

The background features a large, light blue circle with a thick blue border. Inside this circle is a pattern of smaller, semi-transparent blue circles arranged in a grid-like fashion. In the center, there are three concentric circles: a solid blue inner circle, a white middle ring, and a light blue outer ring. The text is centered within the white ring.

Now Procure IT^{•••}

Procurement Workshop 2018

“Working together to grow the NZ
Tech sector”

12 September 2018

It doesn't make sense to hire smart people and **tell them** what to do; we hire smart people so they can **tell us** what to do.

– *Steve Jobs*

AZ QUOTES



Outcome Based Procurement

Why don't we fully utilise them within Govt?



We are all under increasing amount of pressure to achieve and deliver more value within a constrained budget.



This procurement method must understand the “WHO” and “WHY” rather than focusing on the traditional ‘HOW’

HOW

Engage Early

Procurement Function needs to help decide the strategy prior to business starting the process

Conversation

Understand when and how you can talk to potential suppliers



Understand Outcome

Step change, not so much
How more Why?

Requirements

Why do we need this? What is the outcome? Not pages of functional and non-functional requirements.

BENEFITS

Less Technical Focus

Less focus on the rocket, more focus on keeping the astronaut alive

Supplier / Agency Trust

Open, honest communication. Maybe a wider set of answers to your problems

Innovation

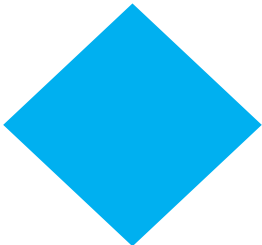
If a supplier fully understands the problem and the outcome required, they can truly bring innovation

Customer Centric

Focus on what really matters with clear direction. Use Customer feedback to validate the outcome

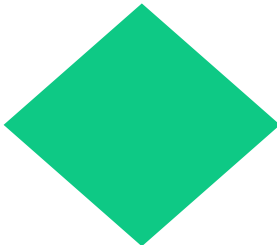


CHALLENGES



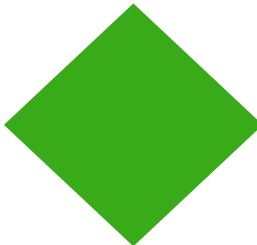
Buy in from sector
leaders

Procurement often is the last
step in a decision process.



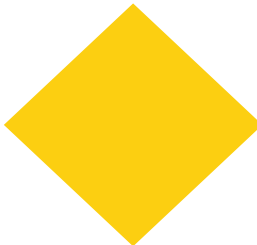
Not a silver bullet

Outcome Based
Procurement isn't always the
most suitable model. 1 size
doesn't fit all!



Requires a mindset
shift and upskilling

Requirement gathering
needs to change. Need to
ensure that we contract to
Outcome based outcomes.

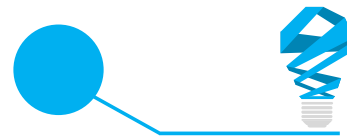


One Govt

Agencies may end up with
solutions that are best fit for
the outcomes they require
however these may not fit
other Agencies.

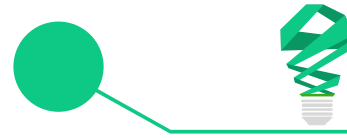
QUESTIONS

We don't have all the answers but maybe you do?



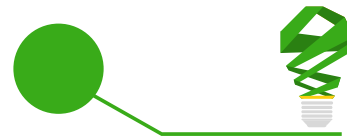
When would this work?

Was there a tender that would have suited Outcome Based Procurement?



What stops you using this model?

What are there barriers stopping you using Outcome Based Procurement?



How do we change the Status Quo?

Procurement is often last stage of the decision process, who do we need to influence to ensure that we can plan Strategies that will foster conversation?

