ABSTRACT

In this chapter we examine the specific issue of public procurement, its importance to local, regional, national, and international economies as evidenced in a unique international comparative research study – the International Research Study of Public Procurement (IRSPP). First the public procurement literature is examined. Then the story of IRSPP is told – why and how it was formed, and the five phases of research that have been conducted to date since 2003. The phases build on prior phases as knowledge and priorities for research have unfolded. To date IRSPP has contributed to knowledge and changed public procurement practice internationally, specifically relating to understanding international differences and similarities, understanding sectoral issues, examining capacity and capability, exploring the strategic role of public procurement in supporting and delivering economic stimulus packages, and examining how governments can improve engagement of small to medium enterprises in government procurement contracts. It is concluded that it is not necessarily the case that the developed world is outperforming less developed nations; powerful lessons have been learnt from developing nations in terms of their ability to use public procurement as a lever of economic and societal reform and integrate it more fully in government policy and practice.

KEYWORDS

Public sector, international comparison, public spending, procurement policy
INTRODUCTION

Public procurement is important, not just to governments tasked with providing public services, but to local, national, and international economies. Quite how important is a matter for significant debate and effort in collecting and analyzing expenditure data. Offices gathering data routinely on the amount recorded in public procurement contracts report figures around 13 percent of gross domestic product (GDP) (OECD iLibrary, 2011). However, this figure does not include procurement by state-owned utilities that do not report expenditure in the same way as central and local government departments. The World Trade Organisation (WTO, 2012) estimates that public procurement represents around 10–15 percent of most economies. But clearly this figure varies enormously, not just according to how public procurement is defined and measured, but also in real terms according to how many of the economic goods and services producers in a country are owned by the state.

But should measures of the impact of public spending be bounded by economic measures of final goods and services production, as represented in GDP? There are recent calls for evidence-based analysis of the true impact of reductions of public spending, not just on national and local economies but also on employment, social wellbeing, communities, public confidence – even ‘happiness’ has been suggested as a reasonable indicator to monitor in relation to spending cuts (Tizard, 2011). As the evidence-based movement sweeps through medicine, healthcare, policy making, and more recently management decision making (see, for examples, Belsey and Snell, 2003; Bambra, 2005; Muir Gray, 2004; Pfeffer and Sutton, 2006) the debate on how public procurement might be evidenced has commenced (Harland et al., 2007).

In this chapter, however, we will not focus on the significance of public procurement in broader macro areas of politics, economy, society, or technology, but rather on understanding more about what is happening internationally in the sphere of public procurement and its broader role in supporting and delivering government objectives. We also seek to examine here the issues and challenges facing public procurement.

First we will summarize the literature relating to public procurement through the various lenses used to define and characterize it. We will then tell the story of the International Research Study of Public Procurement – IRSPP – how and why it was formed, how it grew and developed over time, and what has been learnt and improved as a result of this pioneering research study.

PROCUREMENT IN THE PUBLIC SECTOR

Despite the seemingly unceasing flow of private sector business magnates brought in by politicians and civil servants to sort out public sector spending, it is widely accepted that procurement in the public sector is different to purchasing
and supply in the private sector in a number of key ways (Thai, 2001) and future leaders need to understand these differences.

First, the rules and regulations framing and governing how public procurement is conducted make for a very different environment compared to private sector purchasing and supply. These are enshrined in various national and international regulatory frameworks, statutes and directives including the WTO plurilateral international agreement on government procurement (GPA), primary and secondary legislation of the European Union and specific titles in the United States Code. However, it is overly simplistic to characterize the differences between public and private sector procurement as contrasting the state and the market; as Williamson (1999) explained, there are many different forms of public bureaucracies requiring appropriate use of markets, hybrids, firms, and regulation. Modern public sectors embrace plurality of public service provision through outsourcing, market testing, compulsory competitive tendering, public/private partnerships and private finance initiatives, to name a few examples. The boundaries between public and private are increasingly blurred; however, it is still the case that public procurement practitioners seeking to source capital and revenue goods and services are required to comply with laws and regulations that do not apply to their private sector counterparts. These constraints impact on both the structure and processes of public procurement.

More strategically, the purpose of public procurement may be viewed differently to that of private sector purchasing and supply. Organizational goals of ‘for profit’ businesses frame the purpose of private sector purchasing and supply as supporting or delivering profits in terms of return on investment and earnings per share. Public sector organizations are governed by multiple stakeholders, often with conflicting objectives relating to economy, society, politics and innovation/technology. Public procurement is increasingly being viewed as a policy instrument, for example as a demand-side instrument for driving innovation (Edler and Georgiou, 2007; Aschhoff and Sofka, 2009) or a policy instrument promoting sustainability (Brammer and Walker, 2011).

There are also structural differences between private and public sector procurement. It can be argued that the scale of spending of large multi-national corporations, such as global pharmaceutical companies, is more than some nation states, therefore the structural difference is not purely one of scale. However, the organization structures of purchasing in the private sector are determined by executive boards of directors empowered to take decisions and implement them. This is very different to the decision-making structures in governments where policies and directives frame the decision-making behavior of many local organizations. For example, in the UK the police service comprises 52 police forces, 44 of whose most senior officers are members of the Association of Chief Police Officers of England, Wales and Northern Ireland and eight are members of the Association of Chief Police Officers of Scotland, whose forces are planning to merge to form one police service for Scotland. To accommodate local purchasing decisions in these confederal systems it is common practice for central framework
agreements to be made with suppliers rather than central contracts. These framework agreements are communicated to local practitioners who may or may not choose to use them. In addition to centrally organized framework agreements, various cooperative purchasing forms have emerged to support procurement in these complex public sector systems (Schotanus and Telgen, 2007; Bakker et al., 2008). One of the primary causes of failure to achieve economies of scale and scope at national levels in public procurement is so-called ‘maverick buying’, or non-adherence to centrally formed framework agreements. Whilst Karjalainen et al. (2009) point out that the phenomenon of maverick buying is not limited to the public sector, it is more endemic across government because of the nature of devolved and confederal government structures with weak executive power over local purchasing decisions.

The vast majority of academic research and publications on strategic supply management are focused on private sector purchasing and supply. Harland and Telgen met soon after 2000 to discuss the state of knowledge on public procurement. From this initial discussion the International Research Study of Public Procurement was born.

