



Consultation Summary for Communication Services National Goods and Services Procurement Strategy

November 2012

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1 Introduction

Public Works and Government Services Canada (PWGSC) developed a draft National Procurement Strategy for Communication Services to provide a consistent national approach that will improve the efficiency and effectiveness of the procurement process for all government departments, suppliers and Canadians.

During a formal consultation period, government departments and suppliers reviewed and commented on the draft National Procurement Strategy for Communication Services. All formal consultation feedback was considered when finalizing the National Procurement Strategy for Communication Services.

This document provides a summary of the feedback for the purposes of discussion and is not intended to provide an exhaustive list of feedback received.

2 Purpose

This document summarizes relevant formal consultation feedback from government departments and suppliers, and outlines how PWGSC will incorporate the feedback when finalizing the National Procurement Strategy for Communication Services.

This document is used for reviewing feedback and deciding upon resulting changes. Where comments suggested changes and none are being taken, a description is provided as to why the recommendation remains unchanged.

3 Formal Consultation

Period	November 21, 2011 through February 13, 2012. (85 days)
Government Department Respondents	There were 14 respondents representing 9 government departments.
Supplier Respondents	There were 213 supplier respondents.

4 Overview

The general view of suppliers and government respondents was supportive of the overall strategy.

5 Original Recommendations

5.1 Update the Definition of the Communication Services Category to Encompass New Trends

Original Recommendation (reference: August 2011 strategy section 9.1)

- Continue to evaluate the services available within the industry;
- Verify/update existing communication services and align with current industry practices to facilitate the identification of the services available under the communication services category;
- Review services covered by other category groups within PWGSC;
- As procurement instruments come up for renewal, changes will be made to align with the new category definition as needed while ensuring there are no duplications with other PWGSC procurement tools; and
- Establish new interim procurement instruments as required, to provide new communication services according to the new category definition, as needed to bridge the gap until the existing procurement instruments are renewed and updated.

Relevant Feedback

TOPIC	Inclusion of social media in future procurement instruments	
GOVERNMENT DEPARTMENTS	SUPPLIERS	
<p>Supporting:</p> <ul style="list-style-type: none"> • Social media is currently a component of many client departments' communications planning, and so optimizing procurement of communication services that specialize in this emerging field is necessary. <p>Opposing:</p> <ul style="list-style-type: none"> • The strategy document does not propose major changes and does not truly address the needs of new technologies. 	<p>Supporting</p> <ul style="list-style-type: none"> • When asked if GC should engage in social media, 50% of respondents indicated that the Government of Canada should be using social media technology to either communicate to stakeholders, receive feedback from stakeholders or both. <p>Opposing:</p> <ul style="list-style-type: none"> • Some respondents believed that GC should project an image of authority that is incongruent with that of social media, and so should not engage in emerging trends. 	
OUTCOME	Update strategic direction to specifically address the inclusion of social media services within the communication services category.	

New Strategic Direction (reference: November 2012 strategy section 5.1)

PWGSC will clarify inclusions and exclusions within the communication services subcategories. In addition, definitions will be updated to reflect developments in technology (e.g. social media), and to make specialization within each subcategory clear.

As procurement instruments are renewed, changes will be introduced to align the services on offer with updated category definitions as applicable, ensuring there are no duplications with other PWGSC procurement tools. In response to the advent and growth in importance of social media, future procurement instruments will include relevant services to ensure GC has multiple channels to reach Canadians. The PWGSC website and Communication Branch website provides information on social media tools and resources.

