

**LEARN THE MARKET**

A PSF Learning Series for Government Professionals

# **WEBINAR: HOW TO BUY PROCUREMENT TECHNOLOGY —GETTING STARTED**

Speakers: Pierre Mitchell, Azul Partners; Ash Bedi, Public Spend Forum



**PUBLIC  
SPEND  
FORUM**

# Today's Speakers

*A special thanks to NIGP (The Institute for Public Procurement) for collaborating with us on this webinar (and other critical areas important for public procurement)*



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# About Public Spend Forum

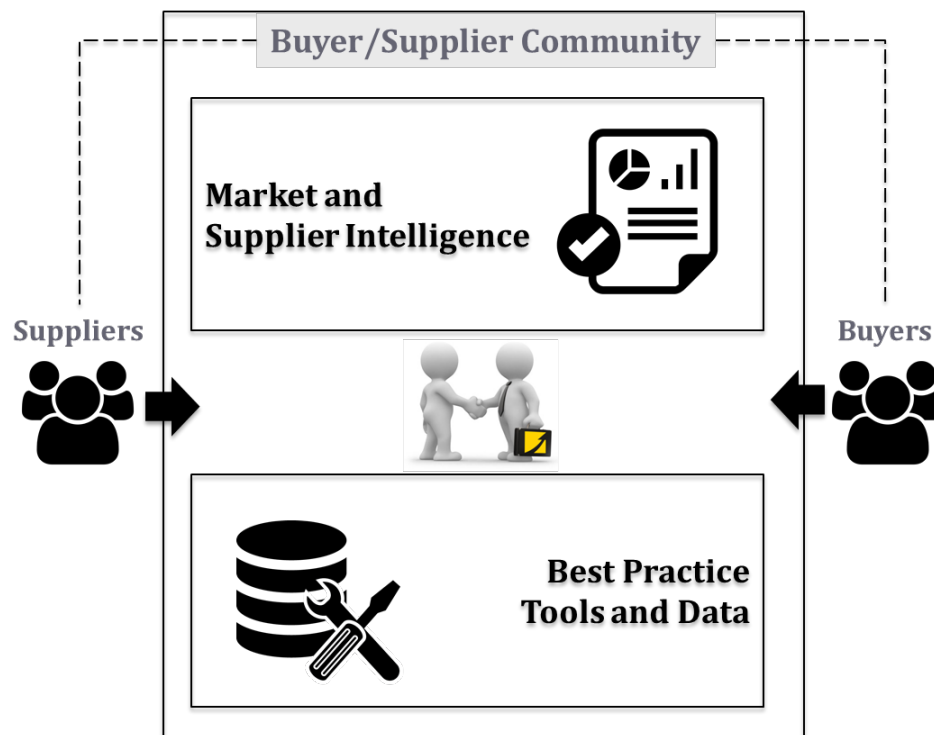
PUBLIC  
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*A Market Intelligence and Best Practices Platform  
for Public Sector Buyers and Suppliers*

## Public Spend Forum Overview

Through a Market Intelligence and Best Practice platform, we help government programs and buyers as well as suppliers in public sector markets learn and accelerate impact through:

- Market and supplier intelligence
- Best practice tools and data
- Global community and expert network



To access all our content, visit us at [Publicspendforum.net](http://Publicspendforum.net)

# Welcome to the “How to Buy” Procurement Technology Webinar Series

- In this webinar series, we will address a range of issues related to buying procurement technology
  - Earn Continuous Learning Points for attendance!
- Topics covered will include critical issues that encompass the entire life cycle in buying procurement technology, such as (examples)
  - What are the key considerations in getting started in a procurement technology buy?
  - What does the supplier landscape look like?
  - How to get the project started?
  - Understanding the market
  - How to best engage the market?
  - How to structure a contract?
  - How to manage performance?
- Also coming soon will be tools and templates to help support many of the critical issues identified in the preceding



## Focus of this Webinar

1. The importance and relevance of procurement technology in the public sector
2. Getting started guidelines on buying procurement technology
3. Understanding the procurement technology supplier landscape
4. How the PSF online directory of procurement technology suppliers can help

# THE IMPORTANCE OF PROCUREMENT TECHNOLOGY

## PUBLIC SECTOR RELEVANCE

# Procurement technology can drive greater efficiency and effectiveness in the \$10 trillion of global public procurement spending

## Procurement Technology seen as a critical priority across Government...

- **National Association of State Procurement Officials (NASPO) Survey** – 36 of 47 states use an eProcurement system
- U.S. Federal government standardizing procurement technology and spending data
- **World Bank's Benchmarking Public Procurement project** - Vast majority of economies adopting e-procurement
- **OECD** recommends “the use of digital technologies to support appropriate e-procurement innovation”

