



Training: Fresh Takes on IT Procurement

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March 30, 2023

Icebreaker

In the chat:

Share your name, what government you represent, and what major IT procurements you have coming up.



1. **Introduction/Agenda**
2. Framing the Problem
3. RFP Planning Fresh Takes
4. **RFP Writing Fresh Takes**
5. UK Case Study
6. **Feedback Poll**
7. **Additional Resources**



Framing the Problem

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IT procurement is one of the most difficult things for state & local governments to procure

Five common challenges:

1. **Fragmented coordination** among buyers, program management, and IT staff resulting in either vague or overly prescriptive RFPs
2. **Limited knowledge of current technology** resulting in a lack of innovation or requirements rooted in legacy systems
3. **Procurement laws and policies may restrict communications** between government staff and vendors
4. **A rigid compliance-driven contract management approach** resulting in delays and change orders
5. **Embracing the latest technology can be risky**: firms may fail, support may sunset, or skilled resources may become scarce

Solution: Apply a results-driven approach



RFP Planning Fresh Takes

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Align on the problem, goals, and outcomes



- **Develop the problem statement:** Governments should seek to purchase technology solutions to problems, rather than purchasing predetermined solutions with predetermined requirements. Understanding the user experience and problems to be solved is core to a results-driven procurement.
- **Develop clear goal and outcome statements:** Good goal statements inform how you will evaluate and select vendors, how you will structure the contract, and what performance metrics you will track over the course of the contract.

Use design thinking to develop user-centered problem statements

Ask the four Ws

1. *Who* is experiencing the problem?
2. *What* is the problem, as you've observed it or heard it from users?
3. *Where* does the problem occur, in terms of context?
4. *Why* does it matter to the user (and to your department or agency) that this problem be addressed?

Ask five “whys”

- Repeatedly ask why of problem statements until a root cause is identified



Research market innovations and trends

- **Speak with peers**
 - Your peer cities, counties, or states have likely worked through some of the same challenges as you, and hearing from them can be helpful in finding the right direction for your solicitation.
- **Request demonstrations** (prior to release of a solicitation)
- **Attend trade shows**
- **Issue a Request for Information (RFI)**
 - Obtain insights directly from vendors in an open, public way before issuing an RFP.
 - RFIs typically don't lead to an award, price data may or may not be collected, and it's usually not mandatory for vendors to respond to RFIs prior to submitting a response to an RFP.



Expand and diversify the vendor pool



- Interact with potential vendors in an **open, public forum**
- Use popular channels (including social media) to conduct outreach and **give advance notice** to offer **nonincumbent firms** the same information and level of engagement as incumbents
- **Treat the research phase as a project** with assignments and due dates, documenting all interactions, and organizing information so it's useful when drafting the RFP
- Prioritize **diversity, equity, and inclusion** throughout the procurement and contracting process

Remember the dual nature of market research: You are gathering the information you need to write the RFP, but you're also sending a message to the marketplace that you want an innovative solution to a problem and responses from a wide, diverse array of vendors.

Understand the user perspective

- Do the necessary **research**
- Include users and **user experience**
- Review **previous procurements** and contracts and don't repeat past mistakes
- Determine which **legacy systems** the new system should replace - how broadly/narrowly should we be thinking about functionality?



Get early alignment with internal stakeholders



	Expertise	Risks if not involved
Procurement	Procurement rules and procedures, market research, RFP writing, proposal evaluation	Procurement process delays, inappropriate engagement with vendors, incorrect sourcing methods
IT	City's technology and data landscape, writing business requirements, project management approaches	Solutions unable to integrate with city's IT infrastructure, duplicated solutions across departments, poorly written specifications
Department	The problem and goals the new tech purchase must solve, what users or residents will expect to see	Misalignment on end vision, projects not meeting the expectations of users

Establish clear project governance

- **Set up governance structure**

- Executive steering committee (ESC)
- Project team
- Roles and responsibilities
- Performance measures
- Escalation and change order procedures

- **Continually seek alignment with internal stakeholders**

- Representation on ESC
- Representation on RFP evaluation committee
- Vendor demos
- Vendor / project performance reviews
- Prototyping and testing



Checklist: Planning the RFP

- ✓ **Clearly state the problem and desired outcomes driving the procurement;** consider doing a “problem-based procurement.”
- ✓ **Establish clear project governance and continuously seek alignment with internal stakeholders.**
- ✓ **Do your research and include users and user experience**—review previous procurements and contracts and don’t repeat past mistakes.
- ✓ **Diversify and expand the vendor pool, and prioritize diversity, equity, and inclusion** throughout the procurement and contracting process.
- ✓ **Issue a procurement forecast, hold a vendor forum, and issue a draft RFP, RFI, or other method of signaling to and getting feedback from the marketplace about a potential procurement.**

RFP Writing Fresh Takes

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Put yourself in the vendor's shoes

Go/no-go decision factor	How this affects the RFP
Fit: Is the problem one we can solve and is the government open to a solution we can offer?	Clearly define the problem and desired outcomes. Research the market to learn about potential solutions but be solution-agnostic in the RFP. Use simple language .
Capacity: Can we deliver a viable solution within a reasonable timeframe and at a competitive price? Do we have the right resources?	Set clear expectations about the expected implementation timetable . Don't state a project budget (unless it's required by law or practice). Identify the government's resources and team structure .
Competition: Who is likely to propose and how do we compare? How are our relationships with decision-makers? Did we learn about the opportunity at the same time as others?	Provide advance notice to the marketplace about upcoming procurements. Don't use any potential vendor's work in the body of or attachments to the RFP. Include an approach and/or requirements that don't favor any vendor .

