

Better Solution Documents

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Introduction

The structure of IT contracts has evolved since the early days of outsourcing. In the same way that new processes, tools, and technologies have entered the market, new contracting elements and approaches have also emerged. Today's highly complex multi-supplier technology solutions are predicated on sophisticated contract models that protect the interests of all parties.

Anatomy of a Contract

In general, contract negotiations focus on clarifying what the solution will provide. In many ways, this is sensible, and an 'outcomes-based' approach creates a level of comfort in the ability of the service provider to deliver on what it promises. It ensures that no matter what approaches are adopted, the client will get what they expect. And if they don't, they'll have a solid legal foundation to fall back on.

But, at Integrus Applied we frequently find that there's one contract element that isn't given the attention that it should – the solution definition. Often, the solution description is omitted from the contract. Even in the instances when it is included, we find three common problems.

1. Solution designs are included as an appendix or addendum. This means that although they are part of the contract, they don't carry the same weight as the core elements, either legally or emotionally.
2. Solution documents are created exclusively by the service provider with minimal collaboration. This means that they are inherently biased towards provider capabilities rather than best-in-class options.
3. Solution documents are little more than restatements of the client requirements documented in the RFP sprinkled with buzz phrases such as 'industry best practice' or 'ITIL compliant' or 'ISO-9000'. This means that they don't cover *why* the solution is beneficial to the client and don't provide an appropriate level of detail.

A Different Approach

A better approach is to make the solution a component of the contract, with equal footing as (for example) the statement of work. The service provider should work with the client (and other providers in multi-source environments) to clearly articulate the solution and contract discussions should spend time on not just what the solution will provide, but also how the solution will be implemented, covering areas such as:

- What tools will be used.
- What types of resources will be performing what functions
- Who will have access to tools and reports
- Any design limitations and/or exceptions.

- How the solution will take advantage of new processes and technologies.
- The core obligations of all parties.

Conclusion

Adding rigor to the contract ensures that all parties are clear on exactly what will be delivered. It allows for less 'gray areas' and minimizes the chance of surprises later in the relationship. Most importantly, it ensures the client gets the solution they are expecting and the provider(s) get an appropriate financial return for their services.



ABOUT US

We guide clients through the changes required to implement sustainable technology-led strategies. We shape IT organizations and environments with an approach that unifies vision, action and the people who influence both. We have walked in your shoes as buyers, sellers and advisors ... and will walk with you now, on your journey.