Partners *for* Public Good

→ REPORT



IT Vendor Headaches: What 24 Cities Said Behind Closed Doors

Common Challenges, Empowering Solutions

October 2026

Author: Nathalie Rayter
Contributors: Denise Linn Riedl, Claire Brawdy, Damonique Sonnier

Partners for Public Good (PPG) brought 24 city government IT leaders together to talk honestly about their working relationships with existing IT vendors. In this review of the outcomes we'll discuss the common challenges we uncovered as well as solutions jurisdictions honed in on together.

Too often, a city's ceiling of IT success is determined by the state of its relationships with its most critical technology vendors. Vendor working relationships and routines impact a city's data sophistication, business continuity, pace of technological innovation, and their budgets. Time and again, PPG hears about functionality promises made during scoping that fall flat during implementation; product roadmaps that don't evolve with a city's needs; and data limitations that prevent essential interoperability and reporting. Even day-to-day customer responsiveness (or lack thereof) can jeopardize trust and operational efficiency.

The Conversation—Uncensored

In March 2026, PPG hosted a roundtable at the Smart Cities Connect Conference in Raleigh, N.C., with the goal of giving government technologists a rare opportunity: a vendorless space to build community, swap notes, and talk about their struggles candidly. There were no sponsors, no product logos, and no need to mince words about the SaaS, managed IT service partners, cybersecurity consultants, or new AI-native tools cities interact with constantly.

The results were illuminating and validating: 24 government technology professionals spoke plainly about what's working, what isn't, and what better government-IT vendor relationships could look like in our field.

We saw several themes emerge across conversations, including:

- **When it comes to scoping and implementations, the wrong people are in the room.** Technical staff on the city and vendor side are often brought in too late—even after purchasing or scoping. Without meaningful engagement from the beginning, vendors can't anchor integration or functionality expectations to reality, and cities don't have realistic timelines.
- **Procurement processes weren't designed for the technology we're buying.** Quiet periods, waterfall requirements, and scopes written before problems are fully understood create structural misalignment before work even begins.
- **Pilots promise more than they deliver—and it's not always the vendors' fault.** Cities often lack the data readiness and dedicated staffing to run truly meaningful pilots that test process, people, AND technology. Vendors sometimes understate what successful evaluation actually requires.
- **Feedback loops are broken or nonexistent.** Both sides report the same problem: not enough honest, ongoing communication to course-correct before small misalignments become big failures.

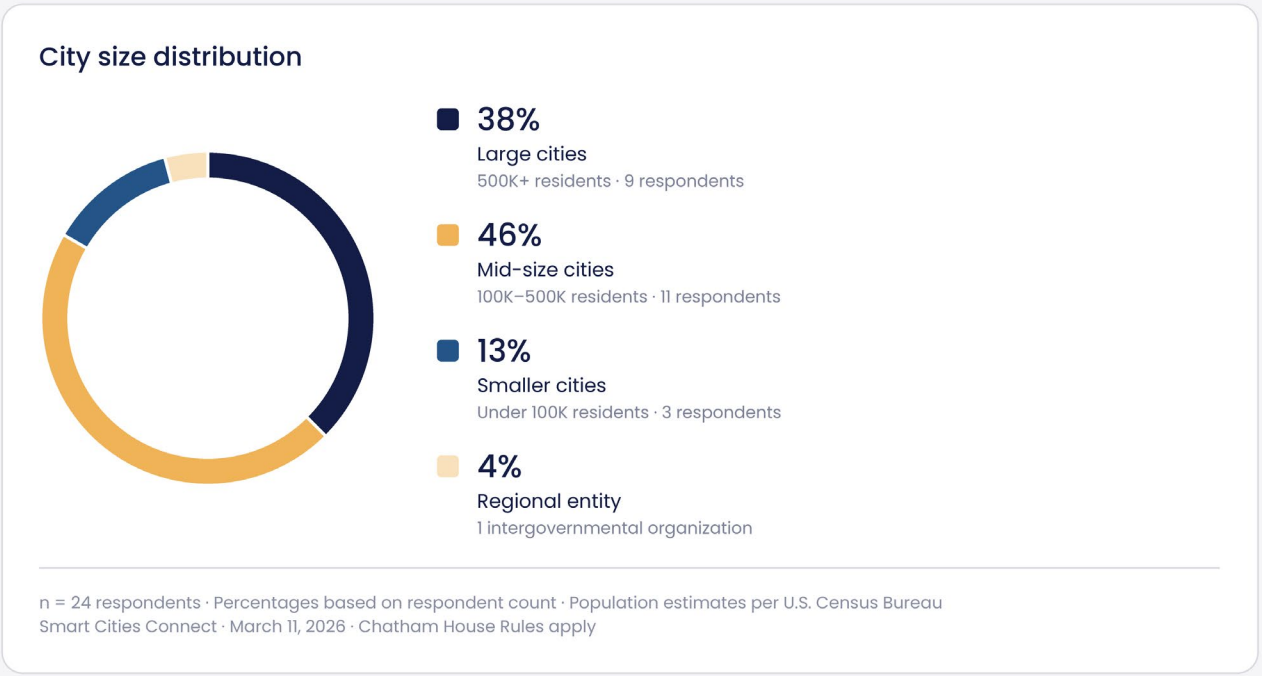
In this short report, we'll share how we planned the event, the insights about the govtech marketplace that surfaced, and the ideas that can take us forward to create a better partnership ecosystem for everyone.

