

XPD-IT Project Delivery & Adoption: Maximum Speed, Maximum Value

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Simplar Institute

- Group of **researchers and educators**
- Integrated with **all parties** (owners & vendors)
- Developed **tools & hands-on support:**
 - Organizational Transformation
 - Procurement & Sourcing
 - Risk-based Partnering & Contracting
 - Project & Risk Management
 - Performance Measurements



Simplar Institute

- Becoming a **Client of Choice**
- Becoming a **Performance-Based Vendor**
- Other things:
 - Industry Benchmarking
 - Human Dimensions
 - Talent Development
 - Workforce Studies
 - Exploratory research
 - Policy & Regulations
 - Standards & Templates



20+ Years | 150+ Owners

3,000+ Projects | \$15+ Billion Procured

Information Technology

Networking
Data centers
Hardware
COTS software
ERP systems

Help desk services
eProcurement

Facility Management

maintenance
landscaping
security service
building systems
industrial moving
waste management
energy management

custodial
conveyance
pest control

Health Insurance/ Medical Services

Manufacturing

Business / Municipal / University Services

dining
multi-media rights
fitness equipment
online education
document management
property management
audiovisual
communications systems
emergency response systems
laundry

retirement fund
material recycling
bookstores
furniture

Construction / Design / Engineering

Infrastructure	Renovation	DBB
Municipal	Repair	CMAR
Laboratory	Maintenance	DB
Education	Roofing	IDIQ
Hospital	Specialty	JOC
Corrections	Demolition	Low Bid
Financial	Development	IPD



BEST

Google

GE

GP
Georgia-Pacific

LA
DWP

U.S. General Services Administration (GSA)	US Air Force Logistics Command	Harvard University
US Army Medical Command	US Coast Guard	Denver Health & Hospital Authority
Arizona State University	US Embassy (Botswana)	State of Missouri
Canon	US Army Corps of Engineers	State of Washington
State of Oklahoma	Federal Aviation Administration	Idaho Transportation Department
City of Phoenix, AZ	IBM	State of Georgia
University of Minnesota	Brunswick	Arizona State Parks
State of Alaska	Qwest	UNITED EXCEL
Rijkswaterstaat (Dutch public works & water management)	Honeywell	East Valley Institute of Technology
Aramark	City of Peoria, AZ	Arizona Public Service (APS)
State of Oregon	University of Idaho	Rochester School District
State of Idaho	University of Hawaii	Fann Environmental
University of Alberta	University of New Mexico	Idaho State University
Boise State University	Entergy	On Semiconductor
United Airlines	sodexo	PEARSON
Neogard / Jones-Blair	Chartwells	State of Wyoming
TREMCO	Dallas Independent School Dist.	Idaho Department of Corrections
Bank of Botswana	Olmstead County, MN	City of Miami Beach, FL
General Dynamics C4 Systems	City of Roseville, MN	Lewis & Clark State College
SRP	Hennepin County, MN	Hawaii Department of Transportation
	SCENTER	Baptist Health
	ABENGOA SOLAR	City of Columbia, SC
	City of Sitka, Alaska	PECO Energy
	US Solar	Intermediate District 287
	rpu	

PROJECT PARTNERS AND PARTICIPANTS:

PARTNERS



Environment Protection Authority Victoria



uOttawa



Recent IT (software/hardware) Projects

- Telecom System - Wire Telephony, Data Network, Video Conferencing & End User Support (\$35M)
- System Integrator for Generation Enterprise Asset Management (\$25M+)
- Telecom Management Solution (\$1.5M)
- Peoplesoft HR, Financial, etc. (\$850k per system)
- ERP public sector org (\$34M to \$85M)
- ERP private sector org (\$4M+)
- Human Resources Management System (HCMS) (\$4M+)
- GIS-Based Asset and Work Management Software and Implementation Services (\$600k)
- DMV Legacy System Replacement (\$25M)
- Campus Network (\$52M)
- Identity & Access Management Solution (\$1M)
- Radio System Upgrade (\$1.5M)
- Capital Project Management System (\$700k)
- Electronic Call Monitoring System & Call Center Replacement
- PCB Tracking & Condition Assessment System (\$1M+)
- System Integrator for ERP (\$75M+)
- Snow Plow Mobile Data Collection (\$2M)
- Housing Management System (\$200k)
- IT Monitoring Solution (\$100k)
- Wireless Network – Residences (\$400k)
- CRM Solution (\$1M)
- eCourse Evaluation Solution (\$400k)
- EDRM Solution (\$500k), ePAR People Soft (\$600k)
- Asset Management System (\$300k)
- ITS Central Control System (\$700k)
- Recreation Management System (\$600k)
- Mobility Management and Administration System (\$700k)
- Enterprise Document Records & Mgmt System
- Demand-Side Management Software (\$1.5M+)
- Building Analytics Software (\$1.5M+)
- Anti-Money Laundering (AML) System (\$2M+)
- Organizational Change Management for Software Adoption (*multiple*)

Current/Recent Public Projects

- \$250M Hazardous Waste Removal
- \$100M Office Building
- \$1.5B Mainline / Trunkline (100+ projects, 6-10 yrs)
- \$400M+ Groundwater Treatment
- \$50M Hotel
- \$30M Smart Grid Consultants & OCM
- \$30M Smart Grid Change Management
- \$900M Smart Grid/Meter Replacement (1.5M Electric/700 Water)
- \$3.1M Design for \$60M Turbine Replacement
- \$400K Design + \$2.5M Solar Microgrid
- \$3M Automated Metering OCM
- \$500k On-Call Distribution Engineering Design
- \$1.5M Hydro-Generating Station Re-Licensing
- \$XXB+ Tech Site
- \$3M Electrical Substations (x2)
- Construction Mgmt List / VOR Program
- \$1.2M COR Program/Audit
- \$16M Police Facility (Design & CMAR RFPs)
- \$7M Public Works Field Operations Facility
- \$5M Environmental Site Rehabilitation
- \$1.2M Capital Project
- \$250k Engineering Analysis of Utility Distribution Network
- \$1.2M Annual Audit Consultant
- \$10M+ City-wide Parks Program
- \$1.5M Construction Project Mgmt Software
- \$600k Remedial Investigation (Marina)
- \$20M Residence Hall (Design-Build)
- \$5M+ Wireless Telecom (City-wide upgrade to 5G)

Current/Recent Services Projects

- Dining (Multiple) (\$150k - \$1.2B)
- Cold Beverages (\$2-\$5M)
- Document Mgt/Printing (\$2.5M-\$4M)
- Bookstore (\$650M)
- Travel Management (\$15M-\$50M)
- Campus Network (\$52M)
- Identity Access Management System (\$2M)
- Retirement Fund Management (\$248M)
- Athletics Financial IT System (\$3M)
- Recycling & Waste Management (\$900k)
- Janitorial (\$25M)
- Security Services (\$25M)
- Peoplesoft HR, Financial, etc. (approx. \$850k per system)
- Security System IT (\$5M)
- Library System Master Plan (\$400k)
- Gym Equipment (\$250k)
- Sports Marketing (\$80M)
- Furniture (\$50K-\$20M)
- Construction Services Program (\$50K - \$30M)
- Parking Management System (Tech & IT) (\$2M)
- Elevator Maintenance (\$1.5M)
- Snow Removal (\$400K)
- Transportation Services (Athletics) (\$300k)
- Linen, Moving, IT Consultants, Finance Controls, Master Planning, Renovations, Pcard System, etc.

Most Common Questions We Help With

- **We have a complex or challenging project coming up – can you help!?!**
- **How do we buy and delivery IT in the optimal way?**
 - Scope development, Procurement, Contracting, Implementation
- **Org Transformation: We need for hands-on training & practical tools**
 - Process mapping, Scope development, procurement, project planning & control, risk management, facilities operation & mgmt, project management, change management, etc.

Industry Problems?



IT Industry

(Standish Group, Eveleens and Verhoef, 2010) (Standish Group 2015) (Powner, 2008)

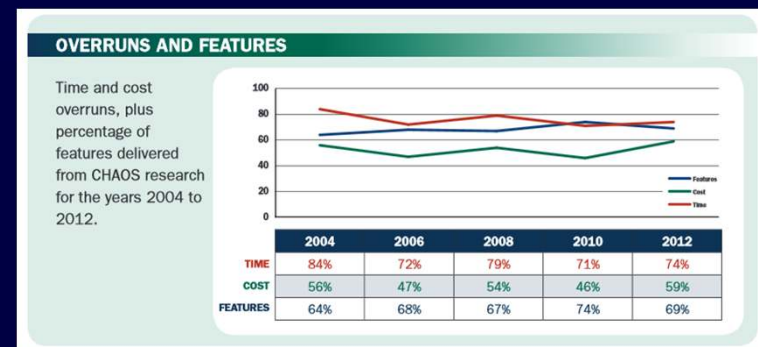
- The US Office of Management and Budget identified that out of 413 projects completed in 2008, 352 projects (85%) were classified as poorly planned (totaling \$20.4 billion).
- The 'Chaos Reports' collects case information on IT failures, has studied over 70,000 projects in 15 years:

	SUCCESSFUL	CHALLENGED	FAILED	TOTAL
Over \$10M	8%	51%	41%	100%
\$6M to \$10M	19%	51%	30%	100%
\$3M to \$6M	18%	54%	28%	100%
\$1M to \$3M	39%	49%	12%	100%
Under \$1M	70%	25%	5%	100%

IT Industry

(Standish Group, Eveleens and Verhoef, 2010) (Powner, 2008)

- The US Office of Management and Budget identified that out of 413 projects completed in 2008, 352 projects (85%) were classified as poorly planned (totaling \$20.4 billion).
- The 'Chaos Reports' collects case information on IT failures, has studied over 70,000 projects in 15 years:
 - **28%** Projects are Successful
 - **46%** Projects are Unsuccessful
 - **26%** Projects Completely Failed / Cancelled



IT Industry

(Geneca, 2011)



- In a study conducted with 593 business and IT professionals:
 - **80%** admit they spend at least half their time on rework, which is the result of unclear objectives, confusion of roles and responsibilities, and lack of stakeholder involvement.
 - **75%** of respondents believed that their IT projects are either always or usually “doomed” from the start
 - **78%** feel that team is ‘out-of-sync’ when it comes to project objectives
 - **61%** of the projects take longer than anticipated
 - **57%** of the projects are not considered a success
 - **55%** were confident that they objectives of their IT projects are clear
 - **38%** are confused about their team roles and responsibilities
 - **31%** believe there is a lack of common vision on project success criteria

