

Top Tips to Make Your Procurement Suite RFP Stress Free



Throughout our procurement careers, many of us will spend time working with stakeholders to draw out their requirements in an effort to take their category to market. It's not every day that the stakeholder is in our own department and we are tasked with finding a procurement suite to meet the organisation's strategic goals.

Finding the right procurement suite may seem like a simple task at first. You define a set of technical capabilities and issue an RFP, suppliers offer pricing, you invite them in to demonstrate their product, and you make your selection. Simple, right? This process, while suitable in some scenarios, categorises your purchase as a tactical acquisition and undervalues the potential impact that the right technology could have on your company's bottom line.

As with most strategic purchases, gaining a positive sustainable outcome hinges on a combination of what we call the "above and below water factors" or "the iceberg situation." The problem with the factors that lurk below the water is they are normally unknown or less obvious than those that are above the water line. This can make the process of placing a tangible value on them difficult and can result in them being easily ignored or forgotten.



It's also often hard to wear the hat of both the decision maker and end user in these types of situations. Taking the time to step back to ensure you are reviewing not just the list of features and functions but also the value, efficiencies and total effectiveness that will be added to your organisation by the investment can save a lot of heartache down the line.

To help you in your journey, we've compiled this list of the top four frequently overlooked areas that you should consider when choosing a procurement suite. Each has the potential to sink even the most effectively run projects. In addition, we have put together a best practice RFP template that includes both the tactical and strategic questions to ask every procurement provider which is free to download.

Company Profile and Culture

Understanding the fabric of a company plays an important part in evaluating how they will fit to your organisation's unique goals and challenges. There are several ways to gain a deeper understanding of a potential provider, including looking at some of the following areas:

Company Profile/Culture – Ask them about their history from a corporate and solution point of view to find out how the company was formed and has developed over the years. Have they acquired other providers along the way, grown organically, or both? There is no right answer here, but steady

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continued organic growth tends to show that a company is mature. Growth purely by acquisition can result in some companies failing to manage their service, support and innovation processes in line with their expansion, which is not conducive to a long-term relationship.

It's important to point out growth by acquisition in its own right is not a problem, but keep an eye out for patchwork solutions where the individual modules are not integrated into a single "solution," as this can lead to difficulties down the line.

In addition, try to ascertain the tenure and experience levels of key senior management employees. A stable management team with strong procurement experience can often help show a level of consistency in the organisation and its strategic direction.

Market Reputation – Looking at their overall industry standing and perception to understand how the organisation is perceived within their marketplace is not just an opportunity for the provider to tell you how great they are. Typically, there will be external collated industry benchmarks that most providers participate in, and your provider should be happy to share the results of these with you.

Gartner, for example, produces a Magic Quadrant report for Strategic Sourcing Application Suites. This report helps to show the positioning of key providers, and highlight their various strengths and weaknesses. Often these reports include quotes from existing customers, so a lot of the hard work is already done for you. Providers will often have a distribution license and may share the report with you for free—it never hurts to ask.

Look to obtain external validation of the provider's reputation by requesting references or customer quotes.

Industry Leadership – Ask the provider to describe the industry organisations they participate in and what their role in each entails. This can include both procurement and technical organisations relevant to their industry or marketplace. For example, do they have people that not only participate in these industry organisations, but are on committees and working groups to help shape the future of procurement? This type of information will help you to gauge their experience as a procurement-oriented practitioner and technical provider.



Competitive Differentiators – Ask the provider what they see as their competitive advantage. This can be a tough question for some providers. What sets them apart from their competitors and why do they think their offering can deliver superior value to your organisation?

While this may seem like a technical question at first, often the answer will require providers to discuss their wider offering. This can help you to look at some of the more intangible values such as the way they will service your account, their industry expertise and local market presence. Be wary of providers who only discuss their technical capabilities or try to boil the question down to a purely feature/function discussion.

Global Reach – Ask the provider to outline their global reach including both their office locations and proven implementations. For some organisations, the countries listed on their website do not coincide with their actual presence in that country or their level of implementation experience. Look for providers with delivery teams based in the regions that are important to you, or who can at least service those locations without significant language or time zone barriers.

