



Foto di Umberto Salvagnin, <http://www.flickr.com/photos/kaibara/>

How to select the best Supplier?

When making a call for tenders it is essential to make the optimum choice, but also to treat all bidders equal and fair. ETHICS is an electronic tendering system that can help you do just that.

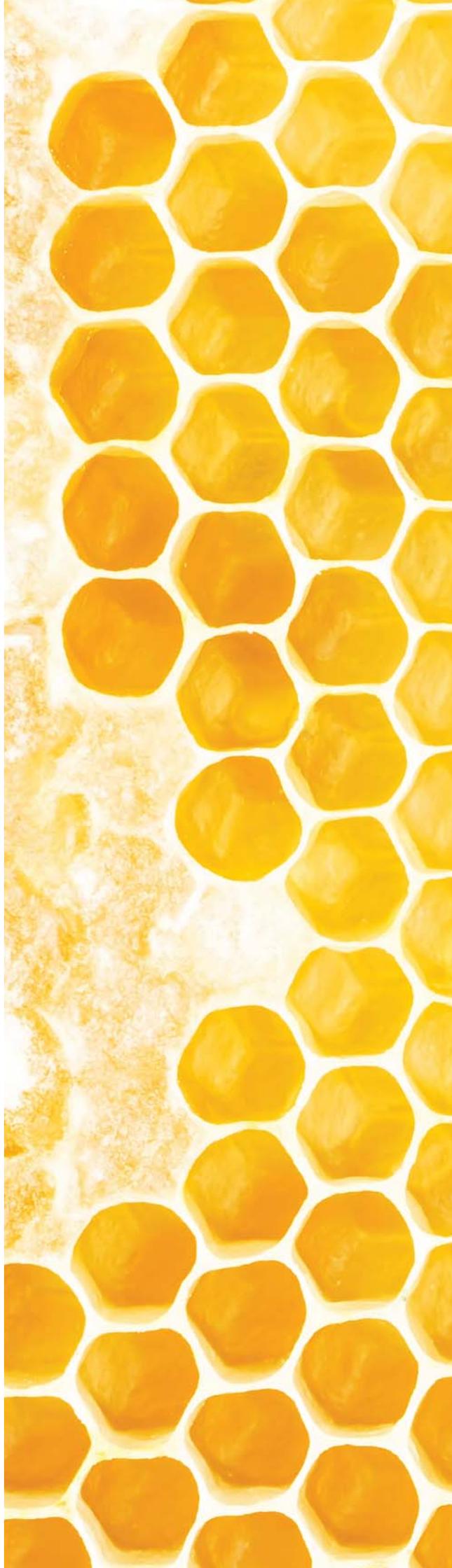
ETHICS

Contents

Just get the lowest Price, right?	3
The Electronic Tendering Process	4
Roles and Users in ETHICS.....	6
ETHICS features	7
We can help you through the process	11
Kick Start your Tender	12

Inno:vasion is a Danish Consulting and Software Company specialising in tendering and decision processes. We offer software, advice and practical assistance to organisations, authorities and private companies related to tendering.

Our electronic tendering solution, ETHICS, is implemented internationally, as for example by the Slovakian State that executes all public tenders on our solution in order to obtain more competitive prices and increase transparency. Internationally ETHICS is being marketed in cooperation with IBM.



Just get the lowest Price, right?

Public authorities will have to comply with EU procurement regulations when tendering, but more and more private companies choose to adhere to these regulations as well. Companies look at three major reasons: to get better bids that are easier to compare, to offer an easy tendering process to bidders and to be able to document fair treatment and transparency.

Public authorities as well as private companies experience the tendering process as lengthy, resource demanding and often not producing the result they had hoped for. But assisted by adequate tools, effective processes and professional advice, tendering not only is simpler, but the results also make it a good business. Some of the questions we get are:

Which type of tendering is the most adequate in our particular case?

How do we ensure that the bids we receive, are accurate without getting drowned in the evaluation process? Or result in protests and lengthy complaints?

