



Rethinking the procurement workflow for more efficiency in Bremen



Public Procurement Principle: **Efficiency**



Procurement Stage: **All stages**



Audience: **Procuring entity, Policy makers, Private sector, Civil society**

Description

In the Free Hanseatic City of Bremen, restructuring the workflow in the central advisory unit assisting contracting authorities with the legal aspects of their procurements has helped increase efficiency and effectiveness. Procurement has been gradually and organically centralised in Bremen's institution in charge of public buildings and property (Immobilien Bremen, IB) over the last years. Other institutions in the relatively small city-state have called on the expertise of IB to help with the procurement of works and other complex procurements. Today, the IB assists with procurements and framework agreements for the entire administration in Bremen. 80% of the procurements handled by IB are still related to works; 20% pertain to goods and services.

Assistance for procurements is concentrated in the Procurement Centre (Einkaufs- und Vergabezentrum, EVZ) within the IB. In turn, this unit is divided into two groups, 1) procurement experts that provide assistance to low-capacity units on how to prepare technical specifications, and 2) legal experts who review the legal compliance of procurements.

In the past, each of the officials in the legal unit focused on a specific part of the procurement cycle and handled these aspects of procurements. This resulted in bottlenecks – if the officials in charge of publishing tender opportunities were delayed or sick, all officials in charge of the following steps could not proceed with their aspects of the procurement. Following a change in leadership in the unit, this process was changed. Gradually, officials were trained to be case managers who were able to handle the entire

procurement process for a specific project from start to finish. Aside from the unit head, the unit now employs:

- seven case managers handling entire procurement processes
- two specialists for evaluation and award criteria as well as complex cases
- two managers in charge of publishing tenders and handling submissions

This arrangement not only eliminated bottlenecks. In addition, it helped allocate procurements to the different case managers with a view to the involved risks, which increased the efficiency and overall quality of the procurements. Specialists now assist with more complex cases as needed. Similarly, more experienced case managers now handle more risk-prone cases.

When IB began to reform its processes, the head of unit had political support from his supervisors, but faced resentment from his staff. This resentment was overcome by a clear demonstration of benefits and opportunities for the individual procurer, such as the possibility to take on additional responsibilities and training. However, this case also demonstrates how important leadership and guidance is to managing such a change process successfully.

This restructuring has to be seen in the context of a political push for more centralisation in the area of public procurement. Whereas the centralisation of procurement in IB happened on an ad hoc basis, the government of Bremen is now working to formalise procurement relationships. That means that IB is currently negotiating formal agreements with those institutions in Bremen for which IB has already conducted procurement. As a part of this formalisation process, Bremen plans to increase the type and volume of procurements across the state.

Source: OECD (2019), [Public Procurement in Germany: Strategic Dimensions for Well-being and Growth](#), OECD Publishing, Paris