Staff Experience – Look at the provider's staff backgrounds and the type of employees they generally hire to work on accounts like yours. Will the consultants you deal with be more technically focused or does the provider hire from within the industry? While a technical background is important, a provider who speaks the procurement language is more likely to understand your unique business situation. Ask the provider about any courses or certifications their staff typically undertake and examine a sample résumé for each different tier of consulting staff.

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Solution Delivery

The way in which the solution you are buying is delivered can be as important as the solution itself. Your IT team is likely to have strong views on how the platform should be delivered—being able to show you've taken their concerns into account plays a vital role in the success of the project.

Deployment Models – Find out all of the available delivery models offered by the provider. Cloud-based solutions are by far the most popular delivery model these days in procurement software. This makes sense as a cloud deployment can mean significantly lower installation and maintenance costs for an application. But be aware some industries have explicit requirements on where data is processed and stored, and this can mean some organisations need to keep the solution within their own location.

While this point may not apply to you, take into consideration the available delivery models and make sure there will be no surprises during the implementation stages. If you are unsure, look for providers who can offer their solutions as Software as a Service (SaaS) and/or Behind the Firewall (BTFW). This flexibility may also open you up to the option of moving between different models should your situation change

Data Compliance – Ascertain where your data will be stored. If you've made the decision to go for a cloud-based solution, make sure you know where the physical infrastructure will reside. The location of the servers can play a part in the speed and responsiveness of the service and knowing a bit about the data center where the information is stored will help put your mind at ease. What physical security is in place; what fire prevention systems exist; and are there backup power and internet connections? These are all considerations when setting up your own infrastructure and are equally important when moving to the cloud.

Additionally, some countries have restrictions on the movement of sensitive and personal data between jurisdictions. Depending on the sensitivity of the data you are collecting, you may need to give strong consideration to this when looking at where your data will be stored. Be careful of providers who downplay these issues since this is a critical part of compliance.



Backup/Replication – Review the backup systems and process. Ask providers about the levels of redundancy within their main systems, as well as the disaster recovery provisions should the worst happen. Providers should be able to show complete failover capabilities with minimal loss of data if the main site becomes inoperable—generally, this means a secondary hosting location with a replica of the hardware available within the primary site.

All data should be backed up and synchronised on a frequent basis to minimise any potential loss. Ask providers about the estimated timescales to transition to these services if required.

Industry Standard Certifications – Ask potential providers to give you details of any external penetration tests or validation processes they conduct to prove the resilience of the solution. Providers may not give you the full report of each test (these can be sensitive); however, they should be willing to give you high level information and results.

As an additional form of validation, providers may give you information of any internationally recognised standards their architecture is built and tested against (such as ISO certifications).

Performance – Review how the potential provider's infrastructure has performed over a sustained period of time (typically 12 months or greater). Ask to see details of their system uptime and availability metrics and look for any big gaps in service or frequent small outages. This data should also show you the frequency of maintenance and upgrade activities (planned or unplanned) and the impact they are likely to have on end users. You may also wish to request data on the average page loading

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time for a typical user. This should be measured by a service that is remote to the hosting location to provide a true “real world” experience. Typically, this type of monitoring tracks a common user activity (like logging in) at frequent intervals to show how the system is responding to the outside world.

Service Expectations

The relationship you are able to build with a provider plays a key role in the success of the entire project. Likewise, the services and support that come with your purchase will drive how end users experience and adopt the selected solution.

Global Presence – If you are a small or centralised organisation you may not be as focused on the global capabilities of your provider—your interests probably lie with the region in which you work; however, procurement is infrequently restricted by traditional borders, and your supply base may be dispersed around the globe. Choosing a provider who is known not only to you but also your suppliers can help ease some of the upfront training requirements.

If you are intending to leverage services from your provider (such as managed events or category expertise), their global experience may prove useful when dealing with international suppliers and wider global industry trends.



Deployment Plans – Ask providers to give you details on how they would execute the project should they win. Pay attention to the timescales they quote and ensure the plans appear realistic to the complexity of your needs.

SaaS deployments are typically faster than traditional installed solutions; however, ensure you are still receiving the expected levels of configuration and support as part of the project plan. Make sure all estimates include any legacy data loads, training and user acceptance testing.

