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Abstract: This paper addresses ways to reduce the time spent writing proposals for high technology firms while maintaining the ability of the proposal to be successful.

Design and Writing of Advanced Proposals for High Technology Organizations

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EMP-9726

Engineering Management 506

Projects Course

Course Paper

"Design and Writing of Advanced Proposals for High Technology Organizations"

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Executive Summary

The major thrust of this paper is to design a winning new technology proposal. As engineering, manufacturing, marketing and sales have discovered a need to change in order to meet shorter product life cycles. This acceleration of work production schedule creates a need to change proposal creation. This change of shortening it is requested by both client and proposal respondent.

An extensive overview into the thinking of the steps needed to prepare a successful proposal is presented as a beginning for this paper. Successful proposal is defined as one that is both a winner of the work for the proposal writer and a winner because it satisfies the proposal requester.

The results of this paper include:

1. A list of key elements needed for a complete proposal.
2. Creation of new techniques to match the needs of proposal funders.
3. The design of a new proposal form.
4. The test of the new form by submitting it to a prospective funder.
5. The conclusion: did the funder grant work based upon the information from the new form? Two completed and submitted forms to contractors are included in this paper. The amount of work and time is remarkable reduced and applauded by both parties. Both submittals resulted in successful work being accomplished.

An example of a typical older and certainly longer proposal form is included for comparison purposes, along with an intermediate form. This paper closes with a proposal development checklist.

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Introduction

This paper presents a key technique that is not only necessary in the acquisition of new business to sustain economic viability for individuals and businesses, but is also useful as a thinking framework for the presentation of personal key ideas during a need to sell yourself stage. This key technique is the creation of a concise yet inclusive project description outlined in proposal format that satisfies both the client and the proposal respondent. It serves as a platform to accomplish successful project completion, yet, requires far less time from both parties to prepare. The key to today's high technology projects is a combination of shortening the time needed to create and accomplish details such as proposal writing. Today's projects require the constant interface and communication skills of frequent exchange of ideas in order to reflect the rapidly changing world market and corresponding business competitive conditions.

Some of the best ideas in the world were not presented or credited to the originator but rather to the person that recognized the good idea and used wise timing to claim and present the idea themselves. The art of preparing a proposal is a useful skill that all should have in their self development personal program. Naturally, since proposal development is a combination of thinking, planning and great communication skills, proposal skills are also useful in a person's individual life with family and friends.

The Written Proposal

The written proposal is an important part of selling your services. It shows the client what is needed and how you can supply it, without giving away or underpricing your services. If the sale has already been closed, the proposal is an outline of the project and does not need to emphasize the qualities that would convince a client to sign.

This section will outline how to produce a proposal that will sell your services. A simple working proposal is similar and can be based on this outline. For an expanded, step-by-step guide to writing winning proposals, and samples/examples of proposals, see *The Consultant's Guide to Proposal Writing* by Howard L. Shenson. A quick sample is listed below as Figure 1.0.

The proposal should be developed only when you believe that a good opportunity for success justifies the expenditure of time and effort. The proposal must communicate your ideas so that the reader (the decision maker) is convinced that you can achieve what you propose within the budget estimate or fixed price you quote.

You must convince the client that the need for the consultation is important. This involves showing that not implementing the consultation will harm the client's interests and that your goals and objectives will correct the problem and take care of the need. The client must be convinced that the procedures you propose are the best and only alternative for taking care of the problem or need. And you must accomplish these objectives without giving your services away.

The proposal is divided into three sections: the front section, the main section, and the conclusion.

The Front Section of the Proposal

The front section of the proposal communicates your understanding of the purposes of the consultation and the needs it is intended to fulfill. If your services have been sought by the client, you will show your understanding of those needs. If you are seeking to inform the client of the need for using your services, you need to show what undesirable consequences will develop for the client if you're not retained.

The front section establishes objectives and goals that will direct the services you will deliver. Goals are statements of broad direction or intent. Objectives are specific statements of outcome presented in a format that will enable the client and consultant to determine when they have been met. This section also establishes a mandate for action, such as compliance with existing or expected laws, cost effectiveness, warding off adverse publicity and increased profits.

The front section usually includes the following:

- A letter of transmittal
- The proposal cover
- The proposal title page
- An abstract
- A table of contents
- A statement of assurances
- A statement of objectives
- A statement of need

In addition to indicating that the proposal is being delivered to the client organization, the letter of transmittal also conveys your availability and high level of commitment to the proposed project.

The cover should be of professional quality. The title page may include limitations on distribution. The abstract is a one-page, single-spaced summary. It is brief and to the point. The table of contents is a road map through the document. It should make the reader want to go on by arousing interest in the same way newspaper headlines do.

The statement of assurances can communicate that:

- Your proposal is, in your estimation, the most cost effective possible consistent with needs.
- There are no lawsuits or judgments pending against you.
- You do not discriminate in hiring.
- You self-insure and hold your client blameless and will defend any lawsuits.

This statement should be signed by the highest official of your consulting practice and dated. The statement of need and statement of objectives are the two most important parts of the front section. The statement of need enables the reader to independently assess the extent and validity of the needs that the proposal addresses and creates a sense of obligation to respond to the needs you have identified. Be sure to describe the problems in terms that are meaningful to the client. Avoid the use of soft terms such as a substantial number, a high degree and a downward trend. Use hard and quantifiable terms.

Each objective that you formulate in the statement of objectives must convey some specific information to the reader. Each objective should:

1. ***Describe the outcome*** you intend to produce.
2. Provide a means of ***measuring the results.***
3. ***Set the level or quality of outcome*** necessary to carry out the project.

The Main Section of the Proposal

The main section of the proposal contains the functional flow diagram (FFD), a time-line communicating when the work should be/will be done and a written narrative explaining the results and benefits to be achieved by each activity outlined in the FFD. The FFD is made up of a series of lines and boxes. Each box represents a major component of project activity, indicated by a label in the box. These labels should begin with action verbs, such as administer, analyze, compute, design, determine, tabulate. Also, every box must have an input and an output. One advantage of using a FFD is that additional activities can be added as projects change or more information becomes available. It is basically a flow chart that provides a visual reminder of the key elements or steps of the project and the connecting decision points along with the flow of the work and ordering of work stages. There is a time-line established in order to give dates or periods of time that are needed to complete each stage of the project. The time-line can be expressed as a line with the dates and project stages marked on it. Don't be too concerned about having exactly the right amount of time between events; just be sure that you have them in order and that you have left sufficient time for the necessary client reviews and approvals.

The written narrative communicates the outcomes, results and benefits of the consultation to the reader of your proposal. It shows how the FFD will achieve the objectives and communicates the fact that the client will have the opportunity to manage you, the consultant. For each activity/ box in your FFD diagram, write a one-paragraph or two-paragraph statement about the activity, and describe in general terms which procedures will be employed. Your written narrative should be specific enough to communicate to the reader the type of work you will be doing and general enough to prevent your client from taking your work and getting a free or lower cost consultation.

The Conclusion Section of the Proposal

The concluding section of the proposal may include:

- Evaluation plan and procedures
- Reporting and dissemination plan
- Consultation/project management and organization plan
- Consultation/project price/bid
- Consultation staff statement of capability

Not every proposal will require all these elements. The evaluation plan, when required, is important to the client in accepting or rejecting your proposal. It provides some type of measurement of the quality of your work and the viability of the specific plan you are proposing. The evaluation plan is the means by which the client can hold you accountable for the funds that have been spent.

The project management plan contains information that enables the proposal reader to assess your qualifications to be awarded the contract. The plan must show that the consultation will be conducted by individuals who have an understanding of client needs and can work with the client's administrative structure. The management plan also demonstrates that the consultant has management and administrative skills as well as creative ideas. Many people are creative, but they have trouble getting results because they are poor managers.

The management plan describes the administrative structure of the project, including:

- A detailed list of any key positions and associated responsibilities and duties.
- A description of the connective link between consultants working on the project and the client's organization.

- Estimates of the personnel that you anticipate will be needed to complete the project (a personnel loading analysis).
- A description of the background and qualifications of personnel who will be assigned to the project.
- A description of any outside individuals or organizations that will be needed to carry out the project, if necessary.

The personnel loading analysis gives the distribution of work hours or days for each element of the project. If you find that certain elements require too many people or hours, you may reorganize the time-line to spread out the functions more evenly over time.

The fee or bid is most often introduced in the proposal at this point. Depending on the distribution of your written proposal, you may wish to include the price/bid here or put it in a confidential letter that is delivered separately with your formal proposal.

The statement of staff capability usually includes a statement of the resources and talents of the organization and the specific resumes of key personnel who will contribute to the client's project. Staff resumes should be completed in a standard format. The staff members should prepare their own resumes within the confines of your standard format, and have them updated at least every six months and they add more successful project completions and more skills. They become more valuable.

In packaging the proposal, consider using index tabs or dividers and keying the table of contents to the index tabs. **If the client gives you a specific format, follow it as closely as possible**. I hope that I emphasized the last point enough. When the client is specific, pay attention because many times a proposal is rejected because it does not address all the points of the clients format or it is presented in a different format and therefore difficult for the client to fairly compare with other bidders. If you are sending examples of previous work that run more than five or six pages, put them in an appendix that can be detached from the main body of the proposal.

Don't be afraid to spend a few dollars on the package. Use good quality cover stock, color paper and comb binding to enhance the appearance of your proposal. You don't wish to appear lavish and wasteful, but you can produce a superior-looking document that is both cost effective and worthwhile. The written final report has become commonplace for many client organizations. It may call for up to 100 or more copies to be disseminated.

Tip

Remember, when you go into a sales session with solid figures on your costs and fees and confidence in your worth and understanding of the needs of a particular project, you have a much better chance of making a close and getting a contract.

Figure 1.0 Sample Proposal

Date

Name

Company

Address

City/State/Zip

Dear :

I enjoyed our telephone conversation of ______________. XXX Company has an excellent marketing opportunity for its video seminars as public seminar programs, and this letter is designed to serve as a proposal to define the steps that I believe should be undertaken to evaluate and capitalize on the marketing potential. When we spoke, I had received only the video introduction, leader guide and participant materials for ______________. Following our conversation, I received your letter of _____________ and enclosures. The enclosures were particularly beneficial in the preparation of this proposal, and I appreciate your time over the telephone when you gave clarification of certain items that were addressed in the enclosures.

In my estimation the decision of how to distribute should be based upon a recognition that XXX Company brings to the market for distributors a significant and very valuable asset. Accordingly, the analysis of options should carefully determine the market value of the programs to ensure that the full profit potential be realized.

Sample proposal (continued)

Name

Company

Date

Page 2

Careful attention needs to be given to potential outside distributors relative to such factors as:

1. Market experience and capability;
2. Financial viability and resources;
3. Importance of the MA opportunity to their business; and
4. Credibility and capability to perform at a high level.

I believe that the following steps should be undertaken to evaluate and capitalize upon the marketing (as public seminars) of XXX Company seminars in general and ______________, specifically:

1. Determine the relative advantages and disadvantages of self-distribution in comparison to obtaining one or more established distributors.

This step would include a competitive analysis of distributors, a determination of their marketing capabilities and their financial viability/future plans. It would also include an estimation of expenses and revenues for self distribution and would evaluate various self-distribution models, such as licensing, franchising and establishing an independent dealer network. Particular attention would be paid to operating practices and distribution models of successful and less-than-successful operating practices and distribution systems of established seminar companies.

Sample proposal (continued)

Name

Company

Date

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Further, the evaluation would concentrate on emerging learning methods that may, in time, prove more efficient and effective than live seminars and the consequences than such technological changes might have on XXX Company programs in general and __________ in particular.

2. **Identify and select potential outside distributors.**

Step 2 would build on the work already accomplished in Step 1 and would serve to identify those organizations that might serve as a suitable distributor for XXX Company programs as public seminars in general and ____________ specifically. The result of this activity would be to identify a list of candidate organizations that might be solicited by XXX Company for that purpose. It is anticipated that such candidates would include established seminar providers, as well as other organizations not currently involved in the seminar business with strong, related marketing capabilities who would be in a position to serve as a viable distributor.

3. **Establish requirements for performance by outside distributors.**

This step would establish minimum requirements that distributors would have to meet to be acceptable to XXX Company and would be based on marketing and financial

Sample proposal (continued)

Name

Company

Date

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information gained about providers in general and candidate distributors as a result of the analysis undertaken in Steps 1 and 2. It is anticipated that such requirements would be quite specific about the nature and extent of marketing effort to be provided by potential distributors to ensure that distributions proposals submitted in the future by such candidates could be adequately evaluated relative to self-distribution options.

4. Structure offering package to outside distributors.

On the basis of minimum requirements for distributors established as a result of the completion of Step 3 and the determination of the profit potential for self-distribution determined as a part of Step 1, the specific offer(s)/proposal(s) to be made to potential distributors would be developed.

5. Solicit outside distributors.

Offer(s)/proposal(s) developed in Step 4 would be forwarded to candidate distributors.

6. Review outside distributor responses.

Responses received from interested distributors would be reviewed, and acceptable respondents would be interviewed and evaluated.

Sample proposal (continued)

Name

Company

Date

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7. Decide on method of distribution/select outside distributor(s).

Acceptable distributor offers/proposals (as modified as a result of Step 6) would be evaluated and compared to self-distribution options, and final decision would be made with respect to the distribution for ____________, specifically and perhaps for other XXX Company programs as well.

The time frame or schedule for these activities can be accomplished as follows:

February 17 - March 6, 1997

1. Determine the relative advantages and disadvantages of self-distribution in comparison to obtaining one or more established distributors.

March 2 - March 13, 1997

2. Identify and select potential outside distributors.

March 9 - March 20, 1997

3. Establish requirements for performance by outside distributors.

March 9 - March 20, 1997

4. Structure offering package to outside distributors.

March 16 - March 27, 1997

5. Solicit outside distributors.

March 30 - April 17, 1997

Sample proposal (continued)

Name

Company

Date

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6. **Review outside distributor responses.**

April 13 - April 24, 1997

7. **Decide upon method of distribution/select outside distributor(s).**

I would be pleased to provide my services in connection with the above to XXX Company on either a per hour fee basis or on a fixed-fee plus expenses basis, as you determine to be in your best interest. Listed below is my estimate of the hours that I anticipate would be required on my part to complete the above activities. Also, please find the fixed fee that would be charged for the completion of each activity. If it is your preference to work on an hourly fee basis, the charge would be ____________ dollars ($YYY) per hour.

1. **Determine the relative advantages and disadvantages of self-distribution in comparison to obtaining one or more established distributors.**

Estimated number of hours	30 - 40
Fixed fee charge	$_____

2. **Identify and select potential outside distributors.**

Estimated number of hours	12 - 20
Fixed fee charge	$_____

<u>**Sample proposal (continued)**</u>

Name

Company

Date

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3. **Establish requirements for performance by outside distributors.**

   Estimated number of hours 10 - 15

   Fixed fee charge $_____

4. **Structure offering package to outside distributors.**

   Estimated number of hours 14 - 19

   Fixed fee charge $_____

5. **Solicit outside distributors.**

   Estimated number of hours 01 - 04

   Fixed-fee charge $_____

6. **Review outside distributor responses.**

   Estimated number of hours 10 - 30

   Fixed-fee charge $_______

7. **Decide on method of distribution/select outside distributor(s).**

   Estimated number of hours 15 - 25

   Fixed-fee charge $_______

In addition to the above, XXX Company would be charged for direct expenses incurred for travel and non-routine communications, if any. The above estimates are based

Sample proposal (continued)

Name
Company
Date
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upon a total meeting time with you or others you might designate in amount equal to 15 hours. Should it become necessary to meet for a duration or frequency in excess of 15 hours, additional meeting time would be billed at $YYY per hour. There would be no charge for the first 25 hours of travel time, if any.

There is no requirement on my part for XXX Company to contract for all of the services indicated above. If you prefer, they can be taken one at a time, and you could reach a decision at each stage as to the wisdom of further retention of my services. In the event that you were to find it advisable to contract for all or several of the services outlined, please understand that XXX Company would be provided with the right to terminate my services at any time during the course of the consultation.

I hope that the above information is sufficient to meet your requirements. If I may provide further information, please let me know.

I look forward to the prospect of working with you on this very challenging project.

Personal regards,

____

Proposal Writing is an Art

It is true enough, in general, that the best proposal writers win the contracts because they appear to be the best qualified contenders. But the meaning of best proposal can be misleading here if you take it to mean the proposal reflecting the greatest literary skill. There is more to creating the best proposal than writing skills. The true understanding of the technical work to be provided in combination with close communication with the key decision makers and contributors for the project will make the difference for your happiness and project completion success.

The Evolution of Modern Proposal Practice

The word proposal once referred to what was little more than a list of what was offered, the prices, and the terms of sale. A printed brochure or two might be enclosed, and perhaps some boilerplate material, plus a standard form or two. Business has changed.

Technology and huge government projects, with huge contracts and sub-contracts, caused the evolution of proposals as exemplified by modern practice. As the military began awarding contracts for the development of super-weapons such as multimillion dollar aircraft, missile systems, radar, and computers, it became more necessary to assure buyers of technical and management capabilities than of competitive pricing. Even that is not the entire consideration underlying the use of proposals as the basic element in the search for the best contractor or awarded for a contract. Many government requirements are for research and development of basic concepts and of systems based on new concepts that may or may not work out. The quest is often for contractors with attractive and promising ideas to pursue. Although the cold war has ended, it is considered necessary for countries to stay aware of advanced technologies due to increased international competition for business.

What Proposals Call For

Unwritten, perhaps, but clearly expressed between the lines of a request for proposals, may be any of the following messages:

- Here is our problem, with its symptoms and, as far as we know, an accurate definition of the problem. This is everything we know about it and can tell you. We want help. What would you suggest? (Client really wants description of a detailed plan.)

- Here is a concept that has appeared in the literature. Is it feasible? Can it be developed into a useful methodology? How would you proceed? What kind of results would you project?

- Here is an idea that has been put forth for a new kind of product. How would you develop this into a working prototype?

- Here is a need (to counter a new threat, new product by another company, new hazard of our own modern equipment, or other). Give us your best ideas for developing a counter or solution.

By such means, the raw idea of a laser is developed into working models and practical devices that ultimately find applications in medicine and industry, as well as in military channels. Radar, computers, infrared devices, and others are similarly developed through contracted programs. But it is not only equipment that is so developed. Many systems for improvements in safety, efficiency, training, and human betterment in industry, the professions, and society at large are born this way also.

The modern proposal is the instrument for choosing the best qualified contractor and/or the qualified contractor with the most attractive and most persuasive ideas for the project. It is the principal means by which we present our credentials and ideas, and by which the client evaluates those credentials and ideas and makes a choice.

The idea has spread rapidly, and it is not only governments who select consultants and other contractors through proposals today; private-sector organizations have adopted the idea increasingly, and it has become commonplace to conduct proposal competitions in awarding contracts.

The guidelines for writing proposals are applicable and appropriate for responding to requests for proposals (RFPs) issued by companies, governments, private-sector organizations, foreign governments, and foreign privately-held organizations, who often refer to an RFP as a tender, but who respond well to proposals.

Why Proposals Are Requested

The rationale underlying REPs has been explained; they are calls for help because the client does not know how to solve the problem (in many cases cannot even identify it), needs additional resources, or wants to study and evaluate different ideas and approaches before selecting one. And in the case of governments, there is the additional reason - that the law requires competitive proposals. There is also the consideration that the client needs something on which to base an evaluation of the contenders for the contract and judge the suitability of each. RFPs are signposts to success in writing proposals because they tell you what the client requires. They will guide you if you read them carefully and accurately. They resolve into the basic merits of your plan or proposed program and your qualifications as a consultant and contractor, but each of those breaks down into separate categories too. The following lists suggest some basic considerations and questions the client will be concerned with in reading your proposal.

Proposed Plan

Is it what we want? Is it what we are looking for? Is it practical? Does it appear workable? Is it likely to produce success? Will it produce the results we want?

The Proposer

Are you capable? Do you have the skills and resources to carry out the plan? Are you dependable? Do you have a track record of making good and coming through in your projects?

Remember, it is the client's perception that matters, and that perception is the consequence of your proposal. The client is influenced by your proposal and how convincing you were in selling your plan and capabilities. But stay truthful because a reputation is hard to earn and a must to keep. If the client demands or truly needs work not within your expertise - do refer or team with other experts in your proposal. Keep the client happy. Trading referrals is another source of getting new business for you and also reduces stress by eliminating the worries of developing unknown skill areas that the client expects you to be an expert in (and is paying you for just that expertise). Deliver what you know!!

The Ingredients of the RFP

The typical REP has four major elements:

1. An introductory letter, information on when proposals are due, where they are to be delivered, who to call with questions, what kind of contract is planned, and other information, such as announcement of a pre-proposal conference.

2. Proposal instructions, including a specification of what information is to be in the proposal, how proposals are to be evaluated (if it is a government RFP), sometimes a dictated proposal format, sometimes forms to be used for cost estimates, and other such material.

3. Standard boilerplate information about the requesting organization, purchasing policies and regulations, contract terms, invoicing, and other administrative data.

4. A statement of work, describing the client's problem or need, symptoms, objectives, and other such orientation. Theoretically, this is a specification, a complete and detailed description. In fact, it is often far less than complete, for any of many possible reasons. But it is what you must respond to and address.

Kinds of Information an RFP asks for

To determine which consultant has the best ideas (proposes what appears to be the best program) and best qualifications, most RFPs ask your proposal to provide these kinds of information:

- An analysis and discussion of the requirement, demonstrating your full understanding of the need and your capability for designing and carrying out a completely responsive program.
- A preliminary program design or approach, with sufficient explanation to demonstrate its suitability.
- A specific proposed program, with adequate details of staffing, organization, schedules, end products, interim products, procedures, management, quality control, schedules, and whatever else you deem important enough to merit discussion. (These vary with different requirements, naturally.) Cost estimates must often be presented in great detail.
- Your qualifications to carry out the proposed program successfully. This includes knowledge, skills, facilities, and any resources normally required for such a program as you propose.

• The record of your verifiable relevant experience in similar projects for other clients, naming those clients and demonstrating your dependability as a contractor, as well as evidence of your skills.

What Is A Proposal?

It may appear that I have already answered the question of what a proposal is, and I have, but more from the client's viewpoint than from the proposal creaters, and there are significant differences.

First of all, there are questions of scope and size, questions of the physical format of the proposals, and the amount of effort required to produce them. Many consultants choose not to pursue government business because they consider the proposal requirements too detailed to produce and proposal writing too expensive. Whether the rewards are or are not worthwhile depends on your personal view, especially on how you feel about writing - many professionals truly hate to write - and how badly you need sales.

