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# Strategic IT Sourcing: Enhancing Decision-Making

## Whitepaper on making smarter IT sourcing decisions

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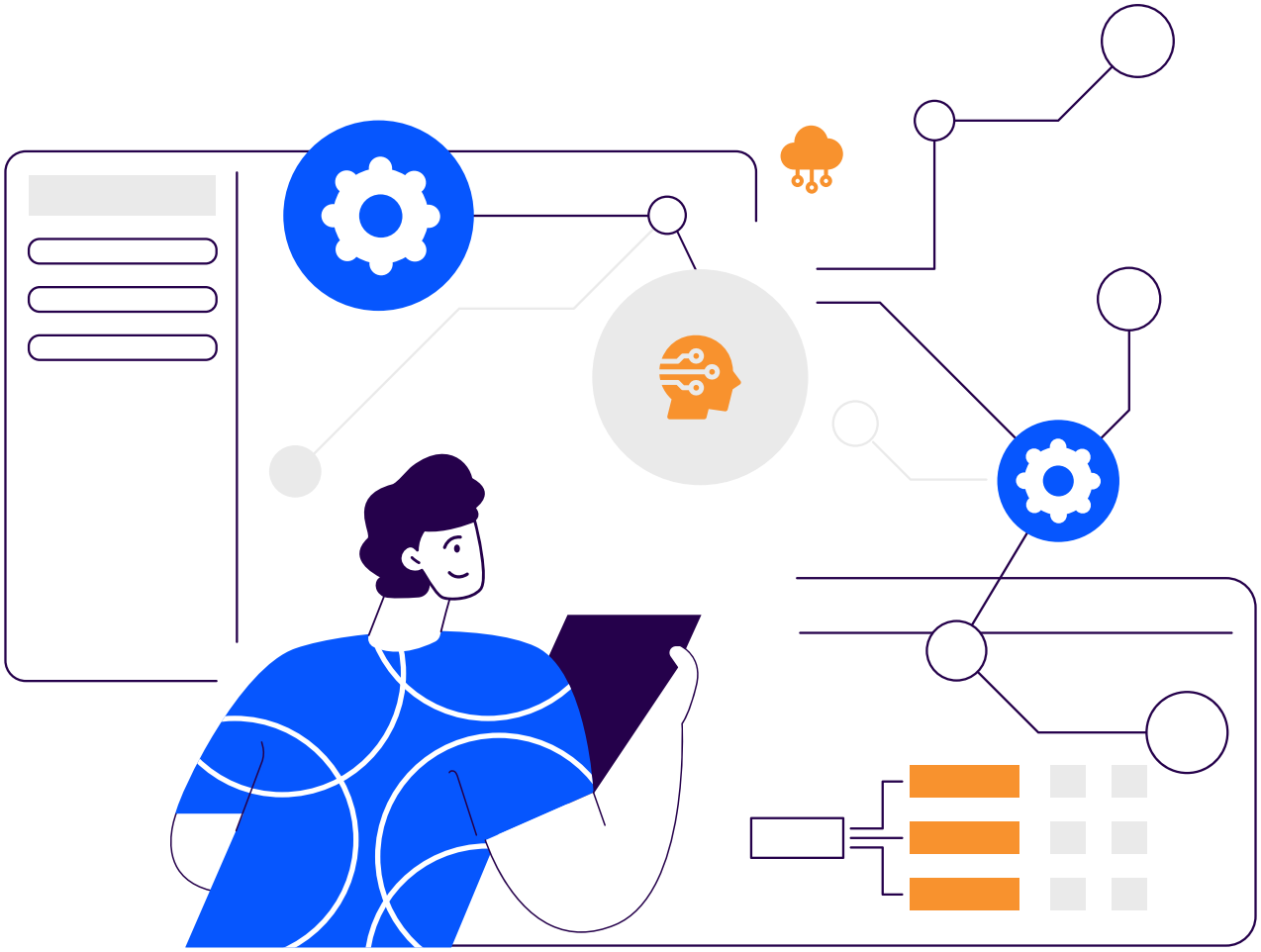
# **STRATEGIC IT SOURCING:**
# ENHANCING DECISION-MAKING

*Successful IT sourcing relies on strategic, informed decisions that drive business value. In stressed time-windows, organizations are making long-lasting decisions on their IT investments. Yet, many organizations struggle to make collective, well-informed IT decisions in a timely manner. This paper explores decision-making challenges during IT sourcing and proposes practices to orchestrate smarter, more impactful IT decisions.*



# INTRODUCTION

Decisions made during an IT sourcing process have often long-lasting, wide-ranging consequences for the organization. Commitment to start a new initiative, agreement on the scope, selection of technologies and vendors, as well as decisions on methods and roadmaps can have major implications to the organization's' operations and business. In some cases, like with extensive ERP programs, the decision made relatively early in the sourcing process can impact several critical business processes and even company's business performance. These decisions will also have major impacts on people's daily work and employee experience.

From the initial idea to signing the contract, organizations must navigate a range of decisions, such as:

- Is this a real business opportunity for us?
- What is the scope? What are our key requirements?
- What are the latest innovations and best practices we should tap into?
- What is the optimal timing for this initiative?
- What technologies should we consider?
- Which service providers have the right capabilities to help us?
- Which part of the work should we do internally? What skills do we need?
- Who from our own organization should be we involved in the preparation? How about in the implementation?
- How to engage our internal stakeholders to ensure the success of the initiative?

For IT sourcing to be successful, organizations should get these decisions right. Incorrect, or even poorly processed decisions can result in needless IT investments, cost overruns, problems in delivery, dissatisfied users, exposure to risks, lack of compliance, challenges in client deliveries, as well as missed and missed opportunities.