## ...That can help meet policy goals and save billions

- Provide visibility into spending
- Improve competition and advance socio-economic goals
- Identify and capture savings opportunities
- Assist in conducting market research
- Reduce time to award by managing workflow
- Track supplier relationships

1. <http://www.naspo.org/dnn/Publications/ArtMID/8806/ArticleID/3312>
2. <http://bpp.worldbank.org/~media/WBG/BPP/Documents/Reports/Benchmarking-Public-Procurement-2017.pdf>
3. <http://www.oecd.org/governance/procurement/toolbox/principlestools/e-procurement/>

# Procurement Technology enables effective and efficient purchasing by supporting many tasks across the typical procurement / acquisition lifecycle

## Key Tasks Across Typical Procurement/Acquisition Lifecycle

Pre-Award			Award	Post-Award	
Understand the Need and Spend	Conduct Research & Analysis	Develop Procurement Strategy	Issue RFx, Negotiate and Award	Order Goods / Services	Implement and Manage Performance
<p>Define the need</p> <p>Identify &amp; engage stakeholders</p> <p>Gather requirements</p> <p>Form initial assessment</p>	<p>Analyze spend, other internal data</p> <p>Research market</p> <p>Synthesize the data</p> <p>Develop the list of suppliers to approach</p>	<p>Identify savings levers</p> <p>Create business case</p> <p>Set strategy</p> <p>Communicate the plan</p>	<p>Form the bid team</p> <p>Determine evaluation criteria</p> <p>Create the solicitation</p> <p>Manage the bid process</p> <p>Evaluate and Negotiate</p> <p>Summarize contract, risks &amp; benefits</p> <p>Obtain approvals</p> <p>Adjust budgets &amp; plans</p>	<p>Issue task / purchase orders</p> <p>Make purchases</p>	<p>Form implementation teams</p> <p>Develop change management plan</p> <p>Communicate changes</p> <p>Roll-out suppliers</p> <p>Develop accountability matrix and supplier scorecard</p> <p>Manage supplier relationships</p>
<p>* Red indicates tasks typically supported by Procurement Technology solutions</p>					