In fact, the size of the required proposal usually depends on the size of the project. Small projects suitable for the independent consultant, which in today's economy are probably roughly in the range of $5,000 to $25,000, usually require only simple, informal proposals, actually letters of several pages in which the proposal is embodied. These are often called letter proposals. Even when formal proposals are required, they tend to be fairly small (unless you are in pursuit of the larger projects of perhaps $100,000 or more). Typically, for the small to medium projects an independent consultant is likely to pursue, a formal proposal will run about 25 to 50 pages, although many are far larger.

Before deciding that you will or will not write proposals in quest of contracts, you ought to consider a few points:

- With only an occasional exception, there is just one winner in a proposal competition. Winning second place is only slighter better than being in last place, although there are sometimes advantages to being close.

- It is not enough to show that you can do a good job or as good a job as anyone else. You must prove yourself and your plan better than all the others.

- The client is unlikely to perceive that your approach, plan, and qualifications are superior to the rest, and won't make the effort to do so, even if he or she has all the technical know-how. You must explain why and how they are superior; in other words, you must sell yourself and the program you propose.

- The short answer to the question of what a proposal is, from your viewpoint as the seller, is this: a proposal is a sales presentation. It cannot succeed unless it sells.

This is why proposal writing - successful proposal writing - is not so dependent on writing skills as it is on marketing skills. A proposal is a written presentation, and even great marketing skill won't rescue a badly written proposal, but the writing must implement a winning marketing strategy.

Proposal Scenarios

Here are some of the typical situations that lead to proposal writing and also often influence the nature of your response:

- The most common situation is probably the one in which the client has identified a need and decided to seek help from an outside specialist. Presumably, an award will go to the writer of the best proposal. This is a kind of self-fulfilling prophecy because the proposal that wins is, seemingly, the best proposal! Still, there is at least one exception to this: when

direct and indirect. Reluctance to reveal such proprietary and confidential information to anyone, is one reason some consultants do not pursue certain contracts.

Still another difference is the risk in revealing your program strategy. It is not unprecedented for unscrupulous individuals in the private sector to appropriate the plans and confidential information you reveal in your proposal and use this information for their own ends, thus victimizing you by what amounts to simple theft. This is a serious problem, and the risk should be taken into account in proposing to any organization, particularly in the private-sector. But, remember that business involves qualified risk-taking.

By far the most significant difference between the two kinds of proposal situations, however, is that private-sector clients may do pretty much as they please in their purchasing, whereas government-sector clients usually have legal restraints that compel them to evaluate each proposal along a variety of significant parameters, and they are required to give you some intimation as to what those factors are.

The Evaluation System

Federal procurement regulations require an objective rating system to be used to evaluate and assign to each technical proposal a figure of merit representing its respective technical quality. Costs must usually be supplied in a separate proposal, withheld from those evaluating the proposals until they have completed their technical evaluations.

The resulting evaluation schemes vary widely from one agency to another and even from one procurement to another. Sometimes the RFP reveals and explains the evaluation criteria in elaborate detail, while in other cases the explanation is sketchy. Following are two typical examples. Example 1: The following are the criteria on which technical proposals will be evaluated. Item (a) has twice the value of Item (b), which has one-half the value of Item (c).

Item (a): Understanding and approach

Item (b): Qualifications of proposed staff

Item (c): Qualifications of the organization

Award will be made to that proposer whose proposal is deemed to be in the best interests of the government, costs and other factors considered.

Example 2: Evaluation criteria are as follows:

(a)	Understanding of the problem:	0 to 5 points
(b)	Practicality of approach:	0 to 10 points
(c)	Realistic anticipation of problems and planning for contingencies:	0 to 10 points
(d)	Proposed management and organization:	0 to 10 points
(e)	Qualifications of proposed staff:	0 to 25 points
(f)	Qualifications of organization:	0 to 25 points
(g)	Resources offered:	0 to 15 points

Maximum possible score: 100 points

When greater detail is provided, the criteria listed (as in the second example) are further detailed by subordinate items reflecting the analysis of each.

<u>The Cost Factor</u>

Note that little mention is made of costs in these examples, except that it will be considered. This method lays the foundation for the agency to defeat the purpose of the evaluation requirement because it leaves a final decision to the judgment of the officials making the procurement. There is, however, an appeal or protest process for seeking claims against unfair or illegal procurement practices, a subject that merits a separate discussion.

There are other ways in which the cost factor is taken into account. In many cases, costs are simply included in the list of criterion items as a specific, weighted factor added to the technical score. The proposer with the lowest cost is awarded the maximum number of points, while the one with the highest cost earns zero points. But, as proposers, we are not entitled to know exactly how the evaluation is made.

There is also a method that links cost with technical considerations, dividing the dollars by the technical points to arrive at a cost per technical point. Presumably this results in award to the proposer with the greatest value-lowest price per technical point. For this to be viable, the client must first screen all proposals and eliminate the technically unacceptable, regardless of price. Elimination of unacceptable proposals, regardless of other considerations, is a common practice, although there are a few exceptions such as contracting officers who believe that every proposer is entitled to a chance to revise his or her proposal and make it acceptable.

The Inevitability of Comparative Evaluation

The listing of evaluation criteria with specific weights suggest that the proposals are to be measured against absolute standards. This is virtually impossible. Take that 0 to 25 points listed for qualifications of the staff proposed. Would that mean that the perfect staff would merit an award of 25 points? That the client will attempt to judge how near to or far from perfect each proposed staff is? Or does it mean that the proposal with the staff adjudged best qualified earns the most points, perhaps the full 25?

The latter is unavoidably the method for choosing, and it means that the evaluation must be comparative. Your staff and all your other qualifications will go through two evaluations: one will screen for general acceptability, and the second will rank it on each criterion. No evaluation scheme can be entirely objective; human judgment is inevitably involved. You must do whatever you can to influence that judgment in your favor by employing every element of sales and marketing strategy available to you. And do not lose sight of the fact that while the private-sector client can be as unfair as he/she wishes when selecting a proposer for award, government clients are well aware that you have appeals from unjust decisions, and so they are not always free to make awards on the basis of friendship or personal preference, but are often compelled to make awards they would prefer not to make. Your sparkling personality, friendships, and charisma may help a bit, indirectly, but they are rarely decisive factors overall. However, successful teams do have great "chemistry".

The Protest Process

Protests may be lodged with either the contacting official responsible for the procurement contract in question, but you do not require a lawyer to register a protest. A simple letter, setting forth the facts as you see them, is sufficient to start the ball rolling. If the protest involves lawyers, then you risk the loss of any future work relationship. Many times, a first proposal is really an attempt for the person asking for a proposal, to get to know what skills that you offer for future possibilities. They are asking who you are and are expressing an interest in getting to know you.

People who are not familiar with the process believe the protest is a measure to pursue after losing in the competition. Consequently, most protests are made after an announcement of the award. That, unfortunately, is the worst possible time to lodge the protest. Even if you win, it is likely that you will win nothing. Three possible consequences may snatch the victory from you:

1. The project is already well underway, and the decision is that, even if the award were improper, canceling and re-awarding it would cost the government too much money.
2. The decision is that the award was defective, but you have not demonstrated that it was you who should have won, and competing again for the contract would be prohibitive.
3. The agency decides to cancel the procurement entirely, possibly to re-bid it at some future time.

In fact, you may protest any element of the procurement process at any time if you believe that something is improper in the process. For example, a client of mine protested successfully that the requirement did not permit enough time to write a proper proposal, forcing the company to extend the closing date. Another client protested successfully that the evaluation scheme had built-in anomalies so that the award violated the scheme specified, forcing cancellation. And another, in quite a large procurement, protested successfully that the winning proposal had been delivered and accepted some minutes after the deadline, and managed to have the contract canceled and re-awarded to him/her, to the embarrassment of the company.

Of course, a great many protests do not succeed. Many fail because they offer specious and irrelevant arguments and should not have been made at all. A common argument is that the protester offered a lower price, which is rarely a valid argument. One protester who used that argument had submitted a proposal that had been rejected as technically unacceptable, and so could not have won anything in any case. Another complained that the price was so low, that the winner would lose money on the contract.

It is legitimate to challenge, which is actually a form of protest, just about anything you believe improper or unfair about a procurement. The apparent impropriety or unfairness may prove to be no impropriety at all. It may be the result of a simple mistake, or it may be an effort to wire the procurement for some favored consultant. That is, of course, illegal, and probably not quite as prevalent a practice as many think, but there is no denying that it does happen, and it should be challenged whenever it appears to deny you a fair opportunity to pursue government business.

Signs to Watch For

There are several ways in which a procurement can be rigged to give a favored consultant an advantage. These devices are usually rather transparent and suggest strongly that an effort is being made to wire the procurement. Be alert for these things as possible indicators of such an effort:

- The closing date is so near the date of announcement as to virtually preclude anyone not already prepared to respond to get a decent proposal together in time.
- The specification of what is required as qualifying characteristics is unreasonable compared to what is actually necessary to get the job done.
- The specification of what is to be done is excessively vague and thus extremely difficult to respond to - that is, it makes it ridiculously easy for the agency to declare your proposal non-responsive and thus disqualify it.
- The statement of work or specification of what is required is so excessively and unnecessarily tailored that it restricts free and open competition.

None of this is intended to suggest that such practices are commonplace or that the system is not basically fair and honest; it is. But circumstances lead to these situations, no matter how innocently, and you are entitled to relief from them - the purpose of the protest.

Sole-Source Procurement

Procurement regulations provide for sole-source procurement, generally under one of three conditions:

1. The need is urgent and for some reason (such as an unanticipated emergency), and there is simply no time for the typical 3 to 6 month procurement process.
2. The requirement is for a proprietary product, service, or experience of some sort that is unique and unavailable elsewhere.
3. The procurement implements a contract resulting from an unsolicited proposal. This is tantamount to contracting for a proprietary, since the idea is a proprietary one, and sometimes a proprietary product is involved as well.

Unfortunately, not all sole-source procurements are justified. Some have an alleged justification that the favored consultant has some special qualification. This favored consultant is alleged then to offer a more efficient program than would be possible with another contractor. To add insult to injury, that special, unique experience was often acquired in a current or recently concluded contract with the same company. Again, this may be legitimate, but there is evidence, that many companies make sole-source procurements that are not justified, often simply to speed up the process. Sole-source procurement is a much faster process than is competitive procurement.

Proposal Formats And Rationales

Some RFPs mandate a specific format for the proposals requested, and even a format for staff resumes. Most list, describe, discuss, and even specify the information required, often in great detail, but do not specify a format, leaving that to you. A recommended four-section general format that has proved highly satisfactory for and readily adaptable to most proposal requirements is offered here, with a rationale and explanation of each section, following a general explanation and rationale.

General Discussion/Rationale

Not surprisingly, the recommended proposal format is based on the general premises that (a) the client is asking for help with a problem, (b) it is a sales presentation and must use sound sales tactics, and, perhaps most important of all, (c) it must have a single strategy as its major thrust.

That latter consideration is all important. Bear in mind that a proposal saying, "Me, too: I can do the job as well as anyone," rarely wins. To win, it is necessary to stand out, to be superior to other proposals in some decisive manner

Format And General Rationale

The following format has been successful in winning many millions of dollars worth of contracts. It consists of four main elements, with other elements included if and as necessary. It offers information in a logical flow, but still implements the promise-and-proof sales strategy. It also provides the basis for major technical/program strategy. It is offered as a format for a formal, bound proposal, but the format is easily adapted to informal letter proposals.

The four main sections and addendum elements (when needed) are these:

- Front matter
- Section/chapter II: Discussion
- Section/chapter III: Proposed program
- Section/chapter IV: Experience and qualifications
- Appendices and exhibits.

The chapter titles are generic. More imaginative titles, selected to reflect the client's needs, are recommended. These will make it clear that the proposal was custom written for the client and not boilerplate taken off the shelf. That is not the only reason for devising specifically appropriate, rather than generic titles: The proposal is a sales presentation and ought to sell at all opportunities; each headline and caption is a special opportunity.

Chapter I: Introduction

The first chapter is divided into two sections: "About the person(s) making the offer," an introduction to who and what you are, with a very brief statement of your interest and qualifications, noting details to be detailed later; and "About the Requirement," an appreciation of preliminary analysis, validating your understanding of the requirement and laying the foundation for your approach, strategy, and whatever else is to follow.

Chapter II: Discussion

The first chapter was a prelude to this chapter and should have set the stage for it. Here you explore the client's problem in depth. Demonstrate full understanding of the requirement and all that it implies, possibly defining it even more accurately than the client does. Show technical experience, knowledge, skill, and creative imagination. Show that you have analyzed the problem thoroughly, identified all alternatives and possibilities, and identified the optimum approach, which you now present, with your rationale.

Here, make your technical sales arguments, implementing your strategy. Here, you may have to educate the client, explaining your analyses, reasoning, conclusions, and plans for delivering all the benefits, especially those around which you have built your main strategy. Here, explain how you will meet the impossible schedule, reduce the costs, maximize the probability of success, eliminate the possibilities of failure, and bring to reality the need is not too pressing and none of the proposals submitted are very good, the procurement is canceled. So it is not always possible to win by being the best of a bad lot.

- Some RFPs are inspired unintentionally by consultants working with the client: the consultant suggests something intended to get more work for himself/herself, but the client decides to solicit competitive proposals despite the fact that the original idea was yours.

- In many cases, there is the happier situation where it is possible for you to suggest something to a client or prospective client that elicits an invitation to submit a sole-source proposal, one for which there are to be no competitive proposals. This may come about because the client has complete faith in you and does not wish to consider anyone else, or it may be the consequence of your offering a proprietary and unique idea or product (for example, a special computer program or some special and unique knowledge).

- Finally, you may offer an unsolicited proposal as a result of some knowledge of a client's needs or as a normal follow-up of a sales lead, usually as a voluntary act, with or without advising the client that you are planning to do so. (The client may or may not ask for something on paper to study and/or pass on to others in the organization.)

Who Must You Sell?

That last item makes an important and often neglected point: you may have to sell more than one person in the client organization. You may have sold the individual with whom you have had direct contact, but that individual may be required (or may prefer) to review the matter with others and get approval. In many cases, the individual wants to retain you or select you as a contractor, but needs your help in selling the idea within the organization.

In this situation, the proposal becomes all-important, even though you believe you are in already because the individual you spoke to was enthusiastic and assured you of his/her support and desire to retain you. But that individual may be limited and need your help in getting approval.

You must always operate on the assumption that there are others who must be sold, especially when you are submitting a proposal. More often than not, even when there is no formalized committee-type of proposal review (as there normally is in government), a number of people will review proposals, whether sole-source or competitive, and pass judgment on them, and those judgments will have an influence on the buying decision.

Proposals are written because a company is often asked for something on paper by executives in both private-sector and government organizations. Sometimes the individual needs help or, at least, written backup to sell the idea upstairs, but there are other reasons too. When the client writes a purchase request or order, he or she must write a purchase description or specification of some kind. Given that many people have a great distaste for writing; that the client is not in nearly as good a position as you are to describe what the purchase is; that the client may be embarrassed to admit that he or she cannot write the description of what is needed without your help; and that it is always sound marketing strategy to make yourself as easy as possible to do business with, you will be wise to develop and document that purchase description in a proposal of some sort and be at pains to make it as easy as possible for the client to identify and transcribe the description or statement. **Never underestimate the power of convenience as a motivator for clients to sign.**

Rarely is found a sales situation in which a proposal, especially a written one, was not a good tool. Nor have I ever found a situation in which the proposal should not have been a sales presentation in every sense of that term. Verbal proposals are effective in selling situations where you might normally expect to close the sale on the spot-in one-call sales situations-but the verbal proposal is only the opening shot in most selling situations. You need to follow up a verbal presentation with a written one, one that is a permanent record for clients to review, study, discuss, evaluate, and consider at length. But a proposal also offers you the opportunity to develop your presentation at length, with careful study and consideration. That is one of its chief advantages: a written proposal allows you time to plan, draft, reconsider, edit, rewrite, and polish until you are satisfied that the presentation is everything you want it to be.

Remember always that you are in one of two selling situations: selling against competition (to a client who wants to buy but has to decide from whom to buy), or selling against almost automatic reluctance of many kinds:

- Reluctance to turn to outside sources for help
- Reluctance to break a pattern and do something different
- Reluctance to do something finally about a familiar old problem
- Reluctance to battle internal resistance to contracting out
- Reluctance to admit (even to themselves) that there is a problem
- Reluctance to spend the money.

Public- Versus Private-Sector Proposals

The most significant difference between public- and private-sector procurement as far as the respective proposal requirements and strategic considerations is concerned, is that private-sector clients may do pretty much as they please, whereas public-sector clients are bound by public laws governing purchasing.

The consequence of this is not trivial. In many ways, it affects what you must do in writing a proposal. Philosophically, when you respond to a RFP, you can often enjoy an edge by being aware of the statutes and taking advantage of them. The objective is not to win recognition of your writing, but to win the contract. And the award is for what you say, not how you say it. It is for marketing strategy, not literary polish.

That is not the only difference between the two proposal situations. Another important difference is that in the private sector there is a strong tendency to accept you at face value-to accept that you are a competent professional. The assumption is that, since you are in the business and competing for the contract, you must be capable in that field. Clients generally require that you provide information to prove your competence and qualifications to bid on and to be considered for the contract. This is at least partially a consequence of the legal requirement to evaluate each proposal objectively. It also reflects some bad experience that some companies have had with contractors who were not competent and whose work had to be done over. Even worse, it reflects some bad experiences with contractors whose work affected important matters such as safety or performance of critical information systems. So you may expect that RFPs, when issued, will require evidence of your qualifications and capabilities, technical and otherwise. There is a growing tendency in the private sector to emulate government proposal practices in all respects, so it is a good idea to furnish such evidence whether it is asked for or not and to be consistent and truthful.

Still another important difference is that all but the smallest contracts tend to demand a complete cost/price analysis, and that analysis requires you to reveal all your cost factors,

whatever it is you have promised or the client has demanded. Here, parade the benefits derived from your plan, especially the unique benefits that would not result from others' plans. Prove that point here and in the chapters yet to come. But this one chapter must end in a clear presentation of your approach, laying the groundwork for the next chapter.

This chapter of your proposal is the promise. The next one is the proof.

Chapter III: Proposed Program

This chapter is the proposal and it states the specifics of what, when, where, how, and how much you propose. Everything before has been prologue, everything after, epilogue. Here, you show exactly how you will implement the your strategy.

In this chapter, pull the curtain back and reveal the details. No theory or philosophy here; just the bare facts. When? (Schedules.) Who? (Proposed staffing.) How much? (Quantification of effort and/or products, if any.) Flow? (Management plans and procedures.)

You need a chart or two here. Charts are generally far more effective than text and even more effective than tables, in many cases. An organization chart, if there will be associates working with you. A functional flow chart showing phases of work and major functions. A milestone chart illustrating the schedule. A chart or table matching major phases and functions with labor hours required for them.

The second chapter made promises. This one must offer proofs. Although a few more proofs can appear in the final chapter.

Chapter IV: Experience and Qualifications

Include the staff resumes in the third chapter, although they can be fitted into this fourth chapter easily enough. While the staff resumes provide evidence of the qualifications of the individuals proposed to staff the project, this fourth chapter offers evidence of the organization's qualifications.

That can be tricky when you are operating as an independent consultant and a one-person enterprise - that is, when you bid for relatively small projects and you are the entire stiff, except for possible clerical and administrative support. But in many cases, especially when responding to a formal RFP with a formal proposal, you must comply and respond as though you were a larger organization. Therefore, you offer your resume as an individual, covering formal education and all relevant experience, wherever it was gained, but you also offer your resume with accounts of your projects as an independent consultant and your experience in providing services to your own clients. Much of the information will be the same in each application, but the orientation will be different in each case.

That is not the only information that should be included. Include here an account of all facilities and resources that relate in some way to your consulting enterprise generally and/or to the proposed program. That might include your offices and equipment, for example, computers, copying and reproduction machines, photographic equipment, laboratory facilities, a library, photo files, and/or access to any relevant resources.

Front Matter

Formal proposals include front matter - a title page, a table of contents, and an executive summary. The latter is a kind of abstract, but it is used by most proposal writers to highlight the major selling points of the proposal. An informal, letter proposal would not usually include front matter; because it is a short and informal proposal, the advisability of using an abstract is questionable. The effect of an abstract can be easily achieved in a normal letter format through sensible organization, for example, the inverted pyramid of journalism, in which the entire story is summarized in the lead, with expansion following.

It is generally useful to incorporate into any table of contents a list of figures and a list of tables. A typical title page is shown in Figure 1.3. Figure 1.4 illustrates a typical table of contents. Figure 1.5 demonstrates how a brief letter proposal might be organized according to the principles advocated here.

A PROPOSAL

to the

AMERICAN SOY BEAN COMPANY

"To Train 500 Bean Counters in Quality Control Procedures"

Prepared by

Marketing Advanced Technology

Lake Oswego, Oregon

May 01, 1997

Copyright 1997 by Shawn Oveson Associates, Ltd.

Figure 1.3: Title page of formal proposal.

TABLE OF CONTENTS

CHAPTER NO.	TITLE & CONTENTS	PAGE NO.

LIST OF FIGURES

FIGURE NO.	TITLE	PAGE NO.

LIST OF TABLES

TABLE NO.	TITLE	PAGE NO.

Figure 1.4: Format for table of contents.

Back Matter

In some cases, it is necessary to include one or more appendices and an exhibit or two. An appendix is a proper resource when you have material that you believe will be of interest to some readers, but not to all, such as the complete text of a document or a drawing you refer to in your proposal. An exhibit, on the other hand, is often included when several copies of the proposal are called for, but only one copy of some supporting item - a set of

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May 01, 1997

John W. Herr
Vice-President
American Soy Bean Company
99881 Process Avenue
Pittsburgh, Pa 17765

Dear Mr. Herr:

Ref: QC Training Proposal

It gives me great pleasure to offer my assistance in helping you to reduce the number of rejects on your production lines while increasing customer satisfaction with your products. Our research, carried out since our recent meeting and discussion at the convention in New York City, bears out the correctness of your judgment: I agree completely that training in quality-control procedures is the proper avenue to improvement.

I visited your plant, as you suggested, and interviewed several of your employees, using a structured interview that I developed some years ago in carrying out a preliminary task analysis for a similar program for the Miller Paint Corporation. That program, I am proud to report, produced a 14 percent increase in net production, reducing line rejects by 11 percent. Subsequent reports reflected a 27 percent drop in returns.

I am sure that we can do at least as well for you. Of course, while I will use the general approach that was so effective for Miller Paint, I will develop a program designed especially for your company.

Full details are offered in the following pages for study by your staff and yourself.

(over please)

Figure 1.5: First page of an informal, letter proposal.

slides or a sample of the product of some earlier project, for example - is available. When using an exhibit, advise all readers that such an exhibit exists, although it is not an integral part of the proposal itself, so they are alerted to seek it out.

The Necessary Impact

As must any sales presentation, a proposal must have great impact if it is to do its job well. And if it is to have that hard-hitting quality, it must have a certain aura and deliver a clear sense of certain qualities. These are subtle emanations, but they can show that you are in charge of the situation, and know that you are.

