

REPORT

How to build a compliance matrix

4 key steps to a successful RFP response



Compliance Matrix

A compliance matrix (sometimes called a requirements compliance matrix) is a tool you use to cross-reference your proposal with the request for proposal (RFP). It's a table that spells out each requirement stated in the RFP and then lists exactly where in your proposal (section, page number, etc.) that requirement is addressed.

Imagine that you're hiring for an open role at your company. Your inbox is full of resumes and application materials, and you need to weed through them to find the candidates who are the best fit for the position.

Where do you start?

Chances are, you make sure that each applicant meets the most basic requirements listed in your job description. Did they save their resume in the correct file format? Do they have the type of degree you're looking for? Do they possess the minimum years of experience?

If they don't check those boxes, then they're destined for the recycling bin. But if they do? Then you move forward with uncovering the rest of the specific strengths they bring to the table.

The process of evaluating proposals works the same way. The evaluator will check to make sure you're compliant before digging into any other elements of your proposal.

Nervous?

You don't have to be. A [compliance matrix](#) will help you check the right boxes and get to the top of the pile – while staying far, far away from the recycling bin.



What is a compliance matrix?

A compliance matrix (sometimes called a requirements compliance matrix) is a tool you use to cross-reference your proposal with the request for proposal (RFP). It's a table that spells out each requirement stated in the RFP and then lists exactly where in your proposal (section, page number, etc.) that requirement is addressed.

It's a helpful tool for you to use internally to ensure compliance, as your proposal manager will use it to confirm they've addressed every last requirement of the RFP.

However, your compliance matrix can also be used externally. When you submit it with your proposal, the evaluator can use it as their roadmap to find the most nuts and bolts information they need.

“We all need to embrace that there is a wave towards automation. We need to embrace it, and we need to accept it. We need to move forward. The time of doing things manually is done. It's over. Let's get on the automated bus and follow these leader.”

Rick Harris, CEO, APMP



Why is a compliance matrix important?

Responding to an RFP can be a daunting process, and creating a compliance matrix might sound like one more tedious task on your plate.

The good news is it doesn't need to be arduous (we'll talk a little more about how to [automate](#) this process later). And even better? Your compliance matrix is well worth the time and effort, as it offers a number of important benefits. Here are just a few of them.

1. Confirm that you're fully compliant

One surefire way to [get your proposal tossed out](#) is to be non-compliant. If you don't deliver what the RFP asked for, the evaluator won't chase you down for additional information. Instead, you'll be thrown out of the down-selection process.

Yikes. Compliance is a big deal, and your compliance matrix will act as your checklist to make sure you've addressed each and every requirement listed in the RFP.

If you find any disconnects, you can go back and fill those in before submitting your proposal. This ensures you make it through that initial down-selection, and also demonstrates your commitment and attention to detail.

What happens if you're non-compliant?

The answer is pretty simple: [You lose the bid](#). Unfortunately, this happens all the time—even with large contracts.

For example, in November 2015, the Federal Acquisition Services Alliant Joint Venture ([FASA](#)) lost out on a \$100 million contract with the US Government Accountability Office ([GAO](#)). They weren't in the minority. The General Services Agency (GSA) eliminated 16 of the 18 submissions as technically unacceptable.



There were plenty of errors in the proposals that were eliminated, but compliance was a key issue highlighted by the GSA. As just one example, the RFP stated that project managers needed to be certified. However, the resumes for the proposed project managers didn't reflect the required certification.

Confirming compliance can be tedious, but it's non-negotiable. For a proposal to be considered, it absolutely needs to be compliant.

2. Help the proposal evaluator find the most important information

You know that creating your proposal involves a hefty amount of time and effort. But, have you ever thought of how much time the evaluator sinks into the process?

[Research of over 6,000 RFP submissions](#) at 278 public-sector organizations found that the average page length of one submission is 116 pages. And, the average RFP receives at least four submissions.

Do some simple math, and you'll realize that the requester needs to sift through over 460 pages of material – and that's if they receive only four submissions.

Your compliance matrix makes it easy for them to immediately locate where each requirement is addressed within your proposal. It cuts down on fruitless searching, time, and frustration, and makes your proposal that much more straightforward for them to evaluate.

3. Cut out the fluff

You want your proposal to be as impactful as possible – which means the bulk of it is going to focus on the most important elements: the requirements.

The requester isn't as invested in frivolous details, and they won't spend time [wading through flowery language](#) and fluff.

Your compliance matrix will keep you focused on the meat of your proposal. You can return to it as you edit so that you can trim the fat and appropriately call attention to the requirements and your organization's unique strengths.



How to make (and leverage) a compliance matrix in 4 steps

You're sold on the benefits of a compliance matrix. But, how do you make one? Let's build a simple one so that you can familiarize yourself with the process.

Before you start, make sure to check if the [RFP](#) specifies a format for your compliance matrix. For federal contracts, you'll find that information in section L. Again, compliance is important, so make sure you follow those instructions.

