Forum in Philly
Previewing the 69th annual conference and product exposition

PLUS:

Exclusive Survey: Green Purchasing
Enough Planning – Time to Take Action
Purpose-Based Procurement
Who ‘Owns’ Energy?
TCPN WOULD LIKE TO THANK OUR VENDOR PARTNERS FOR MAKING NIGP 2014 A SUCCESS

REGISTER TODAY
1. Go to tcpn.org
2. Click the sign up button on the top right hand side of the screen
3. Complete the requested information
4. Submit

www.tcpn.org
IN DEPTH

20 Forum Preview
PROCUREMENT COMMUNITIES AND CHAMPIONS TO CONVENE IN PHILLY
Our preview section covers highlights of the upcoming 69th annual NIGP Forum in Philadelphia, Aug. 23-27.

40 Green Purchasing
EXCLUSIVE SURVEY: TRACKING GREEN BUYING TRENDS
An exclusive survey of Government Procurement readers sheds light on the changing government market for environmentally friendly goods and services.
By SCOT CASE

44 Management
ENOUGH PLANNING ALREADY – TIME TO TAKE ACTION
Strategy is great, but executing the plan reaps the real benefits. Here are five things that can help procurement organizations move from strategy to action to getting things done.
BY ROGER L. BALL

PERSPECTIVES

2 Reader Comment: Strategy adds value.

4 Procurement Ponderable: Why not?

HOT TOPICS

6 Spend Analysis: Communicating value.

10 Management: Focus on purpose.


14 Forum Session: Critical thinking.

16 Forum Session: Maintaining ethics.

18 Forum Session: Contract performance.

BACK PAGES

48 Darin Matthews: Decision by committee.

REPRINTS: For customized article reprints, contact: Wright’s Media, phone: 877-652-5295; email: penton@wrightsmedia.com
SALES OFFICES ARE LISTED ON PAGE 4.
Strategy Adds Value

You ask some compelling questions, Dr. G. ["What if? What if? Why?, Government Procurement, April/May 2014, page 4]. What if? Maybe we should ask, why not? There is no single answer. Maybe the organization keeps procurement compressed at the tactical level and understaffed. Maybe the organization hires tactical minded procurement leaders or in some cases, non-procurement procurement leaders. Maybe the procurement folk prefer the tactical side or are afraid to cross over to the strategic world.

Being strategic is something we just have to do. Seems like with every new position, we have to earn the strategic role. It is a matter of assertion, find the right opportunity and demonstrate the value of strategic procurement. It means looking for strategic opportunities in the capital budget. It means taking control of upcoming big buys like energy or technology. When the CFO cuts $15 million from the financial plan based on your energy buy, the rest of the executives pay attention.

Being strategic means changing the dynamics of the procurement team. Planning and analysis have to be as important as sourcing. Team members have to learn new skills, and we need to change our business processes. In our case, we had to break the cycle of waiting for the requisition and awarding line items by low bid.

We have to free ourselves from conventional thinking and focus on business solutions. We can find considerable inspiration from our Fortune 1000 CPO colleagues who have raised the bar on strategic procurement. They fought the same fight a couple decades ago.

Being strategic means changing the dynamics of the procurement team. Planning and analysis have to be as important as sourcing. Team members have to learn new skills, and we need to change our business processes. In our case, we had to break the cycle of waiting for the requisition and awarding line items by low bid.

We have to free ourselves from conventional thinking and focus on business solutions. We can find considerable inspiration from our Fortune 1000 CPO colleagues who have raised the bar on strategic procurement. They fought the same fight a couple decades ago.

— John Adler
Dallas Area Rapid Transit

Is Ingenuity Unacceptable?

Thank you for your article on “What if?” in Government Procurement April/May 2014. I would definitely have to agree. I work in the procurement department for a school district. For at least four years I have presented cost-effective scenarios, innovative programs and community involved projects. Low-cost bids/“Ain’t broke don’t fix it” ... still remain the “in” thing!

Until ingenuity and forward thinking become “acceptable” and received by the upper management, there probably will not be any strive forward. Thank you for your “Shot in the Dark!”

— Name Withheld
2014 DODGE GRAND CARAVAN

Grand Caravan’s capability and capacity make it the minivan that takes utility to the max.
• Most versatile vehicle in its class¹
• Industry-exclusive¹ Super Stow ’n Go® seating converts from seven-passenger seating to a flat-load floor in seconds and offers the flexibility of 81 seating configurations
• Award-winning 3.6L Pentastar® V6 engine delivers a fuel-efficient 25 highway mpg²
• 55 standard and available safety, security and technology features, including seven standard air bags³
• Named a 2013 Top Safety Pick by the Insurance Institute for Highway Safety (IIHS)⁴

No wonder it’s the best-selling³ and most awarded⁶ minivan ever.

Based on latest competitive information and Ward’s Small Van segment. Excludes other vehicles built by Chrysler Group LLC.¹ 17 city/25 hwy EPA estimated mpg with 3.6L engine and six-speed automatic transmission.³ Always sit properly in designated seating positions with seat belts securely fastened at all times.⁴ IIHS groups Top Safety Pick winners according to vehicle type, size and evaluations of crash test performance.⁵ Based on total minivan sales 1984-2013 (CYTD) May.⁶ Based on automotive awards for minivans 1984-2013.³ See your dealer for complete details and a copy of the 5-Year/100,000-Mile Powertrain Limited Warranty. Dodge, Pentastar and Stow ’n Go are registered trademarks of Chrysler Group LLC. ©2014 Chrysler Group LLC. All rights reserved.
Another Question: Why Not?

By Stephen B. Gordon

In the last issue, we posed the three-part question, “What if? What If? Why?” as a challenge to think about how much better public organizations could operate and deliver services were such organizations to recognize and exploit the full potential of strategic public procurement. My longtime colleague John Adler of Dallas Area Rapid Transit (DART), when he read that essay, immediately fired-off a very thoughtful response to what I had written. In his email, John suggested that the last part of the question should be “Why not?” instead of “Why?”

At the risk of making ourselves uncomfortable, let’s throw out a few possible reasons for why strategic public procurement – if it is such a good idea (and it is) – is the exception rather than the rule.

First, there is a very real possibility that many if not most of us don’t understand strategic public procurement at any level of useful depth. Sure, we can define strategic public procurement as procurement that supports the mission and goals of our governmental and quasi-governmental organizations. But, do we understand strategic public procurement well enough to get our senior managers and governing bodies – after having heard our “pitch” – to respond immediately along the lines of: “Wow! That’s a philosophy we really need to adopt! What support do you need to make strategic public procurement part and parcel of how we procure everything for our entity?”

Second, we must ask ourselves if, given an opening to plan and lead the adoption of strategic public procurement by our entity, whether we are capable technically of putting together an effective implementation plan and competently executing that plan. If we don’t know how to develop and execute an effective plan for adopting strategic public procurement, we must, alternatively, know where to turn for guidance and assistance.

Finally, let’s get a little more personal. Do we – that is, each of us – have the “right stuff” to advocate, plan, and lead the implementation of strategic procurement in our public entities? I’m not talking about knowledge, skills, or expertise. Instead, I am referring to such “soft” qualities and values as commitment to public service above personal self-interest and the passion and the willingness to aim for the best possible and practical results. Do we – like the mythical opossum Pogo – have the integrity to admit that “We have met the enemy, and he [or she] is us?” And, then having made that admission, do we have the character and courage to lead the charge for strategic public procurement – no matter where we sit in our entity’s procurement program and no matter who or what stands in our way?

STEPHEN B. (STEVE) GORDON, PhD, FNIIGP, CPPO, is the Director of the Graduate Certificate in Public Procurement and Contract Management program at Old Dominion University (ODU). A past president of NIGP, Dr. Gordon also is a Professor of Practice in the Department of Urban Studies and Public Administration at ODU, where he teaches courses in public procurement and contract management, public policy and administrative theory. Steve can be contacted by email at sbgordon@odu.edu.
Cut an acre of grass in less than 5 minutes.

Groundsmaster® 5900/5910
The Groundsmaster® 5900 Series mowers are loaded with productivity boosting advantages like the 99 hp Cummins® turbo-diesel engine (biodiesel-ready, up to B20), SmartCool™ System with auto-reversing cooling fan, onboard InfoCenter® diagnostics, climate controlled cab and much more. Experience the Groundsmaster 5900 series. Nothing else comes close. toro.com/5900
Communicating the Value

RECORDING AND REPORTING SAVINGS AND EFFICIENCIES DELIVERED BY PROCUREMENT

By Jonathan White

In the spring of 2013, NIGP’s strategic partner Spikes Cavell developed a Guide to Procurement Savings designed to show public sector procurement teams how they could use spend data to understand, change, and measure their procurement function. Previous issues of Government Procurement have featured articles on understanding the current spend situation, how to use data to find savings opportunities, category analysis and how to use data to prepare for the contracting process. This month’s article addresses recording and reporting the savings and efficiencies that are delivered by your procurement team. It also ties in material that will be the basis of a workshop at the upcoming NIGP Forum 2014 in Philadelphia entitled “5 Steps To Communicating the Value of Procurement.”

If you don’t talk up the value your procurement team delivers, no one else will. Like many other back office functions, public procurement teams are realizing that if they don’t communicate the value they deliver to the organization in terms their audience can understand, they will never get the recognition they deserve. That audience tends to be people who prefer numbers to narrative, and they especially favor numbers with dollar signs attached to them. The challenge lies in translating the actions a procurement team takes into a dollar value the procurement team can report, and doing so in a consistent manner so that all reported figures can be defended and supported.

FORUM 2014 – 5 STEPS TO COMMUNICATING VALUE

Brian Smith and his team at Multnomah County Oregon have been refining their techniques and methodologies for communicating their procurement team’s value over the last few years. Smith, his colleague Gerald Jelusich and I will be presenting their five steps during the Annual NIGP Forum 2014.

NUMBERS TALK: Efficiencies and cash savings should be reported in a consistent and understandable way.
in August. These five steps are:

> Create a “Definitions File” that lays out what you will capture, what you won’t, how it will be calculated and what/where you will enter it.
> Create a standard and repeatable process for creating, collecting and entering the savings and efficiency data you have decided to capture in step 1, and review this monthly.
> Start with the easiest type of savings to record (formal bid results), and then expand your recording to include RFP processes, sale of surplus items, added value services and more.
> Once you have collected some data, decide what you want to report and how you think it will be best received by the intended audience, and don’t be afraid to make changes.
> Review what you’ve done and add qualitative data/narrative to the record; review what you’ve done and learn your lessons and identify areas still needing improvement.