For the Roundtable, we abided by Chatham House Rules, whereby any quotes and insights from the session will not be attributed to any specific participants. You'll notice this reflected in the anonymous quotes and aggregated data.

Diverse Cities: Similar Pain Points

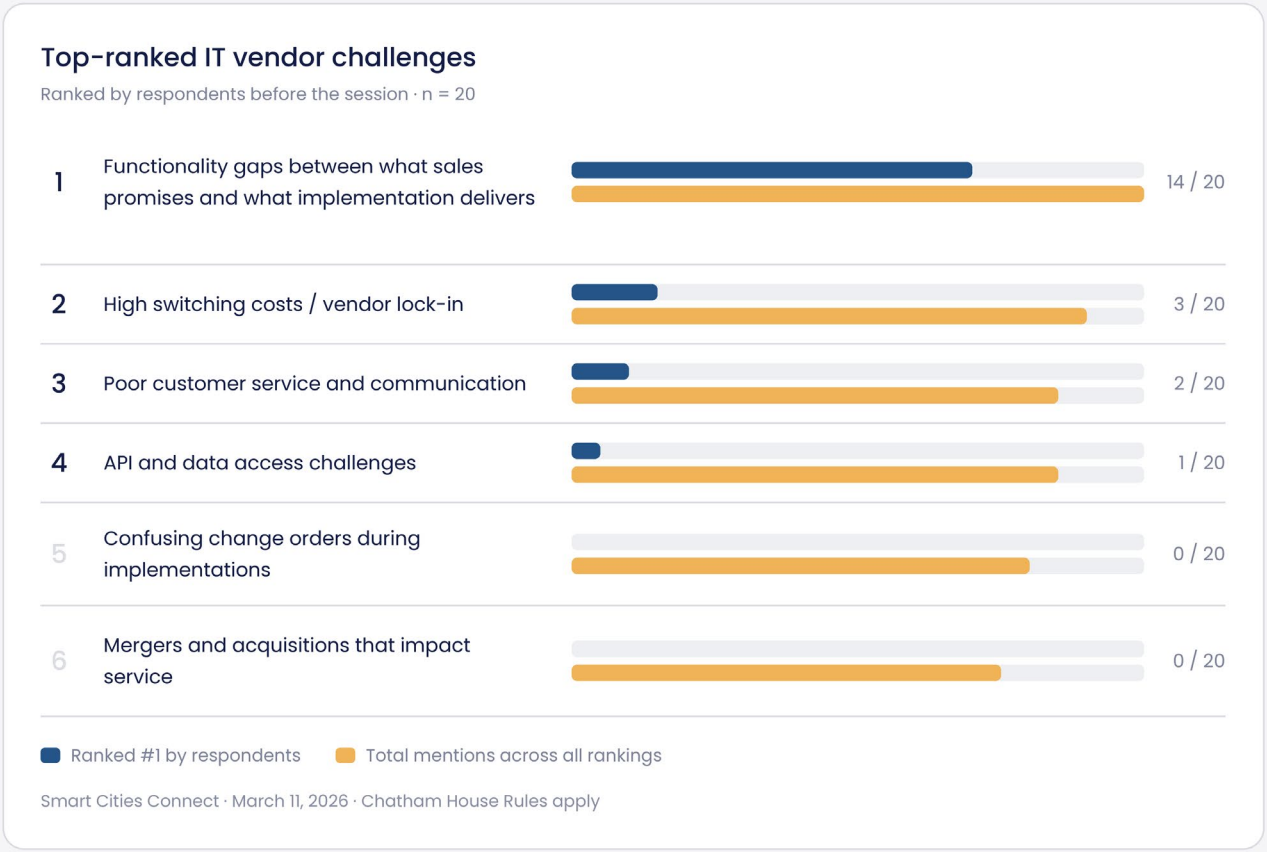
The cities and jurisdictions represented spanned a wide range of sizes and contexts, from smaller municipalities of under 100,000 residents navigating resource constraints, to mid-size cities managing complex, multi-department technology portfolios, to some of the largest urban jurisdictions in the country with populations exceeding half a million.

PRE-SURVEY FINDINGS



Despite these differences in scale, participants arrived with strikingly consistent concerns. Prior to the Roundtables, we surveyed our participants; when asked to rank the most resonant IT challenges, nearly all participants ranked functionality gaps between what vendors promise and what they deliver as their top challenge. Virtually every respondent flagged switching costs, poor customer service, and API and data access barriers as significant pain points.

