Don’t Just Say No: Leveraging the Value of the Public Procurement Function

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Los Angeles, California

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Don’t Just Say No: Leveraging the Value of the Public Procurement Function

- Overview of Public Procurement Function in Local Government
- Providing the Practices of Your Procurement Team
- Developing the Talents of Your Procurement Team
- Positioning the Authority of Your Procurement Team
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May 20, 2019
A Little about State & Local Government Spend
It is anything but little!

U.S. STATE & LOCAL GOV BY THE NUMBERS

STATE & LOCAL ANNUAL SPEND
$3.25 TRILLION

Source: Center for Digital Government, 2014 Census

The Institute for Public Procurement
Makes up nearly 10% of annual US GDP

AT JUST UNDER 10% OF ANNUAL U.S. GDP, IT’S ONE OF THE LARGEST SEGMENTS OF THE U.S. ECONOMY.

Source: www.bea.gov, 2012, Not Complete List ≠ 100%
Working across thousands of agencies and government units

**THERE ARE OVER 90,000 DISTINCT GOVERNMENT UNITS.**

<table>
<thead>
<tr>
<th>WHO THEY ARE</th>
<th>WHAT THEY DO</th>
</tr>
</thead>
<tbody>
<tr>
<td>50 STATES</td>
<td>✓ Education</td>
</tr>
<tr>
<td>19,519 CITIES</td>
<td>✓ Environment &amp; Natural Resources</td>
</tr>
<tr>
<td>3,031 COUNTIES</td>
<td>✓ Health &amp; Human Services</td>
</tr>
<tr>
<td>16,360 TOWNSHIPS</td>
<td>✓ Public Safety</td>
</tr>
<tr>
<td>38,266 SPECIAL DISTRICTS</td>
<td>✓ Public Works</td>
</tr>
<tr>
<td>12,880 INDEPENDENT SCHOOL DISTRICTS</td>
<td>✓ Transportation &amp; Infrastructure</td>
</tr>
<tr>
<td>2,090 PUBLIC HIGHER ED INSTITUTIONS</td>
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</tbody>
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Source: NIGP Center of Excellence
Procurement is core to all segments of state & local spend

State and Local General Spending
By functional category, fiscal year 2015

- Elementary and secondary education: 22%
- Public welfare: 21%
- Higher education: 10%
- Health and hospitals: 9%
- Police and corrections: 6%
- Highways and roads: 6%

Note: Excludes spending on government-run liquor stores, utilities, and insurance trusts. Medicaid spending is divided between the public welfare and health and hospitals functional categories, with the majority allocated to the former.
So what is procurement?

It’s the mission impact that supports public communities every day!
It’s building communities
It’s school buses
traffic lights…

and high tech
It’s serving the public... and saving lives
The list goes on, and on, and on...
NIGP’s role is critical in this equation

State & Local Government Procurement

- Stakes are high
- Impact is broad and deep
- Structure and people who can think strategically is critical

NIGP

- Over 70 years of helping state & local government procurement professionals meet the challenges head-on
Our Mission

Develop, Support, and Promote the Public Procurement Profession

The Institute for Public Procurement
We support thousands of agencies and 70 chapter affiliates.
The Majority of Public Procurement Officials report to the CFO
You can leverage the value of Procurement as a Public Finance Official

Compliance and Regulation

Empowerment, Innovation, Value
Procurement Maturity

Ad Hoc
Process
Policy
Tactical
Strategic
Professional

The Institute for Public Procurement
Intersection of Public Procurement Value
Practice
Advancing Practice

Global Best Practices

Values & Guiding Principals

Position Papers

White Papers

Research Reports
Public Procurement Values and Guiding Principles

- Accountability
- Ethics
- Impartiality
- Professionalism
- Service
- Transparency

The Institute for Public Procurement
Global Best Practices

Standardized public procurement practices serve as the foundation for the work of public procurement.
Global Best Practices

- Standard
- Definitions
- Background
- Elements
Global Best Practices: Strategy

- Place of Procurement w/n Entity
- Lease-Purchase Decisions
- Outsourcing
- Public-Private Partnerships
- Spend Analysis
- Strategic Procurement Planning
- Sustainable Procurement Practice
Global Best Practices: Performance

✓ Performance Based Contracting
✓ Performance Measurements
✓ Performance Metrics

- Ethical Procurement
- Risk Management
- Transparency
- Audits
Global Best Practices: Procurement Techniques

