

March 2024

Government Procurement Services

This newsletter provides information to government purchasing and contracting professionals regarding public procurement topics.

### **UPCOMING CLASSES:**

Specification Writing
(Virtual)
March 26, 2024

Using Request for Proposals
(Austin)
April 3, 2024

Negotiation Skills (Virtual) April 11, 2024

Contract Administration
(Houston)
April 24, 2024

Purchasing 101 for Everyone (Houston)
April 25, 2024







# March is National Procurement Month



This month is designated as National Procurement Month. The month of March is set aside to recognize the vital role of procurement professionals. It is also a time to honor those individuals for their work. Public procurement professionals strive to provide efficient and effective use of taxpayer dollars.

We encourage you to recognize your entity's procurement professionals by publicizing National Procurement Month within your entity. Invite user departments to come by and meet with the procurement staff. One way to entice staff to attend your events is to provide refreshments. It doesn't have to be anything fancy or expensive. You can always count on people to show up for food!

Other ideas include:

### **Training Schedule**



# Group Discounts Available

# CONTRACT ADMINISTRATION

April 24, 2024 May 22, 2024 November 5, 2024

ESSENTIALS OF CONTRACT MANAGEMENT

December 4-5, 2024

### ETHICS AND FRAUD IN CONTRACTING

September 25, 2024 November 19, 2024

# FUNDAMENTALS OF PUBLIC PURCHASING

October 8-9, 2024 November 12-13, 2024

- Hold a Meet and Greet. Invite user departments to attend, learn about a purchasing topic, and meet the purchasing staff. Include "Buyer Bios" for everyone to read.
- Have a contest. See who can come up with the most words made up of the letters in "Procurement and Contract Management."
- Hold a Procurement Professional of the Year contest. Have user departments nominate procurement staff.
- Hold a Customer of the Year contest to show appreciation for your customers. It is the same concept, except the procurement staff nominates the customers.

If your policies allow it, provide your procurement staff with a gift card or time off as recognition. Plan activities to celebrate this month and recognize these great professionals!

We appreciate your professionalism and your service.



**QUESTION OF THE MONTH** 

#### **NEGOTIATION SKILLS**

April 9, 2024 October 23, 2024

#### PROCUREMENT MANAGEMENT ACADEMY

April 17, 2024
July 9-10, 2024
August 13-14, 2024
October 16, 2024
December 10-11, 2024

### PURCHASING 101 FOR EVERYONE

April 25, 2024 May 21, 2024 August 6, 2024 December 4, 2024

## SPECIFICATION WRITING

March 26, 2024 September 26, 2024 December 19, 2024

### USING REQUEST FOR PROPOSALS

April 3, 2024 July 17, 2024 November 21, 2024

### WRITING STATEMENTS OF WORK

May 15, 2024 October 22, 2024 November 7, 2024

#### **Question:**

"Do you have any interesting facts about purchasing that I can share with staff during Procurement Month?



#### **Answer:**

Here is an article I found that provides a historical background on procurement. It is a little long but worth sharing with your staff.

#### **Procurement and the Pyramids**

The first traces of procurement can be seen throughout ancient history, including the Egyptians in 3,000 BC. Though there was no designated procurement function, materials management aided in building the pyramids.

The Egyptians used scribes to manage the supply for these massive projects. Scribes played a clerical role, recording the materials and workers needed on papyrus rolls. These scribes would track orders through fulfillment and were among the first known in history to be in the procurement profession.

#### **Procurement Revolution**

Procurement's organizational role was not truly recognized until the 1800s. One of the earliest acknowledgments of the procurement function can be found in Charles Babbage's 1832 book, *On the Economy of Machinery and* 

*Manufactures*. He points to the need for a 'materials man' in the mining sector who selects, purchases, and tracks goods and services required. Essentially, Babbage called for a centralized procurement officer.

During the Industrial Revolution, procurement solidified its importance. Marshall Kirkman's 1887 book *The Handling of Railway Supplies - Their Purchase and Disposition* detailed procurement's strategic contributions to the railroad industry, specifically in acquiring goods from developed parts of the country and bringing them south and west. In 1886, the Pennsylvania Railroad gave departmental status to the procurement function, referring to it as the 'Supplying Department.'

#### **Procurement Shifts Again**

Unfortunately, the World Wars forced procurement initiatives to shift from a strategic role to strictly clerical. Due to the scarcity of materials during wartime, procurement revolved heavily around order placement. During wartime and the depression, the objective was to obtain enough raw materials, services, and supplies to simply keep the economy running.

It was not until the mid-1960s that procurement once again took on a managerial role on a wide scale. The concept of material management became the focus during this period. Procurement professionals emphasized competitive bidding, with price becoming the determining factor for most contracts. An increase in trained professionals during this period helped procurement on its way to regaining departmental status.

The 1980s saw a significant increase in supplier competition. This gave organizations the luxury of focusing more on supplier quality and dependability. Supplier management became an

important factor in procurement and remains so today.

By the late 1990s, the role of procurement had begun its transition into strategic sourcing. Procurement officials looked at suppliers as partners, and long-term contracts were encouraged. This was the beginning of procurement's modern-day evolution.

#### **Procurement Today and into the Future**

Today, procurement professionals are instrumental to the success of organizations. They're responsible for an umbrella of initiatives from developing a solicitation to evaluating and working with qualified suppliers and everything in between.

Ultimately, procurement significantly impacts an organization's bottom line – solidifying its spot at the management roundtable. In the 1960s, a CPO (Chief Procurement Officer) was unheard of; today, more and more procurement heads are helping their organization develop and reach strategic and operational goals.

New technologies continue to evolve procurement. E-procurement solutions are creating a more efficient approach to strategic sourcing. With the shift towards strategic sourcing, e-procurement bid and vendor management software save the organization time to focus on organization initiatives and supplier relationships.

Though procurement has a long history, its role as a strategic part of the organizational structure is still relatively new. Procurement's quick

evolution through the last 30 years can be credited to many of the professionals we are celebrating this month. In the years to come, it can be expected that the procurement function will only continue to develop and expand its ability to directly impact successful organizations.

Source: The History of Procurement: Past,

Present, and Future; Mike Nolan,

SourceSuite.com

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