

PARTNERS IN PROCUREMENT



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HOW WOULD YOU LIKE A SOLICITATION PROCESS THAT.....

- *consistently identifies* the most technically competent supplier and....
- requires *no internal technical expertise*?
- is so efficient the *state receives the best price* without negotiations?
- is *easily defended* if protested?
- *minimizes the time and expense* required for all initial submissions?

HOW WOULD YOU LIKE AN EVALUATION PROCESS.....

- that *eliminates* personal bias?
- that can be *completed in hours* instead of days, weeks or months?
- in which *decisions are nearly eliminated* and all evaluators clearly see the course of action?
- that allows dominant *suppliers to rise* to the top?

HOW WOULD YOU LIKE.....

- an award that will *minimize client expense* and allows the supplier to *maximize their profits*?
- a contract that was totally *managed by the supplier*
.....while you are continuously informed of progress!
- *increased customer satisfaction?*

PIPS

Performance Information Procurement System



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Performance Based Studies Research Group



www.pbsrg.com



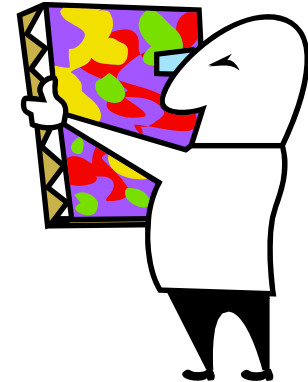
PERFORMANCE BASED STUDIES RESEARCH GROUP

What does the PIPS approach offer?

- Identifies Suppliers who can **see the entire project** through completion
- Process efficiencies provide **win/win** environment
- Allows identification of **all associated risks** and provides for a comprehensive **mitigation plan** to address each risk
- Suppliers with **superior expertise** can differentiate themselves
- Relies on **dominate** information to minimize decision making

PERFORMANCE INFORMATION PROCUREMENT SYSTEM (PIPS)

- Let the *expert take lead*
- Use *dominant information* to show the way
- Keep it *simple and logical* (dominant)
- Performers *minimize risk* that they don't control
- Minimization of Management through **performance measurements**

