

Writing Effective Requests for Proposals

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Government agencies frequently contract for various types of transportation studies. Because a consultant's recommendations will form the basis for major policy decisions, planning, construction, or operations, it is important to secure the services of a person or firm whose expertise is closely related to the issue or the problem. There are typically many reputable consultants who are well-trained, widely diversified, and knowledgeable. The prospective client, however, must select and engage the consultant best qualified for the project at hand. A process that a prospective client could use to select the most qualified consultant and to negotiate a fair price for the required services is outlined in this article.

The procedure for consultant selection typically involves six major steps:

1. Define the project.
2. List prospective firms.
3. Send requests for proposals (RFPs).
4. Screen the candidates based on the proposals.
5. Select the best qualified firm.
6. Finalize project scope and negotiate contract terms and fees.

The degree of detail involved in each of the steps depends on the size of the project and its complexity. The process can include continuing the use of a firm that may now be serving the client acceptably.

If a formal selection process is indicated, prepare a list of firms that have the ability and expertise to perform the work, considering the project's size, complexity, and special skills that may be required. The list

could be developed from the following sources:

1. Firms with whom the client has previously worked or is familiar.
2. Professional associates who can make recommendations from those firms with whom they have undertaken similar projects.
3. Lists from professional organizations.
4. Professional cards in publications of national or regional circulation.

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Keep the list to a manageable number. It is important to remember that the cost of submitting a proposal is substantial, and it would be unfair to consultants if the list were so long that they have little chance of success. For a small project, two or three firms should be adequate, whereas for a larger project, more firms or consultant teams may be appropriate.

It is generally best to limit the number of detailed proposals to a maximum of five. After having prepared a list of qualified firms, two courses of action are available. For a list of up to five firms, the definition of the project should be sent to consultants,

together with a request that they respond with a formal proposal. If there are more than five potential firms, a second course of action is desirable — all firms should be asked to submit an expression of interest that includes the following information:

1. List of past experience, with dates of projects of a similar nature.
2. Location, size, and description of firm.
3. References who have personal knowledge of previous performance.
4. Details of consultant's staff, with resumes of key personnel and the name and resume of the person who will be in charge of the project.
5. A statement that the firm has the capability and staff to complete the project on time.
6. Additional information relevant to the particular project.

This process serves to reduce the number of potential firms that may then be asked to submit a formal proposal.

This article deals primarily with the preparation of an RFP, rather than the selection process, when a decision has been made by the client to solicit formal proposals from consultants. Note that the selection of consultants has traditionally been based on an evaluation that gives primary consideration to qualifications, experience, and the proposed work scope and secondary consideration to budget and cost considerations. The recommended steps in the selection process are outlined in the consultants section of the *ITE Membership Directory*.¹

A consultant responding to an RFP looks

for a complete project description, a list of project tasks, the scope of the work, a workable time frame, an allocation of resources, clear statements of project objectives, and an equitable consideration of all proposals submitted. The ultimate purpose of an RFP should be to further the objectives of both client and consultant (i.e., to enable the consultant to provide a comprehensive response to a complete and accurate RFP). In this way, a satisfactory and workable project relationship can be established and the work can be completed in a manner acceptable to both client and consultant.

To best accomplish these objectives, a method for writing RFPs is suggested here. The authors hope professionals working in the transportation field will find the outline useful when they need to request formal proposals for specific projects.

RFP Outline

Introduction

The introduction should provide background information on why the study is being undertaken and the setting for the study. It should mention facts, such as agencies involved and the location of the study area, and include maps, if possible.

Study Objectives

This section should clearly state that the primary objective of the RFP is to solicit proposals from qualified consultants with both general and specific experience. A description of each specific study objective should be clearly stated in terms of work product or measurable goals.

Information to be Provided

The RFP should clearly specify what information the client will provide to the consultant at no cost. This might include any existing current count data, geometric design plans, or pertinent previous studies. The client should state if the consultant must verify or update any information or if the consultant must secure approval from others. The consultants should also be informed about the background of any citizen groups and commissions before which they may have to appear.

Scope of Work

The client should define the scope of consultant services so that there is a clear understanding of the problem, nature of the work, or plans to be produced. The client's description of the project provides the com-

mon ground from which all subsequent steps follow. The better the clients define the project, the more likely they are to receive consultant proposals that demonstrate perception and understanding of the work to be performed.

The project definition should include:

1. Nature of work to be done, including the major questions to be addressed.
2. The type and number of public and presentation meetings desired.
3. Study area and limits. If the project has geographic boundaries, then a map or text specifying the area of coverage should be included. If the project is one step in a series of steps (e.g., a feasibility study as an initial step in a continuing program), state the subject limits or level of efforts.
4. Each task the consultant is expected to perform and the manner in which each task is to be accomplished. The scope of work should not include any task that the consultant is not expected to perform. If such a task has to be mentioned to clarify another task that the consultant will be expected to perform, it should be made clear in the scope of work section.

