

**NIGP
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Tips and Tricks to Understand the Supplier Perspective

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Hello from the GPL team!



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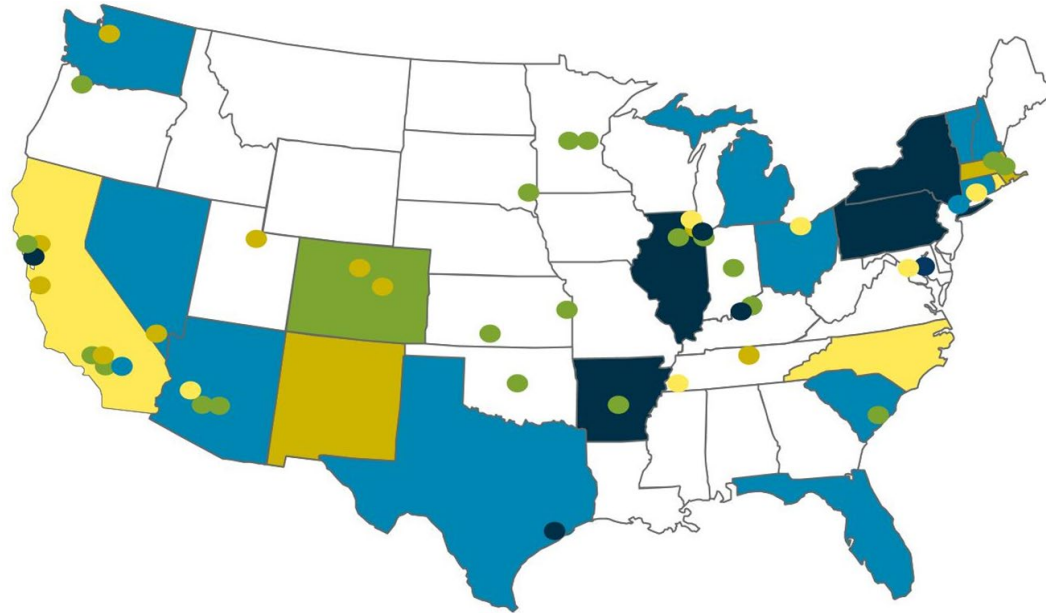
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The Harvard Kennedy School Government Performance Lab (GPL)



Over 100 projects with
72 entities across
32 states

- Procurement systems
- Criminal justice
- Child welfare
- Homelessness & behavioral health
- Workforce development

GPL Fellows

Provide hands-on **technical assistance**

Technical Experts

Offer **expert guidance** on complex challenges

National Network

Convene state and city **innovators**

Publications

Spread ideas through **policy briefs and tools**

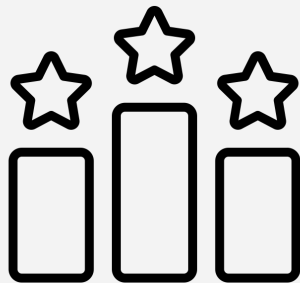
Which of these supplier engagement strategies are you currently using?

- Supplier surveys
- Supplier interviews and/or focus groups
- Process mapping
- Leveraging office of diversity, equity, and inclusion

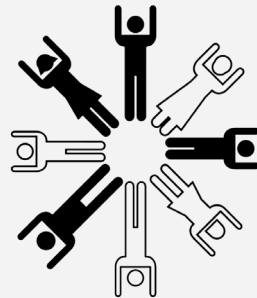
Note: Today we're using "supplier" as an umbrella term to refer to for-profit vendors, contractors, and nonprofit providers. We recognize there are differences!

What Challenges Can Supplier Perspectives Address?

Develop a better understanding of your market and improve cost effectiveness



Cultivate a larger and more diverse supplier pool



Discover new, supplier-generated innovations and solutions



Case Studies in Understanding Supplier Perspectives

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SAINT PAUL
MINNESOTA



CITY OF
Tulsa
A New Kind of Energy.



Good, user-centric diagnostic work is key to understanding supplier perspectives — especially if you want to engage a greater number of small and diverse suppliers as contractors.

