SOP Subject	Business Development	Authorized By	Ken Fong
Category	Standard Operating Procedures	Status	Draft
Version	1.0	Effective Date	
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Introduction	
Purpose	Provide guidance for business development functions to maximize marketing and communications consistency and efficacy
Personnel Concerned	All ResQSoft business development staff and consultants
Directives Cancelled	None
Distribution	Email and SharePoint
Originator	ResQSoft Project Management Office

Revision History	
1.0	

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1.0 Standard Operating Procedure Summary: Business Development

- Business development staff should focus efforts on project-oriented work related to new (applications) software development and modernization of legacy applications/systems.
- Technical resources will be made available for business development in the areas of legacy application analysis (for quote preparation) as well as presentations and demonstrations. For presentations and demonstrations, the capture manager must ensure the lead is qualified with a certain number of the basic four and other criteria as a prerequisite.
- If technical support is required for *Engineer* modifications to support new (currently unsupported) languages, the capture manager shall prepare a plan to market the new language support to similarly situated organizations prior to the technical effort being expended.
- Quotations, which are binding upon ResQSoft, must be approved by ResQSoft Legal/PMO prior to delivery to a prospective client and should be based upon diligent investigation of the legacy application whenever possible. ROMS, by contrast, are non-binding estimates based on a variety of unverified information and can be conveyed by email.
- BD resource, capture manager, and salesman are interchangeable terms (or, Ken, please fix terminology, we don't have capture managers per se). We have salesmen and a BD Director, who may often be the same person.

2.0 Standard Procedures

2.1 Purpose

ResQSoft, Inc. provides Standard Operating Procedures for business development to maximize the marketing reach of limited resources. These SOPs are not meant to replace or substitute judgment of business development professionals or stand in the place of business development/marketing strategy and tactical plans but, rather, to provide a framework for business development. However, if a deviation from these procedures is contemplated, it must be approved by the ResQSoft Management Team.

ResQSoft principally engages in project-oriented work related to new (applications) software development and modernization of legacy applications/systems. Although ResQSoft does engage in other client engagements on a case-by-case basis, such as general management and technology consulting and staff augmentation, the focus of business development should be on project-oriented work and compensation plans approved by the ResQSoft Management Team should reflect this focus and prioritization.

2.2 ResQSoft Project Life Cycle

ResQSoft business development efforts should track the life cycle of project-related work:

1. Research and Contact Leads: This first life cycle phase requires business development staff to research and contact leads, including provision of any collateral materials.

2. Qualification and Prioritization of Prospects: Using the "basic four" qualification criteria, business development staff should prioritize and focus "follow-up" efforts on the most promising prospects. Prospects may be identified and cataloged in the ResQSoft Internal Portal's Business Development Tracking page at the discretion of business development staff. Qualified prospects should be under NDA/PIA.

3. Management/Technical Presentation: Standard, pre-existing presentations may be made by business development staff at any time during the sales cycle in the discretion of the staff member. Management/Technical presentations that require development/technical sales support may be requested of the Technology Office only if the following conditions are met: (i) the prospect has been cataloged in the ResQSoft Internal Portal Business Development Tracking page; (ii) at least two of the basic four qualification criteria are satisfied; and (iii) determination that an existing standard presentation is insufficient to move the prospect closer to deal closure.

4. Technical Demonstration/Sample Code (optional): Technical demonstration and sample code efforts that require development/technical sales support may be requested of the Technology Office only if the following conditions are met: (i) the criteria for Management/Technical Presentation have been satisfied and such presentation has been provided to the prospect; and (ii) at least three of the basic four qualification criteria are satisfied; and (iii) determination that expending the extra technical effort will result in all four qualification criteria being satisfied such that the chances of getting an order exceed 75%. Additionally, any technical marketing support request that requires *Engineer* modifications to accommodate an unsupported (legacy) language requires that the requesting business development staff member provide a plan to market that language to other, similarly-situated prospects *prior to* any such technical demonstration or effort being undertaken. A sample is an unpaid or partially subsidized effort during which a handful of programs may be created or modernized to demonstrate ResQSoft's approach. No code from a sample will be delivered to any customer or prospect, although in exceptional circumstances and with appropriate safeguards, a technical meeting to browse the code with the customer may be arranged subject to ResQSoft Management Team approval.