Put yourself in the vendor's shoes (cont'd)

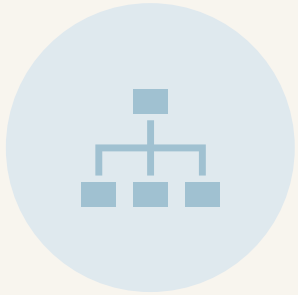
Go/no-go decision factor	How this affects the RFP
Risk: Given what we know about the government and the environment, what are the project risks and are they manageable?	Inform vendors about existing conditions, legacy systems, interfaces, data conversion, and planned projects that may impact this work. Include a statement of desired outcomes and expected performance measures , and the frequency of and approach to performance evaluation.
Cost/benefit: Do we have enough time to submit a competitive proposal; and given the above factors and risks, is it worth the cost?	Hold a pre-submittal conference and solicit vendor questions. Publish clear answers to vendor questions promptly and transparently. Provide adequate time after the Q&A period for responses. Define submittal requirements and the evaluation process .

Create an RFP that's inviting and accessible

Structure the RFP to:

- Make it **easy** for potential vendors to learn upfront about the problem to be solved, the scope of work, timeframes, and due dates
- Clearly **separate** the “scope of work” and “how to respond” sections – often a source of confusion
- Emphasize **readability** and move boilerplate and terms and conditions to the end of the document
- Incorporate **performance measures** and describe in some detail how the contract will be managed

Give vendors a clear sense of the work that's required



Organize requirements by **outputs/outcomes** or functionalities




Focus on **unique** functional requirements



Articulate expectations around **project management** approach



Define the **boundaries** of the implementation




Example: Boston Capital Improvement Program (CIP)

The City of Boston wanted to choose one project management solution to be used by four departments to manage their capital improvement projects.

Instead of listing all functional requirements, the City organized its RFP by **six core functional areas** and then listed the general features it was looking for under each functional area.

- *Promotes transparency by increasing access to data for an array of users*
- *Allows for robust workflow visualization of both off-the-shelf templates and user-configured processes*
- *Facilitates collaboration*
- *Promotes active management of projects and broader initiatives*
- *Has the ability to interface with the City's current systems*
- *Provides a secure, dependable experience in the office and in the field*

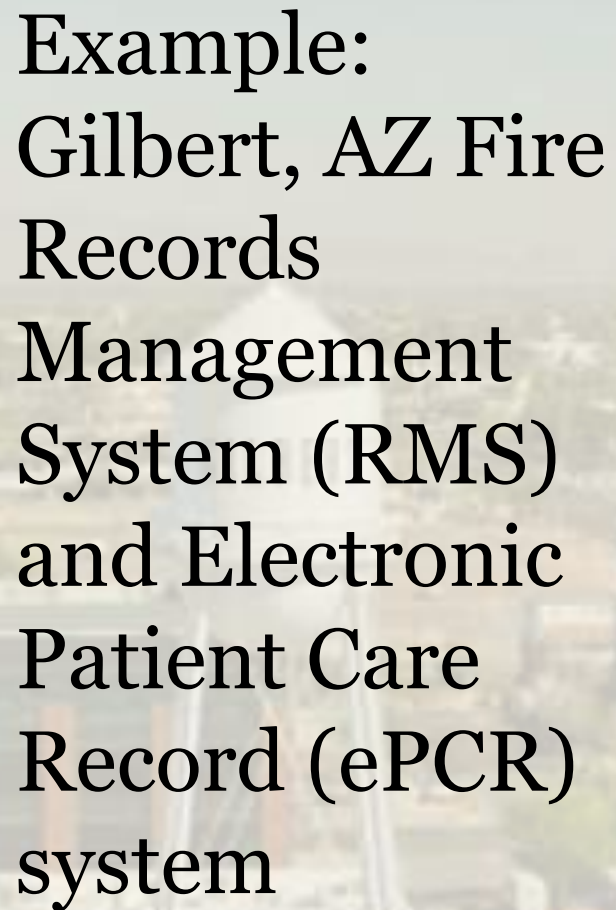


Example: Portland Integrated Tax System

The City of Portland seeks an integrated tax software to address our current business challenges:

“Information sharing among applications is infrequent, arduous, and highly manual. We are missing opportunities for cross-compliance, increased revenues, and centralized customer service because Revenue cannot easily see its entire tax account landscape.”

“Revenue’s legacy applications have been custom developed in-house over the past two decades and supported by a small pool of developers. The systems are written with unique business rules in Access and .NET and are not easily maintainable. This poses a critical support and maintenance risk for our core operations.”



