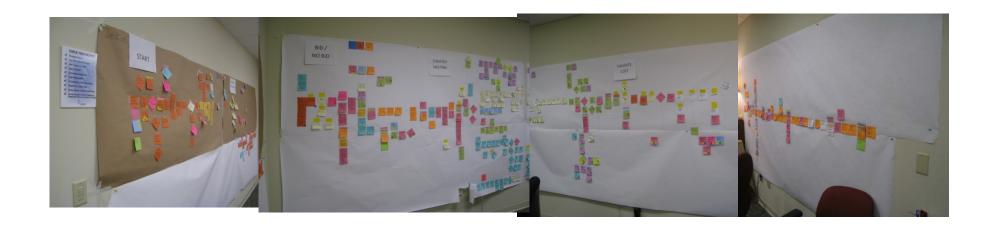
#### **Problem Statement**

- Company does not have a clear, consistentlyfollowed process for bidding opportunities
- This results in:
  - Effort not reflective of the opportunity
  - Extra (and redundant) process steps
  - Compression of later steps to meet deadlines
  - Confusion about roles and responsibilities

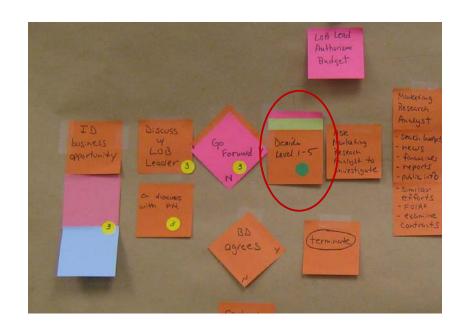
### **Current State Process Flow Map**



#### **Proposal Levels**

- Level 1: History only (low risk opportunity)
- Level 2: History with cost verification
- Level 3: 80/20 cost estimation
  - 20% of items that represent 80% of cost
  - Use history for 20/80
- Level 4: 80/20 with obsolescence and inflationary checks, some engineering required
- Level 5: Full cost analysis and engineering design

## Proposal Process Initiated with Level 1 – 5 Decision



# Review RFQ and determine strategy including make-buy Level 1 = history only Level 2 = history with some bid verification Level 3 = quote 80/20 to vendors, history for 20/80 Level 4 = quote 80/20 to vendors, but complete obsolescence and inflationary verification Level 5 = complete quote, engineering involvement