PMBOK Knowledge Area : Project Procurement Management

Focus:

There are lot of pitfall related to the decisions made in this area of a project. Focusing mainly on the Build vs Buy decision that needs to happen before the start of the project. Small portions of all the other knowledges areas have to be considered in this decision making process. In todays world of software development, there is another factor beside build or buy, which is integrate. Software projects are fast becoming integration project of several different technologies/solutions that already exist into becoming the solution one needs.

Major Steps:

Determining purchase or acquire to start with and then what to purchase? The later question can be answered by several products or services, and a determination needs to ve made as to which are better not only for the current project but for the future project that are in the pipeline.
Obtain bids and estimates along with RFP's (Requests For Proposal). Reviews these bids with stakeholders and potential players in the project team. Once the product or service is identified, negotiate. Draw up contract and document the relationship with the seller or vendor of the products and services.
And Finally, close the contract if any in a timely manner.

Experience:

Unlike normal everyday purchases that we make as individuals, purchase of products and service are highly negotiable with several different areas to discuss. The ultimate result of the negotiation should be a mutual benefit for both parties

rather than something that ends in bitter relationship for years to come.