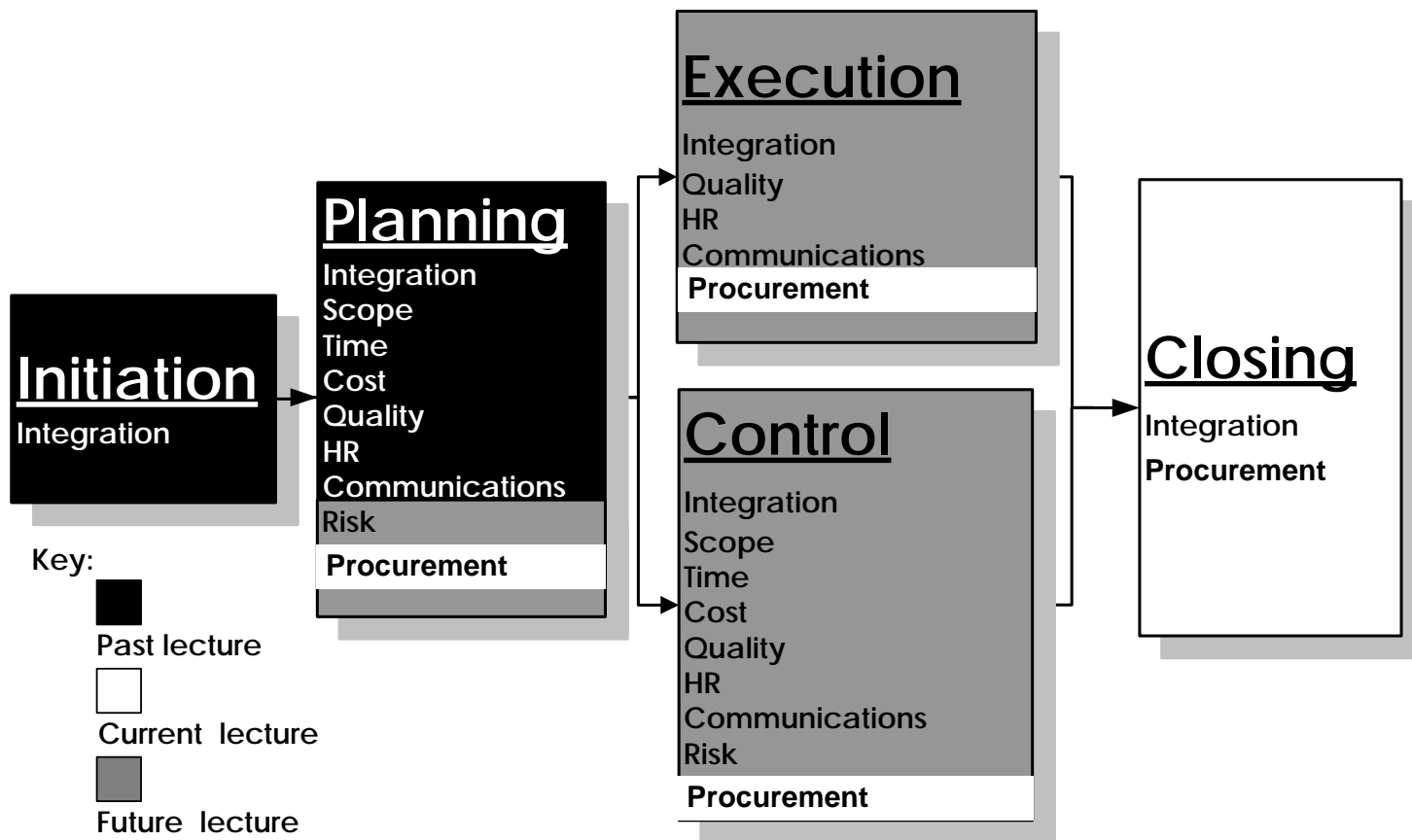


Procurement Management

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Current Process Group



Procurement Management

Acquisition of goods and services, including:

- **Plan Acquisitions** – Define what to procure
- **Plan Contracting** – Prepare a solicitation
- **Request Proposals** – Solicit responses
- **Select a Vendor** – Evaluate and choose a vendor, and negotiate a contract
- **Administer the Contract** – Manage the vendor relationship, document ongoing contract activities and request changes
- **Closing the Contract** – Accept the final products of the contract

Integration

- **Planning Process Group** – Continue project integration management by including a procurement management plan in the project management plan
- **Closing Process Group** – Acceptance of contract deliverables and project phases and formally completing the project

Plan Acquisitions

Acquisition options:

- **Upgrade** Modify the existing system
- **Build** Develop system “from the ground up” internally or through a third party
- **Buy** Purchase a Commercial-Off-The-Shelf (COTS) solution hosted internally or by a third party
- **Transfer** Obtain public domain or no/low-cost license software from a third party
- **Re-Platform** Convert the status quo to a new technology platform using internal or third party resources

Prepare Requirements

- Focus on strategic objectives
- View IT as a tool enabling successful clinical improvements tied to an organization's objectives, e.g., measure a successful EMR implementation by how it achieves increased patient safety
- Define user requirements tied to strategic objectives
- Avoid re-inventing the wheel by using existing examples of requirements instead of starting from scratch

Plan Contracting

- Reduce the time to procure a system by limiting initial vendor proposals to scripted demonstration of user requirements
- Request vendor costs and support for technical requirements from only those vendors that support user requirements
- Maintain consensus by working with key users as they prepare requirements, conduct vendor demonstrations and select the best option

Request Proposals

- Identify vendors that support user needs, e.g., EMR niche, provide similar products to competitors and/or have existing relationships with your organization
- Prepare a vendor short-list and solicit proposals
- Prepare solicitation document
- Issue RFP
- Administer vendor solicitation process

Select Vendor

- Evaluate vendors during demonstrations
- Request finalists' costs and support for technical requirements
- Check references and conduct site visits
- Select vendor supporting most user requirements at lowest cost

Negotiate Contract

- Use an agreement provided by your organization not the vendor
- Include a contract scope of services based on the project SOW, which defines the criteria for approval of and payment for deliverables
- Assemble your negotiating team, including project manager and an attorney with system procurement experience
- Identify, prioritize and share negotiation issues with vendor
- Obtain and evaluate vendor response
- Prepare fallback response and share with vendor
- Narrow issues to short-list and conduct face-to-face negotiations

Administer Agreement

- Use contract scope of services , project schedule and budget as standards
- Monitor vendor compliance
- Identify deviations and define agreed upon corrective actions
- Prepare change orders/contract amendments where required by corrective actions
- Monitor and document successful completion of corrective actions

Close Agreement

- Compare deliverable results to deliverable acceptance criteria included in contract scope of services
- Identify corrective actions if the vendor does not adhere to the acceptance criteria
- Review updated deliverable to confirm compliance
- Accept and pay vendor for deliverable when it complies with acceptance criteria



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