IT Industry

(Kappleman, McKeeman, Zhang, 2006) (Bloch, Blumberg, Laartz 2012)

- Research conducted on **5,400+** IT projects:
 - Had a cost overrun of **\$66 billion**
 - 50% of all large IT projects (\$15+ million), **massively blow** their budgets
 - **Black Swans** = **Budget overrun of +200%**
 - The average cost overrun is **45% over budget**
 - 56% delivered less value than predicted / expected.
- On projects over \$15M:



Project type	Average cost overrun	Average schedule overrun	Average benefits shortfall
Software	66	33	17
Nonsoftware	43	3.6	133
Total	45	7	56

- Major causes for cost overruns are unclear objectives, lack of focus, and shifting scope

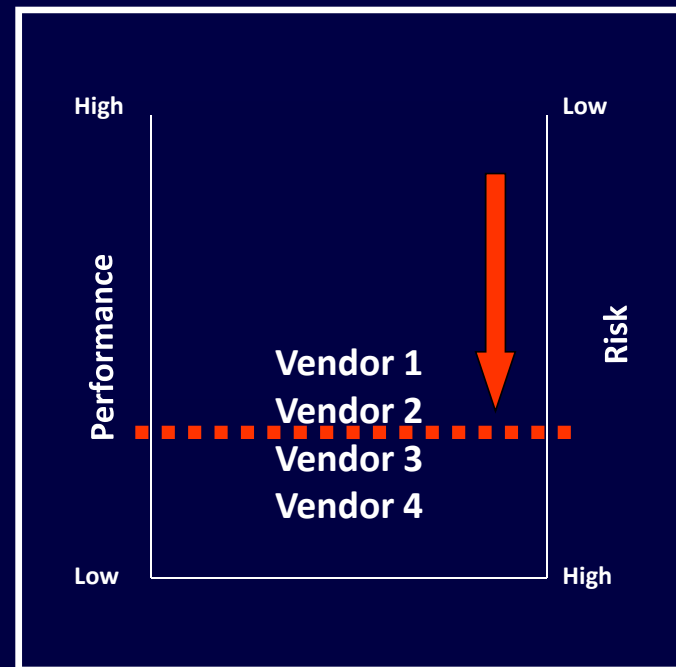
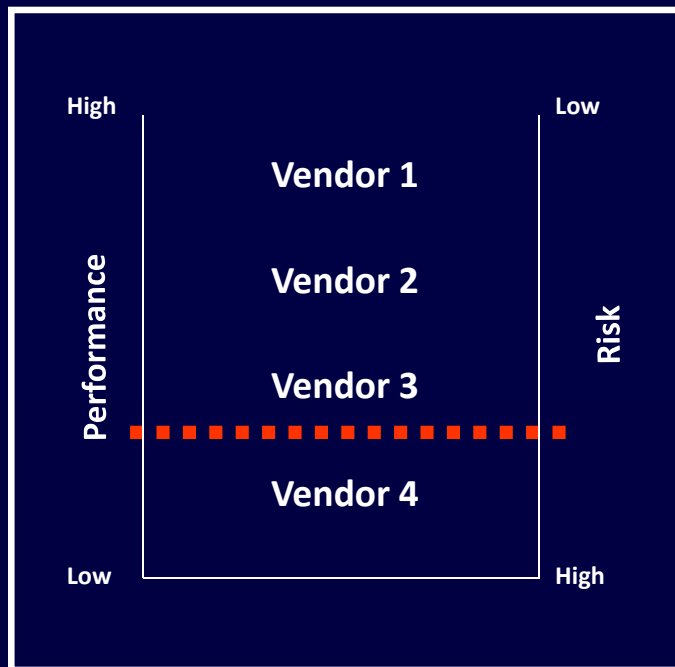


Our Research...

- Hire Experts and Leverage their Expertise
- Expertise lies within the people
- People make the difference
- Individuals drive project success
- Individuals determine the effectiveness of the delivery
- Individuals can properly preplan
- Individuals can bring innovation
- Non-experts can bring...



Impact of the Usual Approach



Problem with the Usual Approach

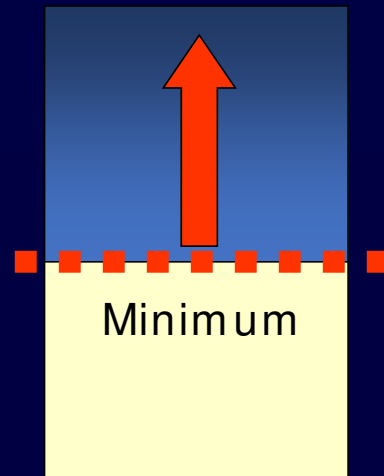
Owners

"The lowest possible quality that I want"

High

Performance

Low



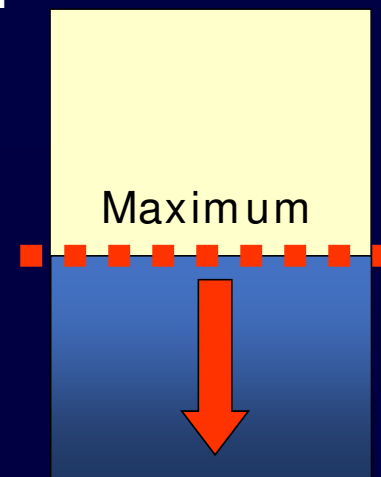
Vendors

"The highest possible value that you will get"

High

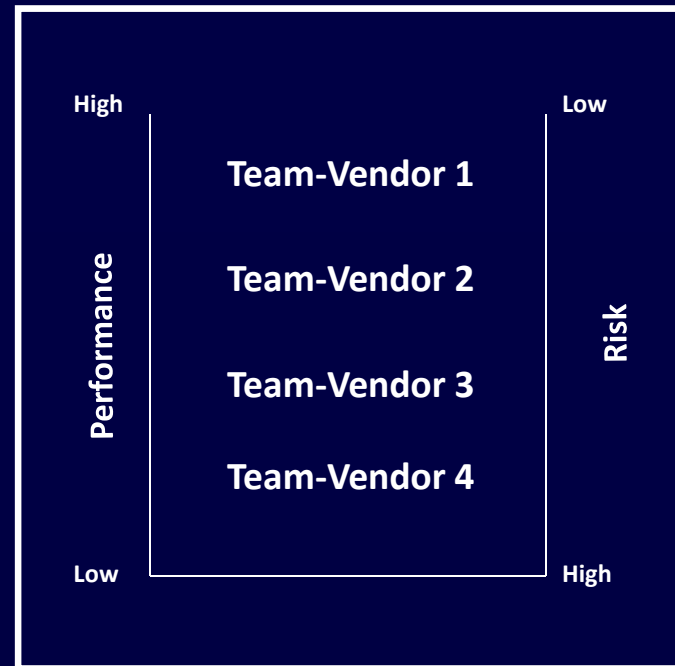
Performance

Low





Which of these teams brings your project the most risk?