5.2 Continue to Develop and Implement Self-Serve Procurement Instruments for Optional Services

Original Recommendation (reference: August 2011 strategy section 9.2)

Enable government departments to complete certain procurement transactions through the following:

- Implementing and recommending the use of PWGSC self-serve procurement instruments and electronic tools (e.g. ePurchasing);

PWGSC will improve the support to government departments in the acquisition of communication services in order to better meet operational requirements. PWGSC will:

- Continue to standardize and simplify processes to procure communication services; and
- Continue to develop and implement self-serve procurement instruments for optional services or non mandatory sub-categories, including standing offers and supply arrangements, if and when appropriate

Relevant Feedback

TOPIC	E-Purchasing	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <ul style="list-style-type: none"> • Survey respondents indicated the Government of Canada must be committed to operating in a green manner and practice what they expect from their vendors. E-purchasing would be a positive example of government efforts to green operations. <p>Opposing:</p> <ul style="list-style-type: none"> • No relevant opposing commentary was provided 	<p>Supporting</p> <ul style="list-style-type: none"> • The communication industry strongly supports and encourages the Government of Canada onboard acceptance of Electronic Bid Submissions (eBidding). <p>Opposing:</p> <ul style="list-style-type: none"> • No relevant opposing commentary was provided
OUTCOME	No change to the original recommendation. However the context section now states that the Communication Procurement Directorate will adopt eBidding once the PWGSC Acquisitions Branch develops an ePurchasing Policy. (reference: June 2012 strategy section 5.2)	

5.3 Improvement of Procurement Process

Original Recommendation (reference: August 2011 strategy section 9.3)

<p>Improve the procurement process by:</p> <ul style="list-style-type: none"> • Conducting a review of the approaches used to develop evaluation criteria; • Clarifying the evaluation criteria used in solicitation documents, and facilitating broader understanding of the methodologies to be used for the purpose of ensuring that evaluation methodologies are not overly restrictive; • Using standing offers and supply arrangements as the main methods of supply; and • Standardizing the duration of new procurement instruments to two fixed years and two one-year options (with a refresh process for supply arrangements at the one-year mark allowing for new suppliers to qualify and also a refresh process at each option year, allowing for new suppliers to qualify) for the following non-mandatory categories: Media Monitoring Services; Events Management Services; Graphic Design and Exhibit Design Services; and Strategic Communication Services.
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Relevant Feedback

TOPIC	Bid Standardization	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <ul style="list-style-type: none"> • Clients reported difficulty understanding and using current procurement tools. Simplification of the process was broadly supported. <p>Opposing:</p> <ul style="list-style-type: none"> • Flexibly was a key concern, since not one approach can meet the diverse needs of the communications community. 	<p>Supporting</p> <ul style="list-style-type: none"> • Standardized and simplified bidding was frequently stated as desirable and would greatly reduce barriers for small and medium enterprises to offer competitive bids. <p>Opposing:</p> <ul style="list-style-type: none"> • No relevant opposing commentary was provided
OUTCOME	The strategic direction for improving the procurement process has been split such that specific topics can be addressed (reference: November 2012 strategy section 5.3)	

Relevant Feedback

TOPIC	Standardize Methods of Supply	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <ul style="list-style-type: none"> • The distinction between when a supply arrangement is used vs. when a standing offer is used should be much clearer. It also becomes difficult for vendors who must qualify under both streams using different criteria. <p>Opposing:</p> <ul style="list-style-type: none"> • Some respondents indicated they would like to see an initial three-year period with two one-year options. This will allow 	<p>Supporting</p> <ul style="list-style-type: none"> • About 30% of respondents indicated that they saw no problem with current methods of supply, however many responses that indicated support where laced with concerns about barriers to small and medium enterprises. For example, one supplier wrote, "Standing offers and supply arrangements are wonderful. They provide flexibility and confidence for both the supplier and the government. However, when planning standing offers involving

<p>suppliers to gain more experience in dealing with clients.</p>	<p>intellectual property, RFSOs and RFPs seem purposefully biased in favour of large, national firms, even when work may be performed locally.”</p> <p>Opposing:</p> <ul style="list-style-type: none"> • This method favours large companies and would force small businesses to partner up with larger firms, as the only means of successfully doing business with the Government of Canada. • Suppliers have identified “entry to market” as a potential barrier. New suppliers can only be considered for a standing offer when new solicitations are published, often at the end of a given standing offer’s effective period.
<p>OUTCOME</p>	<p>SOs and SAs will continue to be used. Additional standardization regarding duration and terms and conditions will be introduced. SAs for non-mandatory sub-categories will provide additional opportunities for suppliers to qualify.</p>

New Strategic Direction (reference: November 2012 strategy section 5.3.1)

PWGSC will continue to use SOs and SAs as the main methods of supply for communication services, for both mandatory and non-mandatory subcategories. In an effort to standardize the methods of supply, PWGSC will introduce the following changes:

- standardize the terms and conditions used for SOs and SAs; and
- standardize the duration to two fixed years and two one-year options for SOs and SAs, with a notice sent before the options are invoked.

