Plenary

Essential Steps for Better Procurement Outcomes

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Promoting strategic procurement through professionalisation and change management

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Public procurement as a strategic policy tool – increased expectations require a highly skilled procurement workforce
Public procurement accounts for a large share of the global economy

- 12% of GDP
- 30% of general government expenditures

Source: OECD National Accounts Statistics (database).
Public procurement is recognised as a strategic policy tool

SDG 12.7 Sustainable Public Procurement:
Promote public procurement practices that are sustainable, in accordance with national policies and priorities

Public procurement is linked to over 80% of the total SDG indicators
Enabling elements for strategic procurement: A series of change management processes

- Strategy
- Regulatory framework
- Institutional framework
- Market readiness
- Buy-in from stakeholders
- Skilled workforce
- Monitoring system & Risk management
- Paradigm shift
- Part of professionalisation

Professionalisation of the PP workforce through change management (including the paradigm shift of key stakeholders)
Professionalisation and change management are key factors to the uptake of strategic procurement. Lack of clear regulations / strategy / monitoring system, Lack of capacity and capability, Resistance to new concepts all contribute to the uptake of strategic procurement.
Paradigm shift and capability of stakeholders are essential to increase the uptake of strategic procurement.

**Key stakeholders**
- Contracting authorities (PP officials / CEO / end-users etc)
- Economic operators
- Oversight bodies

**Paradigm shift**
(Relevance of strategic procurement)
- Awareness-raising workshop
- Dialogue / Communication

**Capable workforce**
- Capability-building system
- Other professionalisation initiatives

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We do not want to do it. It is too risky...

We want to do it!

But wait, how can I do it? I changed my mind. I do not want to do it...

We can do it!
OECD Policy Paper (2023):
Professionalising the public procurement workforce: A review of current initiatives and challenges

Click here for downloading the paper.
Professionalising the public procurement workforce

**Step 1: Assessment**
- Assessment of the current level of professionalisation

**Step 2: Development of a strategy**
- Professionalisation strategy
  - Competency model & Certification framework
  - Capacity building systems

**Step 3: Implementation of a strategy**
- Incentive mechanisms
  - Financial incentives - career path seminars
  - Non-financial incentives - award system - professional network
- Collaboration with knowledge centres
  - Collaboration for developing trainings
  - Joint research / seminars
  - Collaboration in cultivating future procurement specialist

- Training
  - Methodological assistance
Assessment of the current level of professionalisation
Assessment of the current level of professionalisation

Macro level
System of professionalisation

Micro level
Capability level of the PP workforce

Evaluation angles

Assessment tools

ProcurCompEU: the European competency framework for public procurement professionals
Establishing an effective professionalisation strategy
Developing a professionalisation strategy and/or action plan

Goal: to define initiatives and set up targets within a specified timeline

Developing and implementing a strategy effectively involves the following steps:

01 assessing the current level of professionalisation of the procurement workforce

02 ensuring stakeholder engagement

03 drafting a strategy

04 monitoring the implementation
Examples for establishing a professionalisation strategy

- **Action plan of professionalisation (2018-)**
  - Competency matrix
  - Public Procurement Academy

- **Action plan of professionalisation (2019-2022)**
  - Certification framework
  - Various training / manuals
  - Training to EOs and control
  - Excellence award system
Implementation of a strategy through specific initiatives
Wide variety of professionalisation initiatives are included in professionalisation strategies

Potential initiatives for professionalisation

- Competency model & Certification framework
  - Training
  - Methodological assistance
- Capacity building systems
  - Financial incentives - career path seminars
- Incentive mechanisms
  - Non-financial incentives - award system - professional network
- Collaboration with knowledge centres
  - Collaboration for developing trainings
  - Joint research / seminars
  - Collaboration in cultivating future procurement specialist
Initiatives in developing a competency matrix (41%) and a certification framework (35%) is still limited in the OECD countries, as of 2020.

Competency models differ across countries:

- **Level**: 4 levels
- **Job profile**: 5 job profiles
- **Both elements**: 6 job profiles (3 levels for each job profile)
Reinforcing capability-building systems

Training
- Training course
- Practical training

Methodological assistance
- Guidelines and manuals
- Standardised templates
- Help desk
- Direct support in implementing PP procedures

Support options:
- Mentor programme
- On strategic PP
- Tender and contract documents
- Phone
- e-mail
- Pilot for strategic PP
### Setting up incentive mechanisms to attract and retain public procurement officials

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<td>1. Financial Incentives</td>
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<tr>
<td>1.1 Payment</td>
<td>Wages / Salaries, Performance-linked bonus / Promotion, Stock Option</td>
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<td>1.2 Other direct financial benefits</td>
<td>Pensions, Insurance, Clothing / Accommodation allowance, Travel allowance, Child care allowance</td>
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<tr>
<td>2. Non-Financial Incentives</td>
<td>Professional development, - Training and Certification, Recognition / Award, Constructive Feedback, Working environments, Holidays /sabbatical leave, Flexible working hours</td>
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**Active recruitment policy with clear promotion criteria**

**Performance-based bonus (up to 15%) of the annual salary at Hansel**

**Procurement Excellence Awards**
In 2020, **79%** of OECD countries had adopted a certain collaborative approach with knowledge centres, compared with 74% in 2018.
Promoting the uptake of strategic public procurement in Estonia through professionalising the public procurement workforce

Key outputs

- Analytical report and Recs
- Competency model
- Certification framework
- Training
- Tools and manuals
- Pilot projects

Support through professionalisation

Link to the project website
Useful links

- OECD website of public procurement: https://www.oecd.org/gov/public-procurement


- MAPS professionnalisations supplementary module: https://www.mapsinitiative.org/methodology/supplementary-modules/professionalisation/
THANK YOU!

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