**Proven Solution To Increase Odds of
Success On ANY Project:**

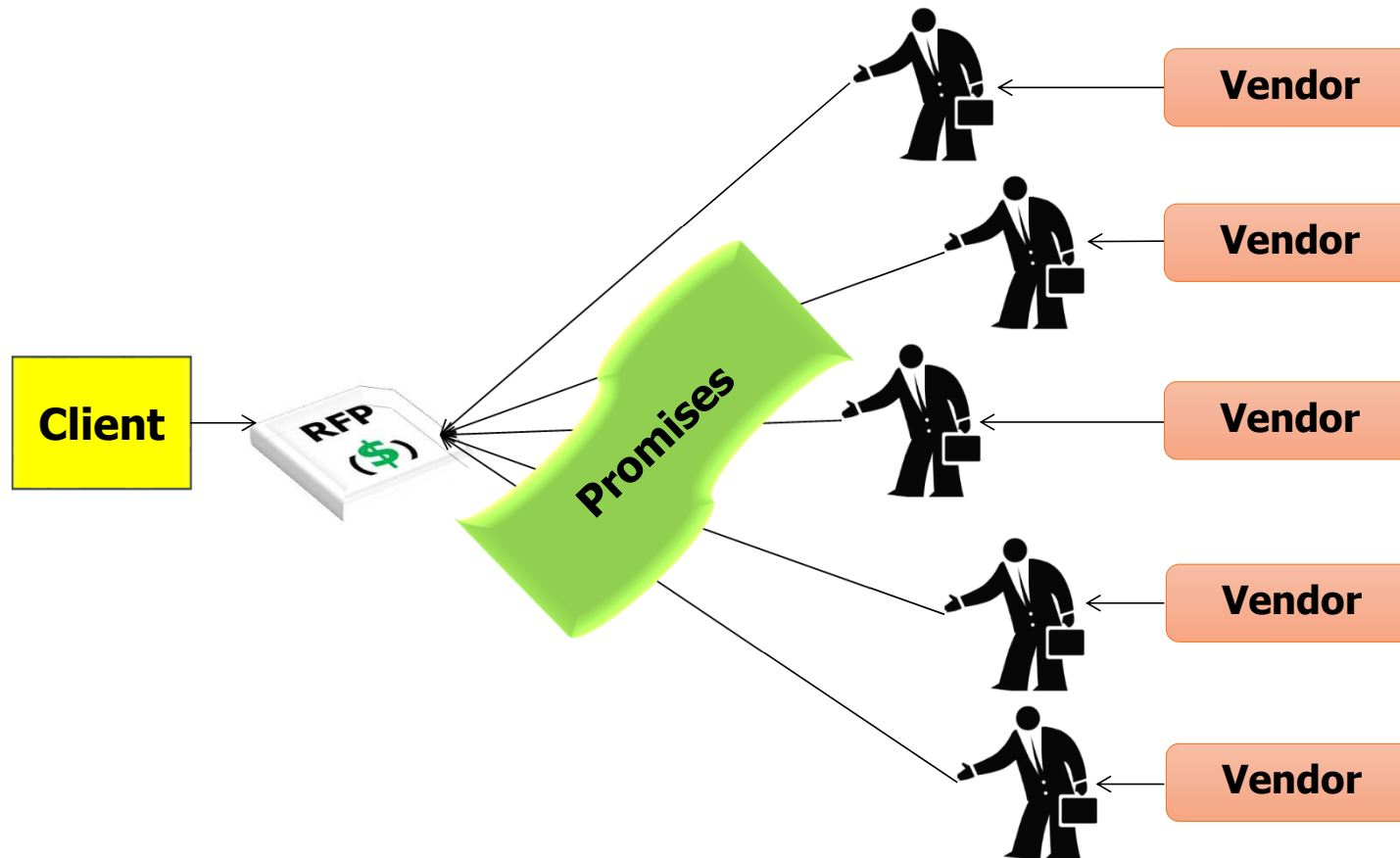
Hire & Work w/ Experts

**(High Performing Individuals & Teams That
Actually Know How To Create Value & Mitigate Risk)**

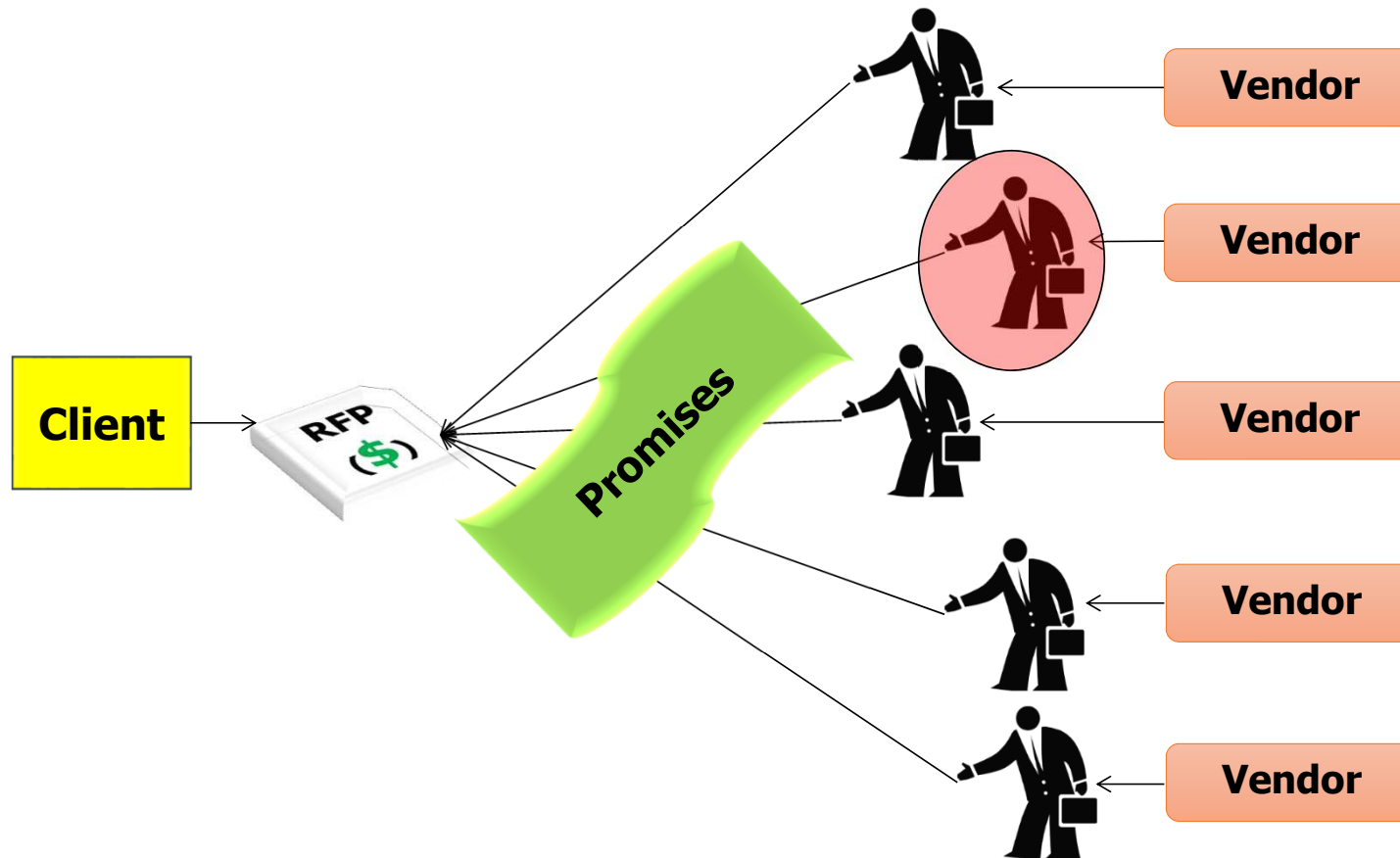
This Is **Not As Simple**
As It Sounds

**There Is A Fundamental
Problem With Our
Traditional Approach
To Procurement**

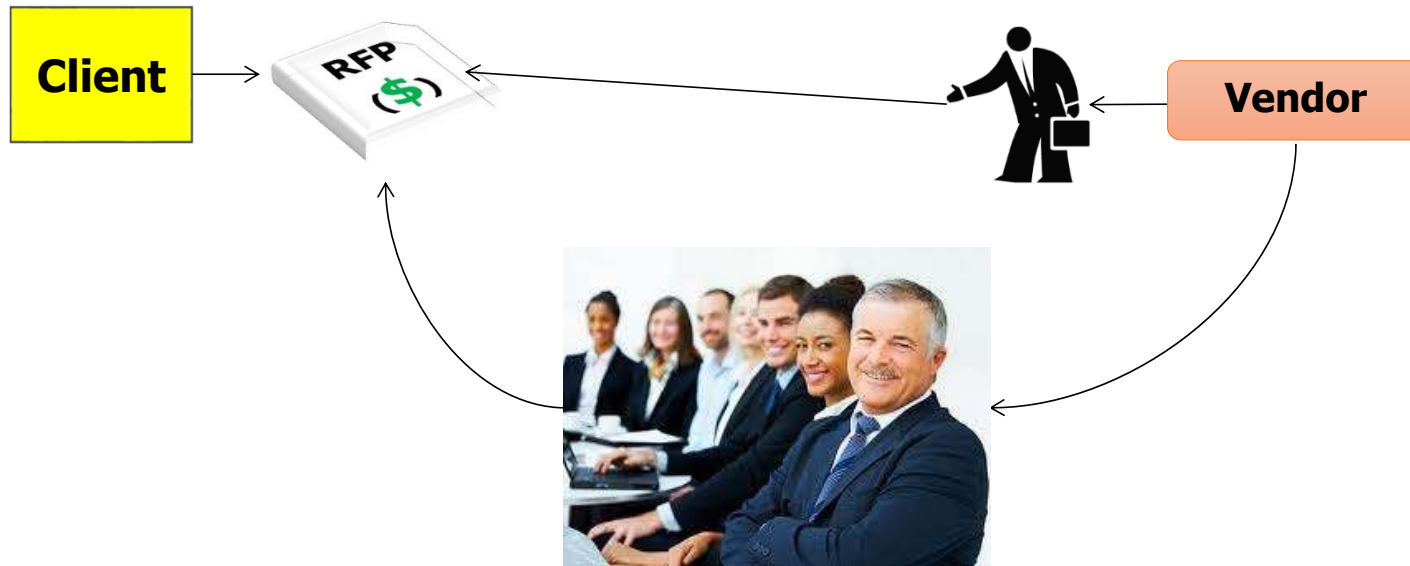
What we have seen...



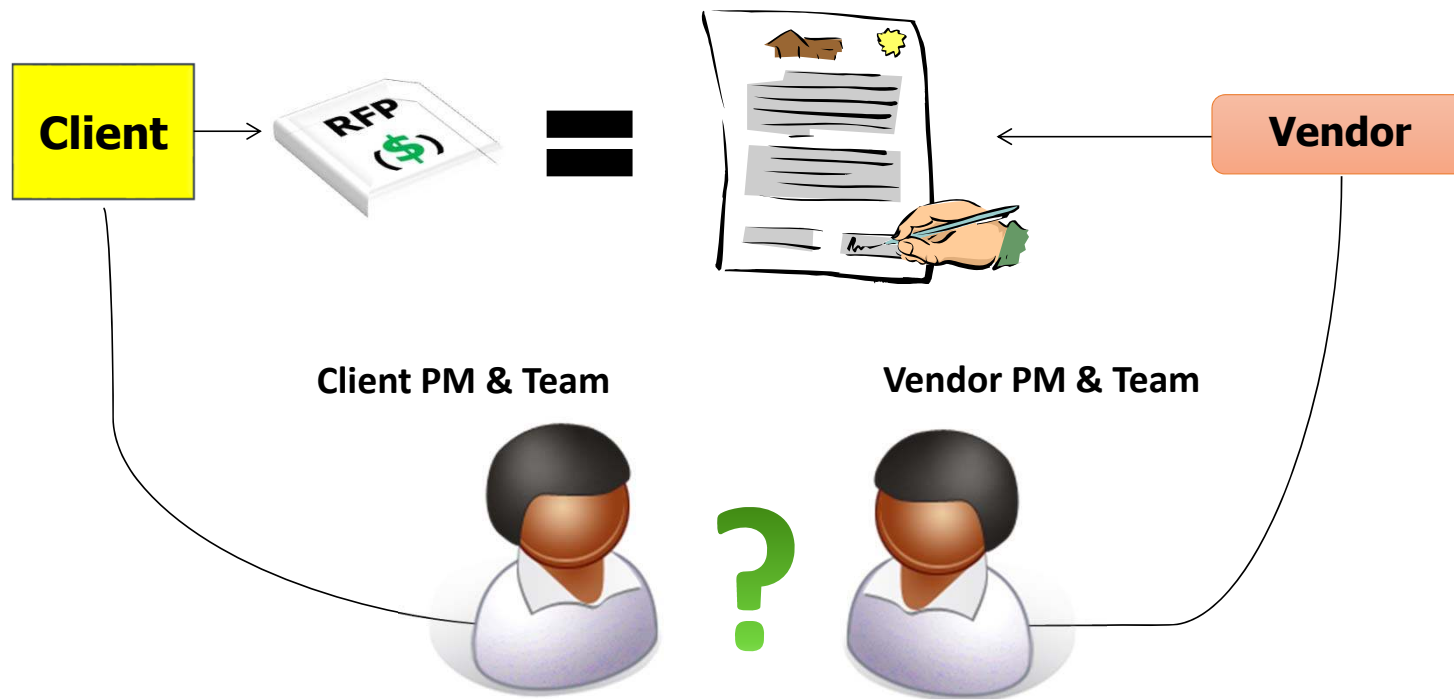
What we have seen...



What we have seen...



What we have seen...



