



End to End RFP Process Efficiency Review - CA Engagement Letter

Project Name	End to End RFP Process Efficiency Review	Business Unit	Proposal Development
Requester	Valerie Lee	Sponsor	Andrea Arnold and Keith Yim

1 Problem Statement/Opportunity

The National Proposal Consultant operates in a fast-paced, high-energy environment particularly during our busy season from March – July. During this period, the Proposal Consultant must manage multiple renewal and prospect RFPs and RFIs with tight deadlines and varying degrees of complexity. Although we have created standardized processes to work more efficiently and effectively, there are a number of areas where there is room for improvement.

In the last renewal season, the Proposal Development Department managed over 400 national, large group, and strategic RFPs. In order to ensure timely and accurate responses to our clients, we need a knowledgeable and high-functioning team that can successfully execute projects within a short timeframe. During our busy season, we also utilize the services of independent contractors who need to be trained and brought up to speed quickly. It is also important for existing staff members to review our standard procedures and receive information on any changes to our existing protocol prior to the start of our busy season.

In order to ensure that our department is running as efficiently as possible, we need to identify process pain points, prioritize ongoing issues, and develop and execute solutions to address our most pressing challenges. This project will also involve training and communication. This project will help us focus on the areas where we can achieve the greatest process improvement impacts as well as create systems and capabilities to achieve high-quality results internally and externally.

2 Purpose

The project will review our existing RFP processes from beginning to end and identify process pain points as well as develop and execute solutions to address RFP challenges based on prioritized issues, time, cost, and available resources.

3 Business Value

The Proposal Development department is responsible for successfully completing and responding to RFPs and RFIs we receive from our clients. Successfully navigating and responding to RFPs and RFIs contributes to the overall operational success of the Marketing, Sales Service and Administration (MSSA) division. The goals of the End-to-End RFP Process Efficiency Review project include optimizing operational performance to increase internal and external customer satisfaction which in turn helps Kaiser Permanente achieve its organizational goals for membership, revenue and margin.



End to End RFP Process Efficiency Review - CA Engagement Letter

4 Expected Outcomes/Deliverables

- Identification of issues for inclusion in Johari Window (see Approach and Stakeholders section on Page 5)
- Process improvement tools or documents based on improvement opportunities
- Adoption of new or improved processes by PMTs, AM and Management Team
- Communication/implementation plan for the new/ improved processes
- Improvement in RFP Process Efficiency

5 Project Description

FRAMING PHASE: The first stage will consist of a three week period to explore the following items:

- Define benefits to the organization
- Articulate problem to be solved
- Define project scope, approach, key goals, milestones, and deliverables
- Form QA project team
- Schedule Kickoff Prep Meeting
- Discuss roles, project structure, responsibilities, assumptions, and expectations
- Ensure sponsor and team buy-in
- Discuss and agree on Preliminary Project Plan

During the framing phase, the PM and Sponsor will work with the Management Team to identify potential members for the Quality Assurance (QA) Team. The QA team will review each recommended process improvement and identify possible challenges the new processes could pose. Will the process improvement work in the real world of our department? How will it be received by the entire proposal development team? Will the process improvement make a measurable difference? What is the process improvement's ROI? Will it involve too much time and effort?

PLANNING PHASE: The second stage will consist of a two week period to explore the following items:

- Realistic and achievable plan that meets sponsor expectations
- Plan and secure required resources
- Research and analysis
- Review the Ohio RFP checklist and examine its ability to be customized for California or perhaps the entire community of practice
- Finalize Project Plan

Research and analysis began with the 2009 Renewal Season Debriefing Session with the entire PMT teams (CA and NA). The findings from that session along with individual interviews and my own observations will result in a list of preliminary areas of focus for process improvement. The



End to End RFP Process Efficiency Review - CA Engagement Letter

next step will be to prioritize the list of process improvement areas by creating a survey on SurveyMonkey.com. All proposal development team members will be asked to rank each process by impact and ease of implementation. Each item on the list will be discussed, reviewed and prioritized by the PM and the Sponsor.