**International research study of public procurement**

The IRSPP originates from 2002. It was based on the acknowledgement that international comparative research in public procurement will need the input from senior practitioners. Visiting and interviewing these senior practitioners one by one would be a daunting task and would require a major effort in aligning the interviews to obtain scientifically valid results. Instead, IRSPP opted for bringing together these senior practitioners from various nationalities and having group discussions with them and between them. This has the added advantage of providing immediate input for their daily job and allowing for deeper discussions because of the immediate feedback on positions taken. In summary, IRSPP was practitioner-centered from the start. Participants were invited on a personal basis, attendance was by invitation only, and a limited number of academics were only allowed in to support practitioners and assist in the analysis.

The intention of IRSPP from the outset is to be practice-led, addressing issues that will impact on public procurement practice internationally.

IRSPP started its first phase of research and hosted its first research workshop in 2003 in Budapest. The first workshop was exploring what was known about public procurement and what were the major issues facing this field. Each workshop and its subsequent analysis have been used to drive forward further questions and issues for the next phase of research. IRSPP 2 addressed similarities and differences across different parts of public sector. The third phase, IRSPP3, examined how to build capacity and capability in public procurement. IRSPP4 was going to look at performance and evidence-based approaches but was overwhelmed by the imperatives arising from economic recession so switched track to look at the role of public procurement in economic stimulus packages. IRSPP5 focussed on the
engagement of small and medium enterprises (SMEs) in public procurement contracts and how to improve their involvement. The topic for IRSPP6 will be debated across the IRSPP network prior to its planned workshop in 2013.

The IRSPP network of academics, public procurement practitioners, professional institutes and consultants involves Australia, Austria, Belgium, Canada, Cape Verdi, China, Denmark, Eire, Finland, France, Germany, Hungary, Italy, Japan, Korea, Malaysia, Mongolia, Netherlands, New Zealand, Philippines, Portugal, Russia, Singapore, Sweden, South Africa, Tanzania, Thailand, Tobago, Trinidad, Uganda, UK, US, and Vietnam. All participants have equal ownership of IRSPP data and share a code of courtesy and practice to seek permission from the appropriate case author/participant if analysis, publication, or particular reference to their case content is to be made. The academic and executive reports of each phase of IRSPP are available on the IRSPP website, the address being provided in the reference section at the end of this chapter. A book (Knight et al., 2007) has been published, as have a number of academic and practitioner articles and conference papers.

In the following sections a summary of each phase, what it was intending to achieve, the methodology used, the findings and conclusions are summarized to tell, for the first time, the narrative of the formation and development of a unique international applied research network.

**IRSPP1**

**Aim and objectives of IRSPP1**

The first International Research Study of Public Procurement took place in 2003 in Budapest, Hungary, and involved senior practitioners and leading academics from the field of strategic purchasing and supply management from 13 countries. The aim of IRSPP1 was to conduct exploratory, qualitative research to identify critical factors that appeared to impact significantly on purchasing and supply in the public sector in the context of major government reform. The objectives were to:

- bring together a selected group of leading international strategic supply management academics and public sector practitioners in a workshop;
- share and debate structured case studies of public sector services undergoing major reform;
- for each case, draw out the critical factors that appear to have significant impact on purchasing and supply;
- perform cross-case analysis to identify similarities and differences;
- derive an initial framework for public sector purchasing and supply containing the critical factors for management attention in major government reform programs.

**Methodology of IRSPP1**

The founders of IRSPP – Professors Christine Harland and Jan Telgen – listed their known academic contacts active in the field of strategic supply management
in the public sector. They used contacts in this initial network as conduits to connect to other active academics – this ‘snowballing’ approach was used to form the invitation list to the workshop. Each academic was invited to form a partnership with a senior public procurement practitioner in their country to prepare a structured case study on the role of public procurement in major government reform. They were informed that they would present their cases in parallel streams and that part of their role was to make observations and question other case presentations in their stream.

In addition, senior influencers in the field of purchasing and supply, such as chief executive officers (CEOs) of international professional bodies, consultants, and practitioners in international bodies, such as the United Nations, were invited to the workshop as ‘inquisitors’. Their role was to observe the case study presentations and discussions and lead questioning of why each nation was performing public procurement in the ways presented in the cases.

Prior to the workshop, the following case structure was provided to academic/practitioner pairs and sufficient time allowed for them to perform research to develop their case studies.

Part one – case description

• Government departmental structure at a national level and location of the case organization in the structure;
• Presence of any national/regional agencies for purchasing and supply;
• Case organization structure indicating location of purchasing and supply;
• Finance – total budget per annum, top-level budget headings and amounts. Process by which budget is provided to the case organization;
• Purchasing and supply – total spend per annum, major categories of spend and amounts, location of policy, strategy, management and operational decisions, and overview of the purchasing and supply process;
• Regulation and legislation governing or influencing purchasing and supply related to the case organization;
• Key stakeholder groups and their influence on purchasing and supply in the case organization.

Part two – major reform effort and relationship with purchasing and supply

• Key problems facing this organization/public sector service;
• Nature of major reform;
• Issues relating to the reform impacting on purchasing and supply;
• Barriers and constraints relating to the reform;
• ‘Wish list’ – what would have to change to enable this reform to happen successfully, particularly relating to purchasing and supply.

The cases studies were submitted and distributed to all participants in advance of the workshop to allow participants to form questions to be asked during the workshop.

Findings of IRSPP1

There was significant diversity across the case studies presented in terms of political, societal, demographic, technological, and economic differences. Each
country was struggling to design public procurement policies and strategies that were appropriate to their national contexts. Depending on the particular case study chosen, specific supply network differences were observed relating to the nature of the supply market, the nature of the public service being provided to recipients and the role and influence of stakeholder groups. Regulation and accountability laws and processes varied between nations. The extent of involvement of private sector providers in more plural provision systems varied. Public procurement practitioners therefore sought to design appropriate strategies, policies, and processes to navigate their way within these complex, public supply systems. A conceptual framework, shown in Figure 16.1, was developed and used within this first study.

Despite these differences, however, several common themes emerged. First, most countries lacked sufficient management information on how much was being spent, on what and by whom, so a basic analysis of any nation’s spend portfolio by category was problematic. As a result of this lack of information, there was little evidence of formal, strategic supply management; rather there were indications of emergent, reactive responses to concerns and issues arising.

A second common theme was related to the role of procurement in government; it was consistent across the cases that procurement practitioners were not in strategic roles in government so the procurement voice was not being heard in policy and strategy decision making. Rather, public procurement was more an operational means to an end to deliver the goods and services required in government to support its strategies and policies. The lack of strategic positions for
procurement personnel was suppressing salaries and career paths, leading to an international shortage of capable, highly qualified, professionals.