The speakers will not only present their five steps at Forum, they will also provide their own document templates, both blank and with worked examples, for the audience.

**TYPES OF SAVINGS AND EFFICIENCIES TO RECORD**

The types of reporting you can do in Step 4 will be dictated by the decisions you make collecting and entering savings and efficiency information in Steps 1-3. If you don’t record whether or not the
HOTTOPICS [spend analysis]

savings value you made was on capital or operating expenditures, you won't be able to report on it if asked about it in the future. Some typical reporting that Spikes Cavell customers have done include:

- What was the total dollar value of cash releasing and non-cash releasing savings over time?
- What was the value of savings made in Operating, Capital - Construction, Capital - Non-Construction or Other funds?
- Did the generated savings help to meet our team’s targets? If we wanted to generate savings on IT expenditure, did we hit our target or miss the mark entirely?
- How did we deliver value? Was it through price reductions, process re-engineering, cost avoidance, revenue generation, or something else?

FREE TOOL FOR NIGP MEMBERS

One part of Multnomah County’s value recording has been Spikes Cavell’s Measure application. Measure is a web-based application that makes it easy to capture and analyze the value, type and source of efficiencies delivered by the procurement function on an ongoing basis. NIGP National Agency Members are entitled to up to 10 free user licenses for their organizations. Members can get more information and register for their licenses through NIGP’s website at www.nigp.org/measure.

It doesn’t matter whether you use the Measure application or spreadsheets, whether you only record savings through bid processes or across many different types of activity, or whether you start reporting all the way up to senior directors and elected officials right away or you keep your reports within your team for a while until you are happy with them. The important thing is, you have to start somewhere. And there’s no better time than now to get started.

JONATHAN WHITE is Territory Director for Spikes Cavell, Inc., which equips decision makers in the public sector with the business intelligence, online tools and analytical insight to transform the way they procure goods and services. The Spikes Cavell Observatory is an online platform that facilitates delivery of spend and contract visibility quickly, affordably and with little effort on the agency’s or institution’s part.

When you’re ready for success in a changing world.

You are ready for American Public University.

Choose from more than 180 online degrees and certificates, and gain relevant skills that can be put into practice the same day. From Cybersecurity to Digital Forensics and Cloud Computing, you’ll find respected programs at American Public University—at a cost that’s 20% less than the average published in-state rates at public universities.*

Visit StudyatAPU.com/GP

*College Board: Trends in College Pricing, 2013

We want you to make an informed decision about the university that’s right for you. For more information about graduation rates, the median debt of students who complete a degree program, and other important information, visit www.apu.edu/disclosure.
LOOKS GREAT ON THE ROAD. EVEN BETTER ON YOUR BOTTOM LINE.

THE 2014
COROLLA

- CUTTING-EDGE STYLING • CELEBRATED RELIABILITY • HISTORY OF LOW COST OF OWNERSHIP

Show off your good taste and good judgment with the 2014 Corolla. It’s everything you want in a fleet vehicle. For more information, visit fleet.toyota.com.
As professionals involved in public procurement, it’s easy to get caught up in the day-to-day “busy-ness” that dominates our work. It’s important, and arguably very healthy, to pause from time to time to look at the bigger picture. What is it that we are really striving to accomplish through these incredible efforts of ours? How can our efforts in purchasing and contracting drive our organizations forward to accomplish their true mission and purpose?

Every organization that wants to be successful and that strives for excellence and focus should understand its purpose. Further, once this purpose is understood, an organization should publish and promote its purpose for the benefit of employees and external stakeholders/customers. By truly embracing a focus on a singular purpose, an organization will create a culture that allows everyone in the organization to simplify what they do and make decisions based on how the daily work truly advances the organization’s purpose.

What do we mean by being a “purpose-based” organization? Roy Spence, founder of the Purpose Institute, defines it this way, “Purpose is a definitive statement about the difference you are trying to make in the world.” Analyzing his work with some of the most respected companies and brands in the world, Spence found a key differentiator between the truly great organizations and everyone else: their ability to articulate and rally around a true purpose that actually drives everything the organization does. In “Built to Last,” Jim Collins and Jerry Porras discuss the results of their extensive research on leading companies, including a key finding that organizations driven by values and a clear purpose outperform their competition by 6-to-1 and outperform the broader market by 15-to-1.

We believe these same principles of purpose apply to public sector organizations as much as they apply to Fortune 500 companies. Whether you are talking about Procter and Gamble, Southwest Airlines, BMW or your city government, purpose provides a path to higher performance. It can lead to real breakthroughs when an organization is wrestling with competing priorities. As Spence points out, “If you have a purpose and can articulate it with clarity and passion, then everything makes sense and everything flows.”

So how do you discover your organization’s true purpose? Importantly, purpose is not something you can think about in a vacuum, especially in public sector. Purpose is intimately tied to your constituents and “customers.” To really understand your organization’s purpose, you have to realize the difference you and your colleagues make in the lives of the people you serve. At Periscope Holdings, we have bought fully into the concept of running a purpose-based organization. Everything we do is focused on making public procurement better, whether through software, procurement transformation services (NIGP Consulting) or categorizing and organizing data (NIGP Commodity Code). But that does not fully capture our purpose. We worked with Roy Spence and his institute to help define our purpose, and we realized what it is: To eradicate waste and maximize the value of every dollar spent. This gives us a much more lofty reason to come to work every day and helps explain our passion to aid in the transformation of public procurement.

When we focus on purpose, we can measure our success in two ways. First, we can assess the amount of waste eradicated and the value added for the dollars spent by our clients and their purchasing departments. Second, we can look at how our clients can better execute on their purpose. It is this second measuring stick that often gets overlooked within organizations, but that helps to crystallize why we all do what we do. Ultimately, the end goal really shouldn’t be about making your procurement process more efficient, or implementing centralized contracts that save the city/county/state thousands or even millions of dollars. Rather, how does your success in procurement assist your organization in carrying out its true purpose? (Spoiler alert: 100 percent of the clients we have worked with have a higher order purpose than running an efficient purchasing department.)

It may be helpful to provide an example of how public procurement can be “purpose-based.” Virginia Beach City Public Schools (VBCPS) has spent several years examining its purchasing processes.
and implementing changes to improve efficiencies. According to Kevin Beardsley, director of purchasing, the mission of Purchasing Services at VBCPS is “to manage the procurement of essential goods and services by developing and maintaining the most efficient, cost-effective processes.” In carrying out this mission, Beardsley and his team evaluated the processes comprising the procurement function, the cost of each process, the level of approval/scrutiny required for each and the processing time of each process. They found that the key to greater efficiency is matching each process with the requirement, and reserving the higher cost processes for the purchases that require more scrutiny or where there is more potential for a return on the time investment. Going through this process, VBCPS has saved millions of dollars per year by implementing automation and ensuring efficiency across purchasing processes and by aligning their processes with their procurement requirements.

But how have these savings helped fulfill a broader purpose? Beardsley astutely points out that running a more efficient procurement function is only part of the equation. More important is how these improvements help VBCPS to carry out its purpose of improving educational services for children in the school system. The impact of the procurement improvements on VBCPS’s real purpose have been meaningful indeed. They include freeing up funding for direct educational purposes, tracking the impact of certain expenditures on student test scores, reallocating space that was tied up on records and inventory storage and building confidence in the community of the organization’s commitment to stewardship.

Whether you are responsible for procurement in a city, county, state, special authority or other public organization, I encourage you to keep your overall purpose in mind as you conduct the critically important work of purchasing and contracting.

**BRIAN UTLEY** is President and CEO of Periscope Holdings.
Who ‘Owns’ Energy?

WHY A PARTNERSHIP BETWEEN PURCHASING AND FACILITIES DEPARTMENTS IS VITAL TO SUCCESS

By Bob Wooten

It has been more than 20 years since the first state in the United States deregulated its energy market, thereby allowing consumers to buy their energy from the competitive supplier of their choice instead of just from their local utility company. Today, electricity is deregulated in more than 15 states, and almost all states have natural gas deregulation. While deregulation has created opportunities for public agencies, it has also created conflicts between those who procure energy and those who manage it. Here we discuss the reasons for the conflicts as well as solutions to ensure more partnerships among stakeholders.

ENERGY DEREGULATION: NOT ALL STATES ARE CREATED EQUAL

Because the deregulation of energy is a state issue, discussions, decisions, and methods for implementing it can greatly vary. Some states have seen the benefits and have written legislation enabling energy deregulation. Other states have not been so eager to embrace the idea, thereby denying energy buyers the ability to choose suppliers, products and rates. Regardless of state mandates, navigating the resulting procurement codes and remaining compliant can be an arduous task. Beyond the correct interpretation of a state’s procurement codes, tariffs on energy products are subject to change and vary widely from one source of energy to another and from one city to another. This factor makes effective management of an organization’s energy budget very difficult.

WHO DOES WHAT, WHEN, AND WHY?

Like all purchases for a public organization, these challenges should be met by a dedicated procurement staff capable of understanding the market in order to implement formal purchasing procedures and sound acquisition strategies. In many cases, this approach relieves an organization’s facilities department of taking the lead on managing energy supply. But prior to deregulation, it made perfect sense for the facilities department to coordinate the supply of energy commodities since there was no procurement function and this was all part of managing the facilities. But now, as markets continue to deregulate and evolve, organizations are experiencing confusion between what the facilities department should handle and what procurement should be doing. Current examples run the gamut; procurement energy commodities may be handled entirely by facilities, entirely by procurement, or by both at the same time, which can lead to counter-productive efforts from both departments.

Sometimes, antagonistic relationships develop when each department feels strongly that energy acquisition is its territory. The procurement department feels that, unless they have control, there is no way to ensure that procurement laws are properly followed. The facilities department feels that, without their coordination, the real needs and goals of the organization will not be met. Other internal, operational ills fostered by deregulation include lack of information sharing among departments regarding their processes, as well as the inability to access accurate up-to-date market information and to capture data to evaluate program performance.

THERE IS NO ‘I’ IN TEAM!