St. Paul: Supplier Interviews to Improve Competition and Performance

The Challenge

Saint Paul's Public Works Department issues several street reconstruction contracts each year. Prior to engaging the GPL, the City had been **struggling with contracts regularly running past the agreed-upon timeline and budget.**

The Opportunity

The City typically received only 2 proposals on each street reconstruction procurement, and nearly 90% went to one supplier. The City suspected that **greater competition could contribute to lower prices and timelier project completion.**

The Survey

The GPL helped the City conduct a **phone interview** to understand why suppliers didn't bid on contracts. The City learned:

- Suppliers were excited to learn the City wanted their feedback
- Suppliers held inaccurate perceptions about the challenges of participating in the Public Works procurement process

The Results

The following year, the City received between 2-7 bids on each project, expanding the supplier pool significantly.

- **70% of contracts were awarded to different supplier**
- **Projects next year had fewer change orders and contract amendments**

Tulsa: Using Surveys to Understand Supplier POV

The Challenge

Competition for contracts was suboptimal. The same **suppliers were bidding and winning contracts year after year**. New suppliers rarely won contracts.

The Opportunity

Tulsa theorized that increased competition would lead to **better value from contracts**. More **connections to small and local businesses and MWBEs** would lead to supplier pools more representative of the general population.

The Survey

Tulsa set out to identify reforms that would improve competition and accessibility in the City's contracting processes by hearing directly from real suppliers.

- Designed a **supplier survey that could be quickly deployed to a large supplier audience (1800+ businesses)**.
- Included questions on supplier experience; how many city departments the vendor had done business with; perceptions on process, bid requirements, and fairness.
- Reached out local Chambers of Commerce and MWBEs to help promote survey to a diverse set of suppliers.

Tulsa: Lessons Learned from Supplier Surveys

The Results

- Received a response rate of 11%, over 200 responses.
- Survey allowed the City of Tulsa to understand competition more concretely. Paired with other analyses, City of Tulsa had a much stronger sense of supplier competition on a solicitation-by-solicitation basis, and how few new suppliers were receiving contracts.
- City also realized it needs to do better market research and increase engagement efforts with suppliers to promote supplier diversity.
- Also got affirmations: Vast majority of current and past suppliers like the process; the more critical respondents were smaller local suppliers who did not have prior contracting experience.
- Survey created an opportunity to rebuild trust between city and supplier community.

Glendale: Supplier-Informed Program Design via an RFI

The Challenge

Glendale, AZ was unsatisfied with some of the youth after-school programs that local providers were running in **City-owned community centers** and hoped to replace them with a new community partnership model.

The Opportunity

With plenty of time before current contracts expired, the City planned a **Request for Information (RFI)** to learn about better options, including innovative after-school programming offered by local entities.

The RFI

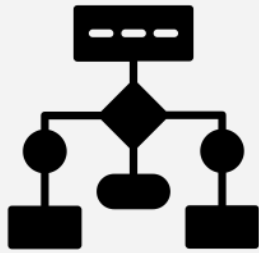
The **open-ended RFI** solicited feedback from community-based orgs about **innovative program models**, inviting operators to propose their own unique programs. The RFI was formatted as an inviting marketing brochure to attract responses from suppliers.

The Results

Responses allowed the City to create an RFP that served their goals and reflected the potential of the marketplace. All RFI respondents had **similar program goals** and the eventual RFP incorporated the perspectives of community-based program operators and fostered **collaborative city-supplier relationships**.

Strategies for Understanding Supplier Perspectives

The first step to better engaging the supplier community is better understanding the problems they face: your entity could use several strategies to do this.



Process Mapping



Supplier Surveys

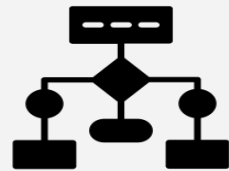


Interviews and Focus
Groups



Leverage Existing
Resources

Strategy 1: Process Mapping From a Supplier Perspective



Bringing together internal and external stakeholders to map out experiences from the users' perspective can identify delays and inefficiencies in procurement processes.

How to Start

- Decide which supplier/internal perspectives to incorporate and invite them to the table
- Identify a facilitator
- Choose a mapping medium (post-it notes, power point, collaborative digital tools, etc.)
- Walk through procurement steps and discuss!

