

Dealing with RFPs

**Jim Austin, Pepper Hamilton LLP
John Bowers, Saul Ewing LLP**

Overview

Why We Hate RFPs

Why Do Companies Issue RFPs?

How RFPs Are Evaluated

Avoiding Unwinnable RFPs

Elements of a Winning RFP Process

RFPs -- Why We Hate 'Em

- Encourages commoditization of legal services
- Emphasis is on document production, not on relationships and why buyers buy
- Unreasonable and unclarified expectations (on both sides)

What Do Buyers Want?

- Comfort that you understand what they want and need
- Chemistry -- Can we work with these people?
- The right skills and experience
- Reasonable fees

What the Typical RFP Process Delivers to Clients

- Reworked marketing collateral
- New boilerplate on basic firm info
- Little to no chance to develop chemistry and explore client's needs
- Focus on fees to the exclusion of client needs

Why Companies Issue RFPs

- To control the buying process -- 'vendor' consolidation
- To reduce costs (the rise of the corporate purchasing department) -- 'preferred provider' fee arrangements
- To level the playing field -- trying to find an objective way to measure law firms, a subjective service field
- To test the waters -- see what's out there, or bring in some new ideas for free

How RFPs Are Evaluated

- Formal evaluation methods -- numeric scores
- Informal evaluation methods -- what feels best
- Little to no transparency in most RFP evaluation processes

Avoiding Unwinnable RFPs

- No relationship with company or decisionmakers
- Proposed work or target company is not a good fit with the firm
- Company won't answer questions

Avoiding Unwinnable RFPs

- Overcoming the "Let's take a shot anyway" philosophy - recognizing the time and cost of responding to unwinnable RFPs
- Educated guessing at whether the company will actually complete the process
- Winning the RFP but still not receiving work

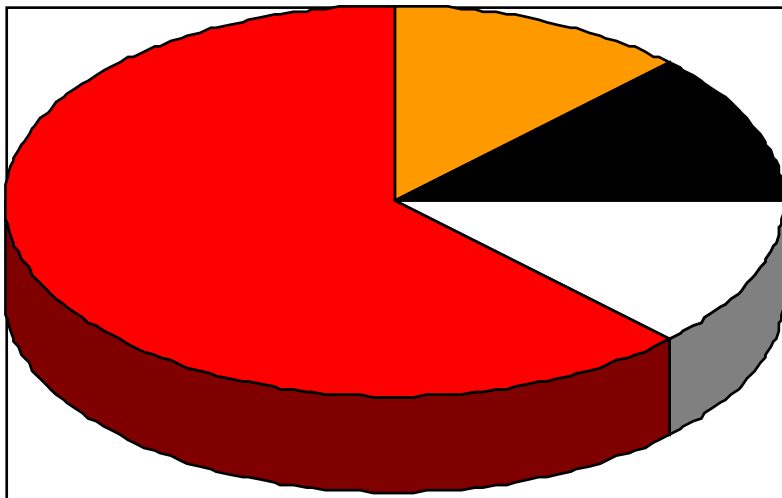
Elements of a Winning RFP Process

- **Evaluation of RFP**
 - Analyze prospect for strategic fit, financial fit, conflicts, extent and quality of relationships
- **Attorney Management**
 - Lead partner and service partner involvement is critical -- RFP response is NOT solely a Marketing Dept. function

Elements of a Winning RFP Process

- **Client Relationships**
 - Emphasis on building, growing and strengthening relationships before, during and after RFP response
- **Research**
- **Writing and document production**
- **Follow up**

How a Typical RFP Process Looks



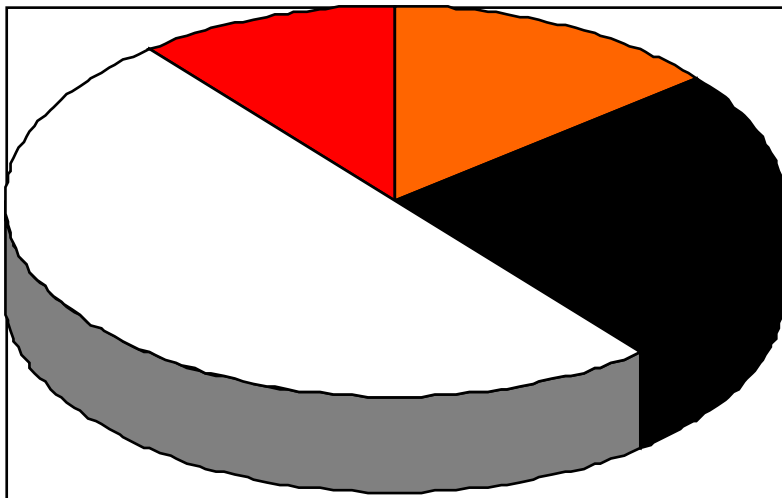
■ Evaluation of RFP

■ Research

□ Relationship Building

■ Document Production

How It Should Look



■ Evaluation of RFP

■ Research

□ Relationship Building

■ Document Production