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## Improving Evaluation in Nonprofit Organizations: A Study of How Evaluation Requests for Proposals Are Developed, Responded to, and Fulfilled

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IMPROVING EVALUATION IN NONPROFIT ORGANIZATIONS: A STUDY OF  
HOW EVALUATION REQUESTS FOR PROPOSALS ARE DEVELOPED,  
RESPONDED TO, AND FULFILLED

by

Nakia S. Matthews

A dissertation submitted to the Graduate College  
in partial fulfillment of the requirements  
for the degree of Doctor of Philosophy  
Educational Leadership, Research and Technology  
Western Michigan University  
December 2015

Doctoral Committee:

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# IMPROVING EVALUATION IN NONPROFIT ORGANIZATIONS: A STUDY OF HOW EVALUATION REQUESTS FOR PROPOSALS ARE DEVELOPED, RESPONDED TO, AND FULFILLED

Nakia S. Matthews, Ph.D.

Western Michigan University, 2015

It is often necessary for nonprofit organizations (NPOs) to formulate a Request for Proposal (RFP) to procure essential contracted services. This is most common when seeking the services of an external evaluator. Since most NPOs do not have internal evaluation staff, developing an appropriate RFP can be quite challenging. With limited literature and resources to guide NPOs on how to prepare RFPs, the process for procuring qualified evaluators can be even more daunting. This lack of resources and supports can lead to insufficient or incomplete RFPs, subsequently narrowing the pool of qualified potential bidders and reducing the extent to which the outcomes envisioned in RFPs are fulfilled. Funding agencies regularly cite accountability and sustainability as two key features for nonprofit organizations that are linked to their capacity to have a positive impact on communities or target populations. The ability of nonprofit organizations to recruit, select, and oversee contracted evaluators is closely connected to both accountability and sustainability.

This study explores how nonprofit organizations navigate through the RFP process. Three stages of the process were investigated: (1) RFP development, (2) RFP response, and (3) RFP fulfillment. An exploratory study using a mixed-methods design was used to better understand how RFPs are developed and fulfilled. The study also

describes the relevant attributes of nonprofit organizations and staff responsible for overseeing evaluations, as well as the interactions between these organizations and the evaluation consultants they hire.

The findings indicate that training in RFP development and a general understanding of evaluation leads to intended outcomes around fulfillment. Training is particularly important for small nonprofit organizations with limited time, staff, and budgets. The obstacles and challenges faced by these NPOs ultimately impact what can be learned from an evaluation. However, technical assistance from sponsor organizations can help nonprofit organizations overcome these challenges and presumably increase community impact around funding goals. Training workshops, dissemination of tools, and coaching of staff in nonprofit organizations by a professional evaluator can potentially improve how often and how well RFPs are fulfilled.

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## CHAPTER I

### INTRODUCTION

*Accountability* and *sustainability* are two of the most widely used terms in the nonprofit sector. Funders are continuously seeking to measure the accountability of their grantees when determining the extent to which they will continue to provide grant funds. It is important to funders that grantee organizations can demonstrate anticipated impact on the community or target population, to maintain future funding of their programs and/or services. Funders are quite explicit with their grant requirements, often compelling grantee organizations to solicit additional services from external consultants, primarily in evaluation.

Professional evaluators often receive Request for Proposals (RFPs) from various nonprofit Organizations (NPOs). However, there seems to be a disconnect within some organization's RFP development. This leads most evaluators to consistently question the RFP development process. With such an immense variation from one RFP to the next, the researcher was interested in understanding why this process lacks uniformity within the population identified for this study. There was also a desire to explore how other external consultants are navigating through the proposal phase, and how NPOs choose a proposal, often responding to an inadequate or inappropriate RFP. This is especially relevant to the researcher, since RFP response is rare, due to the difficulty of producing a proper proposal that reflects an evaluator's capacity to effectively and efficiently provided the requested service.

## **Background**

It is often necessary for NPOs to formulate a RFP to procure essential contracted services in fulfillment to their grant obligations. This is most common when seeking the services of an external evaluator. Since most NPOs do not have an internal evaluation staff, developing an appropriate RFP can be quite challenging. This may lead to the first obstacle encountered by both the NPO and the potential consultant. There are critical elements that must be included in the RFP for maximum efficacy. However, many NPOs are unaware of how to appropriately include key components in the RFP. It is important that RFPs clearly include essential information for maximum impact (Perkins, 2007). The quality of the bidder's response is highly dependent on the quality of the RFP (Chen, 2006).

Accordingly, it is important that we strive to better understand the RFP process, from its conception to fulfillment. The experience of NPO Executive Directors (EDs) and staff in developing an RFP will assist in identifying obstacles, misunderstandings, and inaccuracies. The experience of potential consultants will also be quite useful in further understanding how they develop appropriate proposals, and address any inadequacies in the RFPs. An exploratory study using a mixed-methods design was used to better understand how RFPs are developed and fulfilled and explain the characteristics of the NPO staff, the interaction of the organization and external consultants, and the general attributes of the NPO (Pfeffer and Salancik, 1978).

The primary purpose of nonprofit organizations is to provide programs and/or services to a community or targeted population. They tend to rely heavily upon grant funding to sustain and deliver their programs/services. A common requirement with

these grants is that an evaluation be conducted to help the NPO and funder better understand the merit and worth of the program or service. Since most grants require an organizational assessment or program evaluation as part of their annual report, an RFP is often developed to retain the services of an external evaluator. Though the grant may include this as a requirement, no additional information is offered that may assist the NPO in formulating an appropriate RFP. It is simply the responsibility of the NPO to fulfill the requirements of the grant and receive the necessary evaluation services to examine the efficacy of their programs/services. This practice is essential for funders to have a clear understanding of the NPOs community impact, in assessing future grant renewal.

Since most NPOs do not have an internal evaluation staff, they must contract with external consultants to assist them with measuring and strengthening their programs/services. However, this is also a significant obstacle for NPOs during the RFP development, and they often fail to include pertinent and appropriate information for the services requested. Potential external evaluators are often ill equipped to develop an appropriate proposal due to the limitations with deficient RFPs. Clarity and inclusion of key elements are necessary and the lack thereof, can lead to sub-standard proposals and even unfulfilled services.

RFPs are meant to be a resource for obtaining useful tools for strengthening the programs/services of the organization (Gordon, 2008). As evaluations are meant to be a substantial learning tool, RFPs for such services must be written to procure quality work from qualified consultants. When RFPs lack sufficient information, reducing the overall quality of the instruments, the responses from highly qualified consultants may be



significantly diminished. Consequently, the talent pool may be such that the work needed, is deficient or unsatisfactory in fulfilling grant obligations. This could certainly be damaging to the NPO's future funding and ultimately the efficacy of their programs/services.

Using the Resource Dependence Theory (RDT) to help frame this study, primary indicators were identified to determine how the contributions of external consultants affect the characteristics of the NPO (Scott, 2003). The information obtained from understanding the RFP process will improve the conception of resources made available to NPOs in developing appropriate RFPs. Considering anticipated and unanticipated outcomes will further provide information to predict and confirm criteria to be used by NPOs to engage highly qualified external consultants in providing professional services that lead to favorable results. Hence, this study explored the RFPs development process of 501(c)(3) NPOs, as well as, how the NPOs evaluate and respond to bidder's proposals, and how often the RFP leads to intended outcomes.

When an RFP provides potential bidders with insufficient, misleading, or incoherent information, the quality of proposals received by the NPO can be compromised (Trunick, 2008). This can, and often leads to a challenging disconnect with the services provided and the work needed. This greatly diminishes the impact of the grant funds to support the NPO's work. Accordingly, it is necessary to better understand the RFP development process, proposal development process, proposal evaluation process, and evaluation fulfillment as it occurs between NPOs and potential bidders. It is also essential to identify the external resources that directly and indirectly affect the efforts of the organization (Scott, 2003).

It is not unusual for RFPs to emulate Request for Qualifications (RFQ). Although the organization intends to develop and disseminate an RFP the structure of the document guides the respondents to exclusively provide their qualifications for the project. This may suggest that the NPO doesn't fully understand how their needs align with the services of a potential bidder. With a lack of resources and budget limitations, it is often difficult for 501(c)(3) NPOs to formulate an effective RFP (Semas, 1999). Acquiring a sound understanding of the process tackled by NPOs navigating their way through the RFP development phase will help determine what they struggle most with. It is important that NPOs first have a clear realization of their specific need and how it affects the programs/services they provide (Trochlil, 2007). Exploring how they initially determine a need for service is essential for gaining a perspective of the steps they take towards completing the RFP process. NPOs must also determine what service they require to meet their need, and how to effectively reach qualified potential bidders. Inadequate RFPs may discourage highly qualified consultants from bidding, ultimately weakening the pool of potential contractors (Friedman, 2008).

The proposal development process can be exceedingly difficult for bidders as well, especially if the NPO's intentions are not clearly defined. The ambiguity of preparing a proposal to provide a service for a project with undefined boundaries can be a taxing process for a potential bidder. The systematic design most consultants establish as a proposal format requires specific information (Harrison, 2008). This information is derived from the information found in the RFP. It is important to discover how bidders are producing proposals when the scope of the project is vague.

The final stage of the RFP process is the acceptance of a bidder's proposal. Each proposal must be evaluated carefully (Hutchison, 1997). With all of the complexities of the preceding steps, it is important to understand how NPOs are evaluating the proposals they receive in response to their RFP. Without a well-defined purpose for the work requested, it is unclear how NPOs are determining which proposals most closely reflect their vision for the solicited service (Harrington, 1998). Fulfillment of the RFP is also an embedded component of this final stage of the process. NPOs must judge the merit of the completed work that was commissioned. The evaluation as the product of the RFP may or may not reflect the intended purpose or project goals of the NPO.

With most studies on RFPs rooted heavily in the business sector, there is a profound lack in current research that addresses the specific and unique needs of NPOs. This severely limits access to useful and relevant resources to help navigate through the RFP process. This study provides a rich description of the RFP process that may serve as a step in bridging the divide between NPOs and external evaluation consultants. NPOs may use the findings of this study to more readily identify and overcome the difficulties they may face during the development of RFP, and selection of the consultant. For evaluators, this study provides a frame for understanding how NPOs not only develop RFPs, but also how they select consultants and judge the merit of the completed evaluation. This helps strengthen the proposals prepared by evaluators in response the RFPs, and the evaluations as the finished product.

There is a profound gap in the research currently available, which could potentially address this problem. This study explored this phenomenon to gain a better understanding of the entire process. The study described the four key stages of the RFP

process and further explored how NPOs and potential bidders navigate through each stage. With such a limited amount of resources available that help organizations systematically formulate effective RFPs, this study offers a grounded understanding of the thought and action processes of both NPOs and bidders. This study is intended to explore how RFPs are developed, responded to, and fulfilled. Current practice for developing RFPs incorporates some common components. These include: (1) the purpose, (2) scope, (3) objectives, (4) timetable, and (5) the budget when applicable. This study explores the extent to which these common components provide sufficient information during the development of RFPs, to potential evaluation consultants for proposal development, and consequently contributing to useful results.

### **Research Questions**

To fill the current gap in the research, this study explored the three key stages of the RFP process including: (1) RFP development, (2) evaluation and selection of the proposal, and (3) how often the RFP leads to intended outcomes. With this goal, three questions were developed to comprehensively explore the process in which RFPs are developed, responded to, and fulfilled.

- 1) How are NPOs working through the development of RFPs?
  - a. What are the difficulties encountered by NPOs during RFP development?
  - b. What strategies are NPOs utilizing to overcome difficulties during the RFP development process?
- 2) How are 501(c)(3) NPOs interpreting and evaluating the proposals they receive in response to their RFP?

- a. What criteria are used to determine which proposal best addresses the work needed?
  - b. How do the NPOs describe the way they actually make the selection of which bidder to select for the work?
- 3) How do NPOs oversee and hold evaluators accountable for fulfilling the work of the evaluation?
  - a. How do NPOs interact with the evaluators during the evaluation process?
  - b. How do NPOs determine the merit of the evaluators work?

The purpose for this study was to develop a rich and detailed description of the RFP development, interpretation and response, evaluation and decision-making, and oversight for evaluation studies commissioned by NPOs to fulfill funder's requirements and expectations. To carry out this purpose, this correlational study utilized a mixed-methods approach to explore the actions, perceptions, and experiences that occur with 501(c)(3) NPOs and external evaluation consultants during the RFP process. The study focused on NPOs meeting 501(c)(3) classification, and serving a community or targeted population less than 80,000. The opportunities that a qualitative approach offered such as interviews, observations, and open-ended inquiry provided a meaningful exploration of the research objectives.

With the objectives of this study clearly defined to include the exploration of a process, a case study approach was utilized. The participants of this study have similar experiences with the process of developing, answering, or fulfilling an RFP. The NPO staff members and Executive Directors (EDs) have the shared experience for formulating

the RFP to procure a service in order to meet program/service needs or grant requirement. They also share in the experience of selection for the most suitable proposal to fulfill the work requested.

To identify, define, and validate the findings of the study, data was collected in three phases. First, semi-structured interviews were conducted with three (3) EDs. Second, the emergent themes that represent the experience of the three cases were then used to generate a questionnaire. These themes established the characteristics or factors that were used to establish an effective model for developing an effective RFP. Subsequently, it was ideal to utilize a convenience sampling strategy. The subsequent quantitative analyses allowed for the qualitative data patterns that were identified, to be developed into matrices and provide empirical evidence for confirmation of the findings (Miles & Huberman 1994; Patton 1990; Yin 1989). The quantitative analysis includes descriptive, correlational, and inferential analyses, and utilized exploratory correlations and nonparametric tests to examine the observed variables from the emergent themes. These themes were identified in the interviews and used to hypothesize the RFP process, in an effort to explore and verify the primary variables that contribute to an effective RFP. This allowed the preliminary theories to be tested and further developed, and provided vital information in which to prepare a tentative model of effective components for developing a sufficient RFP, which could ultimately lead to favorable outcomes. Triangulation of the qualitative and quantitative data provided cross-validation and confirmation (Creswell, 2003).

### **Abbreviations and Definitions**

**NPO** – Nonprofit Organization

**RFP** – Request for Proposals; this term will be used to capture document also referred to as: Request for quotation (RFQ), Request for Information (RFI), Request for Qualifications (RFQ), Call for Bids (CFB), Call for Tenders (CFT), and Invitation to Tender (ITT).

**ED** – Executive Director

**501 (c)(3)** – IRS tax exemption status for organizations including: “charitable, religious, educational, scientific, literary, testing for public safety, fostering national or international amateur sports competition, and preventing cruelty to children or animals” (Internal Revenue Service [IRS], 2009).

### **Purpose and Significance of the Study**

This study utilized the methodology in a unique manner, to guide the exploration of the RFP process and identify the key components that are especially important to NPOs. With the lack of current research that addresses RFPs, as they are developed and used by NPOs, this study provides a foundation for additional research to be built upon. Collecting data from NPOs and examining how evaluators respond to RFPs provides critical perspectives to the RFP process; from development to fulfillment. Subsequently, there was a profound need for such to inform and bridge the gap between the organizations, evaluators, and stakeholders.

### **Overview**

This dissertation is structured in a very traditional manner. There is a clear order following the process under research: RFP development, response, and fulfillment. The length of this dissertation is limited since this is an emerging line of inquiry. Very little literature was available specific to the nonprofit sector, around the RFP process at the

time this study was conducted. Access to NPOs participating in the study was limited due to their already heavy schedules. Nevertheless, great care was taken to collect the necessary data to answer each of the research questions developed to guide this study. So although brief, this dissertation explores a phenomenon that has not been heavily researched and provides insight into how nonprofit organizations are navigating through the RFP process, how evaluators as potential bidders are responding to nonprofit RFPs, and to what extent nonprofit RFPs are fulfilled. A careful examination of the variables that were found to impact fulfillment as NPOs attempt to solicit qualified contractors is discussed. Additionally, a discussion of how this study can inform or guide additional research in the field is discussed.



## CHAPTER II

### REVIEW OF RELATED LITERATURE

This study provides a comprehensive schema of the three key stages of the RFP process. Subsequently, the added knowledge base serve as a valuable tool in assisting 501(c)(3) NPOs to develop more effective RFPs that attract highly qualified evaluators. It also provides a comprehensive awareness of the barriers NPOs encounter during the development process, and identifies the criteria used in choosing an evaluation proposal.

External consultants will gain an understanding of how NPOs have formulated RFPs without the aid of valuable resources, and identify methods that may be useful in promoting more fluency in proposal development. The findings of this study ultimately inform evaluators and provide a framework for strengthening evaluations in the nonprofit sector.

#### **How Nonprofit Organizations Develop Requests for Proposals**

It is not uncommon for RFPs to be described as difficult and confusing. Some even consider the most common process for RFP development as antiquated at the very least (Rendon, 2007). With the ever-growing need for additional community resources, organizations are compelled to produce RFPs for various services, particularly in evaluation and organizational assessment, as a means to maintaining and acquiring grant funding. Often, producing and fulfilling an effective RFP can be the key to obtaining grants (McCrea, 2004). However, the quality of the potential services attained is directly dependent on the quality of the RFP itself (Chen, 2006). Hence, finding the best consultant for the service needed requires that the RFP be formulated in such a way that

warrants the best response from highly qualified consultants Hoch, 2006). As is often the case, highly qualified consultants rarely respond to an inappropriate or insufficient RFP. This can have an adverse effect on the organization, with the potential procurement of substandard services.

Accordingly, it is necessary for organizations to understand the mechanics of an effective RFP. Important to the development process is the inclusion of key concepts or variables to be addressed within the consultant proposal (Stocks, 2001). The organization must also recognize their targeted pool of potential bidders. Considering the service as an added value to their programs/services, the ultimate goal should be to reach the most qualified consultant available (Stocks, 2001).

Although the RFP development process can certainly be daunting, formulating a proposal to address an insufficient RFP can also be an immense obstacle. It is the responsibility of the bidder to develop a proposal that indicates how their work will uniquely address the issue indicated in the RFP (Gorelick, 2004). The objective should always be to offer an added value to the organization, and the proposal should include a plan outlining the capacity of the consultant to help the organization. This is also a key component to evaluating and selecting a consultant (Burke, 2001). The capacity and compatibility of the RFP bidder is essential to fulfilling the work or service requested.

The purpose of RFPs is to procure a service(s) that may aid in the decision-making process of the organization. It is an instrument that defines and focuses the scope of a project so that the organization may determine what services are critical for program development, expansion or overall feasibility. Bray (2008) suggests that both the condensed and full draft of the RFP should include six components: (1) *overall concept*,

(2) *goal or purpose*, (3) *objectives*, (4) *justification*, (5) *timetable*, and 6) *expenses*. The *overall concept* should convey the program theory. It is essential that the potential bidders have a clear depiction of the program mission and the mechanics of the program. The *goal or purpose* should clearly indicate measurable anticipated outcomes of the program. This leads to the articulation of the *objectives*, which should provide indicators for achieving the program goals. Subsequently, *justification* is necessary to substantiate the need for the project. The *timetable* is essential for communicating the timeframe that is available for completing the project. Finally, the *expenses* are critical for planning or assigning the appropriate budget to the project. However, this tends to exasperate the four key constraints that are quite common with program evaluation: political, time, budget, and access to data.

