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Globus RARD & RAVS Methodologies and Examples

2010

Globus methodologies

- **Rapid Assessment & Roadmap Development (RARD) provides:**
 - Clarity on the business drivers for the project
 - Clarity on the way forward for the project
 - Dependencies and decisions required
 - Internal and External resource requirements
 - Schedule and costs
- **Rapid Assessment & Vendor Selection (RAVS) provides:**
 - Long list to short list rankings and reasons
 - Short list comparable steps and ratings
 - Business vs. Technical “balanced” decision
 - Weighted (Client importance) results
 - Clear, transparent and defensible decision process and audit trail
 - Raised confidence and lower risks in Winner decision



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**INTRODUCTION TO RAPID ASSESSMENT
AND VENDOR SELECTION (RAVS)**

Advantages of RAVS

- **Rapid Vendor and Technology Assessment without spending many months or years in Preparation**
 - Based on global knowledge and proven approach
 - Senior Advisors with over 25 years of experience
- **Providing facts for decisions process**
 - Comparisons to Best Practice
 - Analysis of existing situation
 - Proven and industry accepted methods and process
 - Clear PRACTICAL & Actionable recommendation
- **RAVS steps show**
 - Long list to short list rankings and reasons
 - Short list comparable steps and ratings
 - Business vs. Technical “balanced” decision
 - Weighted (Client importance) results
 - Defensible decision for winner
 - Raised confidence and lower risks in Winner decision



RAVS Method - How it works

- **The process is a balanced scorecard approach, based upon EU, USA and Middle-Eastern public Tender laws and principles.**
- **The process uses a decision making matrix to balance results in the business/Strategy areas, against Technology areas, and applies a pre negotiated weighting factor, which determines each areas relative importance to VNPT.**
- **Each area is ranked and weighted by a specialised Technical and business team member. All areas are ranked separately, then the results swapped between members to achieve a “norm” then assembled together by one team member to create the final results. These are then reviewed.**
- **A presentation is allowed from each vendor, always 90 mins maximum.**
- **Following this a final scorecard update takes place, followed by this presentation, leading into the financial round of discussions and negotiations.**

RAVS Overview

Step 1: Review & Objectives

Step 2: Interviews, Training & Workshops

Step 3: Customizing & Agreement

Step 4: Scorecard Usage & Vendor Selection Process

Step 5: Management Recommendation

RAVS Methodology

1. Preparation

- Agreement on objectives, approach, and project plan
- Pre-trip preparation, background material, interview preparation

2. Fact Gathering & Training

- Kickoff meeting with project manager / responsible person
- Short introduction and presentation to management and client team
- Workshop to generate understanding and train client team

3. Customizing and Agreement

- Creation of draft scorecard and matrix, input of best practices
- Creation and agreement of weighting factors, input of best practices
- Roadmap of Vendor Selection process and timeline
- Management presentation and agreement on approach

4. Scorecard Usage and Vendor Selection (VS) Process flow*

- Ranking of rating of scorecard and matrix points, based on agreed requirements for:

- **Strategy**
- **Technology**
- **Risk**

* Detailed process flow is on next page

5. RAVS Summary, Recommendation and Proposal

- Final notated spreadsheet, matrix and notated process flow
- Neutral and defensible charts showing winner with clear reasoning

Scorecard and Vendor Selection Process

Industry accepted method of a FULL (Long Form) Vendor Selection includes:

- 1) a “**long list**” of perhaps 10-20 vendors being sent an outline letter/document, as RFI for their response showing interest to bid.
- 2) A **bid release** with 2-6 weeks for them to respond, and a formal one meeting each for them to ask clarification questions during those weeks.
- 3) Vendor formally submitting a **First** bidding, **draft** which allows point 4
- 4) “**fast review**” of draft which ISNT a deep dive into the technology or solution, it is at a presentation only level which will allow an outline RAVS evaluation and rating, which gives a “**short list**” of maybe 4 or so vendors, which is then discussed and agreed with client management & procurement teams. The rest get a letter saying “thank-you but you weren't chosen to proceed” with rating.
- 5) The “short list” are invited into a **deeper response and full evaluation**, which may require POCs /References to be evaluated, (potentially elsewhere in the World at the vendors labs, clients, etc)
- 6) **Formal RAVS evaluation** is carried out, (Initial non negotiated), with ratings applied, based on the vendor submission and visits, followed by a meeting in detail with each vendor, including initial somewhat detailed financial negotiations, leading to point 7
- 7) **Detailed RAVS evaluation** with financial negotiation together with client legal, financial and procurement teams. This gives a recommendation of winner(s)
- 8) **Management decision** on the “top 3”, (winner and 1-2 fall backs)
- 9) **Final financial negotiations** with chosen and final results noted in RAVS format.

