## TIP OF THE MONTH FOR CHEMICAL CONSULTANTS

## PREPARING PROPOSALS By David H. Vahlsing, PE, <u>http://www.becht.com</u>

Well-managed projects and satisfied clients require a clearly written description of your deliverables and costs. If you expect to work for the client as an hourly subcontractor, this is relatively simple because you need only to agree on an hourly rate and on how expenses will be handled.

However if the project is complex, likely to be expensive, not on a straight hourly basis and it is not very clearly defined by the client, how can you effectively scope the work and yet not spend excessive amounts of unpaid time while you examine the facts? It can sometimes take several days to prepare a proposal, and it may give useful technical information to the prospective client and partially solve the problem before you are hired.

One approach is to request payment for scope development with the understanding that the scope belongs to the client who can then price shop for the next phase of the work. Another is to just accept this as a cost of doing business by building your development time into the markup on your hourly rate. Guess which approach I prefer?

More information on this subject and many others may be found under Consulting Topics in the <u>Chemical Consultants Network</u> Next month's article will discuss many many sources if information for consultants that may help in getting clients and making them happy.