



Change management The case of Portugal

Paulo Magina
Public Sector Integrity Division

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The Public Procurement Reform



ePP

electronic Public Procurement:
set in the context of a broader legal and
economic reform of public procurement

2007/2012

Pressure from the market. Lack of openness and transparency
Opportunity to improve efficiency in public administration.



The Public Procurement Reform

The pillars



ePP

Three main pillars:

Law + CPB + ePP



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How to get reform project right

The winner partnership towards the big change

- **Top Level Government Commitment**
- **Private Sector Support**
- **Public Administration Involvement (central and local)**

The success factors

- **Reform Pillars (Modern Law, CPB, eProcurement tools, FAs)**
- **Changing model: Legal, Economic, Social, Marketing**
- **Economic and Green Procurement Targets**
- **Confidence and Trust in the security of eProcurement platforms**



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How to get reform project right

The success of the Public Procurement reform in Portugal is by far due to the **constructive commitment of all stakeholders**,. All stakeholders involved in PP **trust** the system and its tools and see it as a value added improvement.

Aggregation, centralization of demand and the creation of the CPB helped delivering the change towards ePP

Players involved

Contracting Entities | Economic Operators | Public eTendering Platform Operators | External Auditors for Platform's compliance auditing | National Certification Office for e-Tendering Platforms | National Agency for Public Procurement – ANCP | National Portal for Public Contracts – InCI | Universities | Training Institutes | Lawyers | PP external consultants | Court of Auditors | Administrative Courts | Media | PR&Press | Political Institutions | EU | Citizens



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How to get reform project right

Key factors

eProcurement and CPB set as an approach and part of the Public Procurement Strategy

Investing in full fledge / full coverage models optimizes management and decreases waste and redundancy costs.

Success depends firstly on streamlining, transparency, getting trustable processes and people's skills, and only then in technology.

Critical Success Factors and Dimensions



Governmental Top-Down project, transforming procurement from tactical to strategic.

Political



Create a Governance model for Public Procurement reform and Legislation to support the new trend.

Financial



Promote a Change management plan focused on Implementation.

Social

Deliver value (full visibility into cost, risk and performance) to the Stakeholders



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Key figures

The eProcurement usage

- Mandatory since Nov.2009, 6 private eTendering platforms
- In 2012, 34 136 procedures, 4 900 M€, 77% of total value
- In 2012, Manchester index of 89 % (above EU thresholds)

The national public procurement system (CPB)

- 12 Ministerial Purchasing Units, +1 800 Entities mandatory, +500 voluntary
- 800 millions of annual public expenditure covered (80% of total)
155 M€ in savings 2009-2012, around 16%
- Over 250 contractors, +70% SME's
- Over 25 Framework Agreements concluded



Go to the market strategies

Possible actions to undertake

- **Training sessions** and **capacity building seminars** to improve skills in the handling of the eProcurement tools, but also to improve the knowledge about the system and the use of FA.

These actions should be **continuous** and included in the annual action plan of the CPBs, and some of them can be targeted to a specific universe, for instance, Municipalities, Ministry of Health or Education or sub-sectors like schools or hospitals. ***It is an ongoing process.***

- A **roadshow** in the major cities intended to enlighten CA, public servants, economic operators or commercial associations, and to explain the mission and role of CPBs, the objectives and coverage of the new system and the expected functions of each part.



Go to the market strategies

Possible actions to undertake

- Design and prepare a **visibility and awareness campaign** to run in parallel. Include media coverage and communication actions envisaged to create a solid understanding of the new system, either to the relevant users or stakeholders. Consider the possibility of engaging relevant opinion makers and high-ranked government officials.
- **Major events with national coverage**, like annual conferences on Public Procurement, with national and international experts, aiming to present the status of the reform and the evolution of the system. These occasions allow also the sharing of experiences and the gathering of feedback from the users.
- **Presence of SGC directors and officials** in several events, seminars and conferences to promote the new system.



Go to market strategy

Critical Phases

Buyer Side/Internal

1. Project Management
2. Offer configuration
3. Communication plan
4. Users and entities registration and configuration
5. Training plan
6. Forms parameterization
7. Users support

Supplier Side

1. Identify the list/range of suppliers
2. Communication plan > Engagement
3. Register and accreditation of suppliers
4. Training plan
5. Users support



Some recommendations

On both sides

Offer configuration

- Can be done by creating segmentation to apply different communication plans and different strategies for training.

Entities and users registration and configuration

- Can be a nightmare! Centralized vs. Decentralized.

Users training

- Theoretical / In demo / Practical Exercises / web tools

Forms parameterization

- It is important to help users and reduce training and support

Users support

Helpdesk: of business / functional / technical
Monitoring (during first procedures only?)



Build your team

“Talent wins games, but teamwork and intelligence wins championships.”

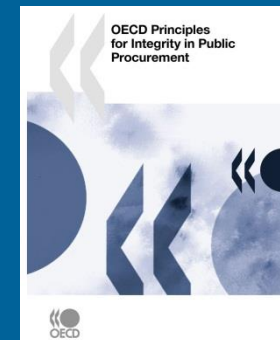
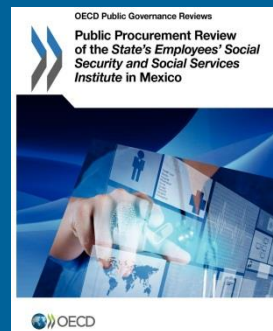
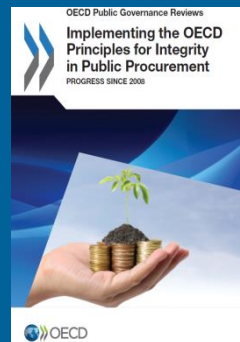
Michael Jordan



THANK YOU

Paulo.Magina@oecd.org

For more information on OECD work on public procurement



<http://www.oecd.org/gov/ethics/integrityinpublicprocurement.htm>