

**THE
PROPOSAL
PROCESS**

**WILL RYALS
A&WSI PROPOSAL MANAGER**

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THE PROPOSAL PROCESS

objectives

- **Provide an overview of proposals**
- **Help you understand the proposal process and where you can help**
- **Encourage you to be on the team**

THE PROPOSAL PROCESS

proposals

Definition:

an offer to supply a product and/or service

Function:

sell the managerial, technical, and manufacturing capabilities we have to carry out the work at a competitive cost within schedule constraints

- **Appropriate solution to a problem or the ability to provide a solution**
- **Effective organization**
- **Qualified personnel**
- **Adequate facilities**

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proposals

Proposals are the most important company activity.

- **Secure contracts**

- **Affect company image / reputation, which is based on**
 - Product quality**
 - Personal representation**
 - ** **Written material**
 - ** **Supportable pricing**

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proposals

Types of Proposals

	Non-competitive	Competitive
SOW / SPEC Involvement	Help develop	May / may not provide inputs May / may not see prior to RFP
Customer Contact	Continuous	Greatly restricted
Technical Approach	Agreed to by customer prior to submittal	Closely guarded - may get some feedback from customer
Competitive Analysis	None	Extensive analysis to determine competitors' - likely technical approach - probable rates / factors / price
Strategy Development	Generally limited to - keeping program sold - maximizing follow-on sole-source business	Major emphasis is on winning contract over competitors - involves analyzing our strengths and weaknesses.
Pricing	Full-up detail pricing data	- Cost data closely controlled - Final price established by management council / corporate - Amount of data varies from top numbers only to full-up detail

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proposals

Competitive Proposals

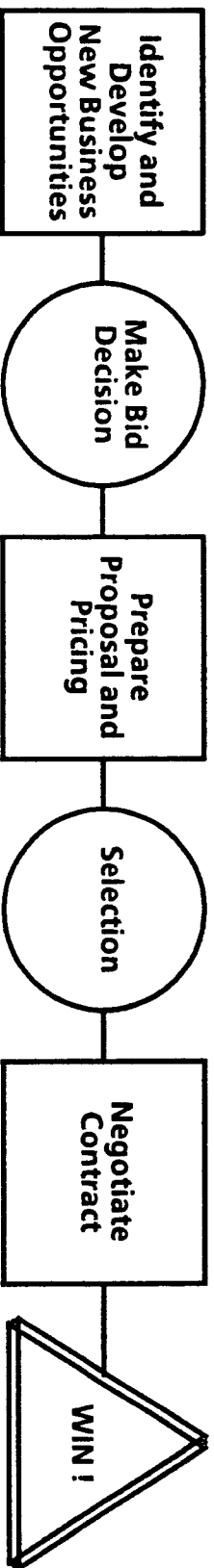
- **Are becoming a way of life**

- **Require**
 - **Effective marketing**
 - **Responsive designs**
 - **Well-prepared proposals**
 - **Low price**

THE PROPOSAL PROCESS

overview

Proposal Development Overview



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Overview

Initial steps include

- Search for new business
- Analyze and evaluate possibilities
- Select your best opportunities
- Make preliminary bid decision
- Dedicate resources and plan acquisitions
- Analyze requirements of potential contracts / business
- Develop project baselines
- Establish R&D programs
- Establish project organizations

Identify and
Develop
New Business
Opportunities

Engineering Role:

- Nurture good customer relations through current contract work meetings and test activities
- Analyze and evaluate technical scope of new opportunities
- Develop new technology and continue to upgrade BMA's experience base

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overview

Formal bid decision is

- Made by top management
- Based on major factors
 - Availability of resources
 - Budget
 - Technical expertise and experience

Risk

Probability of winning



Engineering Role:

- | |
|--|
| <ul style="list-style-type: none">● Present accurate data / inputs to management |
|--|

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overview

Proposal preparation stage

- Is initiated by RFP (from government) or RFE (internally)
- Operates with a task force atmosphere and organization
- Accomplishes many functional activities in a short amount of time
 - Engineering Work Statement generation Design work Estimating
 - Program Planning and Control
 - Manufacturing
 - Logistics
 - Quality Assurance

Prepare
Proposal and
Pricing

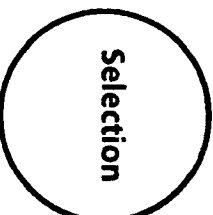
Engineering Role:

- Become dedicated team members
- Prepare detailed work statements, responsive designs and realistic estimates

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overview

Competitive Selection Processes



- Two-step
 1. Technical gate
 2. Lowest Price
- Lowest Evaluated Price (LEP)
 - Detailed assessment (comparison and ranking)
 - Winner has highest total weighted score based on evaluation criteria
- Source Selection Authority
 - Evaluation panel makes recommendations
 - Source selection authority makes final decision

<u>RFP Evaluation Criteria</u>	<u>Possible Points</u>
Technical Approach	35
Cost (total LCC)	30
Logistics Support	20
Management Structure	<u>15</u>
	100

Engineering Role:

- Help the team submit winners

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Overview

Winners

Criteria / Reason for Award	Type of Procurement		
	Major Systems	Subsystems/ Components	R&D
Only Responsive Bidder	5	6	7
Best Technical Approach	43	19	47
Best Management Approach	21	18	14
Related Company Experience	9	8	16
Most Responsive to Schedule	7	18	4
Best Risk Management	4	10	0
Most Reasonable, Realistic Costs	<u>11</u>	<u>21</u>	<u>12</u>
	100%	100%	100%

From Air Force

and Losers

Criteria / Reason for Award	Type of Procurement		
	Major Systems	Subsystems/ Components	R&D
Not Responsive to RFP	12	3	22
Technically Deficient	58	36	41
Inadequate Management Approach	3	21	14
Lack of Related Company Experience	0	0	6
Unresponsive to Schedule	9	16	0
Unacceptable Risk	10	11	0
Unreasonable, Unrealistic Costs	<u>8</u>	<u>13</u>	<u>19</u>
	100%	100%	100%

