Chapter 5

NEW-MODEL AND NONTRADITIONAL RFPS

As librarians grow progressively more familiar with all aspects of the integrated library system (ILS), many libraries and consultants are turning away from traditional ways of issuing requests for proposals (RFP) and toward different types of procurement documents. Several factors contribute to this trend:

- In general, library staffs now have extensive experience working with the ILS and are more aware of what functionalities are available; many librarians feel that an RFP isn't necessary for learning what a product can do.
- Libraries accept the limitations of the RFP. Procurement efforts are increasingly focused on seeing—and not reading about—how systems work.
- Often, libraries view the RFP solely as a required step in the purchase process, one that results in canned responses and moderately useful information.
- Many library purchase teams would rather spend time writing a brief vendor questionnaire and devising detailed scripts for demonstrations than drafting hundreds of minute specifications.

These newly popular models include two-part documents comprised of an RFP and a separate questionnaire, requests for quotations (RFQs), different types of requests for information (RFIs), and processes that use no single official procurement document, but a combination of interviews, checklists, and scripts.

Also, as the RFP (or other procurement document) becomes less exhaustive, scripts, and scenarios for vendor demonstrations are growing in importance in the system purchase process. In addition to reviewing several types of requests, this chapter briefly discusses different models for hosting vendor demonstrations.

Should you try this at home?

Not every library will find these approaches suitable for their institution, but the majority of these RFP alternatives can easily be adapted to supplant or enhance a traditional RFP. If your library is conducting its system search on the basis of price alone, or if your library wants a turnkey system without knowing much about the back end (common among libraries with small or nonexistent IT departments), these models may not be for you.

If your library is considering passing over nontraditional or new-model RFPs solely because of legal concerns, reconsider. Libraries do not buy systems on the merits of RFPs alone—procurement rules recognize that the process is not 100% objective. If an aspect of the system revealed in the demo clinches the library's choice, the choice is legally valid.

If you are issuing an open document, as long as the entire process is open, no vendor will protest a contract awarded to another company. If the process is not open, the library must clearly state that is the case. Unless the library commits an egregious transgression (for example, if a library sends out an open RFP with specifications clearly written with a particular product in mind), there are no legal conflicts of interest.

Dual-document RFPs

Despite widespread agreement that old-model RFPs are on the wane, many institutions (generally public libraries) are limited by rigid procurement rules. Consultant Diane Mayo of Information Partners, Inc., and other library consultants are working with their public library clients to develop RFP tactics that combine traditional lists of detailed specifications with more essay-style questions.

For Mayo's clients, this two-fisted approach usually results in two documents—one, a shortened, typical RFP that satisfies procurement requirements, and the second, a less formal questionnaire that Mayo describes as the 'tell us about it' document. The second document is comprised of questions the library wants to know that a vendor cannot simply show in a demonstration. Such questions often concern the technical underpinnings of the database or flexibility of formats and functions.

Above all, Mayo says, "I tell my clients that RFPs don't have to take nine months or kill a million trees," noting that most of RFPs created in this format should come in at 30 pages or less. (Telephone interview, April 24, 2003)

Request for quotation (RFQ)

The request for quotation (RFQ) is not a replacement for an open RFP. Sent to a limited number of vendors, it lists specifications for desired functions and seeks price quotations for exactly those specifications.

In 2002, Southeastern Libraries Cooperating (SELCO), a Minnesota consortium of 76 public libraries, used a consultant-created RFQ at the end of its search for a new ILS to replace its 20-year-old DRA Classic system.

As SELCO began its search, says Director Ann Hutton, "we knew we had a sophisticated group of users in the consortium staff who were knowledgeable about the ILS market, so we didn't feel a traditional RFP was necessary." (Personal conversation, May 3, 2003)

Instead of an RFP steering committee, SELCO formed topical groups divided roughly along functionality and operations (one group for circulation, one for acquisitions, and so forth). Each group researched the industry related to its topic to find out what was available. SELCO was careful about not throwing out the baby with the bathwater—each group also studied the functions of the DRA Classic system to isolate what qualities or functions were still wanted.

After comparing their industry findings, the groups narrowed the field of ILS vendors to include in the search process. "We found four vendors whose products and target market fit our needs," Hutton says. "After that, each topical group was charged with developing a nonprioritized list of essential system features, as well as a prioritized list of would-be-nice features."