Example: Gilbert, AZ Fire Records Management System (RMS) and Electronic Patient Care Record (ePCR) system

GFRD has a number of desired outcomes it seeks to achieve through this implementation. The Fire RMS and ePCR system will help the Gilbert Fire and Rescue Department to:

1. Reduce response times to resident emergencies through data analysis of deployment strategies, crew performance, and external impacts to meet the relevant accreditation standards;
2. Reduce incidents of emergencies by using data to create targeted community risk reduction programs (e.g. falls per capita);
3. Optimize deployment of resources (human, technology and physical assets) through improved use of data collection to facilitate long-term data-driven decision making;

Make the RFP friendly to small and emerging IT shops

- Design a **pre-bid conference** as an opportunity for networking among potential prime contractors and subcontractors. Contact local BIPOC- and women-owned business associations in advance to get the word out.
- Engage with smaller IT firms at a **scale that suits them** in several ways, including running **pilots**.
- **Prototyping** shortens time to benefits for users and reduces the size of the required development team.
- Replacing RFPs with a **Request For Qualifications** (RFQ) and competitive task orders can reduce transaction costs for small firms with limited capacity for responding to lengthy solicitations.

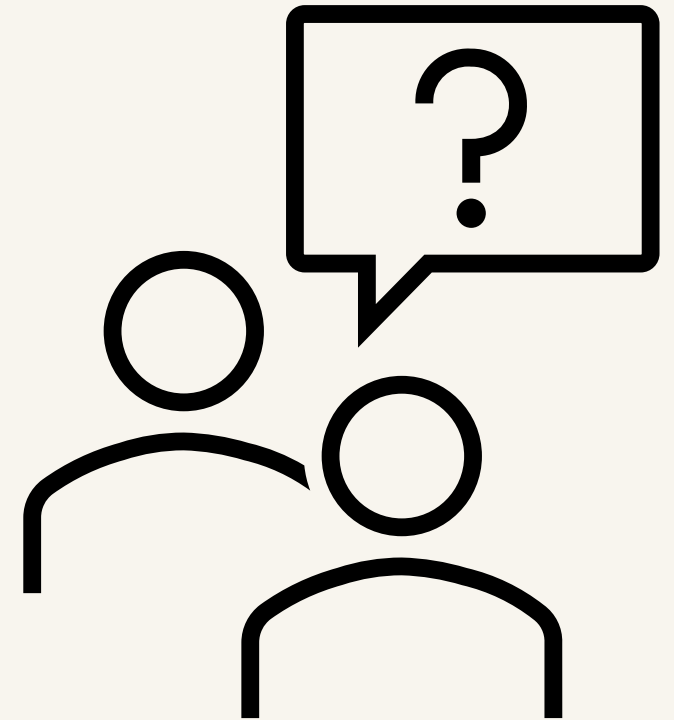
Checklist: Writing the RFP

- ✓ **Put yourself in the vendor's shoes:** Most vendor teams use a decision framework to determine whether to respond, basing their decision on a few simple factors.
- ✓ **Create an RFP that's inviting and accessible** to new vendors.
- ✓ **Give vendors a clear sense of the work that's required** – not through long requirements lists, but by identifying outcomes, unique needs, and boundaries.
- ✓ **Consider a competitive pre-award design phase** which pays multiple vendors to prototype a solution (alternatively, use civic hackathons, incubators, innovation labs, and design thinking to brainstorm and prototype solutions).
- ✓ **Divide large risky projects up into smaller manageable projects** (including unbundling, micropurchasing, or modular contracting) to shift work to small, emerging firms

Discussion Questions

Have you had an experience with unbundling RFPs or prototyping a solution before a final decision?

Has your jurisdiction thrown away your lengthy requirements list and replaced it with something simpler?



UK Case Study: G-Cloud and the Digital Marketplace

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Hello



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£16bn+ PA IT spending

“government is currently over-reliant on a small **oligopoly** of large suppliers”