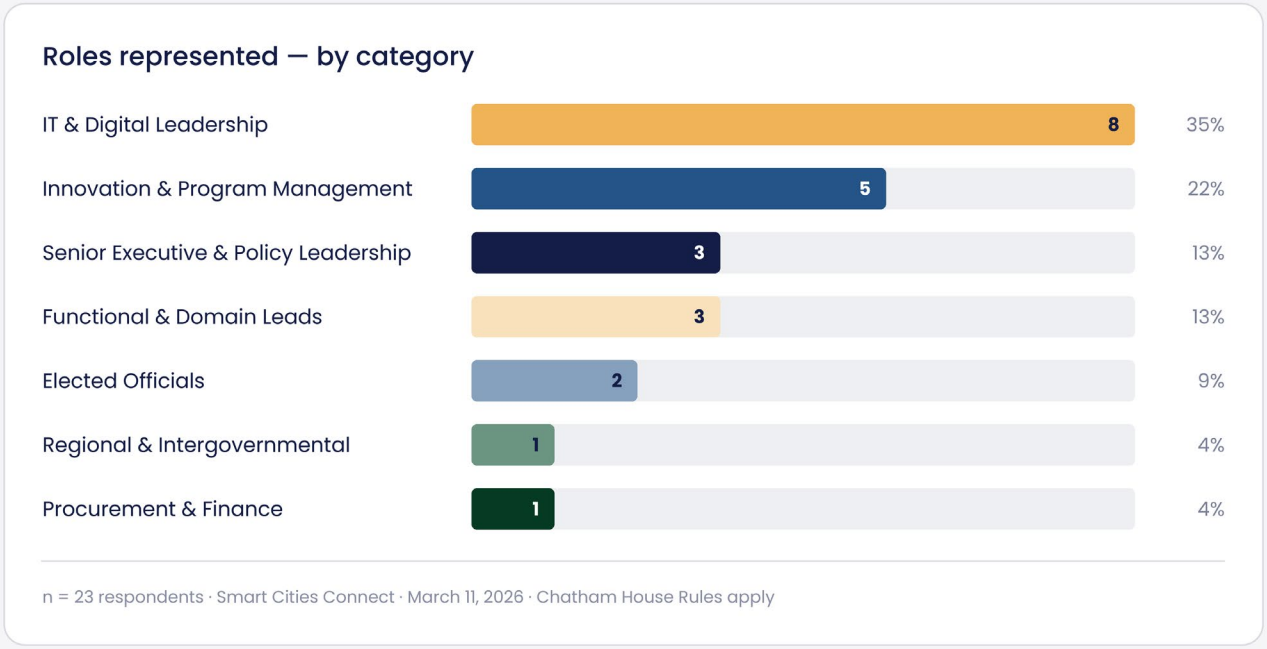
PRE-SURVEY FINDINGS



The consensus on these issues across city sizes suggests these are structural features of the government-vendor relationship, not isolated experiences.

The Roundtable convened people who occupy a diversity of functions at the intersection of technology, policy, and public administration. IT and digital leadership made up the largest share of participants, including Chief Information, Digital, and Innovation Officers. They were joined by innovation and program managers driving emerging technology initiatives at the ground level, senior executives and policy leaders with citywide decision-making authority, and functional and domain leads working at the critical edges of government tech in areas like broadband, transportation, and emerging technology partnerships. The group also included a few elected officials and executives.

WHO WAS IN THE ROOM



This mix of implementers, executives, and policy-adjacent leaders gave the session both operational depth and strategic breadth; it also ensured that the challenges surfaced reflected the full arc of the government technology experience, from procurement and vendor selection through delivery and long-term relationship management.

How the Roundtable Worked

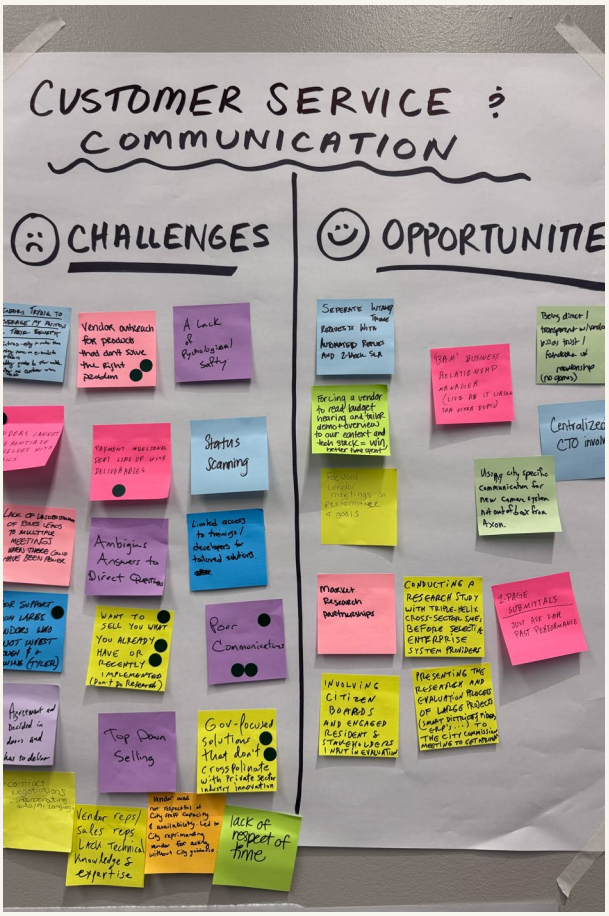
The three-hour session was designed as a journey from individual stories to collective patterns and actionable ideas. Five table facilitators—Nathalie Rayter, Damonique Sonnier, Claire Brawdy, and Denise Linn Riedl from PPG, joined by Margaret Mullins from the Vanderbilt Policy Accelerator—guided our city participants through a series of design thinking exercises.