However, the future direction of travel for public procurement was, in many countries, becoming more policy and strategy driven, with public procurement increasingly being recognized as a lever of economic or societal reform. This was particularly evident in countries with aspirational government objectives, such as South Africa where public procurement was being used to support black economic empowerment as part of the drive to remove apartheid. Countries with a legalistic basis for public procurement, such as Germany and Belgium, were finding it harder to make this shift towards public procurement becoming a supporter or driver of broader government objectives. The registration and prequalification of suppliers was seen as an important tool to prevent suppliers that failed to meet required ethical or safety standards to engage in public procurement contracts. As well as preventing certain suppliers engaging, positive discrimination approaches were being used internationally to direct public spending towards less advantaged groups of society, such as ethnic groups, women-owned businesses, small to medium sized businesses and businesses supporting access for those with disabilities.

**Conclusions of IRSPP1**

This first International Research Study of Public Procurement was exploratory in its design and execution. It was formed to bring together a community of senior practitioners and academics whose members had previously been working largely independently and on national or regional research relating to public procurement. Prior to this study there had been very little research performed on international comparative questions. The exploratory nature meant that there was no well-formed research question central to the study from the outset. Rather, it was more about finding out what was going on in public procurement around the world, and whether there were common issues of concern, and common themes of development. The conceptual framework for public sector strategic supply management developed in the study reflected the key features of the context within which public procurement strategies and policies are formed. The application of this framework enabled the exposition and exploration of differences and similarities between the international case studies presented.

The findings of IRSPP1 were published in a book volume (Knight et al., 2007). The participants in Budapest confirmed and decided on many of the issues that now form the basic elements of IRSPP (data ownership, research output, etc.). The reiteration of the decision to restrict participation in IRSPP to ‘by invitation only’ and the acknowledgement that more international exchange on public procurement was needed led to the creation of the International Public Procurement Conferences (IPPC), of which the first one was held in Fort Lauderdale in 2004.

The findings of IRSPP1 were used to formulate a focus and a questionnaire to support the next phase of the study, IRSPP2.
IRSSP2

Aim and objectives of IRSSP2

The aim of the second workshop of the International Research Study of Public Procurement (IRSSP2) was to build on the foundations of IRSSP1 through providing an interactive workshop exploring themes arising from the first study. The objectives were to:

- perform an initial survey prior to the workshop;
- use the analysis of the initial survey to inform and guide the design of the workshop;
- explore four specific sectors of public procurement in the workshop – health, defence, education, and local government;
- explore themes arising from IRSSP1 in the workshop;
- draw out during the workshop critical research questions that need examining;
- use the findings of the workshop to inform the design of a comprehensive, rigorous international survey to contribute to answering the research questions;
- use the findings of the initial survey, the workshop and the international survey to provide papers for future International Public Procurement conferences;
- use the findings of the workshop and the international survey to inform the design of IRSSP3 2007.

Methodology of IRSSP2

The first workshop was exploratory in nature and highlighted some key themes that formed the basis for the design of this second phase. Prior to the workshop questionnaires were distributed to senior procurement practitioners in four sectors (health, defence, education, and local government) in the 11 countries whose case studies were to be represented at the workshop. The responses to the questionnaire were analyzed and the findings formed the design of the workshop.

Through a mixture of plenary presentations and group discussions, the workshop focussed on five themes drawn from the questionnaire responses:

- The policy role of public procurement (policy and government objectives);
- The professionalization of supply (human resources and people issues);
- Using procurement to promote innovation;
- National approaches to managing key suppliers (supplier relationship management);
- How does procurement move towards the ideal, and what is it?

Findings of IRSSP2

All the countries involved in this phase of research were undertaking major reform of public procurement. The focus of that reform was the recognition that the potential strategic contribution of public procurement to broader government objectives should be examined and developed. The view was expressed across the nations that if public procurement merely reacted to government decisions, the opportunity to explore what public spending might be able to deliver might be missed. Interestingly the reform most commonly manifested in structural/
organizational change, with the centralization vs decentralization of public procurement being a constant debate.

Each country had their own purchasing professional bodies with varying degrees of influence and varied levels of education and qualification. It was observed that those nations with strong purchasing professional institutes that offered degree level qualification/certification programs were more influential in the development and positioning of public procurement practice. All participating countries agreed that public procurement practitioners should be appropriately qualified.

Because of the scale of public procurement, there is significant potential influence on innovation. Within the study the barriers to innovation in the public sector were explored and the main barriers identified were risk aversion, lack of skills, and limitation of resources. Solutions to these barriers were proposed and included retraining, pilot projects, and consortia arrangements.

Failure to manage relationships with key suppliers strategically was identified across the countries involved in the study. Most public procurement emphasis was on communication and trust in these relationships, and contractual governance to set up the relationship and control it. There was also a strong emphasis on avoiding over dependence on a single supplier. However, there was insufficient effort and resource invested in the longer term, strategic development of key relationships. There was also lack of visibility beyond first tier relationships allowing some suppliers to conceal how reliant some public sector services were on an individual company.

In terms of structure and organization, the majority of countries that responded to the survey reported that the procurement structure was either national or state centralized with less than half having de-centralized/local purchasing as the dominant structure. The role of purchasing was most often selected by respondents as ‘to deliver value for money and to be an integral part of government’s capability to deliver its policies’.

Relating to human resource/people issues, many respondents did not know the total number of employees in their sector, but from the information provided it appeared that an average of 0.7 percent of public sector employees were involved in purchasing. There were difficulties highlighted relating to salaries and promotions as these were found to compare unfavorably with the private sector. It was also found that it was difficult to attract new graduates and retain qualified, experienced staff.

In terms of public procurement’s role in broader government objectives, most respondents to the survey agreed that transparency was critical, but few agreed that public procurement was closely integrated with government objective setting and delivery, beyond demonstration of value for money and cost minimization/savings.

When asked to rank principles for procurement policy and performance measures, open and effective communication and value for money were highlighted as being central to both, although performance measurement
appears to be dominated by short-term savings rather than long-term improvement measures.

In terms of strategic relationships, the majority of participants did not see moves towards greater public private partnership, however there was a greater consensus that there is increasing private sector involvement in the delivery of public services, the exception to this being Russia. Apart from in the UK and Australia there was general agreement that strategic supplier relationships were developed, as opposed to arms-length relationships.

