The government survey sponsor should plan carefully what he expects to get from the supplier, specifying who is to do what, when, including details of what the sponsor will do. If there are many eligible suppliers, only a small number should be invited to submit proposals, increasing as the value of the contract increases. Procedures for screening suppliers and selecting the successful one should be organized before proposals are received. These should include visits to review suppliers, facilities and organization, as a good relationship between a sponsor and a supplier depends largely on good faith and willing cooperation. Sponsor-supplier relationships are more formal, and more time-consuming in the selection process, than in the private sector.

1. INTRODUCTION

My colleague, Maynard Dokken, has described to you the functioning of the Science Centre of the Department of Supply and Services, in its selection of contractors to carry out survey research projects. I'd like to take a few minutes to talk about broader questions of practices, both actual and recommended, in the federal government in commissioning survey research. My remarks are addressed to both buyers and sellers, since the nature of survey research calls for a good deal of cooperation between both parties.

In this paper I propose a certain scenario in which a research supplier is being sought. I assume that the government agency has decided firstly that the research task cannot be done with satisfactory timeliness or quality using only its own resources; secondly, that funds are available to hire a supplier and, thirdly, that the principle of securing the best value for the money to be spent is to be followed.

1Federal Statistical Activities Secretariat, Statistics Canada
2. IDENTIFICATION OF NEED - WHAT IS AND WHAT IS NOT WANTED

A number of preliminary steps are essential, before attempts are made to find and hire a supplier with an expectation of establishing and maintaining a good relationship. Some thought must be devoted to the objectives of the survey, just why it is being done, what decisions are to be made as a result of, or with the help of, the survey results. Then, depending on the nature of the task and the experience of the sponsor, details of how the survey is to be done must be developed, in a format suitable to make clear to potential suppliers just what they are expected to do. To any experienced survey sponsor, this may all seem obvious; but it is our experience that the world is full of relatively inexperienced survey managers, and that even the experienced ones sometimes tend to pay only lip service to the steps, or attempt to shortcut them. Sometimes even these come unstuck.

3. FINDING SUPPLIERS

One of the more difficult areas for some sponsors is how to find and select potential suppliers, to invite them to submit proposals. DSS Science Centre has its own list of potential suppliers and makes its selection of those to be invited to submit proposals according to qualifications they have on file.

Treasury Board policy directs federal government agencies commissioning survey research to use DSS Science Centre to find their suppliers. In practice this tends to happen only for larger studies, and often only when the agency, because of upper limits on financial authority, has turned to Treasury Board for financial approval.

For those not using DSS's services, a helpful "Directory of Survey Organizations" is available from Statistics Canada, listing suppliers classified by the kind and extent of service they provide, and including a brief description of facilities.
Often, there can be a dozen or more potential suppliers who appear to have the ability to carry out a given study. From time to time, we find sponsors who invite proposals from all the suppliers they can find. We feel this is not a good practice, for two reasons - first, the cumulative effect of time spent by suppliers writing unsuccessful proposals adds to their overhead, so that in the long run all projects become more expensive as suppliers attempt to recover the overhead; secondly, the sponsor has a larger and potentially more difficult task of choosing the most suitable proposal. The alternative is to pre-select a small number of suppliers who will be invited to make proposals. If there do not appear to be suitable criteria for weeding out from a longer list, then the selection could be made at random. Or through, say, four studies, one-quarter could be invited to submit a proposal for each with each supplier invited once only. The number to be chosen can depend on the likely price of the contract, or the worth of the information to the sponsor. For example, for research studies costing under $25,000, at most two suppliers could be invited to bid; for studies between $25,000 and $50,000, two or three suppliers; for studies between $50,000 and $250,000, three or four suppliers, and so on.

An alternative screening procedure can be pre-qualification, where a sponsor invites a relatively large number of firms to state their ability to carry out a particular project (usually a large one), by responding to a set of specific questions selected from the specifications for the project. Detailed proposals are then invited from those who answer the pre-qualification questions satisfactorily.

4. NOTIFICATION ABOUT UPCOMING AND ALLOCATED CONTRACTS

At one time, DSS published a bulletin every month that included details of survey proposals being requested. It was thought this could be useful to suppliers who had not been invited to bid, but who felt they were qualified to do the job and might wish to submit a proposal. However, it was found in practice that the deadline times wanted by sponsors were usually too short to allow those not invited to be able to respond in time.
As well, on some occasions large numbers of suppliers wanted request-for-proposal documentation thereby creating some administrative headaches, with no noticeable gain in overall quality of successful proposals.