UK Parliament, July 2011



House of Commons
Public Administration Select
Committee

**Government and IT —
“a recipe for rip-offs”:
time for a new
approach**

Twelfth Report of Session 2010–12

Volume I

*Volume I: Report, together with formal
minutes*

Volume II: Oral and written evidence

1. We changed the rules

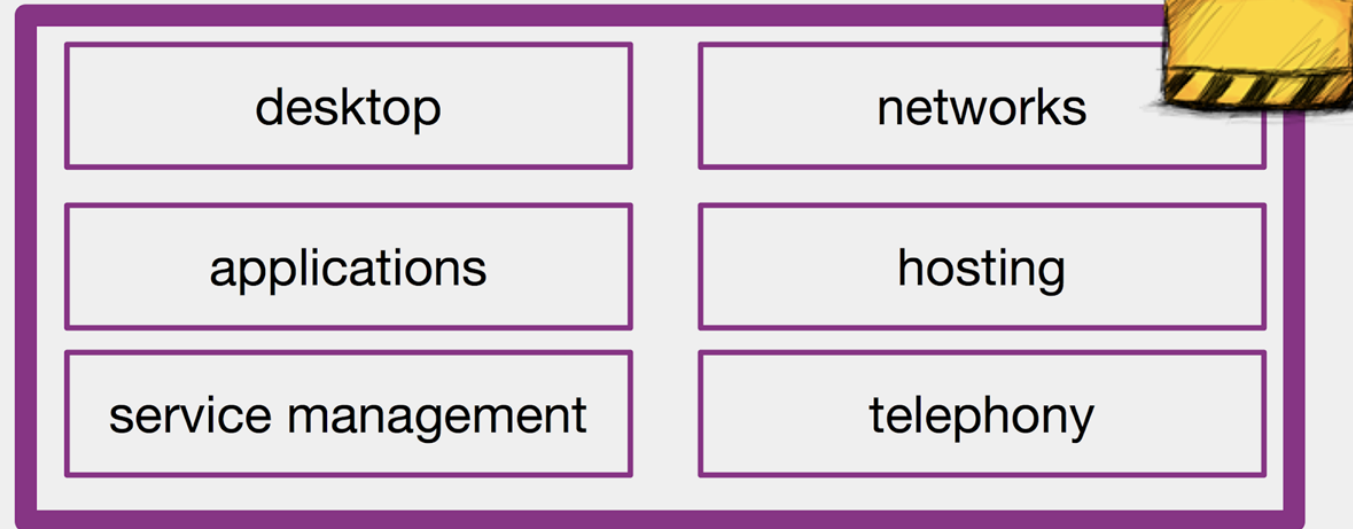
Spend controls

For any public facing digital service

For technology projects costing more than £5 million

Central team approval required.

Disaggregating contracts from this...



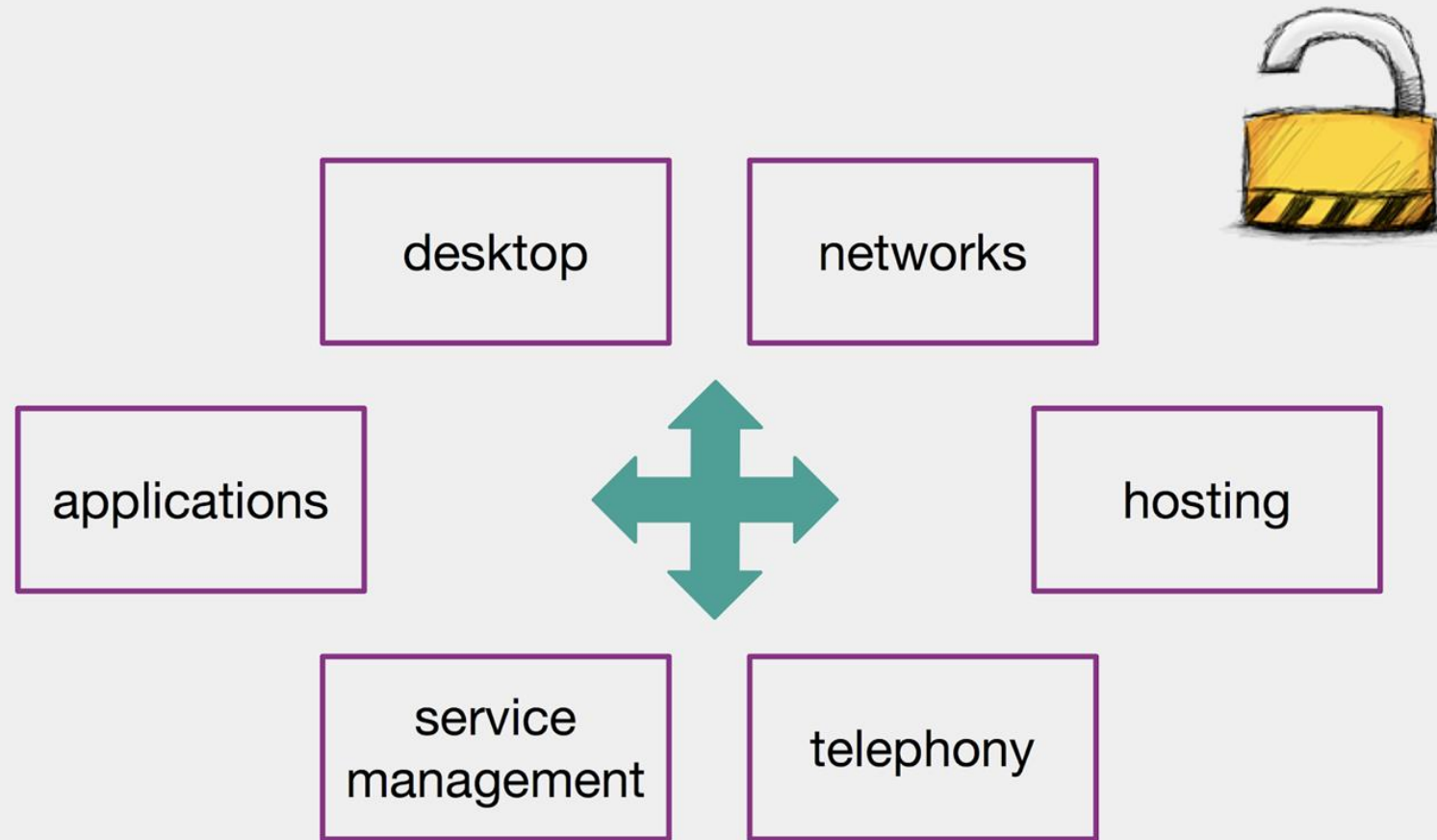
long term contract lock
in to a single supplier