Participants were asked to select their stage of procurement development on a four-stage positioning model with stage 1 being the lowest and stage 4 the highest. Over 80 percent rated their procurement function at stage 2 or 3; only one respondent rated their procurement function as at stage 1. This initial four-stage positioning model was further developed during the workshop as greater understanding of maturity of public procurement was gained through discussing the survey findings in the context of each international case. As a result a maturity framework of stages of public procurement development was formed; this is shown in Figure 16.2.

**Conclusions of IRSPP2**

The discussions around policy objectives of public procurement were broad ranging. The top priorities were still value for money and efficiency, though there

<table>
<thead>
<tr>
<th>State</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Deliver of broader government policy objectives</td>
</tr>
<tr>
<td>6</td>
<td>Supporter of broader government policy objectives</td>
</tr>
<tr>
<td>5</td>
<td>Value for money</td>
</tr>
<tr>
<td>4</td>
<td>Accountability</td>
</tr>
<tr>
<td>3</td>
<td>Efficient use of public funds</td>
</tr>
<tr>
<td>2</td>
<td>Compliance with legislation/regulation</td>
</tr>
<tr>
<td>1</td>
<td>Sourcing and delivering goods and services</td>
</tr>
</tbody>
</table>

**Figure 16.2. Maturity framework of stages of public procurement development**
was recognition of the emergence of lower level priorities such as sustainability and social reform. Participants shared the view that whilst political objectives might change and were often in a state of flux, it was important that public procurement practitioners should stay focussed on a small number of priorities that they intended to achieve and perform well at, in spite of political changes. This proactive, focused role of procurement was viewed sometimes as a tightrope when short term reactions to political will was required.

Through the application of the maturity framework of stages of public procurement development, it became apparent that in more developed countries, the level of bureaucratization of public procurement structures and processes seemed to lead to a separation of public procurement practice from government policy making. The UK and US practitioners were positioned more at the stages of providing efficiency and accountability, possibly demonstrating value for money, but not being party to supporting or developing broader government policies. In less-developed countries the picture was mixed; whilst in South Africa there was a clear initiative to use public procurement as a lever of policy reform, but other African nations were struggling with corruption, so were focussing more on compliance with laws and regulations to stamp out corrupt practices.

In terms of human relations, it was common across the countries participating that the low status of public procurement, particularly in terms of salaries and career opportunities, was impeding progress. However, in countries where a strong professional institute existed, progress was greater and the status of public procurement was elevating to be viewed as being important in helping achieve government objectives. There did appear to be an international shortage of highly qualified, highly competent public procurement practitioners; professional institutes and higher education providers were seen as critical to addressing this international skills shortage. In countries struggling with corruption in the public sector, regulations and legislation were viewed as useful mechanisms to drive out corrupt practices and protect practitioners from doubt of their professional integrity and ethics.

The involvement of public procurement in the innovation agenda varied across sectors within public service with education being the weakest in understanding the potential role.

Regarding strategic relationship management, the most sophisticated approaches were coming from European cases, rather than developing countries or the federal/state systems in the US, Canada, and Australia. Within key relationships the European countries were focusing on relational issues such as communication and trust whereas the non-European countries were focussing on operational aspects of establishing and running the relationship. Avoidance of dependence on key relationships was common to all countries.

Overall the participants were most interested in learning how to build capacity and capability within public procurement, so this was proposed as the topic for the next phase of research.
IRSPP3

**Aim and objectives of IRSPP3**

The third phase of the International Research Study of Public Procurement brought together 17 country case studies on building capacity and capability of public procurement. The objectives were to:

- conduct exploratory, qualitative research to identify the gaps between ‘providers’ of capacity and capability and ‘doers’ – those involved in implementing capacity and capability building programs;
- bring together a select group of the highest possible level of international academics and public sector practitioners in one forum;
- share and debate structured case studies of public sector services addressing capacity and capability issues;
- undertake a systematic literature review of current knowledge on capacity and capability and to gain an understanding of the approaches employed by different sectors when tackling issues relating to capacity and capability;
- publish two reports, one for practitioners, the other a more detailed academic report of the research.

**Methodology of IRSPP3**

Prior to the workshop the organizers performed a systematic literature review. Each participating country’s academic and practitioner partners were asked to prepare their case study using a template requiring them to provide general information about their case organization, the particular problem in their case study relating to capacity and capability, a detailed example of a procurement project or exercise where capacity and or capability were deficient, and key requirements for the future to impact improvement of capacity and capability.

During the workshop the case studies were presented in streams to allow in-depth consideration. In addition to case participants, invited procurement experts took on the role of ‘inquisitors’ to question case presenters. Plenary sessions were used to integrate the findings of each stream and draw out key themes and issues. All the cases, their discussion, and plenary sessions were captured and formed the dataset for analysis. After the workshop the data were analysed using NVivo to identify groups of issues. This phase of research was reported in three reports – a literature review, an academic report, and a practitioner/executive report.

**Findings of IRSPP3**

The first area of findings related to the nature of the capacity and capability problem in public procurement. Despite the variation of topics across the case studies presented, four themes were identified in the analysis as recurring across many cases, namely:

- The development of public procurement as a profession, in terms of raising its profile and credibility and also positioning it strategically;
• The use of public procurement as a lever for change, i.e. policy through procurement. This was particularly evident in developing countries where procurement was being used to bring about social reform;
• Addressing the information imbalance in terms of enabling transfer of information inter- and intra-organizationally using standard formats;
• Delivering procurement efficiencies through structural change, be it centralizing, decentralizing, or performing collaborative procurement in hybrid organizational forms.

The second area of findings related to who the main actors were in developing public procurement capacity and capability. Central government often played a key role and strong professional institutes were seen as vital to development, through training and the provision of recognized qualifications. Consultants also played a role in providing external expertise.

The third area related to resource issues. Education, training and development were identified as important in disseminating so called ‘best practice’ procurement practices, but more strategically, through higher education to develop strategic thinkers capable of engaging in policy and strategy in the public sector. A strong higher education sector was also identified as important for raising the profile and credibility of procurement as a profession. Qualifications and skills were important means of achieving these improvements of profile and influence. Funding for building capacity and capability of public procurement was particularly an issue for developing nations who relied heavily on external development agencies such as the UN, World Bank, and national government departments for international development that provided aid and support. An interesting resource concern was discovered – it appeared that many countries perceived their public procurement community as an ageing group, with a fear that new blood was not being attracted into the profession.