However, despite well-intended processes, clearly defined lines of authority, and solid governance practices, companies are known to struggle in making smart and effective IT decisions. This whitepaper discusses organizational decision-making in the context of IT sourcing. It addresses topics such as:

- How are organizations making decisions during IT sourcing?
- What makes IT decision-making particularly difficult?
- How can sourcing professionals support their organizations in making wise, well-grounded decisions?
- How can AI help decision-making during sourcing?

The whitepaper starts with a quick look at the characteristics of IT decisions. Next, we view IT decisions from four different analytical lenses (rational, political, chaotic, cultural). Since IT decisions can be seen as a subset of organizational decision-making, these four different perspectives are derived from studies on organizational decision-making. We will also look at the unconscious biases decision-makers may hold. Finally, we discuss how sourcing teams can support decision-makers to make smart decisions during sourcing projects, and beyond.

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# CHALLENGES WITH IT-DECISIONS

Today, most companies have well established processes for preparing and making strategic decisions. These processes include making long-term predictions, evaluating options, analyzing benefits and costs, and assessing risks. When it comes to IT investments, companies generally engage executives and subject matter experts from various functions to collaboratively address these issues and reach a consensus on the optimal course of action. Still, IT-related decisions have several characteristics that make these decisions especially challenging, including:

### Complexity of IT Initiatives

IT initiatives are inherently complex, demanding substantial effort from decision-makers with various backgrounds and competences to fully understand their scope, implications, and associated risks.

### Organizational Alignment

IT initiatives often span multiple organizational boundaries, necessitating alignment and decision-making across departments and stakeholders.

### Uncertain Outcomes

Predicting the precise implications and outcomes of an IT initiative can be difficult given the dynamic nature of technology and the uncertainties in the way the technology will be implemented and used.

### Significant Costs

The financial investment required for IT initiatives can be considerable, necessitating careful consideration and justification from decision-makers.

### Time Constraints

There is often intense pressure to accelerate time-to-market, which can put additional pressure on the decision-making process.

### Regulatory Compliance

IT decisions must adhere to constantly evolving regulatory requirements, such as GDPR and the Network and Information Systems (NIS) directive.

Considering their significant spending on IT, as well as the wide-ranging impact IT can have on their processes and even survival, it is critical that today's organizations can make sound judgment and smart choices on their IT. To understand better IT decision-making processes, we will next elaborate IT-decision challenges from four different perspectives, each providing a helpful lens on organizational life and decision-making. The perspectives are drawn from research on organizations, each one illustrating a dimension on decision-making that can help us understand how IT decisions are being made in organizations.

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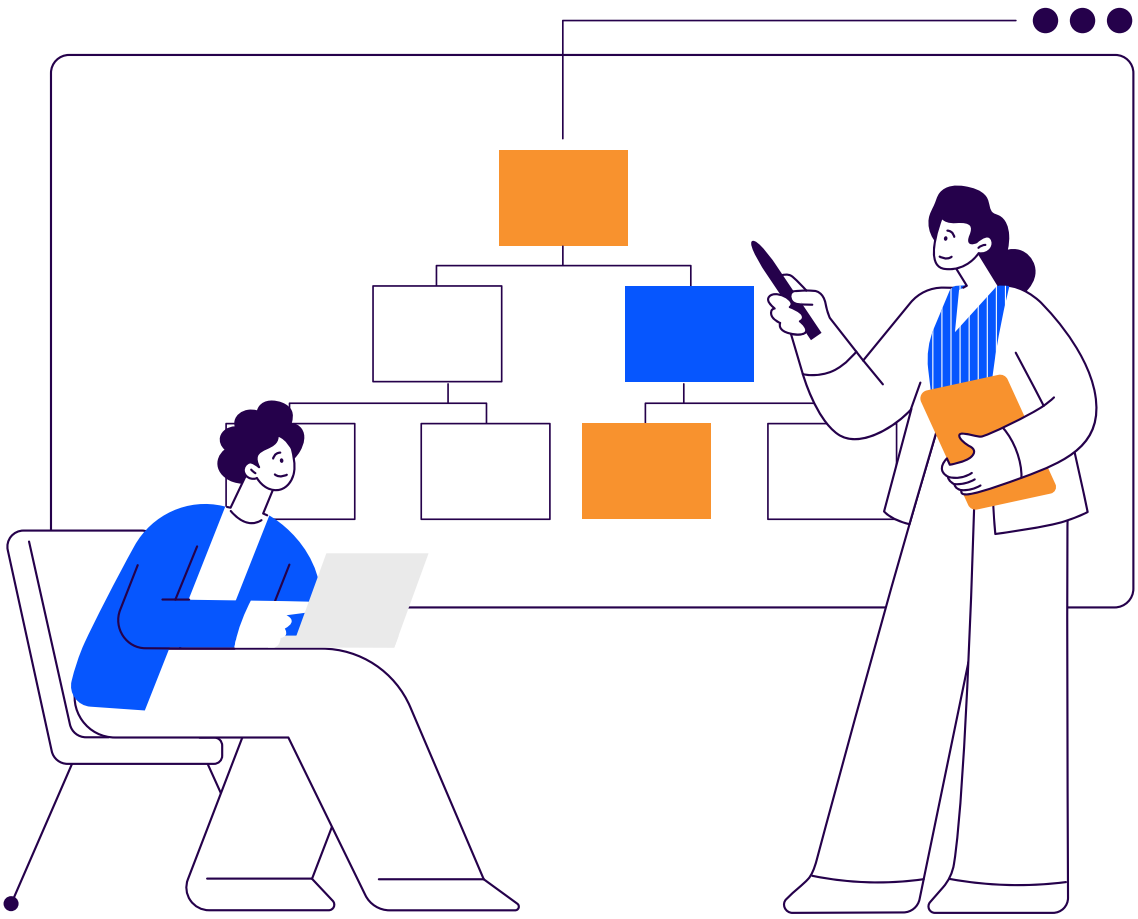
# IT DECISIONS AS
# RATIONAL PROCESSES

The so called "rational view" on decision making assumes that whatever is decided depends on the expected future outcome. In other words, the value of an IT investment is assessed based on the expected return on the investment, the business case. The rational view sees organizations collect relevant information, agree on different options and decision criteria, and select the optimal alternative.

