

A person in a blue suit is holding a newspaper and a brown leather briefcase. The newspaper has the word "BUSINESS" at the top and a headline that reads "\$3 trillion of 'over-borrowing' risks new glo...". The background is a blurred office setting with a desk, a potted plant, and a printer.

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RFP Proposal Evaluation Best Practices: Cost Models, Upset Levels, Audit Trail, Transparency, Consensus versus Individual Scoring, Process Flexibility

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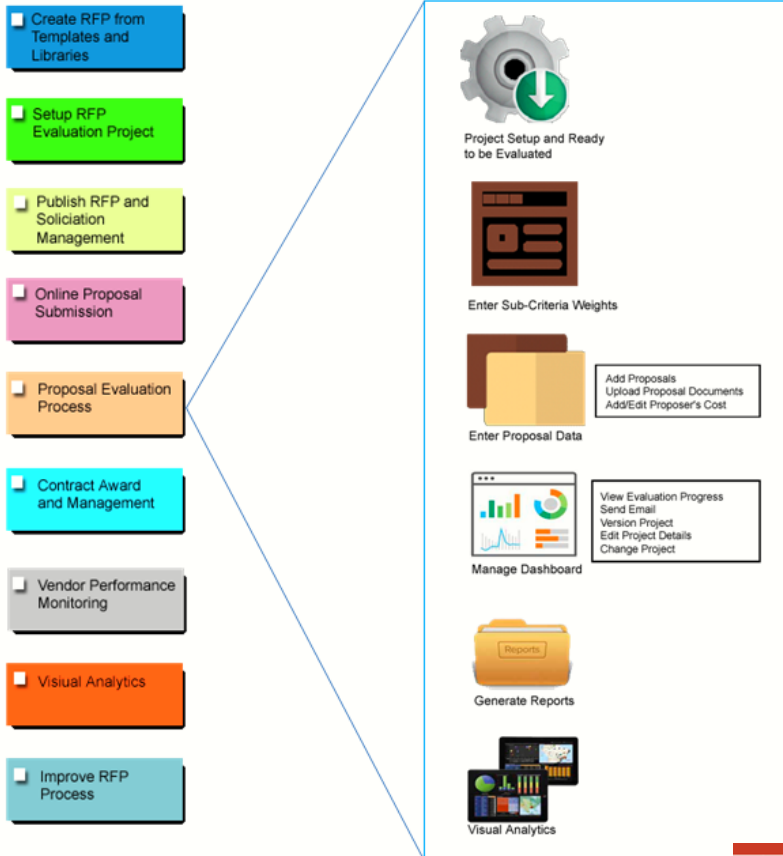
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1

Best value Procurement Process – RFP Evaluation

15 min

In this section we discuss interactively and through handouts current state of the art Proposal Evaluation Process and Best Value Procurement Process



In this section we discuss interactively and through handouts the concepts of cost model and scenarios when you can apply these models for best value procurement

1. Competitive Range Analysis
2. Least Cost Evaluation
3. Greatest Benefit for Dollar Cost
4. Cost as an Evaluation Category
5. Self-Adjusting Cost Evaluation
6. Cost as a Subjective Criteria
7. Revenue as an Evaluation Category

3 Handling Cost Outliers

15 min

In this section we discuss interactively and through handouts how to handle cost outliers in best value procurement without compromising transparency and audit trail

Vendors	Cost	Cost Score	How Calculated
Almost free Inc.	\$60,000 (lowest)	4.0	100% of highest score (=4.0)
ABC Inc.	\$200,000	0.0	$4.0 - \left(\frac{200,000 - 60,000}{60,000} \times 4.0 \right) = -5.33 \rightarrow 0$
XYZ Inc.	\$240,000	0.0	$4.0 - \left(\frac{240,000 - 60,000}{60,000} \times 4.0 \right) = -8.0 \rightarrow 0$
MNO Corp	\$400,000	0.0	$4.0 - \left(\frac{400,000 - 60,000}{200,000} \times 4.0 \right) = -18.66 \rightarrow 0$
LSA Const.	\$500,000	0.0	$4.0 - \left(\frac{500,000 - 60,000}{30,000} \times 4.0 \right) = -25.33 \rightarrow 0$

