

The top five challenges in public sector procurement... and how to overcome them.



1

Challenge: Understanding the marketplace.

It may have been a while since you last procured this product or service, or you could be looking to source something completely new, but the marketplace is moving at such a pace it can be difficult to know where to begin. It may feel safer to stick with what you know than to try something that you perhaps don't fully understand.

The solution: Don't be afraid to draw on external help to determine the optimal route to market, screen suppliers, and ensure you get a competitive deal at the end of the process. A good strategic procurement consultancy - for example - will know the supply market inside out, and can help you deliver improved results and better value for money from the get-go.

2

Challenge: Attracting the right suppliers.

Many suppliers are no longer tendering for local authority contracts, as they see them as providing too much pain for too little gain - lacking clear strategic direction, poorly managed, generating high reputational risk, and providing little profit at the end of it all.

The solution: Make sure you have a strong foundation from which to go out to market. Develop a clear strategy encompassing what you need to buy now and in the future, determine your optimal routes to market, and put in place robust processes that get the job done.

3

Challenge: Extracting value from those suppliers.

You can negotiate the best deal in the world, but if you don't manage your supplier effectively to deliver the value set out in the contract, you're never going to see the results you want.

The solution: Your relationship with your suppliers should be a partnership. Make sure you allocate the necessary resource to manage the relationship and ensure adherence to the contract - both you and them. Maintain clear lines of communication, and ensure you have tangible metrics by which to measure suppliers' performance.

4

Challenge: Finding good people - and keeping them.

The public sector has a reputation for expecting a lot of its procurement professionals, while rewarding them with low pay and little to no progression. A lack of strategy and effective processes can also be frustrating, meaning that if you do attract good people, they are unlikely to stay.

The solution: Pay the market rate, provided clear progression routes, and be genuinely open to flexible and remote working models. Fix the clunky processes, set a clear strategy, and let people know how their work makes a difference.

5

Challenge: Overcome the consultancy "problem".

With spending public money comes a requirement for transparency, but not all stakeholders understand the value consultancy can bring, which can lead to accusations of "wasting" money on expensive external resource to do work you could perform in-house.

The solution: Continue to use consultants where needed, but use them for the right reasons, to inject fresh perspectives and commercial nous, and to help you deliver resource in a more efficient way. If consultancy helps you provide a better service to the public, while saving money in the long run, it's nothing to apologise for!

eXceeding has considerable experience in public sector procurement. We understand how to advise contracting authorities on all aspects of their procurement processes, consider frameworks where appropriate and ensure that a compliant and auditable process is followed every time, whilst getting the desired best practice outcomes. Let us guide you to a successful outcome. **[Speak to us today.](#)**