Procuring for Agile Projects

Scottish Procurement

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What is Agile?

- Agile is not "new" but is becoming more common in relation to ICT public projects

- Agile started out as an alternative approach to software development, but is now applied more widely to running other types of projects

- Agile typically has some core principles:
  - user centric
  - Iterative approach
  - Continuous improvement
  - "fail fast-learn quickly"
  - keep planning

Agile refers to an iterative, incremental method of managing the design and build activities of engineering, information technology and other business areas that aim to provide new product or service development in a highly flexible and interactive manner (source: Wikipedia)
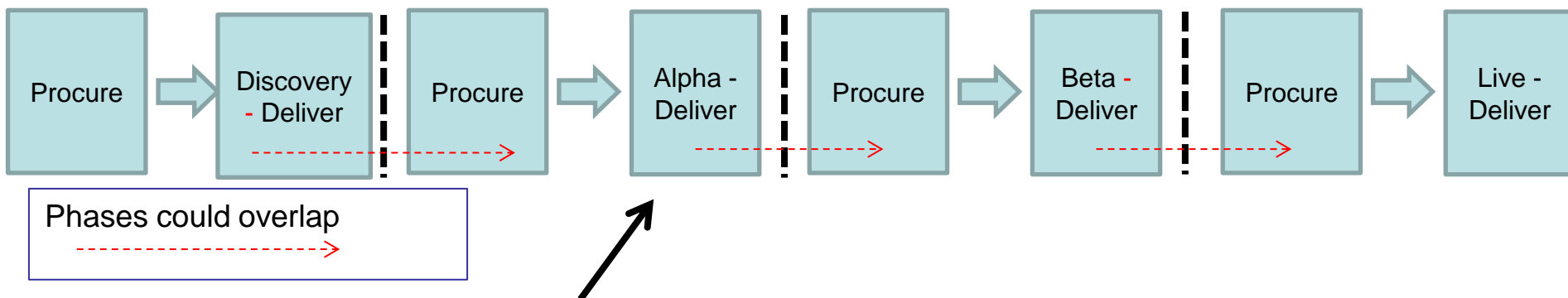
Agile Phases

| Discovery | Alpha | Beta | Live | Exit |

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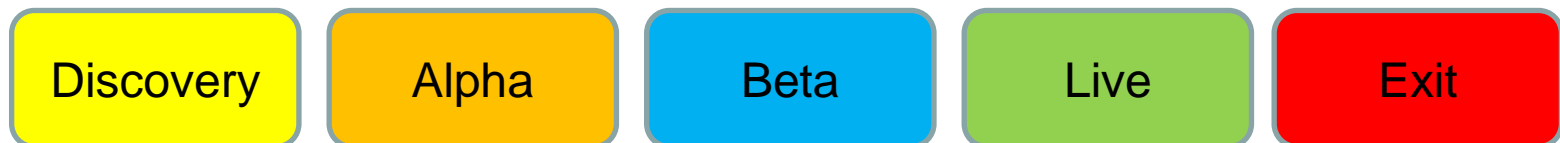
Procuring Agile Projects

In its simplest form a standard procurement is broken down into a procurement and then a delivery phase:

Procure	→	Deliver
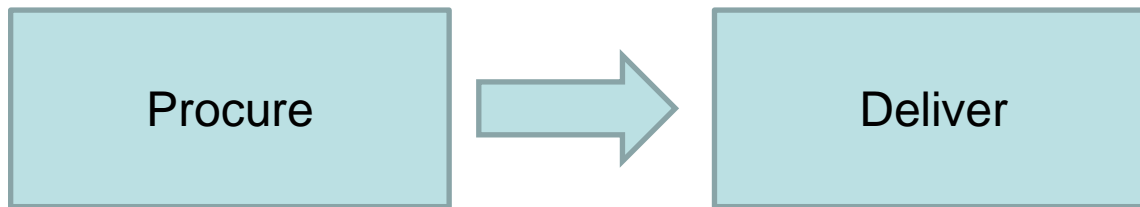
However, in an Agile project, the procurement maybe in several iterations, work streams and project phases could also overlap dependent on the requirement – including procuring phases at the same time e.g. alpha and beta.

| Procure | → | Discovery - Deliver | ┊ | Procure | → | Alpha - Deliver | ┊ | Procure | → | Beta - Deliver | ┊ | Procure | → | Live - Deliver |

Phases could overlap
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Note: Could be separate procurement for each Agile phase, joined phases or all phases

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What Does this Mean?

- More smaller iterative procurements

or phases within a single procurement

- Change in skill set

- More flexibility required from buyers and suppliers

- Thinking differently about commercial and legal approach

- Potentially a variety of suppliers delivering from start to finish

- Potential to engage with variety of suppliers

- More competition

- Greater traction required on Contract & Supplier Management (C&SM)

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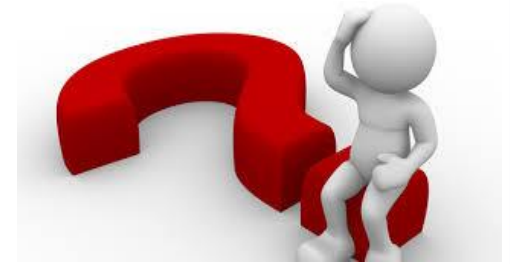
Things to Consider

- **Project Suitability –** not all projects are suitable

- **Early Supplier Engagement**

- **Procurement Strategy** - Agree at outset your full end to end procurement as opposed to procuring chunks reactively without considering long term aims

- **Skills** - project teams skills and experience

- **Project Management** - Governance, planning, budgets, etc are still relevant in Agile

- **Change Control** – scope, quality, deliverables, price, time and exit

- **Pricing Strategy** - T&M, Firm, Target, Open Book, Benchmarking

- **Knowledge Transfer** – To/from Client, between suppliers

- **Risk** – identifying the appetite and where it should rest

Support

As part of our ICT Services portfolio, we have the following collaborative frameworks that can support agile delivery:

Digital and Technology Services (DATS)

Application Design and Development Services (ADDS)

Key Benefits:
- Suppliers have track record of Agile
- Range of suppliers from SME to Large
- Easy route to market
- Value for Money
- Flexibility in terms of scope, duration etc

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