Where government agencies seek research suppliers on their own, there is no formal system in place whereby suppliers who have not been invited to submit a proposal can find out in time to submit one if they wish. If a noninvited supplier finds out by accident, about all he can do right now is to ask the sponsor to include him on the list of invitees next time, with no certainty that this will be done. This is, of course, no different from private-sector practice.

DSS does publish a monthly "Research and Development" bulletin that gives details of contracts awarded through them. This can be useful to a supplier who feels he could do a job but was not invited to bid, to find out why not.

5. TYPES OF PROPOSALS SOUGHT

In broad terms, specifications of work required to be done by research suppliers fall into two classes. The first and most common occurs when the sponsor knows precisely what he wants, however imprecisely he expresses it. Usually, a detailed list of the work required is given, with not a great deal of scope for changes to be proposed by the supplier. For the most part, the choice of supplier will be made according to price.

The second occurs when the sponsor has only rather general or vague ideas of what he wants, or equally uncertain ideas of just how the research should be carried out. In these circumstances, it may be better to describe the work that is required of suppliers in quite general terms, and make it clear that creativeness or originality in the proposal will be a major factor in selecting a successful supplier. If the amount of work that is to be done cannot be defined in advance by the sponsor, it may be desirable to have the supplier contracted for on a per diem basis, subject to periodic approval by the sponsor.
There are almost no guides on desirable practices in laying out specifications for a project. As a result, practices vary enormously. Typically, the client agency has in mind something, however vague, as to what they would like to get from the supplier, and what they plan to do with whatever they get. The amount of detail spelled out on what the supplier is expected to do, and what the sponsor will do, can range from the vaguest of brief outlines to a many-page document covering exhaustively and exhaustingly exactly who is to do what when. In the former case, our experience, as that of the private sector, is that the business relationship can frequently deteriorate as it becomes repeatedly apparent that the vague details of what was to be done are being interpreted differently by sponsor and supplier. In the case of an enormously elaborate set of specifications, an element of ponderousness and inflexibility can creep in, so that any accommodation of unforeseen or unforeseeable changes becomes difficult and time-consuming, or sometimes impossible if deadlines are tight.

Here are some suggestions for elements of survey specifications, besides statements of objectives, and descriptions of uses to be made of results.

1. an indication of survey scope, or amount of budget available;

2. whether a personal presentation of the proposal is wanted;

3. any decisions already made about methodology, such as: sample size or selection procedure, method of data collection, questionnaire topics or a draft questionnaire, pretesting requirements;

4. a description of the relationship to any other surveys, for example, so that results can be produced in a form permitting comparisons;

5. the nature and scope of analysis to be done and the reports required, including the number of copies and the place of the formal personal presentation, if required;
6. the materials and services to be provided by the sponsor, such as lists of names and addresses from which samples are to be drawn, or copies of publications or samples of advertising;

7. operational requirements by the sponsor such as progress reports and their timings, and deadlines for final reports;

8. required qualifications of suppliers;

9. payment conditions - lump sum at end or progress payments;

10. a request for details of the related experience of suppliers.

Many of these points deserve discussion.

6.1 - Scope of the Survey. Most survey sponsors have some idea in mind, however crude, of the size or scope of a planned survey. This may be in terms of an upper budget limit, set by senior management, or in terms of money left over after other projects or program demands have been satisfied, or in terms of a rough calculation of the likely cost, given the sample size, length of interview, and so on. In other cases, a sample size may have been arrived at, or there may be a maximum number of potential respondents on a list. In any case, if such a limitation for a project is known in advance, it should be made known to suppliers. Without this, they can be left guessing, or making their own assumptions as to how big a sample or how detailed a questionnaire should be proposed, or whether their proposal is for a study that is too expensive or is not large enough to be able to support the kinds of analyses the sponsor wants. Suppliers should still have the option of replying that they think the budget available is not enough to carry out the work proposed, and of making a counter-proposal. An approximate indication of scope is especially important when creative proposals are being sought.
6.2 - Personal Presentation of the Proposal. This would require additional expense to the supplier, so sponsors should expect to pay for this.

