

## THE POLITICS OF BOUNDED PROCUREMENT: PURISTS, BROKERS AND THE POLITICS-PROCUREMENT DICHOTOMY

Alexandru V. Roman\*

**ABSTRACT.** The last two decades have witnessed a tremendous growth in the body of literature addressing the importance and the impact of contracting and public procurement within the context of devolution of government. The austere budgetary and financial outlooks of the future suggest that the significance of the area will only continue to grow. As such, generating explanatory frameworks, within dimensions such as decision-making and accountability in public procurement, becomes crucial. Drawing from original research this article suggests one possible frame for understanding administrative decision-making in complex environments. Based on semi-structured interviews with public procurement specialists, the study identifies two decision-making patterns– broker and purist. It is asserted that the decision-making dynamics exhibited by administrators are contingent on their perceptions regarding environmental instability, in particular the political volatility surrounding their work.

### INTRODUCTION

The challenges posed by the wicked issues that governments currently face (Clarke & Stewart, 1997) and the inexorability of the development of a contract-driven government (Cooper, 2003; Kettl, 2002; Milward & Provan, 2000; Savas, 2000; Sclar, 2000) have delineated public procurement as an essential dynamic in the “transformation from governance by authority to governance by contract” (Van Slyke, 2007, p. 158). In many ways, modern governance can be described and defined by the webs of contractual

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\* Alexandru V. Roman, Ph.D., is an Assistant Professor of Public Administration at California State University San Bernardino. His research interests include public management, leadership, public procurement and public corruption.

and personal relationships developed within the procurement environments (OECD, 2007).

The Organisation for Economic Co-operation and Development (OECD) (2010) has identified public procurement as a vital dimension of economic stability and democratic governance, but has also suggested that public procurement is the governmental activity most vulnerable to corruption. The procurement spending of OECD countries can be as high as 15% of GDP (OECD, 2002). The United States federal government, for instance, allocates almost 20% of its budget to procurement (Brown, Potoski, & Van Slyke, 2009). In 2013 alone the federal government has spent close to \$700 billion for contractual services, supplies and acquisition of assets (Roman & Thai, 2013). At the state and local levels, governments can attribute as much as 40% of their budgets to procurement related functions (Kelman, 2002; United Nations, 2010; USAID, 2009). In this respect, decision-making during the procurement process is replete with immense economic, political and democratic consequences (OECD, 2007; Roman, 2013a; Uyarra & Flanagan, 2010).

Until recently, public administration literature has been slow and at times perhaps even unwilling to dedicate serious attention to contracting or public procurement questions (McCue & Prier 2007; Piga & Thai 2007; Potoski, 2008; Thai, 2001). In the past decade, however, scholars have started to pay increasing attention to the area, which has led to a great deal of quality research efforts. Sclar (2000), Van Slyke (2003, 2007), Brown and Potoski (2006), McCue and Prier (2007) and Brown, Potoski and Van Slyke (2006, 2007, 2009), for instance, have generated explanatory frameworks for understanding public sector procurement and contract management. Light (1999), Romzek and Johnston (2002), Johnston and Romzek (