Flight Test

by Chris F. Jones, MBA, FCMC

Automated system to procure consulting services tested in British Columbia

BC'S MINISTRY OF Management Services undertook to change the way government services were delivered in several communities throughout BC by proposing to share office buildings and other service delivery facilities and equipment in one location where practical. Eleven communities were chosen, and in each the ministry established a cross-ministry work team (CMWT) to plan the various activities necessary to enhance and consolidate client-centred service delivery.

On completion of the planning phase, the ministry wished to select a consultant to work with each CMWT to coordinate the implementation process. The ministry simplified the procurement process for both the vendors and the program managers – and still met all government requirements – by automating the vendor solicitation, assessment and selection processes. It used ProGrid® Language Ladder™ evaluation methodology which relies on carefully designed and expli-

cit performance/evaluation criteria, a unique proposal format and a rigorous and disciplined approach. It also has a comprehensive vendor reporting function.

Once the general engagement requirements were identified, the ministry identified three overarching criteria that vendors would need to address in their proposals:

1. the relevance of their proposal to the ministry's stated requirements;
2. qualifications of the vendor; and
3. the vendor's proposed approach and methodology.

For each of these overarching criteria, explicit performance criteria were identified to further define the particular requirements and create an evaluation matrix (Figure 1). For example, the qualifications of the vendor were expressed in terms of four performance criteria – formal education, work experience, specific skills (as specified by the CMWTs) and experience in working in smaller communities.[1]

A single Request for Proposals, containing two parts, was issued on BC Bid, (the province's Web-based tendering system). The first part contained the engagement description, legal requirements and an example of a standard contract. The second was a form which, when completed, became the vendor's proposal. This also contained detailed completion instructions for the vendors.

Each vendor was required to respond to each of the 11 criteria in the matrix, in a standardized format. The first part of the response was a short, written piece typed into a text box in the proposal form with a specified word limitation addressing one of the matrix's specific performance criteria. For Criterion 1, for example, the vendor was asked to write 200 words or less on his/her understanding of the vision and purpose of the program.

Second, vendors were asked to "self assess" their response to each criterion by indicating in a "Language Ladder" the statement which most closely reflected their response: e.g., Criterion 1, "Understanding of the vision and purpose of this program." The Language Ladder shown in Figure 2 was included in the RFP form. This "self assessment" process

not only to enables feedback to the vendors on the merits of their proposals, but also allows a vendor to consider fully the quality of their response before submission.[2] Note that the responses are explicit and point scores are not used.

The vendors assessed their own responses by circling one of the four letters A to D. The highest "expected" ranking was a C. However, if a vendor realistically felt that his/her response warranted extra consideration, a D could be indicated. For the reviewer to agree, this would have to be properly substantiated in the preceding text box. Vendors were advised that a low ranking for an individual criterion should not be considered an indicator of failure, as only the combined rankings would be taken into account.

The vendors repeated the process for each of the 11 performance criteria. Thus the proposals were judged on the basis of four measurements for each criterion, a total of 44 measurements in all.

This format gives vendors no opportunity to stray outside the explicit RFP requirements and no superfluous material such as detail-laden appendices need be submitted. All proposals were exactly the same order and format. The proposal writing process was simple and effective, and extra marks could not be awarded for information not explicitly requested by the ministry.

Proposal review

Four evaluators trained in the review and evaluation process individually assessed each of the 32 proposals received using a computer and ProGrid's standard single page proposal review form (Figure 3). The format of each proposal was identical, saving the reviewers time. For each proposal, the reviewer graded the vendor's response to a performance criterion on a scale of A to D using the scoring box provided and, if necessary, typed in a short comment.

This step took less time than the traditional proposal review process. Each proposal took about 20 minutes to assess and capture the assessment data – all the requested information was contained in the 11 text boxes of the standard form. Reviewers were not obliged to read and consider information superfluous to the explicit requirements.

The reviewers' assessments were processed by the ProGrid software producing a list ranking the proposals from 1 to 32 in order of the reviewers' combined qualitative assessments. For each proposal, the software also produced a proposal evaluation report (Figure 4), which summarized the individual reviewer assessments and comments. This latter report also highlighted the differences between the individual reviewer assessments, enabling subsequent discussion to focus immediately on areas of reviewer variance.

