MML 2019 Summer Conference

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Procurement Best Practices Workshop
What is Procurement?

• The Macro Level (Strategic)
  • Organizational Mission Alignment
  • Systematic
  • Long Term
    • Spend Analysis
    • Market Research
    • Supplier Evaluation

• The Micro Level (Tactical)
  • Transactional
  • Short Term
  • Routine
  • Can be reactive
Strategic Value of Procurement

- Second largest organizational expenditure; following salaries and benefits
- Mission aligned outcomes
- Typical improvement areas:
  - Technology
  - Needs analysis/Leveraging Spend
  - Market Research
  - Cost-benefit analysis of alternatives
  - Source selections
  - Negotiating
  - Risk analysis/management
  - Contract management
“Coming together is a beginning, staying together is progress, and working together is success.”

Henry Ford

CASE STUDY #1
BUSINESS AS USUAL
Public versus Private Procurements

Public
• Open to FOIA
• Not for profit
• Social issues
• Procedural and Bureaucratic
• Regulations and Legislation
• Stakeholders; public, news/media, etc.
• Open Sourcing required

Private
• Proprietary and Confidential
• For profit
• Increase brand effectiveness
• CEO and Board of Directors
• Regulations
• Shareholders
• Open Sourcing but not required
Procurement Policy and Procedure Manual

- Components to a solid purchasing foundation
  - Ethics and Conflicts of Interest
  - Authority
  - Payment Terms
  - Purchasing Thresholds
  - Grant Requirements
  - Sourcing Requirements
  - Evaluation Requirements
  - Post Award Activities
  - Protests and Vendor Disputes

The foundation we build our life on is what’s left after the storms hit
Balancing Perceived Opposing Goals and Objectives

- Green Purchasing
- Minority and Women Owned Business Goals
- Buy Local
- Benchmarking Data
- Networking
- Cooperative Procurements
Case Study #2

HOME RUN OR FOUL BALL