

## SFJCJHF22

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



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#### Overview

This unit describes the standards for 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 agency'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. agency, legal and ethical).

#### **There are three elements**

- 1 Interpret specifications and evaluate capacity to act
- 2 Prepare proposals to offer services and products
- 3 Negotiate proposals and agree service and product provision

#### **Target Group**

This unit is relevant to those who are responsible for putting together proposals for their agency to provide services and products in response to specifications. 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 unit will be most relevant to workers in voluntary or private sector agencies.

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#### Performance criteria

#### Interpret specifications and evaluate capacity to act

*You must be able to:*

- P1 inspect specification documents thoroughly, cross-reference them and identify any inconsistencies
- P2 confirm information provided in documents with other known relevant information
- P3 establish the **opportunities and constraints** of bidding for the contract
- P4 assess the degree of risk involved in gaining the contract
- P5 seek **advice** from the appropriate people where areas of uncertainty or inconsistencies are identified
- P6 draw valid conclusions based on the analysed information as to the agency's capacity to make a realistic proposal

#### Prepare proposals to offer services and products

*You must be able to:*

- P7 establish the purpose which the agency is seeking to fulfil by gaining the contract
- P8 present proposals in a way which achieves the best balance between the agency's purpose in gaining the contract and the information contained in the tender specification
- P9 identify **resources** required to achieve the contract and their availability and establish potential effectiveness in meeting the specification
- P10 prepare proposal **costings** which optimise the agency's purpose in gaining the contract, market conditions and the products or services to be provided
- P11 supply additional information effectively and without delay where this is required by the potential client
- P12 submit proposals on time and in the form required by the potential client

#### Negotiate proposals and agree service and product provision

*You must be able to:*

- P13 conduct post-proposal **negotiations** in a manner which facilitates the successful achievement of the contract
- P14 clarify responsibilities and procedures within the contract in relation to all parties involved
- P15 ascertain the degree of flexibility and interpretation permissible under the contract
- P16 make decisions and suggestions during the post-proposal **negotiations** which are consistent with the agency's purpose for seeking the contract and the identified **opportunities and constraints**
- P17 agree and confirm contracts prior to the start of work

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#### Knowledge and understanding

*You need to know and understand:*

- K1 the purpose of thoroughly inspecting specification documents, cross-referencing them and highlighting inconsistencies
- K2 how to undertake a SWOT analysis and the use of this in determining whether a contract should be sought
- K3 the agency, legal, resource and ethical issues which might be involved in taking on particular types of work
- K4 the inter-relationship between work which the agency may be interested in doing and its capacity to achieve it (such as other work commitments, tie up of key staff)
- K5 the reasons why agencies may choose not to apply for contracts even though they are able to achieve them (e.g. direction, rates of pay, conflicts of interest)
- K6 the sorts of risks which might be involved in contracts
- K7 methods of assessing risk
- K8 relevant legislation and own responsibilities in respect of this
- K9 sources of information and advice - technical, legal and financial
- K10 how to evaluate the agency's capacity to make a realistic proposal validly
- K11 ways of determining the range of purposes which the agency may have in gaining the contract and the impact of these purposes on the proposal (e.g. as high value prestige work, as a long running contract which will contribute the main income to keeping the business afloat)
- K12 effective ways of presenting proposals which are likely to prove successful in gaining the work
- K13 the information which is required for tenders and its purpose
- K14 methods of costing the particular work involved including considerations of direct and fixed costs
- K15 the range of resources which will be needed for the contract and their particular focus
- K16 ways of evaluating the agency's pool of human resource for its ability to meet the contract and considering other options e.g. employing new staff, use of sub-contractors, creating consortia arrangements
- K17 ways of evaluating the financial resources required and the relationship of this to the proposed budgets
- K18 consideration of alternative methods of achieving the work to provide the same outcomes but for less cost
- K19 evaluating the material and capital resources which will be necessary and estimating the effect this may have on the agency's ability to act
- K20 how to arrive at an optimal costing which takes into consideration why the contract is being sought, prevailing market conditions (e.g. going rates for such work) and the actual cost of providing the products and services
- K21 how to prepare effective proposals within limited deadlines which provide

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- the necessary information
- K22 own responsibilities in taking on a contract under contract law
- K23 why post-proposal negotiations may be necessary and how to conduct the min an effective manner
- K24 methods of effective negotiation
- K25 the varying degrees of flexibility and tightness which contracts may have and how this relates to the nature of the product or service and the outcomes expected
- K26 how to obtain the optimum balance between tight and flexible contracts
- K27 the limits to which the agency will go in securing the contract and when to set down clear pointers
- K28 how to conclude project contract negotiations which are effective and mean the contract is able to proceed
- K29 methods of developing and establishing good working relationships with contract holders
- K30 principles and methods of effective project management, one's own strengths and weaknesses in this area and where help may be sought from others
- K31 when it may be advisable to draw others into the project management team/negotiation team to help achieve a successful outcome

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### Additional Information

#### Scope/range related to performance criteria

1. **Opportunities and constraints**
  - 1.1. agency
  - 1.2. legal
  - 1.3. resource availability
  - 1.4. ethical
2. **Advice**
  - 2.1. technical
  - 2.2. legal
  - 2.3. financial
3. **Resources**
  - 3.1. financial
  - 3.2. material
  - 3.3. human
  - 3.4. capital equipment
4. **Costings**
  - 4.1. direct costs
  - 4.2. fixed costs
5. **Negotiations**
  - 5.1. costs
  - 5.2. quality
  - 5.3. quantity
  - 5.4. timing
  - 5.5. scheduling
6. **Opportunities and constraints**
  - 6.1. agency
  - 6.2. legal
  - 6.3. resource availability
  - 6.4. ethical

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### Links to other NOS

HK1 Develop, implement and evaluate strategies and policies for recruiting and managing volunteers

HD15 Manage the performance of teams and individuals (E12) (MCI C13)

HF27 Evaluate, prioritise and review demands for services

HJ1 Implement quality assurance systems (MCI F4)

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