USAF 1983

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overview

Negotiations complete the process

- Inquiries answered

- Factfinding completed

- Proposal updated

- Best and Final Offer submitted

- Contract finalized

- Budgets allocated

- Work orders released

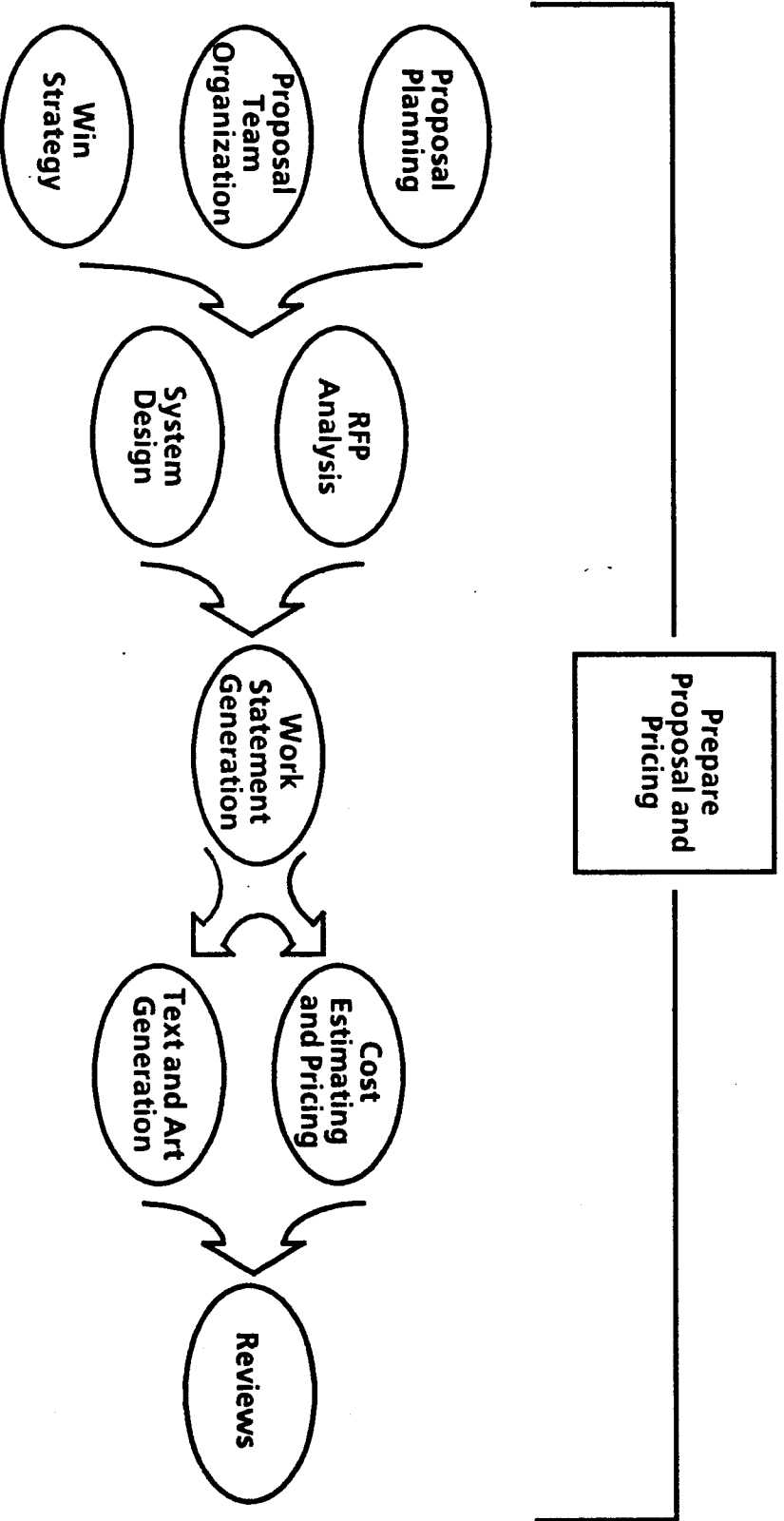
Negotiate
Contract

Engineering Role:

- Support post-submittal activities to ensure contract award

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preparation



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preparation

BLACK BOX LOGIC

- System transforms inputs into outputs
- Those who control inputs, control outputs
- The most likely cause of improper outputs is improper inputs

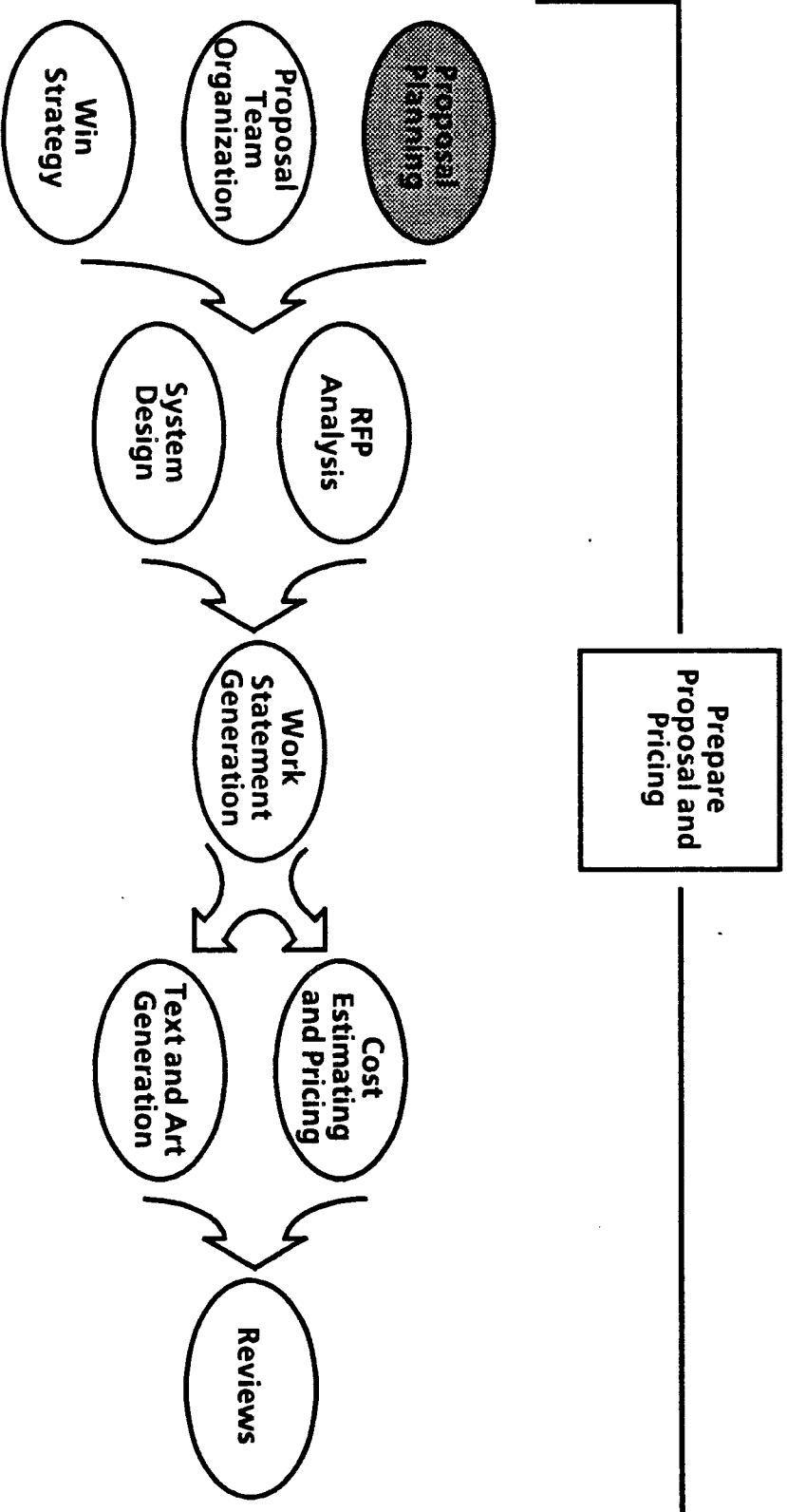


Engineering Role:

- Prepare and control inputs to the system

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Planning includes

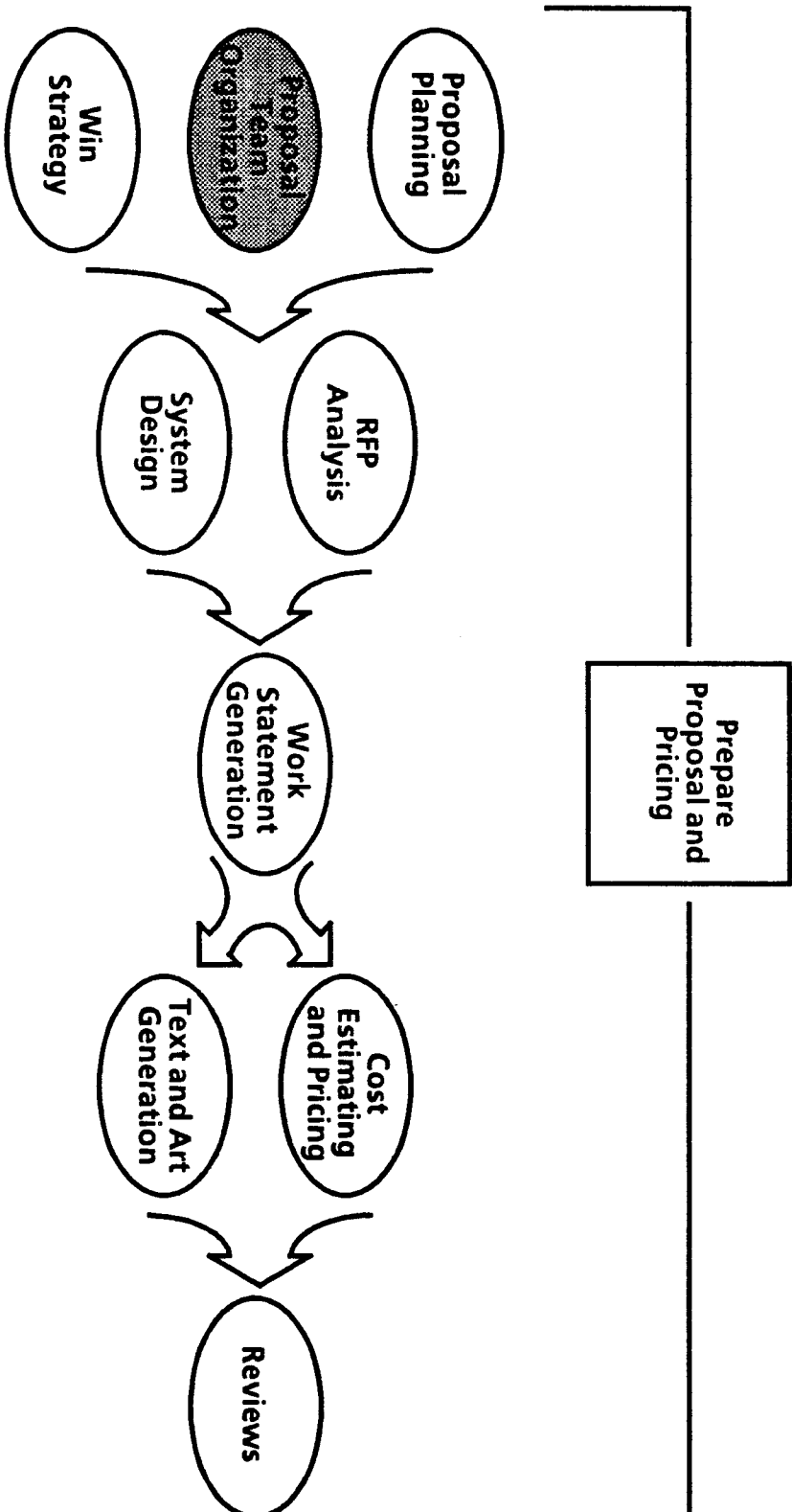
- Schedule
 - 30 to 120 days
 - 60 is most common
 - Size / effort is usually a factor
 - Unpriced / no-cost CCP - approx. 30 days
 - ECP - approx. 60 days
 - New Contracts - 45 days or more
- Budget *MS & Pre-proposal meeting (12/9/25)*
- Preliminary outlines / tasks
- Kick-off meeting *functional progress*

