

Best Practice Group G-Cloud 14 Services Service Definition Document

May 2024



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Best Practice Group

Best Practice Group (BPG) is an independent advisory practice that helps you reduce the cost (and risks) of working with major cloud technology partners, ensuring you gain best value from the solutions they provide, with accelerated benefits realisation.

BPG Credentials

- Recognised thought leaders in cloud procurement, contracting and strategic supplier relationship/contract management
- Client ROI 20 to 100 X investment in BPG fees
- £570m client savings/financial benefits to date
- £25m largest client financial benefit on single project
- 24 years' experience, near 600 projects involving strategic supplier relationships
- 280+ clients, including 100+ public sector clients
- 78 Expert Witness assignments for complex supplier dispute cases.

BPG Cloud Expertise

Cloud computing is simply a general term for delivering 'hosted' services over the Internet, such as Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS) and Software-as-a-Service (SaaS). These usually form part of broader, integrated systems solutions. With IT playing the fundamental role that it does in organisations, the relationship that clients have with their cloud suppliers is often complex, critical and strategic. We specialise in making these types of supplier relationships work really well. Our Cloud Support Services help clients throughout the lifecycle of their cloud supplier relationships notably through 3 stages:

1. Creating new supplier relationships (cloud strategy, procurement, contracting and implementation)
2. Improving existing supplier relationships/performance (including dispute resolution)
3. Supplier transition and exit management (including early contract termination).

BPG's specialist cloud advisors bring years of experience, qualifications and specialist skills to ensure your cloud solution is fit for purpose based on quantifiable business outcomes, procured compliantly and optimised for performance. Our advisors are unusual in that they have overlapping technical and contractual expertise — they take a proactive, hands-on approach helping your teams get mutual benefit from complex and strategic supplier relationships.

Benefits of BPG Cloud Support Services

BPG can help you:

- Reduce operating costs significantly by successfully moving from on-premises to cloud/digital channels (with integration into legacy systems)
- Identify the right suppliers to best meet your needs
- Accelerate benefits realisation, achieving business outcomes twice as fast
- De-risk contracts by understanding supplier 'Expert Responsibilities' and 'Duty to Warn'
- Turn your supplier into the true partner you always wanted them to be.

Cloud Contracts/Legal Expertise

Our disciplined ISO9001 approach to cloud procurement and contracting ensures that outcomes are supported by a compliant and effective legal framework. BPG is now widely acknowledged as the leading expert in identifying and clarifying supplier 'Expert Responsibilities', the implied (undocumented) contractual obligations of managed service providers, assisting organisations

throughout the public, private and third sectors to build truly collaborative and innovative strategic supplier partnerships. For each cloud procurement project that we undertake, we assign a hands-on specialist who is experienced in the delivery of comprehensive legal/contracting support for complex procurements. This is particularly helpful in complex scenarios where multiple cloud contracts and suppliers must align to deliver successful client outcomes.

Delivering Maximum Value in Your Cloud Supplier Relationship

Having optimised close to 600 complex supplier relationships, we know what practices work *really well*. We have deep expertise of building trust in relationships, ensuring contract terms support that trust building. We provide you with proven processes and templates, (along with expert guidance on what you need to avoid) to make sure your cloud procurement, implementation and ongoing relationship achieves your outcomes.

We help you make sure your requirements and expectations are internally agreed within your organisation, and clearly communicated to the supplier market, simplifying the procurement and contracting process so that you understand ‘the art of the possible’ and engage with fit-for-purpose supplier(s) to generate maximum value. A stable relationship promotes innovation. Our ‘Optimise’ process will drive great behaviours between you and your supplier and streamline your cloud strategy at the same time as reducing your business as usual costs.

Proven Track Record & Thought Leadership

The reputation we have achieved for delivering strong working client-supplier partnerships, whilst producing direct cashable savings, is based upon a proven track record of working on close to 600 strategic supplier relationship projects (all directly referenceable). Some of the 100+ public sector clients we have worked with include:

- Birmingham City Council
- Blackburn with Darwen Borough Council
- Bolton Council
- Colchester Institute
- Countryside Council for Wales
- Derby City Council
- Devon & Cornwall Constabulary
- Down District Council
- Durham County Council
- East Lancashire Hospitals NHS Trust
- East Sussex Healthcare NHS Trust
- Essex County Council
- Health Service Executive
- High Peak Borough Council
- Houses of the Oireachtas (Irish Parliament)
- Isle of Man Government - The Treasury
- Isle of Wight Council
- Lancashire Care NHS Foundation Trust
- London Metropolitan University
- MOD (Defence Equipment and Support)
- National Institute for Health Research
- NHS Business Services Authority
- North West London CCGs
- Peterborough City Council
- Richmond-upon-Thames LB Council
- Rossendale Borough Council
- Royal Borough of Kensington & Chelsea
- States of Jersey
- Stockport NHS Trust
- Surrey and Sussex Police
- Swindon Borough Council
- The Houses of Parliament
- The Royal Mint
- University of Surrey
- University Hospital Southampton NHS Foundation Trust
- Wandsworth Council
- Westminster City Council
- Worcestershire Acute Hospitals Trust
- Worcestershire Health and Care NHS Trust
- Yorkshire Housing

Thought Leadership

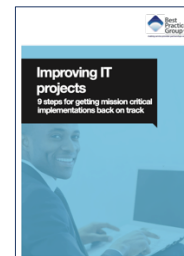
For more insight into our thought leadership credentials you can access our range of white papers and blogs, available free from our website www.bestpracticegroup.com. An example of the papers available include:



Cloud Computing: How to Successfully Contract for Cloud Services



Strategic Vendor Responsibilities



Improving IT Projects: Getting Mission-Critical Implementations Back on Track

Working with BPG

Contract/Account Management

BPG's Operations Manager will be responsible for overseeing the planning, execution and performance of projects in line with your expectations and our ISO9001 Quality Management system. Regular communications allow us to effectively manage our contracts and we strive to build true partnership relationships and behave as trusted advisors. Our regular reporting and customer satisfaction monitoring will ensure we continue to meet and exceed your expectations.

