

GUIDE:

Build a Better RFP to Achieve Digital Transformation Success

It's estimated an average of only 22% of digital transformation efforts achieve the desired outcomes -- something many government CIOs have experienced. While there are a number of factors that add to these failures, it often starts at the procurement process with poorly devised RFPs. Many are not written for today's digital, cloud-based world and fail to account for the customer experience. When this happens it sets the agency and vendor up for failure.

22% Of Digital Transformation Efforts Achieve the Desired Outcomes

Flaws of Past Procurement Strategies

New technology implementations often run over budget, stretch beyond proposed completion dates, and don't live up to expectations. A bleak statement, sure. But this scenario plays out all too often for licensing agencies seeking to modernize systems, processes, and the delivery of services.

The problem is, most procurement policies and RFP guidelines still used today were introduced when the world was paper based, interactions were inperson, and business was conducted in brick-and-mortar settings.

How do you avoid this fate? Believe it or not, it starts with modernizing the procurement process. The problem is, most procurement policies and RFP guidelines still used today were introduced when the world was paper based, interactions were in-person, and business was conducted in brick-and-mortar settings. And this can be prohibitive to IT procurement, keeping pace with rapidly advancing technology, and aligning with the right partner.

Procurement leaders have to create a more responsive buying process and modernize the acquisition culture. Some agencies have already adopted new procurement processes that enable them to better understand the vendor marketplace, attract new potential partners rather than continually resorting to the same vendors, and even encourage existing partners to challenge the "this is the way things have always been done" mentality.

How do you build a better RFP to ensure your agency aligns with the right technology solution and the right partner?



Steps to Building a Better RFP

In many cases, this will require challenging entrenched procurement processes and risk-averse cultures. That may not come easy, but it will prove necessary if the goal is to experience a better outcome and build an IT infrastructure that evolves with your organization over the long term versus one that runs the risk of becoming obsolete in a couple of years.

The following are some pitfalls to avoid and ways to modernize the procurement process.

Focus on the desired outcome, not the specs. Among the biggest pitfalls of many RFPs is requirements are based on existing workflows and processes that have already proven inefficient. Potential vendors base their proposed solutions on this current-state scenario. RFPs focused on the desired outcome with a clear map of the current state will allow vendors to evaluate what they can feasibly do and what is reasonable. Getting clear on your organization's current state and what is needed to get to the desired outcome will cut down acquisition time and set everyone up for success

Involve all stakeholders (internal and external). To improve the selection and implementation process, procurement should be the responsibility of the entire team from contracting staff, to leadership, to those on the frontlines and other integrated project teams. Don't just relegate this to internal IT teams or project managers. Getting input and perspectives from multiple stakeholders during the needs assessment phase will help in identifying and prioritizing needs.

Conduct an internal audit to establish baselines. To get to where you want to go, you first have to understand where you are.

- > What capabilities does the team want?
- > What capabilities do customers want?
- > What are state and local statutes really looking for?
- > What are your current processing speeds?

In many cases, your team will likely uncover some current steps or processes that can be eliminated or consolidated prior to developing the RFP.

Prioritize requirements. With the current workflows and processes mapped against clearly defined desired outcomes, your team will be in a better position to prioritize requirements. If there are budget constraints, having a prioritized list will allow you to make informed decisions on what to keep in scope and what to push to future enhancements.

Adopt technology in smaller increments. With priorities identified, your team might choose to implement technology incrementally rather than undergo a major overhaul at once. This can reduce risk, speed source selection and implementation, work through issues on a smaller scale, and prove ROI before overspending.

Involve potential partners early on in the process. Some agencies are finding success involving potential partners during the needs assessment phase. As long as sensitive procurement-specific information isn't disclosed and it doesn't compete with the procurement process, it can prove a valuable exercise to engage with industry partners to uncover the root of the issue and support in developing more meaningful evaluation criteria.

Expand vendor options. Rather than limiting the RFP process to past vendors, agencies are opening the procurement process to new vendors, including smaller businesses, to bring in fresh, innovative ideas and solutions, increase competition, and provide new opportunities.

Steps to Building a Better RFP

This quick reference guide will walk you through how to modernize the procurement process and prepare a stronger RFP.

- Conduct an internal audit** to map out current workflows and processes.
- Get all of your stakeholders involved** to identify gaps and needs. Don't limit this to the leadership team. Input from front-line staff and customers is highly advantageous.
- Document your current process workflows** and identify steps that can be automated or consolidated, and eliminate the steps that are no longer necessary.
- Collect feedback from the team** about the type of capabilities they'd like to see.
- Talk to your customers** about what they like and don't like about the process.
- Create a priorities list** based on stakeholder input and the desired outcome.
- Create baseline metrics of your current state** to track against future-state results. This can also be useful in creating evaluation criteria.
- Get the team involved** in vendor evaluations
- Expand procurement beyond preferred vendors.** It will invite a healthy and competitive mix to the table.

This process will take more time initially, but it will save time and money in the long run, help you identify your greatest areas of need, and more effectively communicate your goals and requirements to potential partners. Clear requirements will greatly increase the chance of a smooth, successful implementation.

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