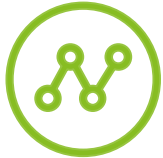


AMICCUS 101 – Third-Party Services: Completing an RFP Process

John Sibley, Deloitte
May 31, 2022

Welcome and Topics



Overview of Procurement Process



Key Decisions and Questions



Lessons Learned



Round-table Discussion

Industry Trends – Deloitte’s 2020 Global Outsourcing Survey



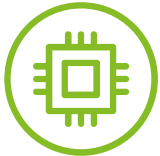
Alternative Service Delivery (ASD) seen as an enabler of transformation: ASD as a concept is changing from ‘make it run’ to make change happen.



Cost reduction is once again a primary objective for the ASD business case in the face of financial challenges and uncertainty fueled by the continuing COVID-19 pandemic.



Cloud and RPA are now table-stakes: As they become more proven and familiar, they are less of a driver than in our survey two-years ago.



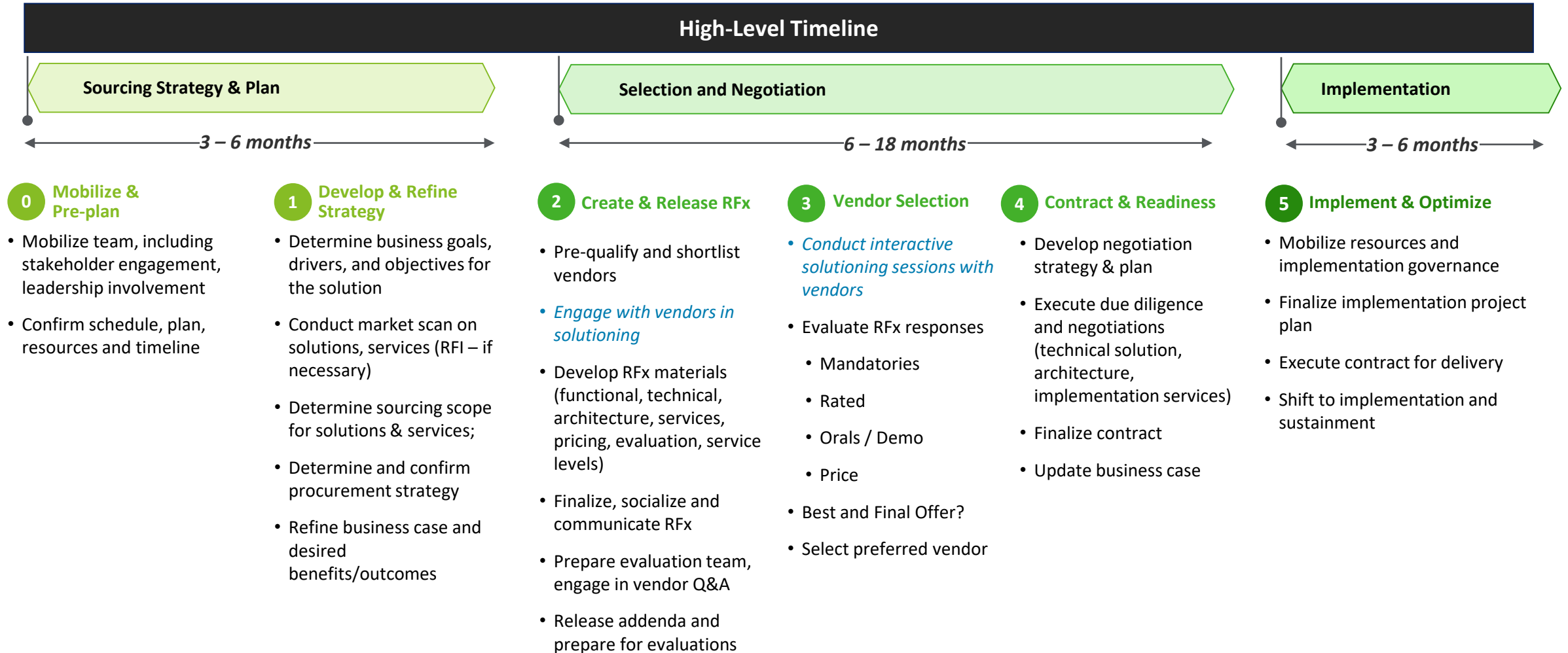
Flexible sourcing models with ‘interchangeable service providers’ is now the mainstay; with the resultant outcome being multi-sourcing, multi-vendor strategies. Service integration and orchestration is under-developed relative to need in this type of sourcing construct.