Your Requirements

We will work with you to verify your requirements and confirm project scope to ensure that there is clarity of purpose from the outset — this should ensure that there are no surprises. We will be open about what we perceive to be the risks and issues of projects and will work with you to resolve them. We usually agree a statement of work before project initiation clearly articulating BPG roles and responsibilities and any service level agreements (SLAs)/ key performance indicators (KPIs) as appropriate for the work we will carry out. However, we understand that circumstances can change, and unforeseeable problems may arise, so we take a flexible approach to contractual terms and are willing to adapt to accommodate change.

Resourcing

Resourcing is controlled within our ISO 9001 Quality Management system by BPG's Operations Manager who oversees the scheduling of all activity to ensure the most appropriate BPG resource is allocated to each project to optimise quality of output. Our teams are multi-disciplinary, fully integrated and bring the optimum balance of experience and subject matter expertise to meet your specific project needs. BPG only resource highly skilled and experienced specialist advisors. Our advisors bring a unique combination of deep domain, technical, operational and legal/contracts experience and knowledge. They are ex CEOs/CIOs, Service Directors/Managers, Programme and Project Managers, each with 20–30 years' industry experience.

Onboarding & Project Exit/Handover

We have an established onboarding process by which we quickly bring advisors up to speed on the nature of your project and governance structure, the requirements of their involvement, and any documentation, processes and reporting procedures they will be following. All our specialist advisors are extremely skilled in developing good working relationships and make every effort to blend seamlessly into internal teams, whatever the nature of their role. Where possible, and particularly where there are workplace sensitivities, we hold a 'meet the team' session where our advisors can be properly introduced to the teams they will be working with. Where this is not possible, our onboarding process will identify the key stakeholders and relationships that need to be established from day one.

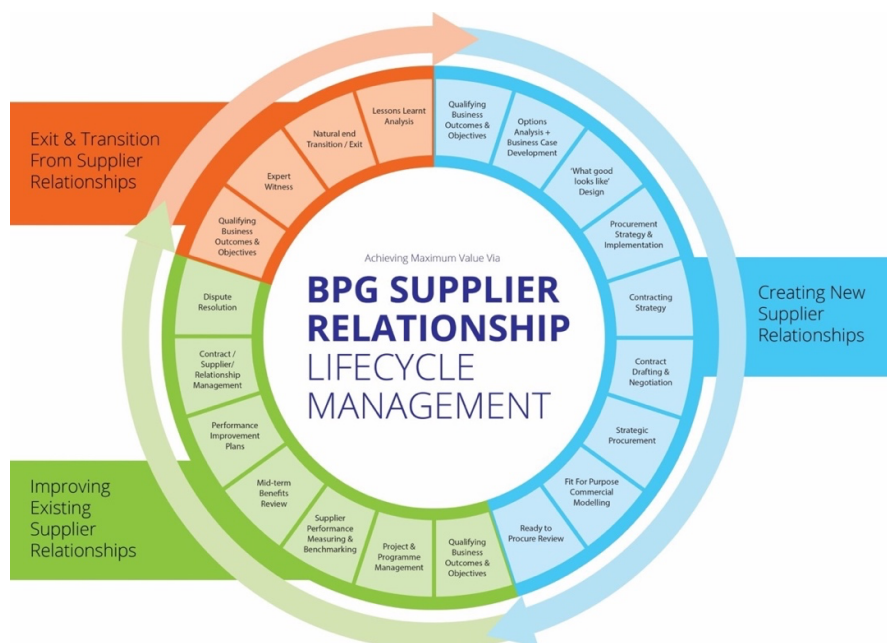
We follow standard project close procedures to communicate and confirm the end of our assignment and involvement with your project. Our exit management strategy would focus on what is needed to ensure your supplier relationship continues to be a success long beyond the project end. We formally handover all project documentation and conduct knowledge transfer activities with the ongoing resource in the use of our processes, tools and templates, and where required, we will also help assure the approach and plans of the ongoing resource.

Governance

Our collaborative approach will ensure alignment with your Governance arrangements. This ensures our working practices can be incorporated without causing any disruption, and that decision making, reporting lines and procedures are mutually agreed and fully documented.

Cloud Support Services to Meet Your Needs

Our client projects range from providing the full range of end-to-end cloud relationship lifecycle support to providing services focused on discrete stages such as procurement or exit & transition. We can provide as little or as much support as you need.



An overview of the key cloud support services/service groupings we offer is outlined in the sections below. **Please Note:** these services are not prescriptive; services would be designed around the specific support each individual client needs.

Service 1: Procurement Support for Complex Cloud Projects

Our experience of optimising the performance of close to 600 complex relationships, means we understand what a good procurement looks like that will assure successful implementation of a fit-for-purpose solution. We start with 'what good looks like' for the solution/service implementation, then reverse engineer the procurement process from the desired outcomes. We can support the end-to-end procurement, as outlined here, or we can provide targeted support for key stages and activities. These targeted options are detailed in subsequent service definitions in the following pages.