FIGURE 1 – VENDOR PERFORMANCE CRITERIA

Relevance to Requirements	Qualifications of the Vendor	Proposed Approach and Methodology
1. Understanding of the vision and purpose of this program	5. Formal education qualifications	9. Approach to the implementation process
2. Understanding of the background situation leading up to the issues addressed by the engagement	6. Directly related working experience	10. Project management
3. Understanding of the needs and objectives of the program	7. Specific experience and skills	11. Communications plan
4. Understanding of the project's expected outcomes, results and deliverables	8. Experience of working in smaller communities	

FIGURE 2 – EXAMPLE OF A LANGUAGE LADDER STATEMENT
Criterion 1 – Understanding of the Vision and Purpose of this Program

This vendor's response shows a limited understanding of the vision. and purpose of the program	A
This vendor's response shows a good understanding of the vision and purpose of the program	B
This vendor's response shows an excellent understanding of the vision and purpose of the program	C
This vendor's response shows an excellent understanding of the vision and purpose of the program **and, in addition,** the vendor has provided insight beyond what would normally be expected	D

FIGURE 3 – PROPOSAL ASSESSMENT AND INPUT FORM

Ministry of Management Services — British Columbia

ProGrid® Reviewer Assessment Form

Proposal No:
Project Title: Cross Ministry Work Team Co-ordinators
Project Description: Implementation Facilitation and Sustainability Reporting for Community Based Service Delivery Project (SDP)
Reviewer Name:

Using the assessment instructions, keep the following in mind when completing this reviewer form:

> In the shaded box of the Assessment Column, enter your assessment letter rating for each of the corresponding performance criteria. Please enter only the letters (**A, B, C** or **D**).
> You may also add a short (15 - 20 word) comment on each performance criteria in the shaded comment box on the far right of each row.
> The Language Ladder™ statements for each performance criteria can be viewed by moving your cursor over the "A - D" box in the appropriate row.
> The "Reviewer's Evaluation" comments boxes are spreadsheet cell; thus, if you want to insert a carriage return in your comments, use "Alt/Enter". If only "Enter" is pressed, the cursor will move out of the comments cell.
> Please do not change any of the proposal information in the boxes above these instructions.
> This form allows you to tab between cells that need to be filled. You may want to check your spelling as the MS "Spell-Check" feature does not work on this form.
> Comments should be constructive and substantive. Please be brief and to the point with your comments.
> Thank You for using this form, your assessment can now be automatically imported into the ProGrid®-SDP database.

Performance Factors	Assessment	Statement Sets	Short (10-15 words) comments on rationale for your assessments:
Relevance to SDP Requirements			
1 - Understanding of vision and purpose of the SDP		A - D	
2 - Understanding of background situation leading up to issues addressed by SDP		A - D	
3 - Understanding of project's needs and objectives		A - D	
4 - Understanding project's expected outcomes, results & deliverables		A - D	
Qualifications of the Proponent			
5 - Education		A - D	
6 - Directly related working experience		A - D	
7 - Specific experience and skills		A - D	
8 - Working in smaller communities		A - D	
Proposed Approach and Methodology			
9 - Approach to implementation and sustainability reporting process		A - D	
10 - Project management		A - D	
11 - Communcations plan		A - D	

In relation to the performance criteria, please give your overall comments on the merits of this proposal for acceptance (100-150 words):

The evaluation team met to discuss the individual proposal assessments. Proposal evaluation reports were projected on the screen in the meeting room. The comparative qualitative assessment listing immediately focused reviewer discussion on those of the 32 proposals ranked highest and those nearest to the cut-off line, from about the 7th to 15th positions (11 were to be chosen). The top part of Figure 4 shows where reviewer rankings for individual performance criteria varied, facilitating discussion. As a result, in a small number of cases, reviewer rankings were changed in the meeting and the effects of the changes were immediately projected on the screen.

Chart 1 of Figure 4 shows how the reviewers ranked a single proposal – the ranking of each reviewer, the reviewer average, and the vendor's ranking. In this case, the vendor's ranking exceeded those of the reviewers. In Chart 2, this proposal is compared with all the other proposals on a grid showing it ranked overall in the middle. Chart 3 compares the reviewer and self-assessment rankings for each of the 11 performance criteria, showing how the reviewers saw the vendor proposal in respect of each criterion, and how their view compared with the vendor's self-assessment.

Following the short meeting, the reviewers selected the 11 most highly ranked vendor proposals and assigned them to the communities where the work was required. The review team then checked the references of the successful vendors and contracts were put in place. Had the references been unsatisfactory, the next highest ranked vendors from the list would have been substituted.

Evaluating the price

Obviously price is important, but if a vendor cannot explicitly meet the ministry's qualitative requirements, a contract should not be awarded to the vendor at any price.

FIGURE 4 – PROPOSAL EVALUATION REPORT

Analysis of Reviewer's Ratings:

The following table provides the statement set selections made by the Reviewers.