Agility is critical in a world where speed, quality, flexibility and cost are more important than physical location.

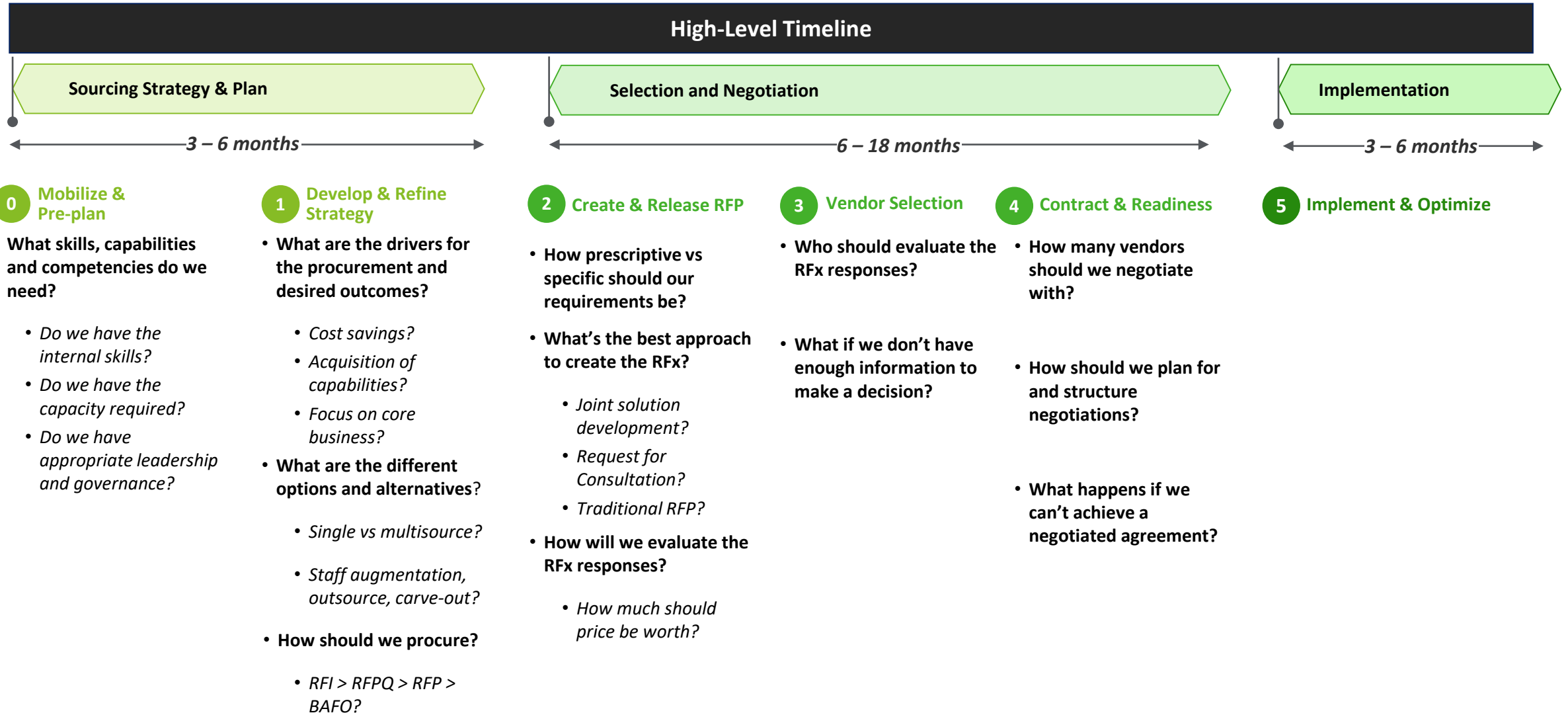
Sourcing process for complex solutions

A successful procurement outcome requires careful consideration of strategy, scope, approach and negotiations. Many organizations rush to release an RFP without appropriately establishing the strategy, business case, clear vision of the future state and mobilizing stakeholders.