How can we help the bidders to answer our RFP's if they have not tried electronic tenders before?

How can we sure to comply with all existing rules - national as well as EU regulations?

In inno:vasion we have worked with these challenges for more than 18 years. We have designed our solution, ETHICS, so that a tender can be executed with high efficiency and in accordance with current legislation.

In this brochure we have listed a few highlights in order to give you an introduction to how electronic tenders and auctions can be executed, which issues to address and specific bids for your next upcoming tender. If you have specific questions related to your tender, our tendering specialists will be happy to assist. The folder also contains an overview of the areas, where we can be of assistance to your process.

It's my hope you will find inspiration by reading these pages. There are of course a number of formal requirements to take into account, but it doesn't need to be difficult to tender.

Kind regards,

Philip Mora-Jensen

Managing Director, Inno:vasion

The Electronic Tendering Process



All tenders go through the same phases and many of the same activities. Generally there are three phases: Preparation, Tendering, and Evaluation. Inno:vasion offers advice and support throughout the process, and our solution, ETHICS, supports the entire process for all involved parties.

The Preparation Phase

In the preparation phase you define your needs and expectations, decide on how the tender will be executed and which suppliers you want to appeal to.

A market analysis is a good starting point for your tender. It will give you an overview of how likely it is to meet your requirements and will help you to realistic expectations. The analysis is also a valid way of documenting the starting point for your tender.

Your requirements will be collected and will be structured in a suitable tender material in order for the bidders to meet the requirements. In this step it is important to think about how the evaluation eventually will be made, so that you are not ending up collecting a vast amount of detailed information that is time consuming and hard to compare.

The tender can now be published. There are some formalities around the publication, and

it is also an important task to ensure that all potential suppliers are informed about your tender.

When the Tender Notice is made electronically, the rules will allow you to shorten the duration of the tender with 7 days and additionally 5 days if there is unrestricted and full direct access by electronic means to the documents. ETHICS contains OJS eSender functionality to draw up notices electronically and send them to EU's Publication Office (TED).

The Tendering Phase

During the tendering phase it is primarily the bidders that will have to do the work:

They will have to answer your requirements and document their competence before approaching deadline. In some variations of tenders the bidder may ask questions to you. The questions and answers will have to be anonymised and published, so all bidders will have a chance of seeing them.

Another step in the process where confidentiality and transparency is essential occurs when the bidders are beginning to upload their bids and documentation to the contracting authority. Until the deadline occurs, the bidders have to be certain that no other - neither the contracting authority nor other bidders - are able to see the uploaded documents. It is mandatory that you can assure this.

The fact that the bidder can upload documents step by step makes the process more convenient and less stressful for the bidders, hopefully resulting in better quality.

Before deadline all bidders sign an automatically generated cover letter containing an overview of the submitted documents. Since it is electronic tendering a digital signature must be used. When this is done the bidder gets a receipt with the information of which documents and when the bid was submitted.