The rational framework and its logic of consequence resembles a lot the way contemporary organizations see themselves as approaching IT decisions, or any other major organizational decisions. For example, a decision process on a new CRM solution would include a careful analysis of needs, research on the alternative CRM solutions, talking to the different vendors, fit analysis, financial calculations, and eventually a business case validated by experts across the company.

The widely shared consensus is that when an organization follows closely this logical fact-based process, a well-grounded "right" decisions will surface at the end of the decision cycle. Unfortunately, both practice and research tell us that this is not always the case. Let's explore why rational decision-making might fail.



## Cognitive limitations

Even if people want to make so called "rational" choices on IT investments, they face limitations of attention, communication, and comprehension.

Decision-makers may not always consider and evaluate the different aspects of the investment. For example, they may not have time or motivation to read the decision material they have been given. Reading up on a requirement specification for an ERP is quite a task. Also, a vendor proposal can be tens of documents and hundreds of pages. Is it not likely, and often not even expected, that the deciders go through all the available material.

Also, people may not always understand the information they are exposed to. IT people, like other functions, use their own lingo. Terms such as SOC, IAM, API, and PaaS may not be familiar with people outside IT. Likewise, IT specific methods and frameworks, such as agile methods or quality assurance, and their pros and cons, might be exotic to business practitioners. Additionally, IT investments, such as version upgrades or the implementation of technical capabilities like increasing server capacity or developing underlying data warehouses, may sometimes have only an indirect or delayed impact on the business. In these cases, business leaders may feel they have little option but to accept the technological decisions presented by IT executives, as they may lack full visibility or understanding of the technical factors driving those decisions.

As well as managers not comprehending all IT specific issues, the IT decision-makers may lack full understanding of the needs and concerns of the business units. So, even if everyone is provided with all the relevant information, and even if they have time to examine the material, the actors still might fail to recognize the relevance of the information they are given.

The limitations of expertise and knowledge can create major challenges for decision-makers. The lack of understanding may make them postpone decisions, withdraw from the decision-making process, or make decisions on false premises.

## Difficulties in evaluating results

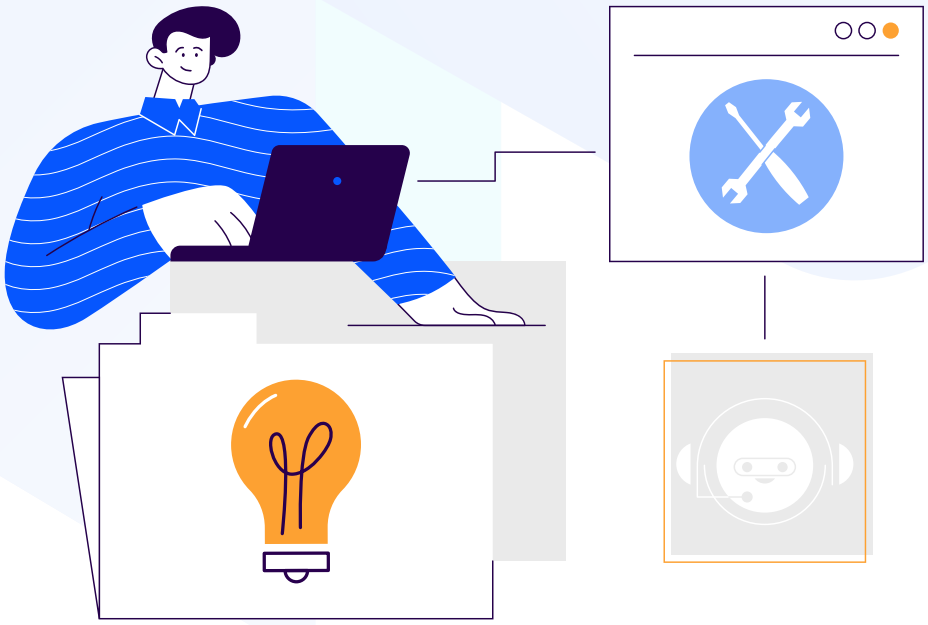
A fully "rational" decision assumes that decision-makers can assess the future outcomes of the different decision alternatives. However, with IT investments the consequences are often difficult to predict due to several reasons:

a) Challenges in estimating costs: The actual costs of the investment, e.g. building a new software, may be difficult to assess accurately when the decision needs to be made.

b) Challenges in estimating benefits: As IT solutions can impact productivity, cost structures, process quality, processing times, and in general the way many people in the organization conduct their work, it is impossible to anticipate all implications in detail in advance.

c) Scope keeps changing: While organization can agree on a set of requirements, the actual solution will emerge during the implementation when project teams are likely to agree on a number of smaller and bigger changes to the original scope. Especially with agile delivery models, the outcome is not precisely defined in advance.

d) Variations in user adoption: As the systems are deployed, the way they are adopted by the users, and how they apply the new tool at their daily work, greatly affects the impact the system has on organizational performance.



e) Technological uncertainty: With any major technology decision the organization is easily locking itself into the chosen technology, at least for the near future. Evolution of the chosen technology, and competing technologies, is typically outside the organization's sphere of influence.

f) Business uncertainty: Technology implementations, like any long-term investments, are impacted by changes in the organizational context. Uncertainties surrounding business performance, strategic direction, potential mergers and acquisitions, and other organizational changes can make it difficult for decision-makers to establish reliable mid-term IT plans and roadmaps.

