

The Fine Art of an Effective Request for Proposals

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Second in a series of articles about the selection of a food service contractor.

Selecting the right company to operate your company or campus dining service is difficult under the best of circumstances. The chances of picking the wrong company are heightened if your Request for Proposals isn't clear, factual and specific.

The first thing your RFP recipients will look for is a timetable – date of the pre-proposal conference; dates when their survey teams may visit your site; when questions may be submitted and the date and time when proposals are due. Put this information on the first page of the RFP.

RFP Format

A competent RFP will include:

Introduction: An invitation to submit a proposal; brief background of your organization; your objectives in issuing the RFP and the above-mentioned process schedule.

Present Operation: Information about the current dining service and any ancillary services (vending, office coffee, retail shop), hours of operation, catering services, current price lists, dining facilities and the like. Also include population data and any limiting factors, such as your policy about employees working from home or flex hours, which may affect the dining service.

It's helpful to group data in tables in an appendix and include a floor plan of your dining facilities.

Operating Requirements: Describe standards, procedures, contractor's management responsibilities, care of equipment and facilities and similar expectations, especially if you want to change your current operating system.

You also should state your staffing requirements, including your position regarding current hourly employees. (If you wish to have current employees retained at their current wage rates and benefits, a staffing schedule with weekly hours, hourly pay rate and details of the benefit package should be included in the appendix.)

Contractual Requirements: State the form of contract you want, responsibilities of each party, financial arrangements, reporting responsibilities and legal terms.

Proposal Format

Proposal Format: Provide a format for proposals, including an itemized list of areas that proposers should address in a specific order.

This is important so that you can readily compare proposers' offers. Each company has its own proposal format, and they're all different. Comparing features and benefits can be confusing.

Financial Projections and Offers: Require proposers to submit the details supporting their pro forma financial projections – estimated customer counts or meal plan participation rates; average sales per customer; basis of food cost; staffing schedules, and operating expenses.

Conference and Schedule

Plan on holding a mandatory meeting for all proposers, where you can explain the purpose of the RFP process and procedures, and answer proposers' questions. It's a good idea to include a tour of the dining facilities.

Schedule return visits for proposers to spend a day on a “site survey” during the proposal preparation period. Invite them to submit questions via e-mail, and send the questions and your responses to all proposers, also by e-mail.

Plan your pre-proposal conference for 10 days to two weeks after the date the RFP is issued. This gives companies time to schedule their key people to attend. Allow about 30 days from the date of the conference for delivery of proposals. A shorter time may mean proposals are put together hastily and may not be well thought through.

The next article in this series will discuss proposal evaluations and selection of finalists.

Clarion helps colleges and companies to plan RFPs, manage the selection process and negotiate an equitable contract. For information, contact Tom Mac Dermott, 603/642-8011 or Angela Phelan, 973/544-6223 or e-mail us at info@clariongp.com.