In our planning, we always intended to start with a silent brainstorm, asking participants to write down specific, granular **challenges** they'd experienced working with IT vendors, for example, “in order to get the responsiveness we needed, we had to pay a third party to manage our code enforcement system tickets.” In reality, the brainstorm was far from silent: Our participants had a lot to share! We heard about years of frustration, hard-won lessons, and moments of real creativity in navigating difficult vendor dynamics. We took that as a sign we'd tapped into something resonant.

After the chatty brainstorm, participants organized their 88 (!) challenge sticky notes by category on big T-charts around the room: Implementations, Pilots, Customer Service and Communication, API and Data Access, Product Quality and Functionality, and Miscellaneous.

Then we asked the same question in the other direction: What has actually worked? Write down the solutions: the wins, the workarounds, the moments where your city found a way to navigate these challenges effectively. Once again, participants placed their solutions on the categorized T-charts, this time on the positive side.

Participants then walked around the gallery, voting with three sticky dots each on which challenges resonated most. This gave us a live read on shared urgency, not just breadth of experience.



Including the Vendor Voice

Earlier in 2026, PPG Tech conducted a listening tour of 14 tech vendors who sell to state and local governments, and we heard a lot about the same dynamics from the other side of the table. During the Roundtable, after giving cities the opportunity to share their headaches and gripes with tech vendors, we shared the vendor perspectives we heard in our research and asked participants to respond.

Notable vendor perspectives from our listening tour:

> I wish we could talk to governments sooner, understand them, co-build, and deliver better rather than reacting to what we know are incomplete or inaccurate specs. So much of traditional procurement (ex: quiet periods) prevents this early engagement for good product building.
>
> CLIENT SUCCESS MANAGER, GOVTECH START-UP

> I just signed a contract with Carahsoft and I hate to admit it, but I'm so glad I did it. They skim 3% off my contracts, but it's better than answering dozens of 100+ page RFPs. Is this really the way the world works? Crazy process or pay a middleman? Can there be something in between that gives us market access?
>
> A GOVTECH START-UP FOUNDER



> I'd argue that the #1 reason that tech purchasing and strategic planning is slow is not process or policy, but talent. It's rare for IT competency to overlap with businses leadership to overlap with authority. Sometimes one or two of those pieces are missing. Sometimes there is no one that has all three in one government.
>
> A GOVTECH START-UP FOUNDER

> Cities don't resource their pilots well enough. Some of this is our fault. We sell pilots as low maintenance, easy. You really need to put work in to see if something works and you can use it, scale it.
>
> AI START-UP LEADER

> Vendors get crickets from cities because staff are so busy.
> Vendors crave feedback—even bad feedback.
>
> A GOVTECH VENDOR