NOTE: Some steps may be removed to shorten the process, as required.

RAVS Methodology – Tasks

< ON & OFFSITE >

Agreed Project Timeline

1. Review & Objectives



Mutual agreement on

- Objectives
- Coverage areas
- Approach
- Project plan

Pre-trip preparation

- Background material from Company
- Interview preparation and workshop preparation
- Background research on best practices

2. Fact Gathering & Training



Fact Gathering & Training

- Kickoff meeting with project manager / responsible person
- Short introduction
- Presentation to people to be interviewed
- Workshops to generate understanding & Training

3. Customization & Agreement



Customization & Agreement

- Analysis & Input Best Practices
- Create Scorecard
- Create Weighting factors
- Agree Vendor Selection Process and timelines
- Management presentation and agreement

4. Scorecarding & VS Process



Utilize Scorecards in detailed Vendor Selection process

- Long list
- Bid Release
- First bid received
- First (fast) bid review
- Short list
- Formal detailed RAVS
- First financial negotiation
- Management selection of Winners
- Final financial negotiation

5. Summary & Recommendation



RAVS Summary

- Summary of process and findings
- Final fully notated spreadsheet, matrix and graphics
- Neutral and defensible charts showing winner and decision process



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**Example of Vendor Response
Selection Scorecard
- Method, Results, Recommendations**

Example Categorization

Client has released an RFP based on the following key requirements, and want to evaluate each and assign an expert valuation to it, based on review, in a logical and industry standard manner

— **CORE NETWORK**

- High Level NGN
- NGN capabilities
- General framework and architectural principals
- Architecture models for the NGN
- End-to-end Quality of Service
- Security & RAS S&M
- Service platforms
- Network Operations and support
- Network management Security
- Generalized mobility
- Network control architecture(s) and protocols
- Service capabilities and service architecture
- Interoperability of services and network in NGN
- Numbering, naming and addressing
- Fundamental principles and requirements for name and/or numbering resolution
- Disaster and relief communications capabilities
- NON SPECIFIED OTHER

— **DATA CENTRE**

- DC Technology
- DC Business Planning
- DC Operations
- DC Support
- DC Continuity Planning
- DC Migration
- DC NON SPECIFIED OTHER

Prioritization Approach

- *In a Balanced Scorecard/Decision matrix approach, items are ranked and rated according to a set of strategic criteria to obtain averages. These averages are then used as the first column on a tactical ranking sheet.*
- *On the tactical ranking sheet, the same items are ranked and rated against a set of tactical or technical level criteria, and the overall scores are multiplied by a Weighting factors amount.*
- *The weighting factors amount is simply a pre-discussed and agreed set of factors giving additional importance to specific parts of the criteria.*
- *This „Weighted Average“ is then given for each item, and an overall total is produced. This is expressed in both text and graphical forms.*
- *This approach is typically followed in a structured and „industry standard“ manner for every potential supplier. The results can be compared against each other to provide ranking of suppliers...*

Strategic Criteria ranked against RFP

Requirements are evaluated based on seven strategic criteria:

- ***Vision and Mission Support*** – Support within the response for the stated M&V given to the potential vendor in the RFP.
- ***Operating Principles Support*** - Support within the response for the stated operating Principles given to the potential vendor in the RFP.
- ***SLA for internal & external interactions support*** - Support within the response for the stated SLA concepts and levels given to the potential vendor in the RFP.
- ***Growth Plan Supported (Scalability)*** – RFP takes into account all growth planning and phased approach needed to support it.
- ***QOS guarantees support*** – Response confirms the stated levels of QoS, as per RFP.
- ***Organization & relationship model mapping/Fit*** - Response confirms the support of the planned organization, as per RFP..
- ***Operation Center Strategy Support*** - Response confirms the support of the operations model, as per RFP.