Evaluation Phase and Contract Award

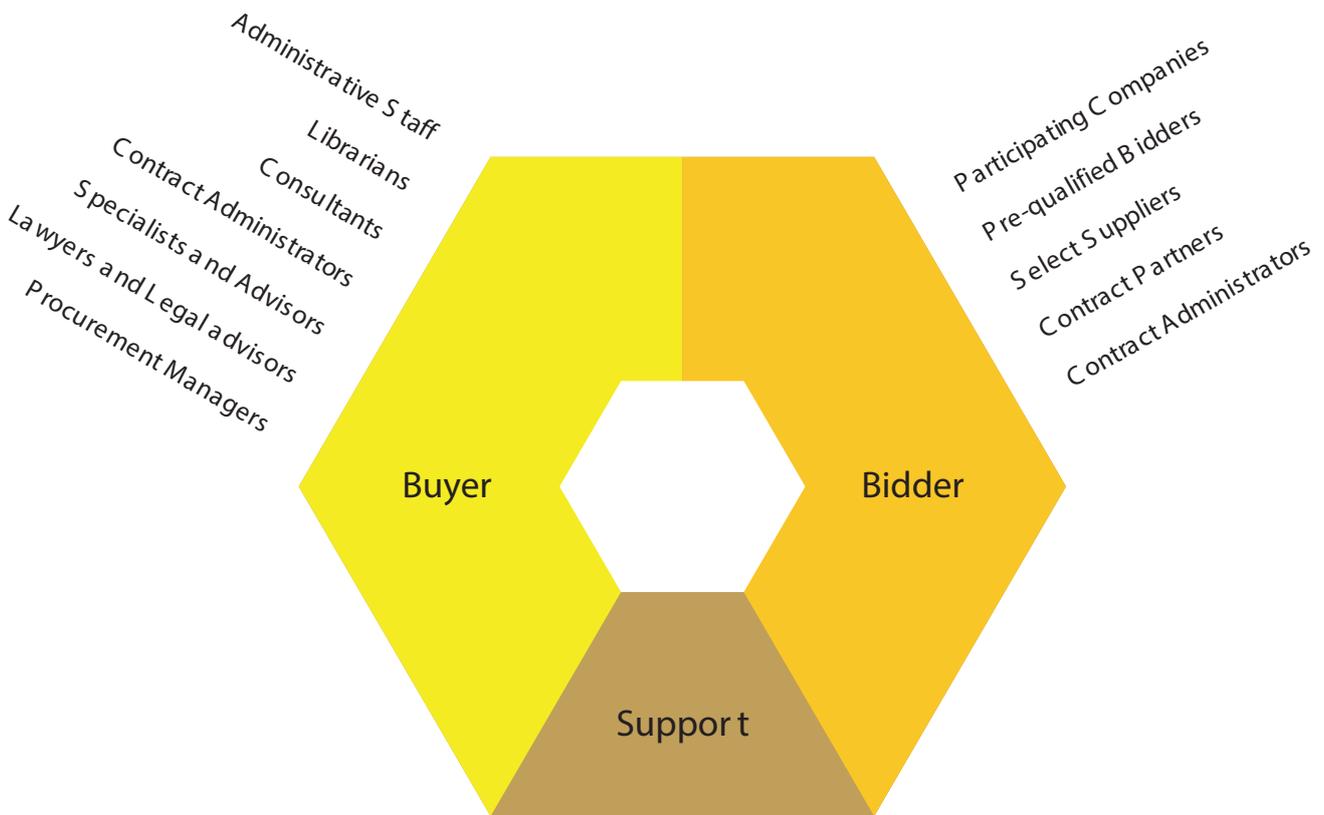
When deadline is passed, the contracting authority collects all bids received and scores them against the criteria and relative weights that were announced in the Tender Notice.

At this point you may involve the Purchasing Department, Company specialists or external consultants, each having their own way of approaching the documentation. It is during the evaluation process your planning and approach will be put to its test. The result is that you choose one or more bidders but at the same time you are dismissing several other bidders. You will need to be able to explain to the disappointed for which criteria they did not score high enough to get on the short list. If they experience the decision as fair and logical, they will not protest or complain. Besides, the accurate and precise feedback to the dismissed bidders gives them a valuable benchmark relative to competitors in the same business .

Our solution makes an automatic comparison of all bids delivered and points out the winning and losing bidder for each criterion. This helps a great deal to reduce resources needed.

When the winner is chosen the final contract will be produced and signed. Typically the contract is a mixture of a contract paradigm, the tender documentation and the bidder's bid. With an efficient digital process the contract text can be edited and produced quickly and correctly.

The last formal requirement is to draw up and send a Contract Award Notice for publication. Through ETHICS' OJS eSender functionality this is a simple task.



Roles and Users in ETHICS

ETHICS is able to handle a large spectre of different types of tenders - from small sub-procedures, where only the end user and the potential bidders participate in the process and to the very complex, national or even international tendering organisations and government procurement agencies that perform tenders involving a large number of different, administrative employees.