Although an organization has an idea of what is needed, many often lack the internal “resources, training or support” to carry out the project (Bray, 2008). Bray (2008) noted that the organizational needs must be drafted in order to inform external consultants of the opportunity to bid. However, a condensed plan should be drafted and submitted with the initial grant proposal to gain the support and approval of the grant administrators.

According to Ochs and Parkinson (2005), “The benefits of an RFP only accrue if it is effective. An ineffective RFP is a waste of staff and time.” Harrison (2008) suggests that a large percentage of generated RFPs, fall short of achieving the desired goals of the organization.

It is often difficult for organizations to decide if a project budget will, or should be, included in the RFP. Harrison (2008) suggests that a project budget should always be

included in the RFP. Failing to do so may deter highly qualified consultants from opting to respond to the RFP (Harrison 2008). Therefore, it is important the organizations take the extra time necessary to clarify the intricate details of the project requirements when developing the RFP (Perkins, 2007). The potential for misunderstandings by potential consultants greatly increases when the RFP does not clearly indicate each critical aspect of the project. Perkins (2007) purports that one or more of the following problems are typical when the RFP is insufficient or unclear: (1) *low bids*, (2) *high bids*, (3) *no bids*, (4) *incompatible bids*, (5) *requirements mismatch*, (6) *inability to deliver*, and (7) *rigid contract compliance*.

The proposal evaluation process can often be a daunting task for many NPO administrators. According to Trochlil (2007) this is primarily due to their struggle determining which components need to be included and which consultants to send it to. Trochlil asserts that administrators recognize the obstacles that can plague the RFP process, when it lacks essential information (2007).

### **How Evaluators Respond to Request for Proposals**

Johnson (2009) asserts that organizations want to build a pool of highly qualified candidates that they can contract when needed. This means that the time necessary to respond to an RFP may be extensive, and the quality of your proposal must be impeccable (Johnson, 2009). Johnson (2009) further suggests that the proposal is an instrument that can ensure a consultant a *preferred vendor* status, or block a consultant from ever being considered in the future. This is an important consideration when determining if the time and effort that is necessary to prepare a quality proposal is worth responding to the RFP.

Gordan (2008) suggests that consultants read through an RFP very carefully, to determine if the services requested are feasible and realistic. If the consultant concludes that the RFP sufficiently conveys the purpose and parameters for the services requested, then it is important to respond to the RFP precisely without any embellishments (Gordan, 2008). However, if the RFP is lacking the information necessary to develop a quality proposal, initiate a dialogue with the organization for clarification.

Mathis (2009) suggests that the proposal must clearly address the problem posed by the RFP, and subsequently offer a feasible solution. Although many consultants will simply respond to every RFP that crosses their path, McCrea (2004) asserts that consultants must submit strong proposals that address each of the requirements indicated in the RFP. Accordingly, it is necessary for consultants to read the RFP carefully and identify the clues that are indicative of organization's needs (Gorelick, 2004).

According to McCrea (2004) there are eight components that should be included in proposals responding to RFPs. They are: (1) Table of Contents, (2) Executive Summary, (3) Qualifications, (4) Consultant/Firm Overview of Financial Stability and Success, (5) Project Plan, (6) Timetable, (7) Budget, and (8) Conclusion.

It is important that consultants not only meet and address the requirements dictated by the RFP, but that they also convey how and why they would be an effective professional for the project (McCrea, 2004). Beyond the development of a realistic budget, consultants must communicate to the organization what sets them apart from other potential bidders (Gorelick, 2004). This is the potential bidder's opportunity to impress the NPO with their unique qualifications. Often, evaluators have an area of expertise or a background in another field of study that can be beneficial for the type of

project they are being solicited for. Drawing on this additional expertise helps the NPO better gauge if a particular consultant is the best option for the work.

### **Selecting Contractors and Overseeing Projects**

Very little information is currently available that distinguishes evaluators from general contractors. Much of the information available refers to contractors for more tangible services. Often, an organization will assemble a committee that will begin the initial process of evaluating proposals. According to Harrison (2008) the evaluation of a proposal submitted by external consultants, should be based primarily on two criteria: “sector expertise and functional expertise”. Burke and Bandick (1997) assert that there are four primary areas that proposals are evaluated on: (1) credentials and expertise, (2) compatibility and communication skills, (3) commitment and results-orientation, and (4) stability and location.

Harrison (2008) suggests that there is a premium for inaccurate RFPs. This can hinder the selection of a highly qualified external consultant. Harrison suggests that proposal selection should be carried out according to content expertise and the expertise necessary to identify and address the unique organizational needs embedded in the RFP. Consequently, if the RFP is insufficient, this will lead to potential obstacles at the proposal selection phase. Another consideration for selecting a proposal is the extent to which it “adequately addresses the problem” (Mathis, 2009).

Proposals are typically scored or rated on the extent to which they meet the mandatory requirements of the RFP (Stocks, 2001). While there are several components in a proposal, two components that are highly regarded in the proposal evaluation process are (1) deliverables and (2) budget. Ideally organizations are going to be able to weigh

the most important components that need to be addressed in the proposal. Proposals meeting the project priorities of the organization should be given preference (Burke and Bandick, 1997).

A qualified and suitable consultant can greatly impact an organization. Considering that the selection of a consultant can greatly impact the programs and services of an organization, it is important the most qualified consultant be chosen for the project (Burke and Bandick, 1997).

### **Frame of the Study**

Figure 2:1 illustrates the framework guiding this study. It was based on the literature reviewed and the professional experience of the researcher. It was further modified after the qualitative phase of data collection to further structure the study. Developing a fluid framework and modifying it as new learning took place kept the study focused and yet allowed for an unbiased exploration of the phenomenon of the RFP process. This framework also maintained a purposeful sequence of examining each stage of the phenomenon: RFP development, response, and fulfillment.

As illustrated in the framework (Figure 1), development referred to how NPOs write and disseminate the document to potential bidders. The NPOs included to inform this study met the Internal Revenue Service's criteria for a 501(c)(3) public charity, private foundation, "other" nonprofit, giving organization, or volunteering organization. The next step in the process that was included in the study is evaluator response. As shown in the framework, this included both the solicitation of quality proposals and the selection of an evaluator. Fulfillment was explored through the exploration of contractor oversight and how often the NPO's RFP led to intended outcomes. Variables such as

annual operating budget, available funding for an evaluation, and organizational assets such as its staff were examined.

This study explores how these key variables impact the frequency the RFP that led to the evaluation work being fulfilled. Furthermore, the top section of the framework depicts the inductive phase of the study, where more qualitative data informed the bottom section of the framework. Deductive inquiry informed the study through the information provided in the bottom section of the framework. The middle of the framework illustrates the intended flow of the RFP process. This dissertation discusses the extent to which NPOs successfully navigate this process.

## RFP Process

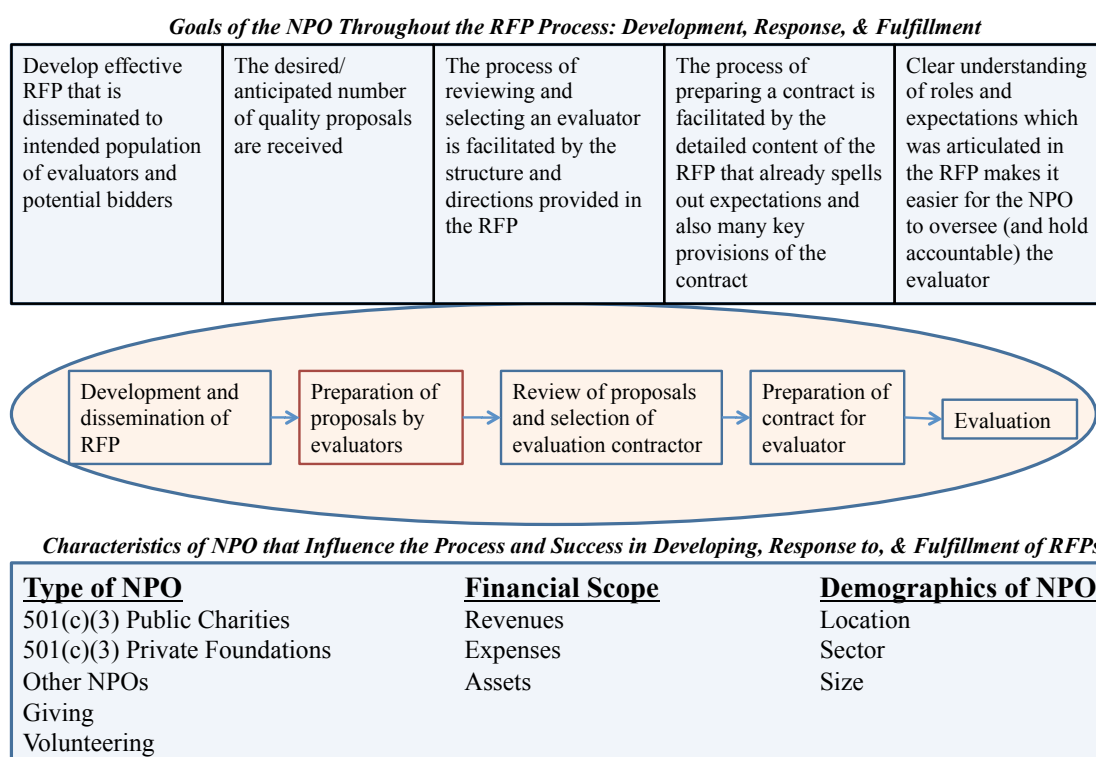


Figure 1. Study framework.



## CHAPTER III

### METHODOLOGY

As illustrated in the Study Framework (see Chapter II, Figure 1), development referred to how NPOs write and disseminate the document to potential bidders. The NPOs included to inform this study met the Internal Revenue Service's criteria for a 501(c)(3) public charity, private foundation, "other" nonprofit, giving organization, or volunteering organization. The next step in the process that was included in the study is evaluator response. As shown in the framework, this included both the solicitation of quality proposals and the selection of an evaluator. Fulfillment was explored through the exploration of contractor oversight and how often the NPO's RFP led to intended outcomes. Variables such as annual operating budget, available funding for an evaluation, and organizational assets such as its staff were examined.

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#### **Research Methods**

This study attempts to explore how NPOs retain highly qualified evaluators and to better understand how they navigate through the development and fulfillment of RFPs.

To do so effectively, the study was designed to identify any difficulties that are present during the RFP process. This was relevant for the development and verification of a theory that establishes the key components to an effective RFP for NPOs that met the inclusionary criteria of the study. Accordingly, a mixed-methods approach was used to appropriately guide the study with an exploratory sequential design.

A mixed-methods approach is used to generate a much more comprehensive understanding of the occurring phenomenon (Creswell, 2003). There are two types of mixed- methods design: sequential and concurrent. Both designs utilized qualitative data methods and quantitative data methods. However, sequential mixed-methods designs use one, then the other.

Concurrent designs utilize both qualitative and quantitative methods interchangeably during one phase of the study (Creswell, Plano, & Clark, 2011, p.66). Sequential mixed method designs require qualitative methods preclude quantitative methods. Sequential exploratory designs focus heavily on the qualitative phase of the research, later linking the quantitative data for understanding or verification.

Essentially, what is learned from the qualitative research is strengthened by the quantitative research. This study utilized a sequential exploratory mixed methods design in two phases: (1) case study and RFP analysis (QUAL), and (2) survey research (QUANT). Table 1 indicates which methodology was used to answer each of the research questions.

Table 1

*Study Method Used to Answer Research Questions*

<i>Question</i>	Qualitative	Quantitative
<b>1:</b> How are NPOs working through the development of RFPs?	✓	✓
<b>1a:</b> What are the difficulties encountered by NPOs during RFP development?	✓	✓
<b>1b:</b> What strategies are NPOs utilizing to overcome difficulties during the RFP development process?	✓	
<b>2:</b> How are 501(c) (3) NPOs interpreting and evaluating the proposals they receive in response to their RFP?	✓	
<b>2a:</b> What criteria are used to determine which proposal best addresses the work needed?	✓	
<b>2b:</b> How do the NPOs describe the way they actually make the selection of which bidder to select for the work?	✓	
<b>3:</b> How do NPOs oversee and hold evaluators accountable for fulfilling the work of the evaluation?	✓	✓
<b>3a:</b> How do they interact with the evaluators during the evaluation process?	✓	
<b>3b:</b> How do they determine the merit of the evaluators work?	✓	✓

**Qualitative Inquiry**

A qualitative approach was utilized to capture the multiple realities of the cases, with the intent to support a theory based on the data collected from semi-structured interviews. This first phase of the study simply sought to explore and understand how NPOs navigate through the RFP process. Theoretical constructs were established prior to developing the instruments and protocols for this study. These constructs were based on the available literature and professional experience in the field. Direct observations were particularly useful in identifying and defining these constructs. The theoretical constructs

were then refined throughout the study. The first phase of data collection consisted of two semi-structured interviews with NPO EDs at their individual offices. Each interview utilized protocol developed around the study's theoretical constructs. Each interview was audio recorded and detailed observations were carefully noted. The length of each interview was fully dependent on the participant's willingness to share their experiences.

Although each of the NPOs met the study inclusionary criteria, they represent the variance in experience, funding, size, resources, and capacity relevant to the nonprofit sector. This was particularly important to the integrity of the observable phenomenon and validity of the study findings.

Prior to designing the study, constructs were identified and defined to allow for more accurate measurement and theory-building (Eisenhardt, 2009). Specifically, qualitative case study research was used to explore the study content through the lens of each organization, and guide future practices (Creswell, 2007). Direct observations and in-depth, semi-structured interviews were used to collect data and synthesize the RFP process for each case to obtain the meaning and motivations behind the process. The shared experiences of the participants were also substantially considered in the qualitative analyses of this study. This approach was intended to answer the 'how' and 'why' of the RFP process. Yin (2003) suggests five design components for case studies: (1) study questions, (2) study propositions, (3) units of analysis, (4) linking data to propositions, and (5) criteria for interpreting the findings.

To increase the likelihood of replicating or extending the emergent theory, theoretical, purposive sampling was utilized for this study. This is not a statistical sampling method, which can sometimes be controversial. One of the more critical

concerns when utilizing a mixed- methods approach is sampling (Onwuegbuzie, Collins, 2007). Quantitative analyses heavily relies on larger sample sizes to infer reliability. However, Qualitative analyses do not aim for the same sampling standards due to the scope of data and researcher knowledge. This study did not seek to generalize, but rather gain a better understanding of the phenomenon occurring with NPOs around a RFPs request. For this reason primarily, purposive sampling was appropriately utilized.

The participants of this study included and were limited to: (1) 501(c) (3) public charities, (2) 501(c) (3) private foundations, (3) other nonprofit organizations, (4) giving organizations, and (5) volunteering organizations. This study included all accessible NPOs meeting the 501(c)(3) public charity classification. Access was likely granted in the context of the researcher's previous work with the participating NPOs. The opportunities that a qualitative approach offers such as interviews, observations, and open-ended inquiry provided a meaningful exploration of the research objectives. These activities will take place at the participating NPOs primary operating location.

As addressed in the research questions, the propositions for the study are the process of developing, responding to, and fulfilling NPO RFPs, and intended outcomes. The theoretical propositions for this study as determined from the framework which is the foundation of the research are: (1) NPO EDs have a difficult time communicating the scope of the project, (2) NPO EDs have a difficult time communicating the anticipated outcomes of the project, (3) external consultants/contractors/vendors have a difficult time preparing proposals that effectively address the intent of the RFP, (4) NPO EDs have difficulty determining the 'best' consultant for the project, based on the proposal, and (5)

projects are occasionally unfulfilled or inadequately fulfilled as a result of a crucial disconnect in the communicative factors of the RFP.

The units of analysis for the qualitative research were the NPOs, who informed the study, through interviews and direct observations of the study participants, meeting the inclusionary criteria. However, additional units of analysis included evaluation RFPs and a survey questionnaires. Yin (2003) also advocates triangulation of such data.

As recommended by Stake (1995) this evaluation incorporates four types of qualitative data analysis, consistent with a case study design: (1) categorical occurrence evident within the collected data, in an effort to reveal relevant meanings, known as categorical aggregation, (2) an attempt to reveal relevant meaning from a single occurrence, known as direct interpretation was conducted, (3) an attempt to reveal relevant patterns and examine any correlation between numerous categories was conducted, and (4) an attempt to reveal generalizations from the data collected, applicable to the general population of the sample criteria, was conducted and is expected to serve as a learning tool to the study audience. This is also known as naturalistic generalizations (Creswell, 2007).

Early identification of the study constructs, aid in the development of highly synergistic protocols. In accordance with the research questions and study propositions, an interview protocol was established to collect in-depth information. The interview protocol for the NPO EDs consisted of prompts in three key areas: (1) RFP development background, (2) RFP obstacles, and (3) RFP fulfillment. Additional information recorded included the date, time, setting, name, title, and organization. The NPO ED interviewees met the inclusionary criteria prior to being participants in the study. This protocol was

field tested for potential modification and determined to sufficiently gather the information necessary to adequately address the research questions and propositions, serve as an appropriate unit of analysis, and provide the criteria to interpret the findings, as suggested by Yin (2003).

The interview data was analyzed using Nvivo software. The primary stages of analyses were purposeful and theoretically grounded for maximum variation. A within case analysis was conducted by first coding each case by segmenting and labeling the transcribed data. The coding categories were derived from the primary interview areas covered. The data was then coded into *free nodes* or open categories. This created 15 different *free nodes* for the field-tested case. The categories were all-inclusive. *Tree nodes* or linked categories were established and collapsed where applicable to avoid any overlap. Narrowing the categories further ensure that the categories were mutually exclusive. Final within-case categories were determined. Eight tentative themes emerged from the final categories of the field-tested case: (1) experience developing RFPs, (2) RFP resources, (3) grant funding, (4) number of RFPs developed, (5) time, (6) obstacles, (7) proposal evaluation, and (8) RFP fulfillment. Observed variables were yielded for each of these categories, to be used in the quantitative analysis. All of the interview text was then re-coded using the eight tentative categories. This was to ensure that all of the data gathered from the interview could *fit* appropriately into one of the categories.

The analyses allowed the data to be linked to the propositions by exploring the phenomenon occurring within NPOs around their RFPs. However, it can also be used for exploratory cases in the hypothesis-generating process by starting with a theoretical

proclamation or hypothesis, then refining, revision of the proposition(s), and repeating the process as necessary, to complete the iterative process (2003). Although considered a highly problematic approach, such analytical processes will be implored throughout this study.