The client can sense these qualities:

- Total competence is when the reader must sense your power as the consultant who brings complete technical and professional competence to the job.
- Dependability is where the reader must feel that you are completely reliable, and will never fail to carry the job through to a successful conclusion.
- Accuracy requires that the proposal must convey the sense that you are absolutely precise and accurate in every action and in every step you take.

The keys to accomplishing these qualities have now been provided, but a brief review is in order:

- Specificity and detail to make sure that generalizations have little impact. A presentation that cites specific facts and details, particularly quantified data, is much more likely to impress a reader and be credible. Credibility is all-important.

- Startling statistics are presented because you have studied your facts and proposition quantitatively to see what impressive numbers you can develop - total person-hours of directly relevant experience, number of pages of training material you have written or directed writing of, but especially numbers that relate directly to what you can do for the client. If numbers are startling enough, see if you can work them into your introduction as an attention-getter.

- Clear and unambiguous language helps to avoid euphemisms. You are not in the diplomatic corps. Use stark language, in good taste, but words that are straight from the shoulder and cannot be misunderstood or brushed aside.

- Quiet confidence is powerful because hype is equal to protesting too much. It sounds defensive, as though you are trying to compensate for weakness. The absence of adjectives and superlatives and the use of a quiet reportorial tone convey strength. The idea is to achieve emphasis and command attention through methods.

- Take-charge attitude/approach is what most clients want - a take-charge type of consultant. One who will relieve them of worry and tedious, time-consuming involvement. Make it clear that you know exactly what to do - present highly detailed plans- and be sure that your explanations, descriptions, and rationales reflect confidence in what you propose. Caution: Be careful; it is possible to overdo this, to suggest that you might run off with the bit in your teeth. Make it clear that you will remain under the client's control.

- Thorough response is expected. Don't get careless because you and the client know each other so well. The key decision maker for the client can change and turning in a causal proposal can result in losing out to an aggressive competitor.

Strategy And Its Evolution

Successful proposals are most often those based on specific, well thought out strategies. Again and again, I have seen the dark-horse proposer, one that neither client nor competitors had heard of before, upset the cart and win because he/she had an effective strategy that was implemented well. All marketing and sales effort ought to be based on specific strategy, but proposals especially because they are usually custom projects with only a single buyer. There are no percentages-probabilities-to play here, as there are in mass marketing; it's all or nothing in most cases; multiple-award programs are the exception. And even then, the number of awards is usually limited; only a first-class proposal can win.

Read the Client as Well as the RFP

In the typical situation, you must read between the lines of the RFP, where the client is pleading, "Yes, do explain your approach and program to me carefully, but don't stop there; sell to me, too; show me why I must select you as my consultant." Again and again, I have heard neophytes at proposal writing mutter to themselves as they pore over the RFP, "I wonder what they really want." They believe that some kind of guessing game is involved, and that the client will award a contract to the best guesser. They have trouble grasping that the client is often not at all sure of what is needed and wants help in identifying the problem, as well as in solving it.

If that is the case, it is by chance, not by design. It may well be a case of "Eureka!" in which the client reads a given proposal and reacts, "That's it! That's what I need!" That can happen when the client is able to describe only symptoms or unhappy results of some kind, and a consultant has been clever enough or, more likely, worked hard enough to infer the real problem. It is more likely, however, that the symptoms described are not that hard to analyze to determine that (a) they point to a recognizable problem or (b) the correct approach is to institute a two-phase program, in which the first phase is devoted to problem definition. But there is an approach to devising strategies by first analyzing the initial situation, which is usually one of the following:

- The client has a good and probably accurate understanding/definition of the problem/need.
- The client all but concedes that what is described are probably only symptoms, and the consultant will have to define the true problem and respond to it.
- The client claims or professes to know what the problem or requirement is, but is probably mistaken; you must discriminate between what the client thinks is the problem and what it really is.

Understand What a Problem Really Is

Not every RFP calls for services to solve a problem that the client cannot solve. Often, the client knows exactly how to solve the problem, but lacks the wherewithal. The need may be for supplemental staff for a short time, access to laboratory services, field workers, or other ancillary support. In such a case, best may mean least costly. Depending on the client's orientation, best may also mean swiftest response to the need (often the client needs help yesterday); ability/willingness to respond under adverse conditions, such as an impossible schedule; most-qualified individuals to be supplied; most cooperative attitude; most dependable support; best understanding of the need; or other factor not readily apparent.

Preliminary analysis to develop a sensible and specific strategy should, then, consider these factors:

- What appears to be the best, fastest, most efficient, most dependable, least expensive, most risk-free way to do the job?
- What prejudices/special concerns/worries does the client appear to have, if any, about how to do the job best?
- What appears to be most important to the client? Cost? Schedule? Technical approach? Qualifications of staff? Qualifications of organization? Working relationship? Other?
- Do these factors relate to each other? If so, how? Incompatibilities? Can they be resolved? Or are they mutually supportive, lend each other strength? If so, how?

Actually, the main strategic areas to consider are cost and program or technical matters. Even so, the two are often related; if you offer lower cost, you should show how your proposed program makes cost savings possible while meeting the clients' requirements. While there are important areas of secondary consideration, the major strategic thrust is almost always in the proposed program plans and bears on such factors as these:

Cost	Risk of failure
Schedule	Staff qualifications/credentials
Reliability	Organization's qualifications/credentials

Evolution of the Strategic Base: Key Questions

The choice of factors on which to base your strategy is not random. It should be based on several considerations, the first and more important of which is usually the client's own perception of need or problem, which you may or may not agree with. But that must be tempered by related considerations, represented by questions like these:

- Is the client correct in assumptions of problems and/or needs - that is, do you agree with the client's definition of the problem and possibly of the solution?
- Do you have some firm conviction about how to define the real problem, or do you merely suspect that the client does not understand his or her problem - that is, that some work will be required to determine what the problem is before a reliable approach to its solution can be formulated?
- Has the client mandated in the RFP some defined set of services and method of operation to which he/she appears bound?
- If the client all but mandates (strongly recommends or even suggests) a method/service/approach that is workable, is it the best one-most appropriate, most efficient, most likely to achieve the stated goals?
- Is the client's definition so far off-base that it is impossible or would be risky to proceed without (a) an initial problem definition phase or (b) redefining the problem as it ought to be redefined?
- How firmly does the client appear to cling to his/her notion-would it be risky (to sales success) to confront the client directly about this in your proposal?
- Are there other problems the client fails to foresee (possibly naive, in fact, about the difficulties) or are there special problems of meeting requirements that are extraordinarily difficult, such as an impossible schedule?

- Does the client appear to be conscious of and/or especially concerned with some aspect of the problem such as meeting a schedule date, getting the job done at lowest possible cost, probability of eventual success, or other?

Making the best of a mess

In time, you come across most of these situations, and each is both a problem and an opportunity. Some of the answers may pose a difficult sales problem for you; they may define whether or not you have an immediate problem of how to structure your approach without running head on into a client's bias or accepting a task that will be exceedingly difficult, perhaps impossible, as it is presented by the client. It is not at all unusual for a client to have a completely wrong idea about (a) what the problem is and (b) the best way to solve it. There is a great deal of truth in the adage that you can't win an argument with a customer. Still, it is essential that you recognize this common problem for several reasons, of which your professional integrity (and reputation) is the first one: You should feel honor bound to be honest with the client. A second excellent reason is that you may paint yourself into a corner if you go along with a false premise and thereby win the contract! That may hand you the problem of doing things entirely differently than you had originally proposed. You would then have to face the client and confess. Those are negative factors. But there is this positive factor: such problems are the basis for successful strategies. They are opportunities, for you can make good things happen when resolving client conflict.

There are strategies for all the listed situations. But you will have to judge which is the right strategy for the occasion. There are clients who are willing to have you say plainly to them, "The approach you suggest is not the best one possible and will add unnecessary cost," or "The approach described is out of date and less efficient than the modern method."

But even with those clients, it is better to put it like this: "There is an approach possible that will reduce the costs," or "A recently developed method promises greater efficiency."

That is normal diplomacy - differing with the client without challenging or appearing to attack. But the possible strategic implication goes deeper. There is the matter of what many professional proposal writers call the worry item. That refers to whatever appears to be of greatest concern to the client - cost, meeting the schedule, risk of failure, control of the project, the consultant's capability, the consultant" dependability, or other. Proposal success lies often in identifying that worry item accurately and focusing the proposal on it:

- For example, if an extraordinarily rapid turnaround time is required, you must focus on the schedule and how you propose to meet it without fail. That is, the promise is that you will meet the schedule unfailingly - the client is assured of that - and the proof is your planned program and all the rationale you develop to show why your plan must and most assuredly will produce the result you promise.

- In short, build your program plan around a method for accommodating the client's chief worry item, and if there are several, decide which is the chief one and concentrate on it without neglecting the others, and be sure that the proposal dramatizes that suitably. That is, you should discuss those concerns, disguising them as concerns you have about the program, if the client has not openly expressed or admitted them. And you should explore them in depth and develop the chief worry item as a major consideration in the project.

Finding the Worry Item

It is not always easy to identify the client's worry item. Sometimes you must read between the lines of what the client has written or said, or even resort to other methods for gathering marketing intelligence. Even that is not always fruitful because the client may be reluctant to admit to any special concerns or may indeed have no special concerns! In that case, your course is clear. You must decide what ought to be a major worry item, one that, in your judgment, the client will agree on, once it is pointed out, and go on as though you had detected that concern. In short, help the client acquire a worry item! Many successful marketing campaigns are based on analogous approaches.

Other Strategies

I have been presenting the master strategy or the capture strategy, as some refer to it. That is the main strategy expected to sway the client and be decisive in the award decision. And I have operated on the premise that the proposed program design is the critical area around which the strategy should be built. Normally, this is true. But there are other strategic areas and supporting strategies to be considered too. They are usually supporting areas, each requiring its own strategic approach, for none are unimportant. They might even be the critical areas and so become the master strategies. In any case, they merit careful consideration.

The cost strategy, for one, might, under some circumstances, easily become the major strategy. How will you organize and present your costs? How will you justify them? How will you demonstrate the value of what you are delivering for your price?

There is also the competitive strategy. How will you position yourself compared to your competitors? How will you manage to outshine them, appear superior? In some cases, this might become the capture strategy. Finally, there is the presentation strategy and how you present your proposal so that it has major impact and supports your master strategy.

Useful strategies include:

Cost Strategy. In discussing costs, talk value and be clear about value offered. Try to quantify and pro rate what you offer across the total budget to demonstrate the value. Provide as much detail as possible in describing what you propose to delivered. That makes you appear more forthcoming and honest than competitors who are vague about what they will deliver for the dollars; thus the costs you quote seem far more palatable. But it also subtly suggests to the client the possibility of negotiation and prepares the ground by listing all the items that might be negotiable.

There is a special case you may run into: some RFPs are so vague that pricing the proposal appears impossible. That is, the client has furnished no basis for you to estimate either time or material required to do the job. Given this situation, there is an almost automatic tendency to go back to the client and ask for clarification. That is usually a mistake for several reasons. For one, the client may not be pleased with this approach. Many clients think they have given you ample information, no matter how unclear their RFPs actually are. For another, you are throwing away an excellent opportunity to steer things your way, and to develop a winning strategy.

In a case where the RFP has failed to provide proper specifications, the client has clearly implied, if not explicitly stated, that your recommendation is solicited. Provide that recommendation. Decide what is necessary to get the job done and meet the goals, and draw up the specifications - the quantification, as well as the qualification, of what you propose. That is what you price.

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This gives you several advantages, in addition to solving the problem:

(1) It is a highly credible presentation because you are supplying the specifications. You are the true expert

(2) You are in control telling the client just what ought to be done.

(3) On both counts, you are ahead of competitors.

(4) This puts you in control of costs to a large degree. There is no special risk as long as you do quantify everything carefully.

There is one other advantage in this situation: you can offer the client options, inasmuch as the client has not offered a clear specification, and that is often a most powerful strategy.

Competitive Strategy

Don't refer to competitors directly at any time; however, it is perfectly legitimate when you know that you are in a competitive situation to address the problem.

Flowcharts

As processes become more complex, explaining them in words alone becomes increasingly difficult, and graphic aids grow more and more useful. On the other hand, it is sometimes more expedient to show only the major steps, when the intervening steps are obvious. You have to be the judge of the right level at which to present and explain your plan. In practice, the processes are rarely simple and straightforward. In fact, the processes are often iterative and to develop a functional flowchart based entirely on the RFP, as a first step, and then refine it before you begin to write is a nice organizational method. This is a method that is effective in developing successful proposals for rather large projects. If you do a thorough and accurate job of translating the RFP into a flowchart - usually a preliminary, rough-draft flowchart - you have accomplished a great deal:

1. You have your project design before you in a graphic form, one that enables you to study it effectively, perceive interrelationships among the functions, uncover anomalies, and perceive potential problems.

2. You have an almost ideal presentation tool; clients value graphic presentations because a flowchart makes it easier to grasp the logic of the project. Moreover, less text - less reading - is required, a boon to busy executives.

3. The ability to envision the project in this manner says a great deal about your ability to handle the project. It demonstrates your understanding, while it helps the reader understand your logic. Include milestones where possible.

4. Many of your writing problems are solved, since you now write to the flowchart. It's your road map, on the one hand, and greatly reduces the volume of words you need, on the other hand.

The Initial Meeting with the New Client or Prospect

The key to successful consulting is understanding the problem, and that means learning to listen, as well as to think. At the same time, you must also be businesslike and professional.

The problem may arise early in the process, even in that first meeting, when the prospective client and you are trying to size each other up, but you are trying to avoid doing or saying anything that may have a negative effect on the sale.

We will assume that this is a first meeting with a prospective new client. There are many circumstances under which the first meeting might take place. By first meeting, however, I do not refer to a casual introduction or handshake at some function. I refer to a serious business contact during which you have a discussion in pursuit of new business. Probably the other party is sizing you up as a source of needed help, just as you are trying to assess the possibility of new business.

The origin of the meeting may have been a casual introduction at a convention or business club luncheon. But now you are seeking to ascertain the prospect's needs and the possibility of a sale. You are asking questions, seeking to get a fix on the need or problem, while the prospect is making conversation that may be intended to pick your brain to solve that problem.

You are well aware that most sales, except minor ones, are firmed up only after an initial meeting and a follow-up. This is inherent because consulting, by its nature, must involve guiding, counseling, advising, and doing service. Even in the extended meaning of consulting as a professional-temporary support service, face-to-face sales presentations and negotiations are normally a preliminary to a contract. The question often arises, especially if this is a meeting in your or the other's office: Is that other party now a client or still only a prospect? That is, are you on chargeable time chargeable to the client - or is this still pure marketing activity and therefore chargeable only to your own overhead account? It is necessary to establish a clear understanding with the new client as early as possible to avoid serious differences later.

There are no easy answers to this question of who is paying for your time in the initial session. You must either have a fixed policy or you must judge each case individually. If we face the facts squarely, we must acknowledge that it is not possible to avoid giving away at least a few samples of our skills and knowledge. It is naive to believe that anyone is going to retain you without having had some firsthand evidence of what you offer as a consultant. This does not mean, however, that everyone who invites you to lunch is entitled to pick your brain and get some free consulting, or even intends to do that. Quite the contrary, the invitation is usually quite innocent, and the other party is not trying to victimize you. But that does not change the picture: you can't afford very much free consulting, but you must judge for yourself what is free consulting and what is necessary marketing. While you must be ruled primarily by your judgment of each case, you should decide in advance whether you are willing to invest your time as a marketing expenditure or will bill for time spent in conversation over a luncheon table.

One thing you might do is to assess the gamble - the possibilities of substantial work resulting from the meeting. Is the prospect a substantial organization with many needs that match the services you offer or someone unlikely to offer any but a small commitment? Assess and estimate the possible reward in deciding how much to gamble on your investment. That is part of what is known technically as qualifying the prospect.

RULE NUMBER 2: BE A DIGNIFIED PROFESSIONAL-ALWAYS

It is commonly said, and it may so appear to you, that what you are selling is your time. Don't be misled. Time is not the commodity you sell; time is a measure of quantity, used to plan your work and determine your fee. You may think that you are selling information, and perhaps you are, in a way, but even that is not highly significant. For this important discussion, let us not forget that you are also selling a promise - what you promise to do for the client. What you are asking of a client is, usually, trust; that is not given to you, a stranger, easily and certainly not automatically, merely because you are a consultant. It is your image that inspires or fails to inspire trust. So, in a much deeper sense, you are selling your image as a competent and expert advisor, a total professional who can and will make good on the promise. It is the client's perception of you that has everything to do with your success or failure as a consultant. Still, moderation, or striking a proper balance between extremes, is essential. On the one hand, it is necessary to establish and maintain an air of dignity, if you are to be taken seriously. On the other hand, taken too far this can make you appear cold, imperious, a stuffed shirt, or unreachable, all of which are equally deadly.

Professional dignity, image, decorum, stature, all pertinent terms, are not easy to define precisely, let alone prescribe by formula. You must not be aloof and cold, but you can be jovial, congenial, amiable, and even amusing, without losing dignity; it is not necessary to be somber. You can even be what is termed today laid back. Others should find it easy to talk to you and relax in discussion with you. In fact, it is helpful in many ways to be able to put others at ease. Clients and prospective clients are more receptive when they are relaxed.

Despite the difficulty in defining the professional image or prescribing a formula for creating it, it is possible to offer a few guidelines to help achieve it:

1. Dress conservatively. You need not go to the extreme of what was once the traditional IBM uniform-dark suit, dark tie, black shoes, and white shirt-but do dress quietly and in good contemporary taste.

2. Don't try to be a comedian. Especially, if you must be a humorist, do not relate ethnic, chauvinistic, or racy jokes. If someone must be the butt of your humor, make it yourself. But do be amiable, smile easily and frequently, and be witty at your own expense.

3. Keep your mind open. If you are dogmatic by nature, work at overcoming that characteristic; it is essential that you manage to have an open mind, demonstrating that while you are knowledgeable, you are also always ready to consider dissenting views.

4. Keep calm and modulate your voice. Carrying on conversation in a loud voice, getting excited, appearing anxious, trying too hard, bragging, showing signs of temper, or appearing other than cool and confident is coming on too strong. On the other hand, don't be excessively self-deprecating or modest; you must manage to give yourself credit for what you are and can do.

RULE NUMBER 3: SELL WITHOUT HYPE

Marketing is, in my opinion, the most important thing you do, for without marketing success you won't have a practice. And selling - actually getting the contract - s the final act of marketing. It is far easier to win the contract when the marketing has been carried out effectively; the main goals of marketing include getting good leads and positioning yourself properly, but it is still necessary to sell effectively.

The subject of selling your proposal includes things you don't do and things you do. First, three simple don'ts:

1. Don't use hyperbole such as millions, when you really are referring to several dozen or even to several hundred cases; unprecedented, when that is not literally true. Most people will lose faith in everything you say, even allowing for rhetorical excess, once you have uttered obvious and gross exaggerations such as these.

2. Don't use superlatives such as most, greatest, largest, latest, or other such terms, unless you can support them with evidence. Like hyperbole, they are dismissed out of hand by most people as flights of fancy with no basis in fact, and they thus cast doubt on your entire presentation.

3. Don't rely on adjectives and adverbs at all, use facts.

The do's are even more important than the don'ts. Here are three of these:

1. Do stick to nouns and verbs to express fact, as much as possible.
2. Do make reports, rather than claims. Sticking to nouns and verbs all but forces you to furnish reports, rather than claims.
3. Do quantify as much as possible, especially when you have impressive numbers to offer. Use truthful numbers and appropriate statistics.

The Consulting Steps in Selling

- Identify the prospect's overall goal/desires, perception of problem(s), and apparent symptoms.
- Make a reasoned analysis of these factors to define the problem properly.
- Synthesize an approach to solution through services you offer.
- Formulate a sales presentation to implement your solution and explain it - sell it - to the prospective client.

The idea is to do sufficient analysis to enable you to synthesize a highly specific presentation, as opposed to a vague and general one. Only detailed and specific presentations, whether oral or written, are truly convincing and persuasive. Anyone can generalize, but offering detail is evidence of true competence, and it is the detail that renders a presentation convincing and persuasive. Because of this, it will be much easier for your prospect contact to communicate the content of your proposal to others in the organization who need to be involved in the decision-making process.

Some consultants will not submit a detailed proposal without being paid for the time, while many prospect organizations will not want to incur costs for the assignment before the project has even begun. This can constitute a considerable disadvantage for both: The consultant may lose the opportunity to bid on a project; the prospect may exclude excellent candidates.

The detailed proposal does provide you with a chance to sell your capabilities directly to each of the people who will be exposed to the proposal. It does not leave the selling up to the prospect contact, nor does it limit the basis for consultant selection to price. An effective proposal can be the difference between a successful and unsuccessful sales effort.

The detailed proposal also serves as somewhat of an insurance policy, as it outlines the specific scope of the assignment. If you get the job and the client then indicates that it wants you to do a, b, and c, the proposal will spell out the agreed upon score of the project. These same specifics will provide you with a work plan in the event the proposal is accepted. Often, considerable time passes between the submission of a proposal and the start of a project, and, generally, you will be involved with many other assignments during that period. If a detailed proposal exists, you can simply read the original document when it is time to begin work on the new project, instead of attempting to reconstruct it from memory.

A detailed proposal also allows you to develop realistic costs for the project This is not to suggest that you need to develop a detailed proposal to cost out an assignment accurately; however, my experience suggests that the probability of this happening is much greater if the proposal is written with some detail as to the project's scope and approach.

The formal written proposal does carry some disadvantages for the consultant. Some people in the client organization will not read a long document, so writing a detailed proposal can be a waste of time and energy. This is a particular concern in the case of very senior people, who often refuse to read long proposal documents. Long proposals also take

Proposal development

The development of the proposal is the end point of the new business process, and it will ultimately determine whether you are successful in selling the project. Before you begin to develop the proposal, you should go through a preparatory stage to verify that the proposal is on target relative to the needs of the prospect organization. Most of the elements of this stage can be covered at the close of the initial meeting or handled a few days later in a one-to-one conversation with a client contact. When it should occur will depend on the receptiveness of the group assembled at the initial meeting toward this type of detailed discussion. Experience indicates that it normally is best for you and the person to whom the proposal will be written to take care of this step after the meeting (either immediately or a day or two later).

During this stage, it is essential to find out exactly when the client organization needs the proposal. This allows you to budget your time effectively. For example, if you have what you feel is a lot of time, it is often a good idea to tell the prospect contact that you would like to write the proposal and send it to him first so that you can obtain his views/comments on the content and methodology. This generally will result in a proposal that is more tailored to the prospect organization's needs, which, ideally, will increase your chances of getting the assignment. It also averts the danger that your proposal will contain any errors of fact that would reduce your credibility in the eyes of the prospect organization. Often, these errors can occur in the background section of a proposal, when you are recalling the circumstances that led the prospect organization to consider an outside consulting organization.