**“The Greatest Risk we always face
is how to accomplish all the things
that our company promised
we could do.”**

Clients, or Buyers of IT,
are in competition with each other
for the same limited pool
of skilled personnel

Key Question:
What kind of Client
does a Good Vendor
want to send its Best People
to work for?

Becoming a *“Client-of-Choice”*

- **Work to make yourself more attractive**
 - improve vendors perceptions of you
- **Vendors want to work for you over other owners**
- **Vendors send you their best teams**
- **Vendors spend the time to put together an accurate proposal**
- **Your personnel know how to behave with experts**

You Can't Just Trick Vendors Into Believing That You Are A "Good" Client!



Clients must **be aware** of the **impact** of Vendor perceptions

Put Yourself Into The Shoes Of The Proposer

- The Owner has a **favorite vendor** they always select
- The Owner always hires the **same 3 firms**
- You really don't have a **fair chance** of winning
- The Owner is asking you to submit **too much**
- Selection process is confusing and/or **not transparent**
- The Owner **does not pay** on-time, difficult invoicing
- The Owner **micro-manages**
- The Owner will not allow them to be **efficient**/optimize profit

**What impacts would this have
if you were a vendor?**

Poor Vendor Perception Can Result In...



#1) Don't propose

Poor Vendor Perception Can Result In...



#1) Don't propose

#2) Don't invest in quality proposal

Poor Vendor Perception Can Result In...



#1) Don't propose

#2) Don't invest in quality proposal

#3) Increase price



Vendors Have Options!!!

Why Aren't More Vendors Proposing On Our Solicitations?



CONTRACTOR ASSESSMENT Regarding Experiences With The [REDACTED]

OVERVIEW

Researchers from Arizona State University conducted two separate surveys on contractors that perform work with the [REDACTED]. The first survey was performed in person (Marshall) or a general educational presentation (on August 15, 2023). During this presentation, contractors were asked to provide feedback regarding their experience working with the [REDACTED]. The second survey was performed online (September 30, 2023), by sharing the survey link with the Associated General Contractors [REDACTED]. The contractor responses were collected anonymously. The results of the survey are shown below.

SURVEY RESULTS

56 Contractors responded to the anonymous survey

31% believe that the procurement process is fair, and all vendors have an equal opportunity to win the contract

31% believe that the procurement process is clear and transparent (they understood the criteria that they will be evaluated on, and how the scoring will be performed)

75% believe that the State is more concerned about lowest cost rather than highest value

89% believe that Contractors should be awarded projects based on their overall value

31% believe that the Scope of Work contained in each solicitation is complete & accurate

42% Satisfaction with the Designers that are selected by the State of TN

Overall Satisfaction with [REDACTED] = 31%

Overall Satisfaction with other Owners they work for = 80%

COMPARISON

The following table provides a comparison to 3 other Public Agencies that have performed similar vendor benchmarking and surveys

CRITERIA	STATE OF [REDACTED]	3 PUBLIC AGENCIES
1. The procurement process is clear and transparent	31%	35%
2. The procurement process is fair	31%	32%
3. The Organization is more concerned about lowest cost rather than value	75%	66%
4. Overall satisfaction with the Organization	31%	37%
5. Overall satisfaction with other Organizations	31%	36%
6. Total number of vendor responses	56	47

56 Contractor Responses

68% believe the procurement process is not fair

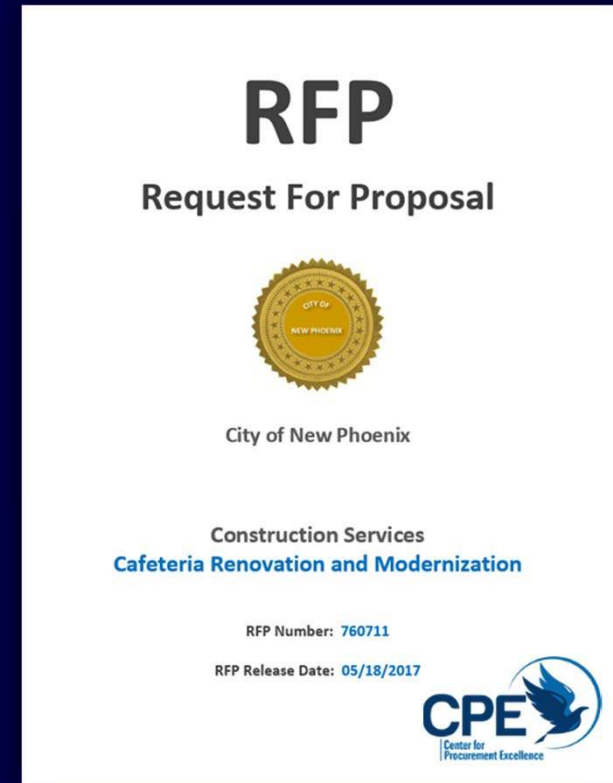
75% believe the State is not concerned about value

Overall satisfaction with the State: **31%**

**So how do we attract more
high-quality vendors?**

In other words...
how do we become a
“Client of Choice”?

Starts With Your Solicitation



Tip:

Organize, Simplify, and Format the RFP



Collaboration & Synergy

- *RFP Research*
- *RFP Standardization*
- *RFP Certification*
- *RFP Education & Training*



Assessing RFP's



The Simplar Institute

Solicitation Report Card

Organization: Los Angeles Department of Water and Power (LADWP) (2005 Version)
Date of Assessment: 01/03/17

SUMMARY OF RESULTS

47%	Overall Format of Solicitation
43%	Scope of Work
33%	Open, Fair, & Transparent
20%	Submittal Forms & Attachments
23%	Attract Expertise
35%	OVERALL GRADE

OVERALL FORMAT				
Document is concise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Document is organized	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Document is easy to follow / not confusing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
There are no duplications in sections	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
There are no inconsistencies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
There is a clear separation between scope vs. procedures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SCOPE OF WORK				
SOW is clear, concise, and complete	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SOW contains a high level summary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SOW contains complete current conditions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SOW identifies high level goals / expectations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SOW identifies any budgetary requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SOW identifies any schedule requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SOW identifies detailed technical scope / requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SUBMITTAL FORMS AND ATTACHMENTS				
Contains submittal forms for vendors to complete	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
All required submittals are prepared as attachments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No information is requested outside of attachments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PROCUREMENT IS OPEN AND FAIR				
Solicitation is open to all (no prequalification)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solicitation does not sole source	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solicitation does not allow firm names in proposal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solicitation has a fair procurement schedule	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PROCUREMENT IS TRANSPARENT				
Solicitation contains evaluation criteria and weights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solicitation contains any cost/budget constraints	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solicitation contains any schedule constraints	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solicitation describes the evaluation process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solicitation provides a detailed debriefing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ATTRACTS EXPERTS / EXPERTISE				
Solicitation does not allow firm names in proposal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solicitation minimizes proposal size (minimal page limits)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Key personnel interviews (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solicitation is open and fair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solicitation is transparent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Award process is based on value vs. lowest cost	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Assessing RFP's



Nothing will make you work harder,
work longer, and stress more than
working with the *“wrong person”*



RFP Templates

The Simlar Institute

Solicitation Report Card

Organization: Los Angeles Department of Water and Power (LADWP) (2005 Version)
Date of Assessment: 01/03/17

SUMMARY OF RESULTS

47%	Overall Format of Solicitation	Request format	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized
43%	Scope of Work	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized
33%	Open, Fair	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized
20%	Scope of Work	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized
23%	Open, Fair	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized
35%	ALL	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized	Request is organized