## Limited search for alternatives

The rational decision-maker is expected to find out what alternative actions are possible. In an IT context this implies that the sourcing teams should search for all relevant software, SaaS tools, cloud platforms, service integrators, and methods that can be used to implement the solution for an identified business requirement. However, in real life the search processes for potential alternatives are typically abridged, meaning that the teams that prepare the investment decisions only look for a limited number of potential solutions.

Organizations compromise these scanning and search processes because they want to be effective and due to the routinization of their work. Organizations might send the RFP only to the same old vendors they have been working with. Or they automatically limit the search on technologies they already apply in their current IT environment, without looking for new and perhaps more innovative solutions. As a result, IT investments, may be based on heuristics, rules of thumb, and historical decisions instead of careful, unbiased, and fresh interpretation of the situation and alternatives. Respectively, IT investments can lead to favor the status quo, that is the existing suppliers, technologies, and methods.

While in many cases narrowing down the vendor and product portfolio may be well justified as it can improve the coherence of IT landscape and manageability of vendor relations, the potential downside is that the organization may miss opportunities provided by unfamiliar technologies and new vendors.

The challenges around rational decision-making are well understood, and even in the best-case organizational decisions are often said to be only "boundedly rational", meaning that while organizations aspire for rational, economic, fact-based IT decisions, they manage do that only to a certain extent.

# IT DECISIONS
AND POLITICS

Decisions on IT investments can also be seen as political processes. The political view acknowledges that organizational actors want different things and not everyone can have what they want. To try to satisfy their own preferences, people, or groups, pursue and use power, with power referring to the ability to get what they want.

Power can be used to control rules, processes, resources, as well as preferences. Control over rules and processes means how the decision is made, e.g. what questions are asked, who are involved in the decision-making, and on what criteria the decision should be made. Control over resources, such as information or budgets, increases decision-makers bargaining power in the decision process. Finally, controlling preferences means transforming the preferences of other people involved in the decision-making. For example, when an organization is choosing between technologies A and B, an expert with extensive knowledge in technology A may try to convince others about the benefits of this technology, since their own position in the organization would be strengthening with this technology selection.

While organizational politics are typically seen harmful, time consuming, information restricting, and creating inflexibility, the political view is useful to understanding IT decision-making processes in organizations. Major IT investments typically involve many individuals from different functional areas. Decision-makers may opt to use power and form more or less visible coalitions with each other to obtain the IT investments they prefer. This can include efforts to control who are to be involved in the decision-making, what information is shared with the sourcing teams, which IT vendors will receive the RFP, whose

budget the investment belongs to, and so on. We will next discuss three specific characteristics of political decision processes that help us to better comprehend decision-making on IT investments.

## Exaggerated ROI

To get support for an IT investment, members of the organization will need to motivate other decision-makers to support their own proposition. To be able to build the required support, organizational actors are known to exaggerate the expected benefits of the outcome and underestimate the negative effects. For example, people may overplay the positive business improvements of the CRM investments while downplaying and under-analyzing the expected costs.

As decision-makers will be more attracted to IT investment with the most positive outcome expectations, actors tend to oversell IT investments. The exaggerated benefits may eventually contribute to disappointing outcomes of the investment since the actual benefits, or costs, are not likely not equal to those that were originally presented and required to build the needed coalitions.

## Implementation problems

For decisions to be effective, they need to be acted on. A sourcing decision for a new information system remains a non-decision unless the system is built and deployed. One of the challenges with implementation is that the decision is often not made unanimously. That is, some people in the organization may disagree with the selected software, the decided scope, the agreed schedule, the chosen vendor, and so on. As a result, they may try to renegotiate the policies and practices after the initial go-decision has been made.

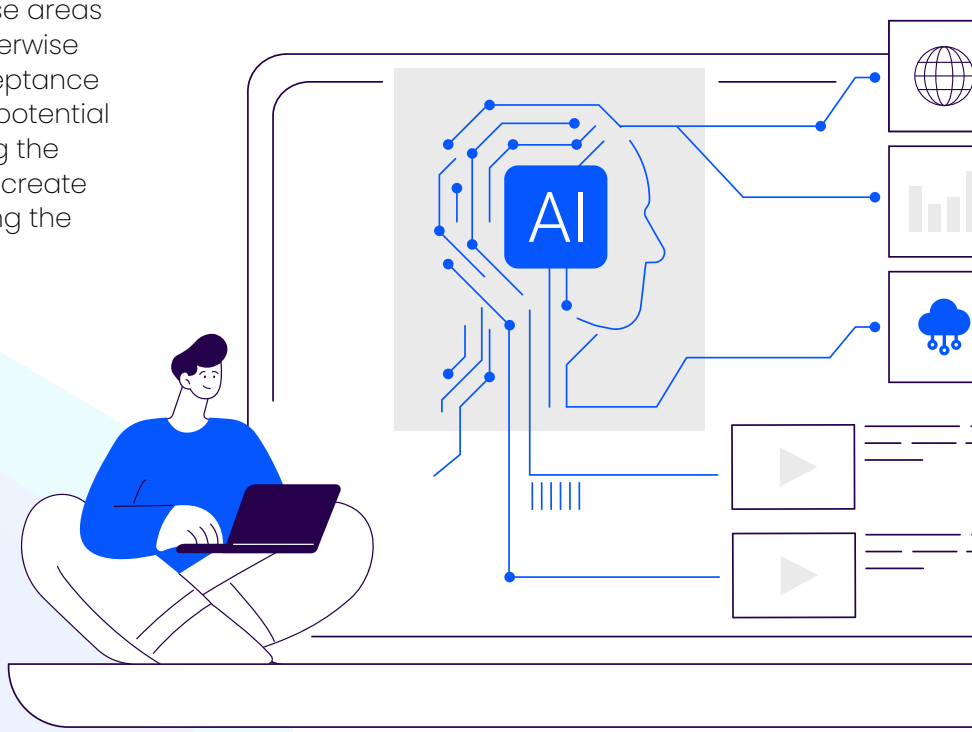
A decision-maker may perceive that it is difficult to alter the course of an IT investment decision, and instead they choose to reserve their bargaining efforts until the implementation phase, when they try to affect, for example, how the system is actually built and deployed. This may result in the solution being transformed and deviated from the original plan during the implementation phase.

