

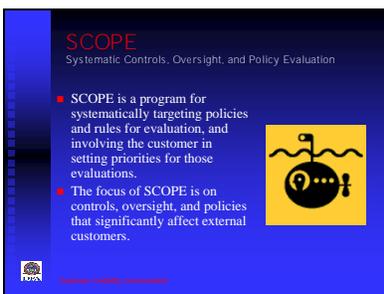
## Seeing Excellence: Learning from Great Procurement Teams



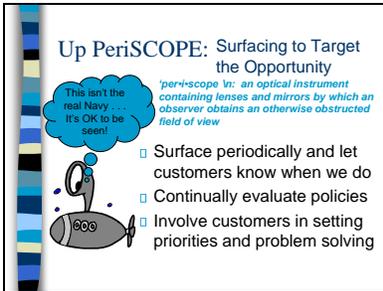
This workshop was prepared for the Spring Conference of the Wisconsin Association of Public Procurement and VALUE, the regional cooperative procurement organization. "Teams are the lifeblood of organizations. Procurement is part of their circulatory system." Teams need 10 essential team disciplines, and procurement professionals can improve their skills in helping teams with those disciplines.



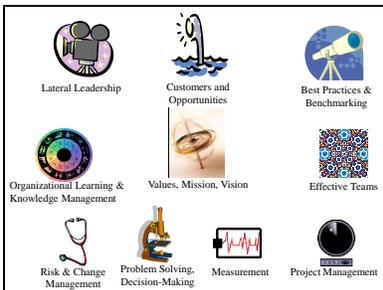
In the Summer of 2002, I was on a helicopter trip to Monte Vista with my division colleague, the state architect. He was visiting the National Guard armory there. We had an emergency landing on the Broadmoor golf course in Colorado Springs when the crew had a flight control problem. Aircrews are featured in studies of teams. No wonder, watching this team perform!



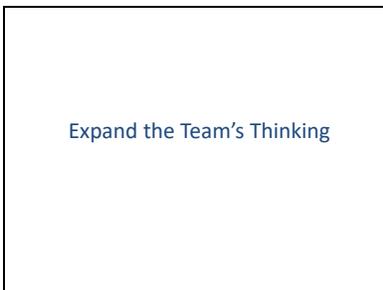
That Summer, our new division started talking about what our four offices had in common: State Purchasing, State Controller, State Buildings & Real Estate Programs, and the Central Collections Unit (that collects debts owed to the state). We all had statewide financial oversight responsibilities and operational missions. Some of us needed to work on relationships with client agencies. We created a quality management system called SCOPE.



This is an artifact of a SCOPE slide I used 15 years ago when speaking about the division’s SCOPE initiative. We are like submarines, cruise below the surface, and do lots of damage, and need to surface once in a while. The periscope was the division’s visual metaphor for customer-centricity and using questions to find opportunities to improve.



Scopes are a visual metaphor the 10-essential team disciplines. In our workshop exercise, everyone picked (and shared) one scope representing their strength and, more importantly, another scope that signified a weakness in a team setting. We eventually practiced two: customers and the art of the question (periscope) and assessing risk and change management challenges (the stethoscope).



Teams initially find ways to expand their thinking. They sharpen the teams purpose and use tools like brainstorming or the opportunity summary that we practiced in the workshop. They “search for the stars” and benchmark to find other teams that have tackled similar challenges. Teams later focus the team’s attention and sustain the team’s effort.



One of my first stories was from the State of Oregon. In 2007, Oregon encountered unprecedented flooding. The story of Marscy Stone and the Oregon Disaster Preparedness Work Group is told in chapter 1 of Seeing Excellence. After the flooding, there was a feeling among procurement professionals that they could do better in disaster response. Marscy and the team asked, “How can we do better in emergency response?”

Purpose. Develop, recommend, and document processes to support procurement activities during a state of emergency.