Future SAs, for the following non-mandatory subcategories, will allow suppliers who are not included in the SA the opportunity to qualify. This opportunity will be presented during the periods when the SAs are being renewed:

- Media Monitoring Services;
- Events Management Services;
- Graphic Design and Exhibit Design Services; and
- Strategic Communication Services.

Relevant Feedback

TOPIC	Simplify Requirements	
GOVERNMENT DEPARTMENTS		SUPPLIERS
<p>Supporting:</p> <ul style="list-style-type: none"> • Respondents indicated support for simplifying qualification of requirements. They also frequently stated that the criteria should not disqualify small and medium sized businesses, or suppliers from local economies. <p>Opposing:</p> <ul style="list-style-type: none"> • No relevant opposing feedback 		<p>Supporting</p> <ul style="list-style-type: none"> • Evaluation criteria that required suppliers to describe a specific number of specialized projects within the last three to five years was found to be overly restrictive. It was frequently noted that this practice creates barriers to entry for companies that have not previously been awarded Federal contracts, thereby creating bias towards incumbent suppliers <p>Opposing:</p> <ul style="list-style-type: none"> • No relevant feedback
OUTCOME	Further standardize and simplify requirements.	

New Strategic Direction (reference: November 2012 strategy section 5.3.2)

PWGSC will focus on simplifying proposal requirements by:

- introducing templates with simplified and standardized wording;
- encouraging precise descriptions of project-specific requirements; and
- where appropriate, reducing the requirement that “bundles” services or requires a “team”.

Relevant Feedback

TOPIC	Simplify Solicitations	
GOVERNMENT DEPARTMENTS		SUPPLIERS
<p>Supporting:</p> <ul style="list-style-type: none"> A supplier once communicated that the amount of work the supplier received while available on an RFSO & SA may not have been equal to the effort invested in responding to the RFP, for example, preparing a 400 page response to an RFP, whereby the work the contract actually yielded was less than the investment of work required to secure the contracted. <p>Opposing:</p> <ul style="list-style-type: none"> No relevant feedback 		<p>Supporting</p> <ul style="list-style-type: none"> Suppliers frequently described the solicitation process negatively, describing the process as “time-consuming, biased and complicated.” Many small and micro-enterprises reported that the costs of submitting a competitive bid were not offset by the potential for gaining Government contracts, and so the length and complexity of the solicitation process was a significant barrier for small businesses. Examples of Supplier Feedback: <ul style="list-style-type: none"> The challenge is that once an SA or SO is won, there are still additional RFPs to answer, and a full proposal is required. The work and time invested through this is then doubled (RFSO and RFP). Ridiculous amount of paperwork...lots of questions that must be filled out, but are irrelevant or don't fit into categories that can be answered in a way that is meaningful to the services we supply. <p>Opposing:</p> <ul style="list-style-type: none"> Some respondents indicated that the current system of Supply Arrangements and Standing Offers were adequate and fair.
OUTCOME	Reduce variability in solicitations by standardizing forms and wording in an effort to reduce complexity and length of solicitations.	

New Strategic Direction (reference: November 2012 strategy section 5.3.3)

PWGSC will focus on simplifying solicitations by:

- introducing templates with simplified and standardized wording;
- standardizing the wording used on individual summary pages in solicitation documents; and
- imposing page limits on proposal submissions.