Tactical Criteria

Each project is rated on its expected result in the technical or tactical areas:

Future Safe Technology

Intangible Benefits

Technical Risk

Maturity of proposed solution

Financial Offers

Tangible Benefits

Alignment with Best Practice

Referenced in operation

Terms and Conditions

Each project is rated against these criteria on a scale of 0 (no contribution) to 5 (high contribution)

Future Safe

For each project, Future Safeness, e.g.:

- **Latest released versions**
- **Non vendor specific solutions**
- **Supportable from multiple sources**
- **Open sourced?**
- **External support available**

Tangible Benefits

For each project, tangible benefits, e.g.:

- **Reduce business costs**
- **Reduce future investment**
- **Increase integration into NGOSS**
- **Reduce IT/NGOSS time to operation**

are estimated within a range of values:

- **Less than \$100,000**
- **\$1k - \$2.5k**
- **\$250k - \$500k**
- **\$500k - \$1M**
- **Greater than \$1M**

Intangible Benefits

Intangible benefits may be:

- **Customer/Market Focused - e.g., increased customer satisfaction, improved quality of delivered products**
- **Company Focused - e.g., improved productivity, improved quality of information**

Each project is rated on a scale of 0 to 5 in terms of its expected level of intangible benefits

Alignment with Best Practice

Includes such factors as:

- **Proposal meets or exceeds all standards**
- **Solution is quoted as the leading one in its field**
- **Solution is on a par with the leading solution in its field**
- **Solution supported by standards bodies and training schemes**

Technical Risk

Technical risk includes such factors as:

- Project type (new system, enhancement, maintenance)
- The stability of the technical environment
- The new resources required
- The level of designer judgment required
- The level of project management skill required
- The level of IS experience with the technology
- The expected development time
- The degree of integration with other applications

Each project is rated on its perceived technical risk.

Condition of Current System or Process

Each Requirement point is rated on its perceived ability to improve the condition of the existing system or business process.

- **Accuracy of data**
- **Results delivery**
- **Currency of information**
- **Security**
- **Ease of use**
- **Reporting**
- **Data gathering**
- **Data analysis**
- **NGOSS Relevant and mapped**
- **Company benefits**
- **User Benefits**

Referenced in Operation

Each Requirement point is rated on if this can be quoted or has been quoted by the potential vendor as a reference.

Each requirement point is rated higher if the reference is actually in operation and can be reviewed.

Maturity of Proposed Solution

Each Requirement point is rated on how many references it has which are using this solution in operation and how long these have been in operation without major issues or problems.

Terms and Conditions (T's and C's) and Financials

Each Requirement point is rated on its perceived ability to meet or exceed the required and stated T&Cs in the RFP.

Each requirement point (if priced this way) is ranked according to its cost

Overall costs and Vendor Financing packages are ranked

Criteria Weighting Example

	<u>Proposed</u>	<u>Negotiated</u>
• <i>Vision and Mission Support</i>	30%	35%
• <i>Operating Principles Support</i>	10%	10%
• <i>SLA Support</i>	10%	5%
• <i>Growth Plan Supported</i>	10%	5%
• <i>QOS Guarantees Support</i>	10%	10%
• <i>Organization Fit</i>	10%	10%
• <i>Operation Center Support</i>	10%	25%

Example Business Strategy Result

Vendor 1

Conforms to Business Strategy objectives

Strategic Areas sections of RFP	Vision and Mission Support	Operating Principles Support	SLA for internal & external interactions support	Growth Plan Supported (Scalability)	QOS guarantees support	Organization & relationship model mapping/Fit	Operation Center Strategy Support	Average
CORE NETWORK								
High Level NGN	3.5	3.5	3.5	3.5	4	4	4	3.714
NGN capabilities	3.5	4	3.5	3.5	3	3.5	3.5	3.500
General framework and architectural principals	4	4	4	4	4	3.5	4	3.929
Architecture models for the NGN	4	4	3.5	4.5	4	4	4	4.000
End-to-end Quality of Service	4	4	4	3.5	3.5	4	4	3.857
Security & RAS S&M	4	4	3	3.5	3	3	3.5	3.429
Service platforms	4	4	3.5	4	3.5	3.5	3	3.643
Network Operations and support	4	4	4	4	4	3	4	3.857
Network management	4	4	4	4	4	4	4	4.000
Security	4	4	4	3	4	4	2	3.571
Generalized mobility	4	4	3.5	4	3	4	4	3.786
Network control architecture(s) and protocols	4	4	4	4	3.5	3.5	4	3.857
Service capabilities and service architecture	4	4	4	4	4	4	4	4.000
Interoperability of services and network in NGN	5	4	3	5	3	3	4	3.857
Numbering, naming and addressing	3	3	3	3	3	3	4	3.143
Fundamental principles and requirements for name and/or numbering resolution	3	3	3	3	3	3	4	3.143
Disaster and relief communications capabilities	4	4	4	4	4	3.5	4	3.929
NON SPECIFIED OTHER (Note to be given in text)	0	0	0	0	0	0	0	0.000
DATA CENTRE								
DC Technology	4	3.5	4	4	3.5	4	4	3.857
DC Business Planning	3	3	4	4	4	3	4	3.571
DC Operations	4	4	3.5	4	4	3.5	4	3.857
DC Support	3	4	4	4	4	4	4	3.857
DC Continuity Planning	3	3	3.5	4	4	4	4	3.643
DC Migration	3	3	3	3	3	3	3	3.000
DC NON SPECIFIED OTHER (Note to be given in text)	0	0	0	0	0	0	0	0.000