All access rights to ETHICS will be granted based on the user's role. In the model above is shown a number of the different roles that are supported by ETHICS. Each of these has a defined user interface that are tailor made to the specific role and function in the tender process.

ETHICS Features

ETHICS is a solution supporting all stakeholders in the tender process. ETHICS can be deployed for all types of tenders and electronic auctions. We are dedicated to ensure that quality, efficiency and security is second to none in a consistent and logical process. The solution is accessible for all users via the internet and intuitive user interfaces.

ETHICS Features in the preparation Phase

All tenders have their individual home page. The tender home page is where all communication between the contracting authority and the bidders takes place. It is also the archive containing both the internal documents used as a basis for the tender, and external documents, i.e. typically tender material and guidelines to the bidders. Along with ETHICS follow a large number of standard documents which makes it easy to start the tendering process.

ETHICS contains a tool to create intelligent questionnaires. These questionnaires make it easier for the bidders to answer the tender, the responses will have a uniform look, and it will greatly improve the evaluation process comparing responses from many bidders. The tools offered by ETHICS will already during the preparation phase make it easier for you to evaluate the requirements and calibrate their relative weight and importance.

It is of course paramount that all rules and regulations are taken into account. To ensure compliance with tender regulations we have developed ETHICS in a close dialogue with the Legal Adviser to the Danish Government and with EU specialists. ETHICS processes and documents are always in compliance with the latest set of rules and regulations.



Customized design for tenders

When all documents relevant to the tender have been prepared and uploaded to the tender home page, a Tender Notice is generated in ETHICS and automatically sent to EU's so-called TED-database as well as any relevant national authority and/or relevant local media.

Because of the process for sending notices as a buyer you are according to the existing rules, allowed to shorten the tender response period by 7 days, and since it is possible via ETHICS to give unrestricted and full direct access by electronic means to the documents, you are further allowed to shorten the process by another 5 days.

ETHICS Functionality during Tendering Phase

When the tender has been published, potential bidders may apply to participate in the tender.

Each application is time stamped, the validity is checked and a digital signature is issued to the accepted bidder. All communication with ETHICS is encrypted. When the bidders have been accepted as bidders, they will have access to all relevant documents.

These are prepared in a way that makes it possible for the bidders to download them to their own machine - in this way they can work locally and they are not obliged to work with the documents while logged in to the tender home page.

The tender process is controlled by deadlines. These are: Deadline for sending in questions, Deadline for request to participate or Deadline for bid respectively. The deadlines are shown as watches on the tender home page. The watches control which functions are available to the bidder. It is not possible to submit questions or bid after the relevant deadline.

Before deadline for questions, the bidders can upload questions to the buyer using the ETHICS tender home page. The questions are time stamped and sent to internal tender specialists for answering. When the answer is ready, both questions and answers are anonymised and then published at the tender home page for all participating bidders to read.

The questionnaires that have to be answered by the bidders and which later will be the basis for the final evaluation, contains functions that help guide to bidders through the process of answering. This also ensures that all mandatory fields are filled out, so that the final answer will be conditionally correct.

The bidders are able to upload the individual documents when they are finished. At this stage the documents will be locked for all other stakeholders until deadline occurs. This enables the bidders to update and change already updated documents up until final deadline.

When the bidder uploads documents to the ETHICS system he will get a status telling which mandatory documents he still needs to upload. This is a built-in quality assurance that helps to ensure that as many bids as possible are conditionally correct.

Before final deadline the individual bidder will have to check which documents he wants to be part of the total bid package. This takes



ETHICS start page

place in an electronic cover letter, where he ticks off the uploaded documents and signs the letter with his digital signature. ETHICS now generates a check sum which is a kind of "digital DNA" and therefore proof of the document contents and makes sure the document cannot be altered subsequently.

In this way the bidder can be sure that all documents that he has uploaded and ticked off will be part of the final evaluation. All transactions are time stamped and logged for future audit.

ETHICS Functionality during the Evaluation Phase

At the time of tender deadline ETHICS is locked preventing further submission of documents. Now the evaluation team will be granted access to all documents - depending on their function and role.