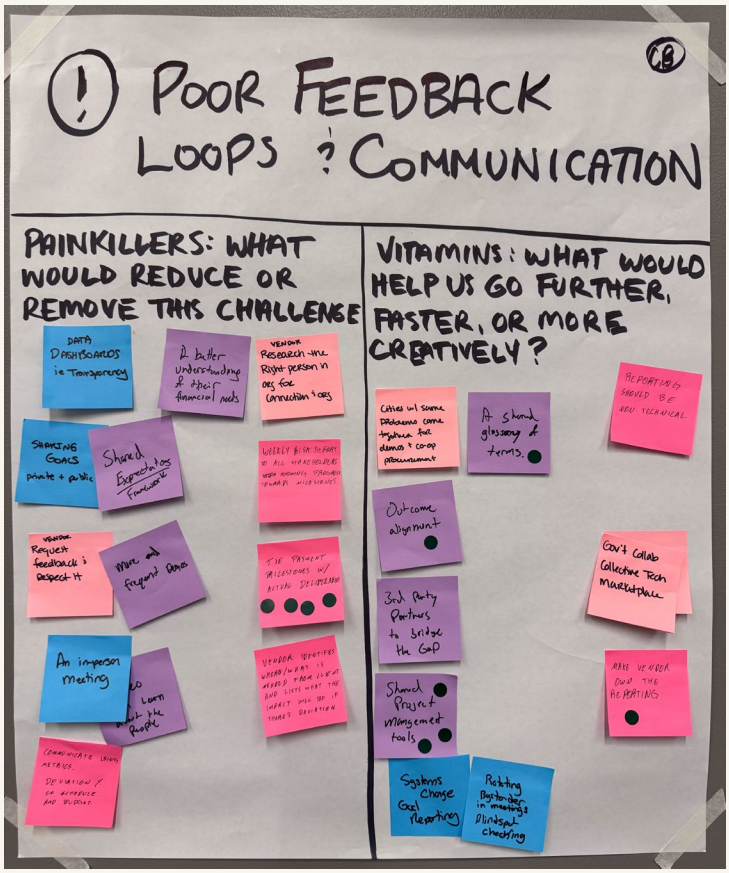
We aimed to highlight the places where government and vendors both struggle with structures and incentives, but don't talk about it. Indeed, sharing these quotes with city leaders generated real reactions: a mix of recognition, frustration, and in some cases, genuine empathy. The conversation that followed was one of the most productive of the afternoon. Participants began connecting what they'd surfaced in the gallery walk to what vendors were experiencing on their side of the same relationship.

What struck us most was the overlap in the pains both parties felt: Vendors also want earlier engagement, feedback, and greater government capacity to scope, implement, and truly product manage with them. Both sides are operating within structural conditions that make building good relationships challenging.

Finding Paths Forward

We closed by asking groups to brainstorm solutions—both "painkillers" to reduce immediate friction and "vitamins" to build longer-term capacity. Each group grappled with one of five challenge themes that had emerged organically from the room:

- The Sales-versus-IT Divide
- Integration and API gatekeeping
- Misaligned Sales Processes
- Forced Implementation on Vendor Terms
- Poor Feedback Loops



What We Learned

Across more than 80 brainstormed challenges and over 30 documented wins, six themes emerged. They all pointed to structural features of the government-vendor relationship that show up regardless of city size, region, or technical maturity.

Vendors don't care about your city governance and collaborative structure.

They will sell technology across departments, sometimes creating procurement, IT, and budgeting chaos.

One of the most consistent frustrations surfaced at the roundtable was the experience of IT staff being brought in to implement a technology solution they had no role in selecting. The top-voted challenge of the entire session, "IT comes in after department is sold on specific software, expected to implement," captured this dynamic precisely.

This dynamic reflects structural misalignments that exist inside city government and vendor organizations alike. Departments often have budget authority and pressing operational needs that lead them to engage vendors early and independently. Vendors, for their part, naturally orient toward the stakeholders who can say yes to a purchase. The result is that IT implementers frequently enter the process after the key decisions have already been made.



CHALLENGE

“IT comes in after department is sold on specific software, expected to implement”



SOLUTION

The cities brainstormed solutions to the cross-departmental coordination challenge.

Some cities created a single front door for technology vendors. They had active forms or emails meant to catch initial interest and give visibility to all departments. Other cities contemplated coordinated “demo days,” that brought multiple departments together for common challenges or enterprise needs.

Other cities leveraged market intelligence and research request tools for better internal coordination. Whether a home-grown solution or a purchased tool, market scanning and intelligence tools not only deliver insights into what products are out there, but they’re the first signal that a department is on a technology procurement journey. IT, procurement, and other teams can engage early as a partner instead of as a last-minute advisor or surprised approver.

Of course, nothing replaces better, proactive relationships across departments. Knowing teams’ goals for the year and regular meetings result in earlier coordination.

What sales promises, implementation inherits.

Technical staff (on both the vendor and city side) get shut out of sales and scoping rooms that would benefit from their presence.

Participants noted that structural barriers can limit cross-functional engagement even when there is goodwill on both sides: Cities are often unable to speak with a vendor's technical team until after contract award, meaning the people who understand what implementation actually requires are excluded from the conversations where expectations are set. Both cities and vendors inherit the consequences: change orders, extended timelines, and in some cases, contract terminations. The organizational structures on both sides make early, cross-functional alignment difficult to achieve.

Participants described change orders arising from preventable scoping gaps that neither side had fully anticipated in the scoping process. Others described functionality that proved unavailable or prohibitively expensive during implementation—not because it was misrepresented, but because demos are typically built to show a product's potential rather than the full scope of work required to get there.

CHALLENGES

"We can't talk to the tech team until after the contract is awarded."

"Vendor dishonesty about functionality—we ended up terminating the contract, the timeline was pushed back, we have less money to work with."

SOLUTIONS

The cities brainstormed solutions to the early misalignments that have enormous, negative ripple effects.

The most clear and simple solution was to habitually include relevant city IT staff in sales and scoping calls to catch these issues early. This is easier said than done, however. Participants noted that these same staff are constantly fixing broken integrations, troubleshooting across enterprise software, and putting out other IT fires. CIOs need to carve out time for these teams to play a more strategic role in procurement.