How it Helps

- Builds consensus between stakeholders, identifies process bottlenecks, and catalyzes discussion on accountability/solutions
- Focuses on experience (not just work flows) to understand how suppliers feel, what encourages or deters participation
- Can incorporate survey or interview findings to more accurately represent suppliers' real journeys or be leveraged in focus groups

Strategy 2: Running a Supplier Survey



Supplier surveys are an essential information gathering tool that can signal to the supplier community that the government is invested in learning more.

Executing a survey involves several conceptual and operational considerations:

Form a working group

Collect data on existing supplier engagement work

Secure early buy-in

Discuss how survey results/data will be used or publicized

Draft your survey

Consider what populations may respond

Keep questions concise and action-oriented

Allow for open responses

Sample Question



How would you rate your interest in doing business with the city?



What has prevented you from bidding with the city? Select one or more.

Strategy 2, continued: Releasing and Reviewing Surveys



Supplier surveys are an essential information gathering tool that can signal to the supplier community that the government is invested in learning more.

Executing a survey involves several conceptual and operational considerations:

Design a survey distribution plan

Engage intermediary orgs that could distribute the survey

Consider who will send out your survey and how to secure trust

Release your survey

Send reminders to increase responses

Consider incentives (if possible)

Provide a contact phone and email for questions

Review responses

Ensure responses are anonymized

Identify trends, common barriers

Present findings to your working group and discuss actionable next steps

Strategy 3: Interviews and Focus Groups



Interviews and focus groups are an opportunity to dig deeper into interesting trends identified in a supplier survey. These interactions can help governments translate suppliers' frustrations into specific policy changes.

Who should you invite?

Avoid privileging the opinions of larger or more influential suppliers.

Consider interviewing both suppliers that have worked with your government and those that have not.

What should you ask?

Ask suppliers to expound upon common problems identified in the survey.

The interview may also be an opportunity to ask suppliers to propose changes or pressure test your own ideas.

How should you ask it?

Consider which suppliers could join a focus group.

Be careful of group dynamics that may bias feedback or suppress minority opinions.

Consider external facilitators, when appropriate.

Strategy 4: Leveraging Existing Resources



Working to understand and incorporate the supplier perspective is also an opportunity to improve collaboration with other teams or entities and break down silos.

There are a few types of resources you may explore:

Offices of Equity or Diversity

These offices may not engage directly with Procurement, but could support engagement with underrepresented businesses and communities or offer trainings, tools, and workshops to staff.

Intermediary Organizations

Chambers of commerce, community organizations, and trade associations can provide a valuable, trusted connection to the supplier community if thoughtfully engaged.

Data from Past Studies

Many entities have existing data or research, perhaps from a disparity or equity study, that can provide insights about contracting inequities and serve as a baseline to measure progress.

National Research and Advocacy

Many organizations offer research briefs, case studies, and technical assistance to governments interested in improving procurement processes and benchmarking their systems with others nationwide.

Towards More Equitable and Effective Procurement

What comes next?

Understanding the supplier perspective helps you identify barriers and inequities in existing procurement systems.

Once your entity has a clearer understanding of these systemic problems, and greater trust and partnership with your suppliers, you can build on this knowledge to chart a path toward reform and improvement.

The GPL's **Four Pillars of Procurement Excellence** (right) outline the principles of successful procurement reform projects



Transforms the procurement process to be efficient, inviting and transparent



Elevates and resources procurement as a strategic function



Improves the outcomes of contracted programs, goods, and services



Invests in equity to improve economic mobility and achieve more equitable outcomes

More Resources and Q&A

GPL resources to support your procurement reform process

- The GPL **RFP Guidebook** provides step-by-step guide for developing a results-driven RFP
- Project features on our **Saint Paul** and **Glendale** work
- More cases, tools, and strategies, are located in **the Resource Library**

Thanks for joining us!

With our remaining time, we'll run Q&A in the chat

Guidebook:
Crafting a
Results-Driven
Request for
Proposals
(RFP)



If you have additional questions, feel free to contact us:
govlab@hks.harvard.edu

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