

4. Detailed Specifications
5. Assumptions & Constraints
6. Terms and Conditions
7. Selection Criteria

- Read more about [How to Write a Request for Proposal \(RFP\) or a Request for Quotation \(RFQ\)](#)

4. Proposal Evaluation and Vendor Selection

The main objective of this phase is to minimize human emotion and political positioning in order to arrive at a decision that is in the best interest of the company. Be thorough in your investigation, seek input from all stakeholders and use the following methodology to lead the team to a unified vendor selection decision:

1. Preliminary Review of All Vendor Proposals
2. Record Business Requirements and Vendor Requirements
3. Assign Importance Value for Each Requirement
4. Assign a Performance Value for Each Requirement
5. Calculate a Total Performance Score
6. Select a the Winning Vendor

- Read more about [How to Evaluate Proposals and Select a Vendor](#)

5. Contract Negotiation Strategies

The final stage in the vendor selection process is developing a contract negotiation strategy. Remember, you want to "partner" with your vendor and not "take them to the cleaners." Review your objectives for your contract negotiation and plan for the negotiations by covering the following items:

1. List Rank Your Priorities Along With Alternatives
2. Know the Difference Between What You Need and What You Want
3. Know Your Bottom Line So You Know When to Walk Away
4. Define Any Time Constraints and Benchmarks
5. Assess Potential Liabilities and Risks
6. Confidentiality, non-compete, dispute resolution, changes in requirements
7. Do the Same for Your Vendor (i.e. Walk a Mile in Their Shoes)

- Read more about [How to Plan Contract Negotiation Strategies](#)

6. Contract Negotiation Mistakes

The smallest mistake can kill an otherwise productive contract negotiation process. Avoid these ten contract negotiation mistakes and avoid jeopardizing an otherwise productive contract negotiation process.