What about procurement?

Partnering with procurement on
your cloud journey

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Agenda

- **Why cloud procurement is different**

- **Successful cloud procurement practices**

- **What procurement needs to know**

- **Questions**

Build a **culture of innovation**. This includes **procurement**.

What if you…

Start with the customer and work backwards?

Principles of public procurement

Financial stewardship of public trust

Accountability   Professionalism

Ethics   Service

Impartiality   Transparency

adopted by NIGP – the Institute for Public Procurement

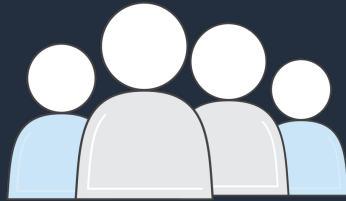# Why cloud procurement is different

Cloud computing is different

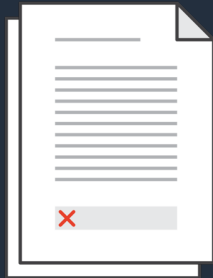Using the cloud often requires a fundamental shift in thinking for technical AND procurement professionals.

Cloud procurement practices

Traditional IT procurement compared to the cloud

Traditional IT procurements

Highly prescriptive

Fixed pricing

Fixed terms and conditions

Traditional security approaches

Cloud procurements

Performance based metrics

Prioritize outcomes

Embrace self-service and pay-as-you-go pricing

Enable rapid innovation

Different pricing models

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Opportunities for procurement
Early collaboration across stakeholders

Opportunities for procurement
Outcome-based performance requirements

What is the problem you are trying to solve?

What outcome are you hoping for?

What does success look like and how will that be measured?

Evaluate proposed solutions

Allow for multiple options

Agile selection process – and be clear what that process looks like

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Opportunities for procurement
More agile, less risky procurements

Divide projects into smaller pieces

Identify milestones for proof points
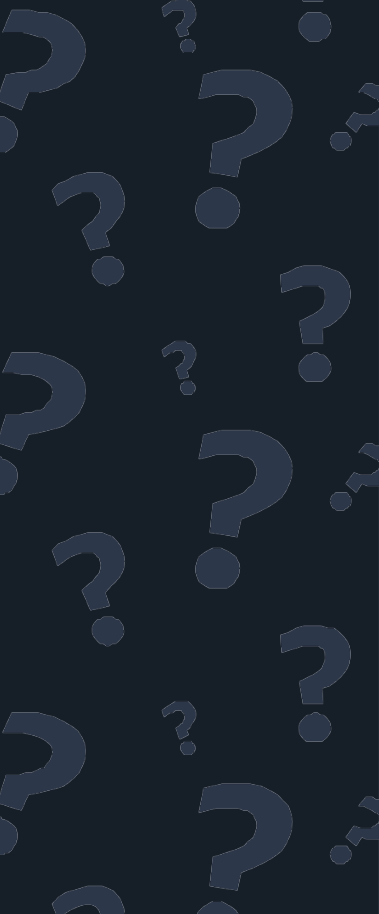
Build in the ability to add related work

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What procurement
needs to know

Common questions: Planning for the cloud

- What is our one, three, and five year transformation strategy?

- What is the problem we want to solve?

- Will we have a centralized, decentralized, or hybrid approach?

- What do we need to consider for post-award (governance, billing, support, portability)?

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Common questions: Procurement strategy

- What procurement strategy will help us leverage the cloud efficiently?

- What scope of services do we need? IaaS, application modernization, managed services?

- What procurement best practices or lessons learned should we be aware of?

- How will we evaluate responses to the solicitation?

- How will we use the Marketplace?