		Performance Factor												
		1	2	3	4	5	6	7	8	9	10	11		
Reviewer 1		C	C	B	C	D	B	D	C	C	B	B		
Reviewer 2		B	B	C	B	D	B	D	C	C	B	B		
Reviewer 3		B	B	B	A	D	B	D	C	C	B	B		
Reviewer 4		B	A	A	A	D	B	D	C	D	B	C		
Reviewer Ave.		42%	34%	34%	27%	100%	33%	100%	67%	75%	33%	42%		

The flags below are based on the standard deviation of the reviewers' ratings and whether all performance factors were assessed.

Standard Deviation Flag		*	***	***	***	*	*	*	*	*	*	*	*	*

The Flags below are based on the Reviewers not assessing one or more performance factors

Reviewer Score														

Reviewers Standard Deviation Flags:
- **** Variation is unusually high
- *** Variation is beyond what would normally be desired and should be discussed further.
- ** Variation is within normal expectations and would not usually require any further attention.
- * A high level of consensus among Reviewers

Missing Score (E) Cautions:
- # One or more of the Reviewers did not record a rating for this performance factor.

Vendor proposals that demonstrably failed to meet the ministry's explicit qualitative requirements were not considered further.

The methodology to evaluate the price asks three questions:

1. Does this vendor meet the buyer's explicit qualitative requirements?
2. Which of the qualified vendors best meets the buyer's requirements?
3. How do the costs of qualified vendors compare with one another?

After the selection decision was made, each vendor, successful or not, received a Vendor Assessment Report. The charts in the report (similar to those in Figure 4) indicated how their proposal was assessed by the reviewers: where their proposal was ranked by comparison with the total population of proposals submitted, how their self assessment compared with the reviewers' assessments; and the reviewers' written comments.

The Vendor Report function indicates the extent to which vendors were successful through self-assessment in matching their clients' requirements in respect of each of the 11 performance criteria specified by the ministry. It provides vendors with valuable performance information, which they may take into account in subsequent proposals.

Process evaluation

The proposal reviewers indicated that:

- It was possible to tune the performance criteria outlined in the RFP precisely to the ministry's explicit requirements. Consequently, vendor proposals were better focused.
- The use of an explicit language-based assessment instead of a point-scoring methodology removed several inherent sources of potential reviewer disagreement.
- The standardized proposal format provided more relevant information, in a package more easily reviewed than the traditional proposal format.
- It took less time to evaluate the proposals. The review process was less demanding, yet at the same time rigorous, disciplined and objective.
- The process resulted in clear and well-documented qualitative differentiations between the vendor proposals.
- The rigour of the process enabled a high degree of confidence in the selection decisions.

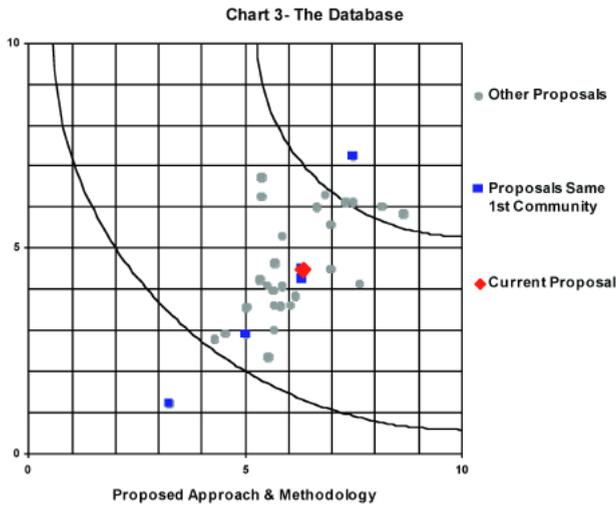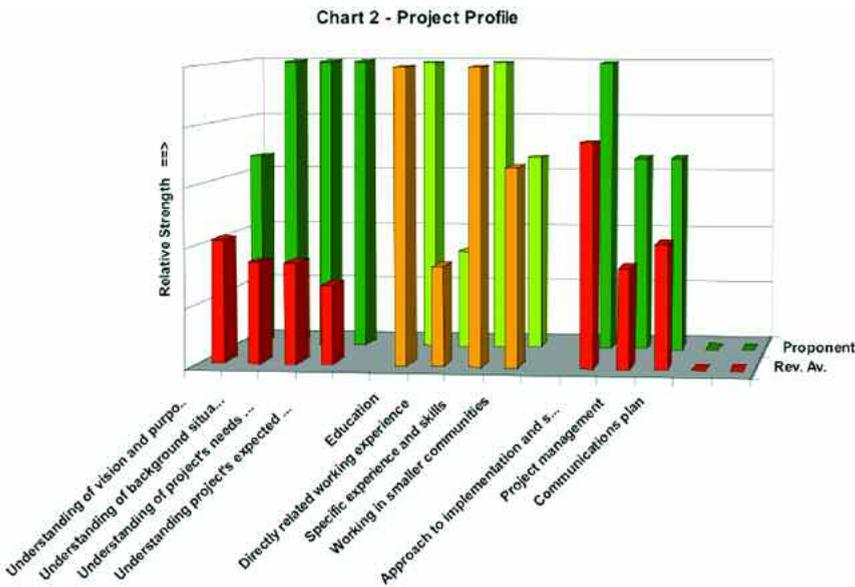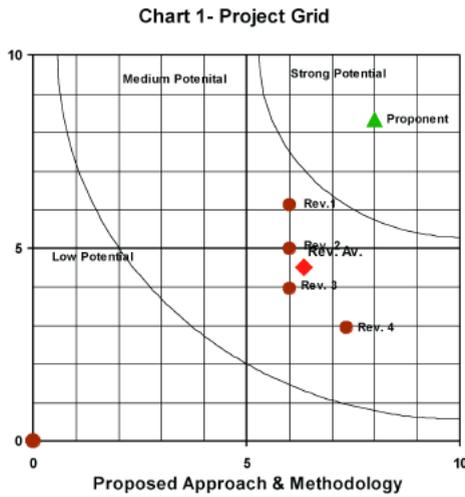The Language Ladder methodology dealt well with the "qualitative" selection criteria, which are especially important in the assessment of services proposals, and typically give proposal reviewers the most headaches. The Vendor Assessment Reports eliminated time-consuming complaints, appeals and de-briefings – no complaints were received.

