

Guidelines for selecting a communications consultancy

Are you responsible for communications in a small, medium-sized or large enterprise or an organisation, and looking for a communications consultancy which perfectly fits your needs? Well, it won't be easy to find the best match among the hundreds of consultancies listed in the directory of your local PR association, and to set up an effective and fair selection procedure. This guideline is to assist you in getting there.

Step 1: deciding on the procedure

In a first step, you have to decide how you want to go about procuring the required services. The law requires that assignments above € 100,000 per year have to be awarded by public tender. As these procedures tend to be more and more complicated, we have compiled a [special recommendation](#) for such tenders (*link to the recommendation, which is currently under development*). Assignments below € 100,000 may be awarded directly or by pitch; this is up to you to decide.

By rule of thumb we recommend for “small” projects below € 20,000 to ask for fee quotations from a small number of potential suppliers and to then select the one with whom you feel the most comfortable. You should make do without a pitch, as each contestant's costs of pitching would already exceed the value of the assignment – which does not mean that you cannot or should not compare the bidders' quality and performance.

For “medium-sized” assignments (€ 30,000 – 60,000 annually) and “large” contracts (beyond € 60,000, and up to the limit of € 100,000), a pitch can be useful, including a communication proposal. But please keep in mind that participating in an elaborate pitch will require a time input of 100 hours or more, so that busy consulting firms will often decline to take part, and your “perfect match” may not even be among the contestants.

Step 2: screening of consultancies

After the decision on the procedure to follow, you will screen suitable firms and draw up a list of consultancies to take into consideration, and want to get to know better. Potential sources for this are the [agency finder](#) (*link*) of your local PR association, various rankings, quality seals, agency websites, recommendations from clients, etc.

We recommend the following procedure: send out, preferably by e-mail, a basic information about the assignment to not more than three to five suitable providers, inviting them to submit a written presentation of their firm, potentially with short CVs of team members and a general price list. Screen the materials you receive with regard to your requirements and preferences, and narrow down the list to two or three firms which you invite to take part in the next step.

Step 3: proposals and decision

Out of your manageable list, you now want to identify the best-value provider. This is how you can proceed: send out a written briefing, ideally together with an invitation to a personal meeting at the consultant's premises (to give you an idea of the kind of firm they are).

For smaller projects of, say, up to € 30,000 it should be sufficient to obtain comparable price quotations from the selected providers.

For assignments beyond that amount you should be able to get a proper proposal from the two or three selected firms. Depending on the size of the assignment, that may be anything from a short proposal to a more elaborate communication plan. The time frame for such a bid, including the opportunity for a re-briefing, should be at least three weeks. And please do not forget: consultants invest many hours and a lot of work into communication proposals. So keep your briefing clear and succinct, and offer participants financial compensation for their efforts.

For the presentation, please do not ask consultants to send their proposals by mail – bear in mind that the “chemistry” between the people involved is very important for a successful co-operation, so take the time to experience a personal presentation. This will enable you to select the two “best value” providers, with whom you may then start price negotiations. Please also remember to notify the participants who have not been selected, ideally with a short explanation.

But how do you start the selection process, how do you identify the consultancies that you invite to bid? Below please find a catalogue of potential evaluation criteria, out of which you can choose those which are relevant for you. Please bear in mind: the more straightforward and clearly structured your criteria, the easier, faster and more efficient your selection process will be – for both sides. The criteria you demand should be reasonably proportional to the kind and size of your assignment. If you expect written proof for each and every criterion, bidders will have to spend days (and money) to obtain and prepare the necessary documents. Many consultancies will not be willing to bear this up-front investment.

Potential evaluation criteria

The following list does not differentiate between suitability criteria and acceptance criteria, as would be required for public tenders. With direct awards and pitches, you can freely decide which criteria you wish to apply. Here is an overview:

1. Trade licence

... if and where applicable in your country.

2. Fee volume

As a minimum requirement, we recommend that a consultancy firm's annual fee volume is at least three times the expected volume of your assignment. Applicants may be asked to

provide a list of their fee revenues for the last three years, attested by the company's accountants.

Other potential proof of "economic performance capacity", as it is required for public tenders, would be too time-consuming for small assignments. This could be the bidder's **credit rating**, a **clean criminal record** for the company's directors, or the availability of **third-party liability insurance**. Depending on local circumstances, the credit rating can be obtained, e.g., from a rating agency or a bank, or the bidder can be asked to provide a certificate from the tax or social security authorities that the company is not in arrears. Likewise, a clean criminal record and the existence of liability insurance can be substantiated by the appropriate documents.

3. Quality

In order to demonstrate quality and ethical compliance, we recommend checking for the applicant's membership of a PR association or an agency group which requires adherence to a PR industry code. Beyond that, consultancies may be certified under a quality seal.

4. References

From a "medium-sized" assignment of € 30,000 up, bidders may be asked to provide two or three references comparable in size and kind with your assignment. Here, too, the effort involved should be in keeping with the size of the assignment. For a small project, providing a single reference may be sufficient. The important thing is for the applicant to demonstrate appropriate knowledge of your industry, the type of project, and/or your intended audience.

If you wish to ensure that a bidder is not currently working for one of your competitors, check the list of current clients and explicitly ask for exclusion of competition.

5. Staff

For the team supposed to work for you, there are a number of potential criteria:

- **The number of permanent employees** (as a full-time equivalent) on your account – as a rule, depending on the size of the assignment, between two and five persons. Freelancers should not make up more than a third of the team, at most, in order to ensure continuity and fair conditions of work.
- **The time** these staff members have been with the company
- **The professional qualification** of the team members, demonstrated by their CVs, their professional education and work experience
- **The structure of the team** (who will be responsible for what), demonstrated, e.g., by a team organisation chart; for large assignments you may also ask for **personal references** of key staff members (i.e. experience with similar projects), and also about their personal engagement in professional associations, teaching or public lectures.

6. Values and personal compatibility

Are the values of the applicants compatible with those of your own organisation?

Depending on the kind of business, authority or association you are working for, additional criteria such as diversity within the staff, equal opportunity policies, conditions of employment, training programmes, internships and apprenticeships, or social engagement of the company and individual staff members may be relevant for your decision.

Personal sympathy should also be taken into consideration. You will spend a lot of time with these people, so the personal “chemistry” is important in evaluating your potential partners: Do you have confidence in the members of the team? Are these people likable? In order to find out, you need to hold personal meetings, ideally already for the briefing, but at least at the presentation.

7. Price

Naturally the price will be an important decision criterion. But, as a professional association, we strongly believe that the quality of work, the professional know-how, and the personal competence of “your” team members are of at least equal importance.

We therefore recommend to use the following evaluation system:

- One third of the points for references that confirm the bidder’s performance capacity, quality of work and professional know-how
- One third of the points for the performance in personal discussions and in the presentation, for the applicant’s consulting expertise and the “chemistry”
- One third of the points for the price-performance ratio