TOTAL SCORE 85

Example Technology and Strategy Result

VENDOR 1

Combined Ranked Technology and Strategy Scores

	Conforms to Business Strategy	Future Safe Technology	Tangible Benefits	Intangible Benefits	Alignment with Best Practice	Technical Risk* High value = low risk	Referenced demonstrable in operation	Maturity of proposed solution	Terms and Conditions	Financial Offers	Weighted Average
Sections of RFP											
CORE NETWORK											
High Level NGN	3.714	4.0	3.0	4.0	3.5	2.0	2.0	3.0	0.0	0.0	2.679
NGN capabilities	3.500	4.5	4.0	4.0	3.0	2.0	2.0	3.0	0.0	0.0	2.600
General framework and architectural principals	3.929	4.5	4.5	4.5	4.0	4.0	4.0	4.0	0.0	0.0	3.632
Architecture models for the NGN	4.000	4.0	4.0	4.0	3.0	3.0	3.0	4.0	0.0	0.0	3.150
End-to-end Quality of Service	3.857	4.5	4.5	4.5	4.0	4.0	3.5	4.0	0.0	0.0	3.489
Security & RAS S&M	3.429	3.5	3.5	3.0	3.5	3.0	3.5	3.0	0.0	0.0	3.007
Service platforms	3.643	4.0	4.0	3.0	3.0	3.0	4.0	4.0	0.0	0.0	3.261
Network Operations and support	3.857	4.5	4.0	4.0	4.0	4.0	4.0	4.0	0.0	0.0	3.589
Network management	4.000	4.5	4.0	4.0	4.0	3.0	3.0	3.5	0.0	0.0	3.225
Security	3.571	4.0	4.0	4.0	4.0	4.0	4.0	3.5	0.0	0.0	3.443
Generalized mobility	3.786	4.0	4.0	4.0	4.0	3.0	4.0	3.0	0.0	0.0	3.346
Network control architecture(s) and protocols	3.857	4.0	4.0	4.0	4.0	4.0	4.0	4.0	0.0	0.0	3.564
Service capabilities and service architecture	4.000	3.0	3.0	3.5	3.0	3.0	3.0	3.0	0.0	0.0	2.975
Interoperability of services and network in NGN	3.857	4.0	4.0	4.0	4.0	4.0	4.0	3.5	0.0	0.0	3.514
Numbering, naming and addressing	3.143	3.0	3.0	3.0	3.0	3.0	3.0	3.0	0.0	0.0	2.736
Fundamental principles and requirements for name and/or numbering resolution	3.143	3	3	3	3.0	3.0	3	3	0.0	0.0	2.736
Disaster and relief communications capabilities	3.929	4	4	4	4	4	4	4	0.0	0.0	3.582
NON SPECIFIED OTHER (Note to be given in text)	0.000	0	0	0	0	0	0	0	0	0	0.000
DATA CENTRE											
DC Technology	3.857	4	4	4	3.5	4	4	3.5	0	0	3.464
DC Business Planning	3.571	3	3	3	4	3.5	4	3	0	0	3.243
DC Operations	3.857	4	4	3	3	4	4	3.5	0	0	3.364
DC Support	3.857	4	4	3	4	4	4	4	0	0	3.514
DC Continuity Planning	3.643	4	4	3	3.5	4	4	4	0	0	3.411
DC Migration	3.000	4	4	4	4	4	4	4	0	0	3.350
DC NON SPECIFIED OTHER (Note to be given in text)	0.000	0	0	0	0	0	0	0	0	0	0.000

RED = Below Median (2.5). Score of zero (0) = no response.