40%

RFP

Request For Proposal



City of New Phoenix

Construction Services
Cafeteria Renovation and Modernization

RFP Number: 760711

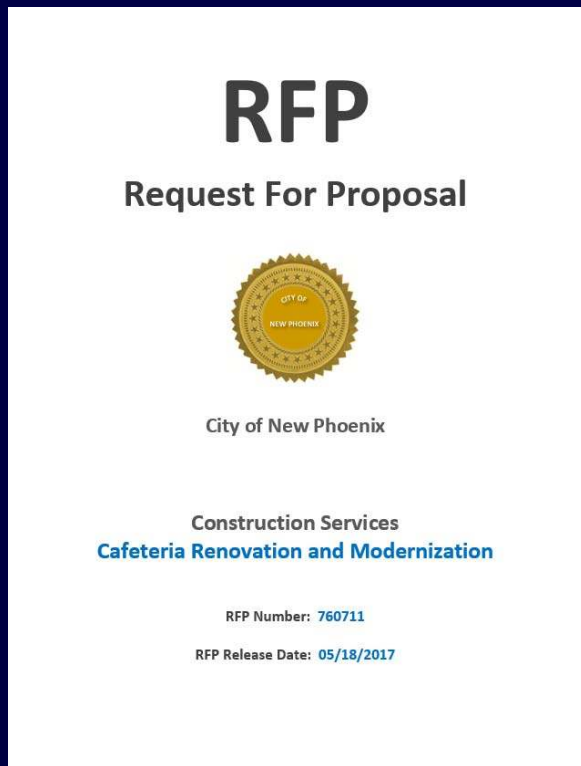
RFP Release Date: 05/18/2017



1
2
3
4
5

Organizing the RFP

Core Categories



1

Administrative
Requirements

General instructions for submitting

2

Scope of Work
& Current Conditions

What you want to achieve

3

Proposal
Requirements

What you want the vendors to submit to be evaluated

4

Evaluation
Procedures

How will you evaluate, score, and award

5

Attachments &
Exhibits

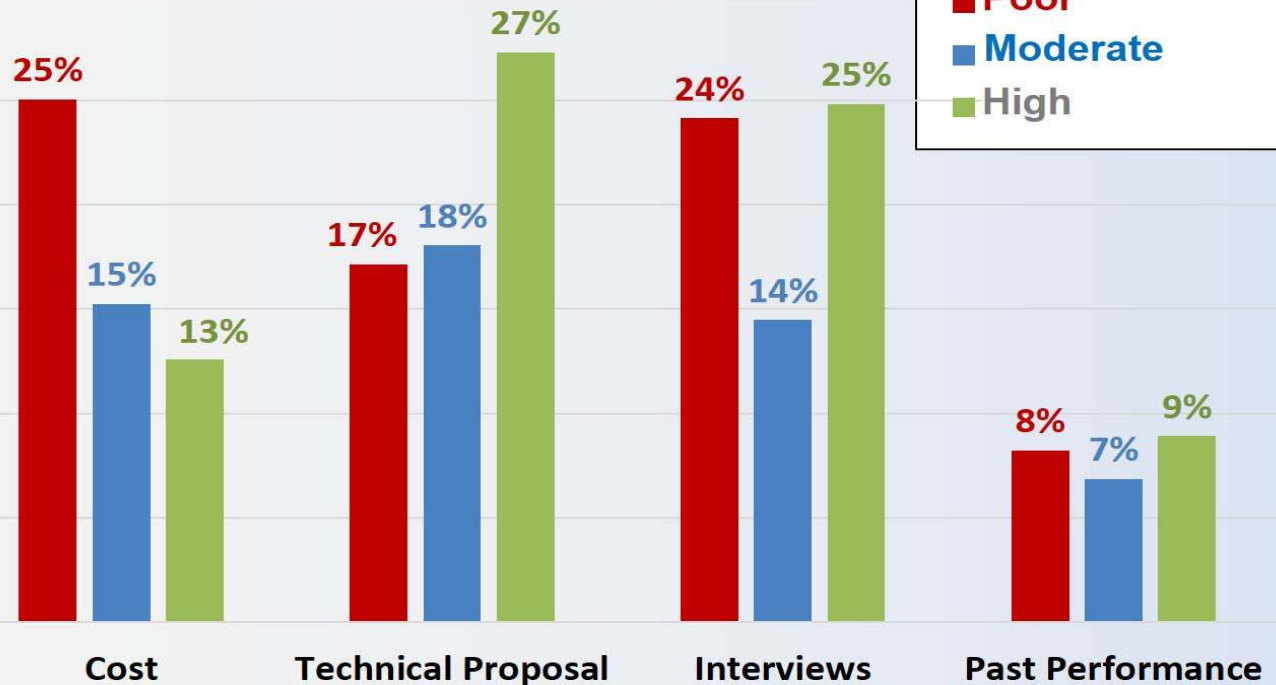
Forms to complete and supplemental info

Other Things

- Scope of Work Research and Tools, as well as using the RFN
- RFP Database, RFP ScoreCard, Benchmarks, etc.

Differentiation between Competing Vendors

Variation in Evaluation Scores



N = 347 projects (1,850 individual proposals)



An “effective” *Scope-of-Work*:

What would an Expert Vendor need
(or want) to know?

What will help them provide the client with the **best price**?

What will help them **minimize their contingencies**?

What will prevent them from **walking away**?

What will incentivize them to **send their best people**?

Teaching Scope Development

- **Difficult to train on a single project endeavor – not enough time**
- **Level of knowledge of project varies widely across clients and their project teams**
- **Pressure to release RFP often inhibits spending correct amount of time in scope development**
- **Biases of project team greatly influence scope development**
 - **70%-90% can guess which competitor helped or is favored**

When in Doubt...Issue an RFN!!!

Leverage expertise from the industry to check:

- Is our approach feasible? What are realistic options?
- What information do vendors need to prepare an accurate proposal with minimal contingency?

The Client DOES NOT need to know every detail!

1. Define current conditions
2. Define objectives / requirements / Scope
3. Leverage industry feedback

Request for Needs (RFN)

- **What is an RFN?**
 - A process to help solidify your scope (and other items) prior to RFP release.
- **How does an RFN work?**
 - Release a “draft” Scope of Work to the vendor community.
 - Get feedback from across the industry.
- **When should we use the RFN process?**
 - Any time you are unsure of your scope.
 - All projects that require a software integration.
- **How long does an RFN take?**
 - 1 week to 1 month.
 - And can be done in parallel with RFP development.

Focus:

Maximize Speed, Maximize Value

XPD

Expertise-Based Project Delivery



Procurement
Fundamentals

**Open
Fair
Transparent
Value**

- **Alternative approach to traditional procurement and delivery**
- **Developed across 1000s of real procurements**
- **Maximizes: Openness, Fairness, Transparency, Value**
- **Demonstrates “Good Client” behaviors and attracts high-performers**

Working with Experts:

XPD's Impact on Project Performance

- Can reduce your **change order rate** by 20%-50%
- Can reduce your **delay rate** by 40%-60%
- Decrease **internal management effort** by 40%-70%
- Increase **customer satisfaction** by 25%+
- Can you put a price on pain, years lost, opportunities?



Measured XPD Impacts on Procurement

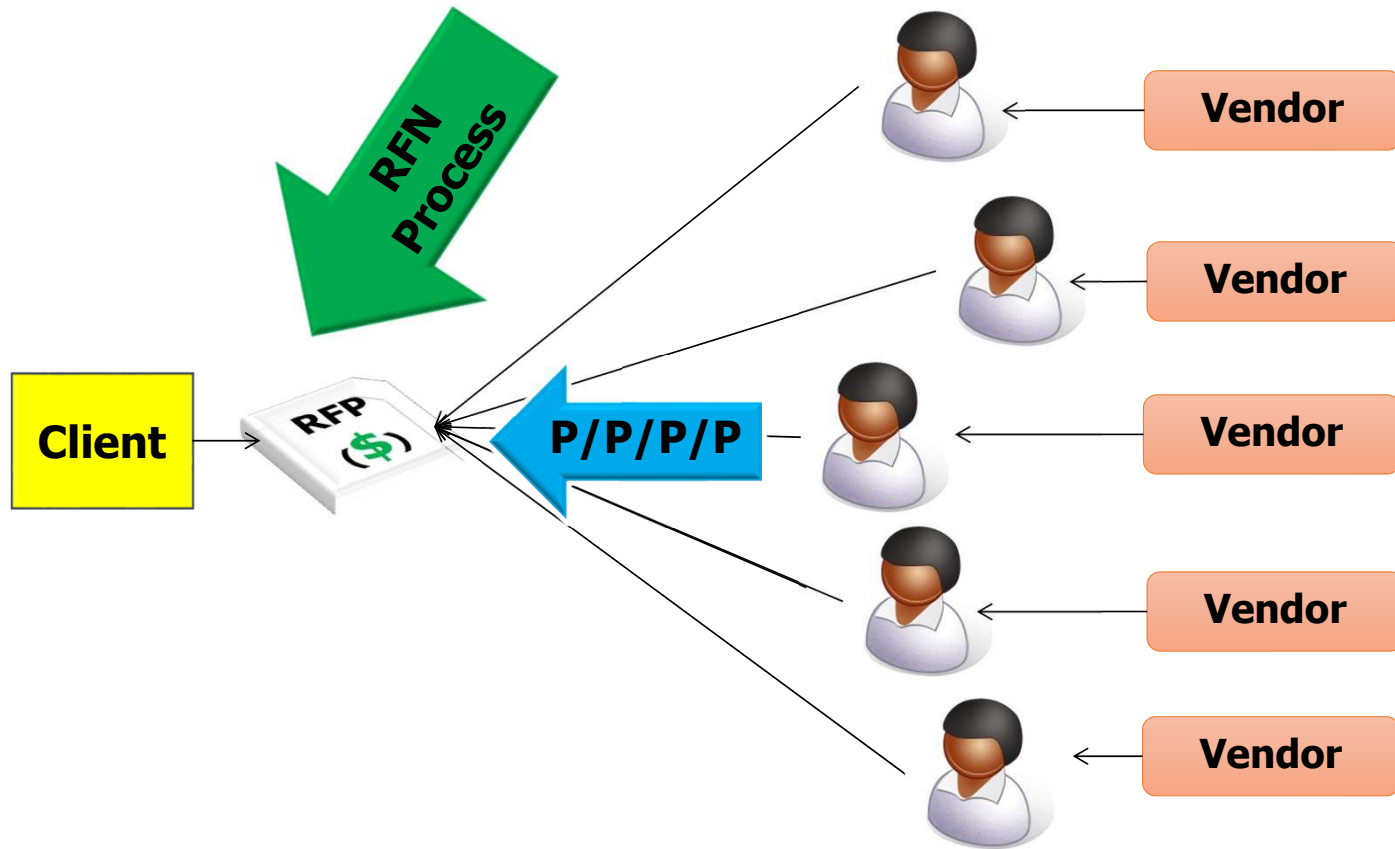
- Improved the overall structure to the RFP and procurement process
- **63% Increase** in Internal Client Satisfaction with Procurement
- **96% Reduction** in Administrative Cost per Project
- Evaluation time can be **Reduced by 50-75%**
- Highly effective and focused **interview & demo process**

Solution

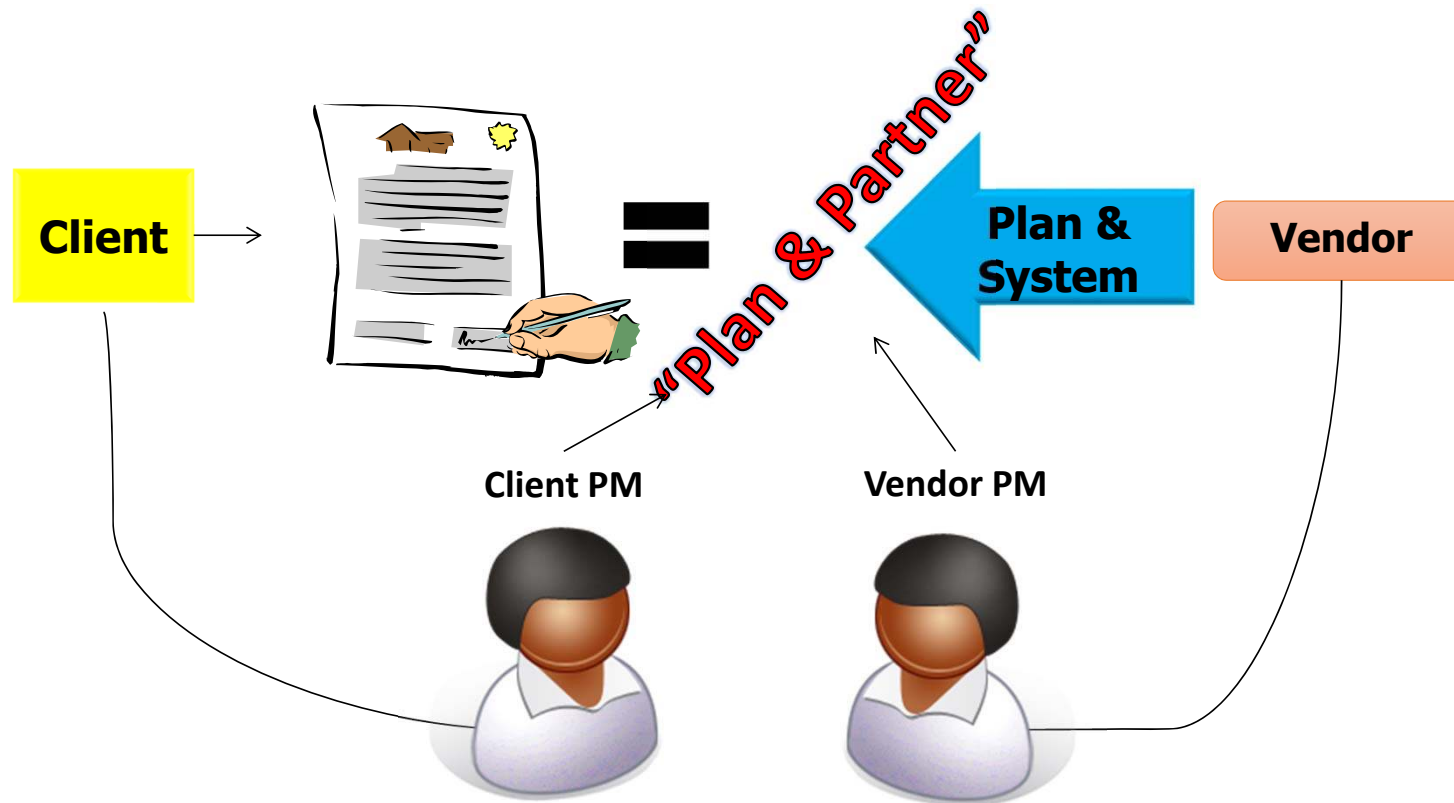
Expertise-Based Project Delivery (XPD)