6.3 - Methodology. There can be a great deal of variation in the amount of detail sponsors might offer, but as a general principle, the more the sponsor has already thought about methodology, the more this should be spelled out to suppliers.

6.4 - Relationship to Other Studies. This can be a signal to suppliers that their choice of methodology may be constrained, so that they should not devote time in their proposals to consideration of a methodology that might not facilitate comparisons.

6.5 - Analysis. Specifications should state whether a written analysis is wanted or not; whether tabulations are wanted or not, and the detail of cross tabulations by any demographic breakouts, or in terms of classes established from questions not normally regarded as demographic. Many suppliers have standard sets of cross-tabulations by demographic classes, but it is well for the sponsor to state just what he wants, or the supplier to state what he will provide, in exact terms. It is also a good practice for the sponsor to think ahead to the tabulations he would like to see, in terms of the kinds of conclusions that might be drawn and the kinds of suggested action that might be proposed. This can go far as development by the sponsor (or the supplier) of a set of dummy tabulations, with column and row headings, waiting for the numbers to be dropped in. Specifications should also state whether measures of statistical significance are to be carried out; whether any more complex statistical analyses are to be performed, such as any of the multi-variate analytical techniques; and whether microdata, in the form of computer cards or tape, are required, together with any limitations necessary for computer compatibility, such as no double-punching in a column.

6.6 - The Sponsor's Responsibilities. Making clear just what the sponsor will provide or do (particularly in terms of materials to be provided) helps let a supplier know where his responsibilities will begin and end. For
example, if a list of respondents is to be extracted or compiled from administrative records, it should be made clear who is to do the compiling work. If the sponsor will do it, the form or format in which the list will be provided should be specified - whether handwritten, a computer printout, computer-generated address labels, with or without telephone numbers, and so on. If copies of published material, photographs, advertisements, or any other exhibits to be shown to respondents, are to be supplied by the sponsor, this should be stated.

6.7 - Operational Requirements. If a number of drafts of questionnaires seem likely (and they often are), a government sponsor should expect that the supplier's proposed price will be increased to reflect the expected added development time required. It should also be regarded as normal that the process of finding a supplier and getting contracts approved will take much longer than in the private sector, given the system of checks and balances, and many levels of authority, in most government departments and agencies. This should be borne in mind by the sponsor, incidentally, in laying down deadlines for completion of work. Times should not be so short that they become unrealistic by the time the contract is signed, or will lead to shortcuts and loss of quality.

The government sponsor also has need to clear his survey plans through our group in Statistics Canada, and obtain Treasury Board approval before data may be collected, so time must be allowed for these steps to be completed.

In fairness to suppliers, all those asked to submit proposals should be spelled out, by name, so that each supplier can see whom he is competing with, as well as how many others. This gives a supplier a chance to decline to bid, if he feels he is not likely to succeed, or if he happens not to have adequate resources to carry out the project at that time. A closing-date for receipt of proposals should also be specified, allowing adequate time for suppliers to get answers to questions about study specifications, and draft the proposal, as well as allowing for transmittal time both for getting the request for proposals into the hands of suppliers, and the proposals back to the sponsor.
6.8 - Qualifications of Suppliers. The research buyer is buying the skills of people in producing a product that is largely intangible, so he must satisfy himself as to their skills and abilities. Some evidence of this is provided by the kind of work they have done, for whom, on what subjects.

6.9 - Conditions for Payment. Some government agencies commonly include holdback clauses in which a final payment of, say, 10% of the total, is made only upon satisfactory completion of the contract. Suppliers should be cautioned to determine what is required as proof of satisfactory completion of the contract, and if necessary, have this detail clarified before signing the contract. Another detail that should be made clear is the evidence required for the sponsor to be able to process requests for progress payments, whether a simple invoice is enough or whether other evidence of stages in survey execution having been passed is required.

