

SIMSA’s “Gold Standard Debriefing Guidelines” August 27th, 2019 (web)

The Saskatchewan Industrial and Mining Suppliers Association (SIMSA) has prepared this set of “Gold Standard Debriefing Guidelines” for SaskPower, outlining ways the corporation could better meet the needs of SIMSA members as well as all other suppliers, in the area of Supplier Development. Specifically, a debriefing is an opportunity for non-selected suppliers to learn what they have done well and what they can do better.

To develop this document, SIMSA polled its members with a set of questions, designed to develop useful ideas and suggested approaches, that could be shared with SaskPower. We then distilled the responses into a format that allows us to clearly articulate a set of guidelines and to establish the basis for ongoing discussions with SaskPower. The resulting draft-document was then approved by our Board, which resulted in this set of guidelines.

It should be noted that, in general, the guidelines may not represent the individual or specific views of each SIMSA member, but rather the broader collective views. However, a few of the items are included for discussion purposes, even though they were only those of a limited segment of our membership.

SIMSA represents over 200 Saskatchewan suppliers to Saskatchewan’s mining, energy, and industrial sector; this group of companies represents over 18,000 employees and over \$10-billion in annual revenues.

SIMSA’s mandate is to represent the interests and concerns of Saskatchewan industrial equipment and service suppliers, through promotion of its members and the creation of partnerships with industry and other associations.

SIMSA will endeavor to:

- Promote the capabilities and capacity of the Saskatchewan industrial manufacturers and service suppliers;
- Co-ordinate on behalf of the membership, labour attraction and recruitment missions;
- Provide one voice in regard to new policies and/or regulations that may affect members;
- Pursue and advance the interests of the association members.

To be a SIMSA member, a company must; have at least three employees in the province, have a permanent bricks and mortar location in the province, be PST and WCB registered in the province, have an interest in the promotion and growth of the Saskatchewan-based supply chain; and may also have the opportunity to run for a SIMSA Board position, only if their company's global corporate head office is located in Saskatchewan. In short, we represent Saskatchewan suppliers.

SIMSA has grown substantially over the past three years – by 178%. Our events bring the supply chain face-to-face with the procurement staff of the major mining, oil, and industrial companies operating in Saskatchewan; in short, we foster a dialogue to help both.

Broad Comments

In general, SIMSA members have commented that a debriefing is an opportunity for a nonselected supplier to learn what they have done well and what they can do better. However, we also recognize that the competing bidders have a right to privacy; as such debriefings tend to be centered around what the company being debriefed can do better, rather than the winning bidder's proposal. As one member wrote, "... it is important that SaskPower does not provide feedback that will give away the competitive edge of the successful vendor."

Our members noted that, "SaskPower has made many positive changes over the past several years, and continue to find better ways to engage Saskatchewan vendors." These changes include: this current request for debriefing guidelines, our ongoing supplier/procurement sessions, and the requested "Major Project Procurement Guidelines" submitted by SIMSA to SaskPower.

Our members commented that a debriefing should;

- Include areas of strength and information that would assist in the preparing a winning future proposal – areas where a proponent could make improvements to their proposal to raise their overall score (i.e. lost points in the evaluation). It is not enough to advise the proponent they lost points in a particular category; to see supplier development occur they should know why the proponent lost points, as well as what type information or actions could the proponent do or provide to increase ranking. In short, it should be a fully detailed as possible explanation without indulging pricing. If it is loss due to pricing, then so be it. But if lost due to another reason, this needs to be explained in as detailed a manner as possible.
- Be factual, timely and provide targeted, pertinent information that the unsuccessful proponent can use to improve future submissions

- Include what a supplier can do in the future, to increase their chance of securing projects.
- Not be uncomfortable or a place to question the decision, both parties must see this as a growth and alignment opportunity.
- Allow members to know where they lost marks on the percentage allocations. And, maybe given some direction on what specifically SaskPower is looking for, so we are able to strive toward achieving the level Sask Power is looking for.