People may also choose to be unclear of the specific characteristics of the investment. For example, the decision-makers may choose not to be bring forward technological challenges, the scarcity of resources, or the previous failures related to similar IT initiatives. Instead, they choose to present these areas with ambiguous terms because otherwise they would not be able to gain acceptance for the decision. Respectively, when potential risks are not openly discussed during the decision-making process, they may create unanticipated challenges later during the implementation phase.

## Frustrating participation

Being asked to participate in decision-making provides certification of one's position and role in the organization. People feel empowered and even flattered that their input is valued by their executives and peers. However, people may also find out that their views matter less that they thought. For example, a manager may feel that someone in the organization has already decided that the organization will make certain IT investment and that their opinion is only heard to provide the decision with legitimacy and sense of involvement. Similarly, as the investment process progresses, individuals may realize they are unlikely to benefit from the investment's outcome, or their position within the organization could even be compromised.

Because of the limited influence and many uncertainties associated with the decision process and the outcome, participation in the decision process may become frustrating. As a consequence, and especially when the decision process is prolonged, participants may exit the decision-making process, or they may significantly decrease their involvement and commitment to the decision.



# IT DECISIONS AS
## CHAOTIC PROCESSES

Sometimes called the 'garbage can' model, a third perspective on decision-making regards IT decisions and decision-making processes as random and ambiguous. This view is more critical on how decisions are made and suggests that decisions happen as solutions are looking for problems ("where could we use AI"), problems are looking for solutions ("how could we automate this process"), and people are looking for something to decide (an IT steering group collecting items on their meeting agenda).

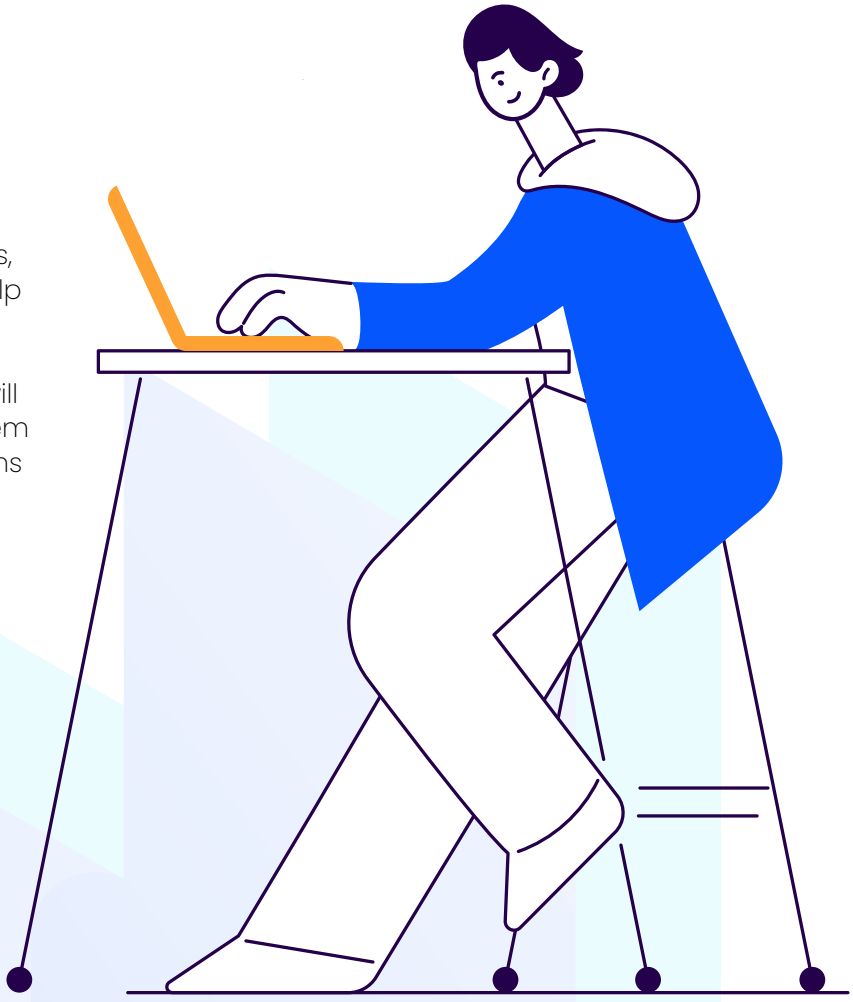
Decision-making here is seen as much as a process of discovering goals as for acting on them. The chaotic view on decision-making acknowledges that often what gets decided depends on timing and luck, so what solutions, problems, and resources happen to be available. The decision processes itself are fuzzy without clear beginnings and ends. As a result of ambiguous decisions, heterogeneous or even random outcomes can be expected.