6.10 - Related Experience. DSS requests for proposals call for detailed descriptions of experience in related work by the company and the individuals who would be working on the study. DSS makes it clear that these parts of a proposal should be repeated every time, even if they are unchanged from the last 15 proposals submitted to DSS, since the proposals for each study are evaluated on their own, with no reference to proposals for other studies. For those sponsors not using DSS's services, such a rigorous repetition of the experience of the company and the people in it are optional, depending on the level of experience of sponsors. As in the private sector, sponsors may tend to give a greater role to their somewhat subjective estimation of the reputation of the company, and their prior knowledge of its skills. But, unless the sponsor knows the supplier's capabilities, such as from previous work, it would probably be safer to err on the cautious side and include all the kinds of details of company and personnel experience in similar kinds of studies, just as required by DSS. A supplier cannot always be certain that the individuals he has dealt with up to now in the government agency will be the same ones making the final decision on a successful bidder for a new study.
6.11 - Conclusion. In concluding this discussion on specifications, we feel that experience is the best teacher as to just how much detail is needed for suppliers to grasp just what they are expected to do, and for the sponsor to know in detail just what he will get. In other words, through experience, both parties learn what is regarded as normal practice in specifying the work required. For example, few sponsors will think it necessary to write into their specifications very much detail on the requirements for hiring, training, and supervision of interviewers, as the normal practice is to consider these parts of a reputable supplier's work as not needing precise definition. Again, specifications may call for editing of questionnaires, without getting into detail on just what the edits are to be. On the other hand, many sponsors will specify that the supplier is to translate and print the questionnaire, since these are commonly optional tasks in terms of who does them. Sometimes specifications will go into considerable detail about record layout requirements, particularly where the sponsor wants to get a computer tape of micro-data results to carry out his own analysis.

If you are a sponsor, now left uncertain from what I've just said on what you should put into your specifications, and what you can omit, we suggest you should seek the advice of experienced sponsors for comments on your draft specifications.

7: PAYMENT FOR PROPOSALS

A common criticism of government requests for proposals is that generally no payment is made for the initial proposal, which many suppliers regard as a rather large amount of work, compared with the briefer proposals commonly called for in the private sector. There are only isolated instances of sponsors paying for proposals up to now. However, payment may become a more widespread practice, at least where sponsors recognize that an unusual amount of work or imagination is called for in writing the proposal.
A two-step procedure being used occasionally by DSS for soliciting creative proposals involves an initial screening of a number of possible consultants, to cut down to 4 or 5 who appear to have experience in a particular field. These 4 or 5 are then invited to submit a detailed creative proposal, with payment offered to all, and with the ideas in the proposal to become the property of the government. The client department and DSS will then prepare a detailed statement of work, synthesizing ideas from all the proposals, and seek proposals in a second step, either from just one of the four or five, or from as many as the client department wants.

A problem related to the nonpayment for proposals is that the ideas in them legally and ethically remain the property of the proposer. While almost all government buyers are prepared to accept this, it can sometimes be very difficult to resist suggesting to a successful bidder, in the course of subsequent discussions, that he should adopt an idea put forward by an unsuccessful bidder. It becomes even more difficult when, a year later, the government sponsor has forgotten where he first saw the idea and innocently puts it forward as if in the public domain.

8: SELECTING THE MOST SUITABLE SUPPLIER

Up to now, I've not dealt with the question of how to pick the best proposal. There is, of course, a need to settle on criteria for evaluating proposals. Some sponsors prefer to decide on criteria once the proposals have been received, and go about the process subjectively and without a great deal of precision. On occasion this can lead to problems if there is a need to justify the choice to superiors, or explain to an unsuccessful bidder why he was rejected. We suggest that specified written criteria should be developed for evaluating bids, whenever competitive proposals have been requested. Sometimes these can be simply price, where the specifications are clear and precise. Often, there are enough elements that are imprecise in the specifications, so that other criteria as well as price must be used. They can include the apparent understanding of the project, the degree of
originality in the proposed approach, selection of an appropriate methodology, evidence of a realistic work-plan, good quality-control, use of subcontractors, and evidence of control over them, requests for advance or progress payments, the reputation of the company in terms of quality and timeliness, and the reputation of the individuals who will work on the project. The criteria, and a scoring-method to grade proposals, should be developed before any of the proposals are seen, so that the criteria reflect the sponsor's plans and priorities, without being influenced by proposers' approaches.

Those invited to submit proposals should be told the criteria when they are invited to bid, so that no one is rejected because he didn't know in advance the criteria by which his proposal would be judged.