We identified a set of findings termed ‘key issues’ within which we grouped environmental, managerial, structural, operational and future issues. Of note, successful reformers recognized the key role played by politicians who recognized the potential benefits of using public procurement as a policy lever. Another interesting issue was that of identity – as procurement became involved in broader policy teams, spending issues were no longer viewed as procurement, and became wrapped up under policy initiatives with various banner titles. The impact of regulation was discussed, highlighting the great variability of compliance with the spirit and the letter of the law across the EU in particular. Within organizations, issues relating to compliance were highlighted; in some parts of public sector the devolvement of decision making led to lack of awareness of appropriate regulations.

The centralization vs decentralization debate was increasingly being replaced with hybrid approaches and collaborative forms of procurement, such as lead purchasing and piggy backing.

Increasing pressure on procurement to present evidence was driving forward the need for evidence-based public procurement in a more formal sense. However, the difficulties of gathering evidence and providing meaningful benchmark data
and indicators of performance became more accentuated as public procurement tried to evidence impact on broader government objectives such as social and economic improvement.

Overall, the most important and consistent issue was the need for a common body of knowledge that might become a ‘discipline’.

**Conclusions of IRSPP3**

Professionalization was recognized as a way of improving the credibility and capability of public procurement, and a means to develop a common, transferable body of knowledge. It also supported individuals’ development and contribution to delivery of policy objectives and implementation of good, appropriate practices.

A common tension in programs to build capacity and capability of public procurement lay within the conflict between short-term economic/savings objectives and longer term broader government objectives, such as societal improvements. Some potential solutions to this tension proposed were to develop more meaningful indicators of performance embracing longer term non-economic contributions of public procurement and getting procurement practitioners closer to politicians. The importance of strong leaders in government with knowledge and understanding of public procurement was also identified.

The influence of different organization structures for public procurement was examined. Each country’s public procurement was categorized as centralized, decentralized, or hybrid/collaborative. Across the case studies each of these organizational forms was evident. There were no clear indicators that any one organizational form had more merits than others. Rather it appeared that each country did a ‘pendulum swing’ from one form to another. Countries that previously had centrally controlled procurement regimes were keen to decentralize. Northern European and North American nations, where decentralized approaches had been the norm for some time, were keen to explore the benefits of centralization and more collaboration.

As in previous phases in this research study, whilst some common themes emerged, the need to respect and work with cultural and contextual differences was stressed. This led to the members of the study stepping away from notions of ‘best practice’ in public procurement internationally and more to appreciation of the need for ‘appropriate practice’. It was also evident in the study that different countries were at different stages of development of public procurement and this impacted on focus and priorities, echoing the findings of IRSPP2.

The main topics suggested for the next phase of research were around the themes of evidence-based approaches and performance measurement. However, during the design phase of IRSPP4 events worldwide overtook the global economy; the global financial crisis gave rise to an imperative for us to examine the role of public procurement in supporting and delivering economic stimulus packages.
IRSPP4

**Background to the imperative for IRSPP4 to examine the implications of the global financial crisis**

The global financial crisis (GFC) had its roots in a number of events involving global financial markets. For example, in the USA interest rates rose almost five-fold between 2004 and 2006, triggering a major slowdown in the US housing market (Ellis, 2009). In early 2007, the New Century Financial Corporation filed for bankruptcy and a few months later Bear Stearns followed suit. In August 2007, France’s BNP Paribus announced that it could not value the assets held by three of its hedge funds, signaling that the financial problems of the USA were also apparent in Europe. Shortly after this, UK bank Northern Rock, experienced a run on deposits from its customers and as a consequence sought emergency funds from the Bank of England. By June 2008 the US jobless rate and the price of oil had both risen sharply and in September of that year the US government rescued the mortgage lenders Fannie Mae and Freddie Mac to reduce pressure on the US housing market (and the US government). Up until this point it could be argued that governments were attempting to deal with the situation on a crisis by crisis mode.

The potential failure of Fannie Mae and Freddie Mac were very soon followed by the failure of Lehman Bros and the potential failure of AIG in the USA. However, whereas Lehman Bros was permitted to fail, the US government felt obliged to underwrite the finances of AIG by US$85 billion. A so-called Wall Street bailout bill was rejected by the US Congress and then passed into law in early October 2008. Within days a number of governments had announced rescue packages to support their struggling banking system sectors, stock markets behaved erratically, business confidence fell sharply and in the USA 34 banks had failed by the end of May 2009. A meeting of the G20 economies in London pledged additional funding to the international monetary fund (IMF) and to provide US$1.4 trillion worth of measures designed to promote economic growth. In Asia however, it was pretty much business as usual, although there was concern about the contraction of both the US and European economies and their capacity to reduce the performance of China, the principal powerhouse economy. By this time it was clear that some governments felt constrained by their free-market economic outlook to minimize their investments in the national economy whereas other governments felt that it was time for government to step in and prevent widespread failure across their economies. Invidious comparisons were made between the GFC and the Great Depression of the 1930s.

**Aim and objectives of IRSPP4**

It was against this backdrop that the fourth workshop in this research study was planned for Lisbon in late 2009. The theme of the workshop was ‘The
contribution of public procurement to your government’s reaction to the global economic crisis’. The objectives of IRPPS4 were to:

- describe the nature of the economic package applied in each country;
- compare and contrast economic stimulus packages (ESPs) in a structured way,
- examine the role of public procurement in delivery and support of ESPs;
- examine the measurement of performance of ESPs and the role played by public procurement within them.

**Methodology of IRSPP4**

Prior to the workshop, case study structure templates were distributed to participants asking them to:

1. describe the nature of the economic package applied in their country;
2. explain the role of public procurement in this overall package;
3. describe the organization they would be examining;
4. present a case study of one particular project (‘the case’) and the way in which it was attempting to deliver the economic objectives sought by governments in the current economic circumstances;
5. understand the nature of the evaluation of the project.

Structured case studies were prepared and presented by senior public procurement practitioners and leading international academics in public procurement at a workshop with in depth study in streams and integrating plenary sessions. In what is becoming a usual format for IRSPP workshops, public procurement experts were invited to act as ‘inquisitors’ to deepen the discussion of the cases.

Participants were drawn from 16 countries (see Table 16.1 below). For the purpose of this research Northern Ireland and Wales have been granted county status. The theme was chosen for both its topicality and to provide an opportunity for participants to reflect on the potential involvement or influence of public procurement on the then emerging GFC.

**Findings of IRSPP4**

The complex circumstances providing the background for this workshop were reflected in the diversity of responses disclosed by the cases. The broad
outcomes suggested that the role of public procurement varied significantly from one jurisdiction to another and was also affected by the way in which governments also responded to the economic situation. A preliminary analysis of the cases highlighted that at least four possible responses to the GFC were the principal influences upon the role of government procurement. These responses could be summarized as follows.