By involving the prospect contact in the proposal before you release it to the organization, you obtain a psychological buy-in from this person regarding the work you are proposing. He/she will feel that he has participated in the proposal development and has a stake in what you are saying. The extent to which you can get this emotional commitment from the prospect contact can have a dramatic effect on the success of your proposal.

In the event that you do not have time to go through this process, at least you will know what your deadline is so that you can submit the proposal on time. My experience suggests that you should always try to deliver the proposal one or two days ahead of the due date, but not before that. If you submit the proposal ahead of time, the client organization can get the impression that you have not spent enough time thinking about it. Clearly, this is an impression you want to avoid.

Using a detailed proposal; a verbal approach; or a short letter, each have their individual advantages. For example, with the more abbreviated approaches, the prospect organization finds out the price and scope of the consulting job much more quickly than it would otherwise, without having to wade through reams of paperwork. The consultant, on the other hand, invests far less time and money with these options, as there is no, or little, writing, typing, or mailing/faxing time involved. The third potential advantage of this approach is that some consultants are much more convincing verbally than they are in writing and therefore might offer a better proposal to the prospect organization.

The detailed written proposal represents the other end of the spectrum. Certainly, such a proposal is much more time-consuming to review, but it also gives the prospect organization an opportunity to see how well the consultant can communicate his or her ideas in writing. Since so much of the work of consulting is presented on paper, this is a skill that prospect organizations value. The detailed proposal also enables time to develop, which is expensive. Finally, they can pose problems for busy consultants, since the writing process takes them away from active client projects, the revenue-generating portions of the business.

Before you begin the proposal, you must also decide the form in which it will appear. For example, should it be in the form of a letter or in a presentation format? The letter format is self-explanatory and can often be used very effectively for simple proposals. The presentation format, in which the various parts of the proposal usually are covered in separate, self-contained sections then bound together, is a more formal approach to proposal development and is generally preferable for longer, more complex presentations. You also must ask yourself whether the presentation should be simple or fancy. Some consultants go to great expense to provide prospect organizations with proposals with fancy tabs, color headings, and other such embellishments, bound in very elaborate binders. This approach appeals to some organizations, but for others, it is a very serious mistake, as some people may feel that the fancy package exists to cover up a lack of substance. It is important to try to figure out how the prospect organization feels about the use of fancy proposals before you submit one. Further, you should think very carefully how that type of presentation fits with your corporate identity before you consider it as an alternative.

Structure of an Effective Consulting Proposal

This section provides a construct for a proposal outline that will apply to most types of consulting, yet is sufficiently broad that additional sections can easily be added to adapt the general outline to almost any consulting practice. The proposal outline I feel is best consists of ten different sections. These are discussed below.

Section 1: The Opening

The consulting proposal should start with a sentence that indicates to the reader the precise reason for the communication. A typical lead-in might be "The purpose of this letter is to provide the Universal Electronics Company with a formal proposal outlining how Marketing Advanced Technology will be of assistance in the area of developing a marketing plan for the introduction of new graphics applications." This opening normally would go on to indicate how the proposal came about and might read something like "This follows up the meeting we held at your offices on January 3, in which you outlined the nature of the new product introduction and the areas in which you feel outside consulting assistance might be needed."

Section 2. Background

This next section outlines the key factual information that was provided to you in the briefing for the potential consulting assignment. It should include background about the project for which you are developing the proposal and the thinking of the management group at the prospect organization regarding the need for outside consulting services. The objectives of this section are:

- To communicate to the prospect organization that you are sufficiently familiar with the facts associated with the project to develop a consulting proposal.

- To show that the proposal is based on the correct assumptions about the prospect organization's requirements for the consulting engagement.
- To ensure that all parties in the prospect organization who read the proposal have sufficient background about what has been said to you and what has been requested of you to be able to evaluate your submission fairly.

One of the biggest issues that you must resolve is how long and detailed this section should be. There are several schools of thought about this, with some people thinking it should be very brief and others feeling that it should be very detailed. Those people who recommend the brief approach prefer it because they feel that a shorter document is more likely to be read completely by all of the appropriate people. Also, they think that it is sufficient to give the prospect organization an overview of what they have said, since they already know the material and the objective is only to communicate to them that they were understood.

The proponents of detailed backgrounds, on the other hand, feel that, because this approach communicates to the client in detail all the facts that one has assimilated in the course of developing the proposal, it proves that no misinterpretations of the facts have occurred. The detail background section also demonstrates to the prospect organization the consultant's ability to grasp a lot of material very quickly and to present it in an organized fashion.

Section 3. Objective(s) of the Assignment

This very succinct and precise statement should indicate to the prospect organization in a very simple fashion what you plan to have achieved by the end of the consulting engagement. The objectives should be stated from the most general to the most specific in a logical order that reflects your priorities. It is very important for the objectives included in the proposal to be realistic, accurate, and measurable. For example, if the objective of the Universal Electronics Company introduction is to generate a 3 percent market share and the marketing plan is aimed at that goal, it would be a mistake to state that the objective of the consulting assignment is to develop a marketing plan that will generate a 3 percent share of the total electronics market. If the actual share level is not an appropriate objective, one might express the objective as being

- to generate a marketing plan for Universal that is based on the company achieving a 3 percent share of the market at the end of year one;
- to develop marketing programs for the introduction of Universal within a budget of x dollars; or
- to provide specific implementation details as part of the plan, so that the client organization can immediately begin implementing the plan once it has been approved.

The key to the objectives section is clarity, so that everyone reading the document will know exactly what the proposal is all about.

Section 4. Scope of the Engagement

This part of the proposal is intended to communicate to the prospect organization what the consulting assignment will cover, so there are no questions later on as to what the assignment entails. For example, in the case of the Universal plan, this section might specify which aspects of the marketing mix would be included and which would not. Perhaps the client organization does not need the consulting group to work on the advertising copy or media development because it already has an effective advertising agency, or maybe it does not want the consulting group involved in pricing. On the other hand, it might want considerable help in determining the most effective sales and distribution organization to handle the product and in identifying the compensation and incentive programs that would motivate this group.

The scope section must outline in as much detail as possible all the areas that the consultant will become involved in during the course of an assignment In the case of a very broad consulting assignment, such as an analysis of the poor performance of a division of the client company. This section can be vital for communicating to the organization what you will and will not be doing and gives you a chance to modify the project scope to match the desires/anticipations of the prospect organization.

Section 5. Approach to the Assignment

This section explains to the prospect organization how the assignment will be worked. Outline in chronological order each major task that you will perform in order to deliver the assignment that has been promised in the objectives section of the document. You should also provide the prospect organization with an overview of the steps that you will take to gather the information you need to conduct the assignment and evaluate the inputs for presentation to the client. Some examples of the types of inputs that are often described in this section are listed here:

- Primary research that will be performed during the course of the assignment, with details as to the types of research being proposed and how they will be used to achieve the overall objectives of the engagement.
- Secondary source research that will be conducted, with specifics as to the types of information that will be collected.

- Interviews that will be conducted by your organization to gather necessary information.
- Computer models that will be developed to assist in the analytical part of the assignment.
- Group meetings that will allow the consultants involved in the assignment to compare notes on the information that they have accumulated and to develop appropriate conclusions and recommendations.

In net, you should outline each of the steps of the project implementation so that the prospect organization can get a notion of how you have thought through the assignment.

Section 6. Timing

This section should present an overview of the timing that will be required to complete the assignment, along with any key intermediary dates. The end point should coincide with the client organization's due date, and the intermediary points should be realistic for the consultant. This is very important: any dates included in a proposal will be considered by the client organization to be firm, unless there is a very good reason for a change. To this end, the timing should always begin with an assumed start date, so that a client starting the project late will not expect you to complete the work according to timing in the original proposal.

Over the years, I have found it very helpful to include in the proposal a flow chart that shows on one page when each step of the project will be completed. This is developed by listing the various steps of the approach along the left-hand side of the page and the weeks along the top. Horizontal lines show when each of the steps starts and ends, so that anyone looking at the chart will get an excellent understanding of how the various phases of the project integrate and when each starts and finishes.

Section 7. Staffing

This portion of the proposal should identify the people in your consulting organization who will make up the project team. In the case of a small organization, it might only be one person or two, or only the consultant and some outside associates who will participate in various phases of the assignment. The keys to the staffing section are to communicate clearly who will be involved in the assignment, to insure that the prospect organization understands the roles of the various people, and to build credibility for the proposal based on the qualifications of the people on the project team.

Section 8. Qualifications

This is the primary selling part of the proposal, as it is where you identify precisely why you feel that you are the best possible consultant for the assignment You should describe the prior experience of yourself, your consulting company, and your associates in the business for which the proposal is being written and in the functional area for which assistance is desired. You should also mention any other prior experience that is particularly relevant to the work for which the proposal is being developed, as well as any other key information about the consulting company that will further improve your chances of being retained for the assignment

Section 9. Fees and Expenses

This section should contain the financial aspects of the consulting assignment and would normally include the total fee that you will charge to complete the assignment, the anticipated payment schedule for the consulting fees (i.e., monthly, quarterly, one-third in advance, etc.); and any other expenses incurred in the course of the assignment that will be charged to the client organization, such as the costs of primary or secondary research, travel expenses, long distance telephone charges, express mail/messenger charges, and the costs of presentation materials.

With regard to this section of the plan, it is always best to be as precise as possible. For example, if you need/want to travel first class when you fly, this should be specified in the proposal. If you will be doing research, you need to identify exactly what costs will be incurred and who is responsible for paying them.

Section 10. The Close

This final section of the proposal should state how interested you are in conducting the assignment and should indicate to the prospect contact that if this individual has any questions about the proposal or wishes to make any changes before it is submitted to the entire organization, he/she should call you to discuss his/her concerns. It should also run through what you perceive to be the next steps in the process. For example, you might include that you will call the prospect contact in one week to discuss the content of the proposal, just so he/she knows that he will be hearing from you.

PROPOSAL ISSUES

Charging for Proposals

In general, most consulting companies do not charge for proposals, as long as they are similar in content to the prototype generally found to be minimumly acceptable to that particular customer class. However, in some areas of consulting, the consultant must spend considerable time studying the client's business and/or the industry in which the organization is competing in order to develop a meaningful proposal. In this situation, it would be very appropriate to charge a fee for developing the proposal.

Recognizing that the actual practices of charging prospect organizations for proposals differ dramatically by industry, organization, and probably area of the country, perhaps the most helpful thing that this chapter can do is to raise the issues that most people consider when determining whether they will charge for proposals.

Some consultants that charge for proposals indicate that they do so because their time is a very valuable commodity, and so they feel that they should be paid for any work they do for a client or a prospective client. Others feel that if they charge for proposals, only organizations that are very serious about the assignment and therefore represent viable prospects will request them. The consultants argue that, as a result, their time is utilized much more effectively. There are also organizations that believe that the proposal has an inherent value that the prospect could use to its business benefit. Some consultants feel that even the presentation of the approach has definite value to the client, as it tells how the assignment should be handled. Other consultants feel that the receipt of a detailed proposal with a price attached to it also has value to the prospect organization, it can serve as negotiating leverage with other consultants who are bidding for the project.

Finally, most consultants simply view writing proposals as part of the new business sales effort that any company needs to mount if it is to be successful. Since the activity is viewed as a necessary business expense, it is acceptable not to pass on the costs of the proposal to the prospect organization.

Proposal Development Checklist

SECTION 1: ASSESSING YOUR CAPABILITY

HAVE YOU:

- ☐ Analyzed your personal ability to compete for external funds? Considered your professional reputation, prior experience, appropriate preparation and ability to write an effective proposal?
- ☐ Identified whether you have alternatives to help increase your likelihood of success, i.e., securing a more experienced co-director, joining a consortium of applicants, submitting the proposal through another organization?
- ☐ Made certain that your organization has the necessary legal basis to be eligible for external funds?
- ☐ Identified the unique aspects of your organization that will appeal to funding sources?
- ☐ Determined the kind and amount of help that will be made available to you in developing the proposal?
- ☐ Considered the relative competitiveness of your organization vis-a-vis others who might be proposing the same idea? Or seeking the same funds?
- ☐ Determined the reputation of your organization with potential funding sources?
- ☐ Reviewed the adequacy of other colleagues who might be involved in the project as staff or administrators?
- ☐ Determined the kind and amount of external professional or political support available to you ?
- ☐ Analyzed the adequacy of the environment in which the project would be implemented?
- ☐ Reviewed the potential fiscal impact of the project on your organization and determined if there is the necessary time and money to support proposal development as well as project implementation?
- ☐ Determined if your organization has the essential support systems to effectively compete for and administer external funds? If not, considered whether these could be provided by others?

SECTION 2: DEVELOPING THE IDEA

HAVE YOU:

☐ Developed a clear-cut statement of the problem or need that your idea is trying to address?

☐ Determined what has been the experience of others with similar project ideas?

☐ Gained an understanding of the previous literature and research addressing this same problem or idea?

☐ Assessed the priority of your idea given other problems and needs that your organization should address?

☐ Determined whether the idea is related to your organization's goals/mission?

☐ Discussed the idea with colleagues and administrators in your organization to see if they are willing to provide support for further planning and development of a proposal?

☐ Determined what makes your idea innovative? Necessary? Timely? Significant?

☐ Identified other factors which indicate why your idea should receive priority by your organization and others, particularly potential funding sources?

☐ Identified the population that will benefit most from implementation of your idea and documented the extent of their need?

☐ Gathered relevant statistical data both locally and nationally to help document the need and its importance?

☐ Considered alternative approaches and means of implementing your project and analyzed the cost/benefit and potential impact of each?

☐ Determined the feasibility of others replicating your project or using its results effectively?

☐ Discussed the idea with potential participants or secured the opinions of the population to be served?

☐ Met with local and state organizations to see if they are interested in participating in the project or are supportive of its goals?

☐ Identified the constraints or difficulties that should be anticipated in implementing the idea?

☐ Classified the idea by major characteristics? Considered the impact on the choice of funding source?

☐ Decided whether your idea will result in a solicited or unsolicited proposal? Determined what this will mean in planning the proposal's development? Considered how this will affect the proposal's contents or the choice of funding source?

☐ Written a short description of your idea and approach to assist in clearly communicating with others during preliminary planning?

SECTION 3: SELECTING THE FUNDING SOURCE

HAVE YOU:

☐ Considered the full gamut of types of funding sources that might be interested in your idea-private foundations, state agencies, federal agencies, private businesses and professional associations?

☐ Consulted appropriate information sources to develop a preliminary list of possible sources of support?

☐ Gathered the necessary information to identify those sources most worthy of immediate attention?

☐ Identified the person with whom to communicate for each source?

☐ Made an initial inquiry to verify which of these sources might be most interested in your idea?

☐ Asked these sources to provide any comments or suggestions on ways to improve your project idea?

☐ Contacted the most likely prospects to gather all information necessary to guide proposal preparation? Made certain this includes deadlines, writing instructions, forms, regulations, guidelines, priorities and any legal or fiscal requirements?

☐ Identified the criteria and process used for proposal review and selection?

☐ Talked to others familiar with the funding sources and reviewed previously approved proposals to gather informal information on things like language preference, proposal style and so forth?

☐ Identified whether the funding source is likely to approve the project as a grant or as a contract and considered the implications of this for proposal content, submission, review and project operation?

☐ Prepared and submitted a statement of capability or initiated a request to be placed on future bidder lists for contracts and requests for proposals?

☐ Asked funding sources to place you on their mailing lists to receive future program announcements and any other information on external funding opportunities?

☐ Assessed the preferences, interests and priorities of the funding sources against the capabilities of yourself and your organization and selected the source most appropriate to receive the proposal?

SECTION 4: PLANNING THE PROPOSAL WRITING

HAVE YOU:

☐ Identified the components that should be in your proposal and outlined the kind of information that should be furnished in each section?

☐ Collected the information necessary for writing the proposal and organized it for ease of presentation?

☐ Prepared a timeline for proposal development and submission?

☐ Identified all individuals and groups that must review and approve the proposal prior to submission and studied each of their requirements and processes?

☐ Selected the individuals necessary to help write the proposal and made certain that they understand their assignments?

☐ Arranged for the necessary support systems for the proposal's development, such as typing, art work, editing and so forth?

☐ Arranged for one or more colleagues to read the proposal after it is written to check for typographical errors, clarity, effectiveness of communication and compliance with informational requirements of the funding source?

SECTION 5: WRITING THE PROPOSAL - GENERAL CRITERIA

DOES THE PROPOSAL:

☐ Use language and editorial style appropriate to the discipline and the fundiryg source?

☐ Establish the scholarship and competence of the applicant?

☐ Read easily? Is the language clear and concise?

☐ Use language that is intelligible to the non-specialist?

☐ Call attention to the most significant points through the use of underlining, differences in type, spacing, titles and appropriate summaries?

☐ Flow logically from section to section?

☐ Demonstrate a match between the various proposal components in degree of innovativeness? Appropriateness? Feasibility? Presentation (i.e., are the needs, objectives, procedures and evaluation linked)?

☐ Include enough detail ?

☐ Obviously address the review criteria of the funding source?

☐ Identify constraints or problems associated with the idea or its implementation and indicate how these will be handled?

☐ Make appropriate use of diagrams, charts and other visual displays?

☐ Include appropriate and sufficient citations to prior work, research and related literature?

☐ Provide all of the information requested by the funding source in the required format?

SECTION 6: PREPARING THE TITLE, ABSTRACT, FORMS

DOES THE PROPOSAL:

☐ Have an appropriate and imaginative title? Is it descriptive? Suitable for indexing? Catchy?

☐ Include a title page with the necessary information? Signatures?

☐ Have a suitable binding?

☐ Include an abstract that provides an effective and informative summary of the project? Does the abstract place appropriate emphasis on various components in the proposal? Does it state the outcomes of the project? Does it comply with the length or word requirements of the funding source?

☐ Include all of the necessary forms and assurance statements?

☐ Include appropriate attachments and appendixes?

SECTION 7: DEVELOPING THE PURPOSE

DOES THE PROPOSAL:

☐ Include a clear description of the project's purpose, objectives, hypotheses and/or research questions?

- [ ] State the objectives, hypotheses or questions in a way that they can later be evaluated or tested?

- [ ] Demonstrate why the project's outcomes are appropriate and important to the funding source?

- [ ] Signal the reader clearly to the project's objectives? Has the writer avoided burying them in a mess of narrative?

- [ ] Include objectives of an appropriate type for the project (i.e. process, product, behavioral, research or performance objectives)?

- [ ] Demonstrate that the objectives are important, significant and timely?

- [ ] Include objectives which comprehensively describe the intended outcomes of the project?

- [ ] Indicate that the project's hypotheses rest on sufficient evidence and are conceptually sound?

- [ ] Include objectives that are well-written? Concise? Clear?

- [ ] Justify that the project's outcomes are manageable and feasible?

- [ ] Display the objectives appropriately? Signal the reader to the most important ones first? Show how the objectives relate to project hypotheses or questions?

- [ ] Provide an appropriate and compelling introduction to the rest of the application?

SECTION 8: WRITING THE STATEMENT OF NEED

DOES THE PROPOSAL:

- [ ] Demonstrate a precise understanding of the problem or need that the project is attempting to meet or remedy?

- [ ] Provide effective coverage of related research and demonstrate how the project will build on these earlier studies?

- [ ] Include citations to ongoing studies as well as earlier research findings?

- [ ] Clearly convey the need for the project early in earlier research findings?

- [ ] Establish the theoretical or conceptual base for the project?

- [ ] Indicate the relationship of the project to a larger set of problems and explain why its particular focus has been chosen?

☐ Provide initial justification for the project's methodology?

☐ Obviously relate to the purposes of the project?

☐ Justify why the problem should be of interest to the funding source?

☐ Establish the importance and significance of the problem/need - especially to a national audience?

☐ Include necessary statistical data?

☐ Signify the potential generalizability and contribution of the project?

☐ Demonstrate that the problem is feasible to solve?

SECTION 9: WRITING THE PROCEDURES

DOES THE PROPOSAL:

☐ Include procedures for every objective? Hypothesis? Research question?

☐ Justify why the approach and methodology is suitable to the stated objectives or purpose?

☐ Provide sufficient detail on the procedures so that their adequacy can be evaluated?

☐ Demonstrate that the procedures are feasible and likely to succeed?

☐ Explain why the procedures are suitable to the amount of time and resources requested?

☐ Provide a clear description and justification of the theoretical base of the methodology?

☐ Describe the procedures clearly so that the reviewer easily understands what will take place during the project period?

☐ Make appropriate use of tables, diagrams and other visual displays and summaries?

☐ Include information that addresses all of the questions asked by the funding source about the approach?

☐ Present the procedures in a format so that they follow logically from section to section?

☐ Demonstrate why the procedures are technically sound?

☐ Clearly describe the project's population and how it will be selected?

☐ Include a description of any accomplishments-to-date of the applicant that bear specifically on the project?

☐ Describe any data to be gathered, instruments to be used, timetable and procedures for collection, analysis, reporting and utilization?

☐ Signal the reader to a summary of the intended results, benefits or anticipated products of the project?

☐ Demonstrate that the procedures are imaginative?

☐ Describe how the project will make certain that its results are generalizable and usable? Addresses how any potentially contaminating factors will be identified and controlled?

☐ Include a discussion of how unanticipated events and problems will be addressed?

☐ Clearly discuss the intended role of the funding source in monitoring the implementation of the procedures? Indicate the type and amount of information to be provided to the funding source to assist with its monitoring?

SECTION 10: DESCRIBING THE EVALUATION

DOES THE PROPOSAL:

☐ Describe why evaluation is needed in the project?

☐ Clearly identify the type and purpose of the evaluation and the audiences to be served by its results?

☐ Demonstrate that an appropriate evaluation procedure is included?

☐ Provide a general organizational plan or model for the evaluation? Justify its technical and theoretical soundness?

☐ Demonstrate that the scope of the evaluation is appropriate to the project?

☐ Describe what information will be needed to complete the evaluation, the potential sources for this information and the instruments that will be used for its collection?

☐ Provide sufficient detail to demonstrate the technical soundness of all data collection instruments and procedures?

☐ Identify and justify procedures for analysis, reporting and utilization?

☐ Identify any anticipated constraints on the evaluation?

☐ Clearly summarize any reports to be provided to the funding source based on the evaluation and generally describe their content and timing?

☐ Discuss who will be responsible for the evaluation and the role of any consultants or external personnel?

☐ Define standards that will be used in judging the results of the evaluation?

SECTION 11: DEVELOPING DISSEMINATION AND PUBLICITY

DOES THE PROPOSAL:

☐ Signal intent to give suitable recognition to the donor?

☐ Indicate why dissemination activities are important to the project?

☐ Include dissemination strategies and procedures that are imaginative and suitable to the project?

☐ Clearly identify the intended outcomes of the dissemination effort?