Commodities are different from all other goods and services an organization will procure; however, the procedural approach to energy procurement should be no different than any other purchase. The most effective and efficient organizational models are those in which there is a strong relationship...
among three groups: procurement, the end user department or facilities, and the organization’s legal department. Working as a team, with a conduit to market-based information and their own clearly defined energy needs, organizations have the best chance of formulating a successful business strategy and developing a process conforming to all of the necessary procurement guidelines. This model also helps organizations get the energy products they need at rates that fit their budgets, thereby avoiding negative surprises. So as with everything else an organization procures, the key is a healthy partnership among the procurement department and the end user department.

Pursuant to the procurement team’s finding “the best deal,” purchasing energy should be based on the clearly defined needs and requirements of the organization. A formal energy strategy developed by the team will help direct a process to find the supplier to meet the organization’s energy needs at the best rate. The procurement process and defining the needs are interdependent, and the success of each depends on the team’s ability to understand volatile energy markets that can often wreak havoc on budgets. By considering market dynamics and treating energy purchases as strategic acquisitions, the energy team can work together to minimize the impact of market volatility.

BOB WOOTEN, C.P.M., CEP, is Director of Government Accounts for Tradition Energy, and has more than 20 years of experience managing government procurement programs for a wide variety of clients including cities, schools, colleges, universities, housing authorities and municipal districts. Wooten holds professional certifications from the Association of Energy Engineers and the Institute for Supply Management, as well as a B.A. from Texas A&M University, and a Masters in Public Administration from the University of Houston.
As a longtime student of history, I am particularly excited to attend this year’s Forum in Philadelphia, where so many events connected with our country’s founding took place. Strolling the streets and avenues where Washington, Jefferson, Adams, Franklin and others trod so many years ago, visiting Independence Hall and attending the host committee event at the National Constitution Center are all great opportunities for the historian in me.

When our Founding Fathers from the 13 colonies gathered in Independence Hall, they brought their varied experiences, customs and opinions with them. They formed committees to gather information and write reports. Then they evaluated those facts to come up with various courses of action and, since most of them were lawyers or politicians, attempted to persuade each other of the value of one action over another. Thus, they spent much of their time and effort debating the critical issues of the day – independence from Great Britain, the waging of war and eventually the creation of the government we have today.

Much credit and criticism have been laid at the feet of the Founders, even to this day, with some of us willing to rest on what happened over 200 years ago and others believing that the process they went through is as valid for dealing with the changes that confront us now as it ever was. Facts seem to have become less important than positions. It is in this spirit that I felt compelled to create a presentation at NIGP Forum to address the process of critical thinking. While it’s unlikely most of us will ever be placed in situations of the magnitude of those facing the Founders, I feel we can and must take advantage of the same critical thinking process they used. Benjamin Franklin, the only scientist among the Founding Fathers, was certainly familiar with this process as he gathered information and tested his theories about the physical world around him. We can only wonder at his influence on his brethren during their time in Philadelphia.

I have been fortunate to have my presentation “Critical Thinking – A Critical Skill” selected for this year’s Forum, and what follows is the session description of the workshop I will be presenting on Wednesday, Aug. 27 at 1:30 p.m.:

We’ve been told that our ability to think is what separates us from the animals. “I think, therefore I am,” proclaimed René Descartes in the 17th century. Situations, problems, opportunities, failures – they confront us on a daily basis. How we handle them and move on is fundamental to long-term success in any endeavor. Simply reacting is not a sound strategy. We each have our own experiences and point of view from which we make assumptions. To that we add facts, opinions and observations to try and arrive at a course of action. But how do we apply it all? We must analyze each situation on its own merits and develop a plan to attack it. This requires the skill set of critical thinking, which clarifies goals, examines assumptions, discerns hidden values, evaluates evidence, accomplishes actions, and assesses conclusions.

I will examine many of the facets of critical thinking and provide useful tools to apply it. Perhaps my most important learning objective is for each attendee to learn to think for himself or herself. Only by performing that vital action, just as our Founding Fathers did, will we be able to work our way through the myriad of problems and opportunities that come our way. See you in Philly.

DaviD E. Nash, CPPO, CPPB, is a retired procurement specialist from the City of Fort Lauderdale, Fla. Since creating the online “Question of the Day” in 2007, he has helped hundreds of people prepare for their certification exams. Those wishing to participate may register at qoftheday.net.
One less paper you have to push.

Lowe’s can save you time and money on your everyday MRO supplies or building materials for your next big purchase. Through our TCPN, WSCA and GSA contracts, you remain compliant, and save time and money with our pre-qualified pricing. For more information visit LowesForPros.com/Government.

©2013 Lowe’s Companies, Inc. All rights reserved. Lowe’s and the gable design are registered trademarks of LF, LLC.
MAINTAINING AN ETHICAL PROCUREMENT PROCESS

By Kimberly Bauer

Many people think maintaining ethical procurement is simply a matter of doing the right thing. There is an assumption that when someone does something wrong, it was intentional. Unfortunately, more mistakes are made out of poor policies and procedures or ignorance of the law than out of willful disregard for the law. Education is the key to good, ethical job performance.

Maintaining an ethical procurement process is as easy as learning the rules, making others in your organization aware of the rules, and then making sure the rules are followed. Knowledge is only power if you take the time to gain all you can. It is up to the procurement officer to educate those in the district to include them at the beginning of the process.

Everyone should read their own district procurement policy. Anyone responsible for handling funds – local, state and federal – should read and be familiar with the policy that governs each fund.

Your school board, superintendent and other administrators should have basic knowledge of purchasing to maintain the integrity of the process. They should also make it a priority that anyone in a position of handling public funds, whether directly related to procurement or the responsibility of managing a budget, should be educated as to what is acceptable and appropriate.

Everyone should read their own district procurement policy. Anyone responsible for handling funds – local, state and federal – should read and be familiar with the policy that governs each fund. Most states publish their policy on the state website, and many federal branches have a website for each specific fund.

The NIGP website is a wealth of information on all aspects of the procurement profession. There are webinars available on the most recent innovations regarding our profession. Any questions you may have can be answered by the many available email forums. Attending conferences allows opportunities for valuable networking. Mentors are available and happy to share their experience. You will never have to face your challenges alone!

Maintain the integrity of the process to protect your district. Get involved. Care that the rules are followed and show others why they should care. Be aware of the pitfalls that most people fall into.

It is imperative to maintain a persona of integrity and trust. Remember, we are all public officials; someone is always watching! However, integrity should not just be a perception or an illusion.

You should always maintain an appropriate relationship with vendors; procurement is not emotional, it is business. It is the public's business. It is crucial to remain neutral at all times, as well as to pay attention to the relationships those in your district have with sales people.

Protect your district by requiring an IRS Form W9 for setting up vendors, and verify the Federal ID number given is legitimate by registering and using the TIN Matching Program, which can be found at www.irs.gov.

Do not allow anyone within your organization to disregard the policies and laws that govern your district. Procurement is about integrity and research and negotiation and working to find the best item at the best price possible. It is about not paying one penny more for something than we have to so all of the money possible can go to our students. It is also about educating our district about the rules that govern us. It is about protecting our district from errors and misunderstandings that could cost us more than money. It could cost the loss of respect and trust from the people in the community we serve.

Always remember that no matter how much you think you know, there is always a lot more to learn, and you are never too old to learn it!

KIMBERLY BAUER, purchasing director of Norman Public Schools, Norman, Okla., offers this preview of her session at NIGP Forum in Philadelphia. Contact her at kbauer@norman.k12.ok.us
Transform

The projects you need with a sustainable advantage. CertainTeed Gypsum is here to help.

Join forces with the leader in building materials that contribute to a sustainable future. Save your projects from the threats of the universe with our award-winning products—such as AirRenew® IAQ Gypsum Board, SilentFX® Noise-Reducing Board, and paperless GlasRoc® Diamondback® Tile Backer. Access super tools and continuing education at www.CertainTeed.com/Sustainable or www.CertainTeed.com/gypsum/contractor.

800-523-7844 • www.certainteed.com

ROOFING • SIDING • TRIM • DECKING • RAILING • FENCE
GYPSUM • CEILINGS • INSULATION
HOT TOPICS [nigp forum session]

Read This First

THEN ATTEND THE CONTRACT PERFORMANCE IMPROVEMENT SESSION AT FORUM

By Barbara R. Johnson

How can you determine whether or not you are applying best practices to achieve high performance in contracting? Forum Session participants will expand their knowledge of key skills and performance measures in order to grow their procurement practice as individuals and at the organizational level. The sources of revelation include the excellent, enduring content of two papers published in the Journal of Public Procurement.

First, we will examine key personal and environmental causes of behavior that can affect contract performance. In “The Root Causes of Contract Administration Problems,” (JOPP, 2-22-10), authors Richard J. Sebastian and Bill Davison identify problem areas and explore the risks of the problems, while offering mitigation methods.

The environmental causes are proposed as “external” or outside behavior problems. These include group dynamics and structure; leadership and management; and, organizational culture and subcultures.

The personal causes are identified at “internal” behavior problems. These include knowledge, skills, and abilities (KSAs) or competencies; beliefs, attitudes, and values; and, personality.

The authors identify the root causes of specific problems in the contracting process in such a way that participants will learn how to identify when and where these problems are present in their practice so as to mitigate them and provide for better contracting outcomes. The specific problems and mitigation techniques are universal and applicable immediately. Further, the authors offer commentary on how to use this information for the future.

Next, we will examine a performance based method to improve one’s procurement practice. In “Procurement Process Maturity,” author Rene Rendon introduces the Contract Management Maturity Model (CMMM) as a method for assessing, measuring, and improving an organization’s procurement processes.” (Page 200, JOPP, Volume 8, Issue 2.) The CMM Model proposes levels of performance, from “Ad Hoc” to “Optimized” across six key contracting management areas from “Procurement Planning” through “Contract Closeout.” The author selected these areas from the Project Management Institute’s Project Management Body of Knowledge.

A case study using the CMM Model is included in the paper as practice for participants to learn how to rate the performance of their contract management process, and to draw conclusions from the analysis. The CMM Model enables the user to become more aware of the opportunities for improvement in their procurement performance.

Awareness can spark improvements. And after all, that’s why Forum is vitally important to the participants. The Annual Forum offers the best opportunities to advance your procurement practice to best serve your jurisdiction and the folks who live there.

