Chapter 1
The "Mental Revolution" of the Public Procurement Specialist:
Achieving Transformative Impacts within the Context of E-Procurement

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ABSTRACT

This chapter suggests an original perspective for delineating the role played by procurement specialists within the context of the efforts to redefine digital public procurement as a major pylon in the transformation of governance. Although in the last two decades scholars have provided an abundance of quality academic accounts addressing the possible transformative benefits of e-procurement, more often than not, public procurement specialists remain a mere afterthought within such discussions. In this chapter, it is argued that the digitalization of public procurement will sustain the desired transformative returns only if these efforts are accompanied by a reformative evolution of public procurement professionals. Paradoxically, transformation at the individual level is found to be the key element for instituting genuine changes and effectively employing digital decision-making support systems in public procurement.

INTRODUCTION

The nature of modern governance has emphasized at least four interrelated and mutually enforcing dynamics. First, the evolving complexity of administrative challenges and the financial and economic hypersensitivity induced by global interdependence have rendered many of the traditional governance perspectives by in large obsolete. Scholars argue that wicked social and economic problems, issues that adapt and resist imposed solutions, will become the norm rather than the exception in governance (Clarke & Stewart, 1997; Fountain, 2001). Second, advancements in Information Communication Technologies (ICTs) give credence to the idea that in spite of the increasing complexity and financial constraints, it is possible to improve administrative practices, mainly by reliance on digital decision-making support systems (Fountain, 2001; West, 2005;

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Milakovich, 2012). Whilst, it is still relatively early to conclusively review whether ICTs can indeed lead towards more effective, legitimate and democratic governance constructs—governments at all levels have already hedged their financial health and governance stability in technology's capacity to deliver such results (Kamarck & Nye, 2002; West, 2005). Third, what forms the proper scope and means of governmental action has become rather fuzzy (Kettl, 2002). Finally, network structures have become an inexorable condition of the art of government. Agencies no longer posses the capabilities or knowledge to fulfill citizens' demands and expectations solely relying on own structures (Fountain, 2001; Milakovich, 2012).

E-procurement encompasses all four of the above-mentioned dynamics. On the one hand, public procurement is probably one of the most complex administrative dimensions of governance (Leukel & Maniatopoulos, 2005; Bof & Previtali, 2007). Ambiguity and knowledge asymmetries are omnipresent throughout the procurement process. On the other hand, the impacts of digital procurement are not yet adequately understood and the realities within e-procurement implementation often fall short of touted benefits (Somasundaram & Damsgaard, 2005; Bof & Previtali, 2007; Mota & Filho, 2011; Peck & Cabras, 2011; Hoque, et al., 2011). Furthermore, discretionary decision-making and professional relationships based on network structures are now accepted as important characteristics of digital public procurement.

The main objective of this chapter is to argue and provide support for the idea that procurement specialists represent the key for the success in e-procurement implementation. It is difficult to envision the realization of e-procurement-induced transformation outside a fundamental acceptance and shift within value constructs of procurement specialists. Here, by transformative it is meant a significant change in the nature and dynamic of the procurement process (e.g. more democratic, increasing policy, or financial management impacts). In short, the technologically driven transformation of governance is almost impossible if it is not preceded and continuously supported by an equally important "evolution" at the individual level. Ironically, in order to realize the benefits of digital procurement or e-government initiatives in general, redefining and reemphasizing "people" skills are probably more important than learning software applications. In bland terms, transformative e-procurement calls for a special "state of mind" on the part of procurement specialists.

In what follows, the argument will be constructed within the contingency of three logically co-dependent sections. The first part will trace the implications of "governance by contract" (Van Slyke, 2007). The discussion will then turn to the delineation of the current status of e-procurement implementation. The final section will address the shortcomings in terms of transformative impacts and will suggest emphasizing public procurement specialist as the agents of technological transformation in public procurement.

GOVERNANCE BY CONTRACT

Scholars have suggested that current governance dynamics promote administrative constructs that are significantly different from long-established bureaucratically driven frameworks. The devolution of governance and the reliance on networks and contracts to fulfill what habitually have been government's responsibilities, have led some to describe the created condition as the hollow, contract or transformed state (Milward & Provan, 2000; Savas, 2000; Sclar, 2000; Kettl, 2002; Cooper, 2003). Within the framework imposed by the latter, traditional governance has evolved into one by contract (Van Slyke, 2007). On many occasions, hierarchical structures are supplemented or even replaced with inter-agency and inter-sector collaborative relationships.

Until recently, network type structures and public-private partnerships were perceived as a rather peripheral part of what it meant to govern.