1. Start early

Your compliance matrix isn't just an editing tool you use to double-check your work after you've drafted your entire proposal. Use it before you start any work on the proposal, as it will help you shape your response.

The best proposals are built around the requirements, rather than trying to squeeze them into an existing, templated document. You should also address the RFP's requirements in the same order that they're listed.

If you're a federal contractor, you'll need to create a response outline and pay close attention to the factors and subfactors spelled out in section M.

The point is, your compliance matrix shouldn't be an afterthought. It's the groundwork for a successful proposal, so make sure you leave time for it. The easier you make it for a reviewer to work through your information, the better your chances of landing that contract.



2. Take a fine-tooth comb to the RFP

You can't satisfy the requirements of the RFP if you don't know what they are. That's why this step is all about shredding the RFP.

Shredding an RFP refers to stripping it down sentence by sentence, to pull out the specific requirements you need to address in your proposal. You'll copy and paste each sentence, paragraph, or section of the RFP into an Excel spreadsheet or Microsoft Word table. When doing so, you'll note:

- The requirement itself
- In what section of the RFP it appears

Sound laborious and time-consuming? Well, it is. Especially for larger RFPs, this can take hours—or maybe even days.

Fortunately, technology is on your side here. Solutions like VT Docs automate the process of shredding an RFP. VT Docs will shred an RFP in seconds with just a few clicks.

You can use different [dictionaries](#) (which are customizable collections of key terms) to comb through the document. Sections that contain those [key terms](#) (for example, "requests," "include," "provide," and "must") will then be highlighted in your table so that you know to pay special attention to them.

If you're a federal contractor, make sure that you shred at least sections C, L, and M, as well as any associated statements of work or performance work statements. Those are the most critical.

“Out of the box’ incredibly easy to use and very powerful, however the ability to customize features adds a next level to its’ capabilities. With VT Docs, we can rip an RFP and create a draft compliance matrix and responsibility matrix in minutes versus days. The Compare Docs feature is essential to detecting changes from one version to another, especially when RFP amendments without changes noted are released.”

Lee Evans

President, Virtual Logic Group



However, important requirements can be stated in other sections as well (such as section H). So, ideally, you'll shred the RFP in its entirety. Remember, the larger the contract value, the more time and focus you should spend on this topic.

Fortunately, a solution like [VT Docs](#) can remove a lot of the elbow grease from the shredding process while also reducing the possibility of human error.

3. Create your table

Now that you know exactly what requirements your proposal needs to address, it's time to draft your proposal. Again, use the information you uncovered in the previous step to guide you in structuring a proposal that addresses each of the RFP's requirements in order.

Once you have your proposal, it's time to build out a table where you'll pinpoint the specific location of requirements within your proposal.

Again, VT Docs will automate this process for you by generating a spreadsheet as part of the shredding process. But, you can also create a simple table in Excel or Microsoft Word. It should have columns for the following:

- The requirement itself
- RFP page, section, and paragraph where that requirement is located
- Proposal section, page, and paragraph where the requirement is addressed
- Notes or comments regarding compliance and satisfaction of that requirement



4. Match the requirements to your proposal

With your table set up and ready to go, it's time to see how your drafted proposal is matching up to the requirements stated in the RFP.

Start at the top of your matrix, with the very first requirement you pulled out of the RFP. Now, locate where that's addressed in your own proposal. Within your matrix, jot down the section, page, and paragraph where you've satisfied that requirement.

The more specific you can be, the easier time the evaluator will have found that information (and the more successful your proposal will be).

Continue moving down the list, matching the requirements to your own proposal. If you find one that's missing, confusing, or buried in a strange place, you know you need to make some adjustments to ensure your proposal is compliant and as straightforward as possible.

That's it – you created a compliance matrix and used it to polish up your proposal.

Improve Compliance, Reduce Risk & Win More Business

9.8%

Average increase of pWin rate

66.7h

Time saved per proposal on average

\$528k

Dollars saved per year on average



Compliance matrix:

Your not-so-secret weapon for top-notch proposals

Whenever you're evaluating applicants for an open position with your company, your first step is to make sure they meet the nuts and bolts thing you're looking for – like the correct degree type or years of experience.

That same concept applies to your proposals. You need to prove that you're compliant with the requirements before the evaluator even bothers to learn more about what else you bring to the table.

That's where your compliance matrix comes in. When using it internally, you can even include the following columns to keep your proposal team on track:

- Due dates
- Assignees
- Comments about necessary changes

Just make sure you remove those before you submit the matrix with your finished proposal.

Yes, the compliance matrix adds a little more work to your proposal process. But, it will help you structure a proposal that's built on the requirements, double-check your work for accuracy and compliance, and ultimately land more contracts. If you ask us, it's well worth the effort.



Tired of the tedious copying and pasting when shredding RFPs?

VT Docs will automate and speed up this process.

[Create a compliance matrix with VT Docs](#)