BARBARA R. JOHNSON, MPA, CPPO, CPPB, is currently the Contract Administrator for the Ohio Department of Rehabilitation and Correction. She previously served as the Procurement Manager for the Columbus Regional Airport Authority and the City of Columbus. Johnson has served on the NIGP (The Institute for Public Procurement) Board of Directors and many Institute committees. In 2008, she received the Manager of the Year Award for NIGP. In 2010, she co-authored the update to the text entitled “Strategic Procurement Planning in the Public Sector” which is published for use in the NIGP class with the same title. She also serves on the Editorial Board of the Journal of Public Procurement (JOPP). Johnson often serves as a lecturer/trainer for The Ohio State University, the NIGP, ISM and others upon request.

EDITOR’S NOTE: The success of an interactive discussion on improving contract performance at this year’s Forum depends on attendees “doing their homework” and coming to the session prepared. This article and the presentation materials posted by the discussion leader at nigp.org/forum will guide attendees to prepare to discuss the issue with other industry leaders. Once you’ve done the homework, please be sure to attend the forum session “Contract Performance Improvement: From the Inside Out or the Outside In?”

18 | JUNE/JULY 2014
As the worldwide trade association for the cleaning industry, ISSA offers government purchasers and facility decision makers the objective support needed to ensure that you understand your cleaning needs, and can find solutions and service providers with the right fit.

From improving in-house operations to pre-qualifying service providers through free tools, standards, and guides, ISSA is dedicated to helping you thrive in today’s challenging facility management environment. It’s the kind of service and support that can have a real impact on your bottom line.

See for yourself how ISSA can help you be the purchasing genius, visit us at issa.com/purchaser.

Learn how proper cleaning can save you money at issa.com/valuetips.
Our preview section covers highlights of the upcoming 69th annual NIGP Forum in Philadelphia, Aug. 23-27

More than 800 public procurement professionals from federal, provincial, state and local government agencies in the United States and Canada will converge at the Philadelphia Marriott Downtown for the 69th Annual Forum hosted by NIGP: The Institute for Public Procurement.

NIGP Forum is the largest North American conference exclusively for public procurement. Forum is NIGP’s showcase educational event, providing an ideal environment for networking with colleagues and suppliers, attending educational workshops led by subject matter experts in the field, and being motivated and inspired by professional speakers during general sessions.

Attendees can visit with nearly 200 suppliers during the Products Exposition on Monday and Tuesday (Aug. 25 and 26). The Expo provides an opportunity for one-on-one interaction and networking with suppliers as well as a real hands-on experience with the latest products and services available to government.

More than 60 specialized educational workshops and formal networking opportunities are available to help improve skills, learn best practices, and provide a platform to gain support from colleagues on issues they face every day. Attendees will return strengthened by new ideas and improved professional skills.

**FORUM HIGHLIGHTS**

**Saturday, Aug. 23**

**Public Servants Doing Public Service**
Community Service Program – NIGP Gives Back
*Cradles to Crayons*
10 a.m. – noon and 1 – 3 p.m.
Volunteer opportunity

**Sunday, Aug. 24**

**Opening Ceremony and Keynote Speaker**
Dan Thurmon
8:30 – 10 a.m.

**Awards Gala**
6 – 9 p.m.

**Monday, Aug. 25**

**Plenary Session**
Former Pennsylvania Governor Ed Rendell
9 – 10 a.m.

**Products Exposition**
1 – 5 p.m.

**Tuesday, Aug. 26**

**Xtreme Networking**
8:30 – 9:30 a.m.

**Products Exposition**
9:30 a.m. – 12:30 p.m.

**Social Event at The National Constitution Center**
6 – 10 p.m.

**Wednesday, Aug. 27**

**Plenary Sessions by Three Speakers**
Frank Bucaro, Jeff Havens, and Andrea Mitnick
8:30 a.m. – 9:45 a.m.

**Closing Speaker**
Connie Podesta
2:45 – 4 p.m.

**President’s Farewell Reception**
7 p.m. – midnight
Dan Thurmon
Sunday, Aug. 24
8:30 – 10 a.m.
Topic: Perform-ability: How to Be Your Best When It Matters Most
Dan Thurmon is the author of two books, a renowned speaker, and a recognized expert in delivering peak performances. His company, Motivation Works, helps organizations and individuals implement action plans and move confidently through transitions.

He began his performance career at 11 years old, crafting a one-man-show incorporating comedy, juggling and acrobatics. This enabled him to, at a very early age, develop a strong work ethic and learn fundamental lessons about performance excellence.

Thurmon’s philosophy can be summarized by the title of his recent book, Off Balance On Purpose. He believes that we will never achieve “perfect balance” and should learn to embrace uncertainty and initiate positive changes that lead to growth as well as go beyond the pursuit of “success” and enhance our life experiences and professional endeavors with purposeful, positive contributions.

In his keynote on Sunday morning, Thurmon explains why some individuals are excellent in practice yet fail under pressure and why others seem to naturally rise to handle critical moments with ease and excellence. He helps us understand the key to being able to perform when it matters most, and to understand the mindset and methods of top performers.

Jeff Havens
Topic: Uncrapify Your Life!
A Phi Beta Kappa graduate of Vanderbilt University, Jeff Havens began his career as a high school English teacher before following his father Rex Havens into the world of stand-up comedy, where he worked with some of the brightest lights in American comedy and honed the art of engaging audiences through laughter. But his impulse to teach never faded, and soon he began looking for an avenue to combine both of his passions into entertaining and meaningful presentations.

Original, informative, hilarious and powerful, Havens’ speeches have transformed the way business people approach the idea of personal and professional growth. You’ll laugh harder than you thought possible at a conference keynote before he brings it all home with a poignant and powerful discussion.

He will reveal how small changes in our communication strategies are often the most important (and least expensive) way to strengthen relationships, increase loyalty, and create an unbreakable culture of teamwork and mutual respect.

Frank Bucaro
Topic: Taking the High Road: How to Succeed Ethically When Others Bend the Rules
Frank Bucaro is an ethics expert who is a leading advocate — speaking, training and writing — on the benefits of ethics and values. His career path, from the classroom to the boardroom, began when a succession of high profile media reports on ethics problems captured his attention. While still a teacher, he became increasingly aware that problems relating to unethical practices in the marketplace seemed to be increasing. Believing ethics and values have the power to contribute to business success rather than impede it, Bucaro left teaching and began offering keynotes and seminars on ethics and values-based leadership.

Bucaro teaches us how to foster an environment where ethical behavior is valued, considered the norm, and ethical decisions help to contribute to long-term success. His program features easy-to-understand definitions of ethics, guidelines for tackling difficult decisions, practical examples and a generous amount of humor.

Plenary Session Speaker: Former Pennsylvania Governor Ed Rendell
Monday, Aug. 25
9 – 10 a.m.
Topic: Can America Stay On Top? The Challenge to American Competitiveness
After 34 years of public service, Gov. Ed Rendell continues to pursue many of the same issues he was passionate about while serving. His commitment to making America a cleaner, more efficient place and to fostering investment in our nation’s crumbling infrastructure is as strong as ever. Rendell has become a champion for progress in the area of alternative energy, and now serves as a consultant or board member for several green and alternative energy firms, including Own Energy, Element Partners and Ocean Thermal Energy. He has also remained heavily involved in the campaign for government efficiency and strategic cost cutting through his work with entities such as Government Sourcing Solutions, Public Financial Management and Greenhill Advisors.

Perhaps no other issue has been and continues to be as important to him as America’s dire need to rebuild and reinvest in its infrastructure. As governor, Rendell worked with Mayor Michael Bloomberg and Gov. Arnold Schwarzenegger to create an organization called “Building America’s Future.” The organization focuses on the need for a more significant investment in American infrastructure projects to ensure that America maintains its place as a global economic power. Gov. Rendell currently serves as Co-Chair of the organization and travels throughout the country speaking about this issue.

Rendell served two terms as governor of Pennsylvania (2003-2011). During this time he successfully cut wasteful spending and improved efficiency leading to savings of more than $1 billion. In addition, while serving as mayor of Philadelphia (1992-2000), Rendell eliminated a crippling deficit, balanced the city’s budget, and generated five consecutive budget surpluses. Philadelphia’s renaissance, which The New York Times called “the most stunning turnaround in recent urban history,” is largely attributed to his determination, inspiration, and energy.

Jeff Havens
Topic: Uncrapify Your Life!
A Phi Beta Kappa graduate of Vanderbilt University, Jeff Havens began his career as a high school English teacher before following his father Rex Havens into the world of stand-up comedy, where he worked with some of the brightest lights in American comedy and honed the art of engaging audiences through laughter. But his impulse to teach never faded, and soon he began looking for an avenue to combine both of his passions into entertaining and meaningful presentations.

Original, informative, hilarious and powerful, Havens’ speeches have transformed the way business people approach the idea of personal and professional growth. You’ll laugh harder than you thought possible at a conference keynote before he brings it all home with a poignant and powerful discussion.

He will reveal how small changes in our communication strategies are often the most important (and least expensive) way to strengthen relationships, increase loyalty, and create an unbreakable culture of teamwork and mutual respect.
Andrea Mitnick  
**Topic: Hey Dude! Understanding Generational Differences in the Workplace**

Dr. Andrea Mitnick is an experienced trainer in platform presentation skills, interpersonal communication skills, team skills, leadership development and gender communication. She is an associate professor at Kutztown University of Pennsylvania teaching presentation skills, public relations techniques and crisis communication as well as leadership communication. Previously an assistant professor of communication at Penn State University, she won the Outstanding Teacher of the Year Award in 1995. She received her Ph.D. in rhetoric and communication from Temple University, and her research on a wide range of topics has been published in both journals and textbooks. Recent writings are about generational differences in the construction trades. She has presented more than 21 juried papers at national and international conferences since arriving at Kutztown University in 1995.

Mitnick’s session focuses on understanding that today there are four distinct generations represented in almost any workforce: The Matures (born prior to 1946), The Baby Boomers (born between 1946 and 1964), Generation X (born between 1965 and 1980) and the infamous Millennials (born between 1981 and 1999). The fact is that each of these generations has been shaped by forces such as technology, economic realities and historical events.

**Closing Speaker**  
Wednesday, Aug. 27

Connie Podesta  
**Topic: Absolute Fearless Success**

2:45 – 4 p.m.