Accordingly, the exploratory model generated a dimensional qualitative analyses, and the most impactful components to include in an RFP were identified. Canonical correlations were used to identify the relationship between the components from the predictive model and to observe the dimensions of added value of completed evaluations.

Interviews were conducted in a private setting, and all data gathered was used only to inform this research study. The researcher ensured participants that their information was kept confidential. At the completion of the study, all the data was properly destroyed.

Researcher bias was controlled through the use of semi-structured interviews. All participants were informed of research purpose and potential implications of the study. Only after providing their consent, was data collected.

A descriptive analysis of the RFPs was conducted and a determination of the potential response rate of highly qualified evaluators was made. A total of 13 RFPs, representing a range of NPOs, were examined based on six key criteria of completeness: (1) overall concept, (2) goal/purpose, (3) objectives, (4) justification, (5) timetable, and (6) expense. A scale from zero to three was used to score each RFP. The results were then triangulated with the qualitative data collected for the study to further identify the implications of the study.



### **Quantitative Inquiry**

A quantitative paradigm was utilized to test the theory that was developed from the qualitative analyses. While the first phase of the study identified the socially constructed multiple realities of the cases, the second phase of the study was based on the assumption of reality according to correlations and model testing.

The quantitative research analyses utilized exploratory correlations and nonparametric tests to provide an appropriate method to estimate relationships identified in the study. The themes that emerge from the qualitative data analyses will be used to determine a relationship between the independent variables and the dependent variable. Since the correlations between the variables may not be initially obvious from the qualitative analysis, linear regression was used to verify statistically significant relationships in the quantitative analysis. Frequencies were also examined to identify how often fulfillment was met as they were influenced by each of the key study variables.

There are five types of NPO classifications. They include: (1) 501(c) (3) public charities, (2) 501(c)(3) private foundations, (3) other nonprofit organizations, (4) giving organizations, and (5) volunteering organizations. This study included all accessible NPOs meeting the 501(c)(3) public charity classification. Access was likely granted in the context of the researcher's previous work with the participating NPOs. The opportunities that a qualitative approach offers, such as interviews, observations, and open-ended inquiry, provided a meaningful exploration of the research objectives. These activities will take place at the participating NPOs primary operating location. There will be exceptions made for potential bidders who would rather not be interviewed at this location, conducive to the goals of this study.

Purposive sampling strategy was utilized to conduct in-depth interviews with two executive directors of 501(c)(3) classified NPOs. Observations of the RFP development process were utilized to further capture: (1) the barriers encountered, (2) the strategies utilized in overcoming barriers, and (3) the key elements of the proposal selection. Furthermore, various documents were examined including: (1) original RFPs, (2) NPO grant, and (3) RFP proposal. This study examined the RFP development process of NPOs with pending evaluation projects, evaluation projects that were previously fulfilled, and future evaluation projects. It was essential to this study to comprehensively capture each stage of the RFP process, to fully acknowledge the study objectives and answer the research questions. Convenience sampling was utilized to administer the survey questionnaire to 100 NPOs.

This study utilized observations, gathering field notes as an external observer. In-depth, semi-structured interviews were conducted, with the aid of audio equipment for later transcription. Documents and other artifacts were also examined. Surveys were also utilized to gather pertinent data for this study. These methods of data collection and procedures were completed in this specific order, to systematically understand each construct.

Surveys were also used to capture data for this study and consisted of nominal and ordinal questions. A sample of NPOs meeting the inclusionary criteria were invited to respond to a survey questionnaire that was developed after analyzing the data collected from the initial two (2) cases. The sample was obtained from two databases of nonprofits: (1) [www.idealists.org](http://www.idealists.org) and (2) [www.guidestar.org](http://www.guidestar.org). These NPOs were invited via email. A link to the survey via Survey Monkey was provided for those that

responded, and indicated that they would like to participate. The survey respondents were also asked to provide their most recent RFP as a component of their participation, however the survey respondents did not have any to submit. Accordingly, a sample of RFPs from similar NPOs was examined.

Additional analyses included the quantitative analysis of the surveys. This analysis was triangulated with the qualitative data analyses. Exploratory correlations were conducted using the variables identified from the emergent themes of the study interviews and observations. This analysis yielded a preliminary number of variables to be included and tested with numerous statistical models to develop the initial theories. These results identified the hypotheses that were statistically supported. The common variables were then analyzed to verify that the variables influencing the dependent variable of fulfillment indicated statistical significance. Subsequently, this concluded the hypothesis generating process by establishing the theory of what components comprise an effective RFP for the study participants, and general population meeting the inclusionary criteria of the participants of this study.

Additionally, to explore the obstacles potential bidders have responding to RFPs, an analysis of 13 RFPs was conducted. These RFPs were pulled from the Internet. Only those relative to evaluation work were examined. Although they were not as representative as the other sources of data, they were each drafted by an NPO meeting the study inclusionary criteria. Each RFP was score on a 3-point scale on completeness. Completeness was based on six criteria: (1) overall concept, (2) goal/purpose, (3) objectives, (4) justification, (5) timetable, and (6) expense. The results provide

information that is important to both NPOs and evaluators that work in the nonprofit sector.

### **Assumptions and Limitations of the Study**

Although a sample that is indicative of all NPOs and evaluators was not feasible for this study, the use of semi-structured interviews of two inherently different NPOs providing a rich description of information that will provide a basis for additional research. This study served as a critical lens bringing the ambiguity that surrounds the RFP process, and evaluation in the nonprofit sector, into focus. NPOs, their funders, and the field of evaluation can benefit from the findings and implications this study provided. The methodological approaches used for this study provided verification of these study assumptions.

There are three key limitations to this study: (1) generalization, (2) sample size, and (3) literature. Consequently, this study recognized that larger NPOs or those exceeding the inclusionary criteria, stated above, often have a systematic and rigorous process in place, as well as staff and tools to assist them in recruiting, selecting, and overseeing evaluators. The sample size used for this study also affects the ability for this study to generalize. Access to a larger sample would be ideal, but is not feasible for this study. The absence of literature specific to evaluation RFPs is also a limitation to this study. Subsequently, the knowledge and expertise of professional evaluators, NPO executive directors and staff, and other evaluation stakeholders is essential to informing this study.

The sample size for each line of inquiry was affected by the availability of NPO EDs. The study focus relies heavily on access into the phenomenon, which requires the

cooperation of the informants. However, the study population tends to be very constrained by time that it will be necessary to greatly increase the number of participants invited to participate in further research. Significantly increasing the sample size would un-restrict generalizability. The limited sample size also affected the analysis with regard to statistical significance. Some of the quantitative analyses failed to indicate statistical significance due to a small sample size. However, significance was in fact indicated through the qualitative analyses.

The lack of literature available, specific to the nonprofit sector and RFPs was a limitation of this study. The available literature provided good reference for designing the study around and substantiate the affirmations of it. Nevertheless, this study will provide a foundation to continue to build on and add to the available body of literature. As indicated in the discussion of future research, this study will provide a basis to build a base of new literature and other resources.

## CHAPTER IV

### RESULTS

This section discusses the types of analyses conducted and the results yielded from the exploration of the study phenomenon. To adequately cover the study findings, the discussion begins with a description of the study participants, including the cases examined during the qualitative inquiry and NPOs that responded to the survey. The Request for Proposals that were examined are described and discussed, as well as how RFPs are responded to and an evaluator selected.

#### **Analysis and Results**

The primary stages of analyses were purposeful and theoretically grounded for maximum variation. A within case analysis was conducted by first coding each case by segmenting and labeling the transcribed data. The coding categories were derived from the primary interview areas covered. The data was then coded into *free nodes* or open categories. This created 15 different *free nodes* for the field-tested case. The categories were all-inclusive. *Tree nodes* or linked categories were established and collapsed where applicable to avoid any overlap. Narrowing the categories further ensured that the categories were mutually exclusive. Final within-case categories were determined. Eight tentative themes emerged from the final categories of the field-tested case: (1) experience developing RFPs, (2) RFP resources, (3) grant funding, (4) number of RFPs developed, (5) time, (6) obstacles, (7) proposal evaluation, and (8) RFP fulfillment. Observed variables were yielded for each of these categories, to be used in the quantitative analysis. All of the interview text was then re-coded using the eight tentative categories. This was

to ensure that all of the data gathered from the interview could *fit* appropriately into one of the categories.

### **Descriptions of Nonprofit Organizations and Executive Directors**

Two NPOs were invited to inform the line of research as case studies. This required the availability of the executive directors to be interviewed. This qualitative inquiry was designed to guide the development of the survey made available to a larger sample of NPOs.

Case Study A – This NPO was established in 1989 to serve the communities of three local cities, to address housing disparities of low-income families, the elderly, and disabled. The organization strives to secure not only funding for its programs and services, but also volunteer manpower. Even with its recognition in the community and ability to demonstrate accountability, there is a constant struggle for funding. Several funders for this organization do require an evaluation be included with their annual report. The Executive Director had very little experience developing RFPs and no additional staff with RFP experience. The ED often must step away for upwards of three week from regular organization duties to prepare an RFP. A mentor with extensive experience in the service area serves as a resource to the ED for the four to five RFPs the NPO developed each year. However, these are typically for vendor services outside of evaluation. The NPO lacks the experienced staff to develop RFPs for evaluation. The ED has not found an adequate resource for preparing RFPs for their NPO.

Case Study B – This NPO has been in existence since 1997 to serve the elderly community of a small, local city. It was established with the direct assistance of a major funding organization. The ED has over 25 years of experience in NPOs and preparing

RFPs. Although the ED has extensive experience, and is quite comfortable with the process, the readily available resource the ED often turns to when developing an RFP is the Internet; due to the lack of resources available to the NPO around developing RFPs for evaluation services in the nonprofit sector. Time is another limitation indicated by the ED, since the NPO has grown so much creating a constraint in time for development of RFPs. However, the RFP development process does not require more than a few days for this ED, due to previous experiences.

### **Description of NPOs Based on the Survey**

After gathering information from the cases, a survey was developed to better understand how NPOs are navigating through the RFP process towards successful outcomes. Once this quantitative instrument was developed and made available to the sample of NPOs, the data was collected and the characteristics of the survey respondents were examined. Although all of the respondents met the inclusionary criteria for the study, it was necessary to identify more specific characteristics.

Of the 22 NPOs which responded, 68.2% (15) identified themselves as 501(c) (3) public charities. However, these NPOs operate with very different annual budgets. 18.2% (4) of the responding NPOs that identified themselves as a 501(c) (3) public charity, operate with an annual budget under \$250,000. 31.8% (7) of the responding NPOs that identified themselves as a 501(c) (3) public charity, operate with an annual budget between \$250,000 and \$999,999. 13.6% (3) operate with an annual budget between \$1,000,000 and \$4,999,999, and 4.5% (N=1) operates with an annual budget between \$5,000,000 and \$9,999,999.



There has been a recent shift in the way NPOs are being funded compared to the other years. Funders are being much more strategic in their funding goals. There are five different types of NPOs as recognized by the Internal Revenue Service. These include public charities (which is for organization listed as 501(c) (3)), private foundations, volunteering organizations, giving organizations, and other nonprofit organizations.

- **Public charities.** These include the entities that are listed by the local or federal laws as 501 (c) (3) and include all institutions that are considered a nonprofit organization. They form the largest percentage of all NPO in the society. Examples in these categories are public schools, hospitals, religious organizations and all other entities that receive funding from primarily from public charities, grants and contributions from the public.

- **Private foundations.** They are sometimes referred to as supporting organizations. They do not rely on the public for funding though at the same time they were not established to make profits but for service delivery to the public or society generally. They include hospital foundations, foundations that were created to offer library services and elementary schools, universities, and fire departments, among others. They are listed as 509(a) (1), 509(a) (2) and 509(a) (3). Most of the organizations under this category are able to generate some income and be self-sufficient. However, it should be noted that such institutions only charge a small fee for their services and profit is never the target.

- **Volunteering organizations.** These are formed to offer services that are not readily available or offered in public institutions. Many times, they are formed by professionals who are willing to offer their services to the public at a very small fee or

without charging at all. They may have membership plan whereby they offer a given membership fee and members can receive services without any charges.

- **Giving organizations.** They are majorly formed to offer service to the public without charging any cost. It is way of for the organization to give back to society, or their community, or to the part of other institutions for corporate social responsibilities. A company or any other entity that was formed to make profit may create another separate entity that they fund, which will be offering some specialized service to the community. Such organizations are formed on basis of charity work, and except being funded by the mother company that is operated independently.

- **Other nonprofit organizations.** Any organizations that do not fall under any of the previous categories are placed in this group. It consists of a range of diverse entities, which perform community-based activities free or at a very small fee.

### **Funding of NPOs**

There are several sources of income depending on the ground rules the institution was formed under. Some have several sources of income to run their large projects. As pointed out earlier, government grants have decreased in the recent past and thus create a need for NPOs to look for other alternative sources of funds. Grant Space foundation conducted a study to determine the various sources of income found by NPOs, and found that currently NPOs are relying on services fees as their main source of income. Figure 2 presents the contribution of the various groups of the overall funding as a percentage. The main sources of income are:

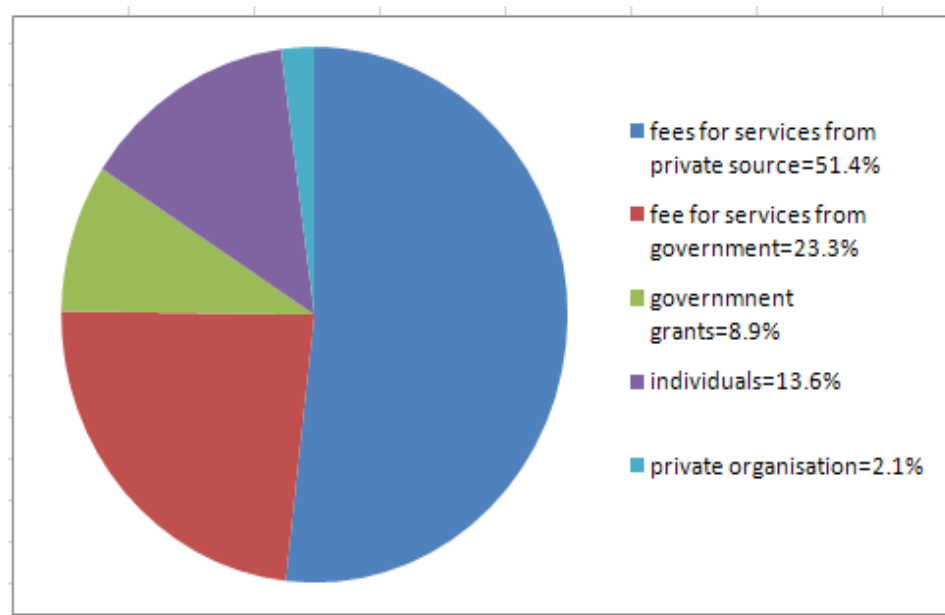
- **Fees for services and goods from private sources.** This constitutes more than 51.4% of all sources of funding for NPOs. Small fees that are charged by these

organizations are used majorly to run the activities of the day. This method was appreciated from the community they serve, since the amount charged is far less than compared to fees of other profit making organizations. Since the amount needed is only utilized for operating costs, the amount is usually small.

- **Fees for services and goods from the government.** This contributed to 23.2% of all funding of NPOs as of 2009. Organizations, which offer services to the government and consequently get paid in return.

The above methods are commonly referred to as self-generated fees. They form the bulk of income that is used to run the organization. This is contrary to common opinion that nonprofit organizations depend on charity donations to fund their activities.

- **Government grants.** Only 8% of the contributions are made up from grants from the government. Most local and federal governments have initiatives that determine the amount of funds that can be allocated to NPOs depending on the evaluation of their proposals.
- **Individuals and charitable contributions.** These formed 13.6% and 2.1% of the total contributions for the sources of funds received for NPOs. It is worth noting that individual contributions formed approximately 73% of the total in this category. There has been a large decline in the number of grants received from other organizations creating a need for NPOs turn to individual philanthropists in order to solicit funds.



*Figure 2.* NPO sources of funding.

### **Description of Request for Proposals**

To further explore the RFP process, a sample of 13 RFPs for evaluation services were examined. The sample represented a variation in structure and length, with a range of one to 39 pages. The sample also included a NPO representative of each tier within the sector; local, regional, and state. The RFPs were scored on six criteria, derived from the literature and case analyses, from the qualitative inquiry: (1) overall concept, (2) goal/purpose, (3) objectives, (4) justification, (5) timetable, and (6) expense. As shown in Table 2, the overall concept should convey the program theory, articulate the program mission, and indicate the mechanics of the program. The goal/purpose should convey the anticipated outcomes and articulates the objectives. The objectives should provide NPO identified indicators for achieving program goals. The justification will substantiate program need. The timetable simply communicates the timeframe for the evaluation. This often includes dates for deliverables. Providing the project expense should be

included. It is critical for planning and assigning the appropriate budget. The RFPs were then scored on a scale of 0 to 3. See Table 3 where the values of this scale are explained.

Table 2

*RFP Completeness Criteria*

<b>Overall Concept</b>	<b>Goal/Purpose</b>	<b>Objectives</b>	<b>Justification</b>	<b>Timetable</b>	<b>Expense</b>
Conveys program theory or purpose	Anticipated outcomes are indicated	Provides indicators for achieving program goals	Substantiates program need	Communicates timeframe	Appropriate budget is provided for the project
Program mission is clearly articulated	Provides program objectives				
Mechanics of program are clearly articulated					

Table 3

*RFP Completeness Rubric*

<b>Scale</b>	<b>Completeness</b>	<b>Score</b>
0	RFP one (1) or less of the criteria	0-3
1	RFP includes two (2) of the criteria	0-3
2	RFP includes three (3) or more of the criteria	0-3
3	RFP includes all six (6) of the criteria	0-3

Only two of the 13 RFPs that were less than 10 pages in length included all six criteria of completeness. One high-scoring NPO drafted an RFP that was seven pages in length and clearly included and articulated each of the six criteria. The other high-

scoring RFP drafted a RFP that was only four pages, however, it included each of the six criteria. The weakest RFP was developed by a small NPO that focuses on environmental education through after school programs, and although it was in existence for over two decades it had not hired its first paid executive until 2010.

The RFP solicited an evaluator to assist with an annual evaluation report for a new program within a very limited budget. Consequently, it presented the shortest in length with only one page and it lacked or fell short of clearly articulating the first four criteria and the only two criteria it clearly indicated in the RFP were the timetable and expense. A total of four RFPs received a score of 2. Half of these were very well-developed, only missing the timetable or expense. Another RFP was missing the objectives and another was missing both the timetable and expense criteria. Eight of the RFPs included all six of the criteria and received scores of 3 as seen in Table 4.