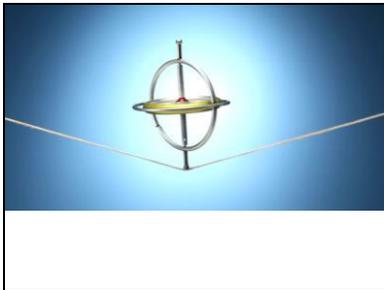
This team used a charter; not all teams do. This slide showed the team purpose. Not to solve every issue with a disaster response, but find opportunities to support the procurement function.



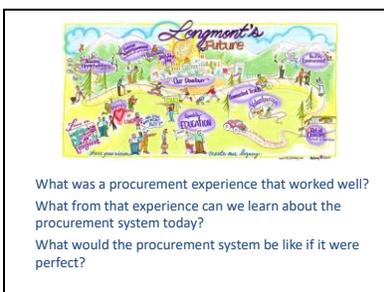
The team went through typical Tuchman phases in a team's lifecycle: forming, storming, norming, and performing. Their initial enthusiasm threatened to get them off track until they used a “parking lot” approach to up-channel ideas not in procurement's area. They talked about team commitment, shared meeting leadership, and put the purpose-statement on the agenda to keep them on-track.



This project was awarded a Cronin Award for Procurement Excellence by the National Association of State Procurement Officials. The [Emergency Preparedness Procurement website](#) still is maintained to this day.



Keeping purpose in mind cemented itself as the central principle: for team formation, project management, measurement, decision-making, learning, leadership, you name it! The gyroscope became my visual metaphor for purpose and the need to keep at continuous improvement. Like a gyroscope that precesses as its spinning slows, teams that don't continually focus on "purpose" lose their orientation. So do larger organizations.



Apart from purpose, the second thread that weaves its way throughout *Seeing Excellence* is the importance of using effective questions. This story was about the use of Appreciative Inquiry by the City of Longmont, Colorado, to improve procurement. The secret: use appreciative questions rather than always framing inquiry as problems. What was a good experience in the past? How does that inform the present? What would perfection look like in the future?

Preliminary Opportunity Summary	
Opportunity	
Origin of the Opportunity	
Priority Rating	
Potential Benefits/Value	
Costs/Resources	
Apparent Supporting Parties	Known Barriers, Threats and Constraints
Recommendations for Initial Steps	

The [Opportunity Summary](#) is a way to engage a team in threshold planning. Just enough to show that the team will have a little organization. Not so much that team members feel that they don't have anything more to contribute. Use a positive opportunity as the description. What are its origins? What do we know about possible benefits and costs/resources? How will we know we succeeded? What forces support and block the teams mission (and how can we leverage or deal with those)? Who are the stakeholders and other potential team members? The attendees used this tool to look at a possible mentoring program in the associations.

Focus the Team's Attention

After the initial phase where the team expands its thinking, it need to focus its attention. Project management, meaningful measurement, process analysis, and decision-making are essential team disciplines needed to get things done.



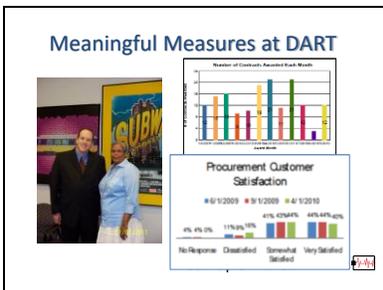
Effective project management is critical to successful teams. NASPO ValuePoint, the nonprofit that supports the states' cooperative procurement program uses sourcing teams that operate in a challenging, virtual environment. The story of the ValuePoint process improvement team was told in the [December/January 2017 edition of Government Procurement magazine](#). Lead states follow their own laws and practices, but they deal with unfamiliar policies and practices of the cooperative and other states.