- **Regulatory change**: changes in the relationship between the public sector and its suppliers in the form of rules, revised payment schedules, support for particular sectors of the economy.
- **Ideological change**: fundamental changes in thinking of the government enabling it to engage in providing direct government support for the private sector, buying out institutions within the private sector, abandoning (temporarily or permanently) persisting ideological methodologies of economic management (in particular, providing Keynesian-style approaches to economic management that disappeared towards the end of the Bretton Woods Agreement).
- **Pragmatic response**: a non-ideologically based response, that drew on existing policy and was flexible enough to enable government to respond to the current crisis without major damage to its external relations.
- **An absence of response**: a failure to respond to the economic circumstances and its challenges.

The findings are further complicated by the fact that some case studies were based on an analysis of the set of regional rather than national outcomes, and therefore reflect a regional rather than national response. What is also striking is the diversity of approaches to dealing with economic uncertainty and a set of circumstances that have not faced most nations since the oil shocks of 1972. Specific findings were drawn relating to regulatory reform, ideological change, pragmatic responses and an absence of response.

**Regulatory reform**

Countries such as Hungary, Italy, New Zealand, Portugal, and Wales provide good examples of regulatory change resulting in positive or negative outcomes for the private sector. In Wales the government engaged in regulatory changes that ensured that suppliers were paid more speedily, that procurement processes were streamlined and that access to government contracts was facilitated. A key focus was on building and maintaining local employment. Conversely in Italy it seems that the public purse was to be protected by delaying payments to suppliers, thus preserving the integrity of public funding. In Hungary the use of increased taxation and more regulation were introduced to demonstrate that government was at least responding to the crisis.

**Ideological change**

Countries which embraced ideological change, no matter how fleeting, included the United States, Germany, and Australia. Once again this style of ideological change had a major impact on the way in which both government and public procurement functioned. In the USA, the Federal government not only provided money to bail out large private sector organizations (very much against its market-oriented principles), it also funded major infrastructure activities designed...
to provide both regional benefit and support employment – traditional Keynesian government-led policies. It seems the role of public procurement was limited to the speedy implementation of contracts, efficient allocation of funding, and to protecting public expenditure from ‘fraud, waste, and abuse’. In New Zealand, the GFC provided an opportunity for the government to completely reform itself. In Australia, the national government funded traditional state-based activities to ensure that expenditure was carried out as speedily as possible, once again contrary to its market-based economic principles.

**Pragmatic response**

The People’s Republic of China provided a very useful example of a pragmatic response to the looming economic crisis which was not constrained by economic orthodoxy. The Chinese government took what might typically be described as a strategic view of the circumstances and its use of national assets to arrive at a blend of focussed expenditure targeting the immediate crisis. The principal responses were to shift taxes to a consumption- rather than production base, reduce taxes, and decrease the purchase tax on cars with engines of less than 1.6 litres capacity. It also funded new infrastructure and related efforts to improve energy efficiency. But most striking was the policy to foster demand for home appliances that have not yet reached the rural population of China. This policy targeted nearly 700 million farmers and not only provided more modern conveniences to them, but also ensured that Chinese white goods factories did not experience major downturns in demand. This was just one example in a very comprehensive, segmented, and targeted economic stimulus package in China.

**An absence of response**

Some countries appeared to adopt a wait-and-see attitude to the GFC and therefore undertook either no reform initiatives or made no changes to their public procurement policies and practices related to the GFC.

**Conclusions of IRSPP4**

It was evident in the study that a wide variety of elements of ESPs existed internationally. It was also clear that public procurement had been used in many cases as a policy lever to implement those packages particularly relating to investment in national and local infrastructure projects and also through changes to the public procurement process and regulations. Some of the investments were very imaginative; for example in Sweden contributions were made to householders investing in triple glazing, delivering also on the sustainability agenda; in China farmers were supported to buy white goods sourced from China; in Australia $1000 cash was given directly to citizens just to spend.

The findings that interested the participants the most were the unusual things that no one had expected to hear. For example, the level of Italian debt had been so high for so long, other countries were shocked that they were not that
concerned, but they were nonchalant because that was just how things have always been in the Italian economy; the structure of debt in this economy appeared to be more robust than in other countries. The most impressive program of targeted investment was from China. Their sophisticated market segmentation approach to economic stimulation left other nations rather envying their ability to design and execute plans that catered for regional and local variations and problems, and were masterfully interwoven with government objectives from different government departments nationally and locally. Their grasp of the power of public procurement to stimulate their economy was impressive relative to other nation’s weaker attempts, such as the UK’s boiler scrappage scheme under which 133,976 vouchers were allocated to home owners replacing worn-out central heating boilers. Only 118,249 boilers have been installed which, relative to the UK debt is rather feeble.

It was concluded from IRSPP4 that SMEs were potentially vulnerable players in the economic crisis and that protecting them was critical to medium- and long-term recovery and innovation. It was decided, therefore, that enhancing SME engagement in public procurement contracts should be the topic for IRSPP5.

IRSPP5

Aim and objectives of IRSPP5

Irrespective of any structural differences between nations in the significance of SMEs to economy, society, innovation, and politics, there is a wealth of evidence supporting the preservation and development of the SME sector and concern about market dominance of larger firms over public sector contracts. However, despite policies, legislation, regulation, and government initiatives being in place, recent research into small firms’ access to public procurement markets shows evidence of a policy/performance gap and also variability of performance internationally.

IRSPP5 aimed to identify which mechanisms are effective to enable governments to engage SMEs in public procurement contracts. The objectives were to:

- identify the mechanisms used by governments to direct public procurement spending to SMEs;
- investigate what SMEs perceive as being the mechanisms used by governments to direct public procurement spending to SMEs;
- examine how governments measure performance of the effectiveness of mechanisms used to direct public procurement spending to SMEs;
- investigate SMEs’ perceptions of effectiveness of mechanisms used to direct public procurement spending to SMEs, i.e. what business do they say they get;
- explore the gap between the SMEs’ perception of government mechanisms used and what government claims it is doing;
- explore the gap between the SMEs’ perception of effectiveness of the mechanisms used and what government claims in its performance measures;
- explore the gap between what SMEs say about effectiveness of mechanisms (i.e. what business they get) and what they think they should be getting, given the mechanisms;
• explore the gap between what governments claim are their policies/mechanisms and what they claim to be the performance of the policies/mechanisms;
• group cases according to whether they appear to be well developed, developing and less developed in terms of closing the policy/performance gap;
• identify which mechanisms are being used in cases that are well developed, developing and less developed in terms of closing the policy/performance gap.

