

Standard Operating Procedure (SOP): Proposal Development and Contract Finalization

This SOP details the **proposal development and contract finalization** process, encompassing the preparation of comprehensive project proposals, alignment with client requirements, internal review and approval protocols, negotiation strategies, and final contract drafting. The objective is to ensure accurate, clear, and mutually agreed-upon terms that facilitate successful project execution while minimizing risks and enhancing client satisfaction.

1. Purpose

To outline a standardized procedure for the development, review, negotiation, and finalization of project proposals and contracts to ensure alignment with client needs, compliance with internal controls, and the establishment of clear, risk-mitigated agreements.

2. Scope

This SOP is applicable to all personnel involved in the proposal development and contract finalization process including Business Development, Project Management, Legal, and Executive Leadership.

3. Responsibilities

- **Business Development:** Preliminary client engagement, requirements gathering, proposal drafting.
- **Project Management:** Technical inputs, resource estimation, timelines.
- **Legal Team:** Contract review, risk assessment, compliance check.
- **Executive Leadership:** Final approval and contract sign-off.

4. Procedure

- 1. Requirement Gathering**
 - Engage with client to collect and document project requirements and expectations.
 - Clarify deliverables, scope, budgets, and timelines.
- 2. Proposal Drafting**
 - Develop an initial proposal based on client inputs and internal capabilities.
 - Include project scope, methodology, deliverables, timeline, fees, and payment terms.
- 3. Internal Review**
 - Circulate the draft proposal to relevant stakeholders (Project Management, Legal, Finance) for feedback.
 - Revise proposal as necessary to address concerns and ensure feasibility.
- 4. Client Submission**
 - Submit finalized proposal to client for review.
 - Collect feedback and clarify any outstanding issues.
- 5. Negotiation**
 - Engage in negotiations to reconcile any differences in scope, pricing, terms, or timelines.
 - Document all agreed-upon changes.
- 6. Contract Drafting**
 - Prepare formal contract reflecting the negotiated and agreed-upon terms.
 - Ensure legal review for compliance and risk mitigation.
- 7. Approval and Signature**
 - Obtain final internal approval signatures per the delegation of authority.
 - Provide contract to client for signature.
 - Archive signed contract and communicate project kick-off internally.

5. Documentation

- Client requirements documentation
- Proposal drafts and versions
- Internal review feedback
- Negotiation records
- Final signed contract

6. Revision History

Version	Date	Description	Author
1.0	2024-06-01	Initial SOP release	Proposal Operations Team