

Are you buying the future?

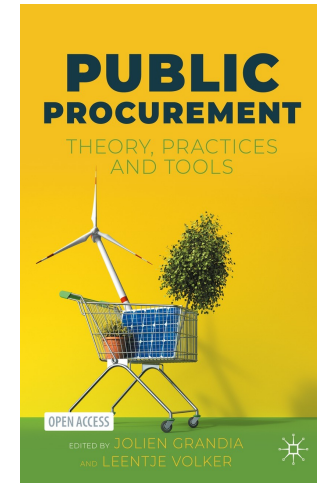
Masterclass public procurement

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Agenda

- The book: why, whom & what;
- Interdisciplinary perspective on public procurement;
- What is public procurement: definition, procurement process and development over time;
- Trends & developments;
- Implications for practice;
- Change agents bringing public procurement into the future.



Introduction

- Textbook on *public* procurement: English & Dutch edition
- Discusses the ‘what and why’ of public procurement and provides insight into contemporary procurement → public procurement as a tool to achieve public value
- Open access available
- Author team:



Jolien Grandia



Leentje Volker



Willem A.
Janssen



Lizet Kuitert



Fredo
Schotanus



Wendy van der
Valk

Contents of the book

| | | |
|---|---|---|
| 1 | Introducing Public Procurement | Jolien Grandia, Lizet Kuitert, Fredo Schotanus & Leentje Volker |
| 2 | Public Values in Procurement | Lizet Kuitert |
| 3 | Public Procurement Law in the European Union | Willem A. Janssen |
| 4 | Organizing Public Procurement | Fredo Schotanus |
| 5 | Public Procurement Policy and Purchasing Strategy | Fredo Schotanus & Jolien Grandia |
| 6 | Tendering and Supplier Selection | Leentje Volker & Fredo Schotanus |
| 7 | Public Sector Contracting | Wendy van der Valk |
| 8 | Ways forward in Public Procurement | Jolien Grandia & Leentje Volker |

Interdisciplinary perspective on public procurement



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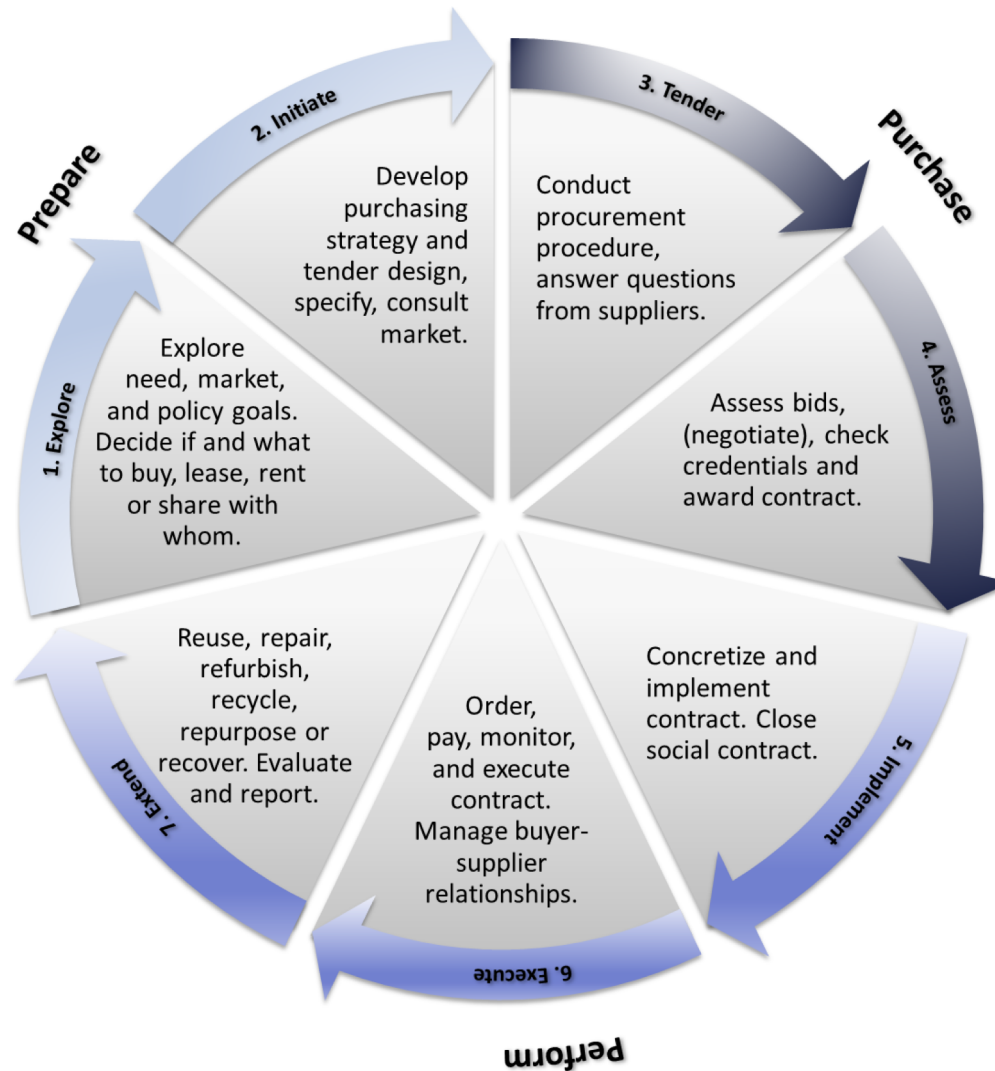
What is public procurement?

