

Stop procurement pain and allow officials to make mistakes

Procurement rules, which were originally brought in as a means of providing protection against unfair competition, have in practice turned out to be a bureaucratic, costly circus that certainly does not exclude unfair competition. Examples such as the fiasco surrounding the Fyra trains and the tendering procedure for police vehicles have of course received extensive media coverage. However, those cases that do not get reported on are actually the ones that harm small businesses the most.

Imagine an architect's firm that wishes to bid for a local government contract worth €135,000. The contract involves a great number of aspects that the candidates are required to elaborate on. After many months and spending around €35,000 in man-hours, a decision is finally made and the firm is awarded the contract. A few final questions remain however and the architect's firm estimates that it will incur another €15,000 in costs to address them. In other words, the firm will think twice before participating in another tender!

And what about the local government authority that issued a multi-stage private tender for a contract worth just €6,000, invited five energy consultancy firms to bid and engaged the services of an external advisor (who unfortunately knew precious little about the topic at hand) to assist it?

And those wishing to lodge an appeal can only do so by initiating preliminary relief proceedings! On top of the advisor's fees, the awarding authority will now also incur considerable costs in order to refute any objections. We only need to carry on in this manner a while longer and there will soon be another call for tenders, inviting parties to bid for the management of the legal proceedings connected to tendering procedures...

This does not, in any way, serve the interests of any of the parties involved. Not the Dutch business community, not the government and us tax payers least of all.

Tenderned.nl shows that over 38,000 tendering procedures have been issued since the end of 2010. What all of us are doing collectively, is perpetuate a system that is synonymous with bureaucracy, job creation for its own sake and rigidity. It is this system above all that is the source of great frustration, because it fails to tap into the knowledge that businesses and civil servants possess. All this is based on old ways of thinking and the presupposition that this appearance of certainty guarantees honest and objective assessments.

How has this come about? Why have all these rules and procedures been allowed to become so costly? Is it to protect a civil servant against a potential error he might make? Is it no longer the case that errors provide useful learning opportunities that form such an important part of the innovation process? After all, someone who makes an incorrect decision from time to time brings in more money than a perfectionist who has missed the boat! A company such as Spotify could serve as a good example in the new economy. At Spotify, cakes are brought out to celebrate errors as well as successes as errors teach us most of all.

Perhaps we could set aside all the money that is currently spent monitoring all these procedures, in order to allow courageous civil servants to make an error every once and a while. And to allow them to use their common sense to make a useful contribution to a number of topics that truly matter to our country, such as energy management and helping to reduce CO₂ emissions. This will benefit employment, the development of knowledge in this area, the application of existing technologies, innovation and in addition help us to achieve a clean environment.

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