Confidential Stage		RFI Public			Confidential Stage	
Solicitation Development	Legal Review	RFI and Status Review	Solicitation Posting/Opening Process	Proposal Evaluation	Evaluation Meeting	Award Approval
4-8 Weeks	3-2 Weeks	3-2 Weeks	3-5 Weeks	4-6 Weeks	3-5 Days	2-3 Weeks
Selection of Hearing Team members, appointment and approval by Texas Governor's State CFO	State Legal Review	Confidential Data provided to State for Review	Post Solicitation on Lead State administrative website	Lead State administrative Review	Hearing Team Meeting to Review opening and vendor selection	Confirmitation & Award Recommendation Reviewed and Approved
Market Research		Industry Participants (RFI) List	Pre-Reward Conference, if applicable	Individual Proposal Evaluation and Pricing by Hearing Team	Clarification Requests, if applicable	Notice of Award Issued

NASPO ValuePoint’s process improvement team created an Excel schedule that provides common durations for key procurement events and computes suggested milestone dates, planning backwards from the target effective date for the master agreement. Lead state contract administrators asked for examples of representative milestone durations in ValuePoint solicitations. Not too much, just enough, structure!



The Division of Finance and Procurement used the gyroscope as its visual metaphor for project management. This radarscope was published on the department’s website to keep customers informed of progress. Note the missions accomplished! We had a terrific office manager who was good at celebrated the achievements, an important aspect of any team. In 2004, the Department of Personnel and Administration featured an article about SCOPE in the state newspaper.



Measurement at its core is intended to assist in decision-making. Chapter 6 of *Seeing Excellence* dives into measurement in some detail, including this story. My first exposure to a procurement office’s use of balanced scorecard, Dallas Area Rapid Transit (DART) incorporated customer satisfaction into the procurement department's performance dashboard. The initiative was led by Connie Arrington, a contract analyst in the department, and Jason Edds, the department’s procurement information systems analyst.

**Meaningful Measures at DART**



"You have to be honest about how you present the data; the truth must be told." – Jason Edds, Dallas Area Rapid Transit

"People take the time to fill out the surveys, and they want to know the results. Share the results!" – Connie Arrington, Dallas Area Rapid Transit

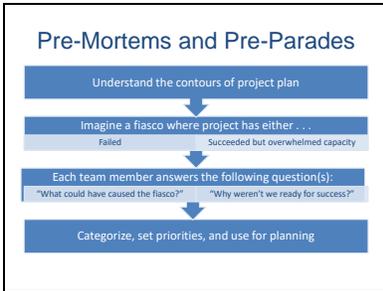
The Procurement Department Dashboard contained both workload and effectiveness measures and was used to brief DART senior management. Jason and Connie’s advice here is particularly important: be honest about how you present the data, the truth must be told; and people take time to complete surveys, so share the results.

Sustain the Team’s Efforts

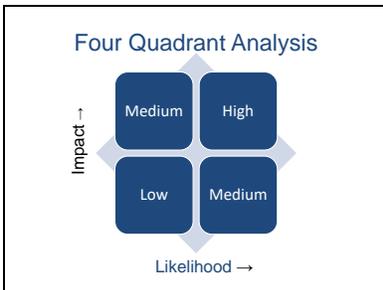
In the first two phases, a team expands its thinking and focuses its attention. There are important disciplines, however, to keeping the project moving forward and sustaining the team’s efforts. Risk and change management may not be present in every team project, but teams should at least briefly consider them. Organizational learning and lateral leadership are other key disciplines that team need to sustain their efforts.



NIGP’s course, *Risk Management in Public Sector Contracts*, and its companion course teach the elements of risk management: Identify the risk; assess it in terms of likelihood and impact; respond/treat the risk; and monitor and control it. A conference is an example. Power failures with only emergency lighting can happen. Snowstorms can wreak havoc also.



A team tool is a premortem, imagining a failure and then analyzing why it might have occurred. A pre-parade is the flip side, unanticipated success that causes big problems like not being able to satisfy the capacity.



When assessing risk, a common tool is the four-quadrant analysis. How likely is the risk event to occur? How much impact would it have? This analysis is a way to set priorities when a team is looking at risk.

### Manage Change: Arizona's ProcureAZ

- Urgency can create opportunities
- Get the right people on the team
- Create and communicate a vision for change: do you have an elevator speech?
  - Remove obstacles, often through communication and influence
  - Build on short-term wins (using phases and pilots?)
  - Keep at it!

A group photograph of approximately 15 people, likely the project team, standing together in a professional setting.