5. Project Work Quotation: Quotations represent the final business development step prior to capture of a project and resultant contract for, at a minimum, a paid pilot project. Specific parameters related to project quotations are discussed below.

6. Pilot Project (optional): Pilot projects are paid efforts. A pilot project may be used to demonstrate ResQSoft's capabilities and value proposition if it is: (i) reasonably likely to result in a substantial follow-on project in excess of $285,000; and (ii) the pilot value covers actual costs. A contract must be executed prior to start of the pilot, and no code from the pilot shall be made available outside ResQSoft without the ResQSoft standard contract IP clauses and applicable NDA. Pilot project code may not be used for internal customer training, application design, or any purpose other than to assess the feasibility and quality of ResQSoft's approach for the follow-on project.

7. Capture and Contract (begin Development Life Cycle): Business development staff should maintain client relations and assist in scope discussions that may result in

additional work throughout the development life cycle stages: (i) dependencies delivered to ResQSoft; (ii) project kick-off and project plan revision; (iii) architecture document delivery; (iv) (optional) metadata delivery; (v) iterative code deliveries; (vi) SIT and/or SAT support; (vii) warranty support, if required; (viii) after-action analysis.

2.3 Logging and Tracking Prospects During the Sales Cycle

Business development staff should log sales prospects in the ResQSoft Internal Portals' BD Opportunity Tracking page. The purpose of the BD Opportunity Tracking page is threefold: (i) it provides the sales cycle status of prospects to help with prioritization of resources and focus; (ii) it provides a snapshot of the organizational pipeline at a point in time; and (iii) it provides the ResQSoft Management Team with a measure of business development resource progress and productivity. It is left to the professional judgment of the capture manager as to when to enter a prospect for tracking but recommended by the PMO to enter leads starting with the pre-qualification stage.

Attached is a sample Opportunity Tracking form from the BD Opportunity Tracking page. Access to the actual BD Opportunity Tracking page shall be made, in writing, to the business development supervisor.

BD Opportunity Form BD Opportunity Form
(Sample)

Business partners may also be contractually required to enter this or similar information.

2.4 Technical Sales and Marketing Support

ResQSoft recognizes that consulting sales are required for large software development and modernization projects and that the ResQSoft *Engineer* value proposition may need to be distilled, distinguished and detailed for different target audiences. With this in mind, ResQSoft technical resources (e.g., developers and/or the Technology Director) will be made available to business development staff to help capture qualified prospects.

It should be noted that these technical resources should be used with judgment and discretion as the resources are otherwise usually billable. As such, prior to engaging technical sales and marketing support resources, prospects must be:

1. Logged into the BD Opportunity Tracking page;
2. Qualified to two of four criteria for presentation support and three of four criteria for demo support; and
3. Determined to be nearing successful capture such that expenditure of the technical effort will further improve probability of success.

Additionally, if technical sales and marketing support requires *Engineer* support for a new (currently unsupported) language, the requesting capture manager shall prepare a plan that describes how the new language support will be marketed to similarly situated

organizations. This plan, which typically will be 1-2 pages in length, must be prepared and presented for approval by the ResQSoft Management Team prior to authorization of technical support work. This plan must include, at a minimum:

1. A list of organizations to be contacted;
2. Collateral materials required for marketing to those organizations; and
3. Metrics and measurement points to determine progress towards successful capture.

2.5 Prospect Quotations for Pilots and Projects

Quotations are binding offers extended by ResQSoft to a prospective client to perform a pilot or project in accordance with the quoted price (and schedule) subject to certain assumptions. Because of the binding legal nature of an offer, the quotation must be prepared by the capture manager on an approved Quotation Form (see below) and submitted for approval by ResQSoft Legal and PMO prior to distribution to the client.