Connie Podesta is a game-changing, money-making, sales-generating idea innovator whose rare blend of laugh-out-loud humor, out-of-the-box strategies and signature, tell-it-like-it-is delivery style have made her one of the most-talked-about entertaining business motivational speakers in the marketplace today. A whirlwind of energy and ideas, Podesta will definitely help you get what you want out of life.

She is an expert in helping people close the gap between where they are now and where they want and need to be to truly succeed and achieve outstanding results – at home and at work. Get ready to explore every aspect of what makes people do what they do and say what they say. The power of your own thoughts, beliefs and perceptions are game-changers and will alter the direction of your future. Podesta is fearless in helping
people find the power and determination to achieve more than they ever thought possible. She empowers audiences to develop the fearless attitudes necessary to embrace new ways of thinking, leading, selling, balancing home/career, nurturing relationships, raising families, motivating employees, providing customer service, creating productive teams and, last but not least, living life the way it was meant to be lived.

WORKSHOP TOPICS

The following is a preview of this year’s workshops:

A Better Way to Negotiate. How do you establish prices with suppliers when bidding is not an option? A hard question to answer because finding ways to exert pricing pressure on suppliers, without the benefit of competitive forces, is no easy task! Learn about the growing phenomenon of cost transparency, and how it makes it easier to take control of negotiations and exert pricing pressure on suppliers – even when bidding is not an option.

Best Value is the Practice of Responsible Procurement. The future is now! The Best Value (BV) approach marks a paradigm shift in delivery systems and can lead your organization to sustainability and savings. The best value approach is logical, simple, and minimizes the cost of government and private sector owners by 10 to 30 percent. Find out how traditional contracting processes that direct suppliers and attempt to control the level of service and quality through a contract are attempting the illogical, the impossible and are destroying the expertise of the experts. Learn what it takes to create a sustainable procurement system that utilizes expertise. This is the model of the future for procurement agents.

Controlling Maverick Spending. What is maverick spending and why does it occur? How might your organizational structure be contributing to maverick spending? This session addresses these and related topics such as how maverick spending impacts your agency and how to ensure that the steps you take to minimize or eliminate this type of spending are successful. Ask questions and share experiences, thoughts and ideas.

Five Steps to Communicating the Value of Procurement. We all know that procurement teams bring value to their organization, but how do you communicate that value in a meaningful way? While the physical act of recording savings and efficiencies isn’t complicated, how do you determine what calculation(s) you will use? What kinds of savings do you focus on? Does every saving have to have a cash value associated with it? Who is going to do the recording and when? How do you present the information to
put procurement in the best light? These questions and more are answered as we present the specific steps Multnomah County went through to articulate the value of procurement. At the end of this session, a roadmap is provided to plan your own recording and reporting of the value of procurement.

History Doesn’t Have to Repeat Itself. We all have disaster stories that can be humorous in the retelling, and your storyteller — an adept raconteur with 35 years of major personal procurement blunders — is up to the task. However, the foundations for these stories are far more serious and real. What can you learn from these calamities to help ensure smooth sailing in the future? Not simply a witty and engaging recount of actual procurement mishaps, this highly-interactive session covers procedural issues, specific procurement processes and practices, as well as actual procurement theory and principles involved in making major procurement decisions. Benefit from discussions on what was done to correct erroneous conclusions or problematic procurements, and how to apply the lesson learned to minimize such occurrences in the future.

How We Saved $12 million by Delivering Cost Savings Through Value Analysis. How did the Maricopa Integrated Health System involve their entire organization to save $12 million before the Affordable Health Care Act was in effect? How can you bring value to your organization with less effort while maintaining your current solicitation process? This session demonstrates the seven steps involved in Value Analysis, a methodology for selecting the “highest-valued” supplies and services, from identifying an opportunity to implementation and monitoring. You learn how to set simple benchmarks, how to document and track savings with a simple Microsoft Excel file, and how to engage staff and stakeholders to identify an opportunity that may save money or time by using Opportunity Identification Worksheets (OIWs).

Metrics Matter! - Leveraging Data to Become a High Performance Procurement Organization. What does it mean to be a data-driven organization? How can data enhance your ability to make informed procurement decisions? Or, additionally, how can data assist in driving the overall management and policy direction of procurement for your organization? This session will explore the various types of standard procurement data and tools available, as well as demonstrate how they are being applied today by forward-looking organizations in the execution and management of their procurement functions.

Procurement’s Role with Energy Commodities. How has the change over the last 15 years from regulated to deregulated energy commodities impacted procurement departments? What is the relationship of procurement’s role to the level of interaction with and oversight of the energy procurement process? What are the best, most up-to-date methods available in energy commodity procurement? This session provides an overview of the historical role procurement has played in buying energy and offers best practices and methods for procurement to collaborate with facilities and finance departments. We encourage you to share practices on energy procurement and thoughts on coordination with other departments.

Taking the Mystery Out of CPI/PPI Indices. Are you ready to take some of the mystery out of CPI and PPI Indices? In this perfect storm of economic uncertainty, procurement professionals have been challenged with understanding escalation clauses that protect the agency from unstable markets. More importantly, you have been tasked with understanding how to best apply the different tools available for calculating increases. This session includes small group collaboration to calculate price increases based on escalation clauses in sample contracts while differentiating the calculation methods for CPI and PPI Indices applications. The groups also review sample specification language to recognize potential risks for the agency.

The Road to Victory: Building a Championship Procurement Organization. How do you bring out the champion that lies within your procurement organization? Creating a champion requires training, instilling core values, assembling the right team and executing a plan. Whether you are a new procurement professional or a seasoned veteran, you have an opportunity to build a championship procurement organization. From entry level staff to top executives, from organizational structure to staffing to business operation, this session identifies the core functions of an effective, high performing procurement operation. Then, it applies concepts learned to develop a roadmap that can build your championship procurement operation.
Our innovative spirit and 80-year heritage of forward thinking have resulted in a dependable, innovative product line of lawnmowers and snow blowers that provide manicured lawns in summer, clear driveways in winter and peace of mind all year long. Only a leader has the vision to provide trusted all-season reliability without compromise, that’s Ariens.

Ariens Company makes doing business easy through Federal, State, Local and Cooperative Contracts. Please visit booth #527 at the NIGP Show in Philadelphia to find out more today.

GSA Contract #GS21F0080V
“PUBLIC SERVANTS DOING PUBLIC SERVICE”

Community Service Program – NIGP Gives Back

Cradles to Crayons
Saturday, Aug. 23
As public servants, procurement professionals support the communities where they live and work every day. It's just the nature of the profession. NIGP believes it is important to give back to the local communities where the Forum is held. In 2011, NIGP introduced the “Public Servants Doing Public Service” program, which supports local charities in the communities that host the Forum.

This year NIGP, with the support of the NIGP Business council, is seeking volunteers to support Cradles to Crayons, a non-profit organization that provides children from birth through age 12 living in homeless or low-income situations, with the essential items they need to thrive at home, at school and at play. Cradles to Crayons provides these necessities free-of-charge by engaging and connecting communities that have with communities in need.

We are seeking volunteers for two shifts on Saturday, Aug. 23, 10 a.m. – noon and 1 – 3 p.m. Total time commitment is approximately five hours. Volunteers will be working in the warehouse inspecting, sorting and packaging donations into “KidPacks” – a one week supply of essential children’s items tailored for specific in-need children. Volunteers need to be able to stand for long periods of time and must wear close-toed shoes and comfortable clothing.

If you are interested in being a part of this rewarding experience, please email crawn@nigp.org.

NIGP will also be supporting Cradles To Crayons by conducting a virtual fund drive.

#NIGPForum2014

Be Connected and Share In The Excitement of #NIGPForum2014!
Simply download the NIGP Forum 2014 mobile app on your mobile device; also post to the NIGP Facebook fan page, tweet about the conference on Twitter, snap photos to Instagram, check in on Foursquare and more! Be sure to tag your posts with #NIGPForum2014.

NIGP Mobile App
Available for iOS (iPhone, iPad, iPod Touch) and Android devices. Download the app and personalize your Forum schedule, receive daily announcements, check out what's happening on social media and much more. The mobile app will announce updates throughout the event as well as special contests.

Facebook
www.facebook.com/OfficialNIGP
NIGP's Facebook Fan page will be used throughout the conference to post announcements, photos, videos and more. Check the page often; respond to polls, post comments, share photos and special moments.

Twitter
www.twitter.com/OfficialNIGP
Event Hash Tag: #NIGPForum2014. Like a speaker? Learned a great new tip? Tweet about it! Also, be sure to follow @OfficialNIGP for the latest updates and announcements. Don't forget to tag your posts with the hashtag #NIGPForum2014.

Foursquare
Event Name: NIGP Forum 2014 Check-in on Foursquare for a special discount at the NIGP Book Store…

Instagram
Event Hash Tag: #NIGPForum2014 Using your mobile device, take pictures then upload them to Instagram. Tag them with the Forum hashtag, #NIGPForum2014 – random photos will be displayed each morning before the Plenary Sessions.

