Politics and Procurement

Is public procurement really absent from politics today?
What is Politics?

• **The art or science of government**
  - The art or science with *guiding* or *influencing* governmental policy
  - The art or science concerned with *winning* and *holding control* over a government

• **Political affairs or business; especially**
  - Competition between competing interest groups or individuals for power and leadership (as in government)
  - Political life especially as a principal or profession
  - Political activities characterized by artful and often dishonest practices

• **The political opinions or sympathies of a person**

• **The total complex of relations between people living in society, relations, or conduct**

*Merriam-Webster Dictionary*
What is Politics?

- **Activities associated with government**: the theory and practice of government, especially the activities associated with governing, with obtaining legislation or executive power, or with forming and running organization connected with government

- **Political life**: political activity as a *profession*

- **Power relationship in specific field**: the *interrelationships* between the *people, groups, organizations* in a particular area of life especially insofar as they involve power and influence or conflict

*Encarta World English Dictionary*
What is Politics?

Politics (from Greek, πολιτικός, “of, for, or relating to citizens”), is a process by which groups of people make collective decisions.

- Art or science of running governmental or state affairs. Refers to behavior within civil governments
- Observed in other group interactions; corporate, academic, and religious institutions.
- Consists of “social relations involving authority or power and the regulation of public affairs within a political unit, and to the methods and tactics used to formulate and apply policy.

Wikipedia
Public Procurement

- Procurement for governments
- Procurement for citizens
- Procurement for groups, individuals, and organizations
- Transparent process
- Fair, open and equitable to all
- Best value for the entity and taxpayer
Do these complement or collide at times?
Do Politics Impact Procurement Officers?

- **2010 Elections**
  - 26 states elected new Governors
  - 15 states have new Chief Procurement Officers
  - 58% change in CPO’s

- **2009 Local Government Elections**
  - 37 cities with Mayoral elections
  - 12 new mayors
  - 32% change in leadership
  - Change in council positions/school boards
**Policy Initiatives**

- Illegal Immigration
- E-Verify
- Small, Minority and Woman Owned Business
- Veteran Preferences
- Set-Aside Programs
- Local Preference Laws
- Program Initiatives
  1. Welfare fraud
  2. Business intelligence
  3. Procurement software
  4. Private prisons
  5. Prison concessionaire services
Today’s Topics

• Lobbyists
• Communication with industry
• Public perception of government
• Public information requests
• Budget shortfalls, cost reductions
### What Do You Think?

<table>
<thead>
<tr>
<th>Is it good?</th>
<th>Is it bad?</th>
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<tbody>
<tr>
<td>▪ Does it raise procurement’s profile?</td>
<td>▪ Does it lower procurement’s profile</td>
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<tr>
<td>▪ Does it impact our decision making?</td>
<td>▪ Do we work to avoid any knowledge or impact?</td>
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<tr>
<td>▪ Does it impact the price we pay for goods &amp; services?</td>
<td>▪ Do we ensure there’s no impact on pricing?</td>
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<tr>
<td>▪ Does it impact who we do business with?</td>
<td>▪ Do we ensure there’s no impact on who we do business with?</td>
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Let’s Discuss Some Examples

**Bad Headlines**

- Former City Contractor Convicted in Connection with Bribes and Kickbacks in Exchange for City Contracts
- City of Phoenix, AZ Airport Food Service Contract
- Two Charged in Navy Kickback Scheme

**Good Headlines**

- Positive Politics – Performance Based Contracts
- Government Procurement Opens up Contracts to Small Businesses
- Senators Attempt to Block Politics as Usual from Procurement
Let’s Discuss Some Examples

**Bad Headlines**

- Atlanta Schools Defy Bid Rules on Wireless Contracts
- Small Town, Big Scandal – Steered $700K to Companies without Competitive Bidding or City Council Approval
- Social Innovation Snagged in Procurement Red Tape

**Good Headlines**

- Administration set to Order Contractors to Disclose Campaign Contributions
- Commissioners Push for Small Businesses
- Spread Wealth Close to Home with Minority Business Contracts
Rules of the Road...

Use Politics to Better Procurement

1. Meet with vendors/lobbyists to learn innovative ideas.
2. Meet with elected officials to understand their concerns and goals

But…Stay Out of Trouble

1. Always be transparent.
2. Remember it’s taxpayer dollars.
Rules of the Road...

Use Politics to Better Procurement

3. Meet with all stakeholders to see how things can be improved.

4. Remember there are public goals to achieve.

But...Stay Out of Trouble

3. Don’t compromise your ethics.

4. Be aware of organizations that don’t follow ethical standards.
Remember… Politics & Procurement

- Politics is inherent in our world, work, and society
- Politics exists in many environments and in many forms
- Always maintain your ethical public procurement principles
- Be aware of your political environment
- Seek guidance from others, if in question – legislative liaison, upper management