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HEALTHCARE

Reducing risk and driving value in a high variance hardware tender.

When a healthcare organisation issued a tender for a server and storage hardware refresh, they received six vendor and reseller proposals with a 250% pricing variance between the lowest and highest bids.

pricing variance, lowest to highest bid 250%	energy & carbon reduction 34%	bids, narrowed by blind simulation 6 → 2
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THE SITUATION

When a healthcare organisation issued a tender for a server and storage hardware refresh, they received six vendor and reseller proposals with a 250% pricing variance between the lowest and highest bids.

Lacking a clear technical benchmark, the procurement and engineering teams faced a classic dilemma: risk under-provisioning by approving the wrong bid, or overspend on an inflated solution.

By implementing an objective, data-driven simulation framework, we helped eliminate high-risk bids and secured a solution that delivered a 34% reduction in energy and carbon footprint, while guaranteeing peak operational performance and growth in capacity.

NAVIGATING EXTREME COMMERCIAL VARIANCE AND TECHNICAL BIAS

Procuring business-critical healthcare infrastructure involves balancing tight budgets against uncompromising uptime requirements. The organisation faced three core challenges:

- **Extreme commercial disparity:** a 250% spread between bids made commercial evaluation incredibly hard without deeper technical validation.
- **Optimism versus reality:** sales proposals often rely on theoretical performance figures rather than the organisation's actual needs.
- **Cross-functional alignment:** procurement needed a way to support the engineering team in making a decision that was both fiscally responsible and technically sound.

ESTABLISHING AN OBJECTIVE BASELINE

To protect the organisation, they introduced a strict, two-phase vetting process before any commercial negotiations advanced.

Phase 1: data-driven baselining

Rather than relying on the metrics provided in vendor brochures, we analysed the healthcare organisation's estate. We mapped actual compute performance and efficiency, current power draw, and environmental impacts to establish a precise operational baseline. Crucially, we factored in forecasted data growth and the seasonal performance spikes unique to healthcare systems.

Phase 2: blind technical simulation

We subjected all six vendor proposals to a digital twin simulation, testing how each architecture would handle the organisation's real-world peak loads. To ensure total objectivity, the evaluation was conducted completely blind, removing vendor names and brand biases so the engineering and procurement teams could focus solely on data-proven capability.

SEPARATING VALUE FROM RISK

The simulation exposed flaws in four of the six proposed solutions, altering the trajectory of the procurement exercise:

- **The aggressive consolidators (two bids rejected):** two solutions, including one of the highest-priced options, achieved their outcomes by proposing over-aggressive server consolidation. The simulation proved these architectures would likely fail under the organisation's peak clinical loads and limited planned data growth.
- **The high-risk middle (two bids rejected):** two mid-priced solutions left virtually no headroom for unpredictable utilisation spikes, threatening system slowdown or downtime in a live healthcare environment as their requirements increased.
- **The viable contenders (two bids approved):** only two solutions successfully absorbed the organisation's performance requirements. Both achieved this while optimising energy efficiency, projecting a 34% decrease in power and carbon consumption.

THE PROCUREMENT OUTCOME AND VALUE DELIVERED

By transforming a subjective technical debate into an objective data exercise, the procurement team achieved several high-value outcomes:

- **Defensive risk mitigation:** eliminated four vendors that would have resulted in mid-contract remediations, hidden costs, or system failures.
- **Measurable ESG progress:** secured a 34% reduction in data centre energy consumption, directly contributing to the organisation's Scope 2 carbon reduction targets.
- **Streamlined decision-making:** armed with the right data, the engineering team confidently selected the optimal technical fit, allowing category management to focus commercial negotiations on the two truly viable partners.