Our approach delivers a faster, safer and assured procurement process. It provides an independent and integrated team approach that gives critical friend support. In turn, you will receive better certainty that the procurement process, solution implementation and benefits expected are more likely assured. We ensure suppliers ask you the right questions to validate your expectations, that their solution is contractually accountable for fitness for purpose and that they mobilise implementation in line with your business outcomes.

Optimised value for money. At each stage, the BPG ROI process can determine whether the procurement process is on track. Subsequently, when the solution is implemented, we will determine the degree to which value for money is being optimised.

Our overarching procurement support for complex cloud projects covers 12 areas, outlined below.

1. Agree Competing Priorities and Requirements Definition

Internal stakeholders often have differences concerning priorities of requirements from the procured solution. We facilitate stakeholder prioritisation aligned to business outcomes as well as overseeing the elicitation process for requirements gathering, definition and documentation.

2. Procurement and Contracting Strategy

We will work with you to develop your procurement and contracting strategy. Where you have already developed your strategy, we will review it to assure that it is likely to lead to a successful supplier selection and solution implementation. We provide critical-friend support where challenges might exist.

3. Early Market Engagement/Soft Market Testing

We can design, deliver and evaluate early market engagement activities. We review the depth of insights the early market engagement has provided and assess whether those insights have influenced the final requirements and procurement route.

4. Procurement Process and Documentation

We can support implementation of the procurement strategy by either leading the programme or providing ad-hoc strategy and/or document structuring and Quality Assurance.

5. Procurement Technicalities

We'll help you lay out the individual steps of the procurement process, including issuing the SSQ/ITT, requirements, evaluation & selection criteria, project planning and on-going strategic/tactical advice.

6. Stakeholder and Supplier Communication

We'll set up reporting systems and communications plans providing weekly progress updates, ensuring visibility of accelerators that are speeding matters up and hurdles slowing matters down.

7. Supplier Dialogue/Negotiation Support

We can advise on (or lead) discussions with suppliers over clarification of their proposals aligned to your business outcomes. This usually covers technical, commercial and legal. We can also provide negotiation training to your internal teams and coaching in the specific dialogue process of the Competitive Dialogue procurement route.

8. Evaluation and Supplier Selection

We can help you determine your evaluation criteria and provide strategic support for a fair, objective and transparent supplier selection and evaluation process that is (a) legally compliant (b) assures a fit-for-purpose solution is procured, and (c) is not subject to challenge.

9. Pre-contract Supplier's Due Diligence

We assure the supplier asks the right questions to validate your expectations. This assures the supplier's solution is contractually accountable for fitness for purpose and provides you with transparency on whether the proposed solution will fit within your budget, expected timescale and resource constraints.

10. Contract Terms and Drafting Negotiation

We facilitate the drafting of agile and fit-for-purpose contract terms with the supplier and their legal team, which in turn will be reverse engineered from the business outcomes you need to achieve. This way, your contract terms will drive collaborative behaviours between you and your supplier, and you'll be commercially protected.

11. Implementation Planning

We can advise on (or lead) assuring the supplier is mobilising implementation of the solution in line with your business outcomes. Further assuring aligned roles and responsibilities.

12. Supplier Relationship, Performance Management and Return on Investment (ROI)

We advise on how to support optimisation of the relationship to ensure the solution remains fit for purpose on an on-going basis, whilst capturing appropriate ROI information.

"BPG's approach is radically different to traditional complex IT procurement. It's about tying the service you procure to achieving your own business goals. The process attracts good suppliers and very quickly weeds out the bad. It's very important for us to reduce risk in our procurement, so we would definitely recommend other organisations use BPG to do the same...for high-risk, change-intensive or complex projects."

Beth Hague, Corporate ICT, London Borough of Hillingdon Council

Service 2: Cloud Readiness Assessment/Ready to Procure: Assurance Review

Our 'Ready to Procure' assurance review (cloud readiness assessment) will determine the status of your cloud procurement project and your organisational/stakeholder readiness for the change it will bring. With our experience of optimising the procurement/delivery of close to 600 complex relationships, you will be assured of being ready to safely procure a fit-for-purpose solution from a supplier with the right cultural fit.

We assure safe acceleration of the procurement process. Our readiness assessment assures an informed approach as to how to accelerate the procurement process, safely, providing confidence that you are more likely to select a fit-for-purpose service solution.

Reduced-risk pricing. Prospective suppliers will be encouraged by your mature client approach to supplier engagement, often reducing their risk pricing by a significant margin in the process.

The readiness assessment will ask questions to identify current good practice and preparedness as well as areas which present challenges. We then provide next steps guidance on how to overcome challenges and assure you are ready to procure and ready for the change the cloud procurement and implementation will bring.

- **How clear are your expected outcomes?**

We will review your expected outcomes to ensure they are clear and well defined. This minimises client and supplier misunderstandings before you start the procurement process and helps the supplier provide better advice.

- **How ready for change are your stakeholders and organisation?**

We look at your organisation's readiness for change, motivation to improve, team infrastructure and leadership support to identify what is already good and where further support is required.

- **How clearly do your solution requirements align to business outcomes?**

We will assess your service/solution requirements, their alignment to the expected business outcomes and contractual suitability.

- **How will the procurement/contract principles assure fitness for purpose?**

We will identify that all the right contractual and procurement principles are in place to ensure suppliers provide the right advice and service solution.

- **What lessons can be learned from your past procurements?**

We'll help you identify where your organisation already has great skills and capability to procure a fit-for-purpose solution and a supplier with the right cultural fit.

- **Has early market engagement feedback informed your expectations?**

We review the feedback from your early market engagement activity. This assesses the suitability of suppliers and available solutions and determines the likelihood of your expectations being achieved within budget, time and resourcing.