The rational view suggested that decision-makers have consistent and stable preferences according to which decisions are made. However, the chaotic view suggests that people's preferences are inconsistent, and the interpretations of failure or success can be equivocal and complicated. For example, how should the success of a new finance system be measured? Was it a wise decision to choose vendor X for our application outsourcing? What is the right level of SLA's we should pay for? How much should we invest in cyber security?

The confusion around criteria for success and failure implies that organizational actors often find it difficult to form preferences. And without clear preferences, decisions are much harder to make.

Preferences also change over time. The evolution of preferences is evident during IT development projects. As people are making the investment decision on a new information system and its scope, they have often not yet used a similar system themselves. Instead, they are provided with a set of objectives, requirement documents, demos, and plans that are supposed to help them to envision how the system will work. However, during the project and especially when they start using the system, people will gain more understanding on how the system actually works and what are the implications to their own work, and to the rest of the organization. And as people gain experience and expertise about the new system, their preferences and needs are likely to change. The agile development paradigm has gained popularity to especially address these kinds of challenges.

As most people involved with IT projects have experienced, the changing preferences are reflected to the project as change requests, new ideas, and forgotten requirements. Again, it might be incorrect to suggest that these people have made wrong decisions, or given wrong input, when the investment decision was made. Instead, they made decisions and recommendation based on their best understanding at the time, and when they got more experienced, their preferences evolved.



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# CULTURAL VIEW ON
# IT DECISIONS

IT decisions and behaviors are also influenced by organizational culture, existing practices, and expectations from within the organization and from the external environment. So, instead of being solely driven by a rational analysis or a business case, or even by political motivations, IT decisions can be shaped by the need to conform with the broader social, cultural, and regulatory context in which the organization operates.

Based on this cultural lens, IT decisions can be seen to being influenced by both external and internal drivers.

## External forces

### Regulatory Pressures

Laws, regulations, and compliance requirements imposed by governments or industry bodies set requirements for IT, too. Companies need to align their actions with these external rules to maintain legitimacy and avoid penalties. The introduction of GDPR regulation, for example, required many companies operating in the EU to adjust their processes and IT systems to ensure compliance and maintain legitimacy.

### Industry Norms and Standards

Organizations often follow industry-specific norms, standards, and best practices to stay competitive and be seen as credible within their industry. To demonstrate its commitment to high security standards, a company might want to pursuit an information security certification although its current security measures are adequate.

### Cultural and Social Expectations

Broader societal values, cultural expectations, and public opinion can also pressure organizations to adopt certain practices or policies, such as sustainability initiatives or agile software development methods.

### Imitation of Peers

Organizations are known to imitate the practices and strategies of their peers, particularly those who are perceived as industry leaders. This kind of behavior leads to a convergence of similar behaviors across industries. For example, the decision of a mid-sized company to move to cloud might be influenced, even without decision-makers explicitly recognizing it, by the cloud experience of their more established industry peers. Likewise, when a company CEO hears a peer from an industry-leader presenting their AI accomplishments in a business event, they might become inclined to push forward AI initiatives in their own organizations as well.

## Internal pressures

### Organizational Culture

The shared beliefs, values, and norms within an organization strongly influence decision-making. Internal culture dictates "how things are done here" and can lead to decisions that align with established practices rather than innovation. For example, a company might delay its IT outsourcing journey due to having a strong culture of managing their IT environment in-house.

### Internal Stakeholder Expectations

Expectations from employees, management, and other internal stakeholders create pressures to conform to internal norms. Here, decisions might favor alignment with these internal expectations to maintain harmony and consistency. For example, the software development team might prefer using open-source tools for their flexibility, while the IT operations team could favor commercial software due to its reliability. These conflicting interests may lead to a decision that either compromises on a hybrid approach or leans towards the preference of the department with greater influence.

### Path Dependency

Internal history and past decisions create a path dependency where future decisions are constrained by previous choices, leading to stickiness to established patterns. Even if a Telco company would like to introduce new agile software, their legacy systems running on mainframes might turn up to be too expensive to be replaced. Likewise, implementation of a standard software as "plain vanilla" might be challenged by existing client commitments and contracts that require non-standard customizations.

According to the cultural view, (1) external forces like regulations and industry norms compel organizations to conform to their IT systems and practices to market environment, while (2) the internal forces such as culture and established routines ensure that IT decisions are consistent with organization's history and internal dynamics.

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# IT DECISIONS AND PERSONAL BIASES

Sourcing team must also navigate people's various cognitive biases that can influence IT decision-making processes. These biases are largely unconscious, arising from our brains' tendency to simplify complex decision-making processes. On the downside, these biases may lead to distorted perceptions, which in turn result in decision-making that is not fully objective. Lately, the impact of biases on human decision-making and behavior has received a lot of attention. We will here focus only on few well-known biases especially relevant in the IT domain.

### Overconfidence Bias

Decision-makers may overestimate their ability to implement IT engagements, leading to overly optimistic projections and underestimation of associated risks. As discussed earlier, IT investments are often oversold. This can result in risky investments with over-promising business cases lacking adequate contingency planning.

### Confirmation Bias

Decision-makers might seek out or give more weight to information that confirms their pre-existing beliefs, like a specific stand towards agile methods or a certain software, while ignoring or undervaluing evidence that contradicts those beliefs. This selective interpretation of information can skew IT decisions toward favored solutions rather than the most effective ones.

