

**QUESTION 1:**

Marvin and his team must consider whether their company is suitable for contracts of the type cost reimbursable because in this contract type the client pays for each work package, so the profit is less compared to fixed price project.

Profitability, capability, chances of winning the bid, the long-term strategy of the company and a potential risk assessment should be considered.

**QUESTION 2:**

Yes, they should bid for the job. The size of the work was large compared to the current sales of Marvin's Company. Marvin and team could disclose the cost structure of the company in a fashion that cannot be comparable to the competitors. In other words, they should provide the costing details at Level 1 of the WBS and camouflaging at the deeper level so that his operations secret is not divulged to the competitors. Winning this Bid would improve the order in hand for the company providing sufficient resources as well to invest in other areas of business making the completion irrelevant.