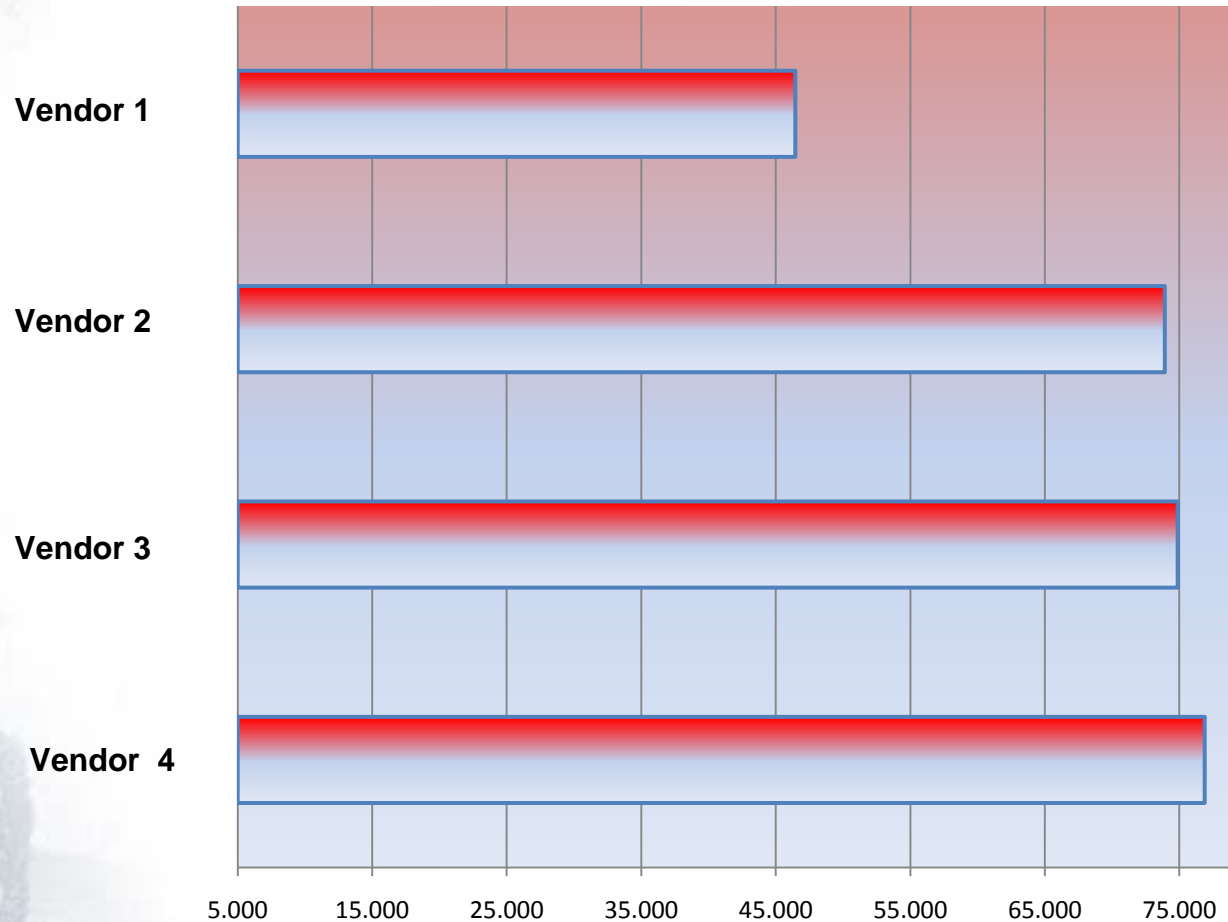
TOTAL SCORE 74.875

Example Actual Results

- **The following updated example results are based on the results adjusted after analysis of the returned standardised financial sheets from each vendor.**
- **The following charts are derived from the actual Excel spreadsheet data. All fully detailed spreadsheets for each vendor are also available, as well as the combined comparison rankings and notation**
- **Rankings for Risk and Financial are derived from the detailed spreadsheets risk sections, as well as “soft factors” and market research carried out on vendors products and other projects performed. Financial are NON NEGOTIATED initial submissions compared to one another.**