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Proposal Format and Content

The RFP should clearly state what information the proposal is expected to contain and specify the way the material should be organized. At a minimum, proposals should provide the following:

Cover Letter. A brief cover letter (generally two pages or less) should summarize key points of the firm's proposal and stress the firm's approach to addressing the program that was outlined in the scope of work. Additional information should include the full name of the firm, mailing address, phone number, name of contact person, and background information as related to the project.

Project objectives. A general description of the consultant's approach to each task should be identified in the scope of work.

Project organization and management plan. The consultant should provide the following information:

1. A brief narrative description of the proposed project organization and management plan, including a description of the respective functions of all team members. If a joint venture is proposed, the description should also specify the functions and contractual responsibilities of all parties involved.
2. An outline of the project staffing plan indicating the level of personnel to be involved in the project, their roles, the percentage of time each team member would spend on the project, and the person designated to be the project manager.
3. A letter from the chief executive officer of the consulting firm, specifying the involvement of key personnel included in the organization chart. If substitutes or backup personnel are planned on a contingency basis, they should be so indicated on the organization chart. Letters should also be required of each of the parties in a joint venture or subcontractual arrangement.
4. Specific information on the number of hours per month that each level of staff is expected to spend on the project, as well as the number of meetings to be attended by the consultant, especially in cases where extensive agency review or a prolonged public hearing process may be anticipated.
5. A description of any special requirements or innovations needed for completion of the project. The approximate amount of time needed for response to comments should be specified so that the consultant can plan and budget accordingly.

Project work program and flow chart. Detailed information on the consultant's proposal for addressing each of the tasks set forth in the scope of work should be provided. Included in this description may be a discussion of any substantive or innovative ideas used by the consultant on similar projects, as well as any other information deemed pertinent to the client's consideration of the proposal. Firms should be encouraged to present suggestions that they

believe will simplify the project and result in lower costs in the performance of the work.

Program implementation schedule. The implementation schedule should tie the elements discussed previously together with the scope of work and should include a proposed ordering of the tasks described in the scope of work, as well as proposed staffing schedules by task and discipline. Schedules should be based in person hours. If a joint venture is being proposed, the subconsultant's schedule, as well as the timing of the subconsultant's task inputs, should be listed.

The client should state the amount of time he expects to spend on each review of submitted work products, and the schedule for resubmittals should be shown in terms of time *after* completion of review by the client.

A flow chart showing how each of the tasks is to be accomplished should be included for larger or more complex projects. Such projects would be those involving more than 120 hours of work or a consultant fee of more than \$20,000. The purpose of this requirement is to provide for a schematic detailing of the work program in cases where significant interfacing of tasks may be required or where relatively large expenditures for equipment and supplies are anticipated. A flow chart should also be provided for all joint venture projects and for those involving significant amounts of subcontracted work.

Staffing plan and resumes. The qualifications of all professional staff members who will work on the project should be discussed, and resumes showing pertinent work experience of the project team should be included.

Recent experience and credentials of the firm. This section should provide a corporate resume or statement of qualifications with respect to recent relevant experience with similar projects. Include brief descriptions of three company assignments of similar studies completed within the last three years, if available. More extensive general information on experience may be provided in a separate appendix.

Budget, work effort, and overhead data. An overall project budget, as well as separate budgets for accomplishing separate phases of the work scope should be provided, if appropriate. At a minimum, include

work effort estimates for the entire project period, broken down by task. Public agencies may wish to request the actual hourly rates (including benefits) in addition to the billing rates for each staff member assigned to the project. Estimates of other direct costs for equipment and materials should also be provided in tabular form as part of the proposal.

Reference list. Provide a minimum of three clients, addresses, and contact persons for whom similar studies have been performed.

Conflict of interest statement. Public agencies may wish to request that firms submitting proposals list any contracts with adjacent jurisdictions or with private developers in the adjacent area, as well as any other projects that could potentially be considered a conflict of interest.

Special requirements. Any special requirements the agency may have (e.g., legal or procedural regulations) should be clearly and prominently stated.

Contract Items to be Delivered by Consultant

It is important that RFPs specify items that the consultant would be expected to deliver as part of any eventual contract. Typical deliverables might include progress reports, computer disks, task end products, and study reports.

Progress reports. The consultant should provide periodic progress reports (as directed by staff) containing a summary of the tasks accomplished during the previous month, the number of hours spent on the project by each team member, and an updated schedule of completion for the project.

Computer disk. Clients who are licensed to operate computer program(s) used in the study may, when the project is finished, wish to request a computer disk (compatible with their microcomputer system) that summarizes the data prepared by the consultant during the course of the study.

Task end products. End products anticipated at the completion of each study task should be specified.