The intelligent questionnaires, which have been uploaded by the bidders, are collected and merged by ETHICS. ETHICS collects the answers and calculates a score for each criterion and response based on the criteria and weights that were defined during the preparation phase. The evaluation team will receive a spreadsheet where ETHICS has scored

		99.22 Miniudbud 2. under rammeaftale 50.42 Computere	10-01-2013			
			12.01 Værktøj og materialer til bygningsvedligehold og drift	08-02-2013	30-04-2013	
			50.70 Interaktive tavler og av-udstyr	19-02-2013		
				50.55 Kontorvarer, papir i ark og skoleartikler	11-03-2013	02-07-2013
			50.80 Vejsalt	12-03-2013	21-06-2013	
				17.05 Bygherrerådgivning i forbindelse med byggeprojekter	20-03-2013	22-05-2013
			50.45 Servere	02-05-2013		
			50.48 Tele og Data	13-08-2013		
		99.23 Miniudbud 3. under rammeaftale 50.42 Computere	20-08-2013	24-09-2013		

Document libraries in ETHICS

the best and the worst bidder for all criteria. Depending on the complexity ETHICS can also help to score the answers from the other bidders, and the evaluation team can put its own scores including relevant notes, which are likewise stored and logged. As the overall relative weighting was decided during the preparation phase, a final result of the evaluation can be obtained extremely faster than using a traditional, manual scoring.

Depending on the type of tender there may be a dialogue between the Contracting Authority and the tender bidders. This for instance is the case if it is a negotiated tender. Also in this case ETHICS helps to keep track of documents describing the outcome of the dialogue.

ETHICS also contains a contract module that contains examples of different types of standard contract and earlier awarded contracts, which can be used during the final dialogue with the winning bidder.

As you are executing more and more tenders you will benefit from re-using earlier experiences, documents, questionnaires, guidelines and contracts. This will reduce the need for involving external consultants and legal experts. Your efficiency will increase and the costs will be reduced.

When the contract is signed, ETHICS ensures that a Contract Award Notice is published and sent to relevant authorities and media.

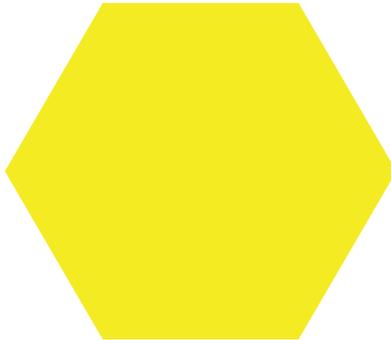
Focus on Security and Compliance

ETHICS supports security in all phases of the tender process. KPMG has audited ETHICS - primarily against the risk of hacking - and as it has been explained, all communication between ETHICS server and the internet is encrypted. ETHICS ensures that access to the system is only granted to persons with specific authorisation, and that any interaction with the system is logged.

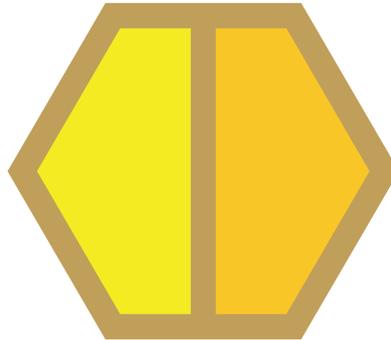
We are constantly committed to keep ETHICS up to date in regard to legislation including the relevant EU Directives. ETHICS supports issuance, use and validation of digital signatures. Time stamping of all documents received. Nobody can access bids received before the tender deadline. Only authorised staff is granted access to bids, and the log ensures compliance with all audits following the close of the tender or during tendering.

Further, ETHICS complies with the requirements and regulations regarding privacy protection.