PRODUCTS EXPOSITION

A Preview of Forum Exhibitors from A to Z:

> 84 Lumber
> Acro Service Corp.
> Alamo Industrial
> Allsteel, Inc.
> American Office Products Distributors, Inc.
> American Public University System
> American Traffic Solutions, Inc.
> Applied Industrial Technologies
> Ariens
> Association of Educational Purchasing Agencies (AEPA)
> AT&T Mobility
> Atlas Sales & Rentals, Inc.
> Auctions International
> Aurora Storage Products
> AutoZone, Inc.
> Bank of America
> BI Incorporated
> BidSync
> Bobcat Company
> Bolfy.com
> Bridgestone Americas Tire Operations, LLC
> Brother International Corp.
> BSN Sports
> Canon Solutions America
> CarQuest Auto Parts
> Case IH Agriculture
> Caterpillar
> Cintas Corp
> Cisco Systems, Inc.
> CKEP, LLC
> CobbleStone Systems Corp.
> Cost Control Associates, Inc.
> Cushman/E-Z-Go
> DLT Solutions
> Duron/Sherwin Williams
> E&B Public Sourcing
> Eastern Lift Truck Co., Inc.
> Ecolab Inc.
> Elcom International, Inc.
> Equal Level, Inc.
> ESM Solutions
> FacilityDude
> Fastenal Company
> FedBid, Inc.
> Federal Contracts Corp
> FieldTurf & Beyon Sports
> Fisher Science Education
NIGP would like to take this opportunity to give special recognition and thanks to these exhibitors for being a part of the NIGP Forum throughout the years – we could not have done it without you:

Exhibiting for 5+ Years
> Applied Industrial Technologies
> AutoZone, Inc.
> BidSync
> Caterpillar, Inc.
> ChapterManager
> Fastenal
> Field Turf & Beyond Sports
> Fisher Science Education
> Garland DBS, Inc.
> Georgia Pacific Professional
> GovConnection, Inc.
> GovDeals, Inc.
> Government Sourcing Solutions
> Info Tech, Inc.
> Insight Public Sector
> Keystone Purchasing Network
> KONE Elevators and Escalators

Exhibiting for 10+ Years
> Allsteel, Inc.
> Bobcat Company
> Brother International Corporation
> Canon Solutions America
> GameTime
> Graybar Electric Company, Inc.
> Haworth, Inc.
> Ion Wave Technologies, Inc.
> Knoll, Inc.
> National Joint Powers Alliance
> Planet Bids, Inc.
> Ricoh USA
> Sharp Electronics Corporation
> Teknion
> The Gordan Group
> Toro Company

Exhibiting for 15+ Years
> Grainger
> Herman Miller, Inc.
> John Deere Company
> Office Depot
> Steelcase, Inc.
> The HON Company
> The Toro Company
> Toter, Inc.
> Tradition Energy
> Tremco Inc.
> TriMark Strategic
> Tyco Integrated Security
> U.S. Communities
> Union Leasing
> United Rentals
> United Soybean Board
> US Armor
> Vertical Assessment Associates, LLC
> Virco Manufacturing Corporation
> Visiontron Corp.
> Waxie Sanitary Supply
> WESCO CSC
> WEX Inc.
> WSCA/NASPO Cooperative Purchasing Organization, LLC
> Zep Inc.
> ZOLL Medical Corporation

NIGP Enterprise Sponsors in bold

NIGP LEGACY EXHIBITORS

NIGP Enterprise Sponsors in bold

NIGP Enterprise Sponsors in bold
EXHIBITORS SHOWCASE

ACRO SERVICE CORPORATION

BOOTH: 1102

Company Address:
39209 West Six Mile
Road, Suite 250
Livonia, Michigan 48152
www.acrocorp.com/uscommunities

Contact:
Kent Stastny, Director;
MSP Solutions
kents@acrocorp.com
734-632-4276 – direct phone

Founded in 1982, Acro Service Corporation is a leading global provider of a complete range of staffing, technology and consulting solutions for all labor categories, including IT, engineering, light industrial, clerical, professional and administration. Additionally, we have a dedicated team supporting the unique needs of local, state and federal government agencies. Acro is a pioneer in the creation and use of offshore software development centers and has 33 offices worldwide.

Acro has a proven and industry leading Managed Service Provider (MSP) solution that enables our clients to streamline and optimize their contingent workforce related processes and cost (spend). Aero’s state-of-the-art VMS system, XRM System, automates the total lifecycle of contingent workforce utilization (procurement-to-pay or P2P cycle) through a hosted web-based service that is customized for each client’s unique requirements.

ARIENS COMPANY

BOOTH: 527

Company Address:
655 W. Ryan Street
Brillion, WI 54110
http://www.ariens.com/en-us

Contact:
Carol Dilger
Corporate Media Manager
812-481-5517

Established in 1933 in Brillion, Wis., Ariens Company is a manufacturer of outdoor power equipment. The privately-owned and operated company manufactures products at four US facilities that comprise more than 800,000 sq. ft. of space.

Ariens® snow removal products are built for maximum performance and long-term durability. Models include single-stage, two-stage and specialized track, hydro models and snow brushes.

Gravely® commercial mowing equipment and grounds maintenance equipment is built to withstand high-use, intensive maintenance applications. Specialized models include stand-on mowers, walk-behind mowers, debris handling equipment and utility vehicles.

CASE IH

BOOTH: 207

Company Address:
CNH Industrial America LLC
700 State Street
Racine, WI 53403

Contact:
Caseih.com
patricia.lardie@caseih.com

Case IH is committed to providing all levels of government agencies with productive, reliable equipment solutions while helping you manage costs. Our high horsepower equipment is designed to meet Tier 4/B final emission standards at reduced operating costs while increasing horsepower and engine life. With headquarters in the United States, Case IH provides equipment solutions, flexible financing and parts and service support through a dedicated network of dealers/distributors. Case IH equipment is proudly offered on NJPA Contract #03171-01-CIH.
GameTime is a leading manufacturer of commercial playgrounds, custom play spaces and outdoor fitness equipment. Headquartered in Fort Payne, Alabama, and with distribution around the world, GameTime has been dedicated to enriching childhood through play since our founding in 1929.

We bring together the right corporate, civic and nonprofit partners to provide purchasing opportunities that reduce costs and help our customers bring play to their communities without enduring a lengthy bid process.

Graybar has a long track record of helping our customers improve their bottom-line results. You can count on Graybar for quality products, reliable service and innovative solutions. We earn our customers’ trust every day by demonstrating integrity and delivering real value. As an employee-owned company, our people have a stake in our long-term success—and yours. Find out how Graybar can work to your advantage.

"Nationally Bid, Locally Awarded" cooperative purchasing contracts to help you save you time and money. The Association of Educational Purchasing Agencies (AEPA) is a non-profit purchasing organization made up of 26 Educational Service Agencies/political subdivisions focused to save your agency money. AEPA contracts are bid competitively and tailored to meet each member state’s specific legal requirements. There is a local agency in your state who manages the contract available to you. Collaborative purchasing expertise insures that our contracts are legal, safe and bid law compliant.
ISSA

BOOTH: 519

Company address:
3300 Dundee Road
Northbrook, IL 60062
800-225-4772
issa.com

Contact:
Dan Wagner, Director of Facility Service Programs
Contact’s email: daniel@issa.com

ISSA, the worldwide cleaning industry association, offers the support you need to take the headaches out of janitorial purchasing. It also is dedicated to increasing appreciation for cleaning as an investment in human health, the environment, and a business’ bottom line. From improving in-house operations to pre-qualifying service providers through free and low-cost tools, standards and guides, ISSA is dedicated to helping you thrive in today’s challenging business environment while protecting occupant health in the most effective way possible.

ISSA offers tradeshows, education, training, publications and tools – including the Cleaning Industry Management Standard (CIMS) – to help you achieve outsourcing success.

KEYSTONE PURCHASING NETWORK (KPN)

BOOTH 510

Contact:
Phone: (888) 490-3182
Fax: (888) 490-3184
Email: info@theKPN.org

The Keystone Purchasing Network (KPN) is a national cooperative purchasing program serving educational institutions, local government and other non-profit agencies. KPN offers quality products and excellent services at competitive pricing. All contracts are publicly bid. Membership is free with no obligation to purchase. Visit our website at www.theKPN.org for a complete list of contracts.

NPP GOVERNMENT

BOOTH: 638

Company address:
1100 Olive Way, Suite 1020
Seattle, WA 98101

Contact:
customerservice@nppgovernment.com
(877) 329 8847
www.nppgovernment.com

NPPGov is a national cooperative purchasing organization that offers competitively bid, publicly awarded contracts to public entities. Our contracts have been solicited to national vendors and awarded by a lead public agency. Membership is free and there are no minimum purchasing requirements. Members save time and money on products and services that include lighting and electrical equipment, tires, data communications, agricultural and construction equipment, public safety equipment, office and industrial supplies, furniture and commercial flooring.

NPPGov serves five markets: Government, Fire Rescue, Law Enforcement, Education and Non Profit. All members, regardless of market, have access to a broad range of publicly awarded contracts with discounted pricing. Additionally, NPPGov provides live customer service five days a week with a team dedicated to assisting member through all stages of the purchasing process.
PEPPM is a national technology bidding and purchasing program for K-14 schools and agencies, libraries, colleges, universities, government agencies and other non-profit organizations. PEPPM aggregates buyers and demand to get the lowest prices while saving time and money on the bidding process. Visit http://www.peppm.org to start saving time and money.

TCPN is a national governmental purchasing cooperative established in 1997 whose contracts have been competitively bid and awarded by a governmental entity serving in the lead agency role to national vendors for commonly purchased products and services, including facilities, furniture, office supplies and equipment, security systems and technology. Entities that must comply with purchasing procedures mandated by state laws and regulations like public and private schools, colleges and universities, cities, counties, nonprofits and all governmental entities use TCPN contracts to increase their efficiency and economy when procuring goods and services. As a national purchasing cooperative, TCPN leverages one of the largest pools of purchasing potential and allows agencies to receive a combined buying power regardless of the entity’s size. For more information about TCPN, please visit www.tcpn.org

The WSCA-NASPO Cooperative Purchasing Organization is the cooperative purchasing arm of NASPO (National Association of State Procurement Officials) and represents a unified, nationally-focused cooperative purchasing program that leverages the collective expertise and experience and aggregates the purchasing power of states, their political subdivisions and other eligible entities. WSCA-NASPO contracts are all led by a lead state utilizing best procurement practices complying with competitive bidding requirements. If a state has not yet embraced the use of a specific WSCA-NASPO contract, eligible political subdivisions may still have access to them with approval from the state's Chief Procurement Official.
The Toro Company is a leading worldwide provider of innovative turf, landscape, rental and construction equipment, and irrigation and outdoor lighting solutions. With sales of more than $2 billion in fiscal 2013, Toro’s global presence extends to more than 90 countries through strong relationships built on integrity and trust, constant innovation and a commitment to helping customers enrich the beauty, productivity and sustainability of the land. Since 1914, the company has built a tradition of excellence around a number of strong brands to help customers care for golf courses, sports fields, public green spaces, commercial and residential properties and agricultural fields. More information is available at www.toro.com.

Govalytics is a new data tool that provides local government budget and capital planning information. Conducting a keyword search shows that there are 2,744 capital projects amounting to $27 billion being spent in your industry.

Put Govalytics to work for you – Get the edge on your competition and win those government contracts!

