prior to awarding the contract is to gather and prepare feedback for all the firms, or providers who participated in the bidding process. Since these firms and providers frequently participate in a number of biddings; consequently, it is helpful them to know how they can improve in the future. Most vendors will appreciate constructive feedback on what they did well and information on their areas of improvement.

Make a Decision and Select the Provider

Once you make a decision on the firm, or provider, that won the bidding process and have negotiated and signed a contract, the real work begins!

To establish a successful relationship with your selected firm, or provider, make sure to get off to a good start by following a few simple steps.

- Set up a welcome call and kickoff call
- Discuss expectations, pricing, staff, feedback, escalation paths, project management, scope creep and deadlines.
- Finalize the Statement of Work
- Prepare resources and training information
- Establish frequency of business reviews

Conclusion

Taking the time to craft an RFP from the beginning that correctly addresses your needs and expectations ensures that your RFP is professional and complete. In addition, your response rate will be of higher quality and you have a much better chance of finding the vendor you want that is the best fit for your company and for your project. Don't forget to add a bit of your company's persona to the RFP in order to get the results that you're looking for.

For more helpful information and resources, become a CLOC member to access the document library.