Table 4

*RFP Completeness Results RFPs*

Criteria	1	2	3	4	5	6	7	8	9	10	11	12	13
Overall Concept	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
Goal/Purpose	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
Objectives	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓
Justification	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
Time Table	✓		✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
Expense		✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
Score	2	2	2	1	3	2	3	3	3	3	3	3	3

### Relationship Between NPO Characteristics and Successful RFP Processes

To thoroughly explore how NPOs navigate through the RFP process and yield successful outcomes, also referred to as fulfillment, it was necessary to examine how the characteristics of the NPOs impact project fulfillment. Project fulfillment assumes that if the intended outcome is met, the RFP led to the selection of a qualified evaluator or contractor, and results in a successful evaluation. Table 5 shows the frequency of how often the RFPs developed by NPOs lead to intended outcomes, which is the dependent variable of the quantitative analysis.

Table 5

#### *RFPs Developed by NPOs Lead to Intended Outcomes*

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-25% of the time	8	36.4	42.1	42.1
	26-50% of the time	1	4.5	5.3	47.4
	51-75% of the time	3	13.6	15.8	63.2
Total		22	100.0		

The principal independent variable is experience. Frequencies were examined to better understand the relationship between experience and fulfillment. The mean of experience was 1.68 (SD=0.95) years. The outcome variable (fulfillment) was 2.47 (SD=1.39), indicating fulfillment ranges from 26–50% of the time. Most (N=12, 54.5%) NPO leaders in this sample indicated they have 0-3 years of experience developing RFPs. Approximately one-third (N=7, 31.8%) of NPO leaders have 4-7 years of experience. There was a clear decrease in the number of NPO leaders with much more experience.

Only one (4.5%) NPO leader reported having 8-11 years of experience, and two (9.1%) reported having 12 or more years of experience developing RFPs.

The frequency of the outcome variable, as seen in Table 6, further indicated a strong relationship to experience. Although there were 8 (36.4%) responses indicating fulfillment 0-25% of the time, 3 (13.6%) NPO leaders refrained from responding to this question. Further examination indicated that the nonresponses were aligned with NPO leaders who indicated little or no experience developing RFPs. Only 1 (4.5%) indicated fulfillment 26-50% of the time. As seen in Table 7, this would suggest an alignment of the 12 (54.5%) NPO leaders with 0-3 years of RFP development experience, and those who indicate fulfillment as a result of the RFP 50% or less of the time. Additionally, 3 (13.6%) NPO leaders indicated fulfillment occurs 51-75% of the time, and 7 (31.8%) indicated fulfillment occurs 76-100% of the time. Again, this suggests an alignment of the NPO leaders (N=10) with 4 or more years of experience and the number of NPO leaders (N=10) who indicated that their RFPs led to intended outcomes more than 50% of the time.

Table 6

*Frequency of Fulfillment per Experience*

	<b>Years of experience developing RFPs:</b>	<b>The RFPs developed by our NPO lead to intended outcomes:</b>
Valid	22	19
Missing	0	3
Means	1.682	2.474
Median	1.000	3.000
Std. Deviation	.945	1.389
Skewness	1.464	-.009



Table 7

*Years of Experience Developing RFPs*

	Frequency	Cumulative Percent
0-3 Years	12	54.5
4-7 Years	7	31.8
8-11 Years	1	4.5
12 or more Years	2	9.1
Total	22	100.0

Tables 8 and 9 show the additional analyses that was conducted on the three following independent variables: type of NPO, annual operating budget, number of paid staff, and the key independent variable of years of experience developing RFPs. It also displays the means of the key variables: Experience, Fulfillment, and NPO Size were compared to NPO Type and funding.

Organizations that categorized themselves as “Other Nonprofit Organization” or “Volunteering Organization”, regardless of funding, had the lowest means for fulfillment (Mean =1). With the exception of “Other Nonprofit Organization” with an operating budget between \$1M & \$4,999,999, as well as “Other Nonprofit Organization” with an annual operating budget *under* \$250K. Only one of the two NPOs that identifying themselves as “Other Nonprofit Organization” or “Volunteering Organization” with an operating budget between \$1M & \$4,999,999 provided outcomes data. However, the NPO that did provide data indicated that *the RFPs developed by their NPO lead to intended outcomes* “76-100% of the time”. This organization has a Paid staff of 27.

“Other Nonprofit Organization” with an annual operating budget *under* \$250K: indicated that *the RFPs developed by their NPO lead to intended outcomes* more than

“26-50-% of the time” (Mean=2.5, SD=2.12). NPOs that identified themselves as a “501(c)(3) Public Charity” yielded the Highest mean (Mean=4) for outcomes achieved “76-100% of the time” for NPO with annual operating budget of \$5M - \$9,999,999. However, there was only one respondent in this category; no SD. Organizations with annual operating budget between \$1M and \$4,999,999 (Mean=2.67, SD=1.53). Organizations with annual operating budget between \$250K and \$999,999 (Mean=2.6, SD=1.52). Organizations with annual operating budget under \$250K (Mean=2.5, SD=1.29).

Table 8

*Frequency of RFPs Leading to Intended Outcomes for 501 (c)(3) NPOs*

<b>501(c)(3) Public Charity</b>		<b>Years of experience developing RFPs:</b>	<b>The RFPs developed by our NPO lead to intended outcomes:</b>	<b>How many paid staff does your NPO have?</b>
Under\$250K	Mean	2.000	2.500	1.75
	N	4	4	4
	Std. Deviation	1.414	1.291	2.363
Total	Mean	2.000	2.500	1.75
	N	4	4	4
	Std. Deviation	1.414	1.291	2.363
\$250K - \$999,999	Mean	2.000	2.600	5.86
	N	7	5	7
	Std. Deviation	1.155	1.517	2.795
Total	Mean	2.000	2.600	5.86
	N	7	5	7
	Std. Deviation	1.155	1.517	2.795
\$1M - \$4,999,999	Mean	1.333	2.667	27.00
	N	3	3	3
	Std. Deviation	0.577	1.528	14.731
Total	Mean	1.333	2.667	27.00
	N	3	3	3
	Std. Deviation	0.577	1.528	14.731

Table 8—Continued

<b>501(c)(3) Public Charity</b>		<b>Years of experience developing RFPs:</b>	<b>The RFPs developed by our NPO lead to intended outcomes:</b>	<b>How many paid staff does your NPO have?</b>
\$5M - \$9,999,999	Mean	2.000	4.000	220.00
	N	1	1	1
	Std. Deviation	.	.	.
Total	Mean	2.000	4.000	220.00
	N	1	1	1
	Std. Deviation	.	.	.

Table 9

*Frequency of RFPs Leading to Intended Outcomes for Other NPOs*

<b>Other Nonprofit Organization</b>		<b>Years of experience developing RFPs:</b>	<b>The RFPs developed by our NPO lead to intended outcomes:</b>	<b>How many paid staff does your NPO have?</b>
Under\$250K	Mean	1.500	2.500	3.00
	N	2	2	2
	Std. Deviation	0.707	2.121	0.000
Total	Mean	1.500	2.500	3.00
	N	2	2	2
	Std. Deviation	0.707	2.121	0.000
\$250K - \$999,999	Mean	1.000	1.000	1.00
	N	1	1	1
	Std. Deviation	.	.	.
Total	Mean	1.000	1.000	1.00
	N	1	1	1
	Std. Deviation	.	.	.

Table 10 shows the associations between the principal study variables; experience and fulfillment. Spearman's Rho correlations indicated a statistically significant association ( $Rho=0.55$ ,  $p<0.05$ ). This indicates a strong relationship between the two variables. Most importantly, the outcome variable (fulfillment) can be more accurately predicted by the experience variable. To further examine the association between the

principal study variables (experience & fulfillment), Pearson Correlation was calculated ( $R=0.54, p \leq 0.05$ ) indicating a statistically significant, and strong relationship between the two variables. It also turned out that NPOs did not offer their staff any training concerning the operations or better understanding of the organization. The data indicated that staff from the organizations that received some training had better understanding of evaluation.

Table 10

*Correlations of Principal Study Variables*

	<b>Years of experience developing RFPs</b>	<b>The RFPs developed by our NPO lead to intended outcomes:</b>
Spearman's Rho Correlation Coefficient	1.000	0.553*
Sig. (2-tailed)	.	0.014
N	22	19
Pearson Correlation	1	0.539*
Sig. (2-tailed)	22	0.017
N		19

*Note.* Correlation is significant at the 0.05 level (2-tailed).

Descriptive statistics shown in Table 11, indicated a mean of 1.68 (SD=0.94) *years' experience developing RFPs* among the 22 NPO respondents. Additionally, the 19 NPO respondents (3 did not respond to this question) indicated that *the RFPs developed by [their] NPO lead to intended outcomes* 26-50% of the time with a mean of 2.47 (SD=1.39).

Table 11

*Descriptive Statistics of Survey Respondents*

	N	Minimum	Maximum	Mean	Std. Deviation
Years of experience developing RFPs:	22	1	4	1.68	0.95
The RFPs developed by our NPO lead to intended outcomes:	19	1	4	2.47	1.39

RFP fulfillment is quite dependent on key variables such as training, experience, and budget. Experience played greater role towards achieving the intended outcome. It was noted that people with many years of experience had the greatest chances of writing the RFP and it results to the intended outcome. The trend was also noted to increasing with the number of years one was involved in drafting RFPs. This can related to the factor that people get accustomed to their work with more years. Those who had been involved in writing RFPs previously know exact what is needed in the write-up and the exact characteristics that a standard document should have. Moreover, interacting with other people in same or similar fields resulted to increased subject matter knowledge.

A new trend that was noted in RFP fulfillment is the level of understanding that the NPOs had towards the organization or the program generally. Table 12 shows the correlation between the RFP fulfillment and other factors within the organization. These include the level of training, the years of experience in developing RFPs and whether it was a paid participant or volunteers. Kruskal-Wallis results on the relationship between fulfillment and the number of staff and their knowledge indicated that there was actually some impact on training. Of the 22 NPOs used in the research, it was found that very few of them had received professional training. There was a mean of 1.05 with a standard

deviation of 0.21. Their employees also indicated that they had less than average understanding of the job as well as the organization that they are working for, resulting in a mean of 2.95 with a standard deviation of 0.90.

Accordingly, the RFP that was developed by the 19 NPO staff who had a sound knowledge of the program yielded a mean of 2.47 on average out of 19 NPOs that were examined. On average, those who had received training had a mean of 1.05. This result indicates that training plays a very significant role in providing the right information to the staff. Since in many cases the NPOs might not be in a position to hire experienced RFP personnel due to financial constraints, it was noted that it might be better if the organization hired those within the reach of the budgets and supply them with a training course. This would be less expensive and expedite their training process so that they could be in a position to deliver the best RFP; ultimately resulting in intended incomes.

Table 12

*Descriptive Statistics for Number of Staff, Level of Evaluation Knowledge, and Fulfillment*

	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Minimum</b>	<b>Maximum</b>
How many paid staff does your NPO have?	22	18.91	46.46	0	220
Rate your level of knowledge related to program evaluation:	22	2.95	0.90	1.00	5.00
I have received training in developing RFPs.	22	1.05	0.21	1.00	2.00
The RFPs developed by our NPO lead to intended outcomes:	19	2.47	1.39	1.00	4.00

There was also a relationship between the outcomes of the RFP and whether or not the staff was paid or they were working on a voluntary basis. Kruskal-Wallis data indicated that organizations that had higher budgets had more chance of receiving the intended or positive outcome. This can be attributed to people being more willing if given a morale boost, as opposed to when they are working without any hope of incentives, in the form of salary or any other compensation. Having a strong budget is a positive characteristic in any organization since the employees are more motivated to deliver their best towards achieving the objectives of the organization.

### **Exploratory Correlations/Nonparametric Tests**

Nonparametric tests were conducted. Descriptive statistics on: Experience, Fulfillment, NPO Size, and Evaluation Funding. Exploratory analyses using nonparametric tests (due to nonrandom sample) were conducted to determine the effects of NPO size (number of paid staff), years of experience, and fulfillment on NPO type and annual operating budget (funding). As shown in Table 13 the sample yielded a mean of 1.68, standard deviation of 0.95, *t statistic* (8.34, *p* 0.00) two tailed of “0 – 3 years” of experience developing RFPs. The RFPs developed by the sample NPOs lead to intended outcomes 26-50% of the time (*M*=2.47, *SD*=1.38) (*t statistic*=- 7.76, *p*=0.00) (two tailed). The small standard deviations indicate close clustering around the mean. This suggests that the study variables are indeed predictors of the dependent variable; intended outcomes.

Table 13

*Exploratory Correlations/Nonparametric Tests of Study Variables*

	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Minimum</b>	<b>Maximum</b>
Years of experience developing RFPs:	22	1.682	0.945	1.00	4.00
The RFPs developed by our NPO lead to intended outcomes:	19	2.474	1.389	1.00	4.00
How many paid staff does your NPO have?	22	18.91	46.456	0	220
Our NPO receives substantial funding for external evaluations.	21	1.048	0.218	1.00	2.00

Table 14 shows the Kruskal-Wallis Tests that were conducted to examine principal study variables (Experience, Fulfillment, NPO Size) with evaluation funding. The null rejected on all three variables; funding for external evaluations is not associated with statistically significant differences in experience ( $p=0.466$ ), fulfillment ( $p=0.283$ ), or size ( $p=0.804$ ). However, the qualitative inquiry would suggest that this result is largely in part due to the limited sample used in the analysis. As discussed, sample size is a limitation of this study and future research with a larger sample may likely support the qualitative data that asserts that external funding for evaluations would have an effect on experience, fulfillment, and/or size.



Table 14

*Nonparametric Test Statistics<sup>a,b</sup> of Study Variables*

	<b>Years of experience developing RFPs</b>	<b>The RFPs developed by our NPO lead to intended outcomes</b>	<b>How many paid staff does your NPO have?</b>
Chi-Square	0.532	1.154	0.062
Df	1	1	1
Asymp. Sig	0.466	0.283	0.804

<sup>a</sup>Kruskal Wallis Test.<sup>b</sup>Grouping Variable: Our NPO receives substantial funding for external evaluations.

Additional nonparametric tests were conducted. A Friedman Test was conducted.

The Friedman Test, shown in Table 15, was utilized to further examine differences.

Because the  $p$ -value 0.055 is just barely greater than the significance level (0.05), the null was only barely accepted. Accordingly, there is insufficient evidence at the significance level to conclude that the sample proportion differs significantly.

Table 15

*Friedman Test Statistics<sup>a</sup> of Study Variables*

N	2
Chi-Square	16.615
Df	9
Asymp. Sig	0.055

<sup>a</sup>Friedman Test.

Shown in Table 16, an additional nonparametric test, the Kruskal-Wallis Test, was utilized to further examine the differences between Knowledge of Evaluation, Training in RFPs, & NPO Size with Fulfillment. The Kruskal Wallis test indicated no statistically significance difference between size, knowledge of program evaluation, and RFP training ( $p=0.210$ ).

Table 16

*Kruskal Wallis Test Statistics<sup>a,b</sup> for Number of Staff, Level of Evaluation Knowledge, and Fulfillment*

	<b>How many paid staff does your NPO have?</b>	<b>Rate your level of knowledge related to program evaluation:</b>	<b>I have received training in developing RFPs</b>
Chi-Square	4.53	3.14	1.71
Df	3	3	3
Asymp. Sig.	0.21	0.37	0.63

<sup>a</sup>Kruskal Wallis Test.

<sup>b</sup>Grouping Variable: The RFPs developed by our NPO lead to intended outcomes.

The Mann Whitney test, shown in Table 17 was used instead of a *t* test because one of the assumptions about the samples was violated. Certain violations happen with small sample sizes. No statistically significance difference was displayed between size, knowledge of program evaluation, and RFP training ( $U=24$ ,  $p=0.29$ ).

Table 17

*Mann Whitney Test Statistics<sup>a,b</sup> for Training, Evaluation Knowledge, and Number of Staff*

	<b>I have received training in developing RFPs</b>	<b>Rate your level of knowledge related to program evaluation:</b>	<b>How many paid staff does your NPO have?</b>
Mann-Whitney U	24.00	14.00	15.00
Wilcoxon W	60.00	50.00	51.00
Z	-1.07	-1.70	-1.52
Asymp. Sig. (2-tailed)	0.29	0.09	0.13
Exact Sig. [2*(1-tailed Sig.)]	0.69 <sup>b</sup>	0.12 <sup>b</sup>	0.15 <sup>b</sup>

<sup>a</sup>Grouping Variable: The RFPs developed by our NPO lead to intended outcomes.

<sup>b</sup>Not corrected for ties.

### Linear Regression

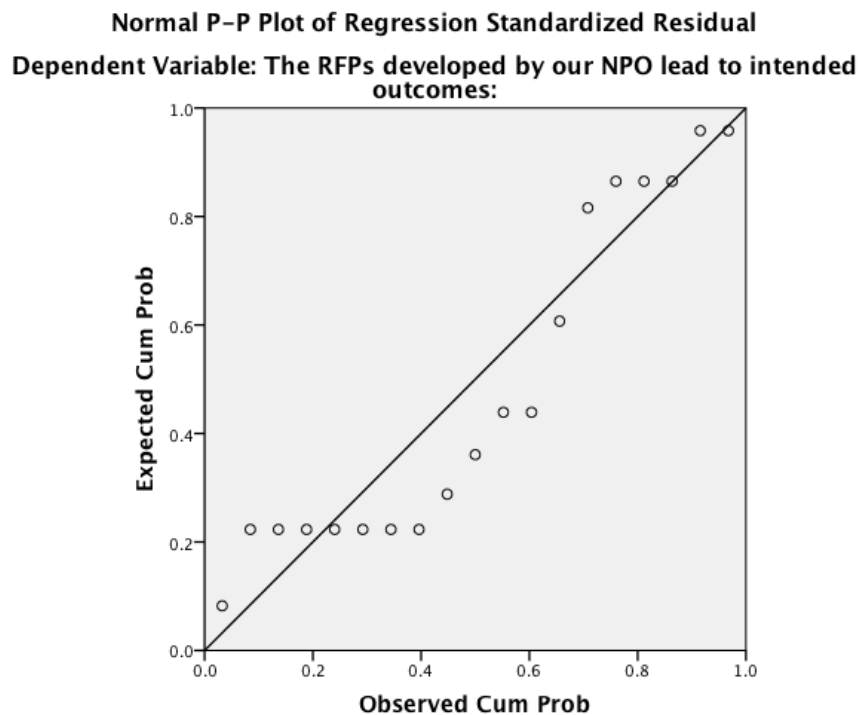
Linear regression was conducted to examine the effects of Experience & Fulfillment, as shown in Table 18. The scatterplots in Figure 3 and Figure 4 indicate a

positive correlation. Homoscedasticity was also examined. The model summary yielded an R-value of 0.54, which represents the simple correlation and suggests a moderate degree of correlation. The R square (0.29) indicates how much of the dependent variable (fulfillment) can be explained by the independent variable (experience); 29.1%, which is low.