- **Will existing procurement governance safely accelerate the process?**

We will review your procurement governance and identify 'hygiene factors': (a) what is already good, (b) whether to improve, (c) What good looks like, and (d) the degree of alignment to the business outcomes.

Output Workshop

The assurance review concludes with a workshop of the review outputs and involves key stakeholders and project sponsors. The output workshop is designed to provide key principles and indicators of 'what good looks like' to assure success. We then compare this to where you currently are and whether any improvements would improve value. We conclude with next-steps recommendations.

Service 3: Defining and Documenting Your Cloud Requirements and Specification

Lack of clarity in service/solution requirements is the single biggest cause of disputes in complex supplier relationships. Our 'Optimise' method will help you to identify and clearly express yours. Our best-in-class requirements approach assures clarity in aligning your specific service/solution requirements to your business outcomes, free from ambiguity and contractually reliable. Our methodology for producing Specifications of Requirements usually contains three stages of work, each tailored to meet the specific outcomes required by the client:

1. On-Site Project Initiation Workshop and Outcomes/Objectives-Mapping Meetings
2. Initial Configuration of Document Templates and Requirements Gathering/Data Capture Facilitation (documentation, interviews and workshops)
3. Finalisation of Requirements Bundle and Delivery of 'Next Steps' Report.

Our proven approach uses our extensive library of tender document templates and our comprehensive elicitation process, which ensures that requirements are aligned to evaluation criteria and business outcomes. Our documentation is carefully templated to support regulatory compliance and a fully auditable approach to bid evaluation, which protects our clients against supplier challenge. We will share best-practice examples of what good requirements documentation should contain (see more detail below). Our support service also offers training and co-ordination of client teams in requirements gathering techniques and the use of our documentation/templates to generate best-in-class service definitions. We conclude the requirements gathering process with a workshop to consolidate requirements and develop high-level solution designs.

To successfully elicit your organisational requirements, a Procurement Expert and Behavioural Observer will oversee requirements elicitation. The process will be supported by a Lead Elicitor/Encourager (or 'Warm Engager') who puts people at ease, asks insightful questions of participants, and makes participants feel that their contribution is critical. We also provide a Senior Business Analyst(s) role to assure system requirements, clarify user operating scenarios (use cases), and explore 'the art of the possible'.

The process provides clarity of requirements and expectations to support fit-for-purpose certainty of the procured solution. It encourages engagement of the full stakeholder environment to ensure internal agreement on needs and priorities. It assures procurement compliance by clearly aligning requirements with the evaluation and scoring process to facilitate fair, objective scoring for supplier selection. The clarity of requirements also provides improved visibility of your expectations for suppliers. This means they can provide you with much better advice. This provides the foundations for contractually holding suppliers accountable for that advice (to deliver the requirements) on an agreed and informed basis.

What Good Requirements Documentation Should Include

In your Requirements documents for prospective suppliers, it's vital to communicate what outcomes and objectives you need to achieve organisationally, as a result of the service/solution you want to procure. In other words, explain what it is that your organisation will be able to achieve once you have implemented the service/solution and it is running successfully, which it couldn't achieve prior to the implementation. Ideally, you should articulate this in terms of timeframes, illustrating a spectrum of percentage improvements expected across each service/solution area and so forth. By quantify these objectives, you will help prospective suppliers understand the degree to which you have carefully considered your expectations and how you will measure them. It is also helpful for

prospective suppliers to get visibility of appropriate parts of your business case, visibility of the end-to-end anticipated procurement process, positive consequences of the solution being fit for purpose and the negative consequences if the service/solution is found wanting.

The 'holistic' approach to documenting your requirements is to assure your prospective suppliers are fully informed and can contextualise their responses appropriately. Key aspects to include are:

- **Organisation background and context for the procurement**

A 'holistic' executive view of how your organisation operates and your plans and objectives for the future.

- **An outline of why you want to procure the new service solution**

A clear and articulated explanation to the prospective supplier of why your organisation has decided to replace aspects of its service delivery and/or solution and how you came to that decision.

- **The details of the end-to-end procurement process**

An outline of the end-to-end procurement process itself so that the prospective suppliers fully understand the approach you are taking and why. A full outline of the process should include milestones, the client team involved, the contracting strategy and benefits realisation process.

- **High-level business objectives to be achieved and their quantification**

The business objectives your organisation wants to achieve as fully quantified as possible. There should be a clear organisational vision documented that outlines what hurdles the organisation will overcome and the objectives it will achieve once the service delivery is in place. For each of the objectives to be achieved, clearly state what the objective is, how it aligns to the overall business outcome, when the objective needs to be achieved by and what degree of improvement is expected from it.

- **A high-level outline of 'Use Cases' (operational business process flow)**

These are specific use cases that explain what the key current operational processes are and where you see opportunity for improving on those processes to achieve the 'Future State'.

- **An explanation of the negative impact if the service/solution is not fit for purpose**

A clear understanding of the operational and financial impact on the organisation/objective if the requirement is not fully achieved to the level, investment and time scale expected.

- **Outline the criteria of the supplier selection process**

Explain the supplier selection process and what evidence the supplier can provide you with that will improve their chances of winning the bid. The process should be clear, fair and objective to compare each supplier's bid against the quantified business objectives expected on a like-for-like basis.

- **A high-level approach of how you will manage the supplier's performance**

How you will use SMART KPIs to monitor the speed and effectiveness of the supplier's solution achieving the expected business outcomes.