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Common questions: Contract administration
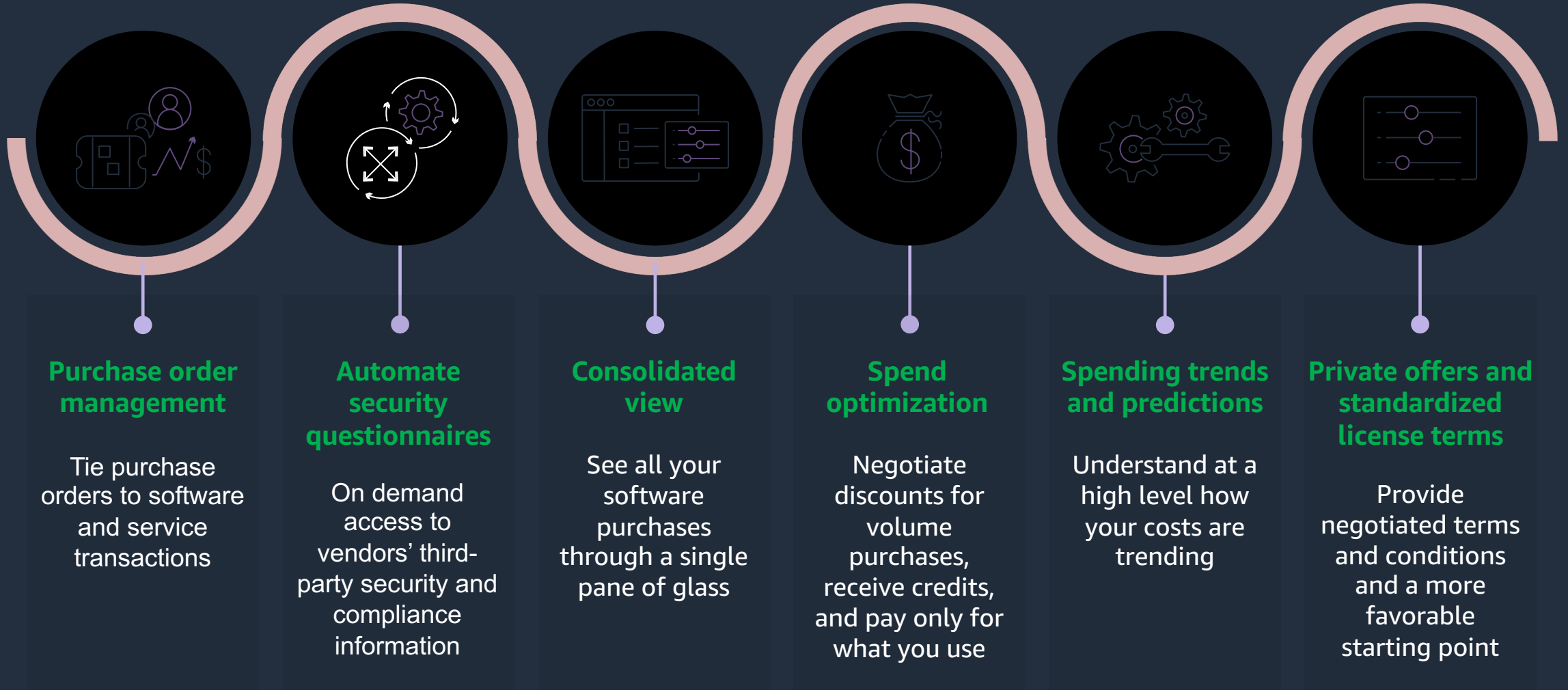
- What terms should we include in the solicitation that we might not normally (or vice versa)?

- How does governance affect our strategy?