Table 18

*Regression Model Summary for Fulfillment*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.54	0.29	0.25	1.20	2.44



*Figure 3. Normal P-P plot of regression for fulfillment.*

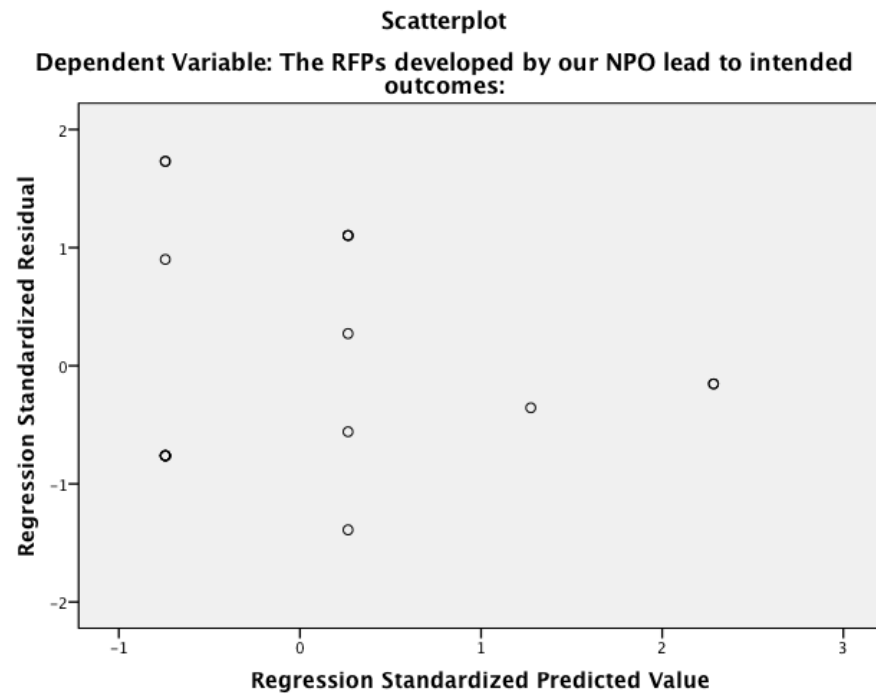


Figure 4. Scatterplot for fulfillment.

The ANOVA table shown in Table 19 indicates that the regression model predicts the outcome variable significantly well ( $p=0.017$ ). Accordingly, the model applied statistically significantly predicts the outcome variable (fulfillment).

Table 19

*Fulfillment Given Experience*

ANOVA <sup>a</sup>	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.106	1	10.106	6.975	.017 <sup>b</sup>
	Residual	24.631	17	1.449		
	Total	34.737	18			

<sup>a</sup>Dependent Variable: The RFPs developed by our NPO lead to intended outcomes.

<sup>b</sup>Predictors: (Constant), Years of experience developing RFPs.

### Request for Proposal Response: Proposal Development

As discussed in theoretical framework, there are some key components that have been deemed necessary in the development of a sufficient RFP. Based on the literature

reviewed, the cases in the qualitative portion of the study, review of the RFPs, and survey data, some of the request for proposals and even the proposals for evaluations services did not yield the expected results due to a number of factors. Several issues can hinder successful or expected results. They include program eligibility, language, desperation, submission requirements, materials, and adequate information.

RFP and proposal development are essentially obsolete if the program has not been developed enough for the type of evaluation services being sought, or the evaluator/consulting firm doesn't meet the eligibility requirements to respond. This is relative to submission requirement issues as well. There are often submission requirements such as a submission deadline, method of submission and number of copies, budget worksheet, and qualification verifications among others. NPOs already operate under tremendous time constraints. When proposals from evaluators/consulting firms do not honor the submission deadline, it results in additional time constraints or the rejection of a highly qualified evaluator/consulting firm. When the timeline for the project is impacted, even at the RFP development stage, it can also result in less time available for the evaluation itself. This subsequently restricts the extent to which the evaluation can be conducted and intended outcomes are successfully achieved. Furthermore, it lessens what can be learned by the NPO to improve its organization, programs and/or services, and community initiatives.

The required method of submission is often either electronic or hard copy. If the NPO is very small, they may lack the technological capacity to receive numerous electronic proposals in response to their RFPs. Accordingly, such NPOs often are not able to disseminate an electronic RFP either. This severely limits its ability to reach more

highly qualified evaluators/consulting firms. If the submission method required is hard copy, it can get lost or destroyed in transition if not delivered via an NPO staff member or professional courier service. Also, if hard copy submissions are required and there are a large number of copies required, it may not be worth the expense to the evaluator/consulting firm to respond to the RFP. Other requirements that reduce the pool of potential evaluators/consulting firms that respond to the RFP include tasks that they either are not comfortable submitting or are not able to submit, like detailed budget worksheet or qualification verifications. Qualification verification requirements often weed out evaluators/consulting firms that are unqualified.

Another issue is how an RFP or proposal is worded. It is important to use *plain* language whenever possible. If an RFP is written in a way that uses mostly technical jargon familiar to the organization, the potential bidder with expertise in evaluation may not understand it. They may also see it as a gesture of desperation; trying too hard to coerce a response. This will again result in a very limited pool of qualified bidders. In cases where it is inevitable, the document should include a footnote that explains the technical terms used. On the other hand, when an evaluator uses language that is too technical when responding to the RFP, it can be taken as a sign of desperation; an attempt to sound more qualified.

The use of quality materials should be used to disseminate an RFP or respond to one. Care taken to use materials that are professional improves the chances of a thorough review from both parties. This also provides an indication of professional capacity and characteristics. Another indication of professional capacity and characteristics is by providing the information included about the organization. NPOs want to see proposals

that include information about the bidder's capacity to complete the evaluation and achieve intended outcomes. The potential bidder also want to see information, such as the background of the organization, the program or service to be evaluated, relevant data, and future expectations.

Proposal evaluation is one of the hardest steps in the project development process. NPOs are often adhering to accountability requirements from their funders when soliciting evaluation services. One of the advantages of conducting evaluation is it gives more reliable information to improve the program and services offered by the organization. It also gives an insight to the program mechanics and areas that need to be improved. Primarily, an evaluation is required and funders may demand to see it. Many organizations were found to be using evaluation in order to increase their funding. Accordingly, NPO executive directors want to be careful to select the best possible proposal, to secure the most qualified bidder within their specified budget limits. This is a very stressful and time-consuming task, often with very high stakes.

Proposal evaluation provides immediate feedback, which can be used to address problems and make the necessary adjustments early on. It also acts as the mechanism that can be used to receive feedback from the concerned people. Evaluation is often credited with providing invaluable information about the organization that was then used to improve the structure and planning of the program.

Despite having its advantages, some NPO executive directors are opposed to evaluations. They indicated that it is a requirement by the funders and not part of their practices. Some indicated that they didn't believe evaluation had a direct impact and may not add any core value to the organization. They also indicated that the process is costly

both in time and money spent throughout the process. Since they mostly operate under a fixed budget, these organizations find it hard to dedicate a portion of their limited funding into evaluation, which might not have any direct positive impact on the organization. It is therefore deemed, as some unnecessary cost to the organization due to their limited capacity to see the value in what can be learned from evaluation.

In proposal evaluation, the team involved should come up with a well-defined and carefully designed system that gives the highest consideration in the ranking of the evaluation scores. It was not that proposal evaluation and proposal eligibility were closely interconnected, but often intertwined in the system for ranking.

For proper functioning and improvement of services delivery, some organizations had well laid principles that were used to determine the proposal evaluation process. Though different from one organization to another, they all had similar characteristics. The most common ones were: transparency, equality, ethics, efficiency, and quality.

- **Transparency-** the evaluation process provided a clear framework for any group that had the intentions of preparing proposal for funding, and evaluation of the process of reaching the funding should be clear and available to any interested party. The outcome should be made available to all parties and the criteria that were used in achieving the final results.
- **Equality-** the funding groups are expected to give equal considerations to all parties regardless of any affiliates to the organization or any other fact that they may choose to observe.



- **Ethics-** the proposal should observe ethics and any proposal that contravenes any fundamental ethical principle should be not even go through the evaluation process.
- **Efficiency-** the proposal evaluation process should be carried out in the shortest time possible. Delays should be avoided and keeping the proposers waiting, which could result in them giving up on the process altogether.
- **Quality-** the proposal should show a very high level of quality in the plan of execution for the said action. It should have a positive impact on the organization, community and the society in which it is situated.

### **Proposal Submission Process**

Evaluators or potential bidders are required to do their due diligence to contribute to a successful RFP process. However, there are some prerequisites. As previously discussed, after thoroughly reviewing the RFP, potential bidders must ensure their eligibility to respond to the RFP first. Then professional capacity to fulfill the solicited work is determined. Once both of those first steps are completed, the potential bidder decides to begin the submission process. This is the point where considerable time and attention must be spent by the bidder. They include: (1) researching the organization and its program/service to be evaluated, or included in the scope of the project, (2) establish a work plan, (3) develop a budget, (4) add value, (5) prepare all the required documents, and (6) submit the proposal.

The prerequisite steps of determining eligibility and professional capacity not only affects the overall RFP process, it is an ethical responsibility of the potential bidder. Beyond simply meeting the respondent requirements provided in the RFP, potential

bidders must also determine if they have the expertise to carry out the work, if they have, or need a team (when applicable) with the appropriate expertise, any additional resources that are necessary for project, and any professional and personal limitations and biases. The professional capacity of the potential bidder must be such that they can provide technical and ethically sound evaluation.

It is essential to thoroughly research the NPO so the evaluation team understands the mission of the organization, its structure including administrative hierarchy, and its key stakeholder groups. Gaining some insight into the program(s) and/or service(s) to be evaluated provides the potential bidder with more information than what is provided in the RFP. This additional information is necessary for the potential bidder to learn more about the mechanics of the program, the motivation for the project, and what the NPO hopes to learn from the work.

After learning more about the NPO, the potential bidder begins developing a work plan. The proposed work plan requires knowledge about the stakeholder groups gained in the previous step. This knowledge is then used to determine the most appropriate approach, methods, timeline, deliverables, tools, and other resources that will help guide the evaluation around the objectives indicated in the RFP. The proposed work plan lends itself to be used as a blueprint for navigation for the collaborative consensus between the NPO and contractor preparing to conduct the evaluation. The final work plan used to carry out the project promotes both transparency and a sound evaluation. A detailed budget is also included in the final work plan, and often is a separate deliverable in the proposed work plan since it is a component of the overall proposal. This provides a

detailed list of tasks with anticipated time for each of its members during the evaluation, and their rate of pay.

One of the most important steps in the proposal submission process is adding value to the NPO. This is where the potential bidder must determine what they can uniquely provide above and beyond the requested work. Adding value to the NPO fosters learning and growth. Evaluation, when conducted both systematically and with relevance, is a significant learning tool that can provide a professional capacity building step to both struggling and strong organizations. This step also distinguishes the submission of one RFP from another. An NPO may be interested in a particular area of expertise that may or may not have been included in the RFP.

The last steps of the proposal submission process are the final preparation of all the required documents and final submission. This step requires the bidder to prepare all of the necessary forms, in the required order. Any deviation from the order required in the RFP will likely result in the proposal being rejected. Every document in the proposal is checked several times for errors and to ensure alignment amongst them. As previously stated, it is essential for the proposal to be submitted on time; even early if possible, however it must be sufficiently completed.

### **Proposal Review Process**

In order to achieve the best results, it is best for all concerned parties to come together and develop a common technique that is to be applied when conducting the proposal evaluation process. Each organization usually has different interests that are varying from the interest of the other groups. It is therefore important to have common criteria of the NPOs that will be used in the evaluation without causing any bias or

undermining any other group who may be contributing within the society. All these organization are after limited grants and have a common intention of service delivery to the society. It is therefore important to give enough attention to all of them and grants given to those who are deserving, and where it is duly required.

Creating common proposal evaluation criteria has some benefits to both the granters and the nonprofit organizations. There is increased accountability when all proposals are evaluated using the same criteria. The process is open and therefore no cases of malpractices will be witnessed. It also gives room for improvement of an individual organization when they compare their activities with those of others in same or similar fields. Organizations are able to clarify on the issues that will be given weight in the proposal and therefore boost the chances of going through.

Funders are in a position to look beyond a given area and have a wider overview of various aspects of the whole process. This will improve on the understanding of the project as a whole. The participants also have an opportunity to better understand how the evaluation process is done and determine factors that should be more elaborative in their organizations.

- 1) **Call for expression of interest-** though not mandatory; this is usually the first step in proposal evaluation. Interested parties are given a chance to show their readiness in participating in the program. Call for interest is not a pre requisite and it should be noted that any future interactions would not be derived from it.
- 2) **Calls for proposal-** this is usually the second stage, though in some organizations it might be the first. The organization might use their preferred media to announce to interested parties to deliver their proposal before a given date.

- 3) **Pre-proposal checks-** primarily guidelines which are drawn to for eligibility
- 4) **Submission of proposal-** this varies from one organization to another and may be in the form of email or a printed document.
- 5) **Eligibility check-** firms may conduct an eligibility check to see whether the proposals received comply with their guidelines. Proposal that are not eligible are exclude from the next stage.

The proposal review process consists of a number of stages depending on the organization. Some may opt to review individual evaluations and then reach to a consensus before presenting their findings to a panel. Even though completed individually, the process observes some set criteria on which marks or ratings are awarded depending on the individual's view of the range to which the proposal meets them. An example of a proposal marking is shown in Table 20. The score is based on a scale of 5.

Table 20

*General Proposal Evaluation Criteria*

Score	Comment
0	Ineligible. The proposal misses the criteria or is incomplete; has missing key information. Key items are not included in the proposal, lacks content, and correct format is not followed.
1	Poor. The proposal addresses the issues very poorly and provides no indicators for achieving the targeted goals.
2	Fair. The proposal provides sufficient information that can be utilized.
3	Good. It can be implemented and yield good results.
4	Very good. Key issues are given the necessary considerations and data is provided for implementation.
5	Excellent. Not only does it address the key issues in the organization, the proposal also provides suggestions for implementation to achieve the best results.

For each proposal, the experts involved were required to substantiate their rating in order to avoid bias and favoritism. It is not mandatory for the score to be based on a five-point scale. Each organization can determine its own rating scale and criteria. It can also be in the form of a percentage or any other expression.

Though evaluation of proposals was noted to vary depending on the organization or the requirements from funders, some factors listed (or bullet-pointed) below were found to cut across many of the nonprofit organizations.

- Scientific and technological excellence of the proposed evaluations
- The objectives and their relevance to the RFP
- Lessons learned from the evaluation and dissemination of its findings
- Management and implementation

It is the responsibility of the team to determine any other information that might not be included, but is considered relevant in ranking of the various proposals. It was noted that each organization placed its own weights and threshold, or set out further details in the application. The sample in Table 21 is a project evaluation criterion that was used by an organization participating in the qualitative inquiry of the study to determine the best team to engage in their activities.

### **Selecting the Evaluator**

After the grading is done, the panel checks the results of the individuals and prepares a final evaluation results. It may opt to go by the data indicated or change to suit the organizational objectives.

Table 21

*Study Participant Project Evaluation Criteria for Organizational Activities*

	<b>Scientific and technological excellence</b>	<b>Quality and implementation and management</b>	<b>The potential impact through the development, dissemination of use project results</b>
<b>Funding schemes</b>	Quality of objectives Concept development	Relevance to management procedures and structures	Contribution to the economy and the society
<b>Other collaborative projects</b>	Quality and effectiveness of the science and technology	Justification and appropriateness of the allocation of resources. This include staff, budget and equipment	Relevance of the measures that need to be taken for the dissemination and exploitation in order to achieve the best results.
<b>Overall excellence</b>	Quality and effectiveness Integration to science and technology	Resources available for the execution of the program	How appropriate are the measure in attaining excellence and disseminating knowledge to the shareholders and public at large
<b>Research for the benefit of some specified groups</b>	Contribution to advancement of science and technology	Appropriate and justification of the budget allocation	

In situations where individual evaluators are used, they are expected to observe a given code of conduct in order to guarantee the best results. Some of the guidelines are:

- a) Individuals are not allowed to consult during the evaluation process. The results should be from a personal point of view and not as result of combined efforts of the group.
- b) The evaluator should be confidential, fair and distribute ranking in an equitable and professional method.
- c) They are expected to sign a confidentiality declaration and conflict of interest disclaimer.

- d) They should not disclose personal information about the other individuals who are taking part in the evaluation process.
- e) It is strictly forbidden for evaluators to make any form of communication with the proposers. If necessary, this should be done in the presence of the panel of reviewers and should be only on matters related to the items that need clarification in the proposal.

Proposal evaluation is very important to any organization and should be given the necessary attention it deserves. It creates the difference between a well-executed project and one that does not meet the criteria of the organization.

It was previously noted, that though various NPOs use different methods for evaluation, the end results was to find a partner who will deliver the best for the organization. Service delivery was noted to be better for organizations that had a well-elaborated proposal evaluation system, as opposed to those who did not. It is important to notify the groups/individuals submitting proposals that were rejected and if possible indicate the reason why they were rejected. This should be done in a timely manner and not to keep them waiting in vain. Moreover, it is advisable to indicate that any future RFPs would be highly welcome.

Several obstacles were noted to be present while developing RFPs and even during the proposal evaluation process. External factors can influence. Discussed below are some of the challenges that NPOs faced while developing RFPs. These are also challenges faced by evaluators when developing proposals in response to RFPs.

- a. **Limited access to information.** Many NPOs do not want all the information that is required to develop very convincing proposals. During write up for RFP, some



information may not be readily available and this could hinder the quality of proposal that is required. This is due to the fact that either the NPO might feel exposed if they give out their private information or that their counterpart may not be willing to disclose some crucial trade information.

- b. **Advancement in technology.** With the increasing use of the modern technology, NPOs are finding themselves in situations that require them to keep up with the latest trends in the industry or *best practices*. They have to use modern methods such as the Internet in an effort to solicit funds from potential funding sources and evaluation professionals. Since they often operate under limited budget, they may not have the capability to hire the best experts in the respective fields, they turn to volunteers or student interns to help them with evaluation work. This often requires regular electronic communications.
- c. **Uncertainty in funding.** Over the past years, the numbers of firms and government institution that are available to NPOs have decreased considerably. This has been due to changes in the world economy. NPOs have seen steep cuts from government agencies hence putting them in financial constraint. Moreover, the number of non-profit organizations has increased tremendously in the recent years creating very stiff competition for the allocation of shares by both the public and private sectors. To create a difference, they must think outside the box in order set them apart and to create a memorable difference among the many upcoming nonprofit organizations in competition. To improve their funding they also turn to individuals who have less capacity to fund large programs. However,

private donations are much more unpredictable and can change anytime due to unforeseen human or natural causes.