✓ Procurement Policy Manual
✓ Invitation For Bids
✓ Statement v Scope of Work
✓ Qualifications-Based Selection
✓ Specifications
✓ Evaluation Criteria & Process
✓ Protests
✓ Supplier Relationship Mgmt.
✓ Use of Cooperative Contracts
Global Best Practices: Infrastructure

- IT Procurements (3 Parts)
- Federal Emergency Management
- Construction Project Methods
NIGP Resources
NIGP Position Papers

- Maintaining Procurement Principles as Technology Advances
- Best Value Procurement Methods
- The Strategic Value of Procurement in Public Entities
- Local Preference
- Procurement Authority
- Negotiation: Lost Art or Core Competency?
- Cooperative Procurement: Great Value (Great Confusion)
- Transparency in Government Procurement
- Outsourcing in the Public Sector
NIGP Research Papers

- Compensation Studies
- Best Practices on ERP Systems
- Procurement Benchmarks
- Public-Private Partnerships
- Sustainable Procurements
NIGP Document Library

NIGP'S DOCUMENT LIBRARY

Regularly the #1 accessed NIGP Member benefit, the NIGP Library contains thousands of solicitations and templates, publications and research to help you with your solicitation development activities.

SEARCH THE DOCUMENT LIBRARY

Ambulance  GO

And the DOCUMENT LIBRARY
REQUEST FOR PROPOSALS

RFP # 2017041
AMI and MDM SOLUTION

Notice is hereby given that the Indian River County Board of County Commissioners is requesting proposals for a qualified Solution consisting of the comprehensive functionality of a tightly integrated Advanced Metering Infrastructure (AMI) and Meter Data Management (MDM) system and the supporting equipment, hardware, infrastructure, software, and services.

The Request for Proposals may be obtained after providing an executed non-disclosure acknowledgement (NDA). To obtain the form, contact the Indian River County Purchasing Division at (772) 228-1416, or purchasing@ircgov.com.

A MANDATORY pre-solicitation meeting and tour of service area will be held on April 18, 2017. Exact time and location will be provided to those firms having returned executed NDAs by 4:00 p.m. Monday, April 17, 2017. Deadline for receipt of responses to the RFP is 2:00 p.m. on Wednesday, June 21, 2017.

The Board of County Commissioners reserves the right to accept or reject any and all submittals and to waive all informalities.

Purchasing Manager
Indian River County

Publish: For Publication in the Indian River Press Journal
Date: Sunday, April 2, 2017
Please furnish Tear Sheet, Affidavit of Publication and Invoice to:
Indian River County
Purchasing Division
1800 27th Street
With 1000's of RFPs
INVITATION FOR BID

IRRIGATION SYSTEMS INSTALLATION

ACCEPTANCE DATE: Prior to 4:00 p.m., July 26, 2018 “Atomic Time”

IFB NUMBER: RFQ-10764

ACCEPTANCE PLACE: Department of Finance and Procurement
Division of Procurement
One Harrison Street, SE, 4th Floor
Leesburg, Virginia 20175

Requests for information related to this invitation should be directed to:

Gerald Landayan
Contracting Officer
(703) 771-5956
(703) 771-5097 (Fax)
E-mail address: Gerald.Landayan@loudoun.gov

This document can be downloaded from our website:
www.loudoun.gov/procurement
What Does the Future Hold?

Technology: Data Analytics & Decisions

Best Practices: Constant Development & Move to Standards

Process: Designed to Achieve Strategy, Value, Results
What Does the Future Hold?

- Supplier Relations: Performance
- Collaboration & Cooperative Procurements
- Commodity Purchases: AI and Auto Replenish
The modern workforce is changing rapidly

- Global digital era
- Accelerated pace of change
- Educational expectations, needs and demands evolving faster
- 60-year career spans, with half-life of skills rapidly falling
Lifelong learning has become the new norm

- 55% want to maintain or improve their job skills
- 73% consider themselves lifelong learners, for personal or professional growth
- 36% want to obtain a license or certification
- 42% of Millennials say they are likely to leave a job because they are not learning fast enough

2016 Pew Research Center Study
Introducing…

Competency-based learning and credentialing pathways that can be personalized and customized for every phase and every stage of your working life in public procurement.
What is Pathways

Integrated and Holistic
- Learning (professional development) integrated with credentialing (Recognition) achievements

Competency-Based
- Provides more comprehensive professional development: Knowledge, skills, performance are equally important to workplace success

Accessible and Flexible
- Recognition without barriers means more choices, stronger engagement
What will Pathways do for you

- **Choice**: Autonomy and control to design your own unique career development paths.