no cost transparency

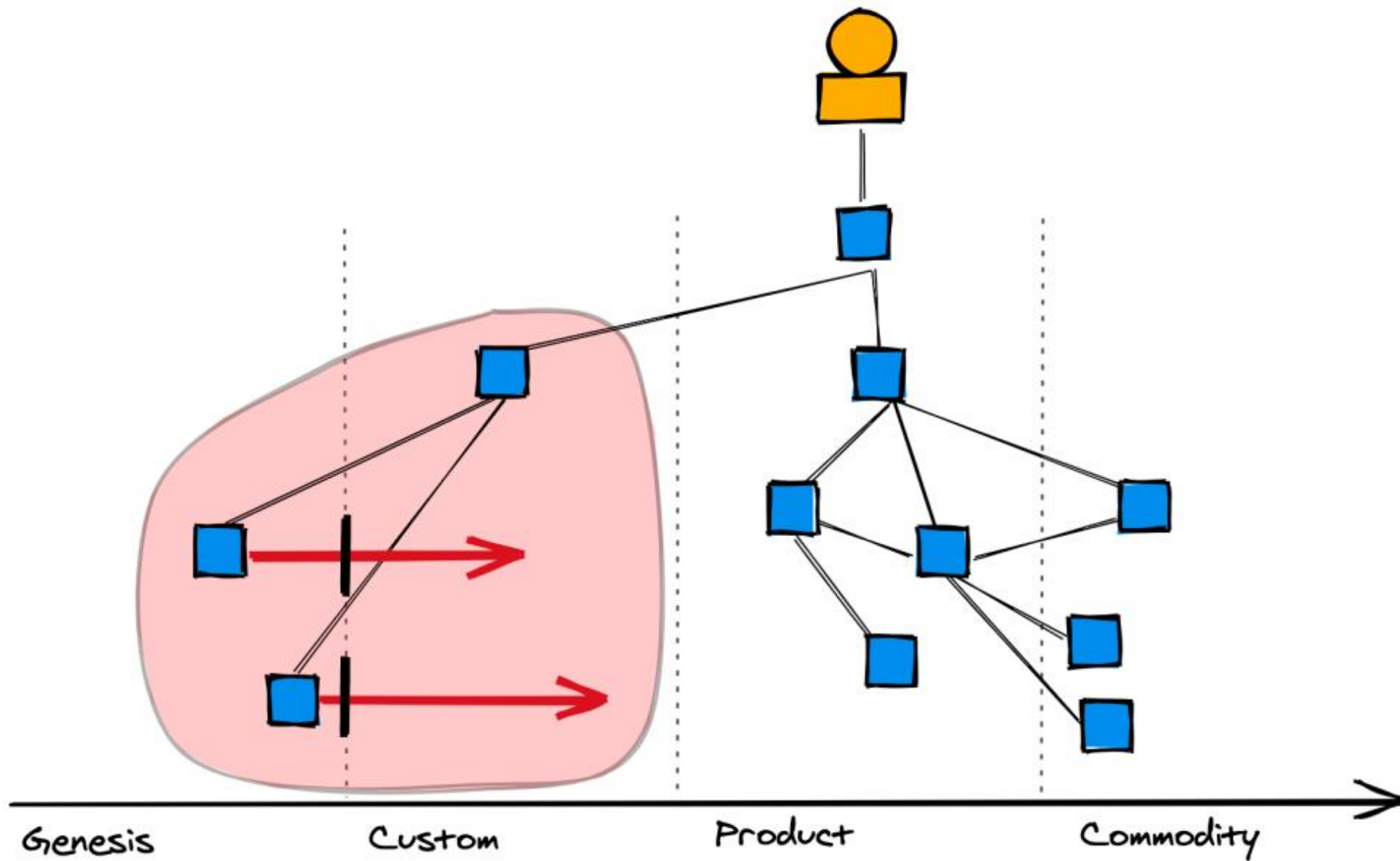
no competition

expensive to adapt

...to this



Competition for commodity services - **40% cost saving**



Red lines

1. No IT contract over £100 million in value – unless there is an exceptional reason to do so
2. If a company has a contract for service provision, it should not also do the service integration for that service
3. No automatic contract extensions
4. New hosting contracts will not last for more than 2 years

[Blog](#)

Government Digital Service

Organisations: [Government Digital Service](#), [Cabinet Office](#)

Red lines for IT procurement

[Alex Holmes](#), 26 February 2014 - [GOV.UK](#), [Service design](#)


In January, the government [published](#) some 'red lines' for IT contracts. At the time, Bill Crothers, the government Chief Procurement Officer, [described](#) the reasoning behind them. These rules apply to all central government, and should encourage competition whilst delivering value for money for the taxpayer.

We've received some questions; so we thought it would be helpful to explain these red lines in more detail.