It is often useful to set up an evaluation team of, say, three to five people, including the project manager in the sponsoring agency, and possibly including knowledgeable outsiders, such as academics retained under contract just to evaluate the proposals. A suggested procedure sees team members developing the criteria collectively, separately evaluating bids, collectively discussing and reconciling differences in ratings, if necessary contacting bidders about changes to specifications that may result from the evaluations, giving all suppliers an opportunity to revise their proposals. All the steps should be well documented. DSS uses a procedure of this kind, with technical evaluation of proposals carried out quite separately from questions of price. For other sponsors, it may be desirable to include prices proposed along with technical and operational details. It may happen that a sponsor would prefer a proposal ranked second technically just because the price is more acceptable than the best technical proposal. At the same time, however, it is necessary to be sure that the lower price is not proposed because of a misunderstanding about the specifications, or because of incorrect assumptions about some details of the work to be done. Wide variations in price by different suppliers may be an indication of imprecise specifications by the sponsor. It may be necessary to amend them, once it is realized from the proposals what the source of the errors is. It is acceptable practice to ask bidders to re-submit revised proposals if
they wish, in such circumstances. There is also a danger that a low bidder has made a mistake in his bid, or does not have the experience to realize that he cannot do the work adequately for the price proposed. Almost all survey research contracts are fixed-price once the contract is signed, and it is often quite difficult to amend them to allow for supplementary payments, even if there is a risk of financial failure of the supplier.

One suggestion is that sponsors should visit suppliers before the successful proposal is selected, to see just what their facilities are like. If possible, sponsors should observe interviewing taking place. Observation of fieldwork is also useful in cutting down on unrealistic demands by the sponsor on questionnaire content and scope. It is all too easy for sponsors to compose symphonies of questionnaires in their offices, with many weeks of thought, only to arrive at a discordant monster, impossible for respondents to answer adequately and for interviewers to administer. First-hand observation of respondents' and interviewers' difficulties can be a useful humbling experience. From observation of fieldwork, the sponsor should also be able to gain a sense of the care with which it will be carried out, in terms of the kind of training and instructions given to interviewers, the administration of the fieldwork, the calibre of the interviewing itself, and so forth. Similarly, some observation of editing, coding and data capture facilities can give a feel as to whether these steps are likely to be carried out satisfactorily.

Once a successful supplier has been selected and advised that he has been successful, unsuccessful bidders should be advised that they have been unsuccessful, as a matter of courtesy, and should be told (at least in summary) why they were unsuccessful. An unsuccessful supplier is always free to ask for a more detailed accounting of why he was unsuccessful. This can only serve to improve the general quality of proposals.
9: CONTRACTS

It is probably safe to say that all government agencies require that some sort of formal written contract be drawn up, to be signed by a representative of the government agency and the supplier. To put it another way, there is no such thing as a purely verbal contract or a simple letter in government circles, even for an exact repetition of something done before, unlike the practice in the private sector. At the same time, there are currently no standard requirements laid down centrally for all agencies as to just what clauses should go into a contract. Government Contracts Regulations under the Financial Administration Act, dating from 1975, give authority to Agencies to hire research suppliers on their own. However, for most Agencies, the maximum dollar value of a contract is $50,000 or $100,000 if at least two tenders have been received and the lowest has been accepted. Beyond these amounts, Treasury Board approval must be sought; alternatively, Supply and Services have authority up to $1,000,000 or, with three or more proposals, up to $2 million. The Regulations also allow agencies to make advance and progress payments. These regulations, however, have very little else to say about the contracting process.

In practice, many agencies have taken it upon themselves to develop standard or model contracts, often using clauses taken from normal practice in the private sector. As well, many agencies have developed a similarity of the wording of their contracts through a process of stealing ideas from one another or from DSS. Some of the clauses often found have to do with timing, restrictions on sub-contracting, progress reports, cancellation, government ownership of work done under the contract, price and payment, hold-backs, and that no member of the House of Commons will benefit under the contract.

The Government Contracts Regulations also allow agencies to increase contracts by up to $50,000. In our experience, most sponsors are reluctant to increase contracts once signed, unless there is very good justification for doing so,
with a good deal of supporting evidence to satisfy Treasury Board and the Auditor-General. In many agencies the procedure for obtaining an increase to a contract is quite time-consuming, and tends to be regarded as evidence of poor management.

10: WORKING WITH A SUPPLIER

Once the contract has been signed, supervision and some degree of control or monitoring of the work should be carried out by the sponsor.