“The acquisition of works, supplies, or services by government or public organizations from the market or another outside body, while simultaneously creating and safeguarding public value from the perspective of their own organization”



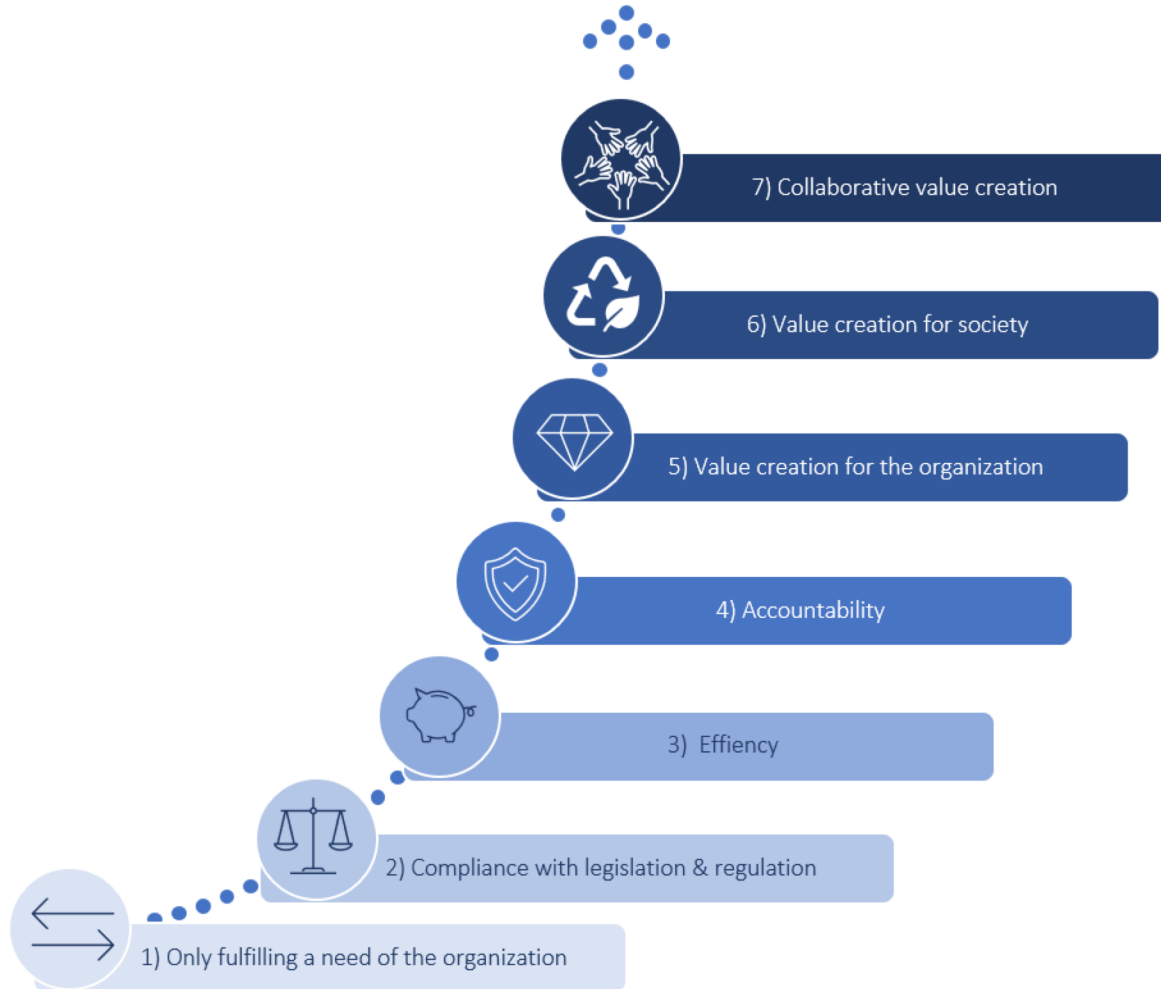
The 3-P model of public procurement

Prepare - Purchase - Perform



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The development of public procurement