Before signing any documents, cities can ask for a feasibility review on scope and functionality assumptions from a member of the vendor's implementation team.

Relevant IT staff can also build up the capacity of department, procurement officers, and other personnel to detect challenges. Cities shared the common pitfalls that lead to misalignment for everyone to watch:

- assumptions about division of labor in implementation scoping
- assumptions about hours/effort dedicated to data migration
- whether integrations exist or are merely in a product roadmap
- pushing back on what is "customized" or truly "configurable" in a system for easier maintenance on the city side

Traditional or waterfall procurement and scoping processes set everyone up to fail.

The structural conditions of public procurement (like quiet periods that limit pre-award communication, overemphasis on requirements, and scopes written before problem definition) create misalignment before work even begins. Cities shared concrete examples of scope gaps that create downstream confusion, implementations extending far beyond projected timelines, and change orders arising not from scope creep but from the inherent difficulty of specifying complex technical work before it begins.

CHALLENGES

"We got a change order because the vendor scoped poorly. They tried to have us absolve their mistake."

"Managed Services Provider model makes innovation/agility difficult with lock-in to scope."

SOLUTIONS

To tackle these structural issues, participants discussed more innovative approaches like challenge-based procurements, agile procurement methods, and modular procurements.

OPPORTUNITY

"When the city could clearly state the problem and process, we got better results [from the tech]."

Resources from PPG to address these challenges can be found on the Procurement Excellence Network (PEN) Resource Page.

Great IT project management in cities is too rare.

Without this capacity, cities implement projects on the vendors' terms, not their own.

Across cities, staff capacity to truly project manage implementation and pilots and, overall, manage vendor work was cited as low. These personnel monitor implementation closely, pull in champions/experts, escalate issues, keep stakeholders accountable and informed, and manage expectations during technological change on both sides.

City participants talked about poor outcomes without high quality project management practices. Even when vendors supply project managers, they can be loyal to the companies and not the cities and do not always lead project timelines or share information in the way that is most helpful for the city.

When cities don't have this capacity, they are forced to undertake big projects on the vendor's terms. Being more passive in project planning and management can result in less accountability, lack of clarity, and delays that hurt both the vendor and the government.

CHALLENGE

"Vendors don't supply proper as-built documents to help with process/change management."

"Onboarding took too long—we procured the tech product almost two years ago and it's still not fully implemented."

SOLUTIONS

The wins participants shared were instructive: formalized project charters, Change Control Boards, and milestone-linked payment structures all created shared accountability structures that helped both sides navigate uncertainty more effectively.

OPPORTUNITY

"Formalized project charters to establish proper scopes and milestones."

Pilots are under-resourced, under-prepared, and over-promised.

In theory, pilot programs offer a lower-stakes opportunity for cities to evaluate new solutions before they commit to full implementation. In practice, pilots frequently fall short, not because the concept is flawed, but because the conditions needed to make pilots work are rarely in place.

Cities often lack the data readiness, dedicated staffing and time, and success metrics needed to generate a meaningful signal from a pilot. Vendors, meanwhile, position pilots as lightweight engagements when the investment required to make them genuinely evaluative is considerably higher. These dynamics contribute to the cycle of inconclusive pilots and stalled procurement that participants described.

Vendor interviewees were candid about this in our listening tour: Pilots are sometimes sold as low maintenance when the reality is that meaningful evaluation requires real work from both parties. The cities that reported positive pilot experiences shared a common thread: They had invested in co-developing success metrics, built relationships that enabled honest mid-course adjustment, and treated the pilot as a genuine learning process rather than a procurement formality.

CHALLENGE

"We sold an AI pilot without an initial assessment of data readiness. The pilot is useless and leadership is unhappy."

OPPORTUNITY

"Co-developing KPIs/ metrics for success during pilot stage."

SOLUTIONS

Cities discussed ways they have achieved more readiness and success with pilots and much of these successes related to leadership. Leadership, from the start, was able to manage pilot expectations internally at the city (for instance, emphasis that the goal was learning and that the pilot itself was an investment) and formalized KPIs to track ahead of the technology turning on.

Time and staffing remain challenges everywhere and harder problems to fix. Participants pondered whether measuring the value of dedicated staffing on this work when it is available, would point to the impact it has on post-pilot decision-making and adoption.

For ongoing management downstream of procurement and implementation, capacity gaps for product management on the government side have quantifiable consequences.

Government IT teams are frequently asked to manage complex, high-stakes vendor relationships without the staffing, technical expertise, or bandwidth that those relationships require. This is not a reflection of individual capability; rather, it is a resource and prioritization gap that has accumulated over time, as complexity has outpaced investment in the teams needed to manage it.

Vendors, once a contract is signed, have fewer immediate incentives to seek out feedback. Procurement processes that emphasize formal deliverables over ongoing dialogue leave little room for the kind of iterative course-correction that complex technology implementations require. The result, heard from both sides, is a communication gap that allows small misalignments to become large problems.