Service 4: Procurement and Contracting Strategy Support

A procurement and contracting strategy aligned to business outcomes will safely assure fit-for-purpose service/solutions delivery from an Intelligent Supplier. We'll get you to a great place, fast. Our experience optimising near 600 complex supplier relationships, means we understand the procurement and contracting strategies (features of which are below) that really work. Our approach provides assurance to internal senior stakeholders of a robust strategy to contract with a fit-for-purpose supplier and solution that achieves your business outcomes. It also provides operations team visibility of an agreed team strategy that everyone understands and can deliver upon.

Procurement Strategy Objective

The process of sourcing cloud solutions starts with having a clear articulation of what outcomes and business operational workflows will change once the solution has been successfully implemented. These inputs inform the approach of the development/procurement strategy and how you will go to market for:

- Suppliers that align with your own cultural values
- Fit-for-purpose cloud solutions that align to those outcomes and business workflow improvements.

Your starting point would normally be to clearly articulate and quantify:

- What business outcomes you aim to achieve
- What objectives align to those outcomes you need to achieve
- The operating behaviours you want from both yourselves and your suppliers to achieve those objectives
- What KPIs and critical success factors (CSFs) will drive those behaviours
- How these components will in principle be reverse engineered into an appropriate governance, contractual and procurement strategy to ensure fit-for-purpose systems are implemented and outcomes achieved for all involved.

BPG would act as internal 'critical friends' to ensure you are ready to go out to market, procure fit-for-purpose solutions and be assured that the organisation has the disciplines, resources, capability, skills and bandwidth to enable any appropriate solutions to be correctly procured, implemented and that the organisation should achieve the benefits expected in the shortest realistic time. From this understanding, we can reverse-engineer a fit-for-purpose Procurement Strategy.

Our procurement and contracting strategy support will help you to:

- **Determine the scope of the procurement** identifying the specifics of the services to be delivered along with the business objectives and outcomes to be achieved.
- **Learn lessons from past procurements** to identify where your organisation already has great skills and capability to deliver the strategy, so you can focus on your strengths. We'll also help you to identify where you can make improvements, quickly.
- **Address key procurement principles**, which include regulation compliance, the safe expedition of finding the right supplier and the promotion of knowledge transfer.
- **Determine the optimum procurement route by conducting an options appraisal** ensuring a safe, quick and compliant route to market for a fit-for-purpose supplier and solution.

- **Successfully procure complex services** of this type, providing you with exemplar templates so you can accelerate finding and implementing your service solution.
- **Design a supplier selection process** that will ensure you select the right supplier aligned to your business and service delivery outcomes, without fear of supplier challenge.
- **Identify influencing factors that will accelerate** or detract from the speed of the procurement process, including, your new service target operating model and resourcing.
- **Align your strategy to the achievement of your business outcomes** and ensure that you have the right team skills to effectively deliver it.

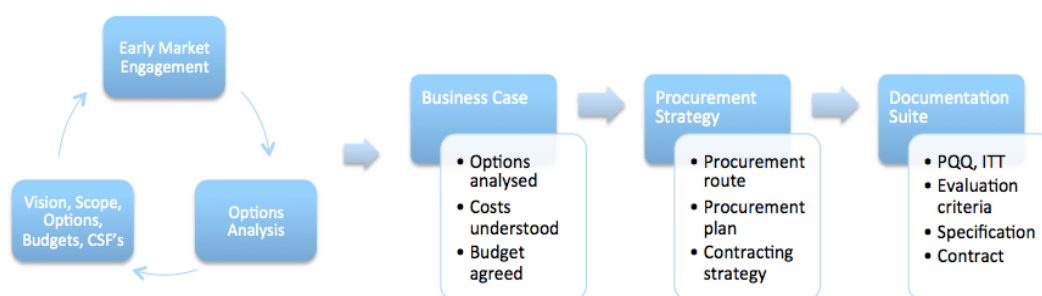
Developing the Contracting strategy

We'll incorporate all the above key elements and reverse engineer a 5-step contracting strategy. Then we'll align contract principles that drive really great behaviours to optimise the relationship during the implementation.

Service 5: Early Market Engagement (EME)/Soft Market Testing

Before formal procurement begins, Early Market Engagement (EME) will help you assess whether your procurement project expectations are achievable. Our experience of many EME exercises will ensure you have all the information and market insights required to make informed decisions to steer your procurement and assure project success. As with all our cloud support services, we'll provide as much or as little support as you require: assurance and advice, through to hands on delivery support.

An EME exercise can provide greater clarity for your procurement strategy by testing the market's ability to deliver against your requirements. It provides insights into resourcing implications, technical implications, costs and cost drivers, potential benefits, timescales and phasing that will all support the Business Case and provide greater confidence in the preferred solution. The diagram below illustrates how the information gathered during EME ties in with the wider procurement strategy.



Initially, we will help you to develop your EME strategy to ensure it can deliver the insights you require. We will conduct market engagement preparation including sense checking your requirements to ensure they are clearly articulated for internal agreement and ease of supplier understanding. Having well-articulated business requirements positions you as a 'mature client', which attracts innovative supplier solutions with optimum pricing resulting from reduced risk.

We'll help you devise the right questions for suppliers to maximise the output from the engagement exercise and will also help prepare documentation, providing exemplar EME documentation templates that will save you time and provide overall Quality Assurance for documents created. We can also help plan and deliver your Supplier Information Day and help you evaluate the supplier responses and prepare options for further appraisal.

The EME activity allows you to obtain advice from suppliers, including insights into the most effective procurement route, which will help to accelerate the procurement and implementation, and future benefits realisation. Suppliers will inform you of the degree to which your budget, resourcing, time scales and requirements are (a) achievable and (b) likely to meet your business outcomes. It can also be used to gain early insight into supplier inflexibility or contractual 'show stoppers'.