Based on Telgen et al., 2007)

Trends & Developments in Public Procurement

1. Efficiency & Cost-based thinking → value-driven & sustainable



2. Administrative & operational → Digitalized & Smart



3. Front-end practical purchasing → Lifecycle engagement



4. Dyadic supply chain relations → Relational ecosystems



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Trend 1: Efficiency & Cost-based thinking → value-driven & sustainable



- Lowest price is in many countries and situation still the norm.
- Public procurement can be used to drive innovation, stimulate equality, inclusiveness and diversity and reduce impact of production and consumption on the environment and society.
- Opt for innovative solutions the market offers and developing legal frameworks that stimulate a certain kind of behavior.
- Perception is often still that sustainable or innovative is more expensive, but that is not necessarily the case.
- In the EU, the law is moving toward making sustainable and social procurement the 'new standard'



Trend 2: Administrative & operational → Digitalized & Smart



- Digitalization and technological innovations are vastly changing public procurement.
- Can be used to support and optimize the entire procurement process (including contract management) and create time to spend on more strategic aspects.
- Can affect the power balance between buyer and seller (e.g., increased information asymmetry).
- Technological developments therefore requires consideration of data ownership, data management and data-sharing, and how to deal with data-driven intellectual property and security aspects.



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Trend 3: Front-end practical purchasing → Lifecycle engagement



Should become routine to:

- **not** automatically replace when the life cycle ends,
 - **not** procure something new when a need arises,
 - look for alternatives: buying as a service, sharing, extending the lifetime, reuse.
-
- But this requires a lifecycle perspective, which affects how procurement and contract management are organized.



Trend 4: Dyadic supply chain relations → Relational ecosystems

- The Law, but also policies and internal procedures, often assume a standard dyadic relationship: 1 buyer + 1 supplier.
- Turbulent times require adaptivity and, for example, adaptive service-based contracts and collaboration agreements better match the dynamic of society's need for values than traditional contracts.
- Ecosystems: collaborative arrangements through which interconnected and interdependent public and private network actors combine their individual offerings in a coherent solution focused on value creation.



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Implications for the future

1. More flexible and adaptive ways of governing business-supplier relationships

2. Integration of procurement values in all parts of the organization

3. Need for different capabilities and competences of public procurers

4. Rebalancing the multiple perspectives on public procurement

In short:
we need to do things
differently



Change agents



- Voluntarily do more than required;
- Increase willingness and ability to change by:
 - Initiating;
 - Motivating;
 - Informing;
 - Advising;
 - Problem solving.

Change agents

- Change agents are change leaders;
- They do not have to be managers:
'an internal or external individual or team responsible for initiating, sponsoring, directing, managing or implementing a specific change initiative, project or complete change programme'
(Caldwell, 2003).



Become a change agent & bring procurement into the future



- Public procurement is developing.
- But to bring public procurement into the future, more change is needed.
- Change agents can help overcome hurdles and help make the necessary change happen.
- Everybody can become a change agent. Will you be one?

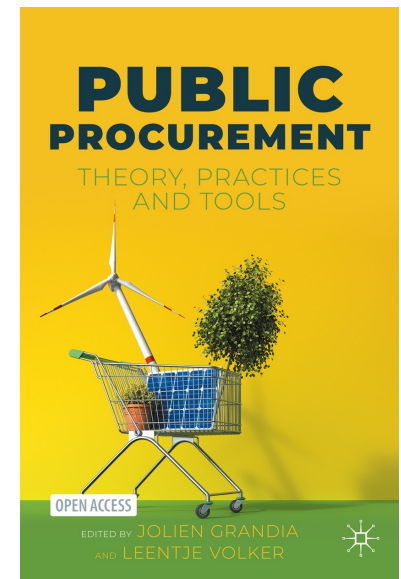
Want to read more?

English edition:

[https://link.springer.com/book/10.1007/978-3-031-18490-](https://link.springer.com/book/10.1007/978-3-031-18490-1)

1

Dutch edition: <https://openpresstiu.pubpub.org/publieke-inkoop>



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