

# Streamline public procurement procedures

## Summary

Public procurement often bears witness to long delays and inefficiencies due to the fact that organisations have complex and redundant processes that do not fully exploit the potential for greater efficiency. As a result, some MS have introduced a process to streamline procedures, aimed at reducing waste, saving time and limiting the administrative burden for contracting authorities. Such a process can be conducted at either government or organisational level, depending on the scope of the exercise. Processes and procedures are often streamlined on the basis of management approaches, such as LEAN.

The first step to streamlining procurement procedures lies in accurately mapping the current processes by identifying the steps needed and the people involved (*status quo* analysis). Once the processes are mapped out, the source of inefficiency (time loss, redundant processes, etc.) can be identified. On the basis of this analysis, the processes can be restructured and simplified, eliminating unnecessary time loss, use of resources or other types of administrative burden.

Importantly, the new processes must be formalised by way of instruments, such as guidance documents. Furthermore, it is essential to bring staff up to date with the new changes, as this may result in a significant impact on their daily work. In such cases, providing training to staff is an effective way of ensuring that the procurement processes are streamlined not only on paper but also in practice.

## Input

### Cost – €€

- Medium set-up cost
- Low operation cost



### Time – 6 to 12 months



### Complexity – Medium

Overcome resistance to modifications through change management and regular consultation with stakeholders

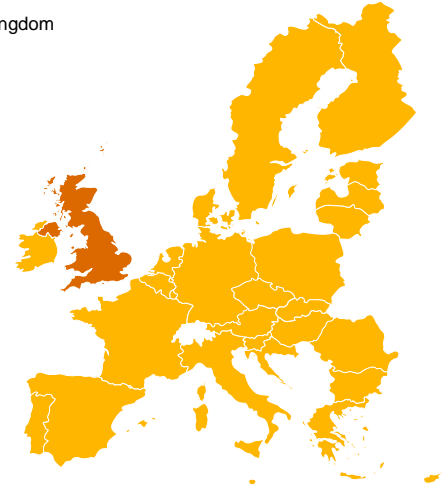


## Related Good Practices

Interoperability between e-procurement systems and other government databases

## Good Practice Examples

- ✓ United Kingdom



## Impact

### Reduce administrative burden



Streamlining procedures eliminates unnecessary administrative burden for contracting authorities through careful review of the processes applied within an organisation.

### Increase competition



Reduced delays in procurement procedures is an incentive for economic operators to participate, as they are less burdened by the cost of long waiting times for procurement outcomes.

Reviewing and streamlining processes also enables stakeholders to verify that tenders are suitable for SMEs, e.g. by introducing a systematic process for dividing contracts into lots.<sup>1</sup>

### Improve accountability



If processes are better mapped and responsibilities are assigned clearly, the accountability of employees in the organisation increases.

## Key success factors and potential pitfalls

### Get the perspective of operational staff

The successful mapping of processes relies on collaboration with the employees in various departments who are directly involved in day-to-day activities, knowledgeable about how processes work and have the best view of what can be improved.

### Regularly update and streamline processes

Processes must be streamlined on a regular basis, and the streamlining itself must be continuously improved.

### Accompany change

Any organisational change needs to be accompanied by special attention in order to be successful. This means putting in place a change-management strategy and providing the necessary guidance for changes to be implemented smoothly.

## Case Study

### United Kingdom – Implementing the LEAN sourcing approach

In 2012, the Minister for the Cabinet Office mandated LEAN sourcing principles across the central government in order to speed up the procurement process and reduce the administrative burden linked to long delays, and associated waste and costs. The implementation of LEAN resulted in a number of 'Standard Operating Procedures' being devised, which optimise the efficiency of the process of each main procurement procedure. The Standard Operating Procedures were published for use by all civil servants dealing with procurement. In addition, staff is encouraged to take specific training on how to implement the new Standard Operating Procedures.

The introduction of LEAN also resulted in a number of high-level recommendations aimed at speeding up and improving procurement procedures at central government level. Specifically, the use of the open procedure is encouraged, as this entails only one main step compared to the other procedures, and is therefore faster. Furthermore, the LEAN sourcing approach places great emphasis on the preparation stage of the tender, paying particular attention to SMEs, specifically by encouraging contracts to be split into lots.



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<sup>1</sup> "European Code of Best Practices Facilitating Access by SMEs to Public Procurement Contracts" (2008), see: [http://www.ecec.net/fileadmin/pdf/law/2/sme\\_code\\_of\\_best\\_practices\\_en1.pdf](http://www.ecec.net/fileadmin/pdf/law/2/sme_code_of_best_practices_en1.pdf)