Engineering Role:

- Understand all schedule and budget limitations and work within these
- Develop design schedule and technical / logistics volume schedules
- Identify critical development path

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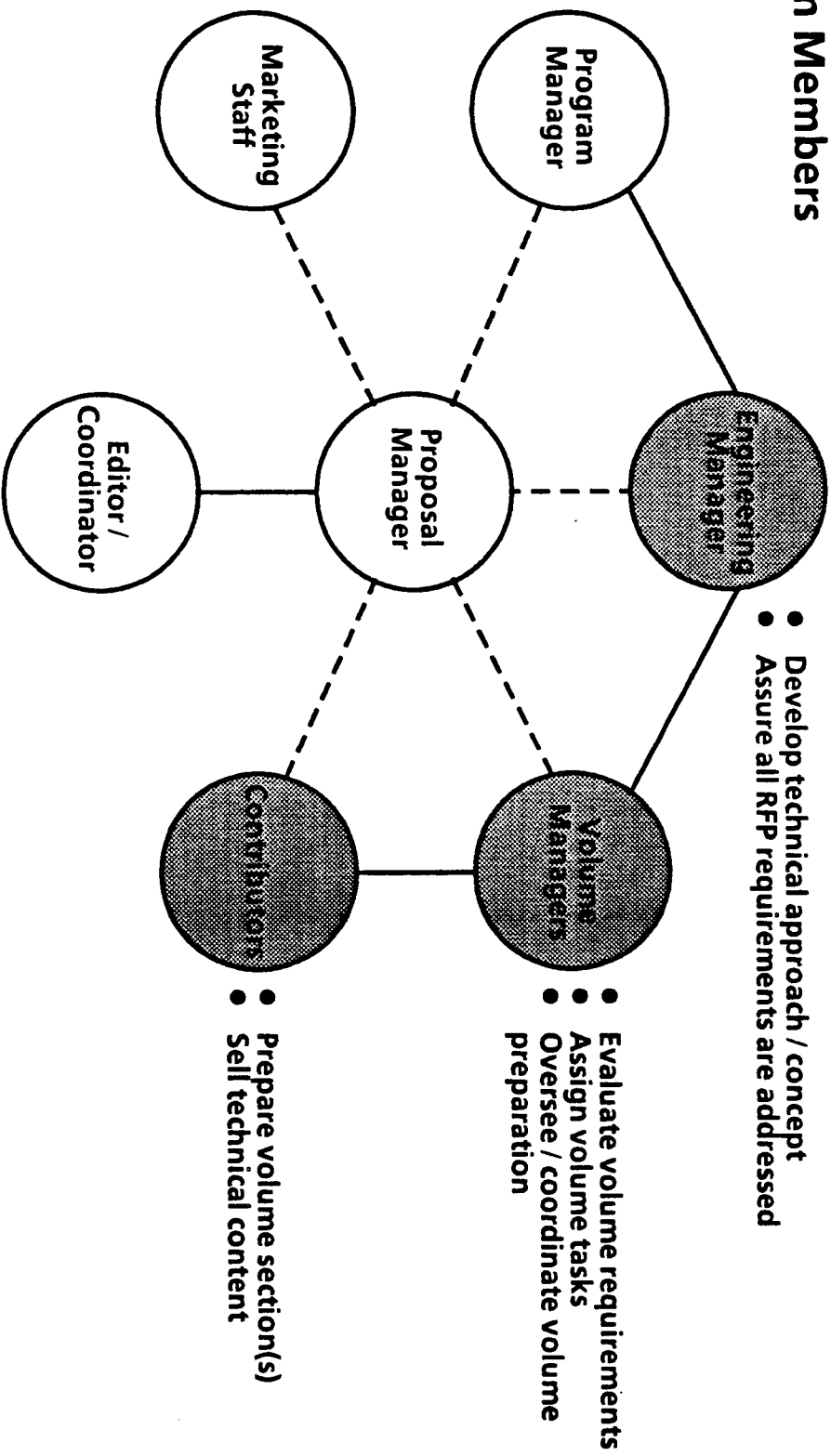
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Team Members

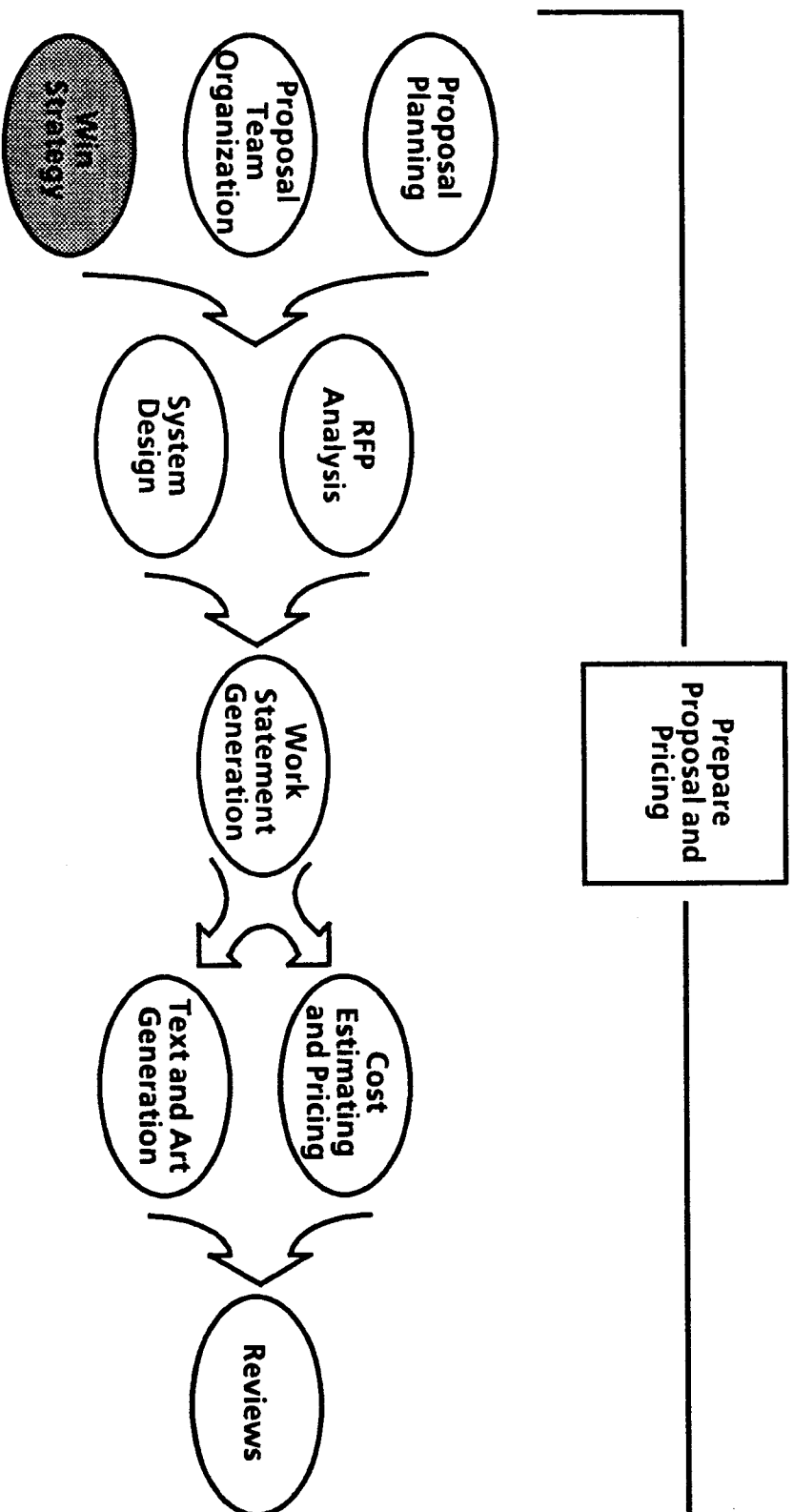


Engineering Role:

- Assign qualified engineers to support the proposal
- Become active team members as managers, leads or contributors

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Strategies

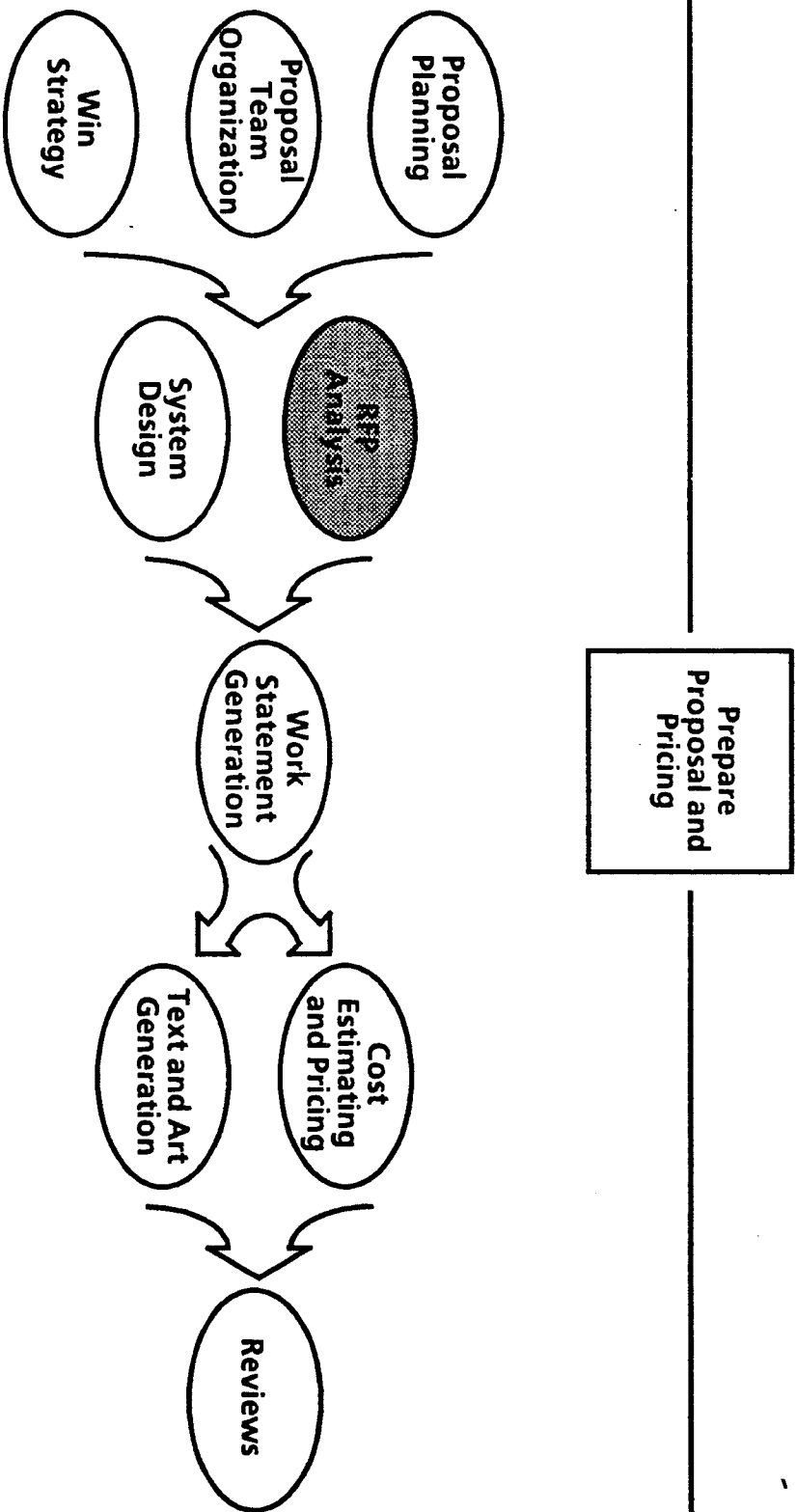
- **Are based on customer needs / concerns**
- **Distinguish BMAC from the competition**
 - **Play up strengths**
 - **Play down weaknesses**
- **Are the basis of a winning approach and proposal**

Engineering Role:

- **Evaluate competitors' technical capabilities, strengths and weaknesses**
- **Develop BMAC's technical strategy**
- **Understand the strategies and carry them through the proposal effort**

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RFP Analysis

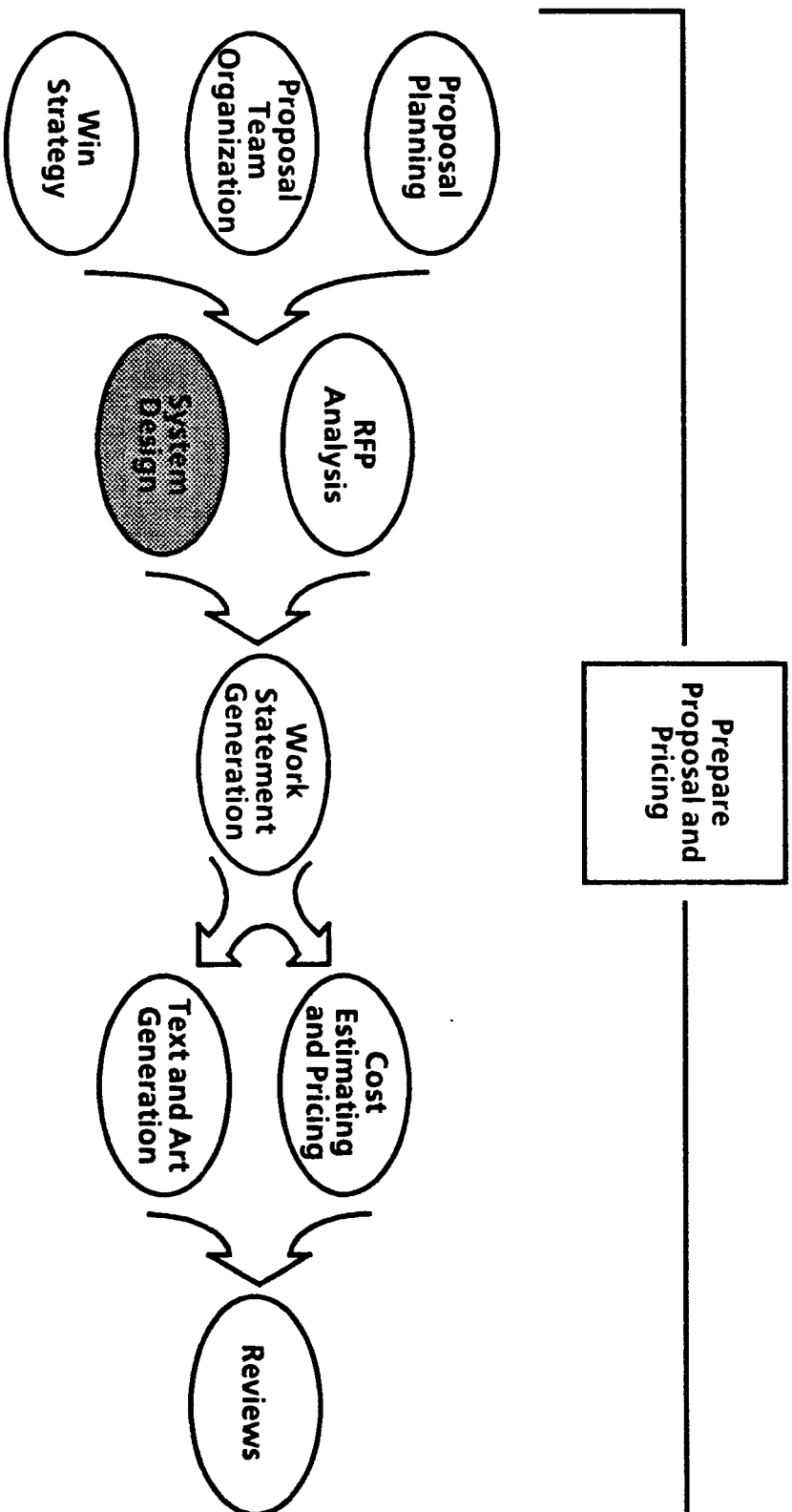
- Involves all requirements in the RFP
 - Proposal Instructions
 - Statement of Work
 - Contract Terms and Conditions
 - Warranties
 - Proprietary Information Restrictions
 - Specifications
 - CDRs
 - Schedules
 - WBS
 - Evaluation Criteria
- Is a key activity because responsiveness is one of the most important evaluation criteria. RFP is used to develop
 - Volume outlines
 - Response matrix
 - Cross-reference to SOW, SPEC and outline
- Is the basis for system design and work statement generation