What is different...



What is different...



Solution

Expertise-Based Project Delivery (XPD)



Awarding To Expertise

XPD



Critical Formatting Requirements

- The evaluated proposal documents

MUST NOT

contain any names that can be used to identify who the Proposer is.

Including: company names, personnel names, project names, or product names



Weighted Proposals

Software Implementation Plan

Overall approach to deliver the SOW

milestones, activities, phases, sequencing, deliverables

Project Success Factors

Plan/Expertise for specific SOW items

plan of *how*, specific functionality, previous expertise

Risk Assessment

Risks that may impact the project

why it's a risk?
proposed solution(s)
potential impact(s)
response plan

Value Added

Proposed Scope Alternates

capability beyond the requirements,
optimize the budget, schedule, functionality

2 pages each (+ 1pg schedule) = 9 pages total

Use the BLIND templates



**Anonymous
2-Page Limit**

Cost Proposal Varies by Project

PRICING RESPONSE - Waddell & Reed RFP

Instructions to Vendor:

- 1 Provide pricing details below to meet full compliance for the Scope of Work described in the RFP.
- 2 This price shall include software and recurring annual costs, implementation, and hardware.
- 3 List any pricing assumptions and/or notes below the spreadsheet.
- 4 The "Cost Component" entries in each table are meant to be examples. You may change/add/delete these entries as necessary to formulate your cost proposal.
- 5 "IMPORTANT NOTE" include all costs for third-party databases, etc. required to deliver the Scope of Work.

HOSTED SOFTWARE COSTS									
List all software costs associated with the solution here inclusive of all database costs									
Cost Component	PHASE or TYPE	QUANTITY (If applicable)	UNIT COST (If applicable)	Year 1	Year 2	Year 3	Year 4	Year 5	Total
License Costs	One-Time								\$0.00
Hosting Set-Up Cost	One-Time								\$0.00
Recurring License / Maintenance / Support / Hosting Costs	Annual								\$0.00
Third-Party Database	Annual								\$0.00
									\$0.00
									\$0.00
TOTAL				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

SOFTWARE IMPLEMENTATION COSTS									
List all software implementation costs associated with the solution here									
Cost Component	PHASE or TYPE	QUANTITY (If applicable)	UNIT COST (If applicable)	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Project planning	One-Time								\$0.00
Testing	One-Time								\$0.00
Migration of existing data	One-Time								\$0.00
System Integration	One-Time								\$0.00
User provisioning and security	One-Time								\$0.00
Training and change management	One-Time								\$0.00
Customization	One-Time								\$0.00
									\$0.00
TOTAL				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

TOTAL COST OF COMPLETE END-TO-END SYSTEM \$0.00

ADDITIONAL USERS and/or VOLUME CONSIDERATIONS

Not to be included in evaluation portion but Waddell & Reed reserves the right to purchase these modules at the listed prices during the duration of the contract.

Please include cost drivers and pricing structure related to licensing and support (types, tiers, and categories); potential impacts if volumes change and opportunities to "right size" incremental licensing costs and bundling opportunities, functionality/features/modules, usage (data processing, transaction volume, etc.)

ADDITIONAL MAINTENANCE PLANS

For information only. Not to be included in evaluation portion. Please document any additional maintenance plans that the vendor offers. Waddell & Reed reserves the right to purchase these products at the listed prices during the duration of the contract.

Item	Annual Cost	Notes
	\$0.00	
	\$0.00	
	\$0.00	

PRICING ASSUMPTIONS AND ADDITIONAL NOTES

Not to be included in evaluation portion. Enter any other pertinent information that will help Waddell & Reed understand your proposed costs.

If you offer discounts (i.e. bundle discount vs. line item purchases), enter that information here, or attach a separate sheet. Any alternative pricing options may also be entered here.

1. Prompt Payment Discount: _____% _____ days. Note: Prompt payment discount periods equal to or greater than 10 calendar days will receive consideration and bid pricing will be reduced for evaluation by the amount of that discount.

By submitting this Proposal, Vendor acknowledges he/she has read and understands the entire Request for Proposals and agrees to comply with its terms and conditions. The Vendor also agrees to fulfill the offer made in their proposal through any subsequently awarded Contract.

Full Legal Name of Company: _____

Signed By: _____

Printed Name: _____

Date: _____

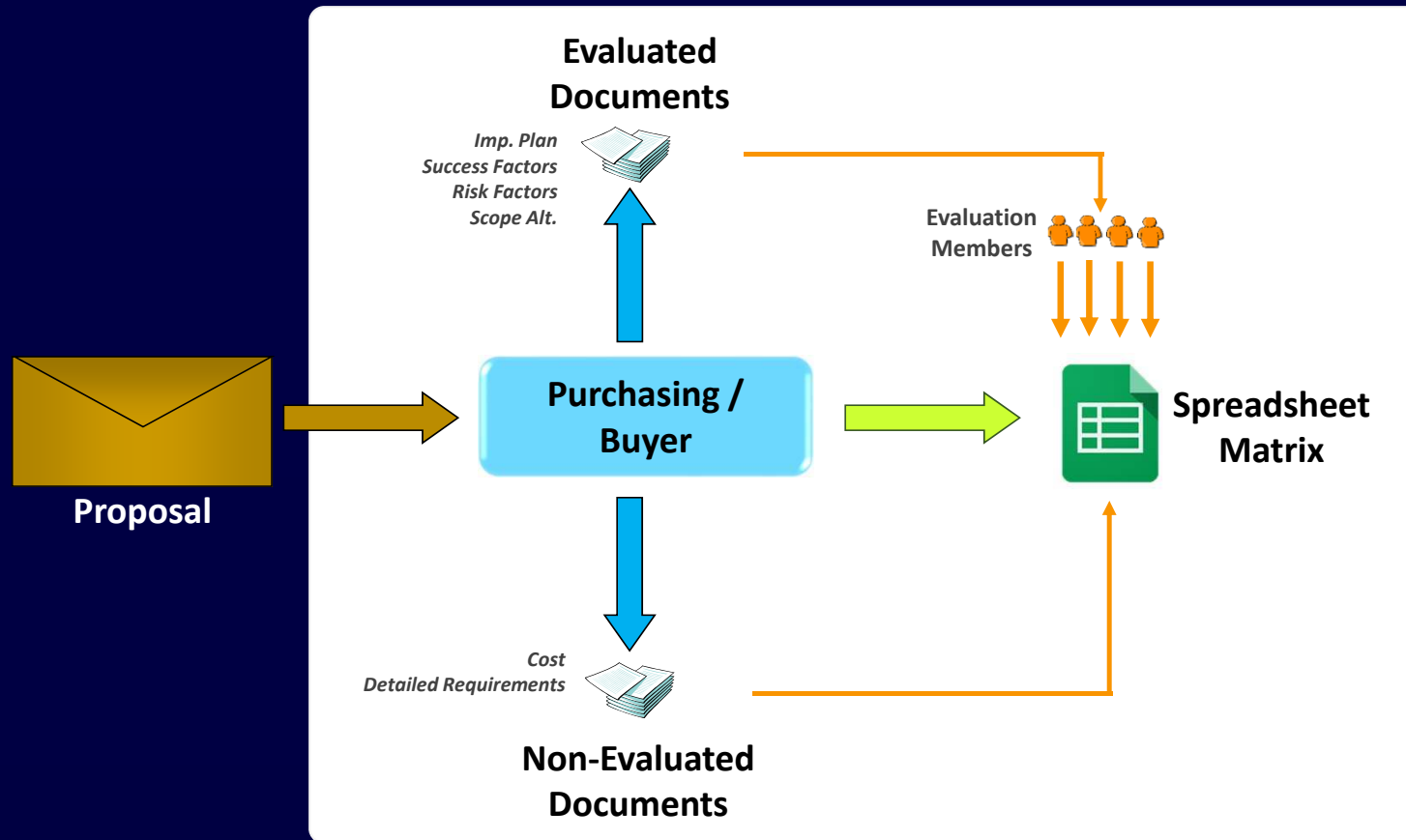


Detailed Requirements Response

Business/Functional Requirements					Vendor to enter "1" In The Appropriate Column				Respond Below		Respond where Appropriate (optional)	
Number	Requirement	Required?	WORM Storage Required?	Comments	Out of The Box with Some Configuration	With Customization	Not Available	On Roadmap	If on Roadmap, Delivery Date	Native vs. Third-Party Application	If Third-Party Application, Insert Name	Comments/ Supporting Information
1	Customer Identification Program											
1.1	Ability to systematically run CIP within a pre-defined amount of time, such as 24 hours, of onboarding of new clients and associated parties to a financial account. (This is performed at the client level, not the account level and only once.)	Y		"New" clients (and associated parties) includes clients (and associated persons) who may have been inactive and have become active again. (There might be an IDR requirement to indicate active vs inactive clients.) Client is an individual with an SSN or an entity with an EIN. "New" clients includes clients who may have been inactive								
1.2	Ability to systematically run CIP within a pre-defined amount of time, such as 24 hours, of onboarding of new clients and associated parties to a financial account. (This is performed at the client level, not the account level and only once.)	N		"New" clients includes clients who may have been inactive								
1.3	Ability to define and control person types for CIP: -Control person -Ownership person -FBO Persons											
1.4	Ability to perform CIP on a client level											
1.5	Ability to perform CIP on an account level											
1.6	Ability to not include minor become a client											
1.7	Ability to suppress CIP on a client level											
1.8	Ability to provide a confidence level or method to exclude false positives by increasing/decreasing sensitivity level of matching logic	Y										
1.9	Ability to systematically run CIP when certain attributes of a client or associated party is changed. -SSN -EIN -Name -DOB	Y										
1.10	Ability to provide evidence the CIP has been run, the date of the run, and the results of the run, which are easily retrieved from the system.	Y	Y									
1.11	Ability to exclude certain existing clients and associated parties at implementation	Y										
1.12	Ability to conduct an ad hoc manual CIP search on a client at any time, including prior to account establishment	Y										
1.13	Ability to send data to the IDR to add indicator and comments that	Y	Y	IDR is an internal Integrated Data Repository								