- d. **Measure of success not determined by money.** The organization should prove that they could work with limited funds and still produce the best results ever. Being able to deliver is key to the NPO and this boosts their outlook greatly.
- e. **Limitations of staff.** Most NPO find themselves in situations that demand them to work with a very limited number of staff. The skills available are also a problem since they do not have the desired manpower. Their limited budget creates situations that they are unable to change in order to acquire the best services in the market. In many cases, it was noticed that NPOs rely on volunteers to carry out the professional work.
- f. **Limited equipment and capital.** Some NPOs were noted to be operating out of very meager spaces. They lacked proper offices and access to supplies and equipment. They were established to address a community need that may be new or emerging. This often requires them to operate under very limited funding when they first get started. Some NPOs didn't even have a commercial office space, and began operating programs and services out of public spaces.
- g. **Legalities.** NPOs like any other organization are expected to operate within the law. They must be registered under the relevant legal bodies and receive recognition from the local as well as the federal government. Due to the increase number of newcomers in the sector, it has increasingly become more difficult to acquire the necessary documentations. The authorities are becoming more concerned and consequently extra careful in order to distinguish the genuine

NPOs from the others, which may be an attempting to create a scheme solely to enrich the owners.

- h. **Increased competition.** In the recent past, there has been an increase in the number of NPOs across the country. This implies that the level of competition has increased tremendously as every one of them tries to get access to the limited funds available. In some cases, there could be other profit-centered organizations that are providing similar services, for example education. Large organizations such as these have often times more access to the best manpower available in the market, giving them an advantage over smaller organizations that have much more difficulty.
- i. **Internal conflicts.** Though this was not a common phenomenon. It was noted that some NPOs have leadership issues or other internal staff within the organization. This led to waste of valuable time and resources and may create a conflict disrupting achieving the intended outcome. Internal issues of an organization may also influence or ruin the public image of the organization.
- j. **Lack of collaboration.** It was noted that many NPOs lacked collaboration. They tended to view each other as rivals for funds and recognition in the society rather than working together to strengthen community bonds. Others were involved in diverse activities with different operating procedures and thus had no common ground for operation, and instead of viewing this as achieving multiple goals, saw each organization as a rival territory.

## CHAPTER V

### SUMMARY

There have been tremendous changes in the way nonprofit organizations have been operating in the recent past. As discussed in the Theoretical Framework, there is a profound gap in the research current available to address these changes and how NPOs should navigate the new demands. These demands are primarily centered on the demonstration of accountability and sustainability. This study was developed to help fill the gap in this line of research. Accordingly, research was designed to explore three stages of the RFP process: (1) RFP development, (2) RFP response, and (3) RFP fulfillment. The first stage, RFP development, examined how NPOs are developing RFPs. The second stage explored the evaluation and selection of a proposal in response to the RFP. The third stage explored how often the RFP leads to intended outcomes. There were significant limitations to this study, including limited literature specific to the nonprofit sector around RFP development as an instrument for acquiring evaluation services that lead to intended outcomes. The literature that was available even asserted that the most common process for RFP development is antiquated (Rendon, 2007).

In recent years, the number of NPOs has greatly increased. This has led to much more competition among NPOs, centered on high priority goal areas, competing for the limited amount of funds available from government agencies, organizations and other private donors. Coincidentally, the number of grants that the government agencies and the organizations give has also reduced. Currently, NPOs have turned to individuals and other supporters to solicit funds to run their daily activities.

Due to the challenges mentioned, it has become increasingly important to plan for evaluation services before granting funding to NPOs. Some of the reasons for conducting evaluation were:

1. The funders demand an evaluation be planned before they provide funding. It is the tool that they use to gauge the accountability and credibility of the organization and whether it is worth it to dedicate some of their available funds. It is not the wish of the funders to give out the funds only to realize that it was used for other purposes, or it did not otherwise perform the intended use. Proposals with an evaluation procedure in place will score better and that implies that the organization will have higher chances of receiving funds. It also increases the likelihood of establishing future or continued funding. Additionally, a funder may ensure the funding for a proper evaluation is included in grants to NPOs.
2. NPOs utilize the requirement to improve their programs/services. Evaluation provides the organization services they can use to measure its progress and make critical improvement where necessary.
3. Evaluation is a very important tool that can be used to improve, funding opportunities, their programs/services, and organization as a whole. It provides a means for measuring the goals and the objectives of the more sensible organization and leads them towards success.
4. When the NPO performs its own evaluation, it reduces the need for the funders to carry out their own evaluation of the programs and/or services.
5. During the evaluation process, the organization should involve its stakeholders and the staff who are involved in delivering the service at the ground level.

Performing an evaluation is another way that can be used to attract more qualified staff, volunteers, funders and other collaborators.

From the data collected, it is evident that people with experience in writing RFPs are more likely to develop a more complete RFP that will lead to intended outcomes. Therefore, it is advisable for organizations to have personnel with significant experience writing RFPs, who will oversee the entire process and ascertain whether the right format has been followed and all of the important aspects captured. This will reduce the shortcomings associated with writing a substandard request.

Experience becomes more crucial when dealing with small annual operating budgets, and for programs with many interrelated activities or intended outcomes. This can overwhelm the preparer and decrease their ability to produce a document that captures all aspects that articulate what the NPO intended. This could result in the wrong choice of contractor to engage. It is therefore advised for NPOs to engage the most qualified personnel with the most experience in RFP writing in order to achieve the best results within the limited time and budget. Due to the limited budgets of most NPOs, it is increasingly hard to identify highly skilled manpower due to low budget allocated for salaries and remunerations.

Evaluation offers unique learning opportunity to NPOs. It helps increase the organizational capacity of the nonprofit. Depending on the objectives of the evaluation, it can also determine NPO accountability with a line of inquiry that examines the extent to which funding obligations were achieved. It is therefore advisable for NPOs to make it a routine activity not just for the grant funds, but also for improving programs and services.

Evaluation can also determine sustainability of programs and services. This too helps NPOs more effectively communicate the importance of their work to funders.

### **Obstacles and Challenges for Nonprofit Organizations**

Despite evaluation having clear advantages, some organizations were found to be very resistant to the evaluation. The management and staff of some organizations indicate that presenting their private data is like exposing themselves to the outsiders. These are issues that need to be addressed by the funder and assure them the information they present will only be used for the evaluation process and not for any other purposes. It should remain within their hands and not be privy to unauthorized individuals and entities.

NPOs opposed to evaluation indicate that the funders are interested in either labeling them, as a successful organization or failure, rather than as a demonstration of accountability and sustainability. They think that if the funders are not satisfied, they may cancel or fail to renew their grant funding. However, they should understand that the funders are only interested in knowing how the funds they provide will be used to improve the impact of their organization and programs and services. Funders want to ensure the funding is used for the explicitly intended use.

Another objection was that they felt that it was not their own initiative but that of the funders. However, it should be noted that it has more benefit to the organization than to the funders and therefore they should willingly provide the exact data. It also led to improvement of the programs and services.

Some NPOs argue that the money they must set aside from an already limited budget, would better serve them if used for other productive activities that have a direct and more immediate impact on their work. The impact of an evaluation is perceived

more as a long-term investment. Although immediate decision-making can take place following the completion of an evaluation, it takes NPOs, particularly small NPOs, an extended period of time to implement changes to their programs, services, and their organization from the lessons learned from an evaluation. In spite of the extra expense, it has an overall effect of adding more revenue to the organization and it should therefore not be neglected or attributed as an additional cost. So to further describe the implications of this study, six areas are used to better describe the obstacles and challenges that NPOs have throughout the RFP process. These areas are: (1) improving evaluation NPOs, (2) grant funding, (3) developing the RFP, (4) time, (5) defining the project needs, and (6) how NPOs recruit and retain highly qualified evaluators.

### **Improving Evaluation in NPOs**

The results of this study indicated that there is a relationship between NPO RFPs and how often the intended outcomes were achieved. Several factors were observed to explore the phenomenon of how NPOs are developing RFPs, selecting a qualified evaluator, and fulfilling the goals of their RFP. These factors were initially acquired and explored through case study analysis. From the cases, themes were identified. They were then tentatively grouped into eight emergent themes, and used to develop a survey to further determine if a relationship amongst the study variables exists.

From a sample of 22 NPOs, the survey results indicated that experience in developing RFP was very crucial. It was evident that the chance of fulfillment, if experienced personnel wrote the RFP, was higher when compared to those done by a first-time RFP writer. Due to the limited funds at their disposal, many NPOs opted for



cheap labor, volunteers, or student internships to carry out the RFP process. In some cases, it was noted that some organizations were able to acquire experienced staff.

There was a linear correlation between the number of years and the probability of the fulfillment of the project. Those with a higher number of years of experience had more success with project fulfillment. This led to NPOs making an extra effort to get experienced personnel, even if that meant having to strain their budgets further. This is one of the areas that can be greatly improved on and consequently result in better evaluations.

- **Grant funding.** It was not that there were an increased number of the NPOs operating within a given community of those surveyed. Funders are simply being much more discerning about how they invest in the community. Evaluation has become very critical since it is the only tool that funders can use it to differentiate between genuine NPOs, which appropriately utilize the funding, and those that use it solely to operate, but not for the intended purpose of the funding. On the contrary, as previously discussed, some organizations are not willing to undergo the evaluation process. This left a gap between the two sides that should be considered.

There are some considerations that can boost the NPOs chances of securing sufficient grant funding that will provide enough for a planned evaluation. These early considerations are the first step in procuring a highly qualified evaluation consultant. Some of these considerations NPOs are using to improve their funding position include:

- **Doing a proposal follow-up.** It was noted that organizations that did a follow-up had higher chances of success compared to those who did not. It is a good strategy to

keep reminding your funders that you are looking forward to hearing from them. Let them update you on the progress made.

- **Appreciate their contribution.** After receiving the grant money, it is advisable to acknowledge their support preferably in writing. This can improve future engagements with the funders. If possible the NPO can show records of how the funds received were used.

- **Evaluate the proposal before submission.** Organizations were in some cases employing external editor whose aim was to improve the quality of the proposal. Such evaluation was critical and it was evident that it resulted to some positive impact in the final document produced.

- **Correct choice of funders.** Before even sending the proposal, it is important to do thorough search of the target funder. They should be a good match to the NPO and if possible have some common characteristics.

- **Working with other similar NPOs.** It is strongly advisable to work in collaboration with other similar organizations. This can result to healthy competition and comparing of proposals can lead to production of more quality material.

- **Have several trials.** It may not be the case that after writing the first proposal it will go through. It is therefore advisable to have several tries and never give up.

Once an NPO has secured funding, there are several additional obstacles to overcome. Some hindrances were present during the evaluation process that resulted to some difficulties to the evaluation process. Some were due to internal factor in the organizations. Others were beyond the control of the organization and were in some part circumstances under which the organization was operating.

- **Developing the RFP.** A good RFP ensures that the project is completed as planned with a minimum cost to the organization. There are some standard guidelines, which are followed to ensure that this will ensure that the organization gets the best vendor suited for their organization's need. Even before the start of the RFP, one should consider going through the steps outlined below.
- **Time.** The time period that was available for the development of the RFP process also determined the quality of the final document. More time implied a thorough research was done and that all important factors were given the weight they deserve. A quality document was ultimately produced which yielded better results. More time should be allocated to various processes in order to improve the evaluation process.
- **Defining the project needs.** After the previous steps, one can then start writing the RFP. In many cases, the respondents highlighted that there is always a time constraint while drafting a RFP. There are key issues that need to be clearly stipulated such as the frame or limits of the project and the allocated budget. It should also cover the organization's policies and core values by which the interested vendors are willing to be bound by. This means that one has to move from department to department seeking the right information and having the document signed by the relevant authority. Many a time, one is found in a situation requiring quick response and developing the best review at the shortest possible time. In some cases, the organization may be handling emergency issues, which require immediate attention such as natural calamities. Going through the guidelines highlighted above can be time consuming and when completed, a substandard document may be produced.

The structure of the organization also plays a role in determining the expected time to draft the RFP. Large organizations tend to require more time as opposed to small ones since as expected, there is a framework involving several people in different sections who must all give a pass in order to execute the next stage of the implementation.

Information gathering is very important since it narrows down the firms that one should send the RFP. However, this is an additional cost to the firm in terms of time and money to be spent. Going through business documents, catalogues, journals or even visiting the companies' websites in order to get the most relevant and crucial information is quite time consuming. It therefore turns out that one may not prepare a document that may be turned down due to lack of skills or experience, but due to the limited time available. A small window of opportunity may be available in coming up with the RFP that is to be sent to respective firms, which intend at the end to address some emerging issues in the organization.

However, this requires time and many of those who have been involved in RFP drafting indicated that time is always a scarce resource when coming up with a good document. More time is necessary for both qualitative and quantitative research that covers all the necessary areas. The panel involved should be able to utilize the minimum time available since in many cases time will always be limited due to the nature of operations which most nonprofit organizations are involved in.

A very crucial aspect of a good RFP is being timely in all decisions. The management should prepare a schedule for staff and the resources ahead of time to successfully provide their services in time. The RFP team should therefore stick to the

timeline it indicated within the timeline in the RFP, so that all the concerned parties are not kept in waiting for a very long period of time. Whenever possible, adequate time should be provided since it was an obstacle indicated throughout the study. The personnel assigned with coming up with the RFP was given undue pressure or work time allocated to them for a last minute proposal. Enough time is important in order to improve the whole operation of the organization as a whole. Regardless of the situation, the quality of the service offered by the NPO should not be compromised under any pretext of not having enough time to carry out the necessary steps to prepare for the proposal.

### **How NPOs Recruit and Retain Highly Qualified Evaluators**

Many nonprofit organizations find it difficult to recruit and retain highly qualified proposal evaluators. This is majorly due to the fact that they are facing very stiff competition from other well-established companies who have the capital to get such labor. NPOs heavily rely on cheap labor or volunteers to carry on their activities. Several suggestions were put forward as to how they were able to retain such qualified personnel.

- **Suggestion 1:** Voluntary and goodwill from the workers. Some employees though highly qualified are under constant poaching from big firms, yet chose to work for the small and ill financed organizations. Some people preferred to work for charity work instead of being employed by big profit making firms. This was noted to be a personal attribute and the firm had little or no control over it. The firms were welcome to such people and offered them an opportunity to work with them. They also advised on the media that they were looking forward to such people coming forward and be part of their team.

- **Suggestion 2:** Giving back to the society. Some employees chose this as one of the ways they serve their society and NPOs are able to give such qualified evaluators a chance to work with them. Many of the NPOs work directly with the people at the grassroots and therefore, this are the best opportunity for such people to be in a position to delivery to society.
- **Suggestion 3:** A feeling of job satisfaction. Some of the employees interviewed indicated that they were more comfortable working with the NPO as opposed to working with big established firms. Since these are not profit-oriented firms, there is no pressure on employees and thus they are able to give their best.
- **Suggestion 4:** Better pay. Some organizations were able to recruit and retain very qualified personnel by offering very good and attractive pay schemes. Depending on the amount and reliability of funds available at their disposal, some organizations were found to be in a position to hire and retain some of the best personnel in the job market. However, this was only for some of the well-established firms, which were well known among the society. Such organizations are capable of establishing a memorandum of understanding with donors and other charity providers. An example of such a group of organization is “Save the Child” which is a non-governmental organization that is concerned with helping children from less privileged backgrounds.
- **Suggestion 5:** Sense of independence. NPOs and other community-based organization tend to give the staff some independent. They are able to act without close watch from those in authority, unlike some private making entities, which concentrate a lot on maximizing profits.

The number of requests for proposals developed is another factor that is given consideration in efforts to improve the evaluation process of a nonprofit evaluation. Different organizations demand that the RFP be produced in copies that will go to different departments of the organization. People with experience in RFP development are better off in writing RFP needed in a specific given number.

Once an RFP has been developed, they are then issued to the targeted parties. It is their responsibility to provide a convincing response to the RFP that will distinguish them from the other respondents. The following tips were found to be helpful while responding to the RFP.

- **Step 1.** Understand the RFP details quite well. Organization that had teams or individuals who were to receive the RFP and go through it in order to get to know each and every detail that is mentioned in the document. This then, provided a basis on how to best respond to the document, as well as being able to come up with the best offer.
- **Step 2.** Reviewing the components of the RFP. It was noted that reviewing the particular components of the RFP was helpful in understanding the basic requirements and key issues that needed to be addresses when writing the proposal.
- **Step 3.** This involved reviewing the prospect's requirement that needs to be addressed. The team involved in many cases made a checklist to refer later when making the proposal.
- **Step 4.** Creating the proposal. This is based on the information that was derived from the above steps. It should be concrete and show some proof that the firm went through the RFP and that they have an understanding of the all the requirements that were

given in the RFP. Use of the checklist was found to be quite helpful in the write up of the proposal.

- **Step 5.** Responds to objection. The proposal is the document that determines whether there will actually be any transactions between the firm and the organization that issued the RFP.

The organization should have an internal review of the proposal and some internal evaluation carried on. Any objection should be well addressed and corrections made to improve the final document before presentation. The team doing the review should raise questions as if they were to be asked by the team doing the proposal evaluation. The grading criteria should be put in mind or if possible be able to do pre-grading based on the criteria that is supposedly going to be applied by the evaluators.

- **Step 6.** Presentation. This is the final step in RFP response cycle. The final copy is presented to the team that is to perform the proposal evaluation.

Some practices that were observed to be best for entities issuing RFP were:

- Developing the RFP document and coming up with a list of recipients- the document should be clear and very comprehensive and all questions should not be vague. The RFP should be tailored to the company's need as much as possible.
- Timely notification of the clients whose respond was received. The organization should inform the respondents of the receipt. This is a good business strategy that would improve the organizations image among other competing entities.

### **Obstacles and Challenges for Evaluators**

Prior to preparing a proposal in response to a RFP, consultants are more successful if they've first determined that the services requested are feasible and realistic.



They're also able to prepare a much more comprehensive proposal if the RFP sufficiently conveys the purpose and parameters of the evaluation services solicited. As discussed in the literature review of this study, the organizational need must be drafted in order to inform external consultants of the opportunity to bid (Bray, 2008). It has been established that there are eight components that should be included in the proposal responding to the RFP; (1) Table of Contents, (2) Executive Summary, (3) Qualifications, (4), Consultant/Firm Overview of Financial Stability and Success, (5) Project Plan, (6) Timetable, (7) Budget, and (8) Conclusion.

Each of the eight components should be written in a way that the organization could easily understand. Although evaluation may include rigorous research designs, the potential consultant should refrain from over using technical terminology, or without providing a key of definitions. A successfully accepted proposal includes background information about the organization and program being evaluated within the Executive Summary. Highly qualified consultants will demonstrate a working knowledge of the organization and program early in the proposal. This lays a foundation for which the proposal details are grounded on.