☐ Specify clearly who will be responsible for dissemination and why they are capable?

☐ Include a feasible and appropriate plan for dissemination?

☐ Speak to internal as well as external project dissemination?

☐ Succinctly describe any products to result from the dissemination effort?

☐ Provide techniques for evaluating the effectiveness of the dissemination/utilization efforts and products?

☐ Demonstrate that the applicant is well-grounded in theory and research on the dissemination and utilization of knowledge?

☐ Lay the groundwork for approaching the funding source at a later date with another proposal focusing exclusively on dissemination/utilization of the results expected from the current effort?

SECTION 12: DESCRIBING CAPABILITIES

DOES THE PROPOSAL:

☐ Indicate how state and federal laws governing affirmative action and non-discrimination in personnel selection will be implemented?

☐ Describe the role, responsibilities or assignment of each member of the project staff?

☐ Identify the role and responsibility of consultants?

☐ Describe the organizational and management structure of the project?

☐ Show how the project staff and major consultants complement and balance each other and provide the breadth of experience and skills necessary for the project?

☐ Define any intended role of advisory boards?

☐ Include evidence that consultants and external organizations essential to the project's success have agreed to participate?

☐ Provide the names and qualifications of all key project staff and give sufficient detail on their experience and training to justify their capabilities?

☐ Demonstrate appropriate community support?

☐ Signal the readers easily to which staff will be responsible for what set of procedures and other project activities?

☐ Describe how any staff and/or consultants not yet identified will be recruited and the criteria for their selection?

☐ Clearly identify the facilities and major equipment needed for the project?

☐ Show which facilities and equipment are available and which must be acquired after the project starts?

☐ Direct the reader's attention to any facilities, equipment or special capability of the organization that enhances the likelihood of the project's success, and the applicant's uniqueness and competence?

☐ Show that the applicant is aware of all policies of the funding source governing personnel, facilities and equipment?

SECTION 13: PREPARING THE BUDGET

DOES THE PROPOSAL:

☐ Separate direct costs from indirect costs and describe what is covered in the latter, if appropriate?

☐ Show that the applicant is aware of all regulations of either the local organization or the funding source governing the project's budget development and administration?

☐ Include sufficient flexibility to cover unanticipated events?

☐ Organized budget so budget spending can be compared to project phases?

☐ Include sufficient resources to carry out the project's procedures and achieve its objectives?

☐ Specify the type and amount of any matching funds or cost-sharing?

☐ Provide some way to refer the reader back to that portion of the proposal's narrative which justifies major budget categories?

☐ Include any attachments or special appendixes to justify unusual requests?

☐ Present the budget in the format desired by the funding source?

☐ Specify other sources of project revenue or plans for securing this?

☐ Provide sufficient detail for reviewer to understand how items were computed?

☐ Indicate how the project will be continued in the future?

SECTION 14: PREPARING FOR REVIEW, SUBMISSION, NOTIFICATION AND RENEWAL

HAVE YOU:

☐ Read the final proposal carefully to check for typographical errors and to be certain that all requirements of the funding source have been met?

☐ Checked your proposal against the research on why applications are rejected and made certain that you have avoided the same mistakes?

☐ Made preliminary contacts with everyone who must review and approve the proposal prior to its submission and left the necessary time to complete these steps?

☐ Made certain that the proposal is cleared through required processes, if necessary, and that it is routed to all appropriate external agencies?

☐ Obtained the necessary original signatures on the correct number of title pages?

☐ Made the necessary number of copies of the proposal and used the correct duplication process?

☐ Secured an appropriate letter of transmittal?

☐ Included letters of support from relevant audiences?

☐ Determined whether the submission deadline is a mailing deadline or a receipt deadline?

☐ Identified the best method for getting the proposals to the funding source?

☐ Determined how and when the funding source will notify you of the proposal's receipt ?

☐ Found out how the funding source will review your proposal and the criteria that will be used?

☐ Obtained copies of any forms used by the funding source for review?

☐ Made arrangements to obtain copies of reviewer comments?

☐ Determined how you will be notified if your project is approved and if negotiation is required?

☐ Discussed with more experienced persons how to approach negotiation?

☐ Arranged to have your organization's administrator or business officer present during negotiations?

☐ Given some thought to ways in which the budget might be cut and the necessary modifications that should be made in project objectives and procedures?

☐ Identified any increases in the budget that are needed because of factors that have occurred since the proposal's submission?

☐ Determined the procedures that will be followed by the funding source during negotiations and allocated sufficient time for this process?

☐ Requested that you be given, in writing and in advance, the major items that the funding source expects to negotiate, if appropriate?

☐ Determined when you will have to start efforts to get your proposal refunded?

☐ Identified the information that will be required in the continuation or renewal request and initiated steps to see that this is collected?

☐ Planned a timeline for developing the renewal request?

☐ Identified some other funding sources that might be interested in future phases of the project once the current source of support has ended?

☐ Begun preliminary discussion and contacts with other possible sources of support and developed a long-range plan for continued financing of the project activities and its possible spin-off ideas?

☐ Discussed with your organization the extent of support for project personnel and activities that can be expected once external funds are ended?

Example of Old Style of Proposal Format

PROPOSAL

TO DEVELOP A PERSONNEL TRANSITIONAL CHANGE PROGRAM

FOR

INFORMATION SYSTEMS

OCTOBER, 19

The JIA Management Group, Inc.
1299 Ocean Avenue
Suite 333
Santa Monica, California 90401

FIGURE 6–1. Sample proposal for private sector.

TRANSITIONAL CHANGE PROGRAM

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FIGURE 6–1. *(continued)*

SECTION I. INTRODUCTION AND OBJECTIVES

INTRODUCTION

The JIA Management Group, Inc. (JIA) is pleased to propose our services to assist in positioning its information systems function to meet its future business needs.

We have worked with many companies whose industries were experiencing dramatic change. Economic and regulatory changes in the marketplace frequently result in a re-examination of business practices and objectives. Such a re-examination increasingly involves the use of technology. Progressive company management recognizes that technology can be a powerful tool when it is used as an enabling mechanism to satisfy business needs. To those in the information systems business, the replacement of the computer they have worked with for much of their career with another technology is a traumatic experience. Few companies have given the requirement for personnel change a high priority. Even fewer have established comprehensive plans for employee education and training to accommodate this change. To have the opportunity to carefully evaluate the needs of the individual and to satisfy these needs to achieve company objectives, is a rewarding challenge. is to be congratulated on its foresight in this endeavor, and JIA is excited for the opportunity to be a participant.

Since JIA's first engagement in 1976, we have successfully completed assignments for more than 100 major corporations. We have approached each assignment as partners, working with the business in determining the most effective means for exploiting the assets of computer technology toward the goals of the business. Since the inception of the company, JIA has uniquely positioned itself to address the major challenges that corporations face in using this technology. We have assisted corporations in developing future strategies for the use of computer technology, have evaluated and corrected operations performance within the information systems organization, and have been responsible for managing information systems organizations on a turnaround basis.

JIA's staff is also unique in its breadth and scope. The staff has a blend of business and computer technology expertise with a minimum of fifteen years' experience in information systems management. This management experience ensures a results orientation that is sensitive to the needs of the individual and the organization. JIA's turnaround management assignments demand that JIA consultants are well versed in dealing pragmatically with personnel issues, while demonstrating respect for the client staff at all times. This staff experience enables JIA to become a true partner in working with both the business executive and information systems executive. JIA services are summarized in the following four major categories:

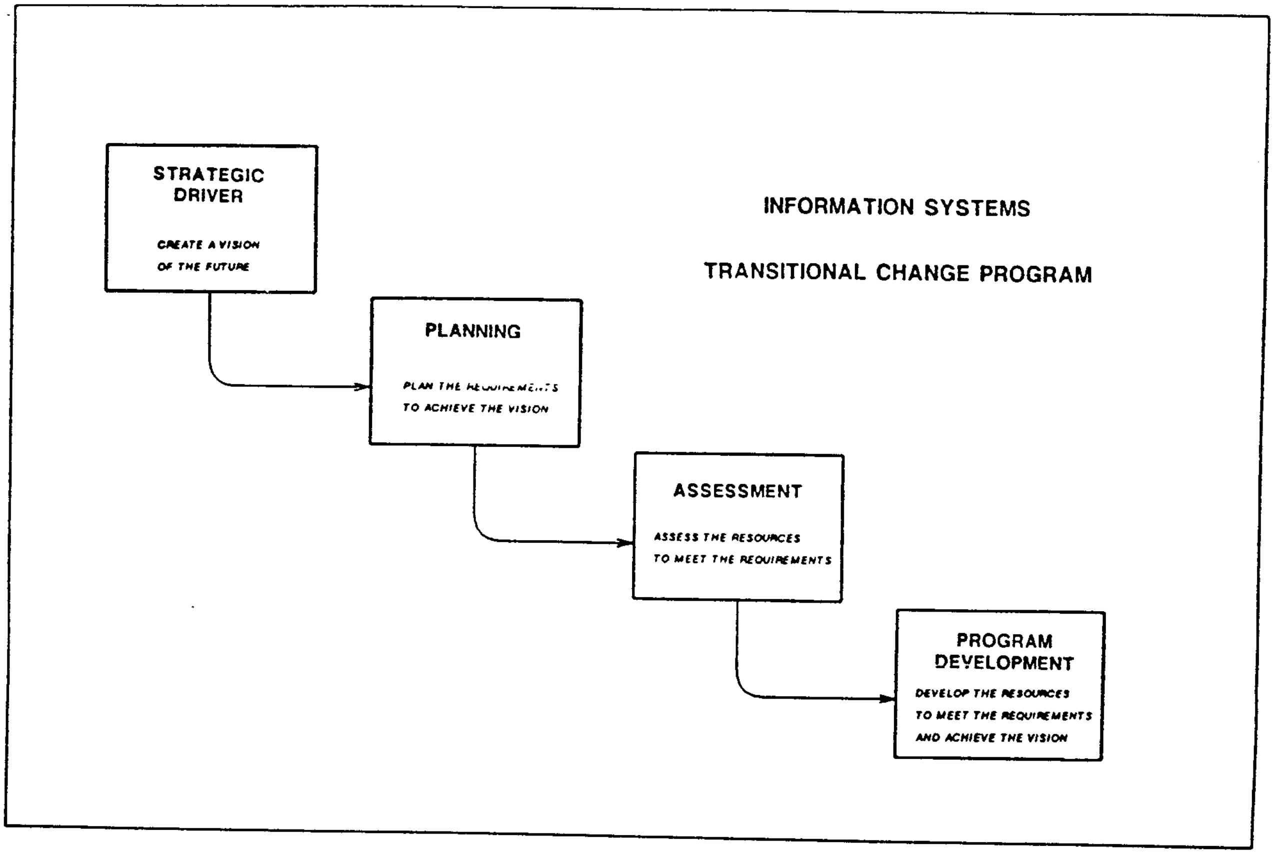
I/S Operational Review—The review encompasses all aspects of the information systems function and the impact of performance related to business requirements. It is oriented to highlighting key problem areas from both an information system organization and user environment perspective. The objective of the review is designed to be constructive rather than critical and is oriented toward achieving a more effective information systems organization.

System of Management—JIA implements professional management practices within the information systems function. Included are application development methodology, quality assurance practices, resource and performance management, project management, business systems planning, staff development, and capacity planning.

Strategic Planning—This is the development of an information systems strategic plan which aligns information systems resources with the accomplishment of company objectives. The ultimate strategic plan is the development of a **Future System Architecture.** Working with a group of key user managers and information system staff members, JIA facilitates the use of technology as an enabling mechanism in defining the business of the future.

Management Contract—JIA contracts to manage, for a limited duration, the information systems function, which includes implementation of required change, enhancement of performance, and repositioning the organization with a focus toward the company's business needs. Professional practices are implemented, and a strategic plan is developed. User and executive management become the controlling mechanism for the application of information systems resources toward business objectives. JIA management processes are established to ensure user and executive management visibility and direction into key decision activities related to the utilization of the information systems resource.

In order to provide with the most comprehensive program possible, JIA will be supplementing our staff with those of Jorgensen and Associates, Inc. Jorgensen is a Human Relations consulting firm specializing in personnel consulting for companies in transition. They are included in our proposed work plan and resumes



BJECTIVES AND APPROACH

/e are proposing a staff development program which will result in a plan to organize and enhance the capabilities f the internal staff to become a positive force in accomplishing the planned changes. This effort will identify how cisting skills can be channeled into the change program, as well as the education and training that will be required provide each employee an opportunity for growth and accomplishment. Maintaining an effective staff to support ırrent systems, while developing a quality staff to implement and maintain new systems, will be a high priority.

he proposed work plan contains four distinct phases. As depicted above, each phase has individual objectives hich establish a framework for the following phase:

Strategic Driver—This phase creates a vision of how technology will be applied to meet business needs in the future, and identifies the organization that will be required to achieve it. Differences in the current and future roles of technology will be explored, as well as the underlying requirements for changing skills and experience. The impact of these differences on personnel will be analyzed and strategies for dealing with them developed.

Planning—Detailed personnel requirements to support the proposed organization will be developed and documented in this phase. These requirements will form the basis for a salary survey to develop recommended salary ranges for each new position. Educational requirements will be defined and sources of training will be compiled. Alternative methods of providing training will be explored.

Assessment—This phase will assess the current information systems staff to meet the technical and leadership requirements of the future organization. Staff needs for training and growth will be identified, as well as required capabilities not available in the current staff.

Program Development—A phased implementation plan will be developed to implement the required organizational changes and train personnel for their new assignments. An education and training function will be established to administer the training program and ensure prerequisite training is complete, and that required skills are in place. The primary objective of this phase, and the program as a whole, is to create a

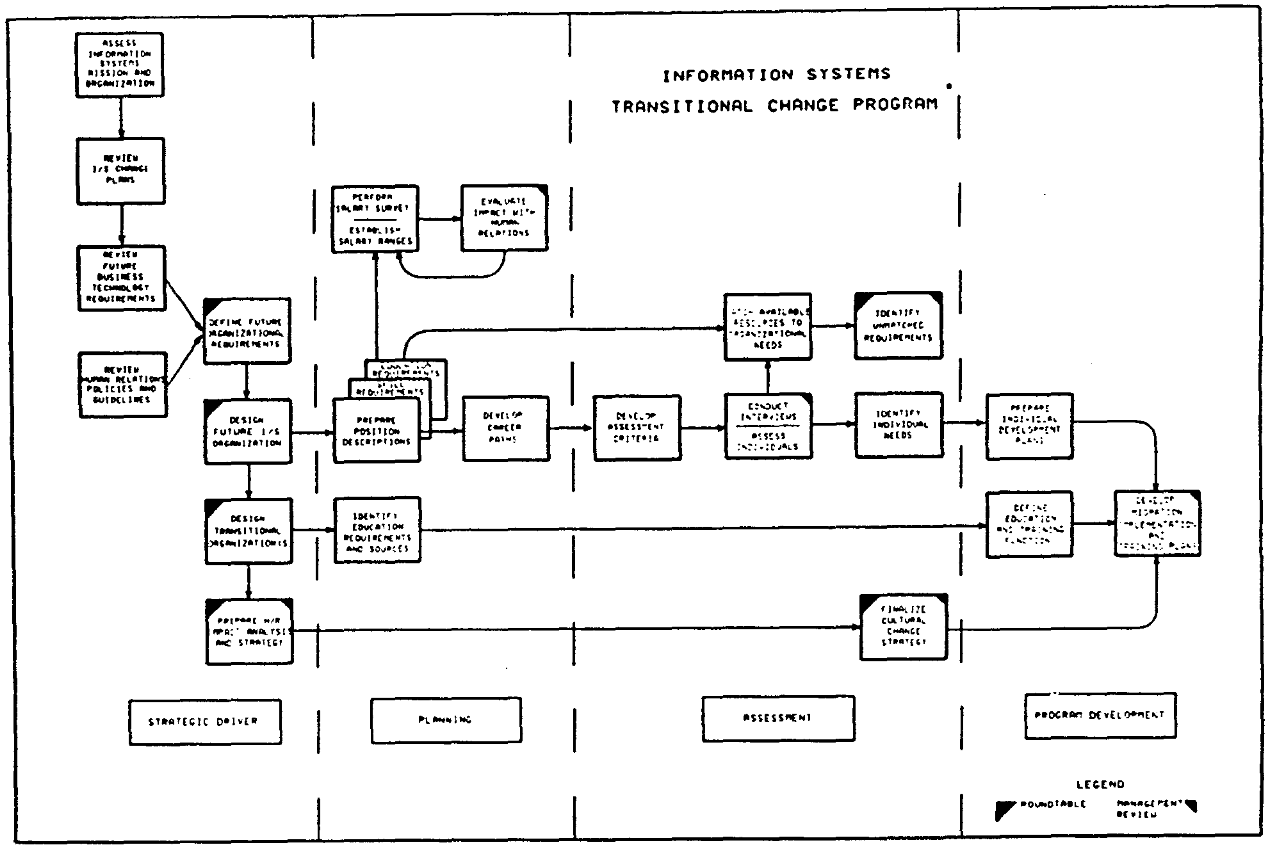
DELIVERABLES

The following section describes our proposed methodology which will result in the deliverables shown below:

- **Future Organizational Requirements**—Statements of the functions required to meet future business needs.
- **Future Organizational Structure**—The placement of functional responsibility within the framework of an appropriate organizational structure, including estimated staffing levels.
- **Transitional Organizational Structure**—The interim organizational structure(s) which will be required at major change points to ensure current systems are supported until the new systems are operational.
- **Human Resource Impact Analysis and Strategy**—An examination of the impact of the planned changes on the current information systems culture, and strategies and contingencies for accommodating it.
- **Position Descriptions**—Functional responsibilities and required skills for each position within the proposed information systems function. Required education and experience is included, as well as personal attributes. Prerequisites for the position, to grow in the position and beyond the position, will be included.
- **Recommended Salary Ranges**—The salary range of each position described above, including the methodology and rationale used to develop it.
- **Education Requirements and Sources**—An evaluation of educational sources and recommended course content, which will include professional management practices for information systems, as well as technical skills. Internally developed courses and other alternatives will be recommended when appropriate.
- **Career Paths**—An outline of primary and secondary promotional routes and the prerequisites for achieving them.
- **Individual Assessments**—As assessment of each individual's(1) skills and experience, and the applicability of current skills to the planned environment. Inadequate skills and/or skill levels will be identified.

- **Individual Development Plans**—The educational and training requirements for each current position to effectively make the transition to the new environment.
- **Analysis of Required Skills and Experience**—An evaluation of the need for skills and experience which cannot be internally developed within the planning period, and recommendations for acquiring them.
- **Cultural Change Strategy**—An examination of the cultural issues, and strategies and contingencies for dealing with them. In its final form, this document validates the earlier H/R impact analysis with the results of the completed process.
- **Training Function**—A charter, responsibilities, and authorities for an internal function to administer the training program. It is hoped this function can be put in place during the course of the JIA engagement.
- **Migration, Implementation, and Training Plans**—A schedule of the events, and the responsibilities for accomplishing them, to complete the transition of personnel to support the new environment.

lote (1)—There mav be current iob classifications that can be assessed based on a representative sample of



SECTION II. METHODOLOGY

STRATEGY

JIA has had the responsibility of repositioning many computer installations and understands the difficulty and resentment that major changc can cause in an organization. Some employees cannot accept change. Others may be anticipating retirement during the planning horizon, and will find it difficult to relate the need for change to their career. A relatively few will greet the changes with enthusiasm and look forward to the opportunity that they provide.

Our objective on completion of the assignment is to have the plans and responsibilities in place for to continue the change program with a minimum of outside assistance. In order to accomplish this, it is important that information systems personnel participate and "own" the results to the greatest extent possible. The work plan, therefore, contains several "roundtable" activities. These roundtables are identified in the work plan above by a shaded upper left corner. Although JIA will present proposed recommendations and the rationale used to reach them, the participation of the members could alter the conclusions. Membership in each roundtable activity may vary. It is suggested that the Executive Director of Information Systems be involved in each roundtable and be responsible for the selection of other members.

The management reviews are identified by a shaded upper right corner and will be a review of the progress to date and conclusions for management concurrence. Management reviews, therefore, will include interrelated conclusions from all preceding activities, and may address issues not specifically outlined in the work plan.

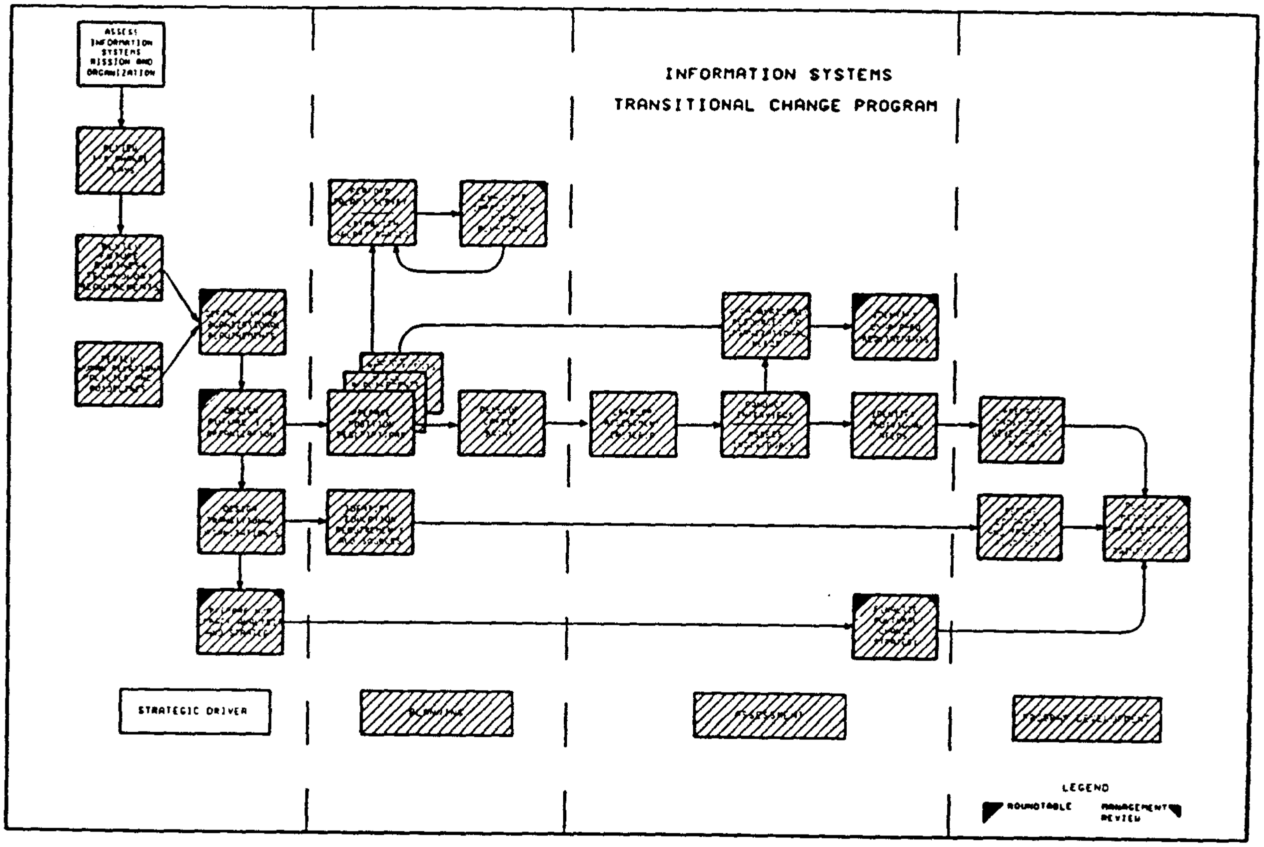
ACTIVITIES

Strategic Driver Phase

- **Assess the current information systems mission and organization**

  —Review functional composition, mission, and objectives of the current I/S organization.

