



## BC1 Develop, negotiate and agree proposals to offer services and products

### OVERVIEW

This standard is about developing a proposal to offer services and products. It covers the initial evaluation of specification documents, the actual preparation of the proposals, taking into account the organisation's resources, (such as financial) and finally the negotiation and agreement of terms with the other party. Negotiations must cover costs, quality, quantity, timing and scheduling. They must also take into account opportunities and constraints (e.g. organisation, legal and ethical). The proposals may be to national, regional or local agencies, for example public sector agencies such as local authorities, police or probation services, or to charitable trusts. It is likely that the standard will be most relevant to workers in voluntary or private sector agencies. Users of this standard will need to ensure that practice reflects up to date information and policies. Version No 1

### KNOWLEDGE AND UNDERSTANDING

You will need to know and understand:

1. how to undertake a SWOT analysis and the use of this in determining whether a contract should be sought
2. the types of risks which might be involved in contracts and methods of assessing such risk
3. how to prepare effective proposals within limited deadlines which provide all the necessary information
4. the varying degrees of flexibility and tightness which contracts may have depending on the nature of the work and the customer involved
5. the limits to which the organisation will go in securing the contract
6. how to conclude project contract negotiations which are effective and mean the contract is able to proceed
7. how to evaluate and cost the human resources required for the work
8. the sources of information and advice - technical, legal and financial
9. the relevant legislation and your own responsibilities in respect of this
10. your own responsibilities in taking on a contract under contract law
11. why post-proposal negotiations may be necessary and how to conduct them in an effective manner
12. the methods of effective negotiation
13. when it may be advisable to draw others into the negotiation to help achieve a successful outcome

- 14.the organisational, legal, resource and ethical issues which might be involved in taking on particular types of work
- 15.the inter-relationship between work which the organisation may be interested in doing and its capacity to achieve it
- 16.the reasons why organisations may choose not to apply for contracts even though they are able to achieve them
- 17.how to evaluate the organisation's capacity to produce a suitable proposal and carry out the work
- 18.the external factors which have a bearing on the delivery of the contract, such as trends in substance use, availability of substances, demand for services, seasonal factors etc
- 19.the methods of costing the particular work involved
- 20.how to evaluate the financial resources required and the relationship of this to the proposed budgets
- 21.how to evaluate the material and capital resources necessary and estimate the effect this may have on the organisation's ability to act
- 22.how to arrive at a costing which takes into consideration prevailing market conditions and the actual cost of providing the products and services
- 23.the importance of the cash flow forecast and how to break the overall contract work into key milestone
- 24.the purpose of thoroughly inspecting specification documents, cross-referencing them and identifying any issues
- 25.the opportunities which may be available to discuss the work with the customer and how this can contribute to good relationships
- 26.how to develop good working relationships with customers and their staff during negotiations and agreements

## PERFORMANCE CRITERIA

You must be able to do the following:

- 1.thoroughly check the specification documents and identify any issues for your organisation
- 2.cross check information provided in the specification with any other relevant information
- 3.identify the opportunities and constraints of bidding for the work, and your organisation's capacity to carry out the work
- 4.evaluate the capacity of your organisation to prepare a suitable proposal for the work in the required timescale
- 5.seek advice from the appropriate people where areas of uncertainty or inconsistencies are identified
- 6.plan the preparation of a suitable proposal to meet the required submission date
- 7.inform the customer of your intention to submit a proposal for the work
- 8.let the customer know if you are not submitting a proposal and the relevant reasons for this.
- 9.identify resources required to achieve the contract based on the information you have obtained and analysed

- 10.consider the influence of external factors on the proposal
- 11.produce costings that will meet the organisation's purpose in gaining the contract, taking into account market conditions
- 12.produce proposals which meet the customer's requirements and your organisation's needs
- 13.supply any additional information required by the customer, effectively and without delay
- 14.submit proposals on time and in the form required by the customer.
- 15.conduct post-proposal negotiations effectively and in a manner which prepares the way for good working relations with the customer
- 16.clarify responsibilities and procedures within the contract
- 17.ascertain the degree of permissible flexibility and interpretation under the contract
- 18.ensure decisions and suggestions made during the negotiations are consistent with your organisation's requirements
- 19.make decisions which are consistent with previously identified opportunities and constraints
- 20.agree and confirm contracts prior to the start of work

## **ADDITIONAL INFORMATION**

This standard appears in the Land-based Training Authority (LANTRA) as Unit CU96. It has been tailored slightly for the substance misuse sector. This standard links with the following dimension within the NHS Knowledge and Skills Framework (October 2004): Dimension: G5 Services and project management