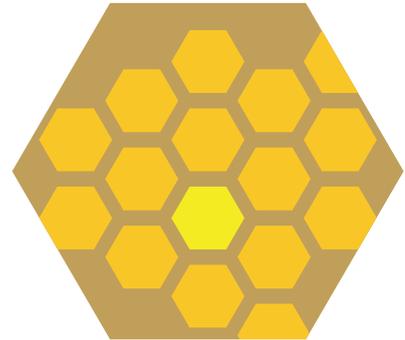
ETHICS Solutions



On your Server



Hosted Service



Isolated Tender

There are differences between tenders. Some are extensive with complex requirements specifications, others are small, fast and agile. Our solutions support all types of call for tenders and we will therefore be able to offer a solution that is suitable for any organization – both in terms of functionality, capacity and delivery.

We offer ETHICS in 3 different Ways:

1. As a software package with associated license that the contracting authority can install on own server
2. As an Internet service where ETHICS is hosted by Inno:vasion on behalf of the contracting authority
3. As a single project for the settlement of an isolated tender

It requires further dialogue to find the most advantageous solution. You are very welcome to contact us and arrange a meeting where we jointly can identify your wants and needs – and to offer you the right solution at the right price.

We would appreciate a dialogue with you. Do you need process support? Do you want the solution hosted or do you want it installed on your own server?

References

ETHICS is used by the largest tendering organizations in Denmark, e.g.

- The Danish Defence Building Administration
- The Defence Group IT Agency (FKIT)
- Defence Command Denmark
- Government of Greenland
- Greenland Health Care
- Danish Ministry of the Environment
- Agency for the Modernisation of Public Administration
- National Procurement (SKI)
- Movia Public Transport

We can help You through the Process

Inno:vasion developed ETHICS - and we are proud to be a consulting company that offers assistance to public authorities and private companies to perform top class tenders.

Our services follow the tender process and are based on the functionality offered by ETHICS.

During the Preparation Phase

Based on the contracting authority's market knowledge or existing analysis Inno:vasion can help define logical selection criteria and minimum requirements for each specific tender.

We are able to assist throughout the process: Create electronic tender, compose, select and upload relevant documents - Tender conditions, contract proposal, requirements specifications, instructions, notices, everything relevant to the tender. We are able to define and structure needs, requirements, nice-to-have - and based on this to define questionnaires. In a dialogue with the contracting authority we will spot the areas where our competences are put to the best use.

During the Tendering Phase

Inno:vasion offers hot line support during the tendering phase - whether ETHICS is provided as a hosted service or on your dedicated server. The HelpDesk we offer can be tailored to cover both the internal functions at the contracting authority or technical support to the bidders that may need this.

During the tender phase we are of course able to assist in handling questions and answer in an anonymous way if this should be necessary.

During the Evaluation Phase

The intelligent questionnaires received as part of the bids will provide a fast and efficient overview of the differences between the individual bids. We are able to assist as advisors during this critical phase to sort and present the responses and to give a precise overview of which responses provide a distinguishing difference.

So we are able to offer a complete package containing all services that you need to go through a

tender process - including support for the final evaluation, setting up a contract, produce detailed, feedback to each bidder with individual, precise explanation of why the bidder was awarded or rejected, producing an sending contract award notice etc..

And last but not least: We are able to assist in responding to all requests and questions from bidders that were dismissed during the evaluation: Which bidder would have been chosen if this or that criteria had been left out? Inno:vasion's tender consultants have many years of experience as moderators during this critical phase in any tender.

Kick Start your Tender

If you want to know more about ETHICS or to test our solution you are welcome to contact us by phone or mail.

We would be happy to meet - physical or via Skype - to be able to help you define how you could benefit from ETHICS and our know-how. In this way we will be able to come up with a tailored offer for YOUR use of our tendering solution.

As an additional benefit you will be offered the opportunity to test ETHICS in practice without any commitment so you will enjoy a firsthand impression on how ETHICS can support YOUR business.

Looking forward to talk to you.



Inno:vasion

Symbion Science Park

Fruebjergvej 3

2100 Copenhagen OE

Tel.: +45 70 22 70 07

www.innovation.eu

info@innovation.dk

[inno:vasion]