

# Procurement Resource Abstract



|                                   |  |
|-----------------------------------|--|
| <b>Title</b>                      | <b>Rethinking the Dynamics of the RFP Process for Improved IT Procurement</b>  |
| <b>Sponsoring Organization(s)</b> | National Association of State Chief Information Officers (NASCIO)  |
| <b>Author</b>                     | Meredith Ward  |
| <b>Publication Date</b>           | Feb 2014   |
| <b>Synopsis</b>                   | <p>What does best value mean in the context of the procurement process? Often interpreted as lowest cost, this paper proposes that factors such as long-term project benefits, cost avoidance, cost versus technical superiority tradeoffs, and increased productivity collectively are more important than cost alone.</p> <p>This paper explores the concept that the order in which the RFP element of the Procurement Process should be modified to provide a better outcome. It starts with the premise that In the field of IT, products generally precede the known need for services. As such, an information gathering effort should precede a formal RFP to determine what products and solutions are available before the formal RFP is prepared. Once a formal RFP is issued, the buyer is likely to be bound by restrictive rules and legal requirements limiting the buyer's flexibility to adapt the RFP requirements to take advantage of available technologies.</p> <p>The paper suggests the use of RFIs as a legitimate means of assessing the technological solutions that may be available for a particular IT problem. It specifically suggests that innovations must be identified before the RFP issuance and cites this lack in public procurements as one of the reasons why the public sector lags behind the innovative use of technology when measured against the private sector.</p> <p>It also suggests technological fact-finding efforts prior to RFP issuance can significantly reduce the time necessary to complete the procurement. It suggests a 10-month maximum timeline from RFP issuance to contract execution should be established. It also recommends two additional steps to help manage the RFP timeline effectively:</p> <ul style="list-style-type: none"><li>• Prescreen vendors using criteria that are fair and promote competition; agencies should be able to prescreen vendors, helping to decrease the total time for procuring IT.</li><li>• Embed the appropriate staff on the project team before the procurement process begins; this will reduce the number of iterations in reviews and the overall review.</li></ul> <p>The document includes two case studies from states that have applied the approached suggested in the paper.</p> |
| <b>Topic Areas</b>                | Procurement Planning   |
| <b>Web Reference</b>              | <a href="http://www.nascio.org/publications/documents/NASCIO_ITProcurement_RethinkingRFPProcess.pdf">http://www.nascio.org/publications/documents/NASCIO_ITProcurement_RethinkingRFPProcess.pdf</a>  |