Engineering Role:

- | |
|---|
| <ul style="list-style-type: none">● Understand all technical requirements and ensure they are met |
|---|

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Technical Design

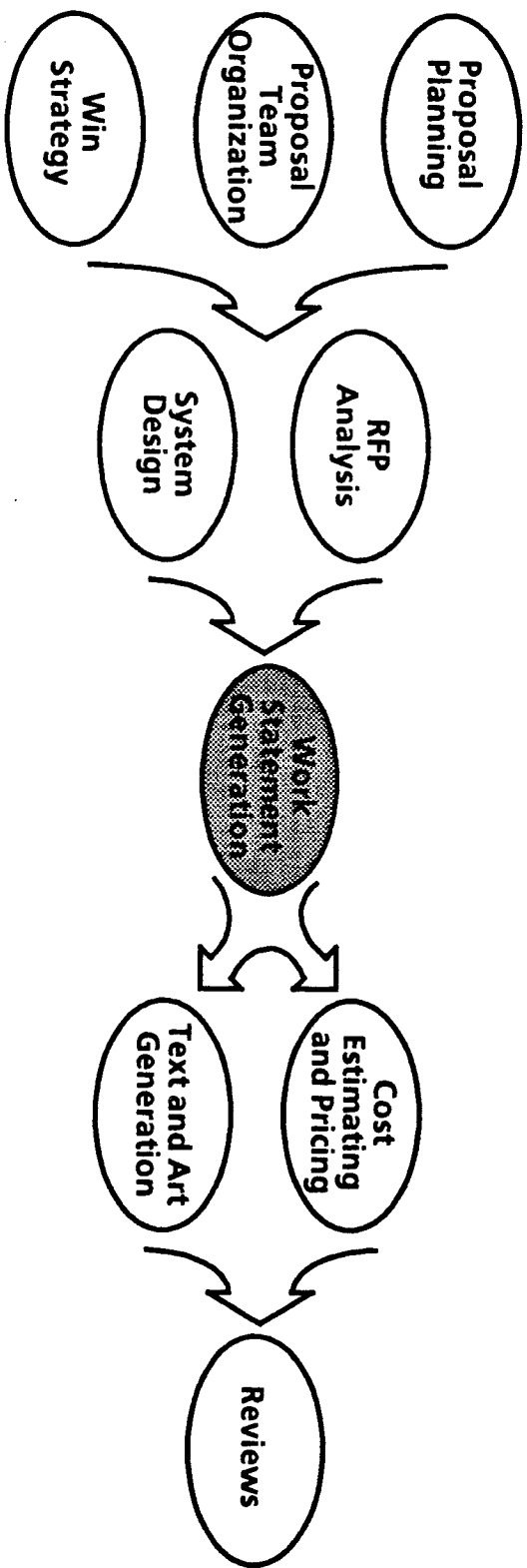
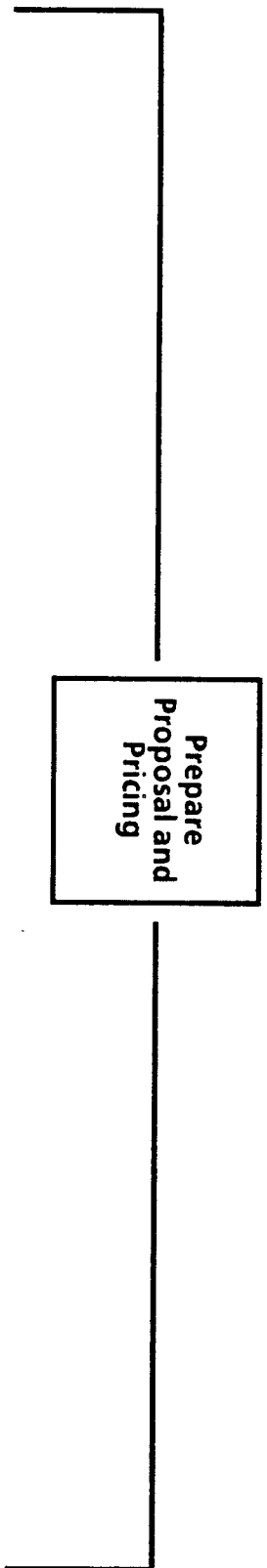
- **Must be responsive**
 - **Overscoping or underscoping is costly**
- **Must be reliable**
- **Must provide a good base for work statements**

<p>Engineering Role:</p>

- | |
|---|
| <ul style="list-style-type: none">● Develop a solid, workable design that is based on requirements |
|---|

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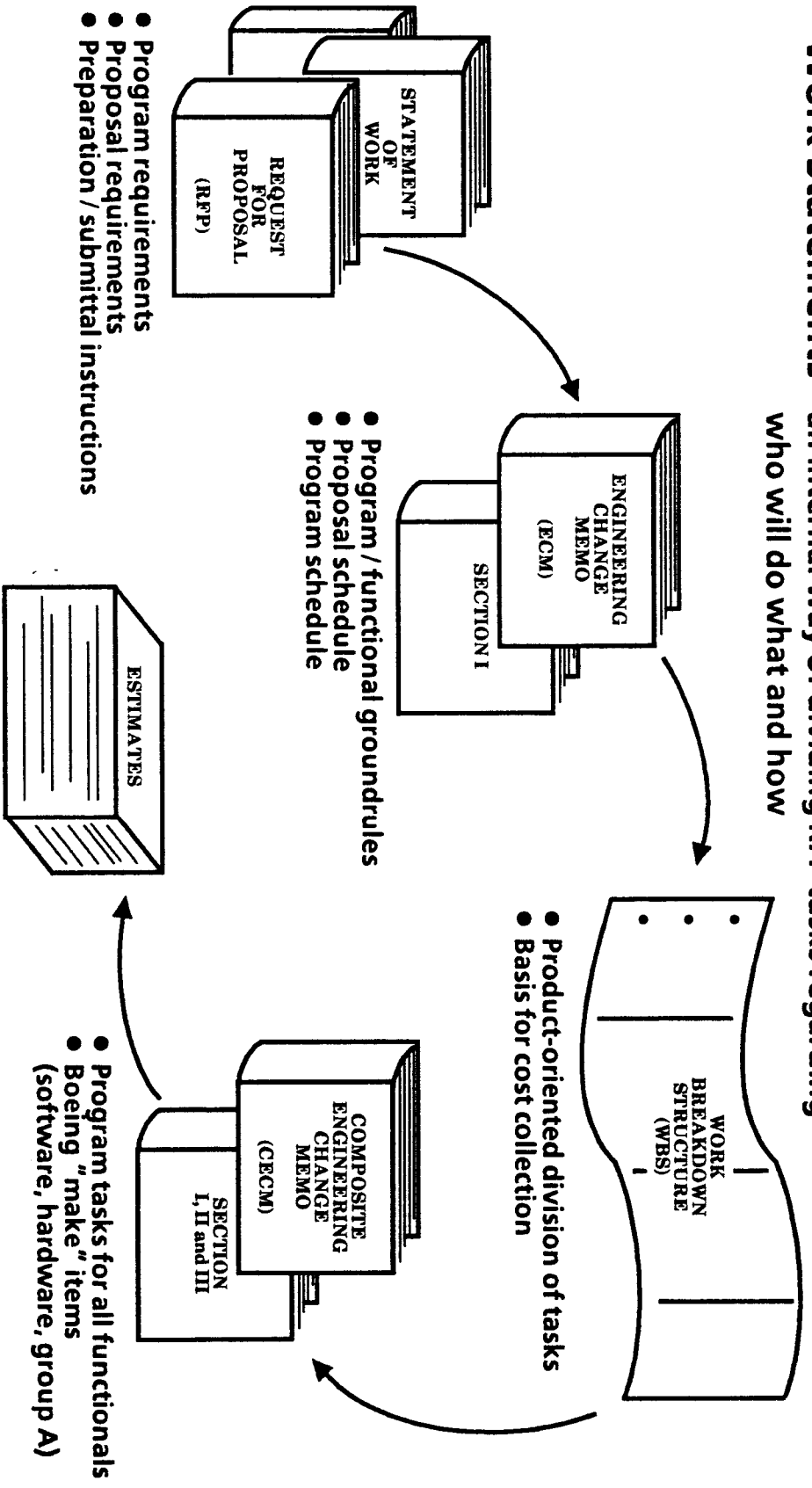
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Work Statements - an internal way of dividing RFP tasks regarding who will do what and how