Example Combined Ranked Risk Assessment Vendor Results

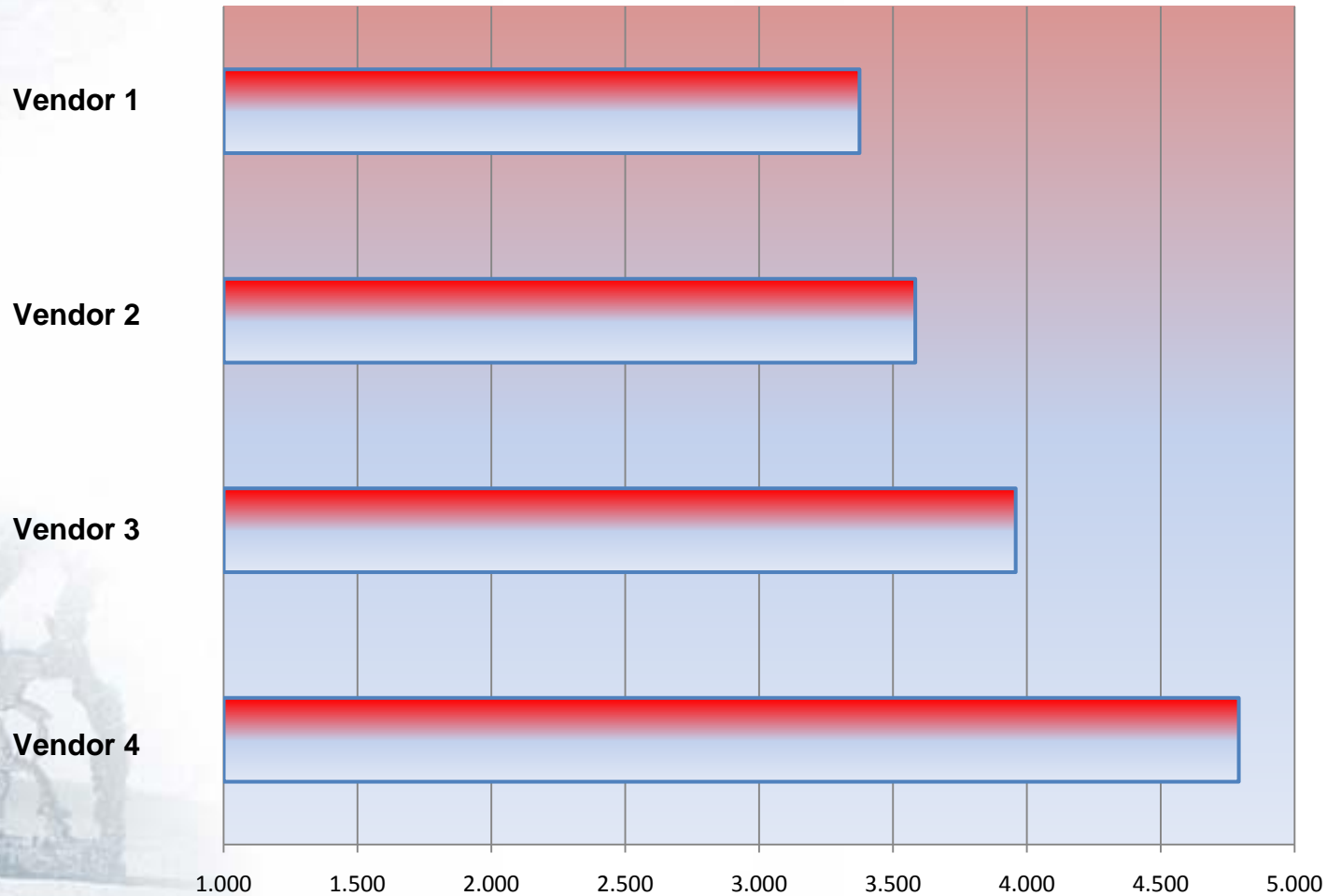
**Combined Ranked Technical Assessment Vendor Results,
Higher Score = Higher Tech Rating**