To ensure maximum benefit is derived from the outputs of the engagement exercise we will deliver team training for supplier engagement/workshops to help you explore and understand the 'art of the possible' with solution options and how well your expectations are likely to be achieved.

Service 6: Supplier's Due Diligence

We can deliver an assured supplier's due diligence process that contractually and operationally ensures their solution is fit for purpose, meets your expectations and is delivered on time and budget. The more suppliers understand your expectations, the better the advice they will provide and the more likely they will meet your business objectives and outcomes. Our approach allows suppliers and clients to get deep clarity of each other's expectations and assure fitness-for-purpose of the solution to deliver the required business outcomes.

Our process is specifically structured to provide strategic suppliers the opportunity to have a 'deep dive' review of your requirements and how to align their services to your business objectives, including the appropriate roles and responsibilities. It helps suppliers ask the right questions to avoid future misunderstandings, highlighting areas of ambiguity that require their advice on where their solution can or cannot meet requirements and the consequential impacts of the latter.

Benefits to the Client

Part of the uniqueness of our 'Optimise' process that you are unlikely to find with any other procurement process, is that you can contract for the supplier's advice, separately to the solution it intends to provide. The way this element of the process is structured and aligned with the overall contract terms, means:

- **Strong collaboration.** The process drives strong collaborative behaviour between you and the supplier
- **Clarity of client expectations.** The supplier is given deep visibility and clarity as to your expectations so you can work together in genuine partnership
- **Avoiding misunderstandings.** It helps to avoid future misunderstandings (and disputes) over your expectations
- **Minimising supplier risk pricing.** This clarity reduces the commercial risks for both client and supplier and in turn usually reduces the supplier's pricing of risk into the project
- **Assuring fitness for purpose.** Importantly, it assures the supplier is expressly contractually accountable for the fitness-for-purpose of their solution.

Benefits to the Supplier

- **Full understanding of outcomes to be achieved.** The supplier undertakes detailed due diligence and can evidence its understanding of the business outcomes the client is expecting from the supplier's solution.
- **Clear visibility of business objectives.** The supplier validates whether it has the skills, resources and time to align its solution to those objectives. If so, it can show the specific planning process to implement it.

- **Full understanding of the current operating state ('As-Is').** The supplier reviews the 'as-is' operational constraints and determines how it can align its solution to keep the good outcomes and improve the not-so-good.
- **Clarity of the required future operating state ('To-Be').** This helps the supplier align the client's expectations as to the reality of what is likely to be achieved through the supplier's proposed solution and what is not.

To support your Supplier's Due Diligence process we will:

- **Facilitate genuine collaborative working.** We provide support for collaborative workshops to clearly articulate the degree to which suppliers really understand your expectations and, in turn, work to clarify expectations more clearly.
- **Provide exemplar templates.** We provide exemplars of the best supplier due diligence terms of reference documentation. This assures the supplier asks you the right questions and provides a fit-for-purpose solution.
- **Ensure you understand supplier 'Expert Responsibilities' and 'Duty to Warn'.** We will help you to better understand how the Courts imply specific responsibilities on complex supplier relationships and making these win-win. The supplier has a to 'duty to warn' you of any requirements you have that are ambiguous. This means they provide much better advice as to the fitness for purpose of the solution they have proposed.
- **Clearly articulate client and supplier assumptions.** We will help you identify specific assumptions both you and your supplier have made and make them express to help avoid misunderstandings before implementation commences.

Commendation by Deputy High Court Judge, Richard Mawrey QC

"A customer who does not put the obligation to ensure the adequacy of the specification firmly on the supplier undoubtedly takes upon himself the risk that the specification proves to be inadequate or faulty. A pre-contract methodology which avoids this risk is patently preferable to one which does not. Thus, what I have described as the 'holistic' approach used by BPG is one which is best adapted to ensuring that the customer's real business requirements are met."

Service 7: Fit-for-Purpose Contract Negotiation and Drafting

A fit-for-purpose, agile contract drives collaborative and 'win-win' behaviour between you and your strategic supplier, meaning you achieve your business outcomes much faster. We will help you develop written contract terms, reverse engineered from the business outcomes you wish to achieve, that drive 'enabling behaviours'. These terms are usually developed through a process of assured collaboration with your supplier to ensure each party achieves their objectives.

Our white paper "How To Successfully Contract For Cloud Services" (<http://www.bestpracticegroup.com/guides/cloud-computing-contracts/>) advises clients on how to approach the procurement of cloud services and outlines the serious implications and the burden of risk that can follow from not negotiating a fit-for-purpose contract, with fully considered terms and conditions.



We have developed our own approach to negotiating cloud services contracts to ensure success. The key to successful negotiation is in the preparation and we advise clients to spend twice as long in preparing for a negotiation than the negotiation itself. BPG know the cloud market extremely well and have experienced hundreds of standardised supplier-side contract negotiations, as well as developing and negotiating bespoke contracts, so we are well prepared for all scenarios. We know what aspects the market is prepared to negotiate, and those which it is not, and so our specialism is in both finding leverage for the negotiation to assure fit-for-purpose solutions are contracted for, and mitigating risks successfully in other ways if the market's stance is that a particular contract term is simply too onerous to negotiate, if the project does not warrant it.