There will almost certainly be a need for frequent discussions and meetings with the principal researcher working on the project, as the questionnaire is developed along with plans for analysis, preliminary results become available, and a written analysis is prepared. In most cases, a supplier should anticipate the need for one or two trips to Ottawa during the planning stages, along with telephone calls. The sponsor, too, if he has been unable to see the supplier's facilities at first hand before selecting him, should try to see them during the planning stage. In particular, if the questionnaire is to be pretested, the sponsor should accompany interviewers or listen in to telephone interviews, as well as take part in analysis of pretest results.

As an operational consideration during the fieldwork period, it can sometimes be helpful to suppliers if sponsors advise their regional offices, in advance, of the existence and purpose of the survey, the dates of fieldwork, and the name of the Ottawa-office sponsor. Respondents may enquire about the legitimacy of the survey, or journalists may want to explore a possible article. Supplier interviewers could in some cases be given a name of someone in the sponsoring agency to whom enquiries could be directed if there is any feeling that the interviewers are likely to be harrassed because of the study.
11: EVALUATION AFTER THE CONTRACT

Once the contract is completed, it is probably useful for the sponsor to prepare some sort of evaluation of the supplier and the relationship. Without being libellous, particularly in light of expected Freedom of Information legislation, the evaluation can be useful to others in the agency in future studies. Strengths and weaknesses of the supplier can be kept in mind in selecting him for further studies and in establishing a good working relationship in those studies.

12: ALTERNATIVES TO CONTRACTING

To some government sponsors, the paperwork and time required for the entire process of finding and hiring a research supplier, let alone drawing up satisfactory specifications for a study regardless of who does it, are just more trouble than they are worth. Add to this the need to make submissions to Treasury Board for funding, and it becomes possible at least to understand a search for other simpler routes. From time to time we hear of government agencies using the market research departments of their advertising agencies, particularly for advertising research studies. There have also been a few instances of government sponsors collaborating with academic researchers, encouraging an academic to draft a survey research proposal in a request for grant funding. Not a great deal of federal survey research is carried out this way, as far as we know. There is always a danger that the grant-funding process could lead to a loss of control where the person or group receiving the grant goes off at a tangent, once they have received the funding, and carries out a study different from the one expected by the sponsor. In a few instances where grant-funding has been used, one method of control is to give a succession of grants for funding of stages in a research project, with each grant conditional upon satisfactory completion of the previous stage.
In conclusion, the main points I've tried to call to your attention are:

- that, compared with the private sector, relationships can be more formal, with the need for careful drafting and acceptance of contracts, and more time required for the contracting process;

- that sponsors should take adequate planning time to prepare detailed specifications of what is required to be done, by whom, when;

- and, that even with the most careful set of specifications, there will always be details not spelled out that the sponsor must accept on faith will be done, and that the sponsor should therefore familiarize himself with first-hand observation of the supplier's facilities and operations in order to gain a sense of quality and care with which the work is being done.

A good deal of the relationship between sponsor and supplier depends on faith - that the sponsor has given a full and honest account of what he wants and why, and that the supplier can and will provide work of good quality in all the innumerable tiny details that no specifications or proposals ever completely cover. A sense of the care with which the supplier is doing his work is essential in gaining a feeling for the supplier's integrity.
RESUME

Avant de passer un contrat de recherche avec un fournisseur, l'organisme client devra dresser un plan exact de ce qu'il entend obtenir et préciser soigneusement la répartition des tâches, les échéances ainsi que les détails de ce qu'il entend lui-même accomplir. Il ne devrait inviter à faire un offre qu'un petit nombre de fournisseurs, nombre à augmenter selon qu'augmente la valeur du contrat envisagé. Et il ne devra pas attendre de recevoir les premières offres avant d'établir les procédures de sélection selon lesquelles le contrat sera accordé. Parmi ces démarches préliminaires, le client devrait organiser des visites aux installations du fournisseur afin de donner une assise solide à la bonne foi et à l'esprit de coopération nécessaires aux bons rapports qui doivent exister entre le client et son fournisseur. Ces rapports sont en général plus formels que dans le secteur privé et la procédure de sélection sera plus longue.

REFERENCES

(1) Statistics Canada, "Directory of Survey Organizations" (Ottawa: March 1980).