Number	Requirement	Required?	WORM Storage Required?	Comments	Vendor to enter "1" In The Appropriate Column				Respond Below		Respond where Appropriate (optional)	
					Out of The Box with Some Configuration	With Customization	Not Available	On Roadmap	If on Roadmap, Delivery Date	Native vs. Third-Party Application	If Third-Party Application, Insert Name	Comments/ Supporting Information
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1.5	Ability to perform CIP on an account level											
1.6	Ability to not include minor become a client											
1.7	Ability to suppress CIP on a client level											

How The Submittal Process Works



Traditional Presentation Process?



Key Personnel Interviews

- Conduct an actual ‘interview’ (not presentation)
- No notes, handouts, presentation material
- Interview 2-4 key personnel (primary and secondary)
 - **Project Lead & Integration Lead**
 - **Project Manager & Site Superintendent**
 - **Lead Designer & Lead Architect**

Key Personnel Interviews

- Interview the personnel individually not as a team
- 20-30 Minutes per person
- General Questions:
 - Background and experience
 - What differentiates you personally
 - What differentiates your key personnel

Interview Format

- The individuals cannot bring any notes or handouts.
- Interview times will be approximately 20 minutes per individual
- A standard set of questions will be asked to each individual. The client has the option to clarify any responses.
- Questions will be non-technical

Sample Questions

- **Describe what differentiates you personally from your competition (other Project Managers)?**
 - Why were you selected
 - What specifically sets you apart from other PMs, unique characteristics, attributes, etc.?
 - Why should we pick you over other PMs?
 - How many similar facilities have you completed and what are the final results of those projects?

- **What specifically sets this team apart from other teams?**
 - How many projects have you all worked on together as a team?

Interview Comments

Goal Is To Minimize Risk

“I have no idea why I am here today”... “My boss called me last night and told me to show up for this interview” - \$10 Million Project

“I did not participate at all in preparing our proposal” - \$3 Million Project

“I am not currently employed by this company, but if we win this project, they will then hire me” - \$25 Million Service Project

“I have never managed a project of this size/scope” - \$30 Million Project

“There is no risk on this project” - \$5 Million IT Project

“The greatest risk that I always face, is how to accomplish all of the things that our sales team promised we could do” - \$5 Million Cleanroom Design

Whiteboard Exercise

XPD

- Layout the project/service from start to end
- Identify areas of greatest risk/concern
- What is the plan for those
- Anything that you need from us



**Percent of Projects
Where The Highest Ranked
(Going into the Interviews)
Was Not The Highest Ranked
(After the Interviews)**

19%

Resistance to Planning

- **Client Question:** What do you recommend for a Go Live date and how should we phase the scope areas?
- **Vendor Answer #1:** “We can do whatever you want to do. It just comes down to what’s consumable and what resources you have on the client side.”
- **Client follow-up Question:** But what are the options? What are the pros/cons of each?
- **Vendor Answer #2:** “We have a pre-packaged approach that is predictable. And we will obviously tailor to whatever your needs and requirements are.”

Note: Vendor has had our needs and requirements for nearly 6 months and seemingly have not read them. They also requested several integration details & diagrams integrations that were directly provided 6 months ago!

Resistant to Blasting & Classification

- Client phase
- Vend what
- Client of ea
- Vend we v

Note:
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Demos: Software Verification



- **Software Projects may require end user demonstrations.**
- **Traditional Challenges = Marketing approach**
- **Recommended Approach:**
 - **High level demonstration** (followed by detailed demonstration at later stage)
 - **30-45 minute demo**
 - **An end user will be asked to demo (not the vendor)**
 - **Demonstrate basic product or system, or similar system**

Wireless Network

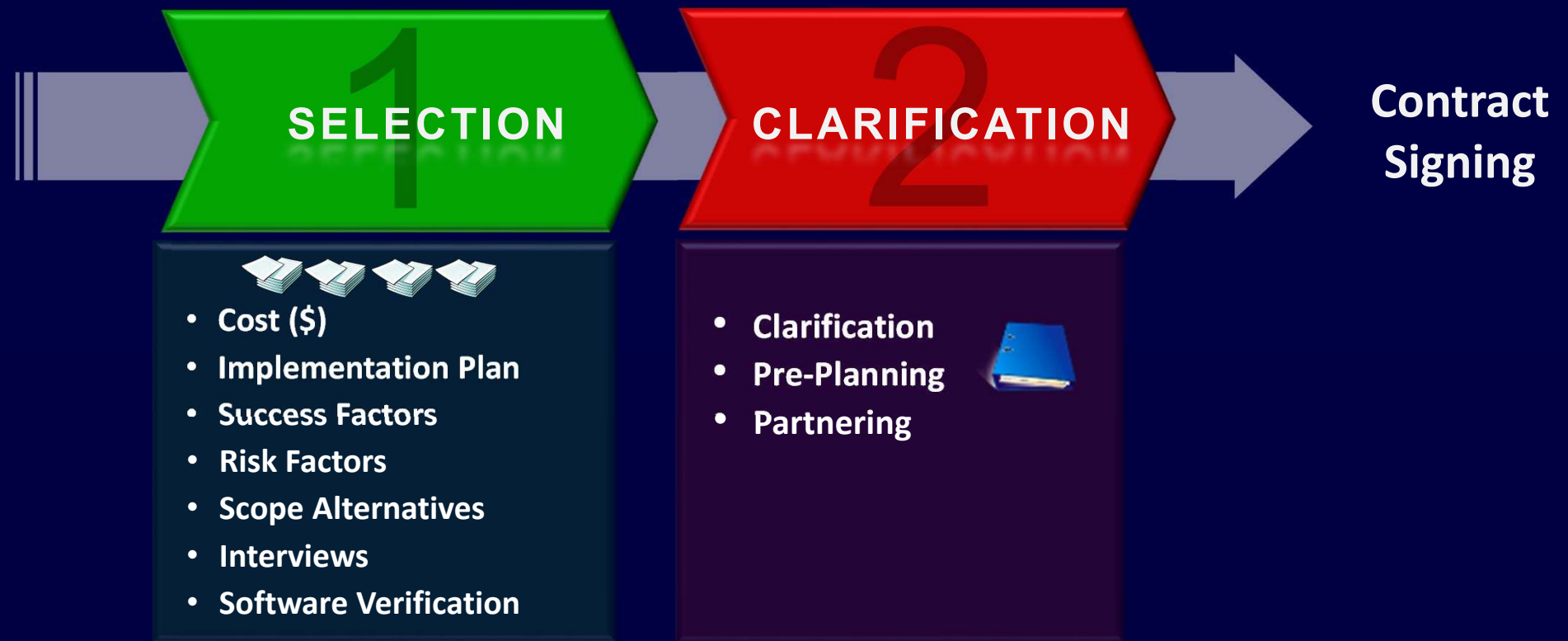
XPD

CRITERIA	WEIGHT	FIRM 1	FIRM 2	FIRM 3	FIRM 4	FIRM 5	FIRM 6	FIRM 7	FIRM 8
Cost	25%	25.0	18.5	18.2	11.7	18.5	20.1	21.0	17.2
Proposal	40%	35.6	35.6	35.2	33.8	27.0	26.5	20.4	25.4
Past Performance	5%	5.0	4.9	3.0	4.9	4.8	2.6	4.7	2.6
Interviews	30%	30.0	22.2	9.4	0.0	0.0	0.0	0.0	0.0
TOTAL POINTS (100)		96	81	66	50	50	49	46	45

- Best Value Results:
 - **Highest** Interview
 - **Highest** Proposal
 - **Best** Past Performance
 - **28% Below** Average Cost

XPD

Expertise-Driven Procurement



Do Clients Enjoy Surprises?

- Project is completed **LATE**
- Project has cost **INCREASES**
- Project does not meet **EXPECTATIONS**



How Can We Minimize Surprises

- Cost Verification
- Detailed Preplan
- Client Schedule
- Align Expectations
- Critical Documentation
- Risk Mitigation Plan
- Negotiate Contract

B. REQUIRED ACTIVITIES / DELIVERABLES

You will be required to preplan the project in detail to ensure that there are no surprises. You will be required to perform the following (including, but not limited to):

1. Verify the Cost Proposal:
 - a. Provide a detailed cost breakdown (major areas, phases, components, etc.)
 - b. Clarify any 'big-ticket' items
 - c. Clarify all value added options (what is accepted or rejected)
 - d. Clarify why the cost proposal may be significantly different from competitors
2. Provide Proposed Project Schedule:
 - a. Prepare a high level schedule of the project (with major milestones or tasks)
 - b. If requested, prepare (or provide a plan to prepare) a detailed milestone schedule
3. Provide a Client Action Item Schedule:
 - a. Identify the roles and responsibilities of the Owner or Owner personnel
 - b. Prepare a detailed schedule of any/all activities, actions, or decisions needed from the Owner (including specific due dates and client names responsible for the activities)
4. Align Expectations:
 - a. Coordinate with all critical parties (subcontractors, consultants, suppliers, etc.)
 - b. Provide a complete list of all proposal assumptions
 - c. Identify any potential 'deal breakers'
 - d. Identify what is excluded from the proposal (tasks, activities, deliverables, etc.)
 - e. Review any unique technical requirements with the Owner
 - f. Review statements made during interviews
 - g. Revisit the sites to do any additional investigating
5. Provide All Documentation (if Not Required as a Part of this RFP Response):
 - a. Provide a detailed project/work plan (if requested)
 - b. Acceptance of contract terms and conditions (if requested)
 - c. Provide a detailed safety plan (if requested)
 - d. Provide a detailed staffing plan (if requested)
6. Risk Mitigation Plan:
 - a. Identify all risks, activities, or concerns that may be unforeseen or not within the control of your company. This should include everything (realistically) that may prevent you from being successful on this project.
 - b. Identify if there are any strategies to mitigate these items
 - c. Provide a plan of how unforeseen risks will be managed
 - d. Identify what (if anything) concerns you the most, or is very unique about this project

What About All Other Documents?