No IT contract over £100 million in value – unless there is an exceptional reason to do so

When goods and services are bundled together into large contracts, you

Published best practice



Search

[Home](#) > [Technology Code of Practice](#)



Government Digital Service

Guidance

Technology Code of Practice

Updated 26 February 2018

Contents

[The purpose of the Technology Code of Practice](#)

[Using the Technology Code of Practice](#)


[The Technology Code of Practice](#)

The Technology Code of Practice is a set of criteria to help government design, build and buy better technology. It's used as a cross-government agreed standard in the [spend control process](#).

The Technology Code of Practice is part of the [Transformation Strategy 2017-2020](#).

You must follow this code from the start of your technology programme or project

Tech Code of Practice for how to design, build and buy technology.



Search on GOV.UK

BETA

Contact the Service Manual team if you have feedback, questions or suggestions.

[Service manual](#)

Service Standard

The Service Standard helps teams to create and run great public services.

Check whether you need to use [the previous version of the Service Standard](#).

1. Understand users and their needs

[Read more about point 1](#)

2. Solve a whole problem for users

[Read more about point 2](#)

3. Provide a joined up experience across all channels

[Read more about point 3](#)

Get notifications

☒ [Get emails when any guidance within this topic is updated](#)

A service standard to quality assure public facing digital services

2. We created new procurement routes

G-Cloud

Digital Marketplace

2011: G-Cloud procurement aims:

- **Access low cost commoditized cloud services**
- **Encourage small to medium enterprises in a competitive marketplace.**
- **Break out of existing contracts (lock-in)**
- **Modernise IT operations**

The procurement

- **Lightweight requirements - to reduce paperwork for suppliers**
- **Pre-qualify services for government agencies to buy them**
- **Introduce transparency to drive down cost**
- **4 categories - SaaS, IaaS, PaaS and supporting services**
- **Due diligence on the services themselves still required by the buyer**

Simple Procurement Instructions

Welcome to the G-Cloud

This web site gives you all the information you need to become part of the G-Cloud supplier community. Whether this is the first time your organisation has been part of a government procurement exercise or whether you already work under government contract you should take a look at the information on this site – we've put everything you need to know in one place.

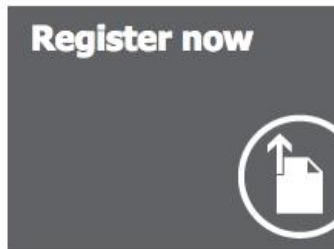
G-Cloud is all about making it easier for suppliers and government to work together. The aim of this phase of G-Cloud is create a government marketplace of cloud services - which we've called the Government Application Store.

As the name suggests G-Cloud is focused on cloud-based services – this includes public and private cloud. In this phase we want to work with suppliers of: IaaS / PaaS and SaaS and services that relate to them such as data-migration, service integration. If you provide one or more of these services, read on we want to talk to you.

This is the overall process

1. Suppliers provide government with information about their services – features, prices, standard agreements etc. You've got till 9th November to ask us any questions on the Framework Agreement and until 16th November for questions on the tender, and you have until 15:00 on 30th November 2011 to get your response in. Please do not leave it until the last minute to submit your response in case any network congestion causes you delays.
2. Government then Evaluates and Selects suppliers based on the responses provided and sets up what's called a Framework Agreement with the successful companies; we'll do this by 11th January 2012.
3. Government puts this information on a single database and conducts an Assurance / Accreditation Process on the suppliers that were successful.
4. Government buyers use the database to find a short list of suppliers that meet their needs, then select the appropriate one and create what's called a call-off contract.

G-Cloud 1
280 suppliers
1700+ services



[about the CloudStore](#) ▾

[using the site](#) ▾

[accessibility](#) ▾

[site information](#) ▾

This is the Government CloudStore which we've developed in just four weeks. There's a link to the [feedback](#) form at the bottom left and top right of every page so please let us know about any problems, suggestions or enhancements you might have. We're looking forward to working with you to improve the CloudStore.

Example:

Using G-Cloud to buy hosting

Big IT firm: £5m p.a.

SME: £60k

BETA Help us improve the Digital Marketplace - [send your feedback](#)[Digital Marketplace](#) > Supplier opportunities

Digital Outcomes and Specialists opportunities

View buyer requirements for digital outcomes, digital specialists and user research participants.

Keyword search



Choose a category

All categories

[Digital outcomes \(3108\)](#)[Digital specialists \(2238\)](#)[User research participants \(118\)](#)

Apply filters

[Clear filters](#)

▼ Status

▼ Location

Opportunity data

Download data buyers have provided about closed opportunities. Some data may be missing.

[Download data](#)

CSV

If you use assistive technology (such as a screen reader) and need a version of this document in a more accessible format, please email

info@crownccommercial.gov.uk.