In 2011, Arizona's ProcureAZ e-procurement solution received NIGP's Innovation Award. Over two years, the project achieved the first-ever integration in Arizona of procurement and financial systems. It was completed on-time and on-budget, streamlined ordering for state and local governments, and achieved over \$350 million in requisitions, purchase orders, and contracts through the system. In many respects, as chapter 8 of *Seeing Excellence* points out, this project was a change management challenge. San Diego County's move to a customer-centric organizational structure (instead of the first-in/first-out method of handling agency procurements) also demonstrated excellent change management practices. San Diego's story was told in the [February/March 2017 edition of Government Procurement magazine](#).

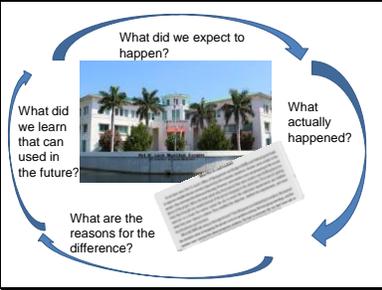
“The first stage of the best value process focuses on the Offeror’s ability to differentiate itself based upon the ability to identify, prioritize, and minimize risks, add value to the State and show a high level of past performance on behalf of other clients.”

– 2014 Alaska Request for Proposal, Core Telecommunications Services

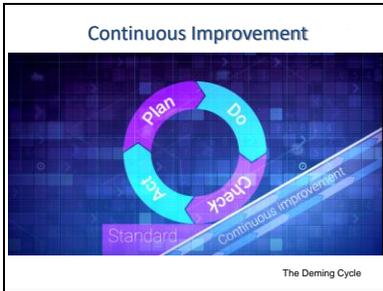
Change management is the flip side of risk management. Often resistance to change is the greatest risk in procurements. Risk is being considered as an important ingredient in procurement planning and evaluations, as this Alaska RFP quote shows.



The attendees practiced risk/change analysis in the context of an e-procurement RFP using [a single-page risk/change management analysis tool](#). How can you get the suppliers to address elements of risk (including resistance to change) in their proposals? What questions does the agency want the supplier to answer in order to evaluate whether the supplier understands the agency’s requirements and has a sound approach? Risk and change management can be a good lens for better assessing supplier proposals in the context of the agency’s unique requirements



The story of Port St. Lucie, Florida’s award-winning neighborhood stabilization project was used in *Seeing Excellence* to illustrate various team disciplines, among them team learning from after-action reviews. A key to their success was going to the contractors for feedback after some unexpectedly lost interest in phase 2 of the project. The city changed the process to use building inspectors to get a better picture of how to make the houses livable, and they held on-site visits so potential bidders could see and ask questions about the property.



The 10-essential team disciplines, even Colorado’s SCOPE initiative, looks a lot like other continuous improvement models: Six Sigma, Lean, Lean Six Sigma, Kaizen. The Plan-Do-Check-Act video illustrates how the process never ends. New standards continue to be set. New opportunities to improve are identified. *Seeing Excellence* doesn’t focus on any one model in particular, but instead on the team disciplines that are needed to succeed in any continuous improvement system. [Click here if you’re interested in the history of quality management.](#)

Wisconsin received a Cronin Award and was a finalist for two training initiatives: its IT Procurement Best Practices Playbook and negotiations training. Negotiation is an essential skill of effective teams. The training used mock negotiations, emphasized a team planning approach, and promoted the win-win philosophy of Fisher, Ury, & Patton’s *Getting to Yes*. [Their story is told in American City & County.](#)

**Lead Laterally: Choose to Help**

- Help the Team Keep Purpose in Mind
- Use Questions Effectively to Help the Team Learn
  - Use Just Enough Structure to Help Organize Thinking and Action
- Help Promote Collaboration and Feedback by Stepping to Their Side Often
- Help the Team Engage by Committing Your Time and Attention