EXECUTION & MANAGING PHASE: The third stage will consist of a seven week period to explore the following items:

- Monitor and control actual progress against the Project Plan
- Manage required resources
- Produce 2 – 3 process improvement tools/operational changes
- Produce 2 – 3 training/communication tools
- Perform a “dry run” of proposed process improvement changes
- Train staff

Based on the results of the debriefing and feedback activities from the planning phase, the project manager will produce 2 – 3 process improvement tools/operational changes as well as 2 – 3 training/communication tools. The QA Team will review each tool/operational change.

Throughout this phase, the project manager will begin coordinating with other project leads who will need to include the recommended changes in their work streams. During this phase, the project manager will also work with the project sponsor to refine evaluation mechanisms and outcomes to measure impact and/or success of the project. Web-based survey tools will be used to measure success.

TRANSITION PHASE: The final stage will consist of a two-week period to wrap up the following items:

- Incorporate process improvement changes into our departmental processes
- Close the project
- Release project resources
- Conduct evaluations
- Capture lessons learned

At the end of this phase, we will evaluate the short-term goals of this project and capture any lessons learned from the Web survey.

6 Assumptions

Some of the assumptions for this project are as follows:

- Almost every process can be improved.
- Not all process improvements are worth pursuing. The extra time and energy required to bring about a change may be greater than the actual impact of the change.
- Any process change must be firmly in place before the start of the next season. This will require staff training.



End to End RFP Process Efficiency Review - CA Engagement Letter

- Management buy-in is required before implementing process improvements.
- General consensus of process improvement changes from the Proposal Development team is necessary in order to successfully implement any changes in procedures.
- Not everyone will perceive changes as improvements.

7 Project Scope

In Scope	Out of Scope
<ul style="list-style-type: none"> • Process evaluation and prioritization of most impactful process improvement recommendations 	<ul style="list-style-type: none"> • Measuring effectiveness and impact of each new tool/process improvement change
<ul style="list-style-type: none"> a) 2 – 3 new process improvement tools/operational changes 	<ul style="list-style-type: none"> • Revision / updates to all processes and tools.
<ul style="list-style-type: none"> b) 2 – 3 new communication/training tools 	<ul style="list-style-type: none"> • More than 5 process improvement tools/operational changes
<ul style="list-style-type: none"> c) Recommendations to changes in work agreements (if warranted) 	<ul style="list-style-type: none"> • More than 5 communication/training tools
<ul style="list-style-type: none"> • Evaluate effectiveness of new processes 	<ul style="list-style-type: none"> • Evaluation metrics that measure year-to-year efficiency and effectiveness of our RFP delivery process
<ul style="list-style-type: none"> • Training plan and materials for new processes 	<ul style="list-style-type: none"> • Quality assurance process related to content for proposals
<ul style="list-style-type: none"> • Communication plans related to process improvements. 	<ul style="list-style-type: none"> • CA and NA processes only (does not include other regions or other contributing departments)
<ul style="list-style-type: none"> • Achieving buy-in of new process improvement tools/operational changes from staff 	<ul style="list-style-type: none"> • Creating tools for specific lines of business (new sales, occupational health, self funding, etc.)
<ul style="list-style-type: none"> • Training staff on the new tools/processes (stretch measure) 	<ul style="list-style-type: none"> • Process reinforcement: Ensuring that team members consistently use the new tools/process improvements