5464

 results found in **All categories**

[Dorset ICS Integration and Interoperability Review & Recommendation](#)

The NHS providers within the Dorset Integrated Care System (ICS) South West England

Digital outcomes

Published: Thursday 23 March 2023

Deadline for asking questions: Thursday 30 March 2023

Closing: Thursday 6 April 2023

The Objectives of the Engagement are to review the current integration and interoperability landscape within NHS Dorset and propose a target architecture that would be required to realise the strategic digital objectives of the ICS, with a priority focus on the active ICS PAS/EPR programme across DCH, UHD, DHC

[VR Dev](#)

Department for Work and Pensions Off-site

Digital outcomes

Published: Thursday 23 March 2023

Deadline for asking questions: Thursday 30 March 2023

Closing: Thursday 6 April 2023

VR Dev in Service Now

[ISO 27001 surveillance audit and gap analysis for the VMD](#)

Veterinary Medicines Directorate South East England

Digital outcomes

Published: Tuesday 21 March 2023

Deadline for asking questions: Tuesday 28 March 2023

Closing: Tuesday 4 April 2023

How suppliers will be evaluated

All suppliers will be asked to provide a written proposal.

How many suppliers to evaluate

3

Proposal criteria

- Explain overall approach you will take and how you will draw on your experience from a similar project (including management and mitigation/resolution of risks) to successfully execute this project 15%
- Demonstrate how your approach will successfully deliver MOJ's goal to build and iterate a product that meets user needs, including for users with low technical expertise 15%
- Provide an example team structure including skills, experience, responsibilities in this approach and relevance of individuals, and how you will ensure the team delivers their responsibilities throughout this approach 10%
- Demonstrate how you will support the MOJ in building internal capability, and an effective hand over to an in-house team 10%
- Demonstrate how you will deliver value for money throughout this project, across both Private and Public Beta phases 5%
- Demonstrate how you will deliver against the MOJ's timeline for transitioning this service from private to public Beta within 6 months 5%

Cultural fit criteria

- Share knowledge and experience with our organisation and other suppliers, ensuring we can deliver after the contract has ended - 5%
- Be transparent and collaborative when making decisions - 5%
- Encourage new entrants to digital & data professions. Upskills and develops their workforce taking a no-blame culture and encouraging people to learn from their mistakes - 5%
- Encourages diverse representation in their workforce - 5%