Engineering Role:

- Prepare, approve and release Engineering Change Memo / Section I, II and III

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Work Breakdown Structure

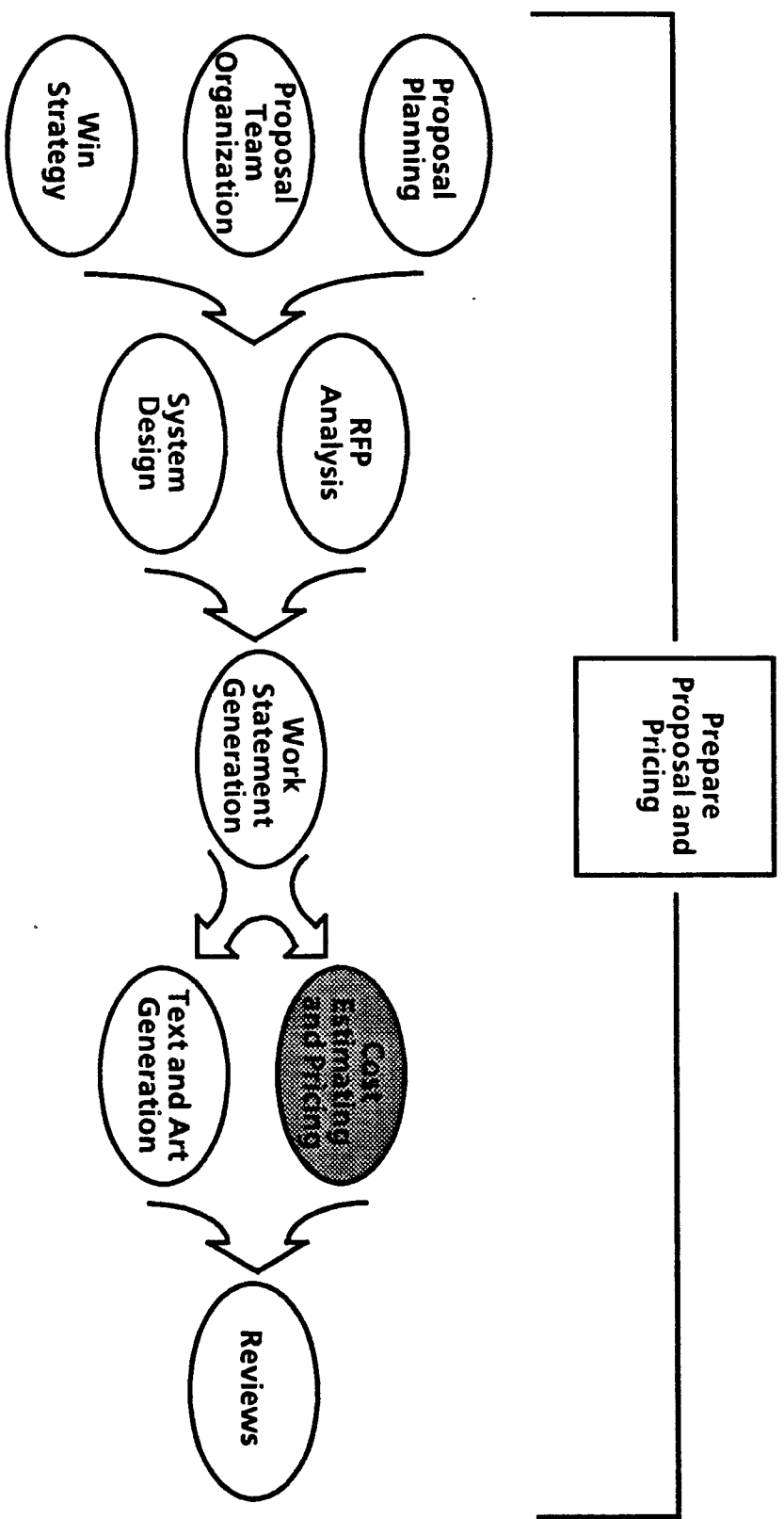
- WBS is a product-oriented family tree division of hardware, software, services, and other work tasks. It organizes, defines and graphically displays the product to be produced, as well as the work necessary to achieve that product.
- Elements are related to work tasks, not organizations. There has been a trend for functional areas to price all their effort in a single WBS element, which
 - Makes the functional estimate unrealistic
 - Destroys the basis for the WBS system
- The WBS structure allows cost collection at the sub-system level (an LRU or a flight software program).

Engineering Role:

- | |
|--|
| <ul style="list-style-type: none">● Understand and comply with the WBS |
|--|

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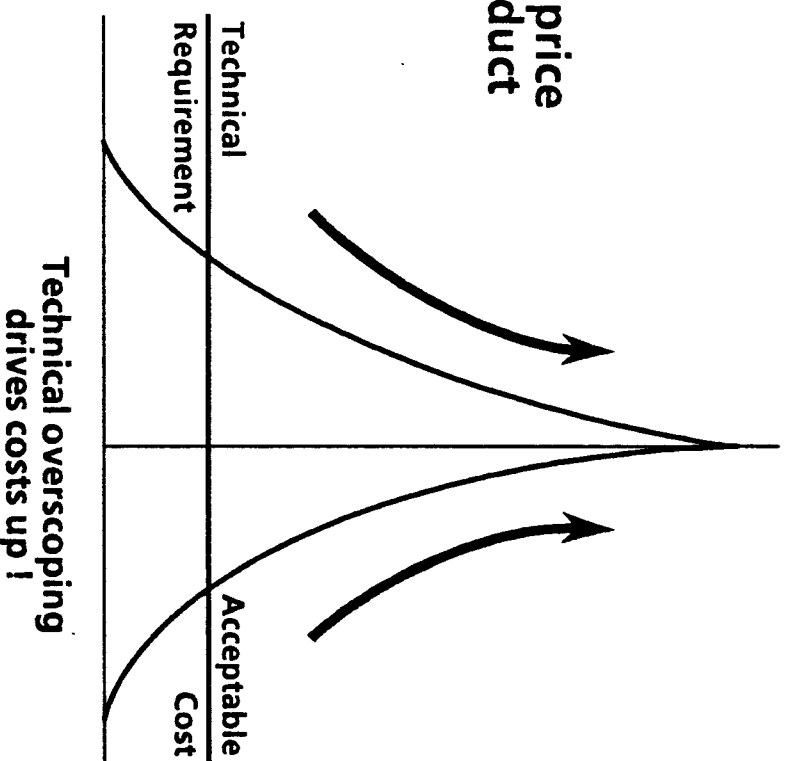


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Estimating

- **Objective**
Develop the most realistic, accurate price possible for Boeing to provide a product and/or service
- **Bases**
 - CECM or Sections I, II, and III
 - Comparisons to similar contracts
 - Data files
 - Cost and non-cost parameters
 - Vendor quotes
- **Categories**
 - Rough Order of Magnitude (ROM)
 - Not-to-Exceed (NTE)
 - Firm Estimate