- How can the contract support innovation?
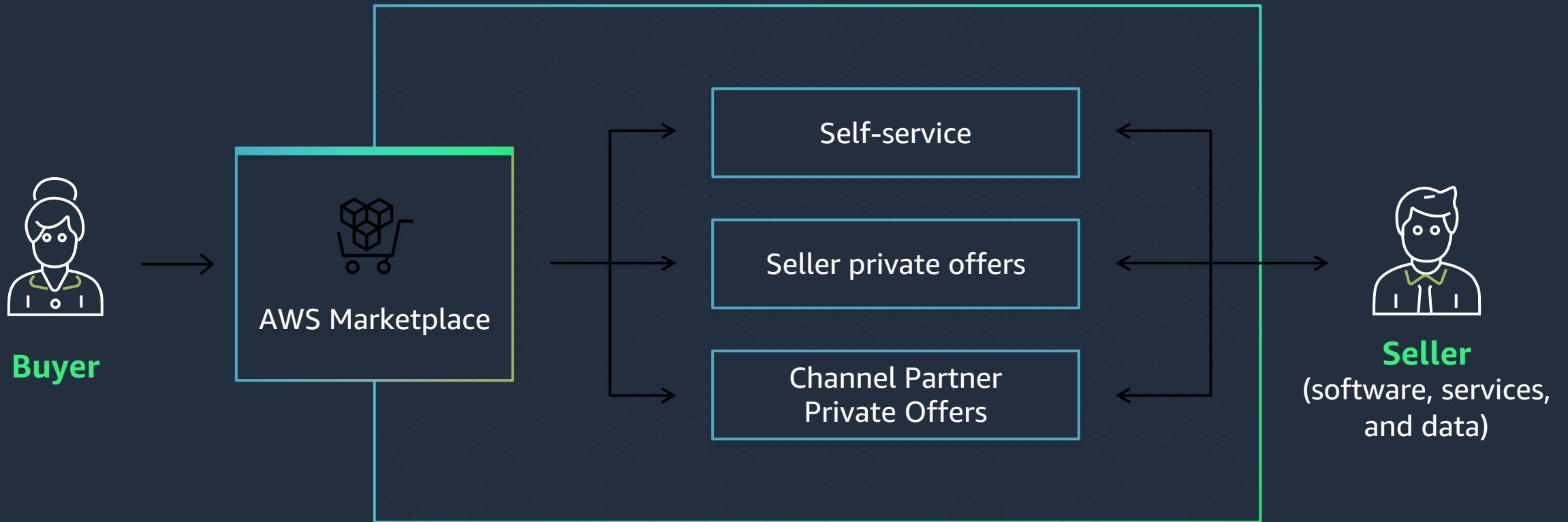
How AWS Marketplace helps procurement

AWS Marketplace has features procurement and finance cares about

Optimize while achieving governance and visibility

Purchase order management

Tie purchase orders to software and service transactions

Automate security questionnaires

On demand access to vendors' third-party security and compliance information

Consolidated view

See all your software purchases through a single pane of glass

Spend optimization

Negotiate discounts for volume purchases, receive credits, and pay only for what you use

Spending trends and predictions

Understand at a high level how your costs are trending

Private offers and standardized license terms

Provide negotiated terms and conditions and a more favorable starting point

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Choose how you purchase in AWS Marketplace

Buyer

AWS Marketplace

Self-service

Seller private offers

Channel Partner
Private Offers

Seller
(software, services,
and data)

Maintain **direct relationships** with ISVs and Channel Partners
while consolidating billing and management with AWS

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Seller private offers

CUSTOMIZE PRICING AND LICENSE TERMS WITH SELLERS IN AWS MARKETPLACE

Negotiate prices and terms with your preferred software seller

Receive volume discounts through negotiations for your custom offer

Shorten your billing cycle

Provision, meter, and integrate third-party software charges with your AWS bill

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Private marketplace

CREATE A CUSTOMIZED CATALOG OF PRE-APPROVED THIRD-PARTY PRODUCTS

Certify your AWS users are purchasing and launching software that meets the company's procurement policies

Customize your private marketplace with company branding, such as logo, color, and messaging

Create and manage multiple catalogs of approved products for your AWS account's distinct needs

Define and control permissions for your users in private marketplace

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Standardized contracts

ACCELERATE TRANSACTION SPEED WITH PRE-NEGOTIATED CONTRACT TEMPLATES

Help reduce friction, streamline procurement, and accelerate time to contract, enabling builders to deploy solutions more quickly

With curated templates across topics like use, warranty, and indemnification, buyers can review the terms once then utilize across a broad set of sellers and products

Sellers are using the terms to govern thousands of transacted products with some seeing sales cycle times reduced by 80 percent or more

Optional addendums are available to support enhanced security and regulatory compliance, and custom amendments can be applied to address transaction specific needs

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Questions?

Thank you!

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Find me on LinkedIn

Please take our survey: What about procurement?