Study reports. The RFP should specify how many copies of the draft report the consultant is expected to submit for review staff.

Once comments on the draft report have been received, the number of copies of the final report specified by agency staff should be submitted. The proposal should state that the final report is expected to include the following:

1. Title page.
2. Table of contents.
3. List of tables.
4. List of figures.
5. List of appendixes.
6. Statement of study objectives.
7. Methodology of study.
8. Results of study.
9. Conclusions.
10. Recommendations.
11. References and bibliography.

The RFP should specify the conditions under which proposals are submitted.

The RFP should specify that appendixes listing all data collected during the study and any technical analysis not included in the main body of the report be submitted to the client concurrently with the final report, but that they may be under separate cover.

Proposal Submission

The RFP should clearly specify the conditions under which proposals are to be submitted. Typical conditions may include:

1. All proposals should be submitted according to the specifications set forth in the RFP. Failure to adhere to these specifications may be cause for rejection of the proposal. Any correction or resubmission done by the consultant or authorized representative should not extend the submittal period. The right to reject any or all proposals is generally reserved by the client.
2. The right to issue supplementary information or guidelines relating to the RFP during the proposal preparation period is also generally reserved by the client.
3. All proposals become the property of the client and should be kept confidential (with the exception of the successful proposal, which may become public upon acceptance).

4. All proposals are generally considered to constitute firm offers, not to be withdrawn for a period of [specify number of days] following the final day on which proposals will be accepted.
5. Once submitted, proposals, including the composition of the consulting staff, should not be changed without prior written consent.
6. The consultant should submit the specified number of copies of the proposal. The body of the proposal should not exceed the maximum length specified in the RFP. The RFP should state when all proposals are due, including the date, time, and place.

The RFP should specify the client-designated representative to whom all questions concerning the RFP should be directed.

Proposal Evaluation Process

The RFP should state the parameters that will be used to evaluate submitted proposals. Such parameters will include:

1. Adherence to intent of the RFP.
2. Responsiveness and comprehensiveness of proposal to RFP.
3. Design of proposed work program.
4. The firm's qualifications and reputation in general.
5. Qualifications of staff.
6. The firm's experience in the type of work that the project requires.
7. Related experience of the proposed project manager and project team.
8. Suitability of the project schedule.
9. Proposed project budget.
10. Past performance on related assignments.
11. Completing projects and current workload.
12. Objectivity of proposal.
13. Interview evaluation.
14. Information obtained from references.
15. Experience in dealing with city and county staffs, the public, and other municipalities and local elected officials.

Selection Process

The RFP should indicate the process that will be followed in making the final selection once the proposals have been received. It should be noted that the selection of consultants has traditionally been based on an evaluation that gives primary consideration to qualifications, experience, and the proposed work scope and secondarily to bud-

et and cost considerations. (The recommended steps in the selection process are outlined in the consultants section of the *ITE Membership Directory*.)

The RFP should state the parameters that will be used to evaluate proposals.

The RFP should also make it clear that

1. Consultant selection will be based on qualifications, experience, competence, and fee, without emphasis on any one factor to the exclusion of others.
2. As part of the selection process, the consultant will be expected to make a 20- to 30-minute oral presentation to present the firm's credentials and depth of understanding of the project.

Recommendation

When preparing an RFP for a specific study, the preceding outline may be helpful as a guide. Specific sections of the RFP may be expanded as necessary to provide more complete information relevant to the study for which the RFP is being written. The outline will assist the agency requesting the proposals to accomplish the following:

1. The nature, objectives, and scope of the project will have been made clear to all consultants who want to respond.
2. The format in which consultants have to follow for their responses will have been made clear.
3. The consultant will be less likely to omit essential information on the firm's experience, the proposed budget, and work schedules.
4. The consultant will have been given a clear indication of what the requesting client expects, such as monthly progress reports, final project reports, and computer data disks.
5. Consultants will know what information will have to be included in the oral presentation.

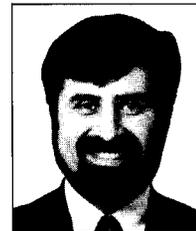
6. All proposing consultants will have a clear idea of the conditions under which proposals are being submitted and the criteria by which the agency proposes to select the best proposal.

Consultants responding to RFPs that follow the outline will have

1. A clear understanding of what has to be accomplished.
2. A clear idea of what essential information must be included in the proposal for the reviewing client to consider it complete. Consultants will also be less likely to inadvertently omit such information.
3. The ability to prepare a more accurate budget for the project because they will know what information they will have to provide and the material that the client expects to have delivered.
4. A clear idea of what points to emphasize in the oral presentation that is typically made a part of the selection process.

Reference:

1. Institute of Transportation Engineers. *Membership Directory*. Washington, D.C.: ITE, 1988. ■



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