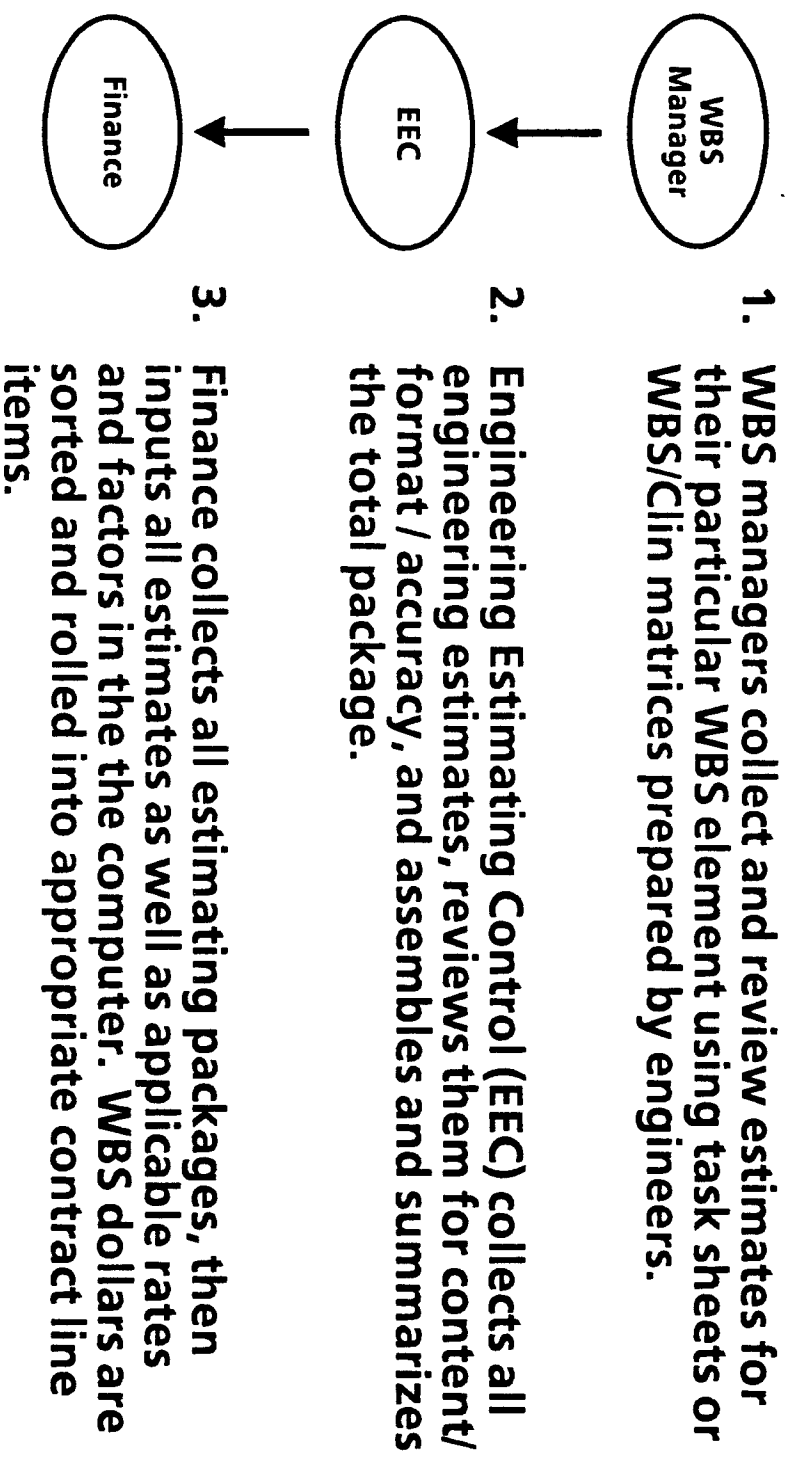
Engineering Role:

- Provide responsive design and realistic estimates to prevent overscoping

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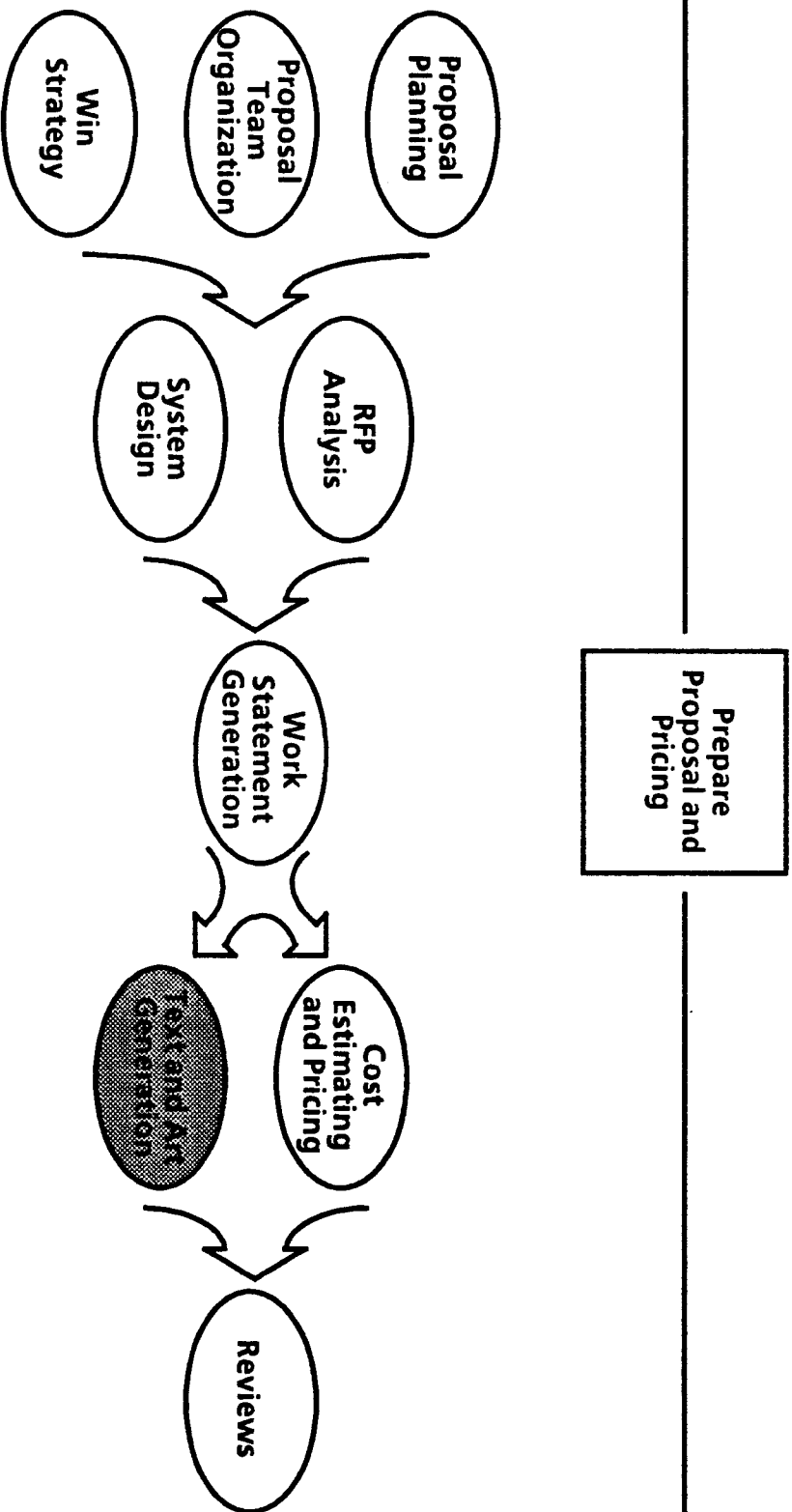
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Estimating flow from Engineering to Finance