**Methodology of IRSPP5**

Pre-workshop, each case study was prepared using a structured approach to provide background/context, present the government and SMEs view of policy and performance identifying gaps in views, initial reasons for policy performance gaps, and any initiatives/actions to close these gaps.

The first part of this structure involved participants filling in a summary table of their case, as shown in Table 16.2.

Participants were then asked to write their case studies using the following structure and guidance for content.

**Part 1 – Context**

1. Definition of an SME in your country (turnover, number of employees).
2. Economic data of significance of the SME sector in your country – total and by industrial classification, etc, quoting percentage GDP, percentage employment, total number of SMEs.
3. Description of the government body responsible for the design of policies, legislation/regulation and actions/initiatives encouraging SME engagement in public procurement, e.g. Office of Government Commerce in the UK.
4. Description of the main national/regional/local association of small businesses.

**Part 2 – Perceptions of policy and policy performance gaps**

Participants were asked to use the four-box template shown in Figure 16.3 to capture data and frame their discussion.

**Table 16.2 Summary table for IRSPP5 case studies**

<table>
<thead>
<tr>
<th>Case characteristic</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of public sector organization with responsibility for small/medium enterprise (SME) policy</td>
<td>E.g. central, state or local government department attempting to engage SMEs in public procurement</td>
</tr>
<tr>
<td>Type of SME association</td>
<td>E.g. number of members, geographic coverage</td>
</tr>
<tr>
<td>Total annual public sector spend to be influenced by policy</td>
<td>Please add a conversion to €</td>
</tr>
<tr>
<td>Policy target % of total spend to be with SMEs</td>
<td></td>
</tr>
<tr>
<td>% of total annual spend currently with SMEs</td>
<td></td>
</tr>
<tr>
<td>Key target users of policy</td>
<td></td>
</tr>
<tr>
<td>Current top 3 categories of spend contracted to SMEs</td>
<td>1.</td>
</tr>
<tr>
<td>Web address of guidance for SMEs</td>
<td>2.</td>
</tr>
<tr>
<td></td>
<td>3.</td>
</tr>
</tbody>
</table>

AU:- Please check if the layout of the table is fine?
The contents of the boxes illuminated the following:

Box 1 – the perception of the government body responsible for the design of policies, legislation/regulation and actions/initiatives encouraging SME engagement in public procurement of their quality.

Box 2 – the perception of the government body of performance in terms of SME engagement in public procurement.

Box 3 – the perception of the main national/regional/local association of small businesses of the quality of policies, legislation/regulation and actions/initiatives encouraging SME engagement in public procurement.

Box 4 – the perception of the main national/regional/local association of small businesses of performance in terms of SME engagement in public procurement.

Comparisons of the content of boxes with other boxes gave rise to four ‘mismatches’ in perception:

Type 1: mismatch between boxes 1 and 3. This mismatch represents the gap between what government think their policies are to enable access to SMEs to government procurement contracts, and what SMEs think government policies are.

Type 2: mismatch between boxes 2 and 4. This mismatch represents the gap between what government think is the performance of their policies/practice to enable access to SMEs to government procurement contracts, and what SMEs think performance/practice is.
Type 3: mismatch between boxes 3 and 4. This mismatch represents the SMEs agenda as it is the gap between what SMEs think is intended by the policy and what SMEs think happens in practice.

Type 4: mismatch between boxes 1 and 2. This mismatch represents the government agenda as it is the gap between what the policy makers think is intended by the policy and what policy makers think happens in practice.

**Part 3 – Examination of perceptions of causes of four types of policy and performance gaps**

Here possible causes of the four types of policy and performance gaps were discussed with the government body and the small business association giving rise to:

1. government body perspective of causes
2. national/regional/local association of small businesses perspective of causes.

**Part 4 – action plans to improve SME engagement in public procurement**

Here we asked participants to compile a list of priorities of the top three actions that could be taken in the future to help close policy/performance gaps.

During the workshop, the facts of each case study were presented in parallel streams. The four-box template in Figure 16.3 was used to structure the discussion and capturing of data.

Two frameworks were used to position the government perception and the SME perception. The first framework was adapted from the maturity framework generated from a previous IRSPP, shown in Figure 16.2 and published in Knight et al. (2007). The adapted framework is shown in Figure 16.4.

![Figure 16.4. Framework to plot government and small/medium enterprise perceptions of position of maturity](image)

**Government intervention**

- High
  - Evidence of muscle used to enforce regulation
  - Performance measurement against regulation
  - Regulation
  - Some monitoring against targets
  - Documented aspirational policy
  - Verbal target setting
  - Some evidence of interest, e.g. encouragement
  - No evidence of interest

- Low
A profiling tool was used to position the government and SME views of evidence relating to performance of government policy. This is shown in Figure 16.5.

On the findings from the case discussions and positioning, cases were assigned to three groups according to how high up the intervention/mechanisms hierarchy they were. Five cases were grouped as higher, five medium and five lower. In parallel streams divided into higher level of intervention, medium, and lower, pairwise comparisons were done to compare cases within each set of five. 10 comparisons were made in each group: 1–2, 1–3, 1–4, 1–5, 2–3, 2–4, 2–5, 3–4, 3–5, 4–5.

In plenary each of the stream chairs presented their findings of comparisons of cases in their streams with indications of why they thought mechanisms were more or less successful. Possible action steps for governments to take to close the gap between policy and practice were identified.

**Findings of IRSPP5**

Definitions of SMEs required clarification as the number of employees or turnover thresholds varied internationally. China had recently created a new category of ‘mini-SME’ to capture very small organizations; until recently privately owned and individually owned businesses were not classified or treated as SMEs but this was changed to enable these businesses to be able to access improvement initiatives.

Relating to government policies and interventions, there were different positions internationally ranging from no SME favoring at all, such as in Belgium, to
complex, segmented, directive action to favor SMEs in real terms with investments, contracts and support, such as in China, and many different positions between these two extremes.

Broadly speaking, two ‘schools’ of government interventions were noted: one aimed at providing opportunities for SMEs to participate in bidding (taking down barriers to participation), and the other one aimed at securing SMEs’ business from government. These two schools of thought can lead to opposite policy plans: for example in the European Union some countries (e.g. the Netherlands) argue for higher thresholds for open competitive bidding (below the thresholds they can provide business to SMEs by only inviting SMEs to bid), while other countries (e.g. Norway and the UK) are considering lower thresholds in order to publish more government jobs (so SMEs can participate in bidding for these jobs).