  —Review structure, staffing, and skills of the current organization



Methodology . . . .

—Review the available documentation supporting personnel activities, i.e., job descriptions, training plans, salary ranges, performance reviews, turnover statistics, etc.
—Review the installed delivery mechanisms for providing services (hardware, software, communications)
—Review the use of professional management practices in the system life cycle (decision process, development methodology, project management, labor management service level reporting, capacity planning, etc.)
—Interview key I/S managers and gain their perspective on the quality of current systems to meet business objectives

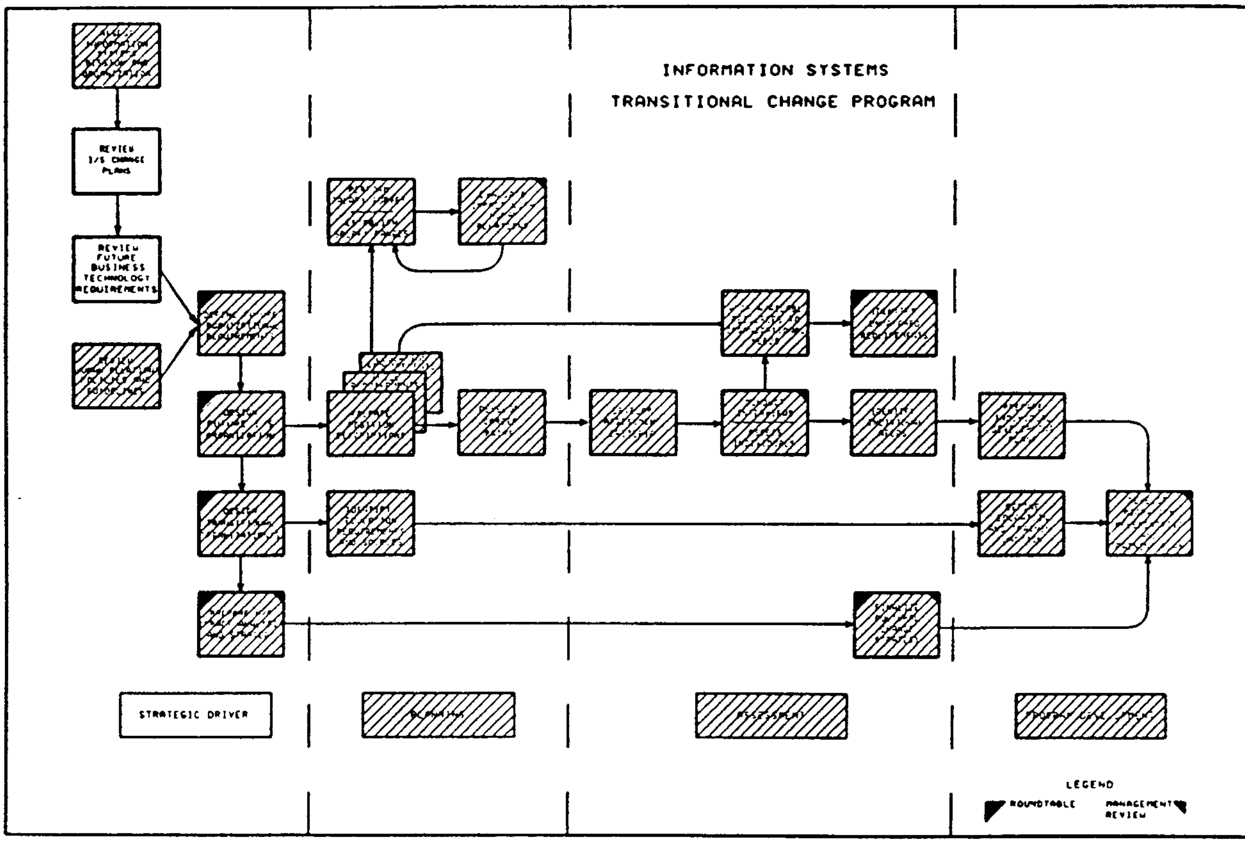
- **Review information systems change plans**

—Review stated future system needs (RFP) and accepted vendor proposal
—Review plans and schedules for implementation
—Define the planned changes in user functionality and access, from both a development and processing view
—Determine major differences in the planned deployment of technology and the method of delivering services. Review I/S plans for supporting the new environment
—Evaluate key I/S management views of the planned changes and their value in supporting the business needs

- **Review future business technology requirements**

—Review current company organization and functional responsibilities that are being, or will be, supported by information systems.
—Gain an understanding of the current role of technology in meeting business needs

- **Review future business technology requirements . . .**



Methodology . . . .

—Review key business issues and industry changes which should be addressed by information systems
—Review planned changes in company focus, work content, and objectives

- **Review current Human Relations policies and guidelines**

  —Review Human Relations policies and guidelines and identify any major constraints to the proposed approach
  —Review Human Relations procedures and resolve any major inconsistencies with JIA deliverables
  —Identify major personnel issues to be considered in the change program

- **Define future organizational requirements**

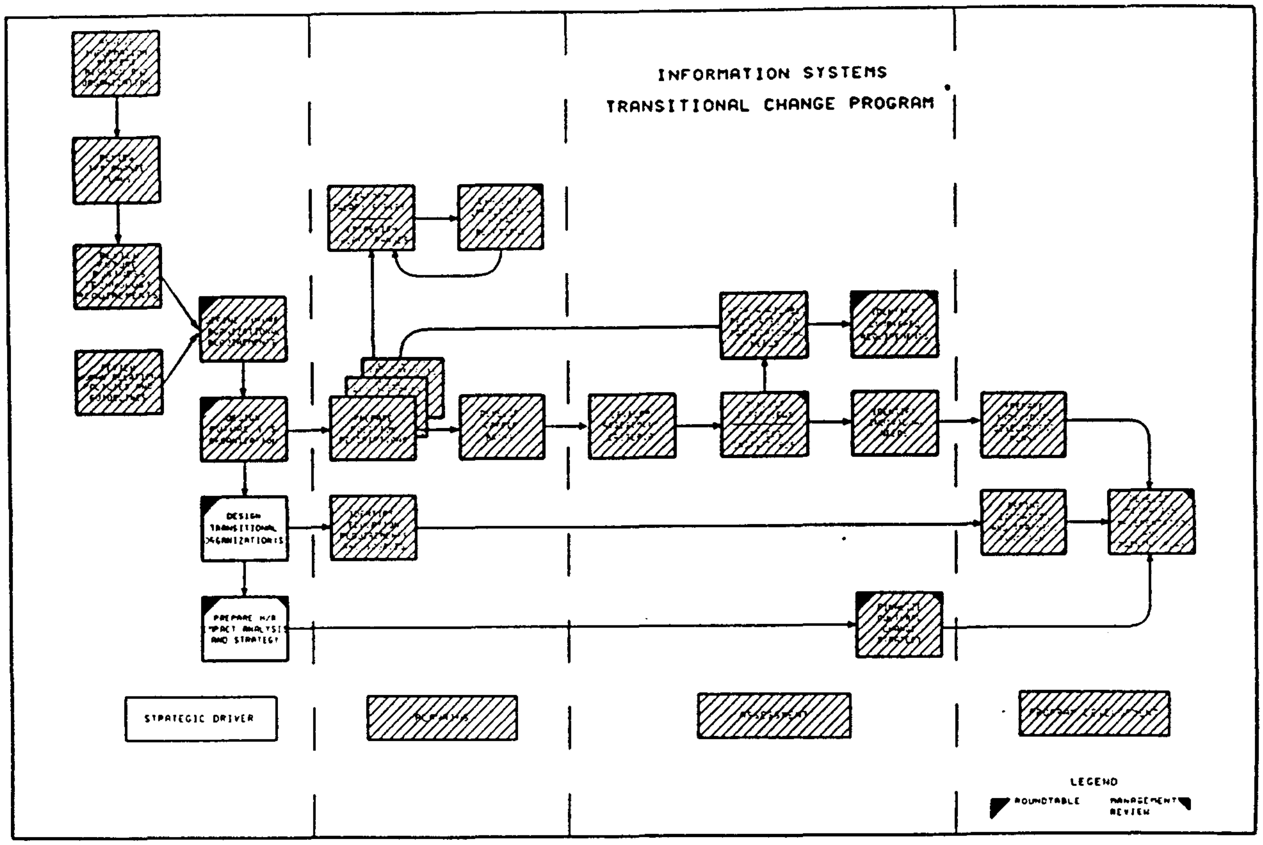
  —Develop a preliminary set of organization and skill requirements to support the planned use of technology
  —Conduct roundtable discussions. Validate, expand, and finalize the future organization requirements

- **Design future information systems organization**

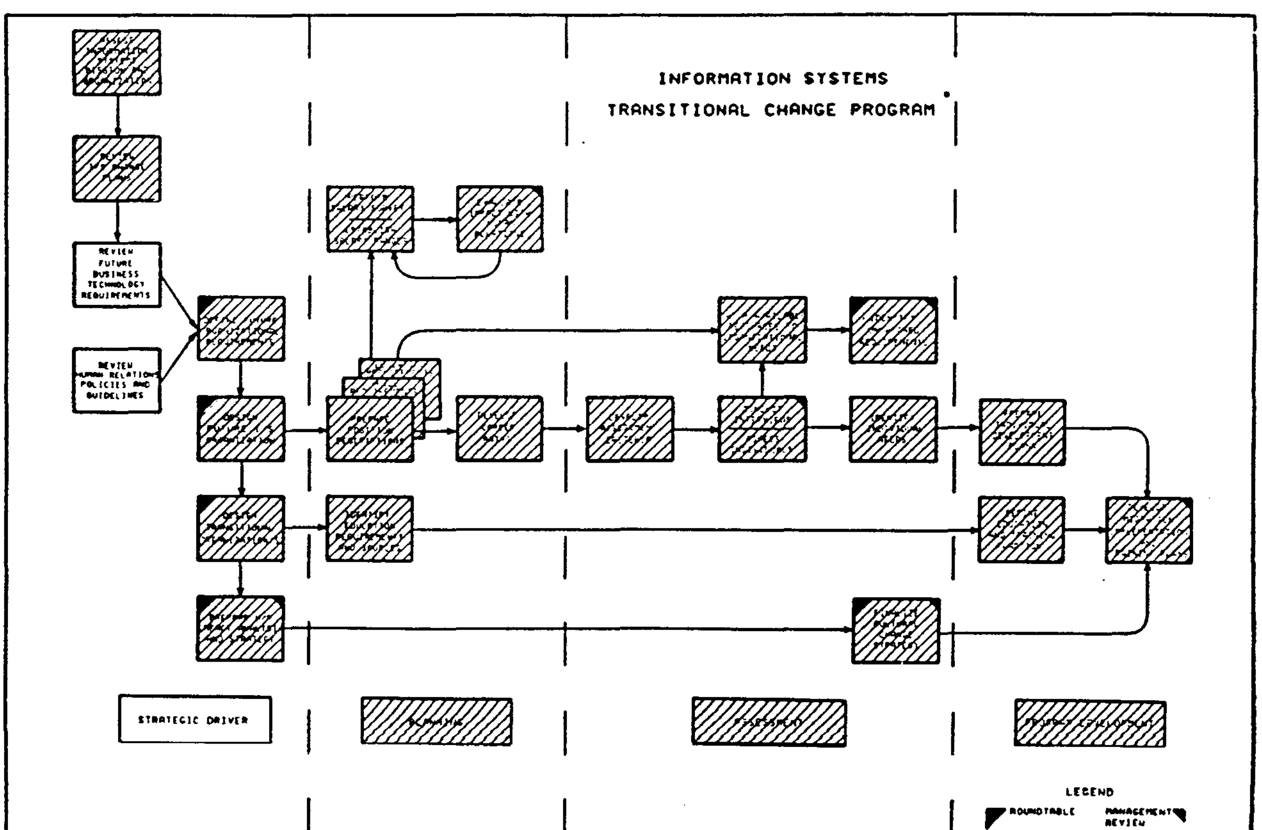
  —Develop a preliminary organization structure to satisfy the requirements
  —Conduct roundtable discussions. Validate, expand, and finalize the future organization structure
  —Develop estimated staffing levels and skill requirements
  —Evaluate required changes in information systems professional management practices

- **Design transitional organization(s)**

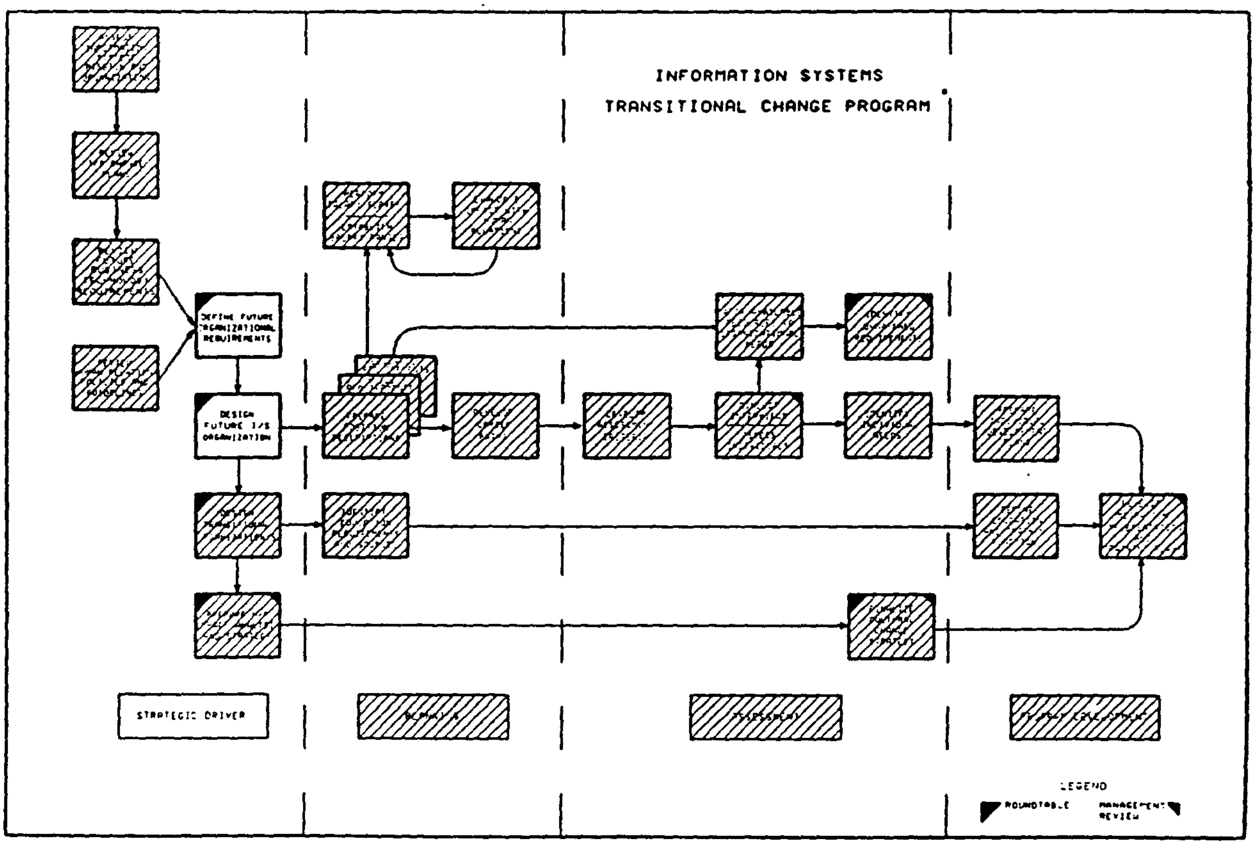
  —Identify key events in the implementation plans that create a need for significant changes in organizational structure or skill mix
  —Develop interim organization structures and staffing requirements to support the changing environment



INFORMATION SYSTEMS
TRANSITIONAL CHANGE PROGRAM
DESIGN TRANSITIONAL ORGANIZATION(S)
PREPARE H/R IMPACT ANALYSIS AND STRATEGY
STRATEGIC DRIVER
LEGEND
ROUNDTABLE
MANAGEMENT REVIEW



INFORMATION SYSTEMS
TRANSITIONAL CHANGE PROGRAM
REVIEW FUTURE BUSINESS TECHNOLOGY REQUIREMENTS
REVIEW HUMAN RELATIONS POLICIES AND GUIDELINES
STRATEGIC DRIVER
LEGEND
ROUNDTABLE
MANAGEMENT REVIEW

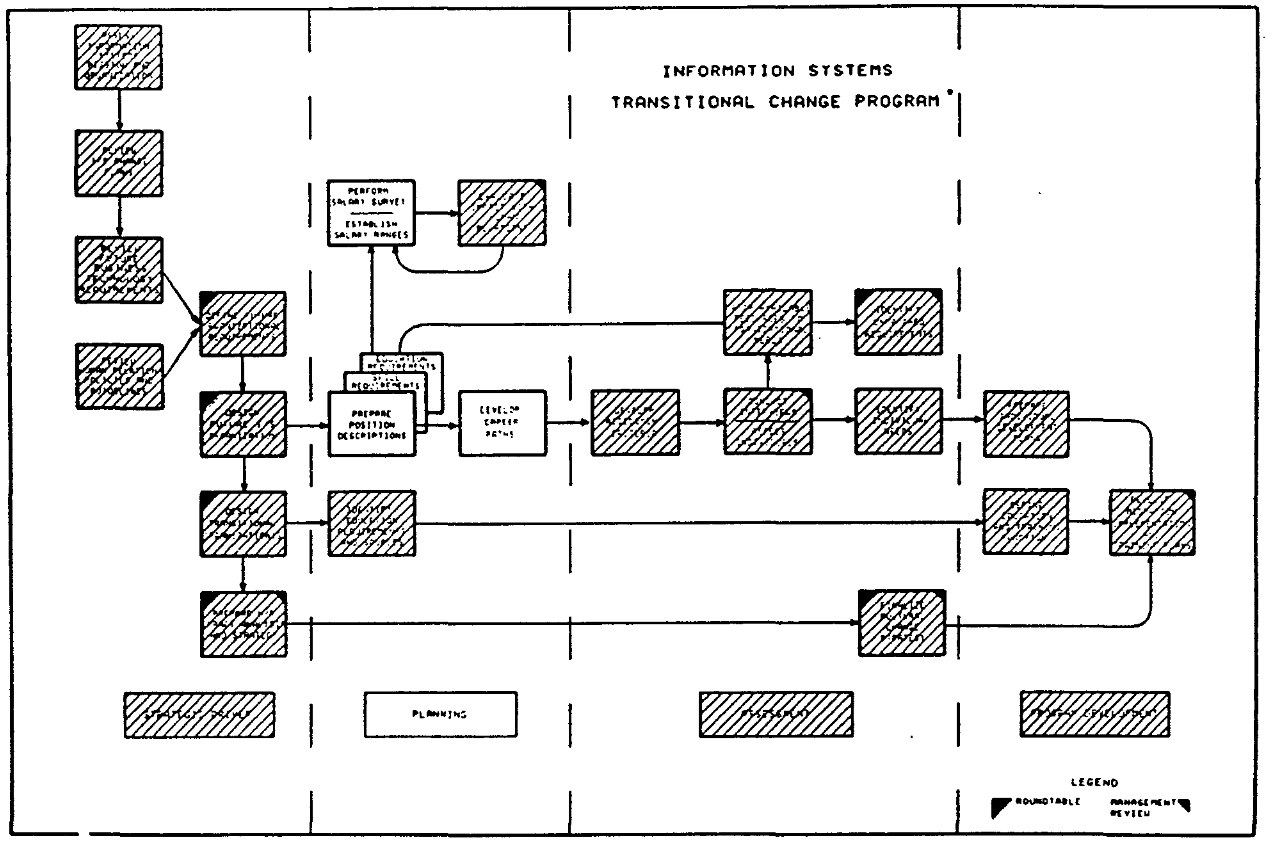


Methodology . . . .