Prior to creating the quotation, the capture manager shall complete a BD Estimation Model worksheet for PMO review and, in so doing, is expected to task technical resources to assist with review of materials provided by the client. Technical effort expended in analyzing information for completing the BD Estimation Model is considered authorized business development activity so long as the technical effort is limited only to analyzing information for the BD Estimation Model. The most recent version of the BD Estimation Model, which includes a running tally of all opportunities reviewed by BD, is maintained by BD and should be obtained directly from BD or from the ResQSoft PMO. The BD Estimating Model is also available on the ResQSoft Internal Portal's Business Development Repository (obtain security password from the PMO). Any requested changes or updates to the model should be made in writing to the PMO.

Information that should be requested (typically) by the capture manager includes, but should not be limited to:

1. Number of basic components (screens, reports, interfaces, batches, extracts, etc.)
2. The (legacy) application language(s), as applicable
3. Legacy source code and database/creation scripts, as applicable
4. Access to the legacy system and subject matter experts, as applicable
5. Architecture and other technical artifacts and documentation

Technical assistance in analyzing this information shall be made as a Scarab Task in the ResQSoft module charged to the Business Development Cost Center. Technical review is mandatory in preparation of any project-related Quotation that will bind ResQSoft legally. A copy of the worksheet form to be completed by technology staff is attached hereto and should be included with any corresponding Scarab tasking assignment.

Application Analysis
Template

Additionally, all quotes shall provide:

1. The maximum period for which the quote is valid (30 days maximum or fewer);

2. Conditions and assumptions under which the quote is valid;
   a. ResQSoft standard deliverables and iterations schedule with detail line items corresponding to the maximum extent possible with ResQSoft's current price list (see below)
   b. Functional equivalence provided based on information received as of a fixed date
   c. License fee/"tool" charge assessed; no software to be placed into service unless fees / charges are paid in full
   d. All dependencies received in timeframe requested by ResQSoft
   e. ResQSoft will staff and perform work in its sole and absolute discretion without restrictions as to when, where and by whom work will be performed
3. Details relating to the work to be performed.

Price List 2007 Q1   Quotation Form

Quotes shall be attached to the corresponding Opportunity record in SharePoint promptly upon completion.

2.6 Prospect ROMs for Pilots and Projects

2.6.1 Transmission and Form of ROMs

ROMs, or "rough order of magnitude", refer to informal price and schedule estimates that are non-binding upon ResQSoft and typically involve a "guesstimate" based on (limited) available information. ROMs may be requested by and offered to prospective customers prior to submission of a Quotation. ROMs shall be transmitted by email with a clear disclaimer:

"The information provided herein constitutes a Rough Order of Magnitude (ROM) for project pricing, schedule and/or resources based upon limited information provided to, analyzed and/or considered by ResQSoft. As additional information is provided to, analyzed and/or considered by ResQSoft, the price, schedule and/or resource estimate may increase or decrease. This ROM is not, and shall not be considered as, a contract, binding offer or any other commitment whatsoever to execute on the project."

ROMs shall not be transmitted using the Quotation form. If a ROM is given verbally, it shall be reduced to written email form within 24 hours.

2.6.2 Preparation of ROMs

ROMs should be created using the BD Estimation Model in similar fashion to Quotes except that ROM preparation does not require: (i) Technical review and completion of the Application Analysis template/form; or (ii) break-out of detail line items/pricing correlating to the current ResQSoft price list.

3.0 Questions and Comments Relating to Business Development

Any questions or comments relating to this SOP should be directed to the employee's or consultant's immediate supervisor or the ResQSoft PMO. Any deviations from policy must be requested and approved in writing by the ResQSoft PMO.

PMO Use Only

Status	Active SOP
Next Action	Quarterly Progress Review
Next Action Date	April 1, 2007