Data Transfer – Getting data into the system can be an issue. If, for example, you are coming from another provider or have existing offline processes, you may want to bring in some data in bulk as part of your go-live process. Find out from the provider how they are able to facilitate this, and the associated costs. Determine the necessary data format to ensure a smooth migration from one solution to the next.

Integration – Procurement is not a stand-alone system and normally requires integration with multiple systems including ERP, financial and “home-grown” or proprietary systems. The provider should be able to articulate their integration model and show how it can be deployed in a repeatable and tested way. Ask them to detail their general methodology for integrating with your key systems.

Organisational Enablement – User engagement can help drive the uptake of a solution and offer value beyond the initial technical capabilities. Look at the programs that potential providers offer to engage with your user community to drive adoption. Do they host user groups in your area, or offer any online webinars or training events? Find out about any online communities they have established for users to interact with one another—potentially not just from within your company but with other like-minded customers or markets. Ask the provider what they offer to help with critical adoption activities such as organisational communications, sponsorship network development, skill building, middle management coaching and resistance management.

Account Management Structure – Ask how the provider would manage your account if they were awarded your business. Look for clear responsibility and ownership between the initial sales team and any account management teams (who will ultimately manage your relationship). Ask providers to discuss how they intend to bring the right combination of resources together to ensure your relationship remains successful throughout its lifecycle.

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Training – Look at the training options offered by potential providers. Does the provider offer classroom-led training or are users required to complete online or self-led training? Be cautious of providers that claim to be so simple that users do not require any training, as this can often be code for a lack of depth or sophistication in their solutions.

Ask questions of suppliers who respond with a one-size fits all solution. Effective training is about understanding which users need what skills (and when). Leading providers should look to tailor a core library of blended learning materials to your specific needs.

For advanced users, see if the provider has any super user or expert training available. Wherever possible, ask for examples of materials to evaluate the quality of the content.

Support – With procurement solutions you typically have two main groups of users—your internal procurement staff and your external suppliers. When talking to potential providers about the support they offer, it's important to understand the levels of service available to both of these communities.

Try not to gold plate the service you ask for — 24/7 multi-language support may be possible, but it is probably expensive. Look for a provider who can scale their support services to meet your needs. Do you require phone support in the local language for your internal team, or email only for your suppliers? Pick a level that will ensure the service supports the solution without becoming cost prohibitive.

Ask providers about any outbound services they are able to offer as part of their support. Can they provide dedicated event level support for high profile projects (for example facilitating supplier enablement, training and management throughout an Auction)? While you may not require this level of support for every project, finding a provider who can scale to your requirements can greatly improve your project outcomes.

When it's all said and done – It's sensible to think about what will happen at the end of the commercial relationship. Find out how the provider has handled this situation in the past and what provisions would be made to return your data (and in what format and timeframe this would occur). Ask for details on any ongoing

costs and transitional arrangements that could be put in place while you moved from one provider to another.

Technical Considerations

When considering a provider's technical capabilities it is important to look beyond the individual features and functions. We couldn't list all the possible things to ask in this document; however, our detailed RFP template will give you a wealth of information. We have listed some of the key technical capabilities you should seek when selecting your procurement solution provider.

Flexibility – Buying an off-the-shelf solution does not mean you have to confine yourself to a standard set of configurations. Look for providers who offer a depth of configuration across their suite, allowing for different behaviours and features without the need for recoding or customisations. Ensure you are able to load your own category tree, currency codes, tailored questions, processes, and documents with little intervention.

Solutions should also be configurable in terms of their branding, alerts wording and URL. The more you can imbue the solution to look and feel like your own brand, the more likely users are to adopt the technology.

For features which require some form of integration, look for a provider who can offer an established integration framework to avoid costly custom coding and development efforts as these will generally make upgrade cycles more difficult and can make it harder to move providers at a later stage.

Regulatory Compliance – Ensure the provider has a good understanding of the regulatory requirements for the market in which you operate. Look for providers with a track record as this will often ensure they have invested in industry- or market-specific features and functions. Take advantage of this and leverage their practitioner experience in the market. Capabilities could range from the provider's ability to comply with specific laws or regulations right down to individual models of collecting bids or evaluation.