Sourcing process for complex solutions

For complex solutions your procurement process should anticipate and answer strategic questions in a thoughtful, proactive manner:







Critical Success Factors

Sourcing for services and technology is a complex undertaking that has the potential to transform organizations. As such, there are several factors that are vital successfully planning and executing this type of sourcing project:

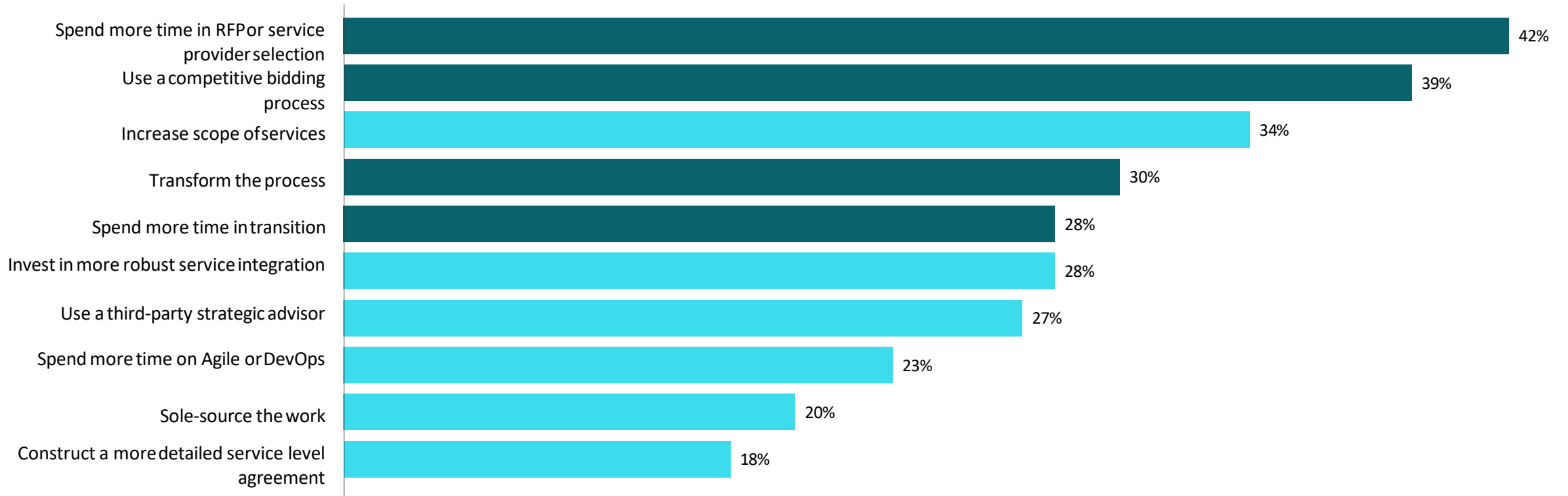
Critical Success Factor	Description
 <p>Have a clear and compelling business case for the procurement</p>	<ul style="list-style-type: none">• A clearly articulated and socialized set of business drivers is critical in setting the foundation not just for the acquisition of the solution, but the approach to implementation and evaluation of benefits.
 <p>Involve and align legal, procurement, and business stakeholders</p>	<ul style="list-style-type: none">• Often referred to as the ‘three-legged stool’, you need to involve legal, procurement, technology <i>and</i> business stakeholders throughout;• An external advisor can help with market intelligence, asking the right questions and providing the right structure / process
 <p>The right governance structure and involvement of key decision makers. It is possible that stakeholders may not align on project objectives and expectations, given the broad range of services potentially involved.</p>	<ul style="list-style-type: none">• For complex sourcing engagements, It is critically important that a governance structure including overall sponsorship accountability, technology leadership, business leadership, as well as subject matter specialists are identified assigned and actively engaged throughout the project.
 <p>Appropriately frame the ‘ask’ i.e. what exactly do we need to acquire? Some procurements result in no bidders, while others result in too many responses to meaningfully review.</p>	<ul style="list-style-type: none">• Decide early on whether the procurement should focus on the product, or product plus services.• Many procurements fail or run longer than desired because the ‘problem statement’ is incorrect or does not align to the market

Critical Success Factors

Sourcing for services and technology is a complex undertaking that has the potential to transform organizations. As such, there are several factors that are vital successfully planning and executing this type of sourcing project:

Critical Success Factor	Description
 <p data-bbox="315 418 759 446">Engage vendors to create the RFP</p>	<ul data-bbox="1289 418 2379 508" style="list-style-type: none">• Yes, you can do this in the public sector! Get vendors to help shape the RFP through an RFC process, joint solutioning or other mechanism rather than spending time assuming that what you're asking for is market-compliant.
 <p data-bbox="315 589 1212 651">Solve for 'unknowns' in the RFP rather than deferring to post-award negotiations.</p>	<ul data-bbox="1289 589 2379 679" style="list-style-type: none">• Spend the time during the RFP to jointly solution with vendors, where leverage is greatest, to achieve greater overall solution certainty rather than 'kicking the proverbial can down the road' to deal with items in negotiations.
 <p data-bbox="315 761 901 789">Where possible negotiate with two vendors.</p>	<ul data-bbox="1289 761 2379 812" style="list-style-type: none">• Appears that the process will take longer, but dual track negotiations maintains leverage for the buyer, and motivates the vendor to reach a deal
 <p data-bbox="315 918 792 946">Plan for the 'People' side of change.</p> <p data-bbox="315 975 1251 1093">When undertaking procurement and system selection, often there is not enough effort put towards defining the future of the work, the workforce, the worker, and the supporting change management efforts alongside with the technical transformation.</p>	<ul data-bbox="1289 918 2354 1061" style="list-style-type: none">• Many technology and complex services procurements change the way people work and behave.• Considering a change management strategy and how the change strategy will be delivered should be part of the procurement process.

Lessons Learned From Past Sourcing Experiences



Four of the top five responses indicate that organizations are looking to change their existing sourcing process and take a more structured approach. This is unsurprising, since adoption of disruptive solutions needs to be supported by disruptive sourcing processes, including more innovative service providers, more nimble contracts, and stronger, more advanced governance



John Sibley

Director, Technology Strategy & Transformation

jsibley@deloitte.ca

(647) 802-4205

<https://ca.linkedin.com/in/johnsibley>

John is a leader in Deloitte's Technology Strategy & Transformation practice with over 20 years of technology industry experience. John has led technology transformation initiatives, IT shared services and outsourcing strategies, IT organization and operating model designs for higher education, core government, and crown corporations across Canada.

Some of John's past Higher Education IT strategy and operating model engagements include Colleges Ontario, Wilfrid Laurier University, Mohawk College, Seneca College, and a consortium of colleges and universities pursuing shared delivery of support services (St. Lawrence College, Queen's University, McMaster University, Niagara College, Waterloo, Western, Ryerson and York University)

John holds an MBA in Strategic Management from the Schulich School of Business at York University, is ITIL certified at the 'masters' level, and is an instructor with Osgoode Law School Continuing Education.

Relevant project experiences

Assessed opportunities and developed an operating model for the potential shared delivery of Peoplesoft support services for a consortium of Ontario-based colleges and universities including **Queen's, Western, McMaster, St. Lawrence College, Niagara College, Ryerson, York, Waterloo.**

Assessed IT operating model and proposed the design for the IT function at **Mohawk College**; including review of application portfolio, capability maturity and overall IT health-check

Delivered IT strategy, operating model review and proposed target operating model, services and sourcing model for **Wilfrid Laurier University**

Delivered a strategic review of the IT service delivery relationship between **Shared Services Canada** and the **Department of National Defence**; evaluating the operating model and structural integration of process delivery between the two organizations.

Led the transformation strategy, RFP, evaluation, selection and negotiation for digital justice solution for a provincial ministry of justice.

Conducted shared services IT benchmarking analysis across 23 colleges in Ontario on behalf of **Colleges Ontario** to determine opportunities to collaborate in the delivery of IT application and infrastructure services.

Conducted a strategic review of the IT function for two **Ontario School Boards**; developed the target IT organization structure, mandate and staffing capacity.

Hospital for Sick Children and Children's Hospital of Eastern Ontario - Development of operating model, organization structure, shared services principles, governance and cost of delivery for consolidated IT services for the provision of shared health information system.



www.deloitte.ca

About Deloitte

Deloitte provides audit and assurance, consulting, financial advisory, risk advisory, tax, and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries and territories bringing world-class capabilities, insights, and service to address clients' most complex business challenges. Deloitte LLP, an Ontario limited liability partnership, is the Canadian member firm of Deloitte Touche Tohmatsu Limited. Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Our global Purpose is making an impact that matters. At Deloitte Canada, that translates into building a better future by accelerating and expanding access to knowledge. We believe we can achieve this Purpose by living our shared values to lead the way, serve with integrity, take care of each other, foster inclusion, and collaborate for measurable impact.

To learn more about how Deloitte's approximately 312,000 professionals, over 12,000 of whom are part of the Canadian firm, please connect with us on [LinkedIn](#), [Twitter](#), [Instagram](#), or [Facebook](#).

© Deloitte LLP and affiliated entities.