The Caveat File — Case Study Series

Case Study 1: Estimates, Quotations, Tenders and the RFx Family (CIPS L4M3 — Chapter 1 Focus)

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The Case

A federal government entity in Abu Dhabi ('the Entity') is sourcing three things at once, and its procurement team picks a different approach for each.

Vehicle telematics. The Entity has no fixed idea yet of what kind of system it wants, or which suppliers are credible, so it asks a wide range of suppliers simply to describe their capabilities and rough cost ranges. No supplier is asked for a firm price.

Replacement laptops. For 150 identical, already-specified laptops, it asks three approved suppliers to simply state their best price and lead time, relying on an existing framework agreement to cover the terms and conditions.

HQ access-control system. For a complex, high-value security system subject to public procurement regulation, it runs a formal process: sealed bids, a stated deadline, and pre-qualification of suppliers.

Midway through, an unsuccessful bidder, Barsha Secure Systems, claims that a verbal 'ballpark figure' it gave months earlier should now count as an agreed, binding price for the contract.

Multiple-Choice Questions

Q1. The document used for the telematics system, where suppliers were asked only to describe capabilities with no binding offer requested, is in the nature of a:

A. Request for information (RFI)
B. Request for quotation (RFQ)
C. Invitation to tender (ITT)
D. Purchase order

Be ready to explain why you chose this answer.

Q2. Had the Entity instead wanted suppliers to propose a specific solution to the telematics problem, the appropriate document would have been a:

A. Request for information (RFI)
B. Request for proposal (RFP)
C. Estimate request
D. Call-off order

Be ready to explain why you chose this answer.

Q3. For the replacement laptops, where the specification was fixed and price was the only variable, the type of request used is best described as a:

A. Invitation to tender (ITT)
B. Request for information (RFI)
C. Request for quotation (RFQ)
D. Request for proposal (RFP)

Be ready to explain why you chose this answer.

Q4. Omitting the terms and conditions from the laptop request was acceptable here mainly because:

A. Terms and conditions never matter for small purchases
B. RFQs never require terms and conditions
C. Price was not actually a variable

D. The suppliers were already working under an existing framework agreement
Be ready to explain why you chose this answer.

Q5. The headquarters access-control system required sealed bids, a deadline, and pre-qualification of suppliers. This is best described as a:

A. Invitation to tender (ITT)
B. Request for quotation (RFQ)
C. Request for information (RFI)
D. Letter of intent
Be ready to explain why you chose this answer.

Q6. A key reason the Entity had to run a formal process for the access-control system rather than just seeking quotes is that:

A. Estimates are always legally binding in the public sector
B. Public sector procurement is often regulated by law
C. Tenders are faster to run than quotations
D. RFIs are not permitted for public bodies
Be ready to explain why you chose this answer.

Q7. Barsha Secure Systems' earlier verbal 'ballpark figure' is, in law, best understood as:

A. A tender, since any verbal figure counts as a written one
B. A quotation, which is a firm offer
C. An estimate, which has no legal standing
D. An invitation to tender
Be ready to explain why you chose this answer.

Q8. Which of the following best captures the general distinction between an RFI and an RFP?

A. An RFI invites a proposed solution; an RFP only gathers information
B. Both are legally binding in the same way as a tender
C. There is no meaningful distinction between them
D. An RFI gathers general information; an RFP invites a proposed solution to a defined requirement
Be ready to explain why you chose this answer.

Discussion / Short-Answer Questions

D1. Why was the Entity correct that Barsha Secure Systems' verbal figure was not a binding commitment, and what should it do differently to avoid this recurring?

Guidance for discussion: An estimate (or informal verbal figure) has no legal standing, unlike a quotation or tender, which are firm offers. Suggest labelling early market soundings clearly as non-binding.

D2. What general principle decided which of RFI, RFQ or ITT was right for each requirement?

Guidance for discussion: How well-defined the specification is, whether price is the only variable, the value/risk of the purchase, whether the supplier pool is already known, and any regulatory requirement.

MCQ Answer Key

Correct answers, all together, for quick marking.

Q1. A — Request for information (RFI)
Q2. B — Request for proposal (RFP)
Q3. C — Request for quotation (RFQ)
Q4. D — The suppliers were already working under an existing framework agreement
Q5. A — Invitation to tender (ITT)
Q6. B — Public sector procurement is often regulated by law
Q7. C — An estimate, which has no legal standing
Q8. D — An RFI gathers general information; an RFP invites a proposed solution to a defined requirement