SIMSA members also noted that:

- We can appreciate that everyone is busy and if there were multiple competitors for the bid, SaskPower may not have the time nor the energy to have personal debriefs with each competitor. So, SaskPower could consider one debrief per award above a certain amount. The competitors should not expect a debrief if the call was for a small amount . . . E.g. \$10k. That is just too small for this type of an exercise. This is geared more for around \$100k and up to take someone's time.
- Verbal debriefing can sometimes better capture subtleties than a written one, and allows for an informative and educational dialogue on a variety of topics.

Our members request that a debrief includes:

- A list of companies that suppliers were bidding against and who it was awarded to (we note that MERX currently lists the winning bidder and those who downloaded the RFP)
- Other similar types of bids coming out at other SaskPower locations

The Evaluation Process

SIMSA members commented that;

- General information on ranking is important, as it allows firms to understand where they fit in the market space (i.e.: full points in this area, little points in that area, etc.).
- The most beneficial information will be directly on the result and why, what was expected and why, and how the decision was made
- When technical expertise is asked for in bid documents, it would be nice to know what value was placed on this expertise during the evaluation.
- If SaskPower uses a "score sheet" during a bid evaluation it would be ideal to get a copy of our own completed evaluation so we can identify potential gaps and actively work to address those issues in future packages. This would create a "win / win" situation for both SaskPower and the contractor. Over

time, SaskPower would start getting better bid packages and contractors would gain by submitting more effective bid packages thereby gaining a better chance at landing the job. If SaskPower does not wish to share these in their current form, perhaps one could be created that could be shared.

- In short, one member suggested it would be good to know, “What puts the winner over the top compared to the rest of the pack.”

One member shared the following thought, that SIMSA should:

... try to avoid being that type of an organization who is looking for basic information on how to improve our business . . . this irritates purchasers and companies when you ask them for information on how to improve your business. The focus should always be on what part of the competition requirements you didn't fulfill or fell short in comparison to the winner.

Scope and Alternatives

SIMSA members suggested that:

- A good debrief covers a review of the entire scope of work to identify estimation errors in labor and/or materials, as losing a bid is not exclusively due to margin; it is more often due to a misunderstanding of scope and requirements to complete the work, which then presents a different labor model and sometimes material BOM.

SIMSA members would like to know:

- Whether we had a good technical submission or not. Did we miss anything in our proposal? Did we have anything that disqualified us?

Some SIMSA members noted that:

- A scope review should be completed for a proper comparison to eliminate change orders from taking the lowest bid. They have found in the past, that their competition is bidding prices lower than their material costs which means there must be significant changes orders coming from that contractor from the moment the work commences.

While recognising that competitive advantages should not be disclosed, members would still like to know:

- If alternatives or options were accepted from the specifications – “What exceptions the winning bid took to the project?” - especially if they would be considered acceptable in future bids to help get more competitive.

Timing

SIMSA members suggest that a, “Meeting to provide a debrief needs to be timely and should occur within a maximum of a month following award to the successful proponent.”

In short, the successful bidder needs to be (1) posted in a timely manner on MERX or (2) in the case of smaller competitions, emailed to all bidders.

Pricing Specific

SIMSA members stated that:

- Percentage is the only accurate and honest way to explain a lost bid and still make it fair to all parties involved. This gives the unsuccessful proponents the opportunity to review their price structure and look for opportunities to become more efficient\effective in the delivery of products and services.
- The percentage the unsuccessful bid was over the awarded bid, could be presented in a bracket; 0-10%, 10%-20%, etc.
- It would also be helpful to know who the successful bidder is and the approximate number of qualified tenders that were received. That could be communicated as; less than 5, 5 – 10, 10 – 15, etc.
- For services, price does not tell the whole story as the implementation plan matters. It’s one thing to know how much the winning bid was for a services contract, but it could be because they provided less scope. As such, it would be better to know what the winning bid was and how far off your implementation plan was (maybe even comparison of hours).
- The preferred order of disclosure would be
 - Lowest bid (which may not be the winning bid)
 - Winning bid
 - Percentage bracket off by

While recognising that this would require a lot of standardization on SaskPower's behalf, and that this would be easier for goods than services:

- If SaskPower has a numeric metric to share, this could be useful. Members could then incorporate it into a CRM or analytical system, that tracks their performance rating.