This lack of proactive relationship management, communication, and product management has downstream effects that show up everywhere: Essential product feedback isn't shared and performance pressure isn't placed on the vendor. Cities get surprised by product changes or updates and they can't shape partners' roadmaps and future functionality if they don't have the capacity to stay in the conversation.

CHALLENGE

“The vendor was not respectful of city staff capacity which led to the city reprimanding the vendor for acting without guidance.”

“We had to hire a third party to manage Accela customer service costing extra money to get bare minimum.”

SOLUTIONS

Cities that have invested in dedicated roles like product managers, embedded IT liaisons, or integration specialists reported better outcomes.

OPPORTUNITY

“The business relationship manager (BRM) acting as IT liaison for other departments.”

Data and API access is a persistent, costly barrier.

Cities increasingly depend on the ability to move data between systems, build integrations across platforms, and maintain ownership of the information their operations generate. The current vendor landscape makes this harder than it should be. Proprietary architectures, limited API availability, and data access structures that treat interoperability as an add-on rather than a baseline create real operational constraints for cities. They also incur real costs, both financial and technical.

Roundtable participants described being unable to extract usable data from systems they were paying for, encountering poorly documented data structures and additional charges for API access, increasingly considered a basic expectation of modern software.

To gain more control over their data, participants identified opportunities in proactive contract language, internal standards, and research partnerships.

CHALLENGE

“Vendors charge extra for API/data access.”

“Proprietary, closed, one-size-fits-all approach and a lack of standardization and interoperability.”

OPPORTUNITY

“Internal standards allow for faster API connection partnerships.”

How Cities Envision Increased Collaboration and Collective Market Power

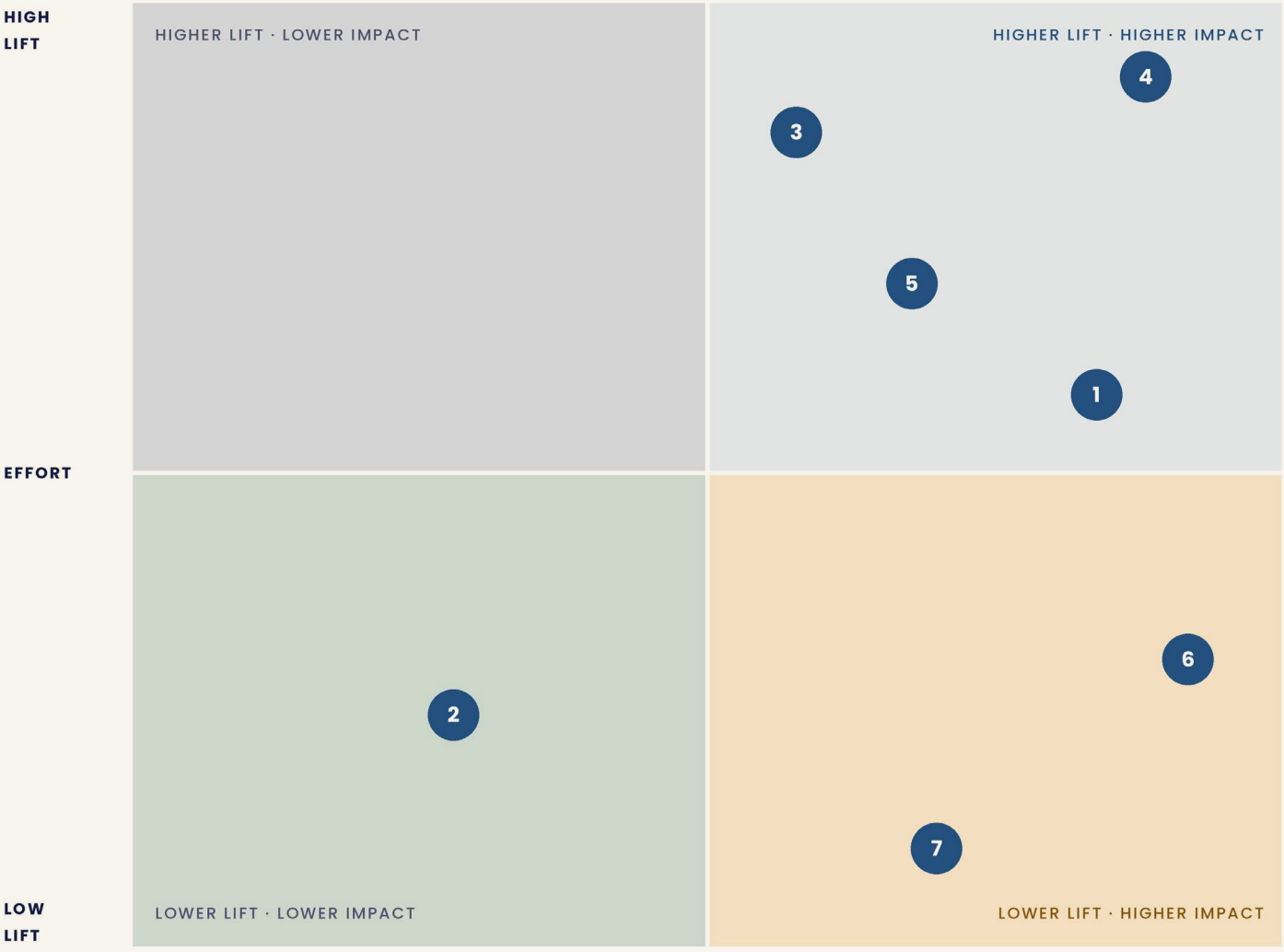
The solutions surfaced at the Roundtable pointed to key actions cities can take. Some involve big investments in talent, staffing, and new ways of working. Other ideas require lower effort.