- **Prepare Human Relations impact analysis and strategy**
  - —Based on previous roundtable discussions and meetings with information systems and user management, identify individual and group attitudinal issues
  - —Identify current skills with little or no applicability to the new environment (if any)
  - —Identify major constraints to the change program inherent in the current organization and recommend solutions
  - —Conduct roundtable discussions and management reviews and develop strategies to effectively deal with the identified issues. Develop contingency plans to ensure adequate support of required functions now and in the future

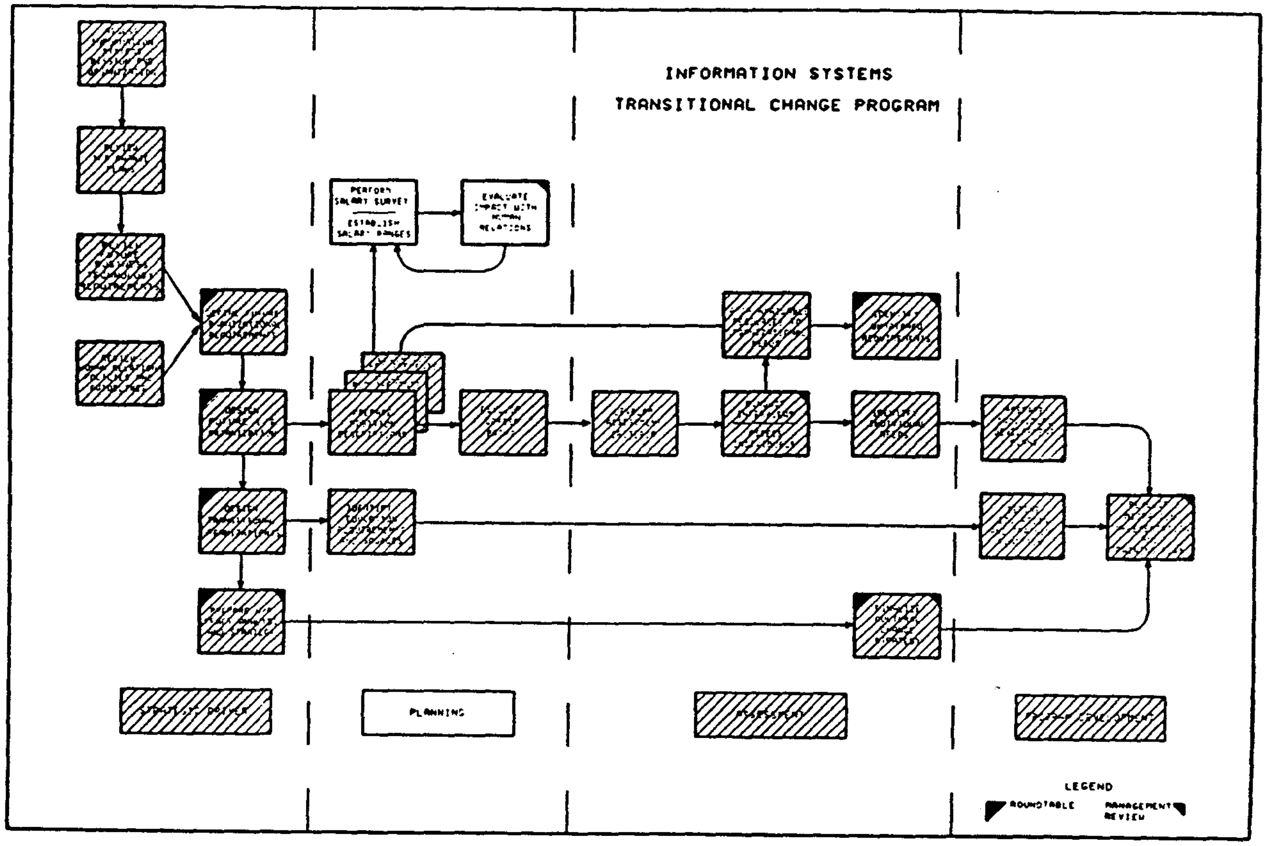
Planning Phase

- **Prepare position descriptions for each new position in the interim and final organization, including:**
  - —Duties and responsibilities
  - —Prerequisite education, experience, and skills
  - —Normal and alternate promotional paths
  - —Mandatory training (or equivalent experience)
  - —Required training for growth within the position
  - —Required training for advancement (promotion) to the next position
- **Develop career paths**
  - —Prepare a graphic representation of the normal and alternate career paths overlaid on the final organizational structure



Methodology . . . .

- **Perform salary survey and establish salary ranges**
  - —Review published salary survey material for information systems personnel, e.g. Hansen Survey
  - —Evaluate position descriptions and identify comparable survey positions and salary ranges
  - —Modify published ranges based on geography, industry, installation, and local labor market characteristics
  - —Initiate sample survey comparison with "friendly" (labor) competitors
  - —Prepare recommended salary ranges for each new position
- **Evaluate impact with the Executive Director of I/S and Human Relations**
  - —Modify recommended ranges based on Human Relations objectives, i.e., lowest cost versus least turnover, considering the strategic value of salaries from the Human Relations impact analysis
  - —Develop economic/budgeting impact of recommended staffing levels and salary ranges
- **Identify education requirements and sources**
  - —Coordinating with the preparation of position descriptions, identify educational prerequisites for each position
  - —Review software implementation plans and identify required supporting skills
  - —Assemble course schedules and contents from hardware and software suppliers and evaluate the appropriateness of available classes to educational requirements
  - —Assemble and evaluate commercial course schedules and contents
  - —Evaluate the use of internal staff and/or educational companiesto develop unavailable (or uneconomical) educational programs
  - —Evaluate the applicability of computer-based instruction, audio-visual, and/or self administered program instruction
  - —Recommend an appropriate schedule of education including on-the-job training



Methodology . . . .

Assessment Phase

- **Develop assessment criteria**
  - —Modify JIA skills inventory worksheets, as appropriate, and prepare and distribute advance questionnaire to all information systems employees
  - —We recommend that testing of Potential Development be given to 25–35 key I/S employees. The results of the testing should be shared with the employees. These tests could provide valuable insight into personal and vocational attributes. The selection of tests should be made at the start of the engagement. Processing the test results would cost $7,500–$10,000.
  - —Review completed questionnaires and develop interview schedules
  - —Modify JIA career development methodology, as appropriate, to isolate personnel related data
- **Conduct interviews and assess individuals**
  - —Using modified career development methodology, interview all scheduled personnel
  - —Complete a skills inventory worksheet on all interviewed personnel, noting relevant aptitude and attitude considerations and conduct a management review of findings.
- **Match available resources to organizational needs**
  - —Identify a probable position in the future organization for each employee and/or current position
  - —Identify skills and experience that would be particularly helpful in the transition
- **Identify unmatched requirements**
  - —Identify requirements in the future organization that cannot be met by the current staff in the time imposed by the implementation schedule

—Conduct roundtable discussions with appropriate managers and validate that the requirements cannot be met
—Recommend alternative sources and review with management

- **Identify individual needs**

—Identify required training for each individual
—Identify individuals whose training requirements, aptitude, or attitude could constrain the change program and recommend alternate placement

- **Finalize culture change strategy**

—Identify major personnel issues which would place the support of current systems or the success of the change program at risk
—Conduct a roundtable and validate the strategies developed in the first phase of the program and modify as necessary

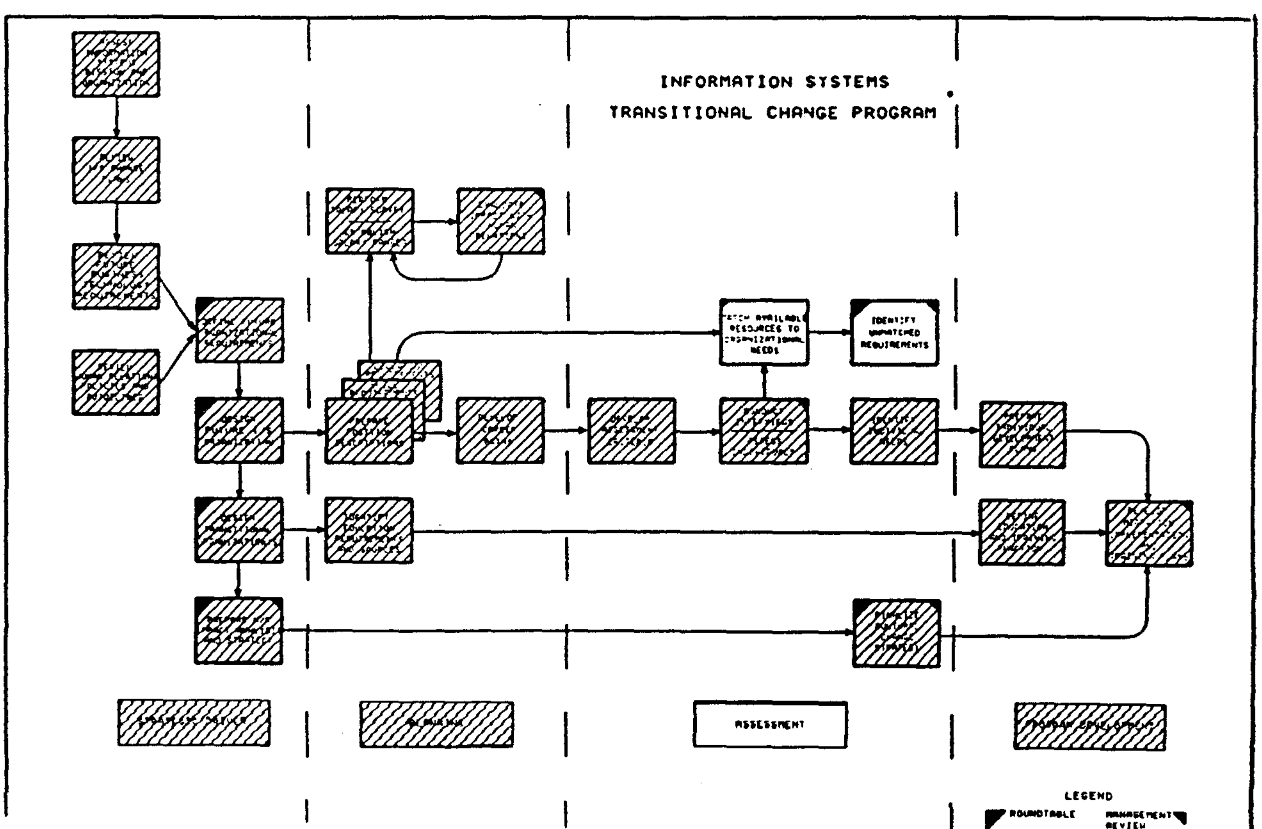
<u>Program Development Phase</u>

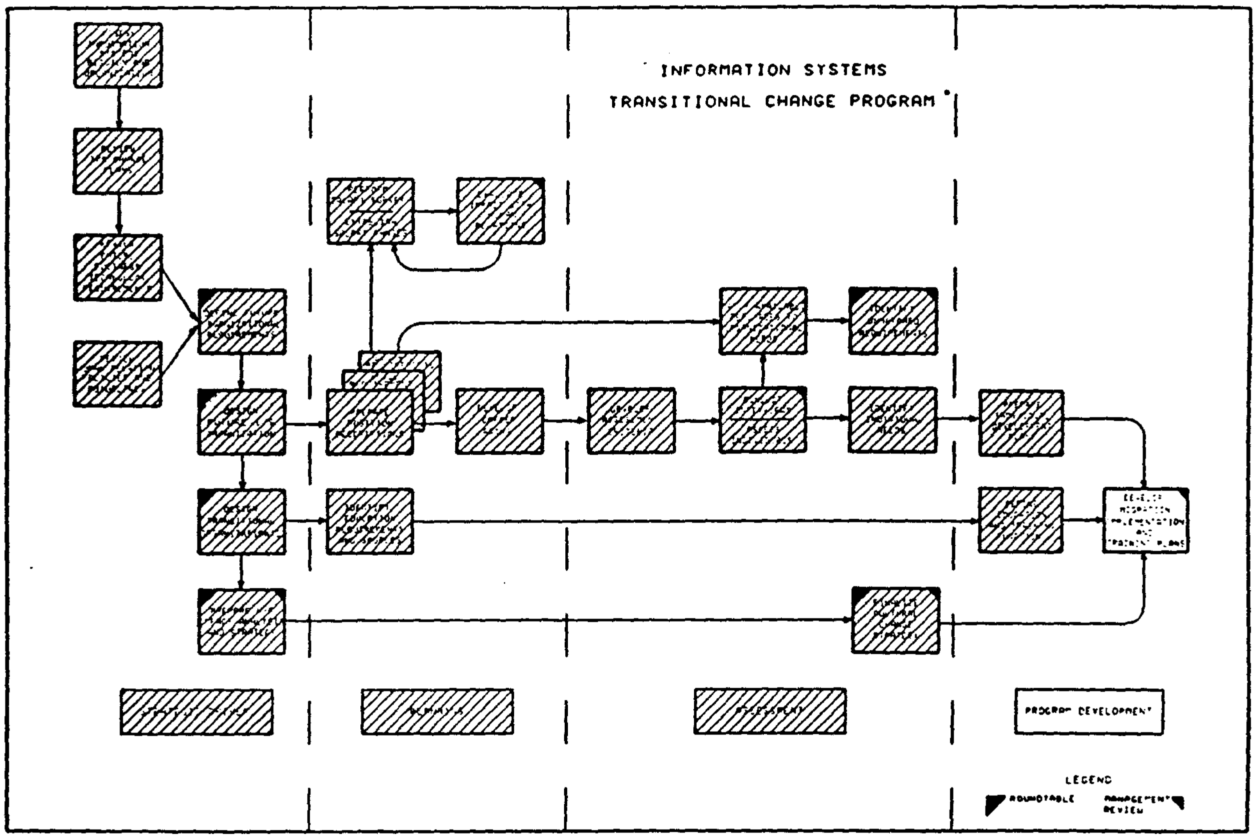
- **Define education and training function**

—Define the role of the internal organization in administering the personnel development programs
—Establish a charter of responsibilities and authorities to ensure required education is performed <u>and</u> skills are in place when needed
—Assist in the selection of key individuals to staff the education and training function

- **Prepare individual development plans**

—Prepare a matrix of individuals and their required education and training





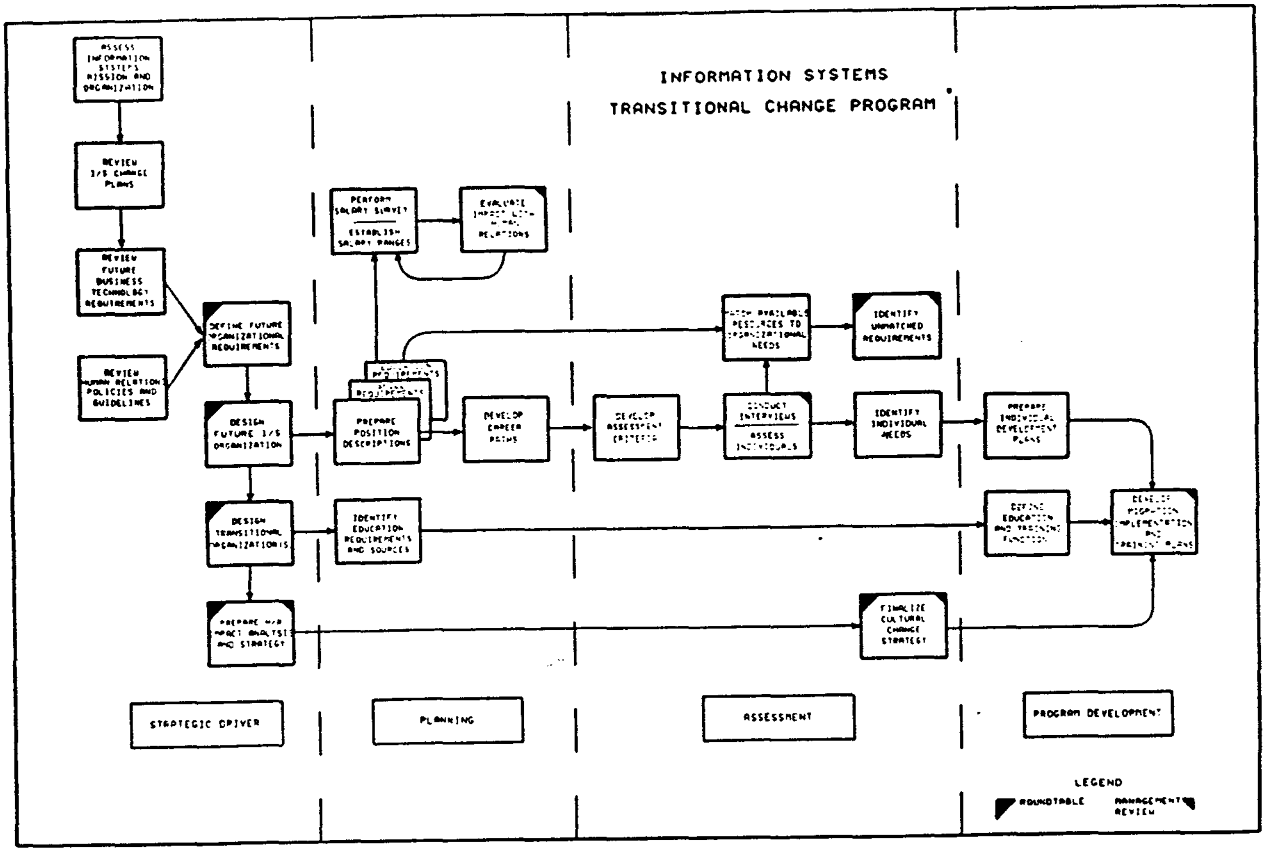
Methodology . . . .

—Prepare a recommended development plan for each individual (or position, if appropriate)
—Meet with I/S managers and review individual staff needs

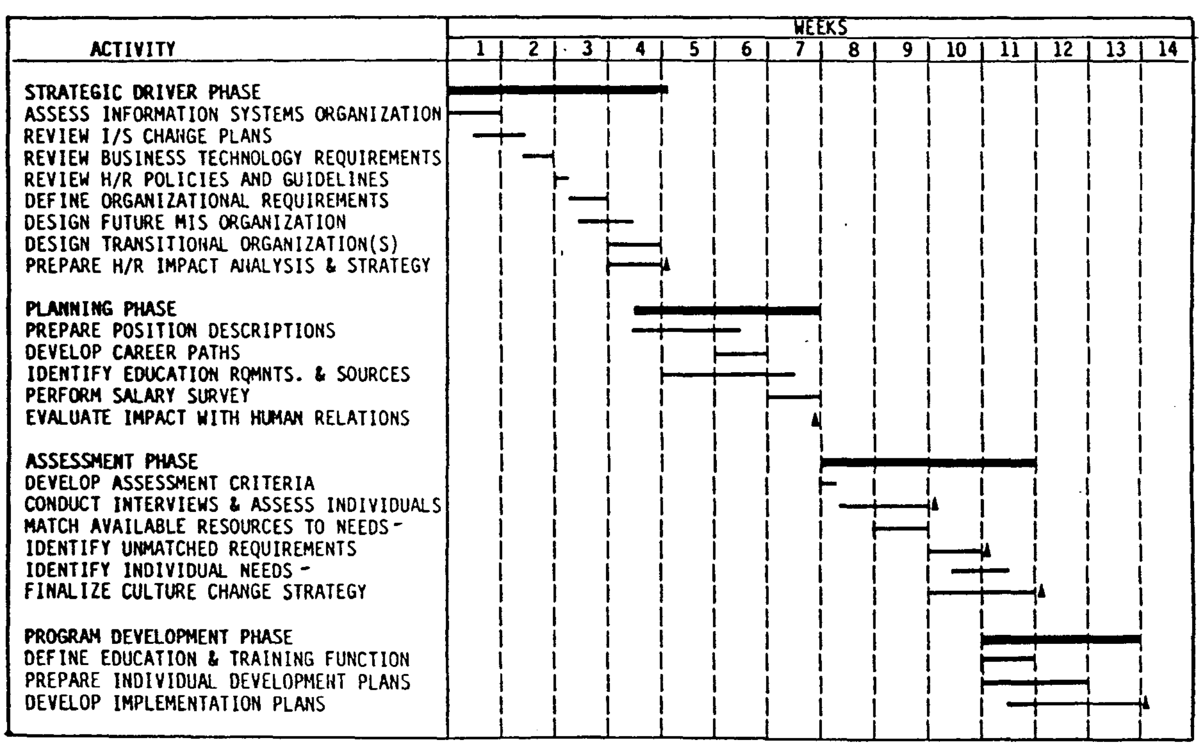
- **Develop migration, implementation, and training plans**

—Formalize and schedule all required activities
—Identify Pacific Bell responsibilities for continuing the program
—Develop overall economic impact of incremental staffing and training costs
—Conduct final management review and evaluate identified personnel risks and issues

FIGURE 6–1. *(continued)*



INFORMATION SYSTEMS
TRANSITIONAL CHANGE PROGRAM
WORK PLAN



▲ MANAGEMENT REVIEWS

SECTION IV. SAMPLE RESUMES

Larry R. DeJarnett, Managing Principal—Mr. DeJarnett has 25 years' experience in information systems and management. As Corporate Vice President of Information Systems for Lear Siegler, Inc., Mr. DeJarnett initiated and directed the decentralization of the corporation's information systems functions to more than 50 business units, matching computer architecture with business structure. He completed the four year, $12 million program 15 months ahead of schedule, and subsequently restructured the corporate organization into mobile, value-added consulting teams, emphasizing the use of information technology to solve business problems. Previously, Mr. DeJarnett held a variety of systems management positions with Ford Motor Company, including directing company-wide consulting teams for Ford's World Headquarters, and managing information systems groups for the automotive assembly and engine divisions. Mr. DeJarnett is author of numerous articles and a noted speaker and panelist for corporate seminars and symposiums, including IBM, Digital Equipment, McDonnell Douglas, AT&T, and the American Management Association. He is a member of the information systems advisory board of Claremont Graduate School and past chairman of the Southern California Chapter of the Society for Information Management. Mr. DeJarnett earned his BS in Personnel Management and MS in Business Administration from Southern Illinois University.

Frank J. Devonald, Managing Principal—Mr. Devonald has over 25 years' experience in MIS managing and consulting. Prior to joining JIA, Mr. Devonald was Associate Director of Consulting Services for Hughes Aircraft Company. There, he managed the development of an MIS and communication plan for a billion dollar division; he also managed the design of a closed-loop shop floor control system; and he developed comprehensive information systems, including manufacturing (MRP), finance, and program management. Prior to that, he was Director of the MIS Consulting Group with Deloitte, Haskins & Sells, where he managed major information systems reviews and strategic planning assignments for Nissan Motors Corporation, AIRCO, Inc., The New York Times, and McCormick Spice Company, among others. Previously, he was on the technical staff at IBM Corporation, where he was responsible for the design and implementation of computerized systems to support the financial, order processing, and manufacturing requirements of companies in various industries with emphasis on manufacturing (MRP) systems. Mr. Devonald received his BS in Industrial Engineering from Rutgers University and attended New York University Graduate School of Engineering.

Karen Jorgensen, President, Jorgensen and Associates, Inc.—Ms. Jorgensen is founder of Jorgensen and Associates, a firm which specializes in providing Human Resources consulting services to companies in transition. Ms. Jorgensen has twenty years of Human Resources management experience. As Personnel Director for Golden West Broadcasting, she worked for Gene Autry and assisted in the divestiture of several divisions, and closures of the company's radio and telephone affiliates. Prior to Golden West, Ms. Jorgensen was Vice President and Personnel Director of a major California bank. Ms. Jorgensen has trained over 2,000 personnel managers. She is a noted speaker and educator, having participated in the White House Conference and the MIT/UCLA Venture Forum, as well as serving on the faculty of Loyola Marymount. Ms. Jorgensen is a past member of the Executive Board of the Personnel Industrial Relations Association, where she remains active. Ms. Jorgensen earned her MBA from UCLA and is a theoretical mathematician who graduated number one in her class from the University of Illinois.

James T. Lewis, Principal Consultant—Mr. Lewis has 25 years of experience in data processing and communications-based systems management. Prior to joining JIA, Mr. Lewis was the System Director for AVCO Financial Services and held senior technical positions with Computer Sciences Corporation, Comress, and IBM Corporation. Mr. Lewis has managed major JIA assignments in data management, capacity planning, and network design. He received his BS degree in Mathematics from the University of California at Santa Barbara.

Norman D. McCue, Managing Principal—Mr. McCue has 30 years' experience in information systems, including almost 20 years as the senior MIS executive with several firms. In this capacity with Braniff International, he improved systems availability of more than 4,000 interactive computer terminals supporting passenger activities, enabling the carrier to improve on-time departure performance from sixth to second place nationally. As the senior MIS executive for The Garrett Corporation, Norton Simon, Inc., and a major division of Litton Industries, Mr. McCue turned around ailing installations. Behind-schedule and over-budget projects were brought into line with company objectives. Earlier he managed the manufacturing and engineering systems group for Rocketdyne and pioneered factory data collection and on-line inquiry systems supporting the space program. In his five years with JIA, he has held the senior MIS position in several turnaround management engagements, directing client staffs of more than 500 personnel, establishing business systems planning functions, performing operational audits, and managing the development of a future systems architecture for a major aerospace company.