Use of particular interventions varied, such as the use of set-asides, offsets, quotas and targets. These positions varied at national and state level within countries; for example, in Australia there was no favoring of SMEs at national level but at state level there was evidence of efforts to buy local. There was also variability in the legality of mechanisms – in Canadian law set-asides are illegal, but offsets are allowed. Some nations, such as Italy and Norway, were providing more support to SMEs to encourage them to bid for and successfully deliver government contracts. Many countries were simplifying the processes of communicating about tenders and bidding for contracts to reduce the burden and barriers to entry that were impacting more profoundly on SMEs than larger organizations. Some countries, notably Italy, were working to reduce the payment terms in government contracts so that SMEs would be paid quicker. The status of government action to improve SMEs was increased in the UK through the appointment of a crown representative to champion SME initiatives and improvements.

Regarding the performance of governments’ interventions, some countries not only claimed to be achieving their targets or implementing their policies, others (notably Austria, USA and China) had implemented detailed evidencing in terms of data collection and communication of performance against plans. Other countries, such as the UK, had more anecdotal evidence that they were going in the right direction because certain initiatives had been launched; in these situations it was difficult to evidence the outcomes and impacts of these government interventions. Some countries, such as Canada, spoke of the difficulties of evidencing qualitative performance improvements, not just quantitative. China reported impressive progress, with ¥710 million government spend with SMEs in 2003 increasing to ¥16.87 billion in 2010. Some countries, such as Hungary, discussed difficulties in the policy/performance implementation area; whilst they had made progress at changing policy, they had been struggling to implement these policies successfully so therefore could not evidence impact or change as a result of their policy efforts. As in many parts of its government, Italy reported difficulties in over-bureaucratization of SME policies and their implementation. There was an
interesting passion, supported by action, in the USA, where it was viewed that the opportunity to bid is constitutionally the right of every citizen; government procurement is viewed, therefore, as a social objective where all firms, irrespective of size, should have a fair chance to access public procurement contracts.

In some countries the SME view of government policy told a different story. In Australia the SME community had been constantly lobbying federal government to favor SMEs in the government procurement process; some cynicism was expressed about the reality of a ‘buy local’ policy at state level. In China SMEs had no involvement in policy making, as the body leading on this is a government body, not a representation of SMEs; the SME community had expressed concern that there was no feedback from this body. Concern was being expressed from countries such as Norway and Australia that the quest for value for money in government procurement was leading to greater reliance on larger contracts with larger organizations. In Austria the SMEs were concerned that bundling and complex tendering processes were working against SMEs attempting to bid for government contracts; this was echoed in many other countries’ case studies – in Canada if SMEs wanted to complain they had to use a structure involving 70 different types of complaint categories. Even simple barriers such as the number of hard copies required when bidding put off SMEs. Compliance with policy was an issue, particularly in the US and even in China where certain central government departments were known not to be following SME preference policies. Some countries, including Hungary and Mongolia, reported that medium sized businesses were successfully gaining government contracts and the main problem lay with the engagement of small businesses. Concerns were expressed in Italy and the UK about the quality of the work performed by public procurement practitioners with terms such as ‘inefficient’, ‘vague’, and ‘sloppy’ being used; more extremely in South Africa, the term ‘dishonesty’ was used.

**Conclusions of IRSPPS**

Whilst there appeared to be a genuine will within governments to reach out to SMEs more and enable them to engage in public procurement contracts, it was surprising how varied internationally were the mechanisms to do this. This variability was, in part, to do with the culture of government – in Canada and the UK there is a reluctance to mandate and take a top-down approach, instead favoring policy guidance and devolved decision making. However, even in countries such as the US and China that were taking a top-down approach, there was evidence that these policies were not always being implemented; there was evidence of inconsistent application of policy across different parts of government.

Few countries had made much progress in gathering, analyzing, and communicating hard evidence of how much government business was actually going to SMEs. But making the tender, bidding, and contracting process on-line was improving visibility so, hopefully, in the near future there will be more hard evidence available.
What didn’t emerge across the international cases, other than in China, was clarity within government of understanding segmentation of policies and their implementation. Broad-brush targets, such as 25 percent of UK’s spending should be with SMEs, can lead to broad-brush responses, rather than an appreciation that a configuration or portfolio approach might be more effective. Maybe it is right that some categories of spend within government departments and even some government departments should have lower targets and others higher, because of the nature of that part of public service and the consequent nature of the spend portfolio. This mirrors similar broad-brush approaches to sustainability that lead to unfocused attempts to implement policy successfully.

THEMES AND ISSUES FOR FUTURE RESEARCH WITHIN THE IRSPP NETWORK

IRSPP is the only international comparative research study on public procurement that engages academic research with practice. Whilst methodologically it has been quite exploratory and qualitative in nature, the academics and practitioners involved have found it enormously useful in providing deep insights into the field of public procurement knowledge and development of practice.

Academically the organizers have struggled constantly with the ‘apples and pears’ problems of comparison across countries with significant variability of forms and practices of government. Public procurement is so embedded in the fundamental nature of those countries’ histories and government development that unravelling and explaining public procurement practice is a complex research task. The resourcing and funding of the study has also been a challenge. However, it is interesting that this network has been sustained and grown despite these challenges. The academics involved are those who are interested in applied research that has impact and are used to the problems this approach brings in terms of framing and designing research questions that are meaningful to management practice. However, delivering the outputs of the research to satisfy requirements of academic journals has always been particularly challenging with this study.

The practitioners who have been members of the IRSPP network are very senior in government procurement in their countries and they say they value the network in itself as well as the content of the research. Friendships have been formed and members of the network have visited other members on informal exchanges. Practitioners have taken the opportunity to be involved in the research and some have co-authored conference papers and journal articles. For applied researchers, this depth of engagement with practice has been hugely beneficial in improving understanding and access to research important, current issues.

At the time of writing this chapter the authors and organizers of IRSPP intend to organize IRSPP6 and Uganda public procurement practitioners have offered to host it; it is likely that the theme for this next phase will be of particular relevance to developing nations. But, as we have found in previous IRSPP studies, it is not
necessarily the case that the developed world is outperforming less developed nations; powerful lessons have been learnt from developing nations in terms of their ability to use public procurement as a lever of economic and societal reform and integrate it more fully in government policy and practice.

REFERENCES