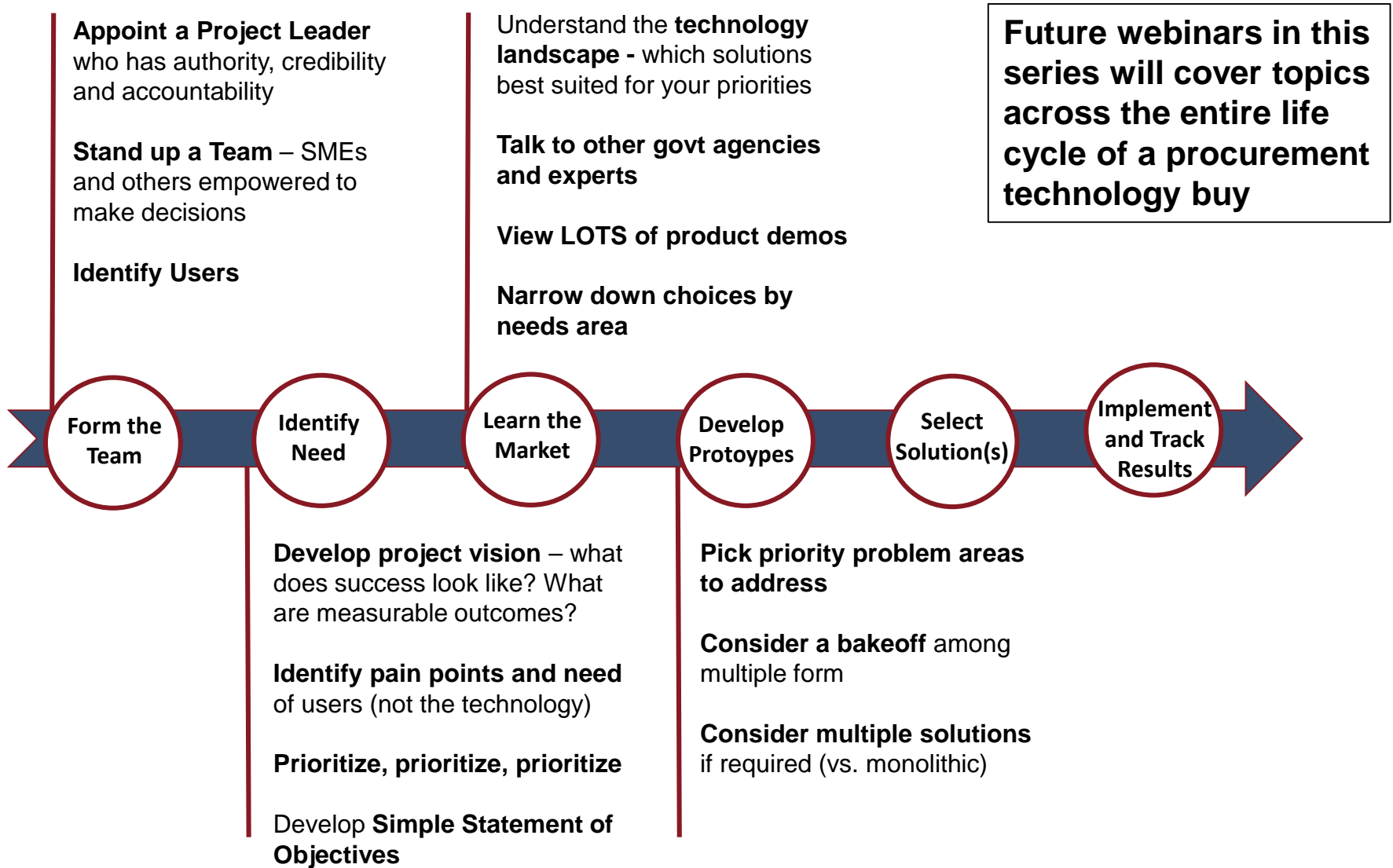
# GETTING STARTED GUIDELINES ON BUYING PROCUREMENT TECHNOLOGY



## Initial guidelines for purchasing procurement technology

- **Public Spend Forum is working with partners and government agencies to develop guidance and tools to rapidly acquire and deploy procurement technology**
- **The overall governing philosophy is to:**
  - Do “buy versus build analysis” before you decide to build
  - Focus on the problem and the end-state instead of “requirements” – you don’t need detailed requirements
  - Must prioritize critical needs and build that into your evaluation criteria – not everything is equally important
  - Ensure an approach that emphasizes prototypes and pilots before full deployment of solutions...avoid “monolithic” one size fits all approaches
  - Get educated on pros/cons of SAAS solutions...that is where the world is going
    - Configuration vs. customization
    - Contracting for SaaS

# Initial planning and diligence steps are critical prior to identifying a suitable solution



# THE PROCUREMENT TECHNOLOGY SUPPLIER LANDSCAPE

# The procurement technology landscape is fairly complex with multiple segments, suppliers and solutions

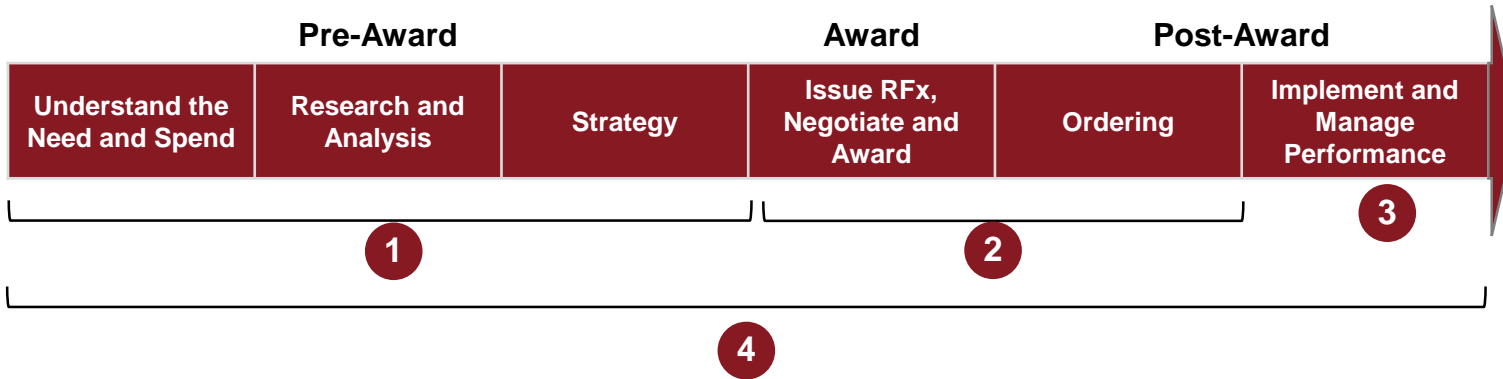
## 16 Market Segments (as Identified by Spend Matters)