The groups compiled their lists into a simple yes-or-no checklist and sent it to the four vendors. When the checklists were returned, SELCO found that the responses were uniformly alike—features were either supported by all the vendors or by none. Working with a consultant, SELCO decided to invite vendors to Minnesota to discuss their systems, focusing on four make-it-or-break-it areas: bandwidth, policy, ability to operate in a multitype environment, and interlibrary loan (ILL).

Up to this point in the process, financial considerations were set aside to some degree. The topic groups' earlier research found great similarities in system pricing, so SELCO focused on functionality and system performance instead.

After reviewing the vendor interviews and narrowing the field of vendors to two, the SELCO topic groups refined their original lists of essential and desired functions. These revised lists were given to SELCO's consultant, who translated them into an RFQ with a consistent writing style and clarified the language. With fewer than 15 items under each functional area, the succinct RFQ assumed basic levels of functionality in either system.

Appendix B of this report gives a representative slice of how the lists devised by the Selco topic groups were transformed into the final RFQ.

When RFQs were returned, vendors were invited for demonstrations, and the topical groups voted to select the Dynix ILS.

The SELCO process was successful, Hutton says, largely because of its reliance on collaboration instead of an RFP created by a consultant or small number of library staff. Many librarians in the consortium were reluctant to migrate to another ILS; by requiring broad participation in the process, SELCO involved the hearts and minds of its staff. More than 70 staff served on topical groups, and more than 100 other staff members were involved in focus sessions, brown-bag lunches, and presentations.

"Our collaborative approach to developing our requirements helped overcome general reluctance and allowed everyone to discover what they were missing out on (with the old system)," Hutton says.

Request for information (RFI)

The convergence of functionality in ILS products also has led to the renewed importance of the request for information (RFI). Although many large libraries circulate RFIs at the beginning of their search for a system as they gather information on available products, an ever-larger number of libraries are using a beefed-up RFI in place of an RFP.

Consultant Susan Baerg-Epstein works with her clients to develop RFIs and usually convinces libraries of her approach by asking whose time do they want more of—that of the bid writer or that of the sales and development staff? (Personal communication and correspondence, May 2003) "There are lots of things an RFP can't tell you," Baerg-Epstein says. "The biggest differences among systems are in the approach—how does it look and feel? Is the system intuitive? You can't get that on paper."

Baerg-Epstein helps clients develop a modified RFI that not only seeks the vendors' documentation and product spec sheets but also asks about and explains the particular concerns and problems of the library.

To compose this kind of document, the library must look carefully at its operations and workflow—what functions, if any, are unique to the library? This kind of RFI should isolate for vendors the ways in which your library operates differently from other institutions, and in which ways its operations are standard. Other questions in this type of RFI usually address training and support needs.

When thinking about your library's functions, be truthful. If your library's functional needs are not unusual, say so. For example, in one of Baerg-Epstein's client RFIs, the library assessed that it had no special circulation needs, so the only specification sought for a circulation module was that the system had one.

Rather than gloss over detailed functional requirements, this approach reserves those requirements for on-site product demonstrations, which are discussed later in this chapter.

RFIs to current customers

This kind of RFI does not take the place of the RFP and usually consists of an informal document sent to peer libraries. The customer RFI is sent after the library has evaluated RFP responses and selected vendor finalists. Libraries can use the client lists provided by vendors in the RFP response, or they can rely on informal networking among librarians.

Although less formal, this process should still adhere to basic guidelines set by the requesting library—the customer RFI isn't intended to be a mud-slinging session. This RFI helps libraries prepare for vendor demonstrations and gives the library insight into the eventual training and installation products. Essentially, the library learns how the vendor does business.

Stuart Glogoff, manager of distributed learning projects at Learning Technologies Center, teaches courses about creating library RFPs and offers these suggestions for soliciting client references:

- Request in the RFP a complete list of the vendor's current clients; do not accept the vendor's recommended client list.
- Call around, but do consider that:
    a. You may be speaking with an individual who is not fully correct in his or her assessment of a system's capabilities: a colleague whose personal recommendation was for the library's second choice may see the consultation as an opportunity to vindicate his or her preference.
    b. Not every library has installed the most recent version of the system so you may be misinformed about functional capabilities.
    c. All libraries are not alike: a feature that is not implemented at one site may be critical to you.
    d. Compare apples to apples when evaluating the hardware platform, support, and performance.

