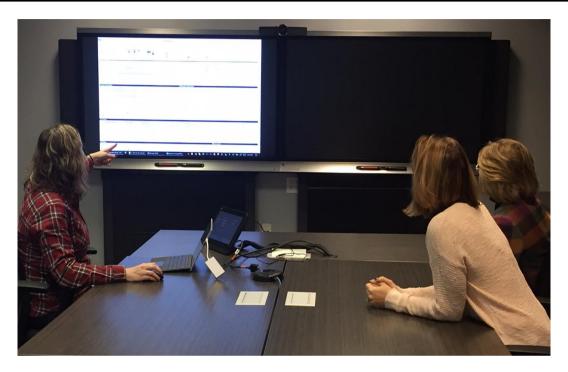# Reorienting IT Support Services to Focus on Outcomes in Naperville, Illinois

As part of Bloomberg Philanthropies' What Works Cities initiative, the GPL provided pro bono technical assistance to help Naperville adopt results-driven contracting strategies for its IT support services contracts, to increase vendor competition, improve service quality, and enhance Naperville's IT capabilities.

The Problem: Each year, Naperville contracts for a variety of IT support services to augment staff, support special projects, and maintain the City's IT systems. Over time, the number and quality of vendors applying for these contracts decreased and the City's IT Department felt that current vendors were not performing at a high level or advancing Naperville's IT knowledge and practices. The City believed that reforming the solicitation and contracting structure could help it establish a new set of partnerships for IT support services that focused on performance and effective knowledge sharing.

Applying Results Driven Contracting Strategies: To improve the alignment of IT support services contracts with the Department's needs, Naperville and the GPL:

1) **Identified the key goals and outcomes of the IT support services contracts in collaboration with the IT and Finance Departments.** The GPL used a series of deep-dive conversations and logic-model activities with the IT Department leadership to better understand what the Department expected from vendors and where the City felt the existing partnerships were lacking. Through these exercises, City staff realized that they were attempting to solve several problems—not always well-defined—with a single procurement. The GPL was able to help the City focus on a concrete set of outcomes and better define the Department's expectations for future vendors.

2) **Developed an outcomes-based request for qualifications (RFQ) and published notifications of the upcoming procurement prior to the official release date.** Once the City's goals and outcomes were identified, the GPL assisted the City with integrating them into a newly structured, easy-to-understand RFQ document. Several weeks before the RFQ was released, the City established a targeted list of vendors and sent "save the date" emails to the list to notify vendors about the forthcoming opportunity. These actions resulted in a 300 percent increase in downloads of the RFQ and 150 percent increase in respondents compared to previous procurement attempts. Additionally, the responses to the RFQ were considered by the IT Department to be from better-qualified firms, on average, than those received in prior years.

3) **Implemented a scenario-based interview process to better understand how vendors would approach the goals and outcomes the City desired.** The IT Department identified partnership and "transfer of knowledge" as key components it sought from a future vendor. To help the procurement selection committee more accurately judge a vendor's philosophy on partnership, the GPL recommended a role-play exercise that modeled project planning and performance review meetings. This activity demonstrated whether vendors used a one-size-fits-all model or approached their clients as partners with individualized needs. The selection committee commented that the activity helped them make a more informed choice than they would have otherwise made using traditional interview questions.

4) **Established a two-phase selection process that rewards good project performance.** Project needs within the IT support services portfolio required different sets of expertise. In addition, the timing of projects requiring support was not always consistent with the availability of vendors. In previous years, one vendor was awarded the contract regardless of project needs. The City believed that this often led to the vendor assigning less qualified staff to Naperville projects and having difficulty managing time and personnel, which in turn led to budget overruns. To improve vendor quality and alleviate time management issues, the RFQ incorporated a two-phase selection process. In phase one, the City compiled a short list of qualified vendors based on initial RFQ responses and results from the interview process. For the second phase, the Department would release work order requests for newly identified projects to short-list vendors to compete for that particular project. Work orders could take into consideration performance on previous projects, encouraging vendors to act as long-term partners for the City rather than just competing on price alone.

The Results: Adopting results-driven contracting strategies, Naperville was able to improve the quality of its IT support services procurement; increase the pool of interested, qualified vendors; and select IT partners that could meet the City's needs for high performance and knowledge transfer. In addition, the City increased its focus on outcomes, competition, and performance in IT contracting, and adopted templates and procedures that it can apply to other strategic procurements in the future.