VISIT GOVALYTICS.COM TO LEARN MORE.
You may think all cooperatives are the same or heard claims that others are just like U.S. Communities. The fact is there are advantages that are unique to U.S. Communities. What sets us apart is our priority to protect the interests of public agencies and our dedication to providing unmatched value through:

- **Commitment by all suppliers** to offer their lowest overall public agency pricing
- **Contracts that are solicited, awarded and updated** by a lead public agency—not the cooperative
- Quarterly performance reviews and annual, independent third-party audits to ensure contract compliance and performance

Still comparing apples to oranges?

U.S. Communities delivers cooperative purchasing solutions that can’t be matched.

Visit us at [www.uscommunities.org](http://www.uscommunities.org)
Play. Without Delay.


Purchase a playground through U.S. Communities at the best government pricing and avoid the hassle of a lengthy bid process.

800.235.2440 gametime.com/usc

ACRO SERVICE CORPORATION
Temporary Personnel & Related Services

Labor is a major cost for state and local governments each year. U.S. Communities participants can save up to 10% annually on these costs without losing any valuable employee production by working with Acro Service Corporation.

MANAGED SERVICE PROVIDER (MSP)
SERVICES SUPPORTED BY VENDOR MANAGEMENT SYSTEMS (VMS)

- Acro manages some of the nation’s largest organizations under its MSP/VMS model in many industries, including: government, energy, automotive, aerospace, information technology and healthcare
- Our MSP program is customizable, allowing clients to identify sustainable cost reduction and process efficiencies in procurement and management of contract labor
- Our flexible delivery of MSP/VMS services fully integrates with client systems using onsite and/or offsite program teams, combined with our proprietary eXternal Resource Management System (XRM™)

XRM™ PROVIDES A COMPLETE VMS SOLUTION

- Acro’s XRM™ Solution consists of its own web-based VMS system and expert management services to enable firms to achieve substantial program savings through automation
- Our XRM™ Solution automates and streamlines the process for procuring and managing all categories of contingent labor
- Provides complete requisitioning control to manage supplier distribution and billing rates while ensuring program compliance

SERVICE EFFICIENCIES, COST SAVINGS & SUCCESS

- Acro leverages its industry expertise, ISO processes and dedication to help companies gain full control of their external services spend
- Clients gain better targeted pricing and greater value while simplifying and improving the acquisition and management of contingent labor
- We continually ensure compliance with client policies and government regulations in order to drive continuous program improvement

Lead Agency: Maricopa County, Arizona
Contract No. 11143

Tailored Solutions. Outstanding Results.

Kent Stastny, Acro Service Corporation XRM™ Solutions
734.632.4276 or kents@acrocorp.com.

Acro’s Other Service Offerings:
- Staffing Services
- Pre-identified Employee Services
- Independent Contractor Compliance Management
- Technology Consulting
WORKING HARDER TO SAVE YOU TIME AND MONEY

No matter what size your Agency/Organization is, you can take advantage of the cooperative purchasing power of U.S. Communities to access discounted rates at Hertz Equipment Rental. With more than 1,500 rental items available, Hertz Equipment Rental is a one-stop resource.

Advantages of contracting with Hertz Equipment Rental through the U.S. Communities program include:

- No user fees
- Discounts off published retail rates
- Existing contract fulfills competitive bid requirements (through Joint Powers Authority)*
- Flexible rental periods, from one (1) day to twelve (12) months or longer
- No Environmental Recovery Fee
- No fuel surcharges

New and exciting features:

- Specialized pricing structures
- Aerial & forklift safety training
- Standby contracts for power generation and disaster relief programs
- New and used equipment sales

Nationwide. Ready To Help.
(888) 777-3500 | hertzequip.com

*Contract satisfies the competitive bid requirement in most states. Please review your state’s cooperative bylaws.
GET “ON TOP” OF ROOF MAINTENANCE WITH THIS FREE TRAINING OPPORTUNITY!

Are you getting the expected, warranted service life out of your roofs? Is capital funding a bigger challenge in this economy than funding for maintenance?

As the Roofing Supplies and Related Products and Services Supplier for U.S. Communities, Garland/DBS, Inc. is offering all member agencies FREE roof preventive maintenance training conducted on-site at your facility by a knowledgeable, locally based Garland representative.

Take this opportunity to “walk your roofs” with your Garland representative, and your team will walk away with a greater understanding of how to keep small rooftop problems from becoming big ones. This offer applies to all walkable roofs regardless of their age or origin.

Visit us at NIGP Booth #813
To schedule your training session, contact
Eric Younkin, Lead Referral Manager
Tel. No. (800) 321-9336, ext. 3659
uscommunities@garlandind.com
www.garlandco.com
Graybar PowerSmart® helps facilities power, illuminate, automate, and secure their buildings with smart, efficient and intelligent solutions including:

- Lighting and lighting controls
- Renewable power
- Building automation and controls
- Power systems
- Data centers
- Security
- Mobility/wireless
- Unified communications
- Audio/video
- Network infrastructure

To order, call 1-800-GRAYBAR (472-9227)

Graybar is a leading distributor of electrical, lighting, data/communications, networking and security products.

graybar.com
MORE THAN

20 BILLION Gallons of Water Saved*

RELY ON US FOR SUSTAINABLE SOLUTIONS

As a nationwide distributor of maintenance, repair, and operations products to government agencies, HD Supply Facilities Maintenance can help you reduce your environmental impact. In 2013, our environmentally preferable products saved our customers billions of gallons of water, while helping them stay compliant and lower utility bills.

Trust HD Supply to deliver what you need, when you need it.

Visit us at NIGP booth 900!

Visit hdsuppliesolutions.com for more information.

*By ideallygreen products sold in 2013.
Whether you have an experienced procurement team or a department of one, U.S. Communities can put time and money back in your hands through our competitively solicited contracts. Our supplier’s commitment to provide their best overall government pricing has a proven track record of delivering considerable savings. And with a competitive procurement process similar to a public agency, you can reduce the time for contract solicitation. Get started today.

- **Free registration** provides immediate access to savings
- Purchases in quantities and frequencies that work best for you—there are **no commitments** or **minimum order requirements**
- Online shopping through the Marketplace enables **comparison shopping, centralized purchasing**, and the efficiency of using a **single shopping cart** to purchase from multiple suppliers

**In just two minutes, register and become one of the 55,000 agencies already saving.**

**With U.S. Communities, you can have your cake and eat it too.**

Visit us at [www.uscommunities.org](http://www.uscommunities.org)
Exclusive Survey: Green Procurement Trends

Green purchasing is standard many places and growing in others

By Scot Case

Does you organization have a green purchasing policy?

GREEN PURCHASING IS A POPULAR POLICY TOOL

Sixty percent of government purchasers have a formal or informal green purchasing policy in place. Forty-four percent of governments without a green purchasing policy plan to implement one.

Do you include environmental performance requirements in product specifications of contracts?

GREEN PURCHASING CONTINUES TO GROW

More than 70 percent of purchasers report that they include environmental performance specifications in government contracts at least sometimes, according to a May 2014 survey conducted by Government Procurement. Eleven percent report that they always do.

The survey also reveals that a third of government purchasing organizations report they have a formal green purchasing policy, and another 26 percent have an informal one. The survey results identify the variety of green purchasing activities under way across North America.

The brief 20-question survey results reflect interesting growth in the green purchasing world over the past five years since a similar study of government purchasers was last conducted. This article summarizes some of the new survey’s key findings.

Percent with formal green purchasing policies:

- 2007: 22%
- 2008: 26%
- 2009: 29%
- 2014: 33%

Methodology: The survey was emailed in mid-May to Government Procurement’s audience; results were tabulated in early June.
Does your organization have experience including environmental considerations in the following product categories?

**THERE ARE A VARIETY OF GREEN PURCHASING OPPORTUNITIES**

The bar graph identifies some of the most common green purchasing opportunities. Additional product categories identified by the survey respondents include: appliances, vehicles, lighting and laboratory supplies.

One respondent explained that all request for proposals (RFPs) include a 25 percent point allocation for sustainability-related issues, which surely covers an even broader array of products and services.

---

**ENVIRONMENTAL LABELS ARE A TRUSTED SOURCE OF ENVIRONMENTAL INFORMATION**

Greenwashing – that is, manufacturers making potentially false or misleading environmental claims about their products – is a problem for 35 percent of government purchasers, with another 50 percent indicating that they are not sure if it is a problem. Only 15 percent stated that greenwashing is not a problem.

Fifty percent of government purchasers believe environmental labels help make better purchasing decisions, although 25 percent are unsure if they help or not.

Unfortunately, due to a coding error in the online survey questions designed to indicate which environmental labels are referenced most frequently, it is impossible to identify the labels in order of popularity. Several labels were referenced by respondents in their open comments, including:

- EnerGuide
- Energy Star
- EPEAT
- Fair Trade
- Forest Stewardship Council (FSC)
- Green Seal
- UL ECOLOGO
- UL GREENGUARD

One participant emphasized the importance of environmental labels by suggesting that his or her organization will use “any [eco-label] we can get.”

---

**Does your office have any of the following programs?**

**OTHER GREEN ACTIVITIES ARE INCREASING**

Government purchasers are recycling more at the office and engaging in other “green” activities at higher rates now than in 2007 when the question was last asked. Paper recycling initiatives have increased from 88 to 95 percent of offices. Paper reduction efforts have increased from 53 to 75 percent of offices. And 15 percent of government purchasing offices now have a zero waste initiative.

In addition, government purchasers reported increased recycling of toner cartridges, organic food waste, batteries and electronics.
IN DEPTH [green purchasing]

What would help your organization increase green purchasing?

The Challenges Facing Green Purchasing Remain

Price concerns remain the number one challenge for organizations interested in increasing green purchasing, followed by a desire for a better selection of greener products and greater focus on total cost of ownership. Purchasers prioritized the challenges almost exactly the same way in 2009.

<table>
<thead>
<tr>
<th>Challenge</th>
<th>75%</th>
<th>50%</th>
<th>25%</th>
</tr>
</thead>
<tbody>
<tr>
<td>More competitive pricing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Better selection of greener products</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More focus on total cost of ownership</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training in green purchasing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Better info on greener products</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Better policy direction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less price sensitivity</td>
<td></td>
<td>23%</td>
<td></td>
</tr>
<tr>
<td>Better purchasing procedures</td>
<td></td>
<td>23%</td>
<td></td>
</tr>
<tr>
<td>Better enforcement of existing policies</td>
<td>19%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

What It All Means

Green purchasing clearly remains an important, although imperfect, policy tool. There are many opportunities to improve its effectiveness through better training, better access to information and expanded use of environmental standards, certifications and labels.