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Technical Certifications – Determine the certifications they have obtained. Look for organisations who have invested the time and money to obtain industry-standard certifications such as ISO 20000-1, ISO 27001 and ISO 22301. Try not to be too prescriptive when requesting documents (unless there are mandatory requirements). Make sure you give the provider the chance to tell you the full range of certificates they hold and why they are important. You may discover there are local industry standards that apply to your market or region that may not be mandatory but help to show a leadership position by the provider.

Development and Release Cycles – Ask potential providers about the frequency of new releases for their products. Look for a provider who can offer a level of stability in the core platform while being able to adapt and develop new features in a timely manner. You also need to understand the process required to upgrade from one release to another. How much downtime is normally required and how have the last releases performed in terms of meeting their assigned outage windows? Prior to the release, does the provider make a testing instance available to all customers to allow them to test their data in the latest release?

Ask the provider about the focus areas of the last few releases, and the product direction for the next releases to try and gain an idea of where the product is heading in the longer term. Look at how the provider determines what will be in a new release and find out if customer-led enhancements or suggestions contribute to the process. Try to establish the level of investment the provider is making into new product development to understand their ongoing commitment to the space.

End-to-End Integrated Platform – Review the provider's architectural vision and how they see their various capabilities interacting in the long term. Do they see value in a single integrated platform or are they pursuing standalone solutions that are tied together? Typically an integrated end-to-end suite will offer a greater level of insight and transparency required to improve your procurement initiatives and decisions. The key focus point here is often to eliminate silos to allow you to have a holistic approach for the whole demand to contract lifecycle.

Security – Ensure each potential provider is able to match the security requirements set by your internal IT policies.

From password complexity, expiration periods and account synchronisation to external identity solutions—the access levels and security of the solution is as critical as any internally-owned system.

End User Experience by Role – Beauty is only skin deep; however, the look and feel of the solution should be friendly and should not discourage active user engagement. Review how the provider develops their offering and look at any intuitive features they include, especially for users with disabilities (such as high contrast views or large text options), or differing language requirements.

Can the provider tailor the user experience to the different communities of users, ensuring light-touch users are shown the information they require while more functional users are able to access advanced capabilities and more detailed screens quickly?

Ask the provider how data moves between each of their offerings. Are users guided on next steps and is the re-entry of data minimised? Often providers who have developed solutions via acquisition will be moving copies of data from one environment to another, or potentially leaving this up to the user to manually complete, which can lead to frustration.

Compliance – Reporting and auditability are key to your compliance so successful providers should have a robust reporting capability behind their offering. This capability allows customers to harness the wealth of data they have gathered through various steps and look at opportunities for future projects. Ask providers how data can be moved out to an external reporting tool if your organisation has their own business intelligence division, and at a minimum, understand what in-tool features will be available to you.

Additionally, be sure to review the audit trails left within the solution when managing data. Make sure key metrics are tracked and each significant user activity is logged for future audit purposes.

Potential to Scale with Growth – Ask providers about any advanced capabilities they offer and take a look at what might be of interest to you down the line as your procurement function

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matures. Capabilities like advanced bid analysis and scenario generation may not be on your radar today; however, picking a provider who can give you room to grow into these spaces will help to ensure you do not outgrow the provider.

You may, for example, only want to start with sourcing and spend today, but have you considered the longer term impact of choosing a system that cannot scale as your procurement function does? For instance, what will your SRM/CLM needs be in 12–18 months' time? Can these capabilities be easily “switched on” within your technology of choice? Think about how your needs will mature and make sure you are looking at longer term solutions, rather than ending up with silo systems with minimal integration and poor reporting functionality.

Ask the provider what they see as the next big thing in procurement and ensure they have a vision for the future and where they will take their products.

Wrap-Up

By examining some of the frequently overlooked areas when going to market for a procurement suite, hopefully we have helped you to clarify what you are looking for in your provider.

In addition, we encourage you to download our RFP template for further questions to ask every provider—and feel free to get in contact with any member of our team if you would like further advice or support on how BravoSolution can help your organisation.



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