Vendors	Cost	Score: $4 - \left(\frac{\text{Cost} - 117K}{\text{range}} \right) \times 4$	Score
Almost free Inc.	\$60,000 (lowest)	$4 - \left(\frac{60 - 117}{326} \right) \times 4 = 4.70 \rightarrow 4$	4.00
ABC Inc.	\$200,000	$4 - \left(\frac{200 - 117}{326} \right) \times 4 = 2.98$	2.98
XYZ Inc.	\$240,000	$4 - \left(\frac{240 - 117}{326} \right) \times 4 = 2.49$	2.49
MNO Corp	\$400,000	$4 - \left(\frac{400 - 117}{326} \right) \times 4 = 0.53$	0.53
LSA Construction	\$500,000	$4 - \left(\frac{500 - 117}{326} \right) \times 4 = -0.70 \rightarrow 0$	0.00


4

Upset Levels

5 min

In this section we discuss interactively and through handouts the concept of upset levels and how it can mitigate risk in best value procurement

How do you bring transparency in RFP evaluation process? What methodologies and tools are available for Individual Scoring versus Consensus Scoring? How can the new technology Blockchain help?


RFP Evaluation System
Written Proposal Evaluation Executive Report
Date: 1/10/2018 Time: 7:02:20 PM

Project Name: CLMP3NEW Staff Augmentation Services for Electric Distribution

CRITERIA	TEAMS STRUCTURE	TEAMS PROJECT APPROACH	TEAMS EXPERIENCE	EXPERIENCE OF PROJECT MANAGER (past 10 Years)	EXPERIENCE OF PROJECT PRINCIPAL (past 10 Years)	PRIME FIRMS COMPARABLE PROJECT EXPERIENCE (past 10 years)	MAJOR SCORES OF WORK - COMPARABLE PROJECT EXPERIENCE (past 10 years)	EXPERIENCE WITH PRIME FIRMS (past 5 years)	Total Score
CRITERIA TYPE	Team Issues	Team Issues	Team Issues	Experience	Experience	Experience	Experience	Experience	
WEIGHT%	10.00	20.00	10.00	15.00	15.00	5.00	15.00	10.00	100.00
Proposal13	9.66	18.68	9.26	14.46	8.81	14.40	14.43	9.60	94.20
Evaluator 1	9.80	19.60	9.70	14.10	4.75	14.40	14.55	9.80	98.80
Evaluator 2	9.50	19.20	9.40	14.25	4.70	14.70	14.55	9.40	93.30
Evaluator 3	7.80	17.20	8.20	14.85	4.90	14.25	14.70	10.00	91.80
Evaluator 4	9.20	18.60	9.50	14.25	4.80	14.10	13.95		
Evaluator 5	9.30	18.80	9.50	14.85	4.90	14.55	14.40		
Proposal14	8.70	17.16	8.60	13.85	8.25	12.93	13.11		
Evaluator 1	8.40	17.00	8.60	13.75	4.40	13.65	12.90		
Evaluator 2	9.40	17.00	8.20	13.05	4.15	12.75	13.20		
Evaluator 3	9.00	17.80	8.80	13.35	4.50	13.20	13.35		
Evaluator 4	9.00	18.40	9.50	13.50	4.15	13.35	13.65		
Evaluator 5	7.70	15.40	7.80	12.00	4.05	12.30	12.45		
Proposal11	9.62	18.80	9.60	13.48	8.62	13.83	13.71		
Evaluator 1	9.40	18.80	9.30	13.65	4.60	13.95	14.10		
Evaluator 2	8.30	19.00	9.00	14.10	4.80	13.95	13.65		
Evaluator 3	9.50	17.80	9.20	13.65	4.75	14.40	14.25		
Evaluator 4	8.90	18.60	8.70	13.70	4.45	13.35	13.50		
Evaluator 5	9.00	17.80	8.80	13.65	4.65	13.50	13.05		
Proposal12	8.88	17.40	8.68	13.38	8.68	13.38	13.41		
Evaluator 1	8.50	18.80	8.30	13.60	4.30	12.60	12.90		
Evaluator 2	8.50	17.60	8.70	13.10		13.20	13.35		
Evaluator 3	9.50	18.40	9.10	14.25		14.25	13.80		
Evaluator 4	9.40	18.60	9.00	13.95		13.95	13.95		
Evaluator 5	8.10	16.40	8.30	13.10		12.90	13.05		
Proposal1	9.36	18.76	9.54	14.40	8.88	14.43	14.25	9.58	94.84
Evaluator 1	9.10	19.40	9.30	14.10	4.50	14.40	14.55	9.80	96.40
Evaluator 2	9.50	18.00	9.50	14.10		14.10	13.80	9.30	93.05
Evaluator 3	8.60	18.80	9.50	13.10		14.10	14.10	9.70	93.25
Evaluator 4	9.60	18.80	9.50	14.10		14.55	14.20	9.50	94.45
Evaluator 5	10.00	19.80	9.80	14.10		15.00	14.70	9.00	99.05