Our Contract Negotiation & Drafting Support will deliver the following outcomes:

- **Understanding of client outcomes to be achieved.** From the supplier undertaking detailed due diligence of your expectations, their legal team will understand how their risks will be reduced through fit-for-purpose solution delivery.
- **Genuine collaborative working.** We help to support collaborative workshops across both your own and the supplier's legal teams. This facilitation helps everyone to understand how commercial risks will reduce.
- **Contract terms aligned to business outcomes.** The contract terms we develop are reverse engineered from the business outcomes required. These drive collaborative behaviours aligned to each party's objectives.
- **Constructive negotiation.** Involving each legal team in clarifying the client business outcomes and, in turn, drafting terms that support those outcomes, significantly reduces both adversity and time scales.
- **Real 'agile' contract terms.** We build in 6 monthly 're-shaping' into the governance process. This means the contract terms are updated every 6 months to stay aligned to your business objectives/outcomes for the solution.

- **‘Simplified’ contracts that are plain English.** By definition, complex services usually have complex contracts. Our understanding of both operational and contractual complexities means we can simplify this.
- **Roles and responsibilities.** Expert Suppliers have specialist Expert Responsibilities. Our contract terms drafting, and negotiation process assures that the supplier retains the right responsibilities to protect you.
- **Fit-for-purpose contract terms.** The contract terms are negotiated such that the supplier is accountable to provide a service and/or solution that is fit for its intended purpose.
- **Value for money.** As part of the negotiation, the drafting of each contract includes the BPG ROI governance process to independently assure the services provided by the supplier provide value for money.
- **Safe exit and transition to new solutions.** Our experience of near 600 complex relationships, means that we draft the contract with the end in mind to assure certainty over exit and transition charges.
- **Relationship management governance.** Contract drafting includes specific relationship management governance that both encourages great behaviour and accountability for poor behaviour.

This structured, interest-based approach to contract negotiation and drafting reduces adversity and generates genuine collaboration. In this way, the supplier is both encouraged and contractually accountable to provide a fit-for-purpose service and/or solution, within your constraints.

Service 8: Implementation, Performance and ROI Assurance

Our experience of optimising the implementation, performance and ROI of close to 600 complex relationships, means that we know what **excellent** looks like. Our independent, evidenced-based performance management framework assures you will achieve relationship optimisation, great innovation and ROI for the lifetime of your strategic supplier relationship.

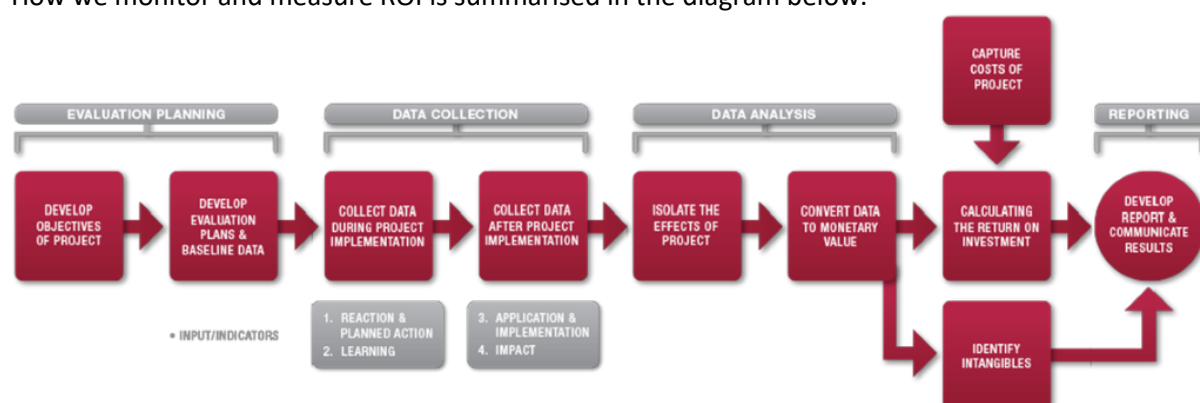
Our Implementation, Performance and ROI Assurance method typically follows 6 key stages:

- 1. Implementation Planning.** Smooth implementation assures achievement of outcomes and boosts ROI. We will work with you and your supplier to implement the foundations of ROI, appropriate performance measures and project activities aligned to business outcomes.
- 2. Project Governance.** It is key to provide clear visibility of roles and responsibilities that consider the supplier's 'Expert Responsibilities'. This leads to far less ambiguity in project implementation.
- 3. Key KPI Measures.** Structuring KPIs that align to your business outcomes is critical to know the real progress your relationship is achieving. These are incorporated as part of the ROI process.
- 4. Mobilisation.** Assuring you have internal and external SRO and project teams that have the knowledge, skills and business acumen to keep to your agreed milestones.
- 5. Performance Management.** We advise on the performance process to assure your project is successfully implemented and fit for purpose. Next, we assess ROI evidence to validate value.
- 6. On-going ROI Optimisation.** We'll help you ensure the solution (and the contract terms) remains aligned to your changing objectives delivering on-going best value and ROI.

ROI Assurance

At each stage, BPG's approach can determine whether your procurement process is on track. Subsequently, when the solution is implemented, it will assess the degree to which the solution is achieving the expected ROI outlined in the business case. Our approach provides independent validation of fitness for purpose, and we can make recommendations as to how ROI can be optimised further.

How we monitor and measure ROI is summarised in the diagram below.



Service 9: Cloud Supplier Life Cycle Assurance - the 'Optimise' Process

BPG's Cloud Supplier Life Cycle Assurance framework, 'Optimise' depicted below, ensures the relationship you have with your cloud supplier quickly achieves sustainable benefits, driving maximum value.