<b>Analytics and Market Intelligence</b>	Procurement-focused analytics and market research tools	<b>Supplier Networks &amp; Platforms</b>	Websites connecting buyers to suppliers	<b>Contract [Lifecycle] Management</b>	Tools that manage the RFx process	<b>Procure-to-Pay</b>	Tools enabling processes from RFx to ordering
<b>Services Procurement</b>	Websites offering on-demand, commoditized services	<b>eProcurement</b>	Tools that automate procurement processes	<b>eInvoicing</b>	Automated invoicing suites	<b>ERP Suites</b>	Business application suites for managing budget
<b>Supply Chain</b>	Supply chain planning and execution suites	<b>Supply Risk Management</b>	Supply compliance and threat monitoring tools	<b>Supplier [Lifecycle] Management</b>	Tools offering functionality for the entire supplier relationship	<b>Data/Content Management</b>	Tools storing procurement-related non-contract data
<b>Cost Management</b>	Cost modeling suites	<b>Sourcing &amp; Supplier Management</b>	Tools combining Sourcing and Supplier Management	<b>Source-to-Pay</b>	Tools enabling processes from needs assessment to ordering	<b>Sourcing</b>	Tools offering functionality for various parts of strategic sourcing

***Multiplicity of frameworks and terms used by the industry to describe solutions***

**1000+ Suppliers**

# A public sector view – 4 “Procurement Lifecycle Technology” segments mapped to the procurement lifecycle –



## Procurement Lifecycle Technology Segments

**1 Planning & Research**

**Analytics and Market intelligence** tools enable transparency and visibility into spending and markets

**Supplier Networks & Platforms** provide insight into different suppliers, pricing and past performance research tools, and help develop requirements documentation

**2 Solicitation & Award**

**Sourcing and Auction platforms** enable more efficient bid processes

**Contract Lifecycle Management (CLM)** tools enable rapid drafting of RFx

**eProcurement** systems that automate ordering, processing and invoicing

**3 Ongoing Management**

**Supplier (SLM) and Contract Management** tools make tracking relationships easy

**Data / Content Management** tools provide repositories for procurement-related non-contract data

**Supply Risk Management** solutions provide tools for monitoring supplier compliance and potential threats

**4 Full Suite**

**Sourcing** software often contains spend analysis capabilities

**Source-to-Pay** solutions can offer complete solicitation, award, and order functionality

**Sourcing & Supplier Management** solutions contain supplier accountability tracking features

*We have identified 250+ suppliers (out of 1000+) for their likely relevance to the public sector*

## Cloud Hosted (SaaS) vs. Internally Deployed

1. Application hosted on servers and rented as a service (i.e., SaaS)
2. “Multi-tenant” data model: a single virtual application instance across customers
3. Data can be virtually or even physically partitioned (e.g., Patriot Act)
4. Running on world class infrastructure and security
5. Software increasingly configurable, open, and “intelligent”
6. Renting the software (and even the data) = contracting issues to tackle
7. SaaS model can be part of other commercial models (e.g., “Freemium” or MSP)

# 1 Planning & Research: 106 suppliers analyzed, spanning two sub-segments

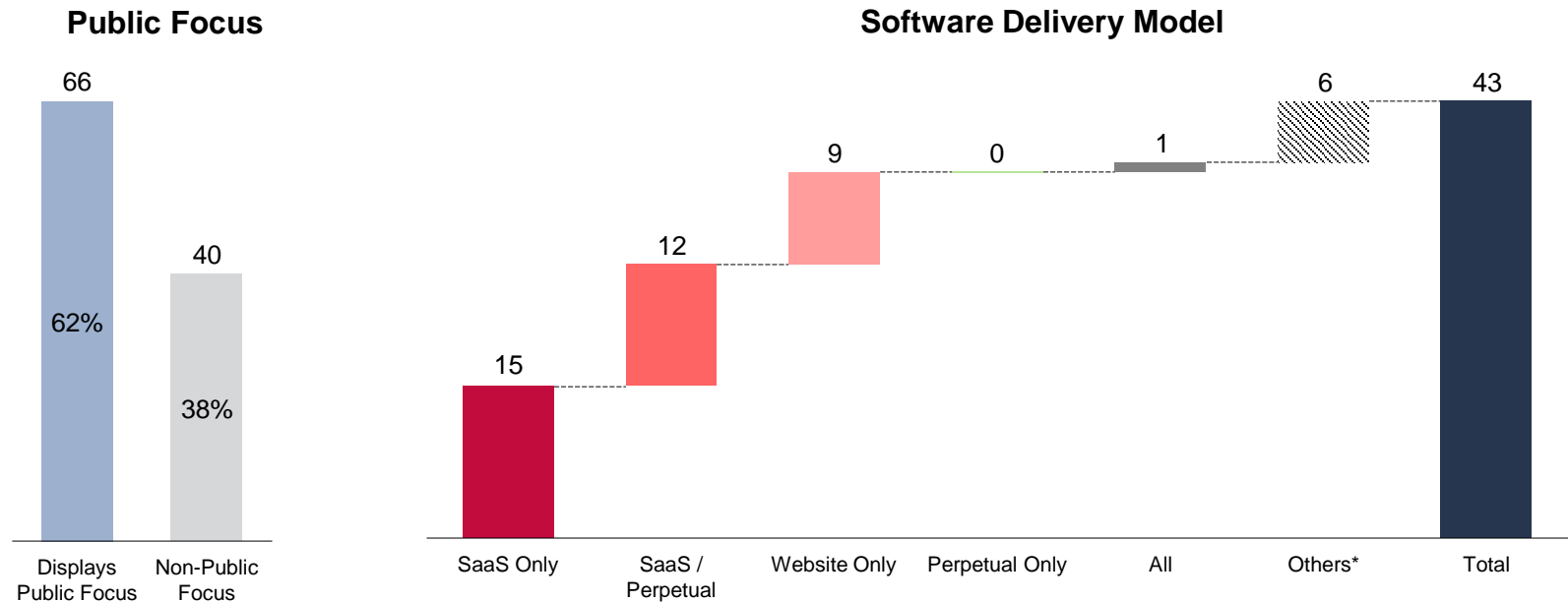
## Planning & Research solutions are typically used to assist in pre-award activities