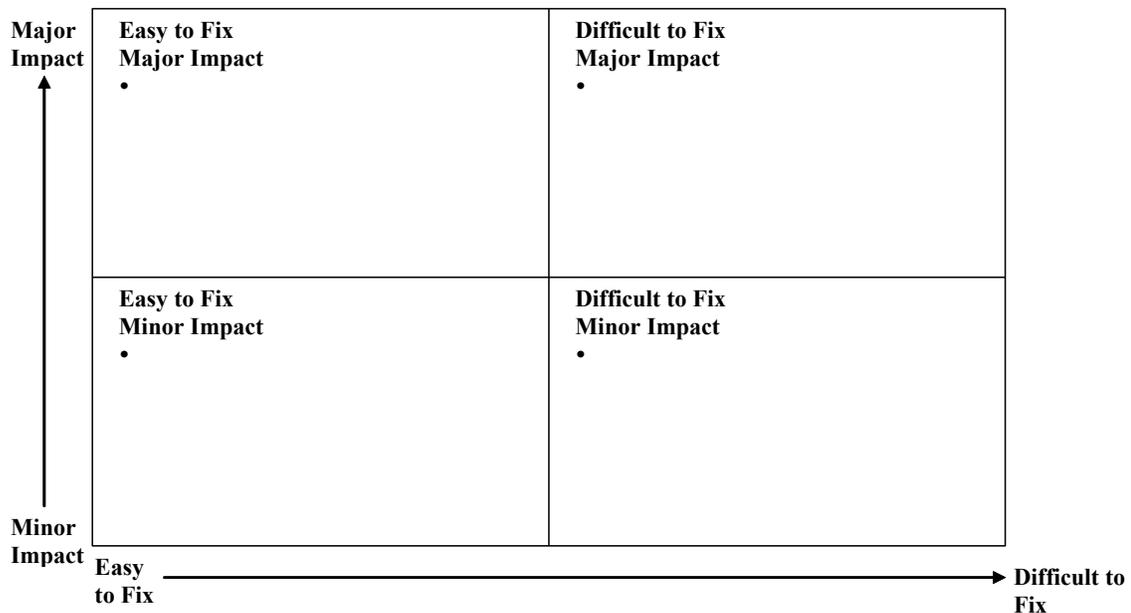


End to End RFP Process Efficiency Review - CA Engagement Letter

8 Approach and Stakeholders

The overall approach is to gather information on what processes need improvement, prioritize the list of each process improvement recommendation, and select process improvements that are expected to have the greatest impact in efficiency and/or quality.

Each recommended process improvement will be classified based on its impact and ease of implementation using the Johari Window as depicted below:



The work streams below provide more information about the approach and the stakeholders involved at each level.

Work Streams:

1. **Discovery:** Obtain feedback from the National and California Proposal Development Teams, regional PMTs, Associate Account Managers, and the management team to identify possible areas of focus for process improvement.
2. **Prioritization:** After creating a list of possible areas of focus, prioritization will follow that will include the National and California Proposal Development Teams and the management team as stakeholders. The management team will make the final decision and give approval to move forward with the agreed upon priority items.



End to End RFP Process Efficiency Review - CA Engagement Letter

3. **Development:** Input from the Discovery and Prioritization work streams should yield enough direction for developing process improvement tools. The project manager will have primary responsibility for developing each process improvement tool. If additional input or feedback is needed, the project manager will consult with the QA Team. Final deliverables will be reviewed with the project sponsors.
4. **Refinement and Agreement:** The project manager will meet with the QA Team to refine each process improvement tool. This team will perform a “dry run” of each recommended process improvement change and provide input about possible challenges and refinements. After the QA Team provides their input and each process has been refined, the management team will review the deliverables and agree to the proposed changes.
5. **Adoption:** This component of the project will focus on efforts to integrate the new processes in other proposal development workflows. In addition to new process improvement tools, deliverables will also include communication and training plans for the new processes.
6. **Evaluation:** The Evaluation component of this project will develop outcomes to measure project success and impact. All stakeholders will be involved in the evaluation process.

9 Success Measures

The primary reason for process improvement metrics is to get someone to do something. Developing metrics to measure process improvement involves the exploration of three key questions:

1. What process are you trying to measure? Knowing the RFP process allows identification of the metrics for that process. It's important to distinguish between “nice to know” and “important.”
2. What behavior are you trying to change? We are trying to process the successful delivery and execution of our RFPs and RFIs in a much more efficient and effective manner for our internal, external and PMT customers.
3. Who is responsible for improving the metric? Every member of the Proposal Development team is responsible for improving our RFP process.

With these three key questions in mind, the following outcomes are being proposed to evaluate the success of this project:

- By March 1, 2010, 100% of proposal development team members will be trained in new processes, as measured by establishing and delivering training.
- By December 18, 2009 (or end of project), at least 80% of expected project milestones will have been met. Stretch goal will be 90%.
- Adoption of process changes by outside department.
- Successful creative development and deployment of change management strategies to ensure adoption (as measured by communication plan/execution and training).