1. Organizational chart
2. Safety plan
3. Financial ability to perform the project.
4. Provide bonding capacity, Dun and Bradstreet ratings, etc.
5. Describe the company's recent experience with (similar) projects
6. Describe your firm's experience with Building Information Modeling (BIM).
7. Describe the depth of resources of the company
8. Management approach to this project.
9. Description of roles and responsibilities of the key individuals
10. Provide anticipated utilization rates
11. Describe your methodology for establishing and managing a GMP.
12. How would you keep the team abreast of actual costs versus estimated?
13. Describe your approach to ensure competitive pricing
14. Do you have experience converting GMP's to lump sum?
15. What are your goals and approach to control costs and enhance value?
16. Describe how your company plans to measure and track the productivity
17. Propose an incentive program for your company's efforts to increase productivity/efficiencies
18. Describe any specific recommendations for prefabrication or modularization.

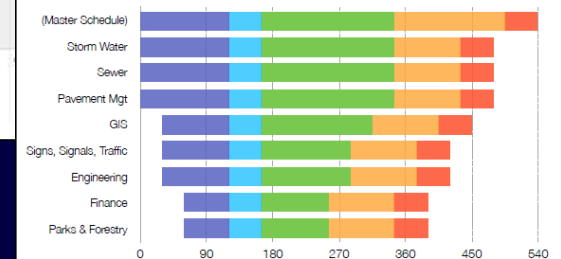
SCHEDULE SUMMARY
The table below illustrates each phase, the expected duration of the phase (in calendar days), and the estimated calendar months during which each phase is expected to take place.

Phase	Key Tasks	Duration	Estimated Dates
1. Design	<ul style="list-style-type: none"> Define & Develop Integrations Define Workflow Processes Procure ArcGIS Server Safety Deployment Infrastructure Safety Mobile Connectivity Plan Begin Outlining Training Plan 	120 Days	Jan - Apr 2014
2. Install	<ul style="list-style-type: none"> Install Elements XG Install Mapping Engine Install components required to begin integration development 	45 Days	May - Jun 2014
3. Configure	<ul style="list-style-type: none"> Configure Service Orders & Workflow Configure Inventory Configure Non-GIS Assets Configure GIS Workflows Configure User Roles, Permissions, and Access Data Import Verification Configure ArcGIS Connection Configure GIS Workflows Reports Finalization 	180 Days	
4. Train	<ul style="list-style-type: none"> Admin, Application, GIS Integration, and Reports Training Review workflow standards and adjust accordingly Run Parallel Systems where Necessary 	150 Days	
5. Go Live	<ul style="list-style-type: none"> Train and adjust workflow processes as necessary Go Live Readiness Check Go Live with all Elements XG users Enter Maintenance Mode 	45 Days	

PHASE VARIANCE BY DIVISION

The City will have multiple divisions and user groups moving through various phases of the project and completing individual tasks simultaneously. In order to maximize efficiency, groups will progress at their own rate beginning after phase 2 and some groups may close out certain phases of the project ahead of others.

The chart below illustrates each group and the estimated time required for each phase. Note that the following is only an estimation, actual schedules and timelines may differ from the example below, although no group is should to take longer for any given phase than indicated in the above project timeline.



Implementation Tracks

After the initial project kickoff meetings with the City, Novotri will provide recommendations for Implementation Tracks, giving individual divisions at the City flexibility including the option to adjust their individual implementation schedules to coordinate with the master project implementation schedule.

Pre-Award Requirements



Objective of Pre-Award Clarification

- The Vendor is NOT expected to conduct project work.
- But the Vendor IS EXPECTED to clarify HOW they will conduct the project work.
- All clarification activities will occur in parallel with legal review of the contract and T&Cs
- Most expert vendors say the Clarification phase is similar to their normal approach, just more structured, more focused, and results in a quicker launch post-contract.

Tip:

Most Organizations Need Help To Improve

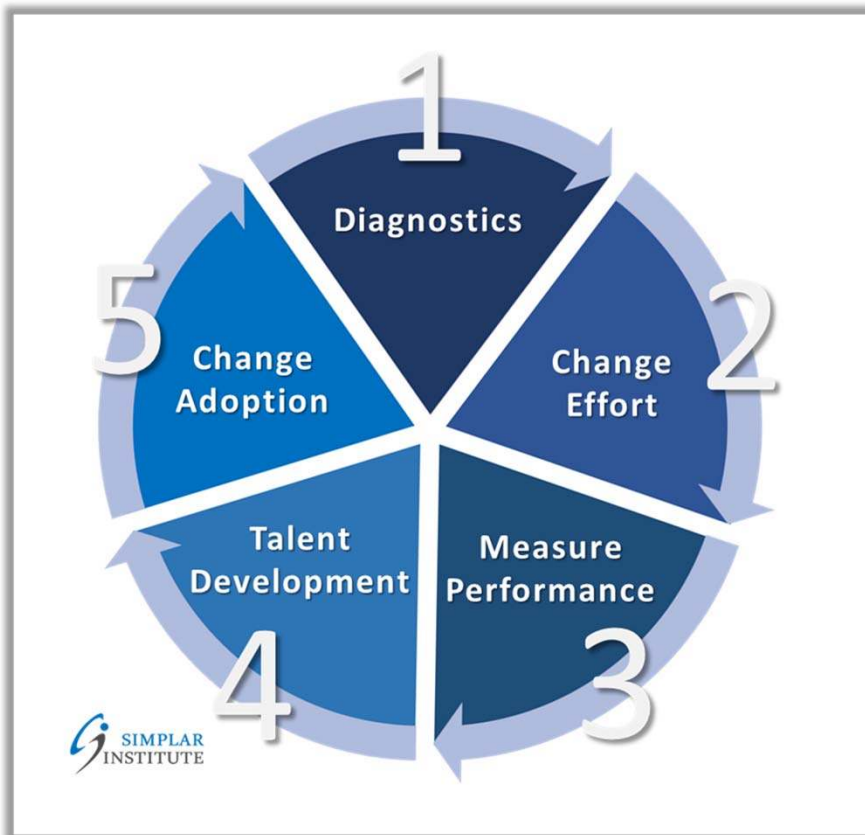
Org Change Study

- **Organizational Change Management Study**
- **586 Case Studies from Organizations globally**
- **Each response represents a single, large-scale change initiative within an organization.**
- **Survey objective: profile of numerous change initiatives across industry**

Drivers of Successful Change Implementation

1. **Effective Change Agents acting as implementation doers & champions**
 2. **Realistic Speed & Timescale**
 3. **Organizational Measurement & Benchmarks**
 4. **The Org & the People can see clear personal benefit**
 5. **Proper training of the Change**
 6. **Senior leadership committed to the change initiative**
- + The Importance of Proving Hope**

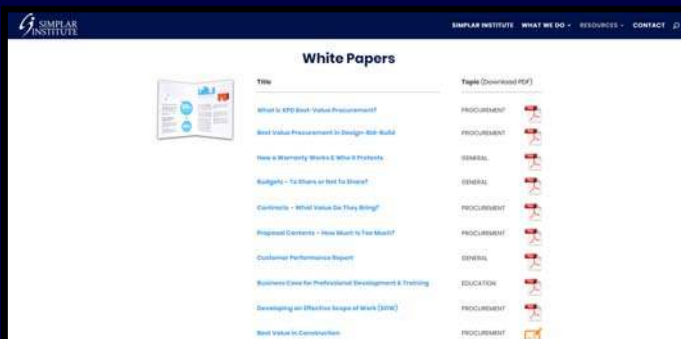
How We Help You Become Better



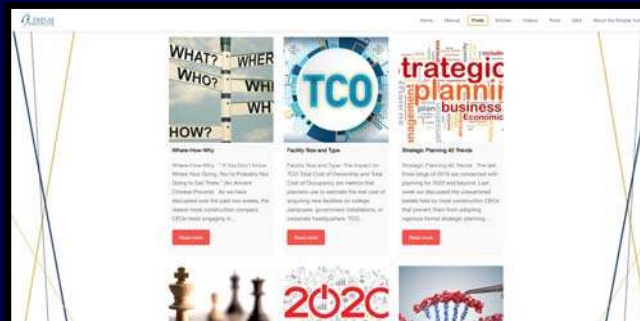
1. **Diagnostics:** Organizational assessment; RFP assessments; comparison to peers; benchmarking; change readiness;
2. **Change:** XPD procurement education, training, support, and administration; IT implementation (communication plan, change plan, resistance planning, training plan, etc.)
3. **Measurements:** Individual project performance, department reports, organization performance (including Suppliers)
4. **Talent:** Professional Development & Training, Human Dimensions mapping and talent management/development
5. **Adoption:** Reporting how a change has been implemented and adopted.

Just the beginning

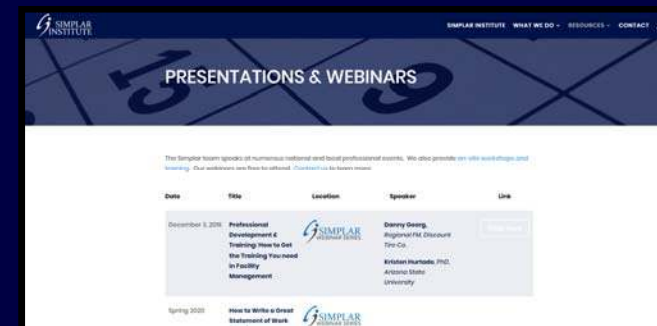
- On-site / Hands-On Training
- Project / Organizational Support of RFP & Project Delivery



Website / Papers



Blog



Webinar Series

Contact us to set a time to chat

COMMENTS / QUESTIONS



**Want the Slides? Need more info?
VISIT THE SIMPLAR BOOTH
Contact: Kenneth.Sullivan@asu.edu**