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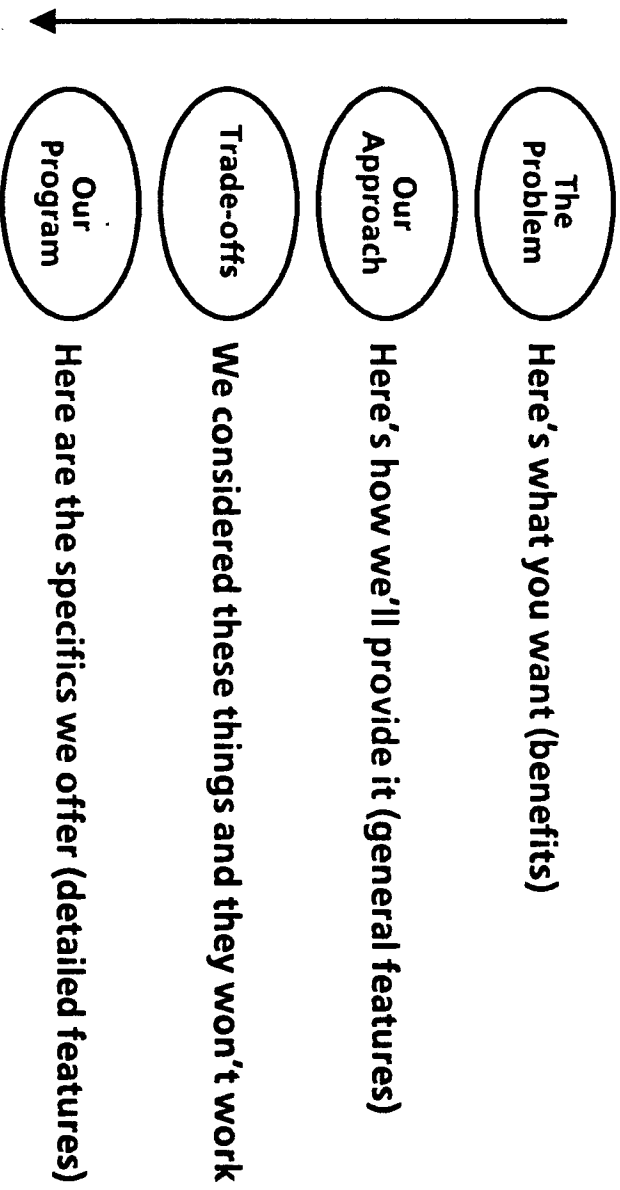
Technical Report ≠ High Scoring Proposal

Technical Report		Proposal
Develop approaches and establish features	<i>Primary Emphasis</i>	Show how features provide benefits to customer - sell the approach
Present analysis and test data that verify performance	<i>Method of Presentation</i>	Use data to substantiate the benefits claimed
Convince reader of performance conclusions	<i>Objective</i>	Convince evaluator benefits are worthwhile
Convey information so reader will accept performance claim	<i>Goal</i>	Sell - convince evaluator to award BMAc the contract

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Proposal writing is more difficult than technical writing; it goes beyond technical information to relate features and benefits.

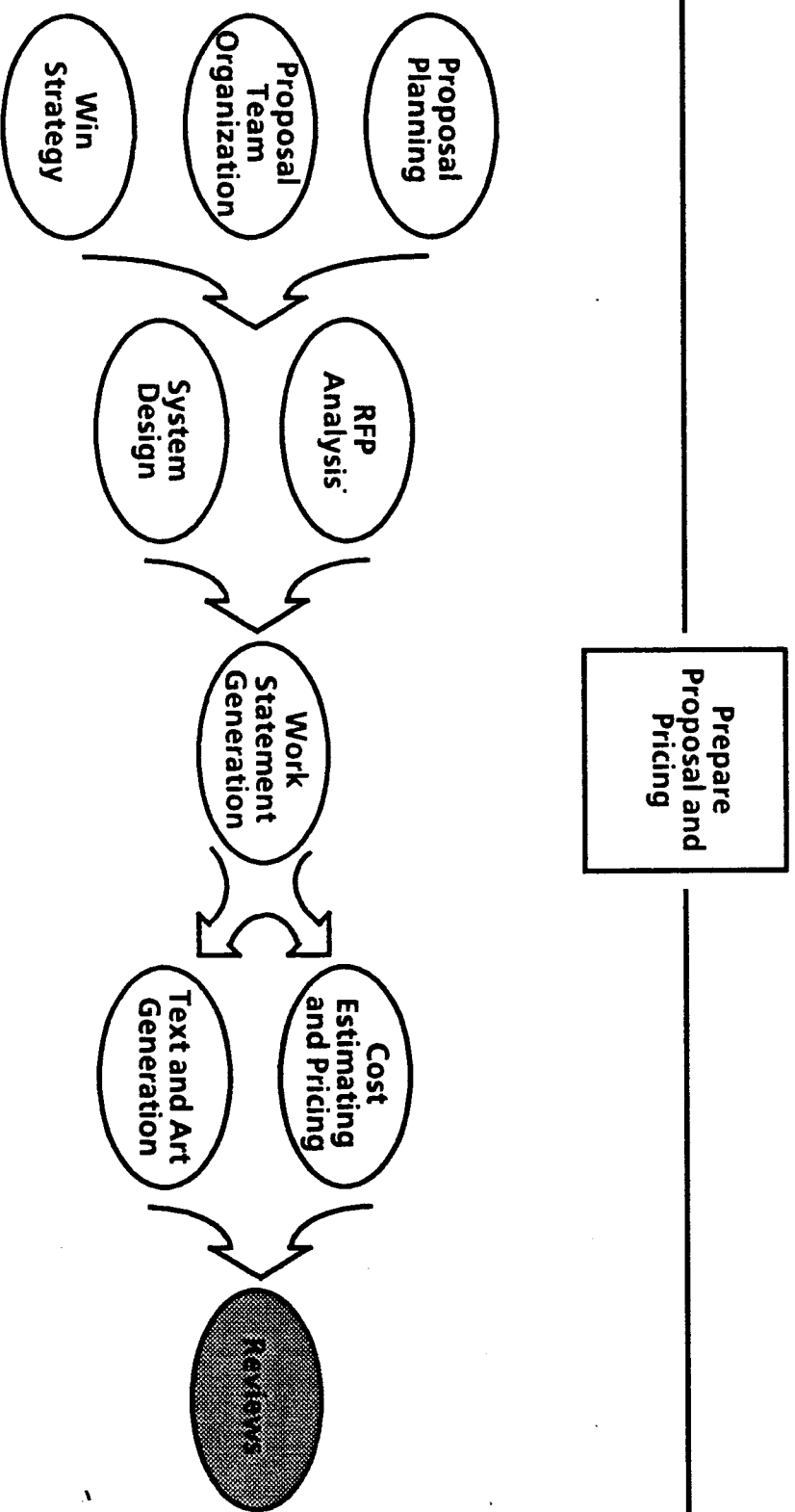


Engineering Role:

- Provide well-written, proposal-style inputs within schedule and page limitations

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BMAC Management Council Review Agenda for Major Proposals

- Background
 - Customer / Key Players
 - Funding Status / Profile
- Competition
 - Strengths / Weaknesses
 - Possible Approach / Price
- RFP Requirements
 - BMAC Win Strategy
 - Type of Contract / Special Provisions
 - Pricing
 - By Major Element
 - By Options / Fiscal Year
 - By Functional Area
 - Should Cost Data / Reconciliations
 - Statement of Work Overview
- BMAC Approach
 - Business Objectives
 - Areas of Concern / Actions / Buy
 - Technical / Schedule / Make or Buy
 - Risk Analysis

Engineering Role:

- Provide accurate, helpful inputs to management for effective reviews

THE PROPOSAL PROCESS

summary

Engineering Responsibilities

- **Perform well on current contracts and R&D projects to nurture good customer relations, expand our experience base, and develop new technology**
- **Understand and support proposal strategy, schedule and budget**
- **Interpret requirements to develop responsive designs and detailed work statements**
- **Provide accurate inputs for proposal sections and management decisions**
- **Provide sound supportable engineering estimates within acceptable costs**
- **Become active team members by supporting all proposal activities and working for a winner**

Engineering Opportunities

- **Management Exposure**
- **On-the-job Premanagement Training**
- **Business-related Experience**
 - **Finance**
 - **Contracts**
 - **Program Planning**
 - **Labor and Material Estimating**
 - **Fact-finding and Negotiating**
- **Front-end Design (the fun part !)**
- **Contacts Across Functional Lines**

THE PROPOSAL PROCESS

summary

- * Proposals are extremely important
YOUR JOB DEPENDS ON THEM
- * Engineers are important to the success
of the proposal process
YOUR ACTIVITIES DRIVE PROPOSAL DEVELOPMENT
AND PROGRAM PROFITS OR LOSSES
- * Proposal work can be challenging and rewarding
YOU HAVE TO GET INVOLVED - BE ON THE TEAM!