Its further expansion is also dependent on addressing concerns about the cost and availability of greener products, which, ironically, are issues that can be addressed by the free market if more government purchasers increase their green purchasing practices.

Scot Case has been researching and promoting responsible purchasing since 1993. He is the Market Development Director for UL Environment and serves on the board of the International Green Purchasing Network. Contact him via Twitter @scotcase, email at scot.case@ul.com or in Reading, Pa., at 610-781-1684. This article represents the views of the author only and do not necessarily reflect the views of UL Environment or its affiliates or subsidiaries. This article is for general information purposes only and is not meant to convey legal or other professional advice.
Schools, government agencies and other nonprofit institutions can save time and money by piggybacking on quality contracts from KPN and PEPPM. All contracts are publicly and competitively bid and awarded.

KPN and PEPPM satisfy all bid requirements while supplying your entity with the products and services you need.
Much has been written about strategic planning. MBA courses across the United States are filled with various models and techniques on developing and implementing strategy. Today I’m finding more and more public procurement organizations engaged in strategic planning to assist in the long-term planning process – a far cry from what was prevalent in years past. As the adage goes, “Without a plan to get you from Point A to Point B, any old road will get you there.” Long-term planning offers vision, and direction and a sense of assurance that our destination will not be determined by any old road.

Although long-term planning and strategy have benefits, too many procurement organizations find themselves bogged down or stalled in strategy. At the end of each fiscal year, many procurement organizations huddle their senior leadership teams to discuss key initiatives for the upcoming year, but if you roll the clock back a year you’ll discover they were talking about the same thing a year ago, with no real progress made to date. Why is this the case?

In my years as a practitioner in the procurement profession, I have observed a number of things that tend to stall strategy. Much of it relates to a failure to stick to the basics of execution. Whether you’re a CEO, senior
Lots of people talk about **Streamlining** processes, **Saving** dollars and increasing **Transparency**. But the Commonwealth of Massachusetts actually did something about it...

Transform, Improve, Save Massachusetts is saving with **COMMBUYS** – BuySpeed eProcurement

**Find Out What BuySpeed Can Do For You**

- Manage and utilize contracts and catalogs for better pricing
- Leverage solicitations, contract and catalog search
- Offer one-stop-shop for the vendor community
- Increase staff productivity
- Create accountability through transparent procurement processes

**Periscope Holdings, Inc.**

CALL TODAY: (877) 472-9062
WWW.PERISCOPEHOLDINGS.COM
manager, mid-level manager, or team leader, your strategy to develop and improve the business is only as good as your ability to stick to the discipline of executing it.

While many hours can be devoted to examining and discussing the pitfalls of strategy, I think a more productive approach is to examine things that teams can do to stay focused and aligned to execute strategy. In this light, I have outlined five things that can help procurement organizations move from strategy to action to getting things done:

1. MAKE SURE YOUR STRATEGY IS CLEAR AND DESCRIBES WHAT YOU DO

Procurement organizations can become very practiced in talking strategy. They talk about things like increasing cost reduction savings on purchases, expanding cost avoidance, maximizing revenue generation via p-card and cooperative procurement programs, optimizing inventory values and retaining the best talent. These are all viable goals, but they don’t tell you what you need to do when you get to work in the morning. Therefore, it is important that these high-level goals be translated into concrete tasks and actions that specific people need to take. Progress on your strategy will take shape only when you are super clear about what is to be done, who will do it and when. These are the tasks that drive the action. Remember, good strategy is about what you are doing.

2. DRIVE RESOURCE ALLOCATION TOP-DOWN

If you want to do new things, you have to mobilize resources. In fact, your strategy is where you put your resources, so it is important to allocate resources to the new tasks and things you want to get done. Staff should never be expected to drive resource decisions. It must be done by the leader or it won’t get done. Resource decisions must be driven top-down, front-and-center, and make those assignments clear upfront or else the resource shifts and allocations will not occur.

3. MANAGE THE REALITY OF DAILY DISTRACTIONS

Procurement organizations are so busy there’s hardly time to do new stuff. Therefore, it is important to break that busy cycle and begin to do different things. Of the things you do during the day, remember that only 20 percent really matters. That 20 percent produces 80 percent of your results. Identify and focus on them. Those are the strategic initiatives. Leaders should provide teams the tools they need to triage daily and weekly workload and help them deal with the wave of constant distractions tempting them off course. When the fire drills of the day begin to sap their time, teams should remind themselves of the 20 percent that matters most. If something on the schedule has to slip, if something isn’t going to get done, make sure it’s not part of that 20 percent. People have to learn how to manage the daily crisis while being certain they are not taking too much effort off the long-term, strategic endeavor. In this regard, leaders must help teams stay the course.

4. ENGAGE TEAMS REGULARLY

If you want leaders and other staff not to execute strategy, you can ensure they don’t by not including them in developing it. Too many times the strategy discussions stay in the procurement C-suite. That’s a real problem because the people who are responsible for delivering the work don’t know what they’re supposed to do; neither do they have a sense of how important the initiative is to the organization because it hasn’t been articulated. So, not only is it important to engage the managers and people who are responsible for doing the work, but you must also give them the resources and skills so they can personally lead the change as well. Recurrent follow-up and progress monitoring are important too, but steer clear of “situation” discussions, which tend to create more detail and less forward movement. Instead, progress meetings should focus on concrete outcomes and a specific action plan to get there. The goal is to get every manager and every individual in the procurement organization personally leading and driving the change that needs to happen.

5. HOLD TEAMS ACCOUNTABLE

Accountability sounds like a sentence to the dungeon. However, if used constructively it can lead to very positive results. The first step to establishing accountability is to set a standard and be clear about expectations. Once strategy is developed and specific actions are determined, a system must be in place to hold teams accountable. When team members fall short of the mark, they need to recognize that the action (or inaction) is counter-productive. However, feedback should be conveyed with grace and tact. The goal is not for the leader to have team members defend past actions or explain behaviors. Instead, the focus should be helping people move on and stay focused on expectations and not taking things personally or becoming disengaged. And when successes occur, celebrate them openly. Moving forward and in the right direction is key.

Incorporating these points will enable you to create an effective planning process, establish a realistic business direction for the future, and greatly improve the chances for successful implementation of your strategy.

ROGER L. BALL, CPPO, CPPB, C.P.M., A.P.P., is Director of Procurement Services at Fairfax County Public Schools based in Falls Church, VA. He is an experienced business leader with a career focus in driving performance and change by ensuring high alignment with procurement best practices, and increasing efficiencies and restoring credibility in the procurement function. Ball has also presented numerous workshops and seminars on a variety of procurement topics, both locally and internationally. Contact him via e-mail at roger.ball@fcps.edu.
REGISTER NOW!
FOR NIGP FORUM 2014

NIGP Forum is the largest North American educational conference exclusively for professionals in public procurement. Join us August 23 - 27, 2014 in Philadelphia, Pennsylvania, for engaging and thought-provoking workshops and interactive networking opportunities with procurement peers from all over the world... all designed to help you be a Procurement Champ!

For up-to-date information, and to register, visit: nigp.org/Forum.
WITH more and more public agencies using requests for proposal (RFPs) to buy goods and services, it is important for procurement professionals to assume their proper role.

Of course, the RFP process allows an organization to consider factors other than cost in the selection process, including past performance, relevant experience and project approach. This is different than a conventional bid process that looks solely at the lowest price.

So now that we know more RFPs are being used, what role should procurement play?

Let’s start with the 30,000-foot view. Procurement should ensure that the selection process and evaluation criteria are clearly defined in the RFP and are accomplished in a fair, transparent and objective manner. Procurement should also grab the reigns of accountability. By this I mean the procurement professional should understand the award decision and be able to justify it if challenged.

To be honest, I haven’t always done this. I have allowed end users to conduct their own evaluation process and then advise me of the award decision. This resulted in a variety of evaluation approaches, most of them appearing to be, “Making it up as we go along.” I recall one large project when the cost scoring was explained to me as “well, their pricing felt kinda high.” Really, it felt kinda high? Come on, Darin, you can do better than that!

Procurement must play a more active role. Simply forwarding along documents is not enough. I will admit to my bias, but I feel that a procurement professional should chair the evaluation committee. At the very least, they should be closely overseeing the process. To do this I suggest that the procurement office:

- Formally receive the proposal submissions.
- Develop clear written instructions on proposal evaluation.
- Have each committee member sign a statement committing to the evaluation and verifying they have no conflicts of interest.
- Distribute the proposals and instructions in person at a kick-off meeting. Give verbal instructions on what is expected.
- Perform cost evaluation and scoring. This can be combined with other technical scoring prior to final selection.
- Review technical scoring for consistency and completeness.
- Play an active role in any finalist interviews or presentations.
- Lead all contract negotiations and develop the final contract.
- Be present during any contractor debriefs.

Unless procurement is highly engaged in the process and fully understands the selection criteria and how it was applied, how can we possibly explain the decision? The contractor and supplier community (and probably your elected officials) are expecting this when they contact you about the process. Don’t put yourself in a position to say, “Mayor Vera, I will have to check with Engineering and get back to you.”

The RFP is a great procurement tool. Good folks like the Institute for Public Procurement and the American Bar Association agree on this. But let’s make sure our agencies use the tool properly. This can best be achieved when procurement steps up and “owns” the process.
Business Efficiency meets Fuel Efficiency.

The 2014 Ford Fusion is pretty obsessive about fuel efficiency. Fusion offers you a range of engines. The available 2.0L EcoBoost® has an EPA-estimated rating of 33 hwy mpg.*

To see what Fusion can do for your business, visit fleet.ford.com.

*EPA-estimated rating of 22 city/33 hwy/26 combined mpg, FWD. Actual mileage will vary.
Ordering can’t really get much easier.

Welcome to John Deere. What’ll it be today: A Gator™ Utility Vehicle? A versatile mower? Would you like flex wings cutters with that? Whatever you’re in the mood for, streamlined purchasing and a range of financing options make it easy to get what you want and get on your way. Drive up to your John Deere dealer or visit JohnDeere.com for a taste of what’s in store.

The object is simplicity.