Evaluator Detailed Score and Comments.

One of the many reports the system generates.

Project: 0000000011 - CLMP3NEW Staff Augmentation Services for Electric Distribution

Criteria Type: Team Issues

Criteria: TEAMS STRUCTURE

EXPERIENCE SCORES | << PREV | NEXT >>

Score: 10

Evaluator: Evaluator 1

Comment: Evaluation Team can enter comments to support their scores

Score: 10

Evaluator: Evaluator 4

Comment: Team structure is great

Score: 10

Evaluator: Evaluator 1

Comment: Team structure is great

Score: 10

Evaluator: Evaluator 3

Comment: Meeting 100 from exp. client

Score: 11

Evaluator: Evaluator 2

Comment: This is a test

View Statistical Report | View Proposal Exec. Summary Report

6

**RFP Evaluation Process
Flexibility with Libraries and
Templates**

10 min

How can you evaluate proposals at lightening speed without errors? We discuss the concept of Blockchain based modern proposal evaluation tools. You do not need to change your evaluation process to adopt any software. Blockchain based libraries and templates provide higher quality and productivity in Best Value Procurement. Leap forward with Blockchain technology used by Microsoft, IBM, Google, Apple, and Amazon.



Immutable
Transactions
Provide
Genuine
Transparency



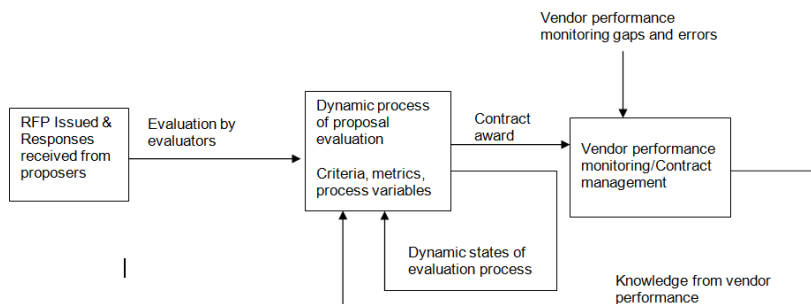
Cryptography
guaranteed
Trustworthy
Ledger of
Transactions
provide Audit
Trail

7

Audit Trail, Transparency, Group Decision Support with Blockchain, Artificial Intelligence and Data Analytics

10 min

How can you guarantee audit trail and transparency? In this section you learn how the concepts of artificial intelligence and data/visual analytics are helping us obtain much higher level value in procurement while mitigating risk. How can you improve the proposal evaluation process over time to reduce cost and risk?



8

Q&A

Open

We will spend ample time to answer questions and make sure you have the current tools, methodologies, and knowledge to pursue best value procurement. Leap forward to reduce cost, mitigate risk, augment productivity, and obtain best value through optimization.