

Contract for 'story points' or by 'iteration' rather than functionality

Traditional pricing models such as fixed price or time and materials for the whole project are not optimal for agile.

Benefit: Contracting per 'Story Point' or iteration

- Enables scope, priority and sequence decisions to be made during an agile project without re-working commercial arrangements
- Incentivises delivery productivity & efficiency
- Keeps the contracting process simple



Contract for 'behaviours' as well as technical ability

Consider a 'code of conduct' to underpin a single or set of collaborative partner relationships and build this into the reward structure.

e.g. Creative solution – we will constantly search for better ways of doing things.

Benefit: Rewarding partners for demonstration of behaviours can :

- Drive collaborative working
- Incentivise partners to really add value
- Encourage early flagging of risks and issues.



Verify alignment of the partners approach to Agile with your needs

Assess the practical application of Agile approaches within your organisation, particularly if there are multiple partners. Consider asking vendors to run a simulated sprint planning session as part of the vendor selection.

Benefit: Agreement of the Agile approach avoids prolonged mobilisation through alignment activities and 'at cross-purpose' scenarios further down the line.



Agile Procurement Our approach

Understand the key roles: Specifically the roles you should hold and those which a partner could hold

The Product Owner, Project Manager and Technical Design Authority should come from your organisation. The partner can carry out Project Manager and Scrum Master roles.

Benefit: Where you hold key scoping, design and delivery roles you retain better control over the vision, outcomes and capability.