		LIFT	IMPACT
1	Get technologists in the room for RFP writing and scoping. Vendors, too. Ground-truthing (bringing frontline staff, end users, AI experts, and IT implementers into solicitation writing, vendor evaluation, and selection) was seen as one of the most direct ways to close the gap between what gets purchased and what actually works. Challenge-based RFPs, which define outcomes rather than prescribing solutions, received strong support as a structural complement to this approach.	MEDIUM	HIGH
2	Tie payment to delivery. Participants saw tying payment milestones to actual deliverables (instead of calendar dates) as one of the most actionable near-term changes available to cities. This would create shared accountability without requiring procurement reform. Cities contemplated the risk for negative impacts (ex: work done faster, not better) and recommended the field continue to share what works for performance-based contracting in the IT context.	LOW	MEDIUM
3	Staff and manage pilots as real, not side, projects to set them up for success. Cities saw the need to staff pilots properly and put time into readiness and true evaluation. Managers should communicate learning mindsets across teams, manage expectations, and encourage process and policy changes in the context of the pilot.	HIGH	HIGH
4	Know the cost of not having a dedicated Project Management Officer (PMO) for IT, and make the case for one. A vendor-based project manager is not incentivized to save their government customer's implementation or set product configuration up for sustainable success. Project management capacity internal to government (or another third party more loyal to the city than the product) is an essential ingredient to implementations that are successful and agile as necessary.	HIGH	HIGH

	LIFT	IMPACT
5 Build the internal capacity to manage products after go-live and maintain communication channels with tech partners. Participants consistently pointed to the need for dedicated staff capacity to manage tech contracts as a prerequisite for healthier vendor dynamics. Expanding product management capacity doesn't have to entail net new positions. Playing "offense, not defense" on vendor relationship management, product management could be as simple as new quarterly call routines and/or a more sophisticated internal issue tracking and escalation routine.	MEDIUM	HIGH
6 Make data and API rights the baseline in tech procurement. Participants called for contract language that protects data access and requires open APIs as a standard expectation—not a negotiated add-on. Creation of a public vendor transparency scorecard, rating vendors on interoperability and data portability, could introduce reputational incentives for better behavior across the market.	LOW	HIGH
7 Lastly, all cities agreed: We need more vendor-free spaces for cities to discuss procurement, delivery, and product partnership headaches. Sharing information not only eased burdens and built community; it generated ideas that point to a future with collective market power where cities incentivize the behavior they want from their partners.	LOW	HIGH

Ideas at a glance

The seven ideas, placed by the relative effort and impact participants described.



1. **Get technologists in the room for RFP writing and scoping**
   Medium lift · High impact
2. **Tie payment to delivery**
   Low lift · Medium impact
3. **Fully resource technology pilots**
   High lift · High impact
4. **Consider an IT Project Management Office**
   High lift · High impact
5. **Build internal product management capacity**
   Medium lift · High impact
6. **Establish data and API rights as a procurement baseline**
   Low lift · High impact
7. **Keep vendor-free spaces for cities**
   Low lift · High impact

Where We Go From Here

Despite technological advancement and the emergence of cities' prototyping power, IT vendor and product management with external parties is not leaving the responsibility of city IT any time soon. Cities agreed: There are solutions each can do in their jurisdictions and together to improve their market power.

The themes surfaced at this roundtable aren't new to anyone who works in government technology. What is striking is how consistent they are across city sizes, regions, and organizational structures. This consistency points to the structural nature of the problems and the need for shared tools, shared intelligence, and shared standards that make it easier to act on what practitioners already know.

That is the technology work PPG is focused on. We see this report as the beginning of an ongoing conversation, and we welcome more cities, jurisdictions, and vendors into it.

Partners *for* Public Good

Partners for Public Good is a nonprofit that helps state and local governments harness core operational functions—procurement, staffing, IT, and budget—to drive public impact. PPG's technology experts support digital transformation, capacity building, AI piloting, and product innovation for back-office government teams. All session insights in this report are included under Chatham House Rules.