From cloud strategies, to buying and integrating cloud products/services, to contract formation through to performance monitoring and service improvement plans, we assure that solutions/services are fit for purpose; reduce business risk and costs; build stronger relationships and ensure business objectives are being met. We simplify the management of complex supplier relationships, driving collaborative innovation and great value over the relationship lifecycle.



Relationship Management

All the steps leading to Relationship Management are crucial in setting up the right foundations, contractual structures and behaviours to assure a productive, innovative and truly collaborative cloud supplier relationship. Our services include but are not limited to:

- Cloud Strategy development
- Business Case development
- Procurement Assurance
- Standard/Bespoke cloud contracts and negotiations
- Performance Assurance Reviews (root-cause analysis and accelerated remediation)
- Supplier Escalation Planning while maintaining a constructive relationship
- Service Improvement Plan Negotiations and Implementation support
- Contract health-checks to identify savings and efficiency improvements
- Contract/Relationship Management mentoring and training to help you develop strong supplier relationships
- End-to-end dispute resolution — our independent approach helps maintain a constructive relationship
- Lessons Learned — continuing good practice, identifying realignments for additional value.

“Whilst putting in place effective contract and operational procedures is crucial, BPG also advised us on how to constructively manage the new relationship to ensure we could benefit from a real partnership and get the business outcomes we need in the shortest time frame possible at the most favourable costs. As a result, we now feel very comfortable that our new relationship is on a firm footing. Without BPG’s assistance we would not have been equipped to start a new relationship on such a secure foundation. Not only has BPG helped us save money in the negotiation process, their advice ensures that we face minimal potential service risks in the future.”

Nick Bell, (then) Deputy CEO, Essex County Council

Service 10: Supplier Dispute Resolution

You will benefit from clear visibility of a fast, assured route to resolution with the BPG dispute resolution process. We've quickly resolved gnarly issues in near 600 complex supplier relationships, using our deep domain expertise in cloud, technical, operational and contractual issues.

Our independent, objective and forensic review of the technical evidence of the key issues will clarify which party is responsible for each issue and allow us to quantify the financial impacts. Our forensic approach to reviewing evidence is informed by our Expert Witness experience. As well as completing detailed documentation reviews, we undertake interviews with staff and stakeholders to better understand the issues and how they are perceived. Our approach provides quick identification of what evidence supports a fast resolution and what does not, drawing on our expertise in supplier Expert Responsibilities case law supporting your case.

We plan out the optimum approach to resolution, agree it with internal stakeholders, facilitate agreement with the incumbent supplier(s) and support mobilisation of the resolution through to completion and sign off. The process involves:

- Impartial relationship facilitation to secure win-win outcomes protecting reputations
- A controlled discussion/negotiation environment to facilitate quick dispute resolution
- Fall-back planning in case the supplier(s) cannot/will not accept their responsibilities
- Robust governance to ensure timely decision making, throughout the process.

Benefits of BPG's Dispute Resolution Service

- Significant cost savings
- An accelerated process to assured resolution
- Reputations on all sides remain intact
- Expert negotiation support
- Senior Stakeholder Relationship Management to assure internal agreement on strategy
- Facilitating trust by acting in a balanced, equitable, objective manner
- Build trust to enable future working together or part amicably
- Project realignment
- Service delivery improvement
- Win-win process

Service 11: Service Disaggregation, Exit and Transition, and Early Contract Termination Support

BPG are industry leaders in disaggregation, exit and transition of complex IT outsourcing contracts. We cover the full range of on-premises/cloud/insourcing processes: requirements, planning, technology, TOM design, business change, service management, commercials, contracts and negotiations, removing ambiguity from complicated contractual structures to facilitate safe exit/transition by leveraging supplier 'expert responsibilities'.

Whether you are moving to the cloud for the first time, or simply looking to change providers, there will be exit and transition challenges to address. Our wealth of experience in managing complex supplier relationships will ensure that transition and exit from your current cloud supplier to another is smooth, risk-free and at lower costs. For early termination, we'll ensure you have robust evidence, a sound business case and a clear plan of action.

Our Cloud Exit and Transition support service will help you to:

- Understand what a 'safe landing' looks like
- Understand that the Exit Plan is not the full Exit/Transition Programme
- Have an Exit Strategy prepared in advance
- Support negotiation with the incumbent provider
- Plan for phased transition/cessation of services
- Understand (and protect) the impact on business as usual
- Be clear on the status of the Target Operating Model at Exit
- Procure replacement service providers well in advance
- Be honest about Supplier Management capability (lessons learned review).

Early Termination

If your cloud supplier relationship has broken down beyond repair and you need an early exit/contract termination we can help. We will review the current relationship, including strengths/challenges of your evidence for termination and help you build the Business Case for Termination: weighing the benefits against the risks. We will help you prepare your evidence to ensure it will hold up to scrutiny and, where appropriate, we can provide Expert Witness support.

During the preparations we will support your Exit and Transition planning to ensure smooth transition of services, providing Termination Negotiation and Support that encourages collaboration for mutually beneficial outcomes. As with any naturally occurring exit and transition, we will support the development of your Target Operating Model design and procurement services, including supplier negotiations, and provide general transition/exit management support that covers technical, operational, contractual and supplier relationship/contract management. We will also undertake a Lessons Learned Review of the failed project/relationship (positives and negatives) to ensure the new project/relationship doesn't repeat past mistakes but continues the recognised good practice.

Assured Support

Our approach offers informed and independent assurance. We provide safe and accelerated termination with a commercial focus that achieves effectiveness, reduces risks and costs and, where appropriate, supports the reclaiming of costs. We'll transition you, through an assured procurement, to a safe landing with a new fit-for-purpose service/supplier, providing strong foundations for ongoing supplier relationship management.