My Big Idea: A Smart IT Procurement Initiative

By trond-arne.undheim on September 24, 2010 10:32 AM

I am a big supporter of brevity, at least in theory. Therefore, I was glad when the EU asked for my big idea for the Digital Agenda in 800 characters. In American style, thinking my idea was big even though it might be viewed as smallish from a different angle, I submitted mine on their site, and here it is:

> As IT procurement is 1% of GDP, I propose a major IT Procurement Initiative to put the proposed Communication on ICT Standardisation and public procurement and the EIF 2.1 and eGovernment Action Plan delivery on steroids; a Practical Guide to IT Procurement for Public Authorities (Standardization 101, Case studies of compliant and non-compliant Calls for Tender, Procurement and Government IT Strategy paper), benchmarking, monitoring of the misuse of brand names in IT procurement, 3 studies, expert groups, an online library of the most referenced open standards, best practice workshops, and to include a website and an online multi stakeholder/level/lingual best practice community joined up with ePractice.eu. Actions in Member States would be needed to reinforce the local government link.

In case you wondered, this is actually 797 characters, and represents quite the mouthful. Is it even legible?

Realizing that these 797 characters do not do justice even to a mediocre idea like mine, an idea which was already part of the Digital Agenda, and which I merely fleshed out, I will now venture into a blog post explaining it in more detail. My post is 1467 words, I could not even stick to 749. You are hereby warned. But this is what it takes to take a good idea (thinking you want to improve procurement) into a great idea (actually improving procurement). This is what the EU must do.Why are steroids needed?

I am no fan of artificial stimuli, so the steroids in question stem from the energy of fellow humans alone, i.e. group dynamics, or Ba, as the Japanese philosopher Nishida calls it. Since IT procurement is very important to the economy, estimated at around 1% of GDP, I propose a major IT Procurement Initiative to put the proposed Communication on ICT Standardisation and public procurement, the procurement relevant parts of EIF 2.1, and the forthcoming eGovernment Action Plan delivery, on human steroids. Some would simply call it team work.

The problem with team work, of course, is that it takes double the time. Then again, the rewards are bigger. People feel involved. This is a good thing. Such an IT Procurement Initiative could entail the following:

- A Practical Guide to IT Procurement for Public Authorities

- Benchmarking of progress on big IT contracts across EU

- Monitoring of the misuse of brand names in IT procurement

- Three studies to map progress (Local, National, European)

- Expert groups (w/multi-sector participants)

- An online library of the most referenced open standards

- Monthly best practice workshops

- A marketing website

- Online multi stakeholder/level/lingual best practice community /(ies) joined up with ePractice.eu.

- Face-to-face actions in Member States to reinforce the local government link

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I will explain some of these in some detail, but first, why is all of this needed? Isn't a nice COM document enough?

Why action is needed?

IT procurement should follow general public procurement rules. Directive 2004/18/EC states that technical specifications that mention goods of specific make or source or of a particular process or trademarks, patents, types or of a specific origin with the effect of favouring or eliminating certain undertakings or products are prohibited. However, a study shows that roughly 25% of the time, this does not happen. Public sector officials across Europe regularly breach EU Directives by mentioning brand names like [fill in your favorite non-preferred IT vendor] that are in fact trademarks in procurement documents, according to a study by the not-for-profit organizationOpenforum Europe. OFE monitored public procurement notices for computer software published on Tenders Electronic Daily. 136 contact notices were scanned for trademarks in the period from February 1 to April 25, 2008. OFE's monitoring exercise shows that in 34 tender notices out of 136 (25 percent), company brand names were mentioned in procurement documents effectively preventing competition from alternative products.

The alternative to mentioning brand names is to mention functional requirements. In doing so, referencing open standards is particularly helpful. There is much misinformation out there about what this actually means, but you could just imagine a tender for office suites quoting the open standard ODF, not one of the various branded office suite competitors existing in the marketplace. You might then get competitive bids as opposed to bids from the vendor you just helped with privileged mention. You would also not exclude viable alternatives, many of them likely European SMEs.

What can the Commission do?

The Digital Agenda includes a proposed Communication on ICT Standardisation and public procurement. This is excellent, but a Communication will go through state-of-the-art and should list actions. Now is the time to contemplate what those actions might look like. The forthcoming eGovernment Action Plan is also very much about delivery on interoperability, procurement and efficiency.

The Digital Agenda, section 2.2.3. is about "Enhancing interoperability through coordination" and mentions the European Interoperability Strategy (EIS) and the European Interoperability Framework (EIF) to be drawn up under the ISA programme. All good forces willing, EIS and EIF make it out of EU Interservice Consultation alive and indeed also in this century. If they do, and if they are supportive of true interoperability, their delivery and impact on procurement will be significantly improved by a multi-stakeholder community implementation approach.

What type of approach do I have in mind?

I agree that the phrase "multi-stakeholder community implementation approach" is long, but we are all Europeans, right, so what is one more complex concept? The key people to reach are the following:

- IT procurement officials

- IT strategy and policy staff in government (local, national, European level)

- Treasury/Budget/Finance ministry officials (anybody who will listen)

- Industry and SMEs who bid for public contracts

In addition to knowing who to target, the approach must have a clear strategy for engaging them. Motivating people to act is tricky. Usually, money works, but failing that, and considering that there are many other ways to inspire folks, here is what I suggest: create online, multi-stakeholder, multi-level, and multi-lingual best practice communities joined up with the Commission's own, existing best practice initiative in eGovernment, eAccessibility and eHealth, ePractice.eu.

The key to making such communities work is to pick people who will work well together, establish the policy relevance and outcome of their work, and provide prizes and encouragements along the way. Doing a few workshops on "procurement failure" under Chatham House rules might work. Also, do not ever think about mandating people to work together. Create the environment, encourage, and then step back. Only start a community upon demand. I have written extensively on best practice elsewhere (see my article, Best practices in eGovernment: - on a knife-edge between success and failure) so I will not digress further.

Why not make achievements in public procurement one of the Award categories in the upcoming Ministerial eGovernment conference?

Finally, make sure there are clever things that the community can do. Be specific about what you ask each community to discuss. Then, let them set their own agenda once they get going. A not so far-fetched idea would be to ask for input in creating the IT Procurement Guide. Creating a good Guide is not as simple as it may sound. What constitutes best practice is often contested.

What are the essentials of a Guide?
A tourist guide should inspire you to get the most of your trip. A procurement guide should inspire you to get the most out of your tender. A Practical Guide to IT Procurement for Public Authorities should include sections like:

- Standardization 101 (What is it? Who does it? What is the role of government? Examples?).

- Case studies of compliant and non-compliant Calls for Tender.

- A Procurement and Government IT Strategy paper (written for non-IT professionals).

- Common pitfalls in planning (and running) a large scale IT project.

Many, many more topics may be relevant, and seeking input on what the relevant sections might be from experts around the EU might not be such a bad idea.

Can this be done?
Yes, it can be done. It has been done before, even by the Commission. When I was charged with re-vamping a catastrophic initiative on good practice exchange in eGovernment, nobody believed me when I said several Units across several DGs would need to collaborate in order to make it a success. It had rarely been done, I was told, and certainly never by a junior official, a national expert, at that. Well, eventually, ePractice.eu saw the light of day, and 70 K members from 35 countries have posted near 1500 best practice cases on the site and are active in some 40 online communities of practice, in as diverse areas as open source, policy modelling, and web 2.0.