



State of Massachusetts

Operational Services Division

Local Government Enablement Team

2018 George Cronin Awards for Procurement Excellence

Local Government Enablement (LGE) Team

Executive Summary

Eligible local governments, schools, and government authorities in the Commonwealth have always had the authority to use Statewide Contracts for goods and services issued managed by the Operational services Division (OSD). Prior to 2014, the use of Statewide Contracts by public entities was not promoted or directly managed even though several contracts were being used by our non-executive branch customers. With the 2014 implementation of our new eprocurement solution, COMMBUYS, in the executive branch, OSD recognized a unique opportunity to significantly expand access and usage by our non-executive customer base through increased outreach and marketing and the offer of a free online purchasing solution. COMMBUYS functionality, including online catalog shopping and ordering, customized workflow to control and approve spending, detailed reporting and the electronic public record of all transactions, and bid posting and advertising, was not a luxury possessed by most of our local government entities, so the value proposition was high. The establishment of OSD's Local Government Enablement (LGE) team marked the beginning of a highly successful and expansive effort to increase local government customer engagement with our non-executive branch customers, increase statewide contract spend, and embed the routine use of COMMBUYS into major cities, small towns, and their school districts across the state.

Although the initial goal when creating the LGE team was primarily to aid interested local governments in the onboarding process of COMMBUYS, four years later, the group's duties and value has grown well beyond the initial scope and expanded into a combination of sales person, project manager, business process redesign consultant, local government procurement expert, and most importantly, a deepened relationship between OSD and local governments. LGE's three Regional Account Managers act as liaisons, showing local governments step by step how to stretch out tight budgets and maximize the value of each dollar spent. The LGE team delivers maximum value to local governments by interviewing purchasing agents, making assessments on where cost savings can be achieved, and providing individualized purchasing recommendations. Many cities, towns, municipalities, schools, and hospitals are faced with limited staffing and the LGE team acts as a partner who provides services directly at their offices.

In FY18 alone, there were 3,911 municipal purchase orders for a total of \$15,174,396 in Statewide Contract Sales. OSD is a self-funded agency that collects a 1% administration fee from vendors, and any additional revenue is distributed into the General Fund. LGE's successful year provided \$151,743 in administration fee that goes straight into funding our agency's operations. The number of purchases orders and sales by LGE's eligible entities have steadily increased year over year since 2015.

COMMBUYS Municipal Purchase Order Data

	FY 2018	FY 2017	FY 2016	FY 2015
Municipal purchase order count	3,911	2,945	2,065	439
Municipal purchase order sales	\$15,174,396	\$10,615,848	\$4,538,848	\$1,163,375
Unique municipalities that issued a purchase order	72	67	49	21
Unique buyers	406	371	324	117
COMMBUYS registered communities	338	330	66	30

Local governments also utilize the bid posting function in COMMBUYS. The number of bid transactions, municipalities issuing bids, and unique buyers have increased year over year since 2015.

COMMBUYS Municipal Bid Data

	FY 2018	FY 2017	FY 2016	FY 2015
Municipal bid transactions	5632	2997	353	196
Unique municipalities that issued a bid	585	460	113	59
Unique buyers	773	579	110	49

The LGE team is an innovative way to inform, educate, and enable public purchasers to use COMMBUYS to purchase goods and services from our Statewide Contracts. Notably, LGE uses an agile management style, which consistently assesses the changing needs of customers and makes quick adjustments that contribute to successful outcomes. The LGE team concept could be adopted by other states either as a new stand-alone team, or by incorporating the best practice outreach and assistance methods through existing resources. OSD provides significant service improvement by creating a dedicated team that strives for long-term relationship building and personalized results for cities, towns, municipalities, schools, and hospitals state-wide. In the four years the LGE team has existed, public entity spend on SWC has increased by 1,204%, while achieving demonstrated, significant cost reductions and savings. The intangible but important result of satisfied customers, who now have a partner in purchasing with the Commonwealth, cannot be overstated.

Innovation

OSD uncovered a need to enable local governments to use COMMBUYS and take advantage of significant cost savings by purchasing off of Statewide Contracts. To address this need, OSD created a new team to meet with local government decision makers face-to-face and provide individualized assessments and recommendations for cost savings. When the LGE team was created in 2014, OSD was unaware of any other state taking this personalized approach to local government procurement. Below are the top 4 initiatives that contributed to the creation of the new, results-driven unit that has had great success in a relatively short time span.

1. Creating a Local Government Enablement Team

The Account Manager role strategically identifies and targets municipalities, secures and schedules appointments, conducts customized COMMBUYS benefits presentations in the field, performs implementation analysis, creates an integration and rollout plan, and provides continued support. The LGE team quickly realized they would need to offer customized adoption services as every city and town has their own process and local rules and regulations which would need to be considered. The team is comprised of three Regional Account Managers and one Team Manager.

