

in selecting the winning vendor and provide you with insight on contract negotiations and avoiding negotiation mistakes.

1. Analyze the Business Requirements

Before you begin to gather data or perform interviews, assemble a team of people who have a vested interest in this particular vendor selection process. The first task that the vendor selection team needs accomplish is to define, in writing, the product, material or service that you are searching for a vendor. Next define the technical and business requirements. Also, define the vendor requirements. Finally, publish your document to the areas relevant to this vendor selection process and seek their input. Have the team analyze the comments and create a final document. In summary:

1. Assemble an Evaluation Team
 2. Define the Product, Material or Service
 3. Define the Technical and Business Requirements
 4. Define the Vendor Requirements
 5. Publish a Requirements Document for Approval
- Read more about [How to Analyze Business Requirements](#)

2. Vendor Search

Now that you have agreement on the business and vendor requirements, the team now must start to search for possible vendors that will be able to deliver the material, product or service. The larger the scope of the vendor selection process the more vendors you should put on the table. Of course, not all vendors will meet your minimum requirements and the team will have to decide which vendors you will seek more information from. Next write a Request for Information (RFI) and send it to the selected vendors. Finally, evaluate their responses and select a small number of vendors that will make the "Short List" and move on to the next round. In summary:

1. Compile a List of Possible Vendors
 2. Select Vendors to Request More Information From
 3. Write a Request for Information (RFI)
 4. Evaluate Responses and Create a "Short List" of Vendors
- Read more about [How to Accomplish a Vendor Search](#)

3. Request for Proposal (RFP) and Request for Quotation (RFQ)

The business requirements are defined and you have a short list of vendors that you want to evaluate. It is now time to write a *Request for Proposal* or *Request for Quotation*. Which ever format you decide, your RFP or RFQ should contain the following sections:

1. Submission Details
2. Introduction and Executive Summary
3. Business Overview & Background