Relevant Feedback

TOPIC	Consistent Bid Evaluation Criteria	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <ul style="list-style-type: none"> A number of clients wanted creativity and innovation more heavily weighted in selection criteria, and not necessarily the lowest-cost option. <p>Opposing:</p> <ul style="list-style-type: none"> When asked to provide feedback on bid evaluation and selection criteria, one client reported, "(evaluation criteria are) Not too restrictive. However, I believe that evaluation criteria should not be outlined in detail (i.e. scores and weights) to bidders - simply because they then know how scores will be tabulated and what is deemed "more important" to the contractor." 	<p>Supporting</p> <ul style="list-style-type: none"> Suppliers commonly reported that Government of Canada competitions consistently fail to evaluate value. All of the survey respondents wanted quality of work to be more heavily weighted than cost. Many suppliers felt that large companies can out-compete small suppliers on price of service, while offering similar quality of product, and felt that the current selection criteria were biased towards the lowest cost option and large companies. <p>Opposing:</p> <ul style="list-style-type: none"> There were no suppliers that indicated a preference for price to be weighted more heavily than technical merit or product quality.
OUTCOME	Adjust evaluation criteria, focus on quality over price.	

New Strategic Direction (reference: November 2012 strategy section 5.3.3.1)

PWGSC will revisit the bid evaluation criteria for each communication services subcategory, to ensure that evaluation methodologies are clear and not overly restrictive. This will be done by:

- reviewing how evaluation criteria are developed;
- explaining why specific evaluation methodologies are selected;
- linking criteria to the size and complexity of the requirements; and
- ensuring that the criteria relate to the requirements and are not unnecessarily specific.

Greater emphasis will be placed on the qualitative measurement of the solution presented within proposals by:

- allocating more weight to the evaluation of technical requirements over price; the ratio will be aligned with industry expectations, based on the degree of specialization required in each sub-category;
- allowing work samples to be part of the evaluation;
- eliminating requests for speculative creative samples; and
- adding flexibility to resource requirements to allow for innovation and adaptability to industry trends.

5.4 Access to the Government Market

Original Recommendation (reference: August 2011 strategy section 9.4)

Continue supplier and government department information gathering to identify and eliminate barriers in the evaluation and selection process that unnecessarily restrict the participation of qualified suppliers.

Relevant Feedback

TOPIC	Eliminating barriers to participation of qualified suppliers	
GOVERNMENT DEPARTMENTS	SUPPLIERS	
<p>Supporting:</p> <ul style="list-style-type: none"> The respondents that feel the criteria and methodologies are too restrictive gave a few examples; their market is well served by many small firms, sometime even individuals can handle small jobs at a low cost. If the experience and/or business volume criteria are restrictive, those suppliers will be eliminated and costs to the government will increase. Another example provided was that the amount of work a supplier receives while available on an RFSO & SA may not be in proportion to effort invested in responding to the RFP. <p>Opposing:</p> <ul style="list-style-type: none"> The respondents that felt the criteria and methodologies were not too restrictive gave a few examples as they have no difficulties with it. They indicated that outlining the evaluation criteria may result in "cookie-cutter" submissions based more on what the contracting officer wants to hear vs. creative solutions or approaches that contracting officer had not thought of. 	<p>Supporting</p> <ul style="list-style-type: none"> Respondents frequently stated that the length of completing a bid and the resources required to complete bids were too great, and significantly restricted small and medium enterprises from bidding on contracts. Respondents also indicated that overly specific and irrelevant criteria needlessly excluded them from competing for bids. Several specific criteria that were mentioned as restrictive for small businesses. These included: length of application process, competing with large firms for the same contracts, mandatory degrees or certifications, past government contracts, high levels of insurance, overly specific mandatory requirements and requirements for a team of employees. <p>Opposing:</p> <ul style="list-style-type: none"> Many survey respondents (21%) stated that they did not find the evaluation criteria overly restrictive. 	
OUTCOME	Further simplify the supplier selection process.	