Example Combined Ranked Risk Assessment Vendor Results

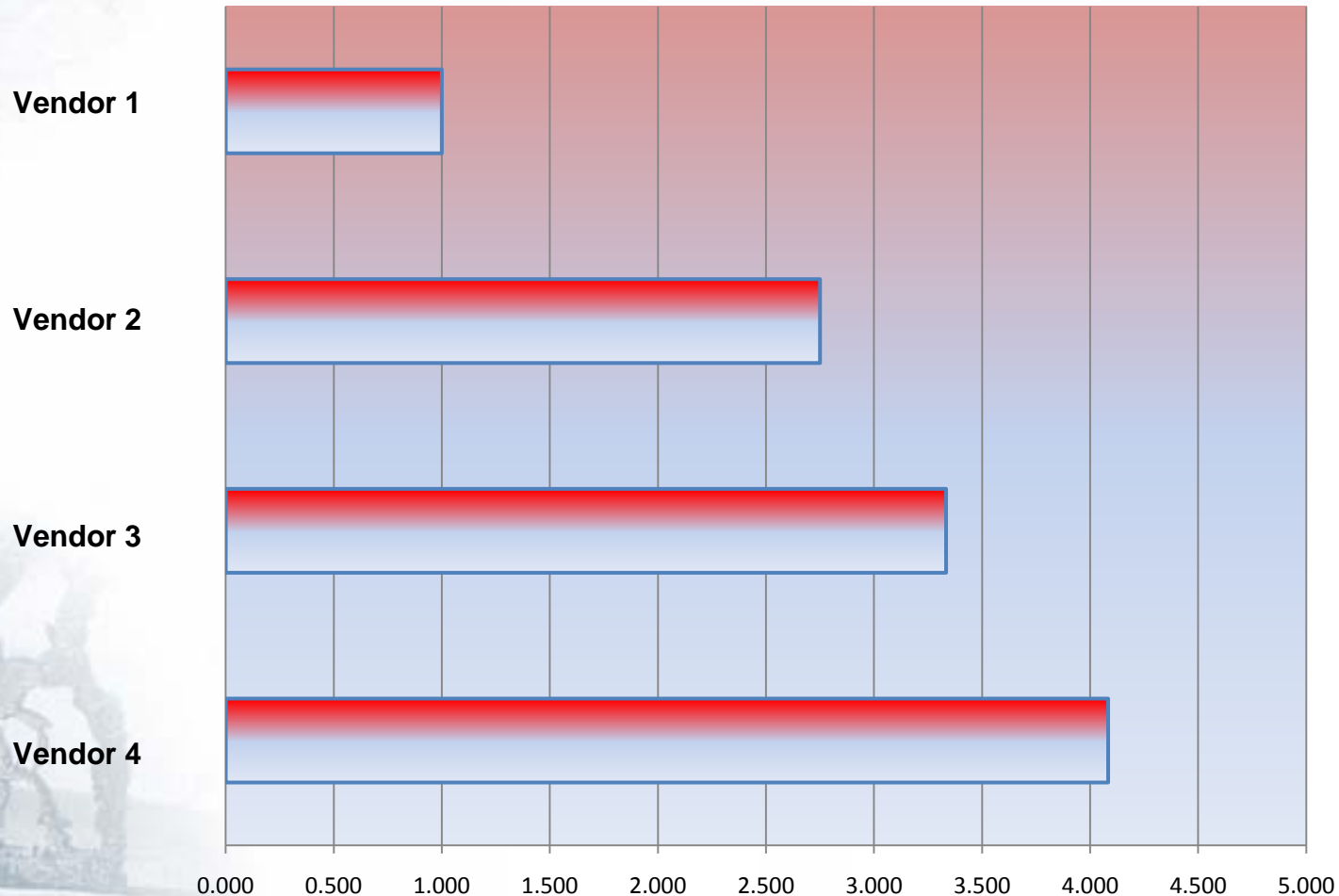
Combined Ranked Risk Assessment Vendor Results

Lower Score = Higher Risk



Example Combined Ranked Risk Assessment Vendor Result

Combined Ranked T&Cs and Financials Assessment Vendor Results,
Highest Score = Best



Globus Contacts



Dr. Kenn Walters

CEO & Executive Advisor

Globus Consulting (Gespania SL)

El Oasis

Cl. Campanilles 1

03730 Javea (Alicante)

Spain.

Mob: +34 607 906677, Office: +34 96 579 6364

kenn.walters@globusconsult.com



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Thank-You