

# SOP: Proposal Development and Contract Management

This SOP details the processes involved in **proposal development and contract management**, including identifying client requirements, preparing and submitting proposals, negotiating contract terms, contract approval workflows, compliance monitoring, performance tracking, and contract renewal or closure procedures. The goal is to ensure efficient, transparent, and compliant management of proposals and contracts to support organizational objectives and strengthen client relationships.

## 1. Purpose

To define standardized procedures for developing project proposals, negotiating and managing contracts to ensure consistency, compliance, and efficiency in client engagements.

## 2. Scope

This SOP applies to all staff involved in client engagement, proposal development, contract negotiation, and contract management processes.

## 3. Responsibilities

Role	Responsibilities
Proposal Lead	Coordinate proposal preparation, review requirements, ensure timely submission.
Legal/Contracts Officer	Negotiate and review contract terms, ensure compliance with legal standards.
Project Manager	Monitor project delivery in accordance with contract terms.
Management	Approve final proposals and contracts, monitor performance metrics.

## 4. Procedure

- Identifying Client Requirements**
  - Review RFPs, RFQs, or client communications to understand needs.
  - Engage stakeholders for clarification if necessary.
- Proposal Development**
  - Form proposal team and assign tasks.
  - Develop technical, financial, and management sections.
  - Review and finalize proposal document.
- Proposal Submission**
  - Submit proposal as per client's instructions (format, deadline, delivery method).
  - Confirm client's acknowledgment of receipt.
- Contract Negotiation**
  - Review contract draft with legal team.
  - Negotiate terms including scope, deliverables, timelines, payment, liabilities.
  - Document agreed changes.
- Contract Approval Workflow**
  - Route contract for internal reviews (Legal, Finance, Management).
  - Obtain necessary signatures and approvals.
  - Archive executed contract securely.
- Compliance Monitoring**
  - Monitor compliance with contractual obligations and organizational policies.
  - Maintain records for audits and reviews.
- Performance Tracking**
  - Track deliverables, milestones, and service levels as per contract.
  - Report deviations and initiate corrective actions as needed.
- Contract Renewal or Closure**
  - Review contract performance and outcomes near end date.
  - Initiate renewal negotiations or closure as appropriate.
  - Complete closeout documentation and client communications.

## 5. Documentation

- Proposal submissions and related correspondence
- Contract drafts, executed contracts, and amendments
- Compliance records and audit reports
- Performance and milestone tracking logs
- Closure/renewal reports

## 6. References

- Company Contract Management Policy
- Relevant legal and regulatory requirements
- Client's RFP/RFQ documents

## 7. Revision History

Version	Date	Summary of Changes
1.0	2024-06-20	Initial SOP creation