Procurement Management

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Lecture #9 out of 10
80 minutes

The slidedeck was presented by the author in this YouTube Video

1. You want to contract a *new* external team of programmers for a three-month sub-project. What type of contract is the best fit?

1. Time-and-Material

2. No-Money-Upfront

3. Fixed-Fee

4. Fake-It-Till-You-Make-It

#contracts

2. In the middle of a project, you tell your external fixed-fee team that your in-house team will review their source code every month. The external team protests. What do you do?

1. Cancel the contract

2. Pay them extra

3. Let them review your in-house code

4. Review it, but make no comments

#quality

3. In the middle of a contract, a freelance programmer says that the code he developed for you is his intellectual property and you can't modify it without his permission. What can help you prove the opposite?

1. Software license

2. Work-for-Hire contract

3. Telegram discussions

4. Git history

#intellectual-property

4. You organize a tender between a few software *out-staffing* companies. What is the key *metric* you should pay attention to?

1. Dollars per hour

2. LoC per day

3. Bugs per release

4. Margin per dollar

#tender

5. What is the main reason for software outsourcing *time-and-material* project failures?

1. Cultural mismatch

2. Leakage of talents

3. Poor specifications

4. Misalignment of objectives

#t&m

6. What is the main reason for software outsourcing *fixed-fee* project failures?

1. Cultural mismatch

2. Leakage of talents

3. Poor specifications

4. Misalignment of objectives

#fixed

7. Which open source license *doesn't* allow you to use an open source software in a product that you sell?

1. MIT

2. GPL

3. Apache

4. BSD

#open-source

8. You are planning to hire one software company out of three, organizing a tender. One company offers you a personal "cashback," if you choose them. What do you do?

1. Refuse

2. Exclude them from the tender

3. Ask your boss for advice

4. Accept the money

#bribe

Homework:

"A *Procurement Agreement* includes terms and conditions, and may incorporate other items that the buyer specifies regarding what the seller is to perform or provide. It is the project management team's responsibility to make certain that all agreements meet the specific needs of the project while adhering to organizational procurement policies." — PMBOK5

Draft an agreement with a freelance programmer.

Read this:

Software Outsourcing Survival Guide (2015)

How to Avoid a Software Outsourcing Disaster (2015)

Why Software Outsourcing Doesn't Work ... Anymore (2015)

How Expensive Is Your Outsourcing Team? (2016)

You Do Need Independent Technical Reviews! (2014)

Trust. Pay. Lose. (2017)

Bibliography