



Managing the procurement process

This note looks at the ways in which customers can manage the software procurement process to ensure a successful outcome.

Selecting a Supplier: Tender and Request for Proposal

The strategy for putting together an initial shortlist of potential software suppliers is ultimately for you, as the customer, to determine. Once you have a shortlist in place, you should have a structured method for making your final decision.

A tender or 'request for proposal' (**RFP**) is a commonly used document in the procurement process. It is designed to help you provide the same information to suppliers and to evaluate their proposal for providing the software you need on a "like for like" basis. At a minimum, an RFP should cover the following information (you should also consider the information in our article on the [initial considerations when procuring software](#):

- Background on your business and your requirements for the software, including any key or minimum functionality for the software;
- Obligations on suppliers to keep the information you provide to them confidential;
- Key contractual provisions that you regard as fundamental for a successful supplier to comply with;
- The criteria on which you will make your selection; and
- Timescales in the process, including when suppliers must submit their proposals and when you will make your final decision.

You may wish to give an idea of your proposed budget for the project, however it is important to remember that cost is only one of several important factors. You must also take account of the quality and experience of your potential suppliers.

Trials

Unless you are an experienced software procurer (or you have engaged the services of a consultant for your procurement project) you are unlikely to be completely certain on your software requirements.

If you are seeking off-the-shelf software, some suppliers may make available a trial version of that software. This will allow you to "try before you buy", helping you to determine whether that software is an appropriate solution. However a supplier is highly unlikely to make its full product available to you on a trial basis. Instead, trial software will be limited in some way. Common limits include time limiting (only allowing you to use the

software for a specified period) and feature limiting (stripping out certain features of the software).

Proof of concept

If you are looking to procure bespoke software, you will not have the option of a trial. To mitigate the risk of selecting software which does not meet your requirements, you can engage with potential suppliers on the software's "proof of concept". This involves you putting forward an assumption about the problem that the software is designed to solve and the supplier testing that it is able to offer a solution in practice.

Testing and acceptance

Assuming that you have selected a software solution, your agreement with the supplier will need to provide for the software to be suitably tested before you can accept it. Many suppliers will have standard tests for software, but these do not take account of any particular client considerations. Any required test criteria must be agreed between you and the supplier in advance. You will also need the ability to test that the software can be properly integrated with your hardware systems and other important software.

The nature of software testing will depend on the method which is used to develop that software. For more information, see our [Guide on the software development process: The Customer Perspective](#).

Go-live and dealing with subsequent issues

Once the software has been developed, tested and accepted you will be ready to use it in a live environment. Your agreement must cover the co-operation needed from the supplier at this crucial stage, for example in the implementing the software into your wider systems and if applicable, providing manuals and training staff on the proper use of the software.

Issues with software cannot always be avoided once software goes live. It is therefore important to ensure that you have agreed appropriate warranties with your supplier. Normal warranties should cover matters such as the correction of errors or defects in the software which you encounter, although you must expect that a supplier will seek to place limits on such claims.

Other considerations

You must make arrangements to safeguard your continued use of the software throughout the period for which it is required. See our pages on [support and maintenance](#) and [performance management and SLAs](#) for more information.

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