2. Defining Roles and Duties

OSD's three LGE Account Managers have assigned cities and towns. The Account Managers are dedicated to assist and oversee COMMBUYS implementation, training, marketing, and vendor involvement. During the work week (Monday through Thursday), each Account Manager is traveling within their coverage areas and conducting face-to-face meetings with procurement oversight decision makers; primarily Chief Procurement Officers or Equivalent (ex. Town Administrators). Meetings may be centered on COMMBUYS Enablement Activities, upcoming projects or purchases available through Statewide Contracts, general COMMBUYS or OSD inquiries, or bid posting questions. On Fridays, the

entire Enablement Team is in the home office for internal meetings, administrative duties, and to plan for the coming weeks meeting by creating customized material and stocking up on OSD/COMMBUYS promotional material.

In addition to the daily activities detailed above, Account Managers conduct presentations, learning sessions, and interactive workshops at conferences, association meetings, and the MASSBUYS Expo (the largest government to business event in Massachusetts). Topics include OSD updates, FAQ discussion, and updates on State Legislation that pertains to OSD or Statewide Contracts.

3. Creating a “Team Prospectus” and Supporting Collateral (samples attached)

When the LGE team started to reach out to local government around the Commonwealth, explaining our role, responsibilities, and duties to potential clients was initially challenging since this type of role had never existed. We decided to create a detailed marketing piece to highlight and help clients understand and visualize the role of the LGE Group.

Our clients were always asking us the best way to know what goods and services are available on Statewide Contracts. To demonstrate the breadth of the Statewide Contracts that were available on COMMBUYS, we created a one page Statewide Contract Reference Guide that has become one of the cornerstone marketing resources of OSD. OSD’s Training and Marketing departments have also developed a wide range of material to further support the LGE team.

4. Leveraging a Customer Relationship Management (CRM) Database

After four years of the LGE team being in place and leveraging spreadsheets, email, Word documents, and other Microsoft Office products to manage data, there was a need for a consolidated record keeping; as of July 2018, the LGE team along with the Marketing team are using SugarCRM. The system is intended to incorporate buyer contact information, log sales activities and client contacts, produce reports, analyze buying patterns, visualize sales cycle, and otherwise assist in marketing-related tasks.

Transferability

The on-the-road unit that has been deployed in Massachusetts has been met with great appreciation and measurable growth from local governments across the Commonwealth. We believe that other state agencies could adopt and implement any of our innovative outreach solutions and realize similar benefits that we have measured and observed. The LGE team concept could be adopted as a new stand-alone team, or by incorporating OSD’s enablement methods into a current agency. Some benefits of incorporating OSD’s best practice outreach and assistance methods include: increased membership in their procurements system where applicable; sales growth in the contracts that organizations may leverage; increased leverage when negotiating prices on Statewide Contracts; and overall customer satisfaction, responsiveness and client-focused atmosphere that develops over time.

Service Improvement

The core of servicing local governments with varying procurement needs is a dedicated team focused on personalization and relationship building. By using COMMBUYS, local governments can post bids, request quotes, award bids, and make purchases from a centralized dashboard that doubles as a digital procurement file. As a result of the LGE team’s hard work, there are both qualitative and quantitative results that benefit the local governments that partner with us.

1. Quantitative Results

- 96% of cities/towns have been registered in COMMBUYS
- Since 2015, year over year increases in the following:
 - Number of Statewide Contract purchase orders placed in COMMBUYS
 - Statewide Contract sales captured in COMMBUYS
 - Unique municipalities that issued a purchase order

- Municipal bid transactions
- Unique municipalities that issued a bid
- Number of unique buyers
- Number of communities registered in COMMBUYS

2. Qualitative Results

- Consistent positive feedback from local government officials after meeting and trainings
- Referrals that local government procurement officers make to neighboring towns
- Being that relied upon connection and source between State and Local Government and Purchasing Associations
- Visibility, availability, and responsiveness to client questions and needs
- Increased purchasing power by expanding awareness and increased purchasing through Statewide Contracts

Cost Reduction

The LGE team strives toward providing best value to local governments. Since OSD is a self-funded agency, the services we provide are free to all public entities in Massachusetts. Hard savings are acquired through OSD's negotiated pricing, and the significant increases in Statewide Contract purchases year over year demonstrate that municipalities value our services. Local governments save on labor time by utilizing COMMBUYS, which keeps an electronic procurement record, generates sales reports, and allows users to solicit quotes, award vendors, and purchase goods and services in one place. Forming a Sourcing team, researching the market for goods and services, preparing an RFR, posting a bid, evaluating responses, awarding vendors, and managing contracts are time-consuming and laborious tasks. OSD and our LGE team saves hundreds of labor hours for cities, towns, municipalities, schools, and hospitals by managing the procurement process so they may quickly start saving on goods and services.

Some examples of cost savings include:

- Carver Public Schools saved over \$15,000 on the purchase of ChromeBooks
- City of Worcester increased their vendor responses by as much as 30% by using COMMBUYS
- Bridgewater Raynham Regional School District was awarded grant money by responding to a grant opportunity posted in COMMBUYS
- City of Quincy is saving over 23% on office supplies by switching to Statewide Contract pricing
- City of Lynn will be saving over 20% on laser cartridge toners by switching to Statewide Contract pricing

Supporting Documentation

- LGE Prospectus
- Statewide Contract Reference Sheet