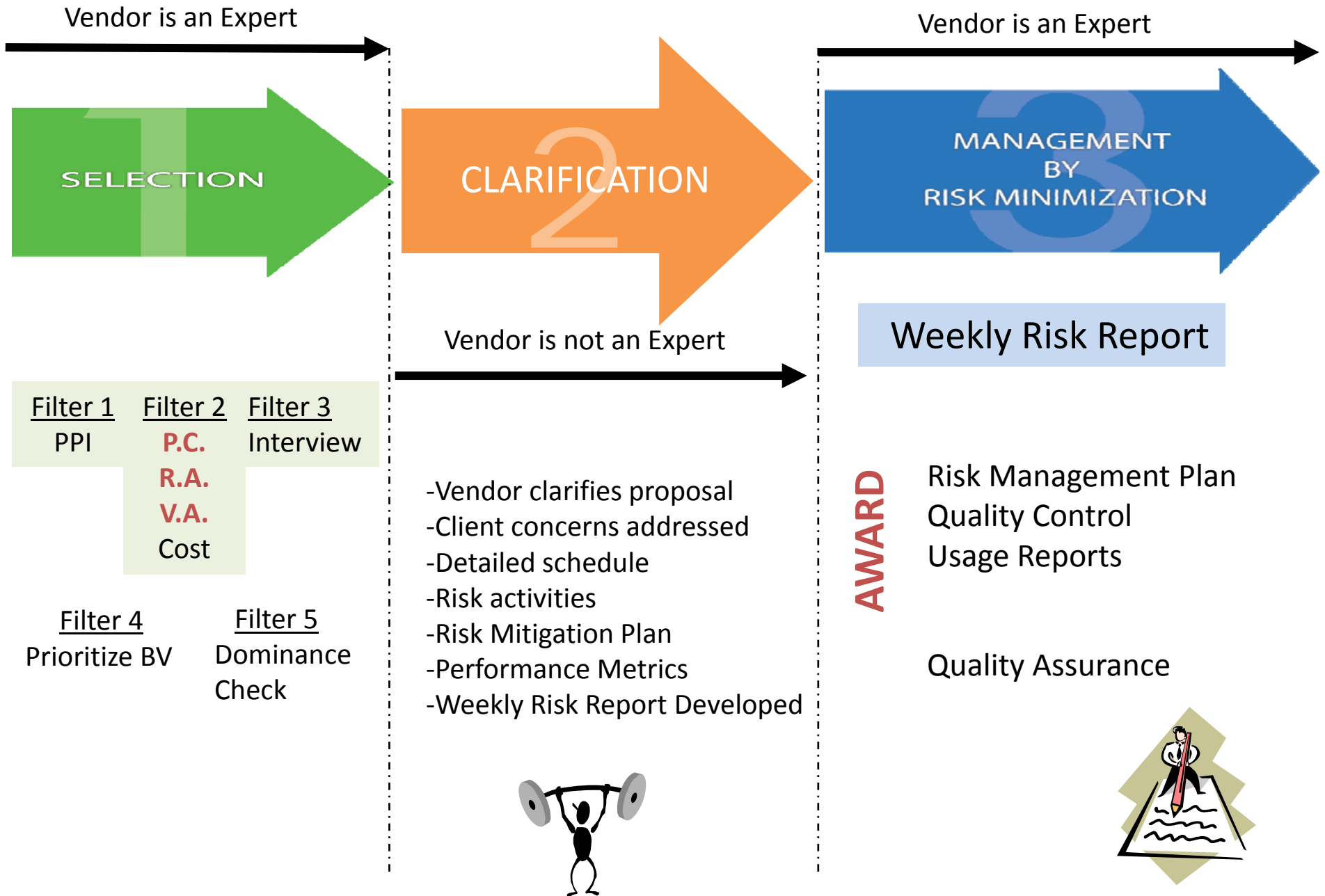


PROJECT SUBMITTALS

- **Project Capability (PC)** • **Two Pages**
 - Claims and verifiable performance metrics
- **Risk Assessment (RA)** • **Two Pages**
 - Risks and Mitigation plan
- **Value Added (VA)** • **Two Pages**
 - Claims and verifiable performance metrics



Performance Information Procurement System



PIPS PROJECTS - CENTRAL PURCHASING

- Commercial Off the Shelf (COTS) Tax Software
- Enhancement of Workforce Job Website
- Electronic Document Management for Construction Documents
- Computer to Plate Printer
- State wide Light Bulb and Light Fixture contract
- Emergency Hazardous Waste Removal contract
- State Mental Health Services
- Performance Measurement of Federal Grants
- Juvenile Center and Services (cancelled)
- Advantage Waiver Program (in process)

Central Purchasing Best Value Projects

Oklahoma Best Value Project Information	
# of Best-Value Procurements	10
Estimated Value of Best-Value Procurements	\$ 40,423,726
Protest Success Rate (# of protest won / # of protests)	3/3
# of Different Products / Services	8
% Where Identified Best-Value was Lowest Cost	89%
Project Performance	
# of Completed Projects	8
Average Customer Satisfaction	9.5 (out of 10)
Cost Savings	\$ 29,377,049*
% On-time	100%
% On-budget	100%

* \$17,412,152 cost avoidance on Tax project, two years savings for Hazardous Waste and Light Bulb contracts.

Things to Consider...

- **Using technical specs as requirement instead of intent is not efficient**
- **Best value process requires vendor to satisfy all client concerns before the award is made.**
- **Interview process minimizes client risk in selecting a non-performing vendor.**
- **Process requires vendors to differentiate themselves**

LESSONS LEARNED

- **BV PIPS can minimize protests.**
- **BV PIPS is transparent (there is no proprietary information in BV).**
- **BV allows vendors to show their value.**
- **BV forces vendors to measure themselves to prove their value.**
- **BV minimizes decision making.**