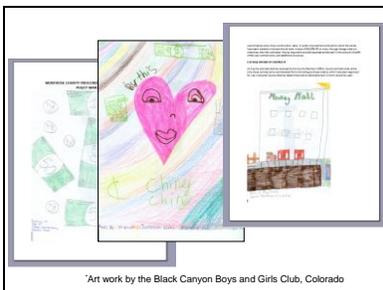
These five lateral leadership principles were largely derived from Roger Fisher and Alan Sharp, *Lateral Leadership: Getting Things Done When You Are Not the Boss* (1998, 2009). The people highlighted in this workshop not only are “stars” (found through the telescope), they are excellent examples of lateral leaders. At the end of Fisher and Sharp’s book, a chapter asks, “What if You Are the Boss?” The authors’ conclusion: lateral leadership principles still apply even if you have power and the authority to be an ultimate decision-maker.



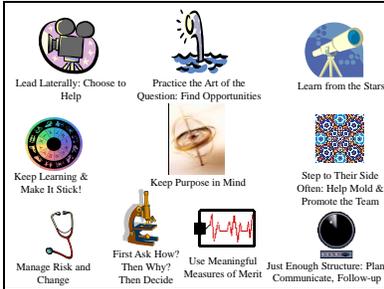
The Sound Transit story is the last story in the book. It served as a final reminder about the opportunity for creativity. The story about the mouse pad showed the power of “scripting the critical moves” or “choice architecture,” using a change to the environment to nudge behavior in the right direction. April Alexander used the mouse pad to solve a nagging problem: agency employees weren’t remembering the procurement limits for small purchases.

“One day, when I was street teaming, I met a man in a wheelchair. He thanked me for expanding the service. The buses that he could take to the airport required him to transfer and were more difficult for him to access. With light rail, he was able to roll his chair right on and go directly to the airport. It was then that I realized that I was part of—and important to—something bigger. I was amazed at how he felt that we, as an agency, had directly impacted his quality of life in a positive way. But listening to him and talking to him gave me something invaluable that I would not have felt if it had simply been relayed to me that we were impacting peoples’ lives. I was able to feel his excitement, to see his eyes tear up a little. I was able to connect to and feel the difference that the everyday work that I, in particular, was doing was meaningful. We were not simply buying things.”  
– April Alexander, SoundTransit WA

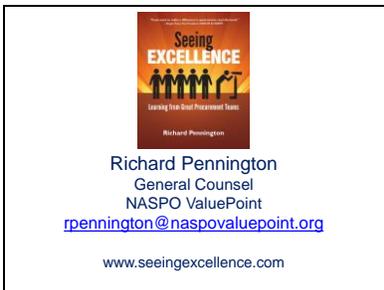
Even more important, the Sound Transit story has a clue to staying engaged on teams. Team members want to know their efforts are meaningful. This story about street teaming reminds all of us that procurement isn’t just a bunch of rules and procurement tools. What procurement professionals do matters. April noted, “I was able to connect to and feel that the everyday work I was doing was meaningful.” Not surprisingly, Sound Transit also achieved the Pareto Award.



The *Art in Procurement Manual* story from chapter 10 of *Seeing Excellence: Learning from Great Procurement Teams* ([and expanded on LinkedIn Pulse](#)) illustrates the power of art in an unusual context: kids competing in a Request for Posters project to have their artwork included in the county procurement manual. During the Fall of 2009, Montrose County was developing a new manual. Sue Wheeler, the county’s Procurement & Contract Administrator, wanted people to read it. “I thought using art work would make it more fun.” County commissioners sought it out!



As it turned out, the chapters in *Seeing Excellence* that told the stories of exceptional team accomplishments aligned well with the SCOPEs. [The book's website](#) summarizes each chapter with its “ancestral” scope image right alongside.



Here was my final challenge: “Find the Gap!”:

1. Find a colleague who will go to a customer’s office. with you.
2. Make an appointment and go there; don’t just call.
3. When there, ask this question, “What’s one thing we can do or stop doing to help you succeed?”  
[guaranteed the discussion won’t stop there . . .]
4. On the way back to the office, talk about the gap—the one between where the customer thinks you should be and where you are.
5. Talk to your supervisor about the gap, maybe put it on a staff meeting agenda.
6. Take one step to start closing the gap.