Just as every NPO doesn't demonstrate the ideal readiness for evaluation services, not every consultant qualifies for every project. Evaluation qualifications in the proposal allow the potential consultant to highlight their education, experience, and overall suitability for the project, just as one would when applying for a more traditional job. NPOs should ensure that a potential consultant would be capable of delivering what is offered in the proposal. This is also why an overview of financial stability and success is included in a highly successful evaluation proposal.

This demonstrates the stability of the consultant or firm to carry out the evaluation process with financial responsibility, but also ethically and professionally. The Project Plan component of a successful proposal provides a detailed description of the potential consultant's conceptual framework for the project. This plan includes the research design for the evaluation, and a clear rationale for the design choices.

The next component is an extension of the project plan. The timeline provides a schedule of data collection and deliverables, according to the research design and overall project plan. This is essential for planning for the release of information and documents by the NPO. The organization should be well-informed about what is being collected, why it is being collected, and when the consultant will need it. Often times, consultants will develop instruments for data collection that will be used at specific stages of the project. Other, more in-depth forms of data collection like focus groups or interviews may be necessary, and the timeline informs the NPO as to when program participants and staff will be needed. It also helps ensure that any legal or technical obligations are met with regard to human subjects, which must be strictly adhered to.

One of the most difficult components for consultants tends to be the budget. If no budget is clearly indicated in the RFP, potential consultants must use their own professional judgment. The best way to address this is to extend your project plan and timeline to include two or three options of services in different budget brackets. Consultants should provide the organization with options that allow the NPO to determine the best course of action for the project. This can also increase the likelihood that such a proposal is chosen to be funded for evaluation services.

The final component of a successful RFP is the Conclusions. This provides a final summary of the consultant's understanding of the organization, scope of the evaluation project, an appropriate plan to conduct the work, and their capacity to provide the services. It is important that all of these areas of the proposal are addressed so that the organization is clear when determining the extent to which a potential consultant may be a good fit for the work needed. However, it is possible that a RFP requires more or different information when submitting a proposal. These requirements should be strictly adhered to.

#### **Other Interested Stakeholder Groups: Funding Organizations**

Grant funding is one of the main challenges facing NPOs across the sector. This is especially so for small firms and new organizations. Generally, since NPOs are not centered on making profits, they rely heavily on grants and donors to fund its activities. They are classified as 501(c) by the Internal Revenue Service and are exempted from federal income taxation. As discussed in Theoretical Framework, often producing and fulfilling an effective RFP can be the key to obtaining grants (McCrea, 2004).

Although an organization knows what is needed, the literature review discovered that many lack the internal "resources, training, or support" to carry out the project (Bray, 2008). Identifying and approaching potential funders are the first steps that the NPO makes in resourcing funds for their organization. This is followed by the presentation of a well-structured proposal that is convincing to the targeted funders. However, not all proposals are accepted and some may be rejected do to very particular circumstances. These include:

- **Unconvincing proposals-** Many a time, a NPO may fail to get grants due to the structure of their proposal. It may not be well structured and all factors may not be clearly highlighted. Funders will rely on the proposal to make decisions on whether to grant or not and therefore if the proposal is hard to understand, chances are that it might be declined. In writing the proposal, one should avoid usage of technical jargon and if used, they should be clearly explained. Abbreviations and acronyms are discouraged since the document is intended for the targeted funder who in most cases may not be well accustomed to such words.
- **Credibility of the organization-** It is advisable for the organization to send a top-ranking official to solicit money from target funder. If they send the proposal for the first time, chances are that they might question the credibility of the organization.
- **Budget too high-** Sometimes, it may happen that a budget is too high, such that the targeted funder cannot afford to meet it. The funder might neglect to grant it since it is beyond their funding cap. The proposal should clearly indicate the amount of money they expect from the granter after conducting a thorough research of the history range of the granter. In some situations, it is necessary to indicate the percentage you expect from the funder if the overall budget is way beyond their capability. A well-written proposal will also show the other expected sources from all donors when it is deemed unlikely to get complete funding from a single funder.

- **Unrealistic budget and timeline-** If the objectives and plan of action do not concur or cannot be achieved using the budget and within the time allocated, funders will certainly not give out their money.
- **Project not self-sustaining-** In some cases, it may be impossible for the project to be able to sustain itself once the allocated money has been spend. When funders see such flaws, they might not be willing to give out their money for a project that will cause it to not exist after a very short period of time.
- **Geographical location-** Though not a common scenario, some funders may only be interested in funding organizations within their vicinity or within a given geographical boundary. It may be a company's policy to give back to the locals as part of their corporate social responsibilities. The organization should do thorough research to fully understand the policies of their target funders before reaching out to them to request for funds to run their programs.

Accordingly, sponsor organizations such as foundations need to help small nonprofits build capacity around evaluation. There are several ways to do this, such as: (1) training, (2) coaches and mentors, and (3) dissemination of tools. Small nonprofits have indicated they lack the availability of resources directly relative to the nonprofit sector, around evaluation. With the assistance of funders, NPOs have the opportunity to learn how evaluation benefits them and how to use them to increase their impact without worrying that they will need to scramble to pull something together from their already restricted budgets.

Some funding organizations are already providing training for the NPOs that have secured grants with them. The W.K. Kellogg Foundation is prime example. The training

workshops bring professional evaluators together with NPOs receiving grant funding, to provide a professional development around evaluation. This helps ease the anxiety NPOs can often experience when developing an evaluation. There are often practice worksheets for the NPO staff to complete, breakout sessions for brainstorming, and the opportunity for questions and clarification by the evaluation expert(s) brought in by the sponsor organization.

Another mode of support sponsor organization can offer NPOs is coaches and mentors. This requires the funder to provide the assistance from professional evaluators. This assistance can be scheduled for specific points in time. NPOs receive help sporadically in specific areas of organizational capacity building around evaluation. Often this leads to the implementation of a monitoring plan. Monitoring plans help collect much of the information that will be needed in an evaluation, regularly over a span of time between evaluations. Documents are often streamlined for the NPO and help to insure that they are ultimately better equipped to make decisions around programs and to provide services more efficiently and effectively. This is a real benefit to the NPOs target population and the community it serves. Sponsor organizations strive to increase the positive impact on the communities the NPOs they fund serve.

Dissemination of tools, such as publications can also help NPOs become more effective. These publications can include professional journals, articles and dissertations, books, and manuals. Types of publications such as these offer a technical guide for NPOs at a much lower cost for professional development around evaluation. They can be very valuable resources since they are written, well-vetted documents that can be used

anytime, by any staff member, to help guide the NPO through the entire evaluation process; from RFP development to fulfillment.

### **Request for Proposal Fulfillment**

This was one of the core areas that determined the success of the evaluation process. Fulfillment for this study, pertained to the RFP leading to the intended outcomes of the soliciting NPO. Training, experience, and NPO operating budget were found to impact successful RFP fulfillment. NPOs with staff that received training in RFP development or evaluation are able to prepare more complete RFPs. More sufficient RFPs attract more highly qualified bidders. Experience of the NPO staff also contributed to a more complete RFP. NPOs with larger budget seem to recognize the significance evaluation has on their capacity to be successful and demonstrate accountability and sustainability. NPOs with smaller budgets tend to struggle through the process in every area: RFP development, evaluator selection, and project fulfillment.

### **Conclusions and Recommendations**

In an effort to improve the evaluation process on how request for proposal are developed, responded to and fulfilled, the following conclusions and recommendations were proposed that are believed will bear some positive results. However, it should be noted that some of these factors may or may not be applicable to all organizations. NPOs should therefore weigh the options available to them and apply the method that best suits their organizations.

#### **Suggestion 1**

Allocation of enough time yielded better results since it allows the evaluation team to work under less pressure. It was noted that time was one of the major factors that

influenced the development, response, and ultimate fulfillment NPO RFPs. Therefore in order to improve the evaluation process generally, it is advisable to give the team concerned sufficient time to carry out the process in order to achieve the very best results.

### **Suggestion 2**

Adoption of a culture of periodical evaluation; there were numerous obstacles for the NPOs throughout RFP process. However, by adopting a culture of periodical evaluation it ensures the NPO maintains a better awareness and working knowledge of evaluation and may even take steps to establish a monitoring plan for regular collection of data that will be used between evaluations. This also encourages a positive working climate around evaluation. Evaluation is seen as a highly useful tool for planning and decision-making. The typical anxiety around evaluation is no longer a hindrance to successful outcomes.

### **Suggestion 3**

Acquiring of an experienced and qualified staff; one of the ways that NPOs could help to improve the evaluation process was by acquiring and retaining the best personnel in their team. NPOs with staff experience in RFP development and/or evaluation resulted in a higher rate of fulfillment.

### **Suggestion 4**

It is highly recommended for organizations to provide their staff the appropriate training. The findings indicated that there was a higher level of fulfillment for staff that had received training compared to those who had not. This is an area that some NPOs were noted to neglect, citing factors such as time and small budget. This is also an area the funding organizations for NPOs should assist with.



### **Future Research**

This study was not exhaustive and there is still a need for further studies. Additional research will also address the limitations of generalizability and sample size. More research can and should be conducted to improve the evaluation process for NPOs. Expanding this study's parameters, and including areas that are outside its scope is recommended for future studies. Specifically, how NPOs are using evaluation results, examining the role of sponsor organizations to a much greater extent, the impact of different training methods, and the role of collaboration amongst NPOs around evaluation.

How NPOs use evaluation results that were derived from RFPs developed within the organization is another possible expansion of this study. Such research would provide valuable lessons learned about the effectiveness of a NPOs ability to develop sufficient RFPs. Ultimately this line of research would also want to consider the frequency that their RFPs lead to successful outcomes. This inquiry could also then inform additional recommended future research by: (1) the role of sponsor organizations and (2) the impact of different training methods. Additionally, it would be quite useful to know how NPOs are using evaluation results to impact their organizational capacity, programs and services, and community.

As previously discussed, sponsor organizations play a much more significant role than simply funding NPOs. The level of assistance they can provide goes well beyond just funding. Sponsor organizations have established important criteria of accountability that they require NPOs to meet. However, they often do not provide the necessary resources for NPOs to achieve successful outcomes more often. Beyond funding, future

research should be conducted to explore the types of training that help NPO most, and which types best help increase successful outcomes. These outcomes should also be explored with the distinction between successful evaluation outcomes, successful organizational outcomes, and successful community impact outcomes. Linkages should also be made between NPO outcomes and the sponsor organization's funding goals around community impact initiatives.

Another area to explore is the significance of NPOs collaborating with one another. This can be facilitated by the NPOs' funding organization or a task taken on by the NPOs themselves. Either way, combining the capacities of two or more NPOs with capacity deficiencies will help them help each other. It would be advisable to examine the extent to which they are able to increase their individual capacities and increase the individual and combined community impact. This would also inform the nonprofit sector about the effectiveness of various types of capacity building activities.

This study is just the beginning to better understanding and improving upon the nonprofit sector's capacity to strengthen communities. As seen in Figure 5, the RFP process is a collaborative and inclusive undertaking that evolves with changes to the organization, programs/services, and needs of the target population. Expanding the scope of this study as illustrated in Figure 1, will build upon these findings to further detail the RFP process for NPOs and improve the impact evaluation is having in the sector.

Professionally, this study lays the groundwork for helping NPOs develop more effective RFPs for evaluation services, select qualified evaluation consultants, learn more from their evaluations, increase their capacity to demonstrate accountability and sustainability, and increase the impact NPOs have on their community. Facilitating a

culture of learning through the tool of evaluation will help improve not only important outcomes, but also important networking relationships in the nonprofit sector.

Publications including articles, pamphlets, and other written resources, workshops and trainings, and specified consultations by a professional evaluator or evaluation team will help support these efforts. This study also demonstrates how important qualitative inquiry can be, especially when it is used to inform and further develop a line of quantitative inquiry.

## RFP Process

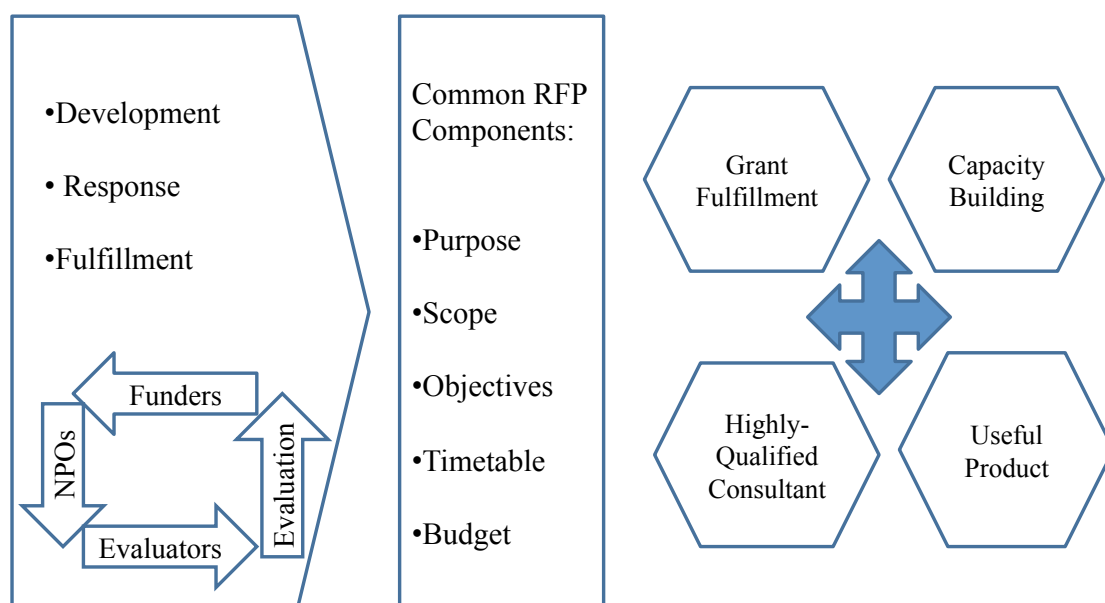


Figure 5. RFP process framework.

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## Appendix A

### HSIRB Approval Letter and Consent Documents


## WESTERN MICHIGAN UNIVERSITY



Human Subjects Institutional Review Board

Date: March 29, 2010

To: Gary Miron, Principal Investigator  
Patricia Reeves, Co-Principal Investigator  
Nakia James, Student Investigator for dissertation

From: Amy Naugle, Ph.D., Chair 

Re: HSIRB Project Number: 10-02-43

This letter will serve as confirmation that your research project titled "Increasing Nonprofit Sustainability Activities with Effective Request for Proposals: An Evaluation of the RFP as an Instrument for Success" has been **approved** under the **expedited** category of review by the Human Subjects Institutional Review Board. The conditions and duration of this approval are specified in the Policies of Western Michigan University. You may now begin to implement the research as described in the application.

Please note that you may **only** conduct this research exactly in the form it was approved. You must seek specific board approval for any changes in this project. You must also seek reapproval if the project extends beyond the termination date noted below. In addition if there are any unanticipated adverse reactions or unanticipated events associated with the conduct of this research, you should immediately suspend the project and contact the Chair of the HSIRB for consultation.

The Board wishes you success in the pursuit of your research goals.

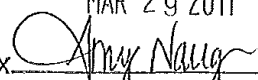
Approval Termination: March 29, 2011

Walwood Hall, Kalamazoo, MI 49008-5456  
PHONE: (269) 387-8293 FAX: (269) 387-8276



WESTERN MICHIGAN UNIVERSITY  
H. S. I. R. B.  
Approved for use for one year from this date:

MAR 29 2011

x.   
HSIRB Chair

Western Michigan University  
Department of Evaluation, Measurement, and Research  
Educational Leadership, Research, and Technology

Principal Investigator Gary Miron, PhD  
Student Investigator Nakia S. James, Doctoral Candidate

**Consent Form for Nonprofit Organization  
Executive Director**

*Purpose of Study*

This study intends to examine the RFP process of nonprofit NPO organizations, and how it can lead to successful outcomes and advance sustainability activities. It has been determined that the RFP must procure a service from an external consultant that offers an added value to the programs/services of the NPO, to be deemed a 'successful outcome'. From this determination, key indicators for developing an effective RFP will be captured and aligned with potential outcomes for success. It is anticipated that this information will be displayed in the form of a checklist, as an instrument for potential use to NPOs meeting the same criteria as those participating in the study. Since program evaluations and/or organizational assessments are often grant requirements, funding for this study is provided by a leading local funding agency.

*Procedure*

We are seeking to interview local 501(c)(3) NPO executive directors, staff, and external (evaluator) consultants. The interview is expected to take approximately one (1) hour. During the interview, we will ask you to provide information regarding your experience in formulating RFPs for evaluation services. We will also request to observe the RFP development process. Once the evaluation has concluded, we will ask you to respond to a survey questionnaire pertaining to the fulfillment of the RFP. We will collect the following information: (i) the type of organization, (ii) type of programs/services your organization offers, (iii) geographic location, and (iv) if you have an internal evaluation staff. This information will be coded for confidentiality and aggregated in the findings.

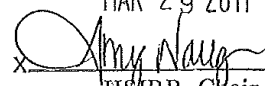
*Potential Risks*

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MAR 29 2011

  
HSIRB Chair

Educational Leadership, Research, and Technology  
1404 Sangren Hall  
Western Michigan University  
Kalamazoo, MI 49008  
(269) 387-3883  
[Gary.miron@wmich.edu](mailto:Gary.miron@wmich.edu)

You may also contact the Chair, Human Subjects Institutional Review board (269-387-8293) or the Vice President for Research (269-387-8298) if questions or problems arise during the course of the study.

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Signature

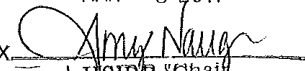
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Date

This consent document has been approved for use for one year by the Human Subjects Institutional Review Board (HSIRB) as indicated by the stamped data and signature of the Board chair in the upper right corner. Do not participate in this study if the stamped date is older than one year.

WESTERN MICHIGAN UNIVERSITY  
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HSIRB Chair

Western Michigan University  
Department of Evaluation, Measurement, and Research  
Educational Leadership, Research, and Technology

Principal Investigator Gary Miron, PhD  
Student Investigator Nakia S. James, Doctoral Candidate

### Consent Form for Nonprofit Organization Staff

#### *Purpose of Study*

This study intends to examine the RFP process of nonprofit NPO organizations, and how it can lead to successful outcomes and advance sustainability activities. It has been determined that the RFP must procure a service from an external consultant that offers an added value to the programs/services of the NPO, to be deemed a 'successful outcome'. From this determination, key indicators for developing an effective RFP will be captured and aligned with potential outcomes for success. It is anticipated that this information will be displayed in the form of a checklist, as an instrument for potential use to NPOs meeting the same criteria as those participating in the study. Since program evaluations and/or organizational assessments are often grant requirements, funding for this study is provided by a leading local funding agency.

#### *Procedure*

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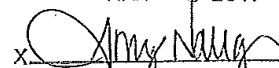
#### *Potential Risks*

WESTERN MICHIGAN UNIVERSITY

H. S. I. R. B.

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 HSIIRB Chair

In research, there may be unanticipated risks. These may include (i) time inconvenience, (ii) reluctance to disclose, or (iii) discomfort being observed. The researchers will take every precaution to limit any of these risks and protect your participation.

#### *Potential Benefits*

You will have an opportunity to realize the key components of the process they follow to develop an RFP and identify any SWOTs (Strengths, Weaknesses, Opportunities, or Threats) that may exist in that process. Your staff will have an opportunity to express their thoughts, perceptions, and ideas about the RFP process of the NPO. Your organization will learn from your chosen consultant's experiences responding to RFPs.

The findings from this study will guide the development of a checklist/model that will potentially assist NPOs in formulating more effective RFPs for successful outcomes. This will ultimately provide an instrument that will aid in organizational sustainability of the NPO. With organizational sustainability efforts being a priority to grant funders, this study will offer an added value to NPO stakeholders.

#### *Conditions for Participation*

The conditions for participation are to be available and fully engaged in the interview. It is important that you respond honestly and thoughtfully about your experiences with RFPs.

#### *Confidentiality*

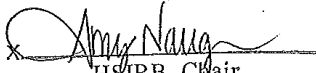
The researchers will audio record the interviews for transcription. The recordings and transcripts will be securely stored in Dr. Gary Miron's locked office at Western Michigan University. All data will be stored in a locked file cabinet and/or on a password-protected computer and stored for at least three years after the study closes. Each participant's name/organization name will be replaced with an ID/Code which will be used to identify your responses. This will alleviate your responses being directly linked to you personally. Once the recordings have been transcribed, they will be appropriately destroyed. At any time during the interview, you may opt to discontinue with any portion of the study without prejudice. Additionally, you may contact Dr. Gary Miron with any questions or concerns.

#### Principal Investigator

Dr. Gary Miron  
Evaluation, Measurement, and Research

WESTERN MICHIGAN UNIVERSITY  
H. S. I. R. B.  
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MAR 29 2011

  
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You may also contact the Chair, Human Subjects Institutional Review board (269-387-8293) or the Vice President for Research (269-387-8298) if questions or problems arise during the course of the study.


\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

This consent document has been approved for use for one year by the Human Subjects Institutional Review Board (HSIRB) as indicated by the stamped data and signature of the Board chair in the upper right corner. Do not participate in this study if the stamped date is older than one year.

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Western Michigan University  
Department of Evaluation, Measurement, and Research  
Educational Leadership, Research, and Technology

Principal Investigator Gary Miron, PhD  
Student Investigator Nakia S. James, Doctoral Candidate

**Consent Form for Nonprofit Organization  
External (Evaluator) Consultant**

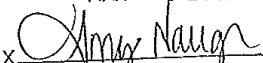
*Purpose of Study*

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*Procedure*

We are seeking to interview local 501(c)(3) NPO executive directors, staff, and external (evaluator) consultants. The interview is expected to take approximately one (1) hour. During the interview, we will ask you to provide information regarding your experience in formulating RFPs for evaluation services. We will also request to observe the RFP development process. Once the evaluation has concluded, we will ask you to respond to a survey questionnaire pertaining to the fulfillment of the RFP. We will collect the following information: (i) the type of 501(c)(3) NPO organizations they primarily contract with, (ii) the types of programs/services they primarily evaluate for the 501(c)(3) NPOs, and (iii) geographic location. This information will be coded for confidentiality and aggregated in the findings.

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MAR 29 2011  
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HSIRB Chair

#### *Potential Risks*

In research, there may be unanticipated risks. These may include (i) time inconvenience and/or (ii) reluctance to disclose. The researchers will take every precaution to limit any of these risks and protect your participation.

#### *Potential Benefits*

You will have an opportunity to inform the study about your experiences in responding to potentially insufficient RFPs towards developing a quality proposal. You will also learn what obstacles NPOs are facing when formulating RFPs.

The findings from this study will guide the development of a checklist/model that will potentially assist NPOs in formulating more effective RFPs for successful outcomes. This will limit the disconnect between NPOs and external (evaluator) consultants, and provide consultants with sufficient information to produce higher quality proposals.

#### *Conditions for Participation*

The conditions for participation are to be available and fully engaged in the interview. It is important that you respond honestly and thoughtfully about your experiences with RFPs.

#### *Confidentiality*

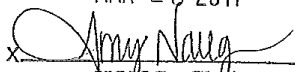
The researchers will audio record the interviews for transcription. The recordings and transcripts will be securely stored in Dr. Gary Miron's locked office at Western Michigan University. All data will be stored in a locked file cabinet and/or on a password-protected computer and stored for at least three years after the study closes. Each participant's name/organization name will be replaced with an ID/Code which will be used to identify your responses. This will alleviate your responses being directly linked to you personally. Once the recordings have been transcribed, they will be appropriately destroyed. At any time during the interview, you may opt to discontinue with any portion of the study without prejudice. Additionally, you may contact Dr. Gary Miron with any questions or concerns.

#### *Principal Investigator*

Dr. Gary Miron  
Evaluation, Measurement, and Research  
Educational Leadership, Research, and Technology  
1404 Sangren Hall

WESTERN MICHIGAN UNIVERSITY  
H. S. I. R. B.  
Approved for use for one year from this date:

MAR 29 2011

  
HSIRB Chair

Western Michigan University  
Kalamazoo, MI 49008  
(269) 387-3883  
[Gary.miron@wmich.edu](mailto:Gary.miron@wmich.edu)

You may also contact the Chair, Human Subjects Institutional Review board (269-387-8293) or the Vice President for Research (269-387-8298) if questions or problems arise during the course of the study.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

This consent document has been approved for use for one year by the Human Subjects Institutional Review Board (HSIRB) as indicated by the stamped data and signature of the Board chair in the upper right corner. Do not participate in this study if the stamped date is older than one year.



Appendix B

Study Planning Table

**TOPIC:** 501(c)(3) NPO (nonprofit organizations) RFPs (request for proposal)

Key Concepts	Problem	Purpose	Research Questions
<p>NPOs often generate RFP's to procure a service</p> <p>NPOs are designed to meet a need</p> <ul style="list-style-type: none"> <li>• Programs (Youth, Social, etc.)</li> <li>• Services (Education, Health, etc.)</li> </ul> <p>Many NPOs rely heavily on grant funding to provide its programs/services.</p> <p>NPOs often develop RFPs to procure a service from an external contractor in fulfillment of a grant.</p> <p>NPOs often must demonstrate how effective their programs/services are with community impact, in an effort to sustain funding.</p> <p>NPOs often rely on external contractors to assist them in measuring and strengthening their programs/services.</p> <p>Many NPOs do not have an internal evaluation staff to help develop an appropriate RFP.</p> <p>NPO RFP's often fail to request pertinent and appropriate information to</p>	<p>General Problem:</p> <p>When an RFP provides potential bidders with insufficient, misleading, or incoherent information, the quality of proposals received by the NPO can be compromised. This can, and often leads to a challenging disconnect with the services provided and the work needed. This greatly diminishes the impact of the grant funds to support the NPO's work.</p> <p>Researchable Problem: We need a better understanding of the RFP development, proposal development, and proposal evaluation process as it occurs between NPOs and potential bidders.</p>	<p>To explore the RFP's development process of 501 (c)(3) non profit organizations</p> <p>To explore how bidders are navigating through the proposal phase.</p> <p>To explore how NPO's evaluate and respond to proposals in response to the RFP.</p>	<p>How are NPOs working through the difficulties of formulating RFPs?</p> <p>How are bidders working through the proposal phase to:</p> <ul style="list-style-type: none"> <li>▪ Verify pertinent information;</li> <li>▪ Interpret the necessary elements of the proposal;</li> <li>▪ Verify their interpretation of the desired deliverables;</li> <li>▪ Assess the NPO's internal resources and capacity;</li> <li>▪ Propose a workable plan to deliver upon the RFP goals</li> </ul> <p>How are NPO's interpreting and evaluating the proposals they receive in response to their RFP?</p>

<p>the service requested.</p> <p>Potential external contractors are often ill-equipped to develop an appropriate proposal due to the limitations with the RFP.</p>			
--	--	--	--

## Appendix C

### Case Study Letters of Invitation

To [the Executive Director of \_\_\_\_\_]:

Accountability and Sustainability are two of the most widely used terms in the nonprofit sector. Funders are continuously seeking to measure the accountability of their grantees when determining the extent to which they will continue to provide grant funds. It is imperative to funders that grantee organizations consistently demonstrate an increased impact on the community or target population, to maintain future funding of their programs and/or services. Funders are quite explicit with their grant requirements, often compelling grantee organizations to solicit additional services from external consultants. Accordingly, it is often necessary for Nonprofit Organizations (NPOs) to formulate a Request for Proposal to procure essential services in fulfillment to their grant obligations. This is most common when seeking the services of an external evaluator. We are interested in learning about your experiences in developing RFPs. To do so, we would like to:

- 1) Conduct confidential interviews with you and your staff that will take approximately one hour.
- 2) Observe the RFP formulation process of your organization.
- 3) Interview the external evaluation consultant to choose to fulfill the RFP.
- 4) Provide you with a survey questionnaire once the evaluation has been completed.

All of the interviews, observations, and subsequent data will be strictly confidential, and only the researchers will be privy to your identity or that of the organization.

If you are interested in learning more about participation, we would be pleased to speak with you further about your potential involvement in the study. This study is intended to strengthen the RFP process and increase successful outcomes that advance sustainability activities.

Your participation is voluntary. Please respond to this email, indicating that you are interested in learning more about participating in this study. We look forward to hearing from you.

Best Regards,

Nakia S. James  
 Doctoral Candidate  
 Western Michigan University

Dr. Gary Miron  
 Professor  
 Western Michigan University

Appendix D  
Interview Protocol

## Interview Protocol

**Project:** *Increasing Nonprofit Sustainability Activities with Effective Request for Proposals: An Evaluation of the RFP as an Instrument for Success*

**Time of interview:**

**Date:**

**Place:**

**Interviewee:**

**Title:**

**Organization:**

**I would like to thank you for taking the time to speak with me today and consenting to participate in this study. I will be recording this interview to ensure accuracy. However, I would like to remind you that you may request that the recording be stopped at any point.**

### Prompts:

#### RFP Background

- Please describe your background with developing RFPs.
- Describe for me your first experience with the RFP development process?
- How was that similar or dissimilar to your first experience developing an RFP for this organization?
- What resources have you identified to help you develop RFPs?
- How often do you utilize these resources?
- How much time do you spend on developing an RFP?
- How does grant funding contribute to your development of RFPs?
- How many RFPs do you develop in accordance to your grant funding?
- How many RFPs do you develop that are not directly relative to your grant funding?
- How many RFPs do you develop each year?
- How many RFPs do you circulate each year?

#### RFP Obstacles

- What would you say is your greatest obstacle(s) in developing an RFP?
- What might help you to alleviate the obstacle(s) from your RFP development process?
- How comfortable are you with developing an RFP?
- Would you develop more RFPs if you were better equipped?
- Do you have adequate time in your schedule to produce RFPs?
- Are you ever rushed to develop an RFP?

**RFP Fulfillment**

- How many of your RFPs get fulfilled each year?
- How do you determine the best consultant to fulfill the work?
- Of those RFPs fulfilled what percentage would you say yield positive outcomes?
- Are you satisfied with the pool of consultants your RFPs attract?
- How does RFP fulfillment affect your grant funding?

**Thank you for your participation. May I contact you for a follow-up interview or to clarify any of your responses?**



## Appendix E

### Questionnaire for Nonprofit Organizations

**Improving Evaluation in Nonprofit Organizations: A Study of How Requests for  
Proposals Are Developed**

It is often necessary for Nonprofit Organizations (NPOs) to formulate a Request for Proposal to procure essential contracted services in fulfillment to their grant obligations. This is most common when seeking the services of an external evaluator. Accordingly, it is important that we strive to better understand the RFP process, from its conception to fulfillment. The experience of NPO Executive Directors (EDs) and staff in developing an RFP will assist in identifying obstacles, misunderstandings, and inaccuracies. This survey questionnaire has been designed to identify and understand the RFP process. Accordingly, please forward a copy of your most recent RFP (Terms of Reference) for evaluation services to the following email address:

[nakia.s.james@wmich.edu](mailto:nakia.s.james@wmich.edu)

**\*1. Please provide the following information:**

**Your Name:**

**Your Position/Title:**

**Years in Nonprofit Sector:**

**Organization: City/Town:**

**State:**

**ZIP:**

**Email Address:**

**\*2. Please select the options that best describes the nonprofit organization you represent:**

Under \$250K

\$250K - \$999,999

\$1M - \$4,999,999

\$5M - \$9,999,999

\$10M or more

501(c)(3) Public Charity

501(c)(3) Private Foundation

Other Nonprofit Organization

Giving Organization

Volunteering Organization

Other (please specify)

**Experience Developing RFPs for Evaluation Services**

**\*3. Please answer the following questions about developing RFPs:**

I have received training in developing RFPs

Please explain or qualify any of your answers above (Optional):

**\*4. Rate your level of knowledge related to program evaluation:**

Very Weak Weak Moderate Strong Very Strong

**\*5. Years of experience developing RFPs:**

0-3 Years

4-7 Years

8-11 Years

12 or more Years

I have experience developing RFPs:

No Yes

My staff has received training in developing RFPs:

No Yes

### **Resources for Developing RFPs**

#### **\*6. Please tell us more about the resources available to for developing RFPs**

We have written policies/documents that guide our RFP development

Our funders(s) provides resources to our NPO to develop RFPs

Please explain or qualify any of your answers above (Optional):

#### **\*7. How many paid staff does your NPO have?**

#### **\*8. How many regular volunteers does your NPO have?**

#### **\*9. How many hours per week are your volunteers actively engaged with the NPO?**

### **Funding**

#### **\*10. Please answer the following questions about funding:**

Our NPO re-allocates funds as necessary to fund external evaluations

Please explain or qualify any of your answers above (Optional):

#### **\*11. Has a reduction in funding? (Please select all that apply)**

contributed to fewer evaluations being solicited?

contributed to the quality of the evaluations you have been able to procure?

led to a reduction in programs/services offered by your NPO?

Please explain or qualify any of your answers above (Optional):

Our NPO receives substantial funding for external evaluations

No Yes

Our NPO incorporates our evaluations costs into our annual budget

No Yes

#### **\*12. Our NPO allocates the following percentage of program costs to external evaluations:**

0-3%

4-7%

8-11%

12% or more

Specifically stipulated amount

**\*13. What is your NPO's primary funding source?**

Private Foundation

Public Foundation

Fundraising

Private Donations

Public Donations

Other (please specify)

**Time**

**\*14. Please answer the following questions related to the time:**

Our NPO uses a uniform template for generating RFPs

No Yes

Please explain or qualify any of your answers above (Optional):

**\*15. When developing RFPs, our NPO utilizes the most time:**

0-25%

26-50%

51-75%

76-100%

Aligning our objectives to scope of the requested evaluation

Aligning our funding requirements to the scope of the requested evaluation

Our NPO develops RFPs well in advance of our need for the evaluations

No Yes

Please explain or qualify any of your answers above (Optional):

**Proposal Evaluation**

**\*16. Please rate the degree to which you do the following as it relates to proposal evaluation:**

Never Rarely Sometimes Often Always

Our NPO utilizes an established rubric to evaluate proposals of bidders

Our NPO has an established process to evaluate proposals of bidders that is unique to our needs

Please qualify any of your answers above (Optional):

### **Fulfillment**

#### **\*17. Please answer the following questions related to fulfillment:**

The RFPs developed by our NPO fulfill our program needs

No Yes

Our NPO evaluates proposals based on the contents of the RFP

No Yes

Evaluations are simply a formality in fulfillment of our grant/funding obligations

No Yes

Please explain or qualify any of your answers above (Optional):

#### **\*18. The RFPs developed by our NPO lead to intended outcomes:**

0-25% of the time

26-50% of the time

51-75% of the time

76-100% of the time

### **Sustainability**

#### **\*19. Please answer the following questions related sustainability:**

Our NPO has an established giving agenda

No Yes

Our NPO has established fundraising goals

No Yes

Our NPO regularly collaborates with other organizations

No Yes

Please explain or qualify any of your answers above (Optional):

#### **\*20. What percentage of your funding is generated from current programs?**

#### **\*21. What percentage of your budget is generated from fundraising activities?**

### **Accountability**

**\*22. Please rate the degree to which you agree or disagree with the following statements:**

Strongly Disagree Disagree Neutral Agree Strongly Agree

Our NPO has an active board

Our NPO has a clear mission

Our NPO documents the impact of asset decreases

Our NPO has a strategic plan in place

Our NPO has a program monitoring plan in place

Please explain or qualify any of your answers above (Optional):

**\*23. How many board members do you have?**

Our NPO does NOT have a board

Number of board members

**\*24. Our NPO's program monitoring plan was developed by a professional evaluator**

No Yes Not Applicable; (no monitoring plan currently in place)

**Capacity Building**

**\*25. Does your NPO:**

Never Rarely Sometimes Often Always

Regularly participate in training/professional development?

Use evaluations to guide executive decision making?

Promote its programs/services?

Engage staff members in the outcome of evaluations?

Please explain or qualify any of your answers above (Optional):

**\*26. What percentage of your NPO operational activities are outsourced?**

**\*27. Please describe the general knowledge of evaluation within your NPO.**

**Comments**

This study welcomes any comments or qualifications you may have about the RFP process within the nonprofit sector.

**28. What resources do you need to more effectively make of evaluations?**

**29. Any comments or qualifications pertaining to the study topic are welcome here:**

## Appendix F

### Coefficients for Fulfillment Given Experience



Coefficients<sup>a</sup> for Fulfillment Given Experience

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1 (Constant)	1.161	0.569		2.041	.057	-0.039	2.361		
Years of experience developing RFPs:	0.756	0.286	0.539	2.641	.017	0.152	1.360	1.000	1.000

a. Dependent Variable: The RFPs developed by our NPO lead to intended outcomes:

## Appendix G

### Collinearity Diagnostics for Fulfillment Given Experience

Collinearity Diagnostics<sup>a</sup> for Fulfillment Given Experience

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions	
				(Constant)	Years of experience developing RFPs:
1	1	1.874	1.000	0.06	0.06
	2	0.126	3.860	0.94	0.94

a. Dependent Variable: The RFPs developed by our NPO lead to intended outcomes.

## Appendix H

### Residuals Statistics for Fulfillment Given Experience

Residuals Statistics<sup>a</sup> for Fulfillment Given Experience

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.917	4.185	2.47	0.749	19
Residual	-1.673	2.083	0.000	1.170	19
Std. Predicted Value	-0.743	2.283	0.000	1.000	19
Std. Residual	-1.390	1.731	0.000	0.972	19

a. Dependent Variable: The RFPs developed by our NPO lead to intended outcomes.