- **Customized Learning**: Save time and funding by focusing learning to gain job specific development for your current role, or focus learning to attain future, aspirational roles.

- **Instant Recognition**: Be acknowledged for your learning achievements and share with others easily.

- **Skills Development**: Ensures you’re viewed as a value-added professional with in-demand skills.
Pathways: Learning to propel the profession forward

**Build a Stronger Workforce**
Provides all the critical and relevant competencies needed to become a top-performing public procurement professional

**Develop More Capable Leaders**
Leadership development a primary focal area for developing robust pipeline of procurement leaders for succession planning

**Elevate the Image of Public Procurement**
Competency-based learning enables learners to become value added strategic partners who will make greater impact
Pathways comprised of four key components
What is a competency

- KNOWLEDGE
- SKILLS
- PERFORMANCE
Public Procurement Competency Framework

Comprehensive Guide

- 7 focus areas
- Each focus area is comprised of a number of competencies (total of 33)
- Taught in modular fashion using variety of learning tactics:
  - Self-guided online courses
  - Group assignments
  - Case studies
  - Experiential activities
The Framework: delving deeper
The Framework: delving deeper
The Framework: delving deeper

**LEADERSHIP**

- Driving Change, Innovation, Agility
- Communication Strategies
- Problem Solving & Critical Thinking
- Talent Recruitment & Development, Succession Planning
- Relationship Management: Internal Customers & Suppliers
NEW Certificates Program
How it works

**LEVEL 1**
Get Competency Badge upon completion of any competency

**LEVEL 2**
Get Core Certificate upon completion of select groupings of competencies

**LEVEL 3**
Get Designation upon completion of select groupings of certificates
NEW Specializations Program

CERTIFICATES

- Level 1: Competency Badges
- Level 2: Core Certificates
- Level 3: Designations

SPECIALIZATIONS

CERTIFICATION

PUBLIC PROCUREMENT COMPETENCY FRAMEWORK

The Institute for Public Procurement
How it works

Specializations are standalone – not predicated or stacked on top of any prior certificates attained.

Learner gets this Specialization credential by taking the associated learning and passing the required assessments.

Upon completion, learners receive digital badges to showcase and share accomplishments.

NIGP Specializations enable learners to delve deeply into a number of specialty knowledge tracks.
NEW Certification – NIGP Certified Procurement Professional
# A new certification

## NIGP: Certified Procurement Professional (NIGP-CPP)

### Impact:
NIGP’s educational programs are growing but only 22% of members are certified.

### Focused and Comprehensive:
Assess competencies and expand to strategic, leadership and business skills needed to be successful.

### Alignment:
Integrate certificate, certification and specialization options with learning strategies under one accountable, responsible organization.

### Customer Centric:
Provide a single database for maintaining learning and credentialing activities.
What does the future hold?

Prepared Workforce and Internships

Competency Based Learning Aligned with Current / Aspiring Roles

Succession Planning for Leaders
Advocating Public Procurement’s Value

Top 10 Things to Know About Procurement
GFOA provides pathways to Procurement’s Bosses

Advocacy: Standards, Practices, Positions
Education: Content Development, Collaboration, Curation
Virtual Event and Webinar Exchanges
Research and Knowledge Sharing
Strategic Value

Results – Not Outputs
Multiple Sourcing Strategies
Collaborate to Save Time, Money, Effort
Leverage Technology for Better Decisions
Transition from Commodities to Complex Solutions
Strategic Value

Career Development Plan: Roles and Succession Planning
Strengthen Competencies via Lifelong Learning
Procurement Team: Strategists and Trusted Advisors
Public Recognition for Achievement
Strategic Value

Centralized Authority
Enabling Legislation and Innovation
Engagement in Strategic Planning
Alignment with Citizen Values and Priorities
Mission Impact

From Buying Goods and Services...
Mission Impact

...to Making an Impact
Concrete and asphalt…
Concrete and asphalt…

…enhancing a community’s transportation system
Lawn maintenance providers…
Lawn maintenance providers…

…promoting health, exercise, and quality of life
Chemicals...
Chemicals…

…providing safe, clean water
Books and supplies…
Books and supplies…

…enabling student achievement
Purchase uniforms…
Purchase uniforms…

…keeping first responders safe
Discussion
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