Learning Technologies Center, www.elearn.arizona.edu/stuartg/ls1398_rfpprocess.html

Procurement without RFPs

Some institutions follow a procurement process without any RFP-style documents at all. In 1997, Harvard University Libraries began its search for a new system to replace the HOLLIS library catalog. Harvard traditionally eschews RFPs in favor of an evolutionary process that involves multiple site visits, multiday vendor demonstrations, and extensive meetings with system developers.

Because Harvard is a private institution, says Tracey Robinson, head of the Office for Information Technology for Harvard's libraries, "the library is released from the expectation of creating an RFP. We're not required to do it, so we don't." By this point in libraries' history with the ILS, Robinson says, system selection lends itself to a less formal process. "We trust the staff to know the arena well and to be capable of assessing answers in an interactive environment," such as a vendor interview, site visit, or demonstration, she says. (Telephone interviews, May 2003)

In an RFP, there's too much room for misinterpretation and sales-speak, notes Robinson. The purchase committee at Harvard was deeply interested in the backend architecture of the system and had considerable expertise manipulating those elements.

"An RFP is an essentially passive document. We knew what the systems could do, but we wanted to know *how* they work, how they're built. Most vendors' bid departments aren't equipped to answer those kinds of questions in an RFP," Robinson says.

After the first round of evaluations, in which vendors (who had been preprepped with a document from the university libraries describing in some detail what they wanted to know) came to Harvard for several days to demonstrate their systems and answer questions about infrastructure issues, the team prepared agendas and lists of questions to be asked at visits to the vendors' home offices. There, the team spoke not only with sales personnel but also with each system's developers and programmers.

After these visits, the team developed a fleet of checklists and scenarios (nearly as extensive and exacting as specifications in an RFP) to be used several times throughout the vendor search process. The checklists were first employed during the team's visits to vendors' installed sites, where roving team members would use the checklists to guide themselves around the system interfaces and functions.

To view these documents online, visit http://hul.harvard.edu/ois.

The checklists and scenarios were next used during demos at the university libraries in the second round of meetings with vendors (these meetings occurred after the university libraries had selected and subsequently broke with the vendor when the system did not provide promised functionality.).

Finally, in tests conducted throughout the contract negotiation period, staff followed the checklists while using the system as a way of identifying any missing or inadequate functionality. After reviewing all data, Harvard selected Ex Libris's Aleph 5000 system.

Although this procurement model seems somewhat more relaxed than other models discussed in this report, the same amount of planning goes into the search process. This type of purchase process is not suited for small or public institutions, or institutions with little stake in understanding the underlying

architecture of their library system. A large library (or consortium) with a sizable IT staff capable of doing some development in-house may succeed with an approach like Harvard's, but the library must still have staff who are willing to write exacting specifications for scenarios and checklists that will serve many of the same functions as the RFP.

Nouveau demos: 'Keep 'em honest sessions'

In early 2002, when the libraries at North Carolina State University (NCSU) sought a new library management system, they started with an RFP to vendors. After selecting finalists based on RFP responses and other data, NCSU looked at the customer lists of each of the four finalists to identify what the library considered peer institutions.

The library also complemented this list by searching for libraries on the lib-web-cats section of Marshall Breeding's Library Technology Guides site at www.librarytechnology.org.

NCSU's librarians contacted the peer institutions by phone and e-mail, eventually inviting teams from selected libraries to visit NCSU to talk openly and honestly about their experience with their vendor. Although the original contact between NCSU and the peer institutions was informal, the library prepared agendas, topics for discussion, and lists of questions for the team visits. Selected questions and a sample agenda from one such session are included with this report in Appendix D.

The information and concerns gleaned from these meetings became the basis for the library's demonstration script. Once each vendor finished its on-site sales demonstration at NCSU, library staff would respond with questions or requests turned over in the meeting with the vendor's customer (hence the name 'keep 'em honest sessions').

Few libraries have enough money in their budget for flying in teams from similar institutions, but the value of such sessions can help the library sharpen its questions for vendors and better prepare for the installation and training processes. A library also can achieve the same result for less money by arranging to meet teams from peer institutions at large conferences or professional meetings.

Any library planning such sessions should proceed with tact, however—this demo strategy is more than a nifty way to play gotcha! with vendor sales representatives. At some point in the ILS search process, tormenting vendor personnel may seem appealing, but it is a poor way to begin what may be a long-term relationship between library and vendor. When your library asks questions of vendors during a demo, be cautious, shrewd, and fair.