New Strategic Direction (reference: November 2012 strategy section 5.3.3.1)

PWGSC will revisit the supplier selection criteria for communication services to facilitate access to the government marketplace by:

- accepting alternatives to (or substitutes for) education criteria (e.g. years of professional experience);
- accepting alternatives to (or substitutes for) government-based professional experience (e.g. private-sector experience);
- acknowledging the value of professional certifications;
- removing burdensome contractual conditions (e.g. requiring suppliers to have excessive insurance coverage);
- removing business volume criteria (e.g. minimum number of public-sector projects and minimum number of employees);
- allowing subcontracting;
- limiting the number of references required (e.g. accepting contact information for references in lieu of formal letters of reference); and
- limiting the number of work samples requested.

5.5 Environmental Considerations

Original Recommendation (reference: August 2011 strategy section 9.5)

Incorporate, on an incremental basis, appropriate and consistent environmental considerations into communication services solicitation documents.

CPD, in cooperation with the Green Procurement Team from Acquisitions Branch develops Green Procurement Plans for each sub-category as required and to expand the evaluation criteria over time.

Relevant Feedback

TOPIC	Inclusion of environmental considerations	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <ul style="list-style-type: none"> • Quantitative analysis indicates that 82% of the respondents do agree with the incremental addition of environmental requirements through the use of point rates and mandatory evaluation criteria. Some of the responses gave some examples as suppliers could score extra points for incorporating environmental practices in their proposals. <p>Opposing:</p> <ul style="list-style-type: none"> • Some of the vendors that do incorporate environmental practices often have a higher price point. 	<p>Supporting</p> <ul style="list-style-type: none"> • The majority of respondents, 80%, supported the inclusion of environmental considerations in bid evaluation criteria. • However, many respondents indicated their services had a negligible environmental impact as they had not considered in their environmental assessments the impact of their production inputs (i.e., computer technology, office equipment, climate control and electricity) <p>Opposing:</p> <ul style="list-style-type: none"> • Of those who did not support the inclusion of environmental criteria stated that the process of completing an environmental impact evaluation would only make the solicitation process more onerous or

	believed that they had no environmental impact.
OUTCOME	No change to the strategic direction, however further clarity was provided. (reference: November 2012 strategy section 5.4)

5.6 Stakeholder Communication

Original Recommendation (reference: August 2011 strategy section 9.6)

Coordinate a client-based Communication Services Procurement Advisory Committee.

Relevant Feedback

TOPIC	Communication Services Procurement Advisory Committee	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <ul style="list-style-type: none"> Clients strongly supported the development of a procurement advisory committee. Most of the survey respondents indicated that they would be willing to sit on an advisory committee, with the most interest in sub-areas of communications services like Strategic Communication Services and Social Media. <p>Opposing:</p> <ul style="list-style-type: none"> No relevant feedback 	<p>Supporting</p> <ul style="list-style-type: none"> One supplier supplied this feedback, "(PWGSC) should establish an industry advisory committee, not just a client advisory committee. They should meet separately, but also have at least one joint meeting per year." <p>Opposing:</p> <ul style="list-style-type: none"> No relevant feedback
OUTCOME	In addition to a client-based Communication Services Procurement Advisory Committee, launch supplier working groups to improve communications with supplier.	

New Strategic Direction (reference: November 2012 strategy section 5.5)

PWGSC will launch and coordinate client-based Communication Services Procurement Advisory Committees for each subcategory, as warranted. This will include training on the procurement process and available evaluation methodologies. Communication professionals from government departments will be invited to participate.

To increase communications with suppliers, keep pace with industry trends, and better educate suppliers on the procurement process, PWGSC will launch and coordinate communication services supplier working groups for each subcategory, as warranted. Communication services suppliers and/or representatives of supplier associations will be invited to participate.

6 Additional Recommendations

None; however the original recommendations were re-structured for clarity.

7 National Procurement Strategy

The finalized National Procurement Strategy for Communication Services will be posted on the Government Electronic Tendering Service (GETS) (currently MERX™), and GCpedia through Buyandsell.gc.ca.

The National Procurement Strategy for Communication Services will come into effect during Fiscal Year 2012/2013.