Gwynda J. Myers, Managing Principal—Dr. Myers has an extensive background in management and consulting. As an independent consultant she advised several major software companies in the development of systems for inventory control, transportation, and mortgage accounting, and also developed operating standards for a major bank. As Associate Professor, Director of the Computer Center, and Vice President of Student Affairs for Rio Hondo College, she established the school's data processing function and was a key participant in the design and implementation of an information system for the State of California, supporting more than 100 community colleges. In her nine years with JIA, Dr. Myers has held key client management positions in turnaround engagements, led several operational audits, and developed future system architectures. Dr. Myers earned her BS and MS degrees in Education and an MBA in Quantitative Analysis at the University of Southern California. She earned her PhD in Management at Claremont Graduate School.

Ross F. Penne, Managing Principal—Mr. Penne has 30 years' experience in the data processing industry, with emphasis on management, consulting, and system analysis. Mr. Penne held senior technical positions with Burroughs, TRW, Inc., and IBM Corporation before participating in the establishment and subsequently managing the Computing Center for the University of Southern California. While at Computer Sciences Corporation he was a member of the advisory staff and directed the facilities management contract for the County of Orange (California), managing a staff of 150. In his five years with JIA, Mr. Penne has directed effectiveness reviews, hardware planning, quality assurance reviews, and system design efforts for JIA clients. Mr. Penne received a BA in Business Administration from Coe College and an MA in Economics from Ohio State University.

James H. Reesing, Managing Principal—Mr. Reesing has 20 years' experience in information systems management and consulting. As Senior Vice President and Director MIS for First Interstate Services Company, he was responsible for the overall management of several data centers supporting the California banks. In this capacity, he managed a technical staff of 600 and a $70 million operating budget. He was credited with a $3 million annual savings, while achieving a substantial increase in the overall quality of operations and improved customer service. Previously, he held several technical and management positions with IBM Corporation where, as marketing manager, he was responsible for sales and technical support for clients in the financial services industry in the Western United States. Mr. Reesing earned his BS in Business Administration from Xavier University.

Martha L. Ryan, Principal Consultant—Ms. Ryan has more than 20 years' experience in data processing management and consulting. She held senior systems management positions with Digital Equipment Corporation and a major division of General Electric, before forming her own consulting firm. As president of Martha Ryan Consultants for five years, her firm developed data processing strategies and project plans to focus on project oriented business goals. She was also Vice President of Operations for Computer Composition International, where she was responsible for the development, manufacturing, service, training, and user support of the company's composition/typesetting system. Ms. Ryan is APICS certified in production and inventory control. She received her BA degree in Mathematics from George Washington University.

James K. Zimmerman, Vice President, Jorgensen and Associates—Mr. Zimmerman is a human resources professional specializing in organizational development. While Vice President of Human Resources for First Interstate Services Company, he was responsible for the human resources activities of the firm's data processing company and managed the compensation function for First Interstate Bancorp's 22 non-banking subsidiaries. Mr. Zimmerman has lectured extensively on human resources issues and is on the staff of California Polytechnic Institute, Pomona, where he teaches human resources classes in the School of Business. Mr. Zimmerman is a licensed psychotherapist, specializing in interpersonal conflict resolution.

FIGURE 6-1 (continued)

Example of Shorter Proposal - Intermediate Style Proposal

PROPOSAL
FOR THE DEVELOPMENT AND IMPLEMENTATION
OF A
CORPORATE DESIGN PROGRAM
FOR
AMERICAN MANUFACTURING CORPORATION
Industrial Design By Service Associates
January 2, 1997

A. INTRODUCTION

Following your request, we are pleased to submit our proposal for the development and implementation of a corporate design program for American Manufacturing Corporation. The program will be concerned with the products and product lines of the Air Conditioning, Major Appliance, Controls, Machinery, and Industrial Divisions.

B. OBJECTIVES

1. To evaluate the design of the most important products or product lines presently being marketed by each American Manufacturing Corporation Division.
2. To compare the design of these American Manufacturing Corporation products with the design of major competitive products.
3. To present recommendations for specific products or product lines in each Division, which should receive immediate design attention . . . and why.

   Priorities, design objectives and budget estimates, and time schedules will be prepared for each recommendation.
4. To submit recommendations for methods and procedures which will ensure that every product produced by the corporation in the future will receive authoritative design consideration.

C. PROCEDURE

Phase I: Study of American Manufacturing Corporation Products and Product Lines—Study of Comparable Products of Major Competitors

1. Visits will be made to the Air Conditioning, Major Appliance, Controls, Machinery, and Industrial Divisions, to become acquainted with:

   a. Division objectives.

   b. Products and product lines.

c. Current product-development procedures.
d. Markets and marketing practices.
e. Major competitors' products and practices.

2. Following these visits, an independent study will be made, first-hand—to the extent physically possible—of the most important products produced by the major competitors of each American Manufacturing Corporation Division.

Phase II: Formulation of Detailed Design Program for Each Division

1. Based on the investigation and analysis completed in Phase I, a program for specific design action will be detailed which will:
   a. Specify the products or product lines of each Division which should receive immediate design attention, and the reasons why.
   b. Provide a list of objectives for redesign of each of these products or product lines.
   c. Present priority, timing, and budget estimates for each design project.
   d. If appropriate, present suggestions for new products.
   e. Recommend the method and procedure by which design should be handled in each Division in the future.

Phase III: Implementation of Design Projects

1. Based on the recommendations provided in Phase II, American Manufacturing Corporation may, at its discretion, authorize IDSA to proceed with specific design projects.
2. In the event that, prior to the completion of this program, American Manufacturing Corporation desires to implement one or more specific design projects, American Manufacturing Corporation may authorize IDSA to proceed with such work concurrently, under separate project agreements.

D. COST AND DURATION

We estimate that the study and recommendation program, as outlined above, will require eight months to complete.

Our fee for the program will be $6,000 per month. Invoices will be submitted for payment each month, in this amount. Expenses for travel will be billed, at our cost, in addition.

E. CONTRACTS FOR RESPONSIBILITY

Mr. Ronald Smith will be directly in charge of the work, assisted by such other Partners and staff members of IDSA as are appropriate.

F. GENERAL

Our work for clients is conducted on a confidential basis, and we shall treat all information developed hereunder in accordance with established professional standards.

All material developed under this program shall become the sole property of American Manufacturing Corporation.

G. ACCEPTANCE

We have prepared this proposal in duplicate, so that, if acceptable, you may sign one copy and return it to us, and retain the other for your files.

INDUSTRIAL DESIGN SERVICE ASSOCIATES

____

Ronald Smith, Managing Partner

Date ______________________________

Accepted:

AMERICAN MANUFACTURING CORPORATION

By ______________________________

Date ____________________________

Example of New Style Proposal - Form Only

Marketing Advanced Technology
668 McVey Avenue
Suite 53
Lake Oswego, Oregon 97034

(503) - 636 - 1830

PROPOSAL

Proposal No.:

Date:

Client	
	Job Name:
	Start Date:
	Job Location:
	Job Phone:

DESCRIPTION OF WORK TO BE PERFORMED

SPECIFICATIONS AND ESTIMATES OF PROPOSAL

	UNIT	*PARTS/DESCRIPTION/WORK TO BE PERFORMED*	*UNIT COST*	*AMOUNT*
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

Additional information pertaining to this Proposal

Total Job Cost for Proposal ________________

Job Cost does not include tax, or applicable surcharges

Authorized Signature ________________

ORIGINAL

Marketing Advanced Technology
668 McVey Avenue
Suite 53
Lake Oswego, Oregon 97034

(503) - 636 - 1830

ESTIMATE

Date: June 17, 1997

Estimate To:

	Estimated By:
	Start Date:
	Job Location:
	Job Phone:

JOB DESCRIPTION

SPECIAL ITEMS NEEDED

Additional information pertaining to this Job Estimate	
	Total Estimated Job Cost ______
	Authorized Signature ______

DUPLICATE - CLIENT COPY

CONSULTING AGREEMENT
between
Hiring Party and Consultant

This Consulting Agreement ("Agreement") is entered into by and between [COMAPNY NAME] , a [STATE] corporation ("Company"), and [NAME OF CONSULTANT] , an Individual ("Consultant"). The effective date of this agreement is [DATE] .

RECITALS

Company wishes to obtain the consulting services of Consultant to assist Company in connection with [PROJECT] . Consultant has negotiated the terms of such an agreement with Company and has agreed to the terms as set forth hereafter.

AGREEMENT

The parties hereby agree as follows:

1. TERM OF AGREEMENT

Company hereby hires Consultant and Consultant accepts such employment for a term of years commencing [DATE] , and terminating [DATE] , unless sooner terminated as hereinafter provided.

1.1. GENERAL PROVISIONS

1.1.1 SURVIVAL OF AGREEMENT. This Agreement shall not be terminated by a restructuring of the company or of the Consultant. If either of the parties restructures but remains in the business, the contract shall survive.

1.1.2 LEGAL REPRESENTATION. Each party acknowledges that they were advised that they were entitled to separate counsel and they have either employed such counsel or voluntarily waived their right to consult with counsel.

1.1.3 NOTICES. All notices and other communications provided for or permitted hereunder shall be in writing and shall be made by hand delivery, first class mail, telex or telecopier, addressed as follows:

[COMPANY]	[CONSULTANT]
[ADDRESS]	[ADDRESS]

All such notices and communications shall be deemed to have been duly given when delivered by hand, if personally delivered; three (3) business days after deposit in any United States Post Office in the Continental United States, postage prepaid, if mailed; when answered back, if telexed; and when receipt is acknowledged, if telecopied.

1.1.4 ATTORNEY'S FEES. In the event that a dispute arises with respect to this Agreement, the party prevailing in such dispute shall be entitled to recover all expenses, including, without limitation, reasonable attorneys' fees and expenses, incurred in ascertaining such party's rights or in preparing to enforce, or in enforcing, such party's rights under this Agreement, whether or not it was necessary for such party to institute suit.

1.1.5 COMPLETE AGREEMENT OF THE PARTIES. This is the complete agreement of the parties and it supersedes any agreement that has been made prior to this agreement.

1.1.6 ASSIGNMENT. This Agreement is of a personal nature and may not be assigned.

1.1.7 BINDING. This Agreement shall be binding both of the parties hereto.

1.1.8 NUMBER AND GENDER. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural.. The masculine gender shall include the feminine and neuter genders, and the word "person" shall include a corporation, firm, partnership, or other form of association.

1.1.9 GOVERNING LAW. The parties hereby expressly acknowledge and agree that this Agreement is entered into in the State of [STATE] and, to the extent permitted by law, this Agreement shall be construed, and enforced in accordance with the laws of the State of [STATE] .

1.1.10 FAILURE TO OBJECT NOT A WAIVER. The failure of a party to object to, or to take affirmative action with respect to, any conduct of the other which is in violation of the terms of this Agreement shall not be construed as a waiver of the violation or breach or of any future violation, breach, or wrongful conduct until 180 since the wrongful act or omission to act has passed.

1.1.11 UNENFORCEABLE TERMS. Any provision hereof prohibited or unenforceable under any applicable law of any jurisdiction shall as to such jurisdiction be ineffective without affecting any other provision of this Agreement. To the full extent, however, that the provisions of such applicable law may be waived, they are hereby waived to the end that this Agreement be deemed to be a valid and binding agreement enforceable in accordance with its terms.

1.1.12 EXECUTION IN COUNTERPARTS. This Agreement may be executed in several counterparts and when so executed shall constitute shall constitute one agreement binding on all the parties, notwithstanding that all the parties are not signatory to the original and same counterpart.

1.1.13 FURTHER ASSISTANCE. From time to time each party shall execute and deliver such further instruments and shall take such other action as any other party may reasonably request in order to discharge and perform their obligations and agreements hereunder and to give effect to the intentions expressed in this Agreement.

1.1.14 INCORPORATION BY REFERENCE. All exhibits referred to in this Agreement are incorporated herein in their entirety by such reference.

1.1.15 CROSS REFERENCES. All cross-references in this Agreement, unless specifically directed to another agreement or document, refer to provisions in this Agreement, and shall not be deemed to be references to any overall transaction or to any other agreements or documents.

1.1.16 MISCELLANEOUS PROVISIONS. The various headings and numbers herein and the grouping of provisions of this Agreement into separate divisions are for the purpose of convenience only and shall not be considered a part hereof. The language in all parts of this Agreement shall in all cases be construed in accordance to its fair meaning as if prepared by all parties to the Agreement and nót strictly for or against any of the parties.

2. SERVICES OF CONSULTANT

Consultant agrees to provide to Company, the following advice and consulting services:
[INSERT SERVICES]

Consultant shall personally provide such advice and services to Company. the consultant may with the written consent of the Company also provide up to [PERCENTAGE] percent of the advice through a Consulting Agent, acceptable to company. The term "Consulting Agent" may be used herein to refer to such office or employee of Consultant.

3. NECESSARY SERVICES

3.1 PERFORMANCE OF DUTIES. Consultant agrees that he shall and any Consulting Agent shall perform at all times faithfully, industriously, and to the best of their ability, experience, and talents all of the duties that may reasonably be assigned to them hereunder and, shall devote such time to the performance of such duties as may be necessary therefor.

3.2 PART TIME SERVICE. (*Optional*) During the term of this Agreement the Consulting Agent shall be available on a part-time basis to perform the duties assigned to him hereunder. "Part-time basis" is hereby defined as [HOURS] hours per week for [WEEKS] per year.

4. COMPENSATION

In consideration for the services required of Consultant hereunder, Company agrees to compensate Consultant as follows:

4.1 RETAINER. (*Optional*) Company shall pay to Consultant the sum of [AMOUNT] Dollars. Such sum shall be payable in accordance with written instructions to be delivered to Company by Consultant.

4.2 STOCK. (*Optional*) Company shall deliver to Consultant [AMOUNT] shares of the Common Stock of [CORPORATION] Corporation, a [STATE] corporation. All such shares shall be restricted with respect to resale pursuant to Rule 144 promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, and Company shall deliver such shares to Consultant at such times and in such one or more portions as Consultant shall specify by written notice to Company. Each such delivery shall be made within ten (10) days after Company's receipt of Consultant's written notice requesting such delivery.

4.3 EXPENSE REIMBURSEMENT. (*Optional*) Company shall reimburse Consultant for any out-of-pocket expenses incurred in connection with the negotiation and execution of this Agreement and the performance of services required of Consultant hereunder.

5. INDEPENDENT CONTRACTOR

In performing services and duties hereunder, Consultant and any person acting on Consultant's behalf shall do so as independent contractors and are not, and are not to be deemed, employees or agents of Company or any other person acting on behalf of Company. Consultant shall be responsible for meeting any legal requirements imposed on Consultant or any person acting on his behalf as a result of this Agreement, including but not limited to the filing of income tax returns and the payment of taxes; and Consultant agrees to indemnify Company for the failure to do so, if Company is required to make any such payment otherwise due by Consultant or any such person acting on Consultant's behalf.

6. REMEDY FOR BREACH

Consultant acknowledges that the services to be rendered by him hereunder are of a special, unique, and extraordinary character which gives this Agreement a peculiar value to Company, the loss of which cannot be reasonably or adequately compensated in damages in an action at law, and that a breach by Consultant of this Agreement shall cause Company irreparable injury. Therefore, Consultant expressly acknowledges that this Agreement may be enforced against him by injunction and other equitable remedies, without bond. Such relief shall not be exclusive, but shall be in addition to any other rights or remedies Company may have for such breach.

Company acknowledges that the services to be rendered to it hereunder are of a special, unique, and extraordinary character which gives this Agreement a peculiar value to consultant, the loss of which cannot be reasonably or adequately compensated in damages in an action at law, and that a breach by Consultant of this Agreement shall cause consultant irreparable injury. Therefore, company expressly acknowledges that this Agreement may be enforced against it by injunction and other equitable remedies, without bond. Such relief shall not be exclusive, but shall be in addition to any other rights or remedies Consultant may have for such breach.

7. TERMINATION

7.1 CAUSES FOR TERMINATION. This Agreement shall terminate immediately upon the occurrence of any one of the following events:

7.1.1 The expiration of the term hereof;

7.1.2 The written agreement of the parties;

7.1.3 The occurrence of circumstances that make it impossible for the business of Company to be continued;

7.1.4. The occurrence of circumstances that make it impossible for the business of consultant to be continued;

7.1.5 Consultant's breach of his duties hereunder, unless waived by Company or cured by Consultant within 30 days after Company's having given written notice thereof to Consultant;

7.1.6. Company's breach of its duties hereunder, unless waived by Consultant or cured by Company within 30 days after Consultant's having given written notice thereof to Company.

7.2 COMPENSATION UPON TERMINATION. Unless otherwise mutually agreed in writing by the parties, the termination of this Agreement due to any cause other than that specified in subsection 7.1.4 shall not relieve Company of its obligation to make any payment of money or any delivery of shares or securities which would have been required, or could have been required by Consultant, pursuant to Sections 4.1, 4.2, and 4.3, if this Agreement had not been so terminated.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

COMPANY:

CONULTANT:

Example #1 of New Style Proposal (filled out) that was Submitted

Example #2 of New Style Proposal (filled out) that was Submitted

Marketing Advanced Technology
668 McVey Avenue
Suite 53
Lake Oswego, Oregon 97034

(503) - 636 - 1830

PROPOSAL

Proposal No.:

Date: June 17, 1997

Client Intel Corporation Systems Manufacturing Hillsboro, OR 97124-6497	**Job Name:** Defect Video Capture Library **Start Date:** October 1996 **Job Location:** Intel Corporation Hillsboro, Oregon **Job Phone:** (503) 696-4218

DESCRIPTION OF WORK TO BE PERFORMED

Project number is 0914-1196-001 and is named "Defect Video Capture Libray".

Project purpose is to implement a system to capture and retrieve customer induced defect pictures from a board and component.

Work breakdown structure forthis project is outlined on the attached Estimate sheet. According tasks are also listed on the attached estimate.

SPECIFICATIONS AND ESTIMATES OF PROPOSAL

	UNIT	PARTS/DESCRIPTION/WORK TO BE PERFORMED	UNIT COST	AMOUNT
1.	1	Front end video capture and user interface.	$500.00	$500.00
2.	1	Design the capture screen.	$350.00	$350.00
3.	1	Develop the electronic filing scheme.	$875.00	$875.00
4.	1	Design retrieval system to access base	$2,000.00	$2,000.00
5.	1	Develop back end reporting and user interface.	$475.00	$475.00
6.	1	Develop reporting menu to be named "Factors".	$500.00	$500.00
7.	1	Oral status reports to be given as asked.		
8.				

Additional information pertaining to this Proposal

1. Smooth interface with Intel personnel.
2. Priority response to changes needed by Intel.
3. Project management and communication skills.
4. Results oriented behavior in the Intel way.
5. Refer to estimate sheet for further detail.

Total Job Cost for Proposal $4,700.00

Job Cost does not include tax, or applicable surcharges

Authorized Signature K. Charles Dveson

DUPLICATE

Marketing Advanced Technology
668 McVey Avenue
Suite 53
Lake Oswego, Oregon 97034

(503) - 636 - 1830

ESTIMATE

Date: November 18, 1996

Estimate To:

[redacted]rams Manager
Intel Corporation
Systems Manufacturing
[redacted]
5200 N.E. Elam Young Parkway
Hillsboro, OR 97124-6497

Estimated By: Shawn Oveson
Start Date: December 1996
Job Location: Intel Corporation
[redacted]
Hillsboro, Oregon
Job Phone: (503) 696-4218

JOB DESCRIPTION

Project number is 0914-1196-001 and is named "Defect Video Capture Library".

Project purpose is to implement a system to capture and retrieve customer induces defect pictures from a board and component.

Work breakdown structure for this project includes key development areas of design, development and testing of a video capture system. This system includes FAC boards and QSC components information captured with information including picture, serial number and work order and menu screen. This information then is accessible through an CD ROM electronic library using the contractor developed archiving and retrieval scheme which is to be based upon the Access Database utilized by Intel.

Task and project work breakdown components follow below:

SPECIAL ITEMS NEEDED

Component One: Front end video capture and user interface. Design the capture screen for a FAC and/or QSC technician. Develop the code and acquire the hardware. Test and implement in the US FAC. Work with Folsom QSC to implement and test.

Component Two: Electronic filing scheme. Eight (8) CD ROM's will contain the digitized picture information. Develop archiving and retrieval scheme using Access Database. User to pull any picture by file number print, and/or import into Word template (defect atlas).

Component Three: Back end reporting and user interface. Reporting menu is FACTORS. FACTORS is to generate a list of files searched by field.

This project is to begin and be completed in December 1996 for 120 labor hours.

Additional information pertaining to this Job Estimate

Key skill elements needed to insure Intel satisfaction:
1. Smooth and timely interface with Intel personnel.
2. Priority response to changes needed by Intel.
3. Access database design.
4. Video capture equipment experience/coding.
5. Project management and communiucation skills.
6. Results oriented behavior in the Intel way.

Total Estimated Job Cost $4,700.00

Authorized Signature K. Charles Oveson

DUPLICATE - CLIENT COPY

Results on how well Proposal was Received

The proposal was prepared in 20% of the time as the old style and with an accuracy and understanding of the problem that the client wanted solved improvement of at least a factor of three.

The people that normally prepare proposals cheered the success and the fact that they could work on more money earning projects. Plus the fact that they do not like to write anyway.

The client appreciated the research and close contact that occurred to get the information and mentioned that it was rather like the Japanese in the sense that they require understanding all details of a process and problem before they will agree to do the work. Ecept, this paper's short form was recognized as a much faster, yet still complete approach. Also mentioned by the client was that it gave them a chance to get to know us and to see if team chemistry could be an advantage - it was.

Was Proposal Awarded?

The answer for both of these proposals was YES!!!!!!!!!

The short form forces quick and thorough understanding by both parties and also starts identification of what has been tried and what won't work quicker. Time is money!!

Conclusion

1. Treat proposal writing as if the client is the most important thing in the world. He/she is!!
2. Treat proposal writing as if the project or program is the most important thing in the world. It is!!

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3. Treat proposal writing as if your reputation is the most important thing in the world. It is!!
4. Be honest.
5. Be open.
6. Ask for and obtain clarification.
7. Before offering your solution, be sure that you understand all of the problems and that both you and the client see the problem the same way.
8. Be aware of the people factor - who wants the problem solved and doesn't.
9. Identify, locate, and utilize resources.
10. And finally, have fun and enjoy writing the proposal!!!!!! Remember you are doing work that you love and that has great value to others.