

Procurement Resource Abstract



Title	The Importance of Competitive Negotiation to State Information Technology Procurement
Sponsoring Organization(s)	The Procurement Lawyer
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Synopsis	<p>This paper discusses in detail how negotiated contracts can benefit the buyers by both improving costs and producing better results by defining the requirements for the service or product through the negotiating process. It discusses the reasons why states vary widely in permitting negotiations with suppliers either in a serial or concurrent fashion during the procurement process. One of the more interesting observations is the structure that supports or inhibits the ability to negotiate contracts.</p> <p>A State’s Constitution and its Statutory Laws → Formal Regulations → Published Policies and Established Procedures → Documented Practice → Accepted but Undocumented Preference → Habit → Inertia (or “Fear of the Unknown”)</p> <p>The paper also presents in some detail an analysis of negotiating posture of three states. These are Oregon where reforms and practices have produced an open ability for agencies to negotiate contracts either serially or concurrently which has produced a series of favorable results. California which while having enacted reforms to permit negotiations has lagged significantly in implementing the reforms permitted under new statutory changes. New York which does not permit negotiations during the procurement process and severely limits agencies in their ability to deviate from a centrally prescribed process.</p> <p>These case studies serve the purpose of demonstrating differing approaches ranging from one that encourages negotiations as part of the procurement process through the other extreme in which negotiations are discouraged and agencies are limited in their ability to adapt to changing technological innovations.</p>
Topic Areas	Legal and Contracting Issues
Web Reference	http://www.rjo.com/PDF/TheProcurementLawyer_Spring2013.pdf