Ministry proposal reviewers were complimentary to the process saying, "The selection criteria are clear; the vendors focus on providing the specific information we need; and evaluating the proposals is easy and efficient. ProGrid provided a variety of informative reports, a streamlined process, is cost effective and produces great results," and "This new process greatly facilitates the most sensitive and challenging component of services procurement, selecting the winners on the basis of the intangible information contained in the vendor proposals."

A vendor survey, conducted using Web-based *SurveyMonkey* (**www.surveymonkey. com**), showed that the vendors were pleased with the new process and criticism was minimal. Most of the consultants who participated indicated that the ministry's requirements were clear, the proposal writing format process was quick and easy, and the reports they received afterwards were useful. None were discouraged by the new process and

FIGURE 4 – PROPOSAL EVALUATION REPORT (continued from page 6)

Chart 1- Project Grid

Proposed Approach & Methodology

Chart 2 - Project Profile

Chart 3- The Database

Proposed Approach & Methodology

most believed that methodology should result in better vendor selection decisions.

This pilot clearly demonstrated the effectiveness of the ProGrid Language Ladder methodology. The ministry successfully completed a complex and sensitive procurement process for the engagement of 11 consultants in 11 different communities with a single RFP and evaluation process. It also succeeded in awarding the contracts almost exclusively on the basis of the vendors' ability to meet the ministry's *explicit qualitative requirements*, rather than price. It demonstrated that by using ProGrid's Language Ladder approach, the important qualitative characteristics (understanding, skills, knowledge, experience, etc.) of a vendor proposal could be assessed easily, rigorously and objectively. Price was appropriately taken into account only after the qualitative requirements were addressed. The procurement process was more disciplined, objective, effective and efficient; increased accountability to the vendors through the simple proposal format and the vendor reporting process; and produced a fully defensible and auditable result. As well, the savings in staff time and costs represents a potentially significant benefit to the program manager and program managers, and vendors have more time to get on with their jobs. ᗰᗰ

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[1] The client identified 11 performance criteria for the matrix. Some clients find it convenient to use fewer criterions, especially after their first experience with the methodology.

[2] Although this "self assessment" is not used in the proposal evaluation process, experience shows that vendors are usually quite realistic in their assessments and generally mark themselves quite close to the evaluators' assessments. The difference in the assessments provides the basis for the Vendor Assessment Report, which compares the vendor's self-assessment with that of the proposal evaluation team. This tells the vendor *why* the proposal was accepted or not and usually eliminates the time-consuming and potentially expensive vendor debriefing process.

Chris Jones is a Fellow of the Canadian Association of Management Consultants, President of FORUM Consulting Group Ltd. and a Partner in FORUM Decision Systems, both of Victoria, BC. He teaches management consulting and business research courses in the MBA program at Royal Roads University, and is former Chair of the External Advisory Committee to the School of Public Administration, University of Victoria. He has over 20 years' experience in responding to, and writing, government RFPs. He can be reached at forum@acn-canada.net.