Payment approach

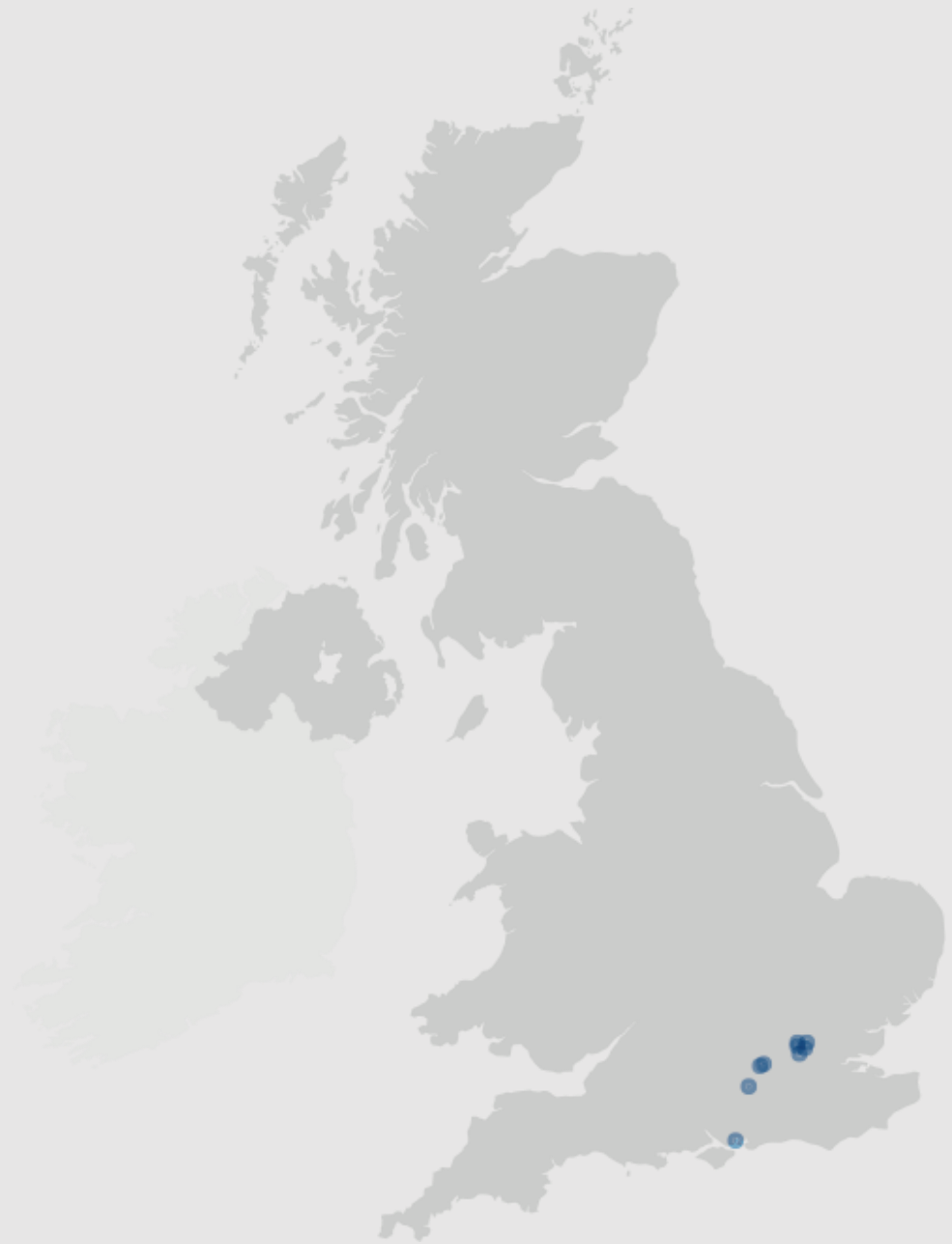
Capped time and materials

£5bn total sales through the marketplace*

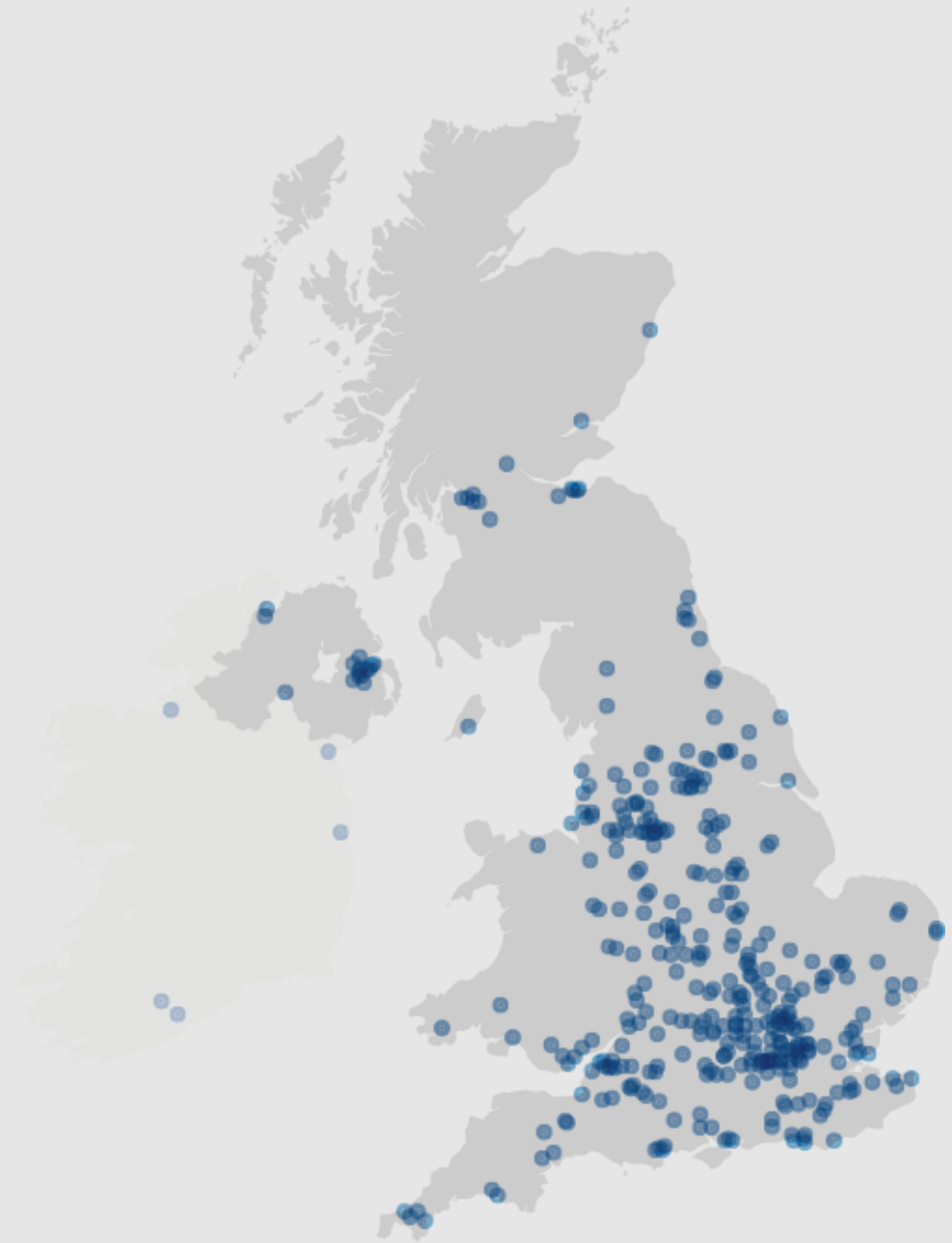
43% of total sales by value awarded to SMEs

**2011 - 2016, through G-Cloud and the Marketplace*

Government's
supplier base
used to be here...



...now it's here



UK Government saved £4.1 billion in digital and technology spending between 2011 and 2015.

Additional Resources

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Sample IT RFP Outline

Chapter 1 Introduction

- Short summary of problem, scope, timeframes, due dates

Chapter 2 Problem Statement and Goals

Chapter 3 Scope of Work

- Including performance metrics

Chapter 4 How to Respond

- Clear instructions to the vendor on what to include in their response, by when, where, and in what format. All instructions to the vendor for submitting a complete RFP response package should be included in this section alone.

Chapter 5 How We Choose

Chapter 6 Pricing

Appendix Terms and Conditions, Required Forms