Who Should do the Debriefing?

SIMSA members focused on, "Who-ever is doing the debrief, they should be knowledgeable of the RFP, the bid review process, and the bid being reviewed." The number of persons required to do this could change depending upon scope.

Members suggested that the review should be done by:

- Package or Project Manager not the purchasing lead, as Procurement may or may not be intimate with all of the determining factors over and above pricing alone; and if this person is not the end user, it would be appreciated to have someone from the technical side explain why the bid was unsuccessful.
- The decision maker or someone who can make changes if needed.
- Two people – one representing the technical portion (end user) and one representing the commercial portion (supply chain/procurement)
- Whomever is responsible for assigning the evaluation criteria values.
- Primary caller for RFP, EOI, LOI, etc. They were the ones who put the formal request out so we would expect them to do the debrief. If all they were was an administrative flow through, then the person who is engaging all the vendors on an information session should do the debrief. The best is the one who made the decision, but often one does not get a chance to speak to them directly.
- The purchaser as well as the lead engineer who conducted the technical review. In some cases, the head of procurement should also be involved.
- Sales Representative who handled the proposal

Who Does Debriefings Well?

SIMSA's membership generally acknowledged that, "Good debriefs are very rare" and that "private sector is bad at debriefing and there is not enough effort put into the debriefing initiative" and that "at least SaskPower is trying."

However, it was noted that:

- NRCan and CanMET Energy on the federal side are great at debriefings. Very descriptive, but to the point. They focus in on what you fell down on, in comparison to the winning bid.
 - E.g. They would not say you should hire a proposal writer for clearer competition documents. Instead they mention how many instances they required to call/e-mail you to get clarifications on your proposal. If you are a smart organization you can easily figure out where your shortcomings are without them having to build your business strategy for you.
- The traffic group seemed to give the best debrief as of late; very open and honest without releasing too much information of the winning group. The project manager was involved, not the purchasing lead.
- The Ministry of Highways provides a ranking against other proponents, which is helpful.
- City of Saskatoon publishes the successful company and the winning bid amount.
- Federal Public Service and Procurement Canada (Winnipeg) are good; generally, the best format written detailed debrief, verbal on request.

Other Suggestions

Finally, SIMSA members broadly suggested to SaskPower that;

- To possibly expedite the tender conclusion process, SaskPower might consider developing a template that would be used from job to job and emailed to the respective contractors, providing answers to the defined questions as determined through this survey.

SIMSA members also broadly suggest to all Crowns and Government agencies that:

- If a project is awarded to an out of province contractor, more information should be provided on, "Why a contractor in Saskatchewan was not able to provide this work other than price?"

- All the provincial Crowns should consider the implementation of a single procurement system that gives general guidelines of application, performance and access. The system should be standardized as much as possible with learning sessions for all vendors to attend to learn to be a better vendor for each Crown. The process should include stringent guidelines that are going to be adhered to, so the vendors feel the work they are doing is exactly to the expectations of the purchasers/buyers. This is a move away from a personalized relationship position and much more performance based.

But the criteria of performance must include things such as; proximity, past performance ratings, extraordinary support, etc. The aforementioned are meaningful for vendors who have invested time and energy to become aligned with the Crowns and their needs and expectations. To add to this there should be supplier development system (supplier school) that is a co-investment. Both sides crowns and vendor groups come together to co-fund a system that gives back to the industry community and the public Crowns a better performing supply chain that meets performance and expectations.

Being a Crown supplier is a journey. Rarely in your first crack are you successful, especially with large value bids. So, the debriefing and bidding process should allow you learn how to be a good supplier, in a shorter period of time, and a reasonable investment. This is where SIMSA could play a big role.