

A Gartner G-Cloud 14 Service Definition for Cloud Consulting: Cloud Sourcing — Negotiation Strategy and Planning

2024

Gartner G-Cloud 14 Service Definition

© 2024 Gartner, Inc. and/or its affiliates. All rights reserved. Gartner is a registered trademark of Gartner, Inc. or its affiliates. This Gartner G-Cloud 14 Service Definition, including all supporting materials, is proprietary to Gartner, Inc. and/or its affiliates and is for the sole internal use of the intended recipients. Because this Gartner G-Cloud 14 Service Definition may contain information that is confidential, proprietary or otherwise legally protected, it may not be further copied, distributed or publicly displayed without the express written permission of Gartner, Inc. or its affiliates.

Gartner

Service Summary

Gartner will utilise its proven negotiation strategy and planning methodology with associated toolkits to independently and objectively prepare clients to compliantly negotiate a deal — on-site and alongside your team. Gartner enables the continued alignment of the deal to the client's business drivers, highlighting best practices and potential risks.

Service Description

This service is designed for organisations that have a procurement process inflight and have shortlisted bidders for the delivery of services and require the development of a negotiation strategy and a coherent execution plan which sets out the sequence of discussions and identifies and prioritises 'trade-offs' and 'red lines'.

Gartner will independently and objectively support the client's planned steps necessary to achieve the desired cloud service by:

- Developing the negotiation strategy and plan that best meets client needs
- Identifying the key negotiation points and articulating the client's position
- Undertaking a risk assessment of the key negotiation areas
- Coach and prepare the client team for leading the negotiations
- Utilise benchmark data to assess the provider costs versus fair market price
- Dynamically provide 'reach back' support during negotiations
- Review/update contract documentation to reflect planning and negotiation outcomes

Service Benefits

- Independent support throughout the client's negotiation strategy and plan development
- Planning, negotiation and assurance against best practice
- Reinforces executive-level confidence in cloud-sourcing deals
- Identify and mitigate risks to the organisation through negotiation
- Provides prioritised recommendations for negotiation
- Integrates with benchmark products
- Achieves cloud service contracts optimised for price and service delivery
- Deal arbitration

Service Features

- Establish a definition of success/outcomes
- Review vendor(s) response and identify risk areas
- Build a negotiation approach and plan with client staff
- Establish key redline items, trade-offs and what-if scenarios
- Source relevant benchmark data for comparisons
- Coach and prepare client team prenegotiation
- Provide dynamic 'reach back' support during the negotiation

- Prepare recommendations and final observations report
- Provide advice on sustained cost saving and service performance

Full List of Service Features

- A negotiation strategy and planning report that documents the planning and negotiation approach, roles, responsibilities and negotiable options
- Revised contract documentation reflecting agreed terms from the planning and negotiations
- Participation in the planning and negotiations
- Final presentation to executive stakeholders

Project Approach

- Week 0: Project initiation:
 - Agree on a detailed plan for the coming weeks, including interactions with key stakeholders
 - Review contextual documentation
- Weeks 1 — 2: Draft negotiation strategy and associated plan:
 - Conduct interviews with key stakeholders (up to 10)
 - Identify planning and negotiation key points, draft options, and planning and negotiation sequencing
 - Workshop negotiation strategy with the client team
- Weeks 5 — 8: Conduct negotiations:
 - Participate in client planning and with 'reach back' support to negotiations
 - Update contract documentation
- Week 9/10: Finalisation:
 - Finalise contract documentation
 - Recommend next steps and actions

Project Schedule

Gartner anticipates completion of this engagement within 10 weeks — this is indicative. The project schedule, team composition, and multiple units of this service offering will be agreed upon against the overall plan.