Additional information on segment:

- *Planning and research software assist organizations with spend and procurement analytics as well as other planning activities including forming procurement strategies, conducting market research, and defining proper requirements.*
- *This segment is made up of the following sub-segments:*
  - *Analytics and Market Intelligence: Used for enterprise-wide spend and procurement analytics that can be used to inform sourcing strategies; market research, cost analysis, and supplier health*
  - *Supplier Networks & Platforms: Platforms used for identifying suppliers; provides insight into different suppliers, pricing and past performance research tools, and helps develop requirements*

## Planning and Research Suppliers by Public Focus, and Delivery Model

(NOTE: each graph provides the absolute count and subsequent percentage of applicable suppliers within the segment)



\*Note: "Others" within the software delivery model category refers to suppliers offering solutions in lesser seen combinations or capacities

**1 Planning and Research: 106 software suppliers analyzed**

**Examples of Procurement Technology Suppliers in Segment**

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**For more information about the 106 suppliers profiled in our supplier directory, please contact us at [ProTech@publicspendforum.net](mailto:ProTech@publicspendforum.net)**



## 2 Solicitation & Award: 152 suppliers analyzed, spanning five sub-segments

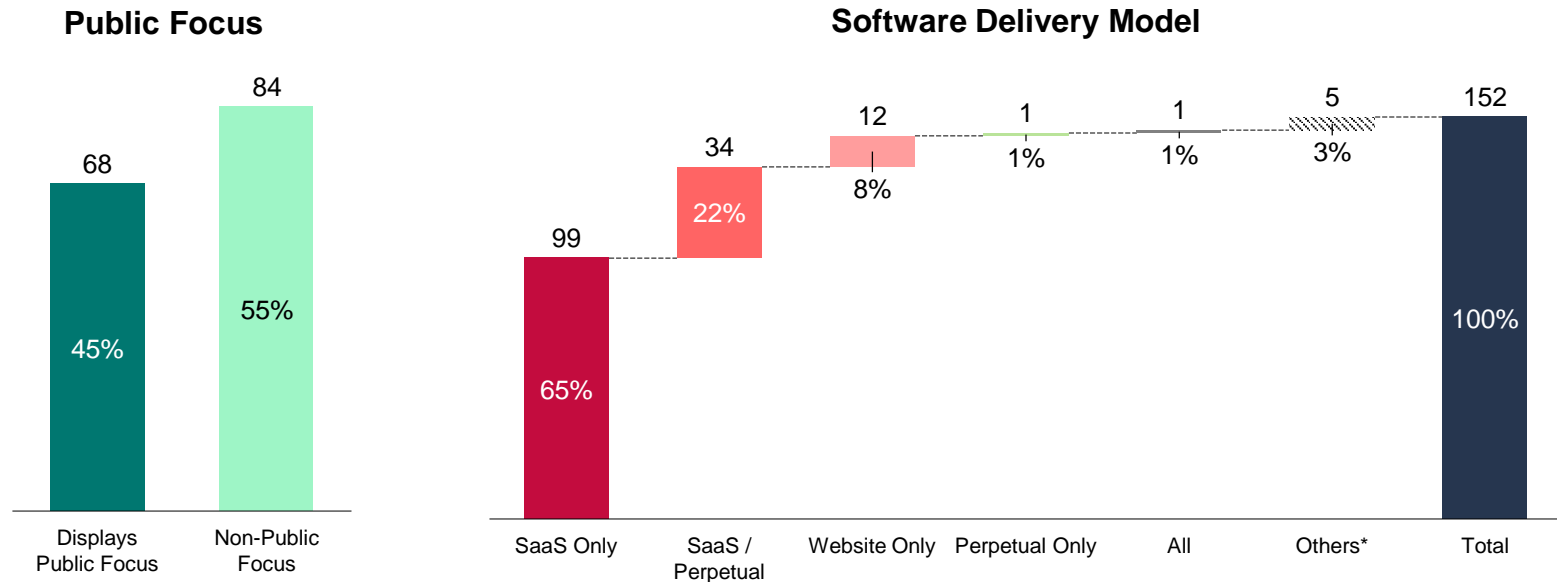
### Solicitation & Award solutions are typically used to assist in award phase activities

Additional information on segment:

- *Solicitation & Award solutions streamline procurement/acquisition processes.*
- *This segment is made up of the following sub-segments:*
  - *Sourcing and eProcurement: Automates sourcing; requisitions, purchase order processing and all related processes*
  - *Contract Lifecycle Management (CLM): Automates authoring/writing, collaboration, signature, storage, reference, and analytics related to contracts*
  - *Procure-to-Pay: Combines e-Procurement and Invoicing features in one tool*
  - *Services Procurement: Facilitates digital sourcing, buying, and paying of freelancers, contractors*
  - *eInvoicing: Processes and pays electronic invoices*

### Solicitation & Award Suppliers by Sub-Segments, Public Focus, and Delivery Model

(NOTE: each graph provides the absolute count and subsequent percentage of applicable suppliers within the segment)



\*Note: "Others" within the software delivery model category refers to suppliers offering solutions in lesser seen combinations or capacities

**2 Solicitation and Award: 152 software suppliers analyzed**



**For more information about the 152 suppliers profiled in our supplier directory, please contact us at [ProTech@publicspendforum.net](mailto:ProTech@publicspendforum.net)**

### 3 Ongoing Management: 174 suppliers analyzed, spanning six sub-segments

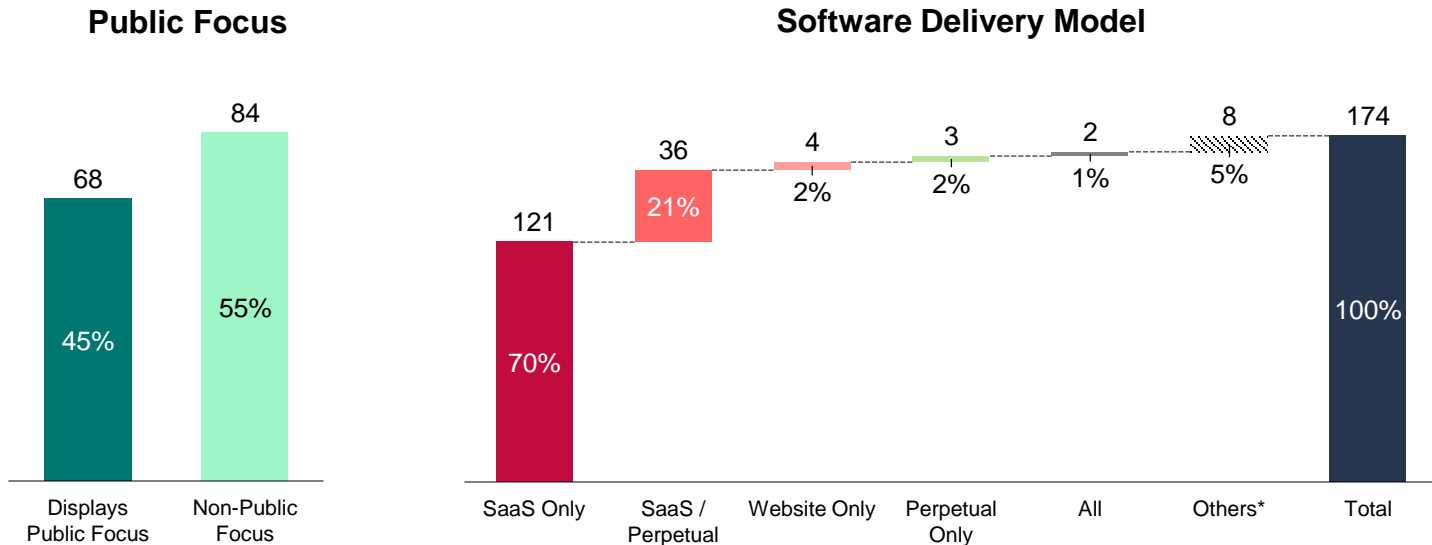
#### Ongoing Management solutions are typically used to assist in post-award processes

Additional information on segment:

- *Ongoing Management software supports the management supplier relationships*
- *This segment is made up of the following sub-segments:*
  - *ERP Suites: Tracks budget and integrates with procurement, among other uses of resources*
  - *Supply Chain: Helps design and scale supply chains*
  - *Supply Risk Management: Identifies and monitors risks in supply chain*
  - *Supplier Lifecycle Management: Monitors supplier relationship, performance, and quality*
  - *Data / Content Management: Provides enterprise-level views of non-transaction spending data*
  - *Cost Management: Allows for cost modeling, cost estimation and price forecasting*

#### Ongoing Management Suppliers by Sub-Segments, Public Focus, and Delivery Model

(NOTE: each graph provides the absolute count and subsequent percentage of applicable suppliers within the segment)



\*Note: "Others" within the software delivery model category refers to suppliers offering solutions in lesser seen combinations or capacities

**3** Ongoing Management: 174 software suppliers analyzed

dun & bradstreet



**For more information about the 174 suppliers profiled in our supplier directory, please contact us at [ProTech@publicspendforum.net](mailto:ProTech@publicspendforum.net)**

## 4 Full Suite: 109 suppliers analyzed, spanning three sub-segments

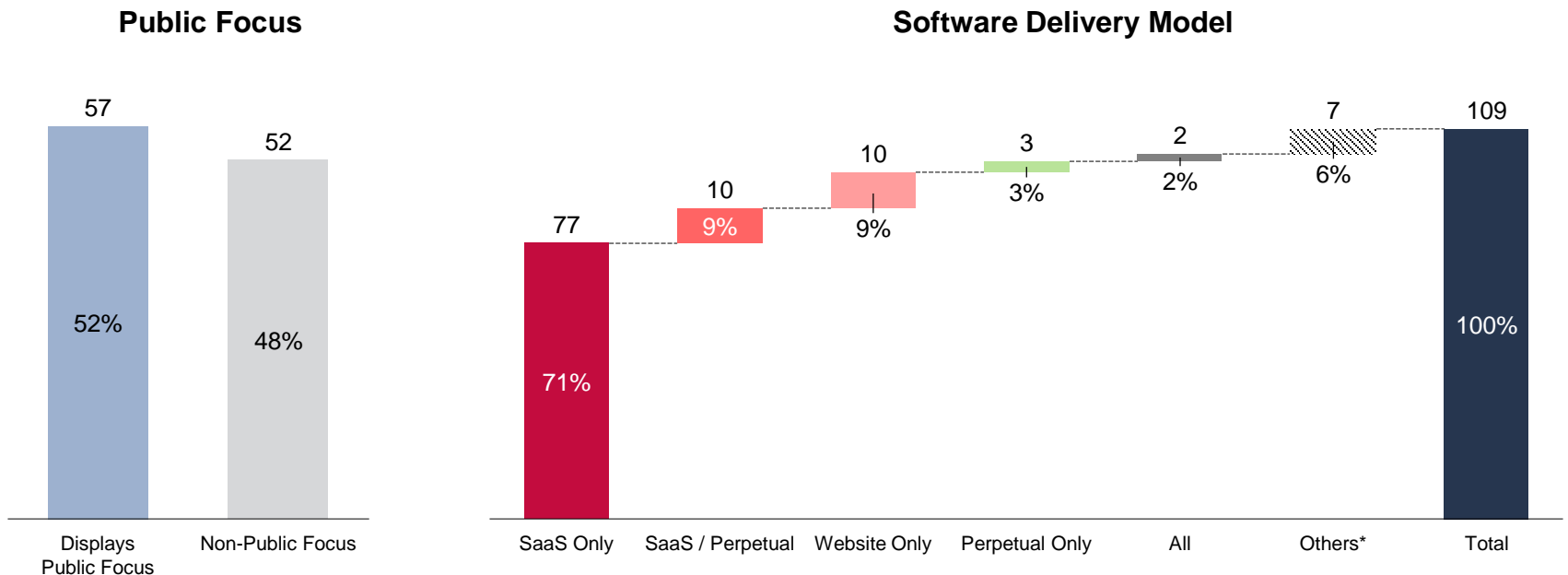
### Full Suite solutions cover the entire spectrum of procurement activities

Additional information on segment:

- Full suite software enables organizations to optimize end to end procurement processes and enables greater ability for unlocking value across the entire procurement lifecycle
- This segment is made up of the following sub-segments:
  - Sourcing & Supplier Management: Combines sourcing and supplier management functionalities in one tool
  - Source-to-Pay: Covers everything from sourcing to payment within the acquisition lifecycle in one tool
  - Sourcing: Allows for strategic and tactical sourcing analyses

### Full Suite Suppliers by Sub-Segments, Public Focus, and Delivery Model

(NOTE: each graph provides the absolute count and subsequent percentage of applicable suppliers within the segment)



\*Note: "Others" within the software delivery model category refers to suppliers offering solutions in lesser seen combinations or capacities

4 Full Suite: 109 software suppliers analyzed



**For more information about the 109 suppliers profiled in our supplier directory, please contact us at [ProTech@publicspendforum.net](mailto:ProTech@publicspendforum.net)**

# LEVERAGE THE PSF ONLINE DIRECTORY

# The Public Spend Forum Online Directory

- Public Spend Forum is releasing a “Procurement Technology Supplier Directory”
  - The directory contains over 260 suppliers that have been catalogued...and another 750 being profile
  - Profile for each company includes overall company description, key products and other demographic information.
  - Government users can filter the list based on capabilities and other filters

## Procurement Technology Supplier Search

**PUBLIC SPEND FORUM** HOME SUPPLIER SEARCH LEARN MORE CONTACT US

Enter a procurement technology capability or vendor name

FILTER BY SUPPLIER OFFERINGS

Found 266 suppliers

**Procurement Technology**

**Capabilities**

**Key Services**

No preferences

Certification

Consulting

Support

Training

**Delivery Models**

No preferences

On-Premise

SaaS

**Achilles**

Achilles creates and manages a global network of collaborative industry communities, allowing trading partners to share structured, real-time data. Using cloud-based technology and industry expertise the company acts as an independent partner, providing val...

Procurement Technology achilles.com

**Adaptive Insights**

Adaptive Insights is a privately held software as a service company whose software allows companies to collaboratively plan and model, access real-time analytics, streamline financial reporting, and accelerate financial consolidation.

Procurement Technology adaptiveinsights.com

**Adexa**

## Supplier Profile

**Advanced Purchasing Dynamics** PSF-REVIEWED MARKET

Advanced Purchasing Dynamics helps manufacturers create competitive advantage through the application of knowledge-based cost management. The company uses cost engineering approaches, combined with industry application experience, to help companies achieve lower costs while building stronger supplier relationships.

apurchasingd.com

**SUPPLIER INFO**

**Type:** Manufacturer  
**Public Sector Focus:** No

**Employees:** Unknown  
**Annual Revenue:** Unknown  
**Year Founded:** 2004  
**Country of Origin:** United States

**Federal Contracts**

- × GSA Schedule IT70
- × NASA SEWP V
- × NITAAC CIO-CS

**PRODUCTS/SERVICES OFFERINGS**

**PROUREMENT TECHNOLOGY** PSF-REVIEWED MARKET

**KEY PRODUCTS**

- Procureforce

**DELIVERY MODELS**

- ✓ SaaS
- × On-Premise

**KEY SERVICES**

- ✓ Consulting
- ✓ Support
- ✓ Training
- × Certification

**CAPABILITIES**

- ✓ Cost Management
- × Analytics & Market Intelligence
- × Contract Lifecycle Management
- × Data/Content Management
- × eInvoicing
- × eProcurement
- × ERP Suites
- × Procure-to-Pay
- × Services Procurement
- × Source-to-Pay
- × Sourcing
- × Sourcing & Supplier Management
- × Strategic Sourcing
- × Strategic Sourcing Application Suites
- × Supplier Lifecycle Management
- × Supplier Networks & Platforms
- × Supply Chain
- × Supply Risk Management



# The Public Spend Forum “Public Procurement Technology Landscape” Report

Available at [Publicspendforum.net](http://Publicspendforum.net)

## Public Procurement Technology Landscape

Technology Landscape Guide for Public Sector Leaders

*BETA Release, Version 2.0, November 2017 – Includes Supplier Directory*

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We welcome all feedback to help us improve on this inaugural version of this report. Please send feedback to [protech@publicspendforum.net](mailto:protech@publicspendforum.net).

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**THANK YOU**

**AND STAY TUNED FOR MORE WEBINARS IN THE  
“HOW TO BUY PROCUREMENT TECHNOLOGY SERIES”**

**Next Planned Webinar (sneak preview announcement):**

**Topic:** Advice from Suppliers – How to Structure Public Procurement RFPs for Procurement Technology

**Date/Time:** December 14<sup>th</sup>, 2pm Eastern Time