### Herd Mentality

As discussed earlier under "cultural view", organizations decisions are known to be heavily influenced by the actions of competitors or industry trends, leading executives to follow the crowd rather than conducting an independent, objective analysis tailored to their organization's specific needs. This can result in IT investments that are more about conforming to industry norms than addressing the organization's unique challenges.

### Availability Heuristic

Decision-making may be influenced by the most recent or memorable events, such as a recent IT failure, rather than a thorough consideration of all relevant data. This can lead to decisions that disproportionately reflect recent experiences, "this system environment is very unreliable", rather than the broader, long-term context.

### Sunk Cost Fallacy

Executives might continue to invest in underperforming IT solutions because of the significant resources already committed, rather than cutting losses and reallocating resources to more promising initiatives. This bias can lead to continued investment in failing projects, resulting in even greater losses. The sunk cost fallacy can be especially dominant if the executive has personally been involved in the decision on the underperforming IT initiative.

By recognizing and addressing these cognitive biases, sourcing teams can enhance the quality of the IT investment decisions and ensuring that the sourcing decisions are driven by objective, comprehensive analysis and aligned with organization's long-term strategic goals.

# IMPLICATIONS
## ON SOURCING

IT sourcing experts work with cross-organizational teams and executives to drive the sourcing projects, often under significant pressure to meet tight time-to-market deadlines and budget constraints. At the same time, sourcing teams need to facilitate decision-making that can have a lasting impact throughout the organization.

However, and as we have discussed in this paper, decision-making on IT is nothing but straightforward. Therefore, high-performing sourcing teams should be aware and anticipate potential roadblocks and challenges in the decision processes and prepare strategies to facilitate effective decision-making.

Sourcing teams are expected to help the organization effectively identify, evaluate, and secure the best possible technology solutions, vendors, or services that align with the organization's strategic goals. So, how should sourcing teams support decision-makers in making smart IT decision on a timely manner?

The list below presents some known best practices on how sourcing teams and IT and procurement executives can support decision-makers to make better decisions.

### Be Strategic

- **Ensure strategic alignment.** Align IT sourcing decisions with the broader organizational strategy and objectives to ensure that sourcing choices support the overall business goals.
- **Increase objectivity.** Encourage the use of objective criteria and evidence-based approaches in decision-making to minimize the influence of personal biases and preferences.
- **Identify options:** Explore and identify relevant alternatives and investment options. Consider and share different scenarios and approaches that could achieve the desired outcomes.

### Engage People

- **Engage with key stakeholders.** Work with the key stakeholders to understand their interests and ensure that their needs and perspectives are integrated into the decision-making process.
- **Consider who to involve in decisions.** People are eager to participate but can also become frustrated in decision-making. People can also possess strong subjective preferences. Consider who needs to be involved.
- **Involve experts.** Engage with internal and external experts to gather insights and perspectives on the investment options. Make sure their views are heard.
- **Build consensus.** Work to build consensus among stakeholders by addressing their objections and fostering a collaborative environment.

## Foster Iterations but Keep Deadlines

- **Acknowledge that preferences change.** People change their preferences as they learn more about IT applications and technologies. Build this into your sourcing processes.
- **Expect decisions to follow decisions.** Decision about IT investments are typically followed by several other, small and large, decisions. Do not exaggerate the importance and longevity of the initial "go/no-go decision".
- **Apply deadlines.** Decision-making processes are known to have less ambiguity as deadlines are imposed.

## Build Awareness

- **Share relevant information.** Create quality decision-materials, and ensure the data and insights are accessible to all decision-makers.
- **Foster understanding.** Help decision-makers understand the various dimensions and implications of the decision. Use demos and mock-ups.
- **Avoid IT jargon.** Get rid of IT-specific abbreviations and terminology, make sure important concepts are explained
- **Educate people on IT.** Over time, enhancing decision-makers' understanding on IT will lead to more effective IT decisions. (Respectively, increasing IT people's business knowledge will do the same.)
- **Leverage vendors.** Let the vendors to educate your people as well, and leverage their views on best-practices and new innovations.

## Stay Cautious

- **Be critical of benefits and costs.** It is often difficult to assess the expected benefits and costs accurately. Analyze the presented benefits, and costs, critically.
- **Be aware of biases.** Promote awareness of cognitive biases and implement practices to counteract them, e.g. seek diverse opinions to balance out individual biases and ensure evaluation criterion is rated consistently across different options.
- **Understand power structures** Analyze the power structures within the organization to understand who holds decision-making authority and how decisions are influenced by internal politics.

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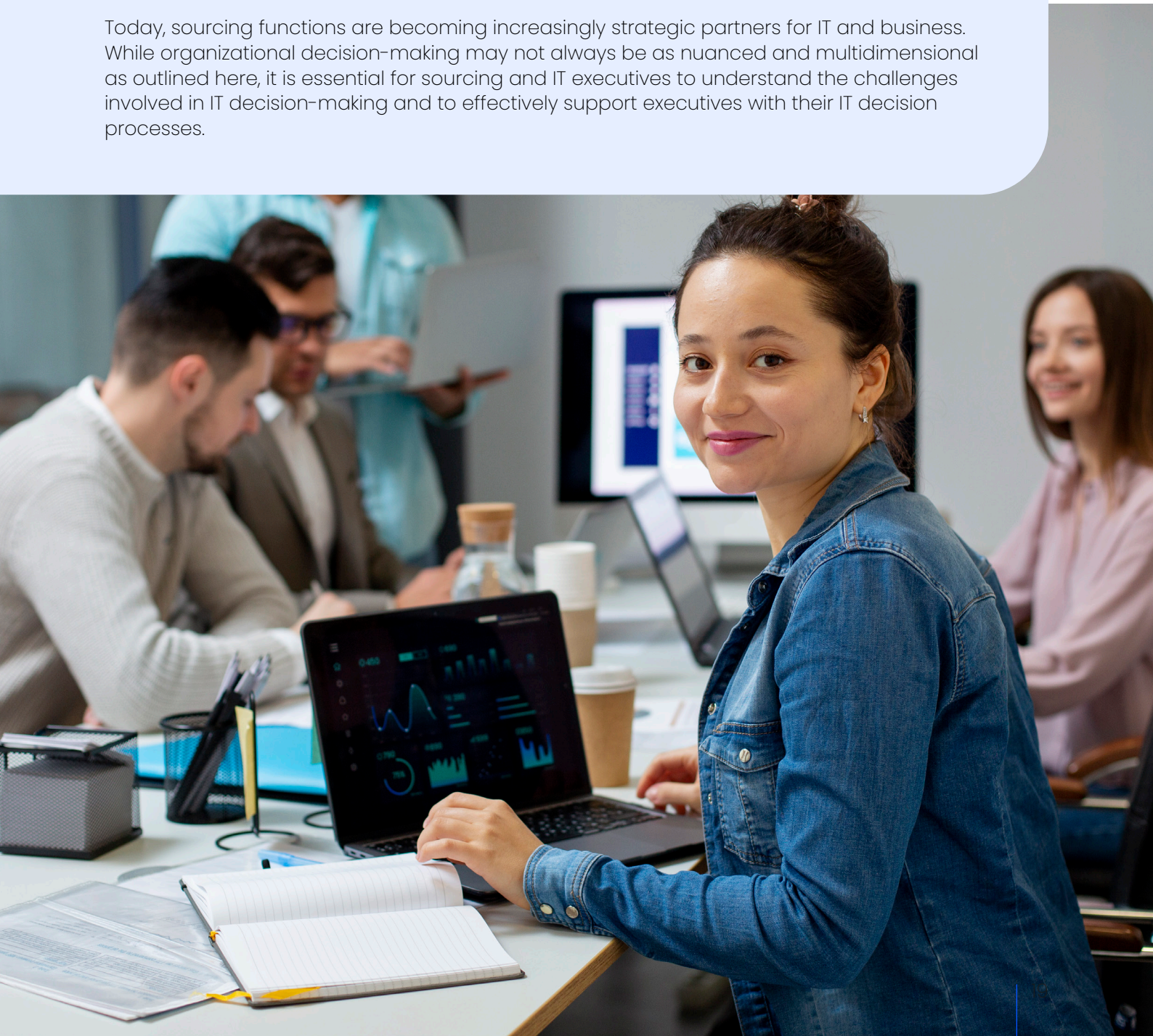
# CONCLUSIONS

IT sourcing teams, comprising sourcing experts, IT professionals, business practitioners, and executives from across the organization, face continuous pressure to make smart IT sourcing decisions. These teams are expected to make IT investments that meet growing demands for business impact, quality, scalability, and compliance. All while adhering to tight timelines and budget constraints.

This whitepaper explored the organizational challenges associated with IT-related decisions and offered sourcing teams proven strategies to overcome potential obstacles and biases, enabling decision-makers to make more informed IT choices.

Today, sourcing functions are becoming increasingly strategic partners for IT and business. While organizational decision-making may not always be as nuanced and multidimensional as outlined here, it is essential for sourcing and IT executives to understand the challenges involved in IT decision-making and to effectively support executives with their IT decision processes.



# **HOW NVELOP** CAN HELP?

As an AI-enabled automation tool for IT sourcing, Nvelop helps organizations to make smarter IT decisions:

- **More time on strategic discussions.**

  Nvelop automates and supports IT sourcing workflows end-to-end, including requisitions and case intake, generation of functional and non-functional requirements, generation of fit-for-purpose RFPs (and RFI's), communications, proposal evaluation and comparison, and contracting. With automated, AI-enabled processes reducing administrative burdens and improving efficiency, sourcing teams can focus on having strategic discussion with their key stakeholders, and external vendors, on the different investment alternatives, selection criteria, and pros and cons of the different options.

- **Better information to decision-makers.** Nvelop provides decision-makers visibility on the status of the sourcing process, and automated analysis on the received vendor proposals and their strengths and weaknesses, helping decision-makers evaluate the impact of different sourcing strategies.

- **Improved collaboration.**

  Nvelop is a collaborative platform that facilitates communication and information sharing among sourcing teams and stakeholders, as well as with external vendors. Active collaboration across the sourcing process leads to smarter, more sustainable decisions.

- **Increased objectivity.**

  Nvelop utilizes advanced AI to generate analysis and recommendations for decision-makers. Use of AI to generate deliverables and create fact-based analysis, such as supplier scorings, can help neutralize personal biases in decision-making.

- **New ideas and innovations.** Nvelop can help you source forward-thinking ideas from innovative vendors and co-create services that differentiate you from your peers. We also keep a close watch on the market for the latest innovations in IT and services that you can leverage.

# ABOUT
US

Nvelop is a pioneer in AI-powered, automated IT sourcing, delivering more efficient procurement, faster time-to-market, and enhanced compliance. Nvelop develops an AI-native SaaS platform supporting end-to-end IT sourcing processes  including solution exploration, requirements gathering, RFP generation, proposal evaluation, and contracting. Nvelop was founded in 2024. The company is based in Helsinki, Finland. Learn more at www.nvelop.ai.

About the author: Nvelop's CEO Mikko Valorinta has 25 years of experience in IT and consulting. He has held CEO positions in Enfo and Epical, and in Capgemini where he was EVP and CEO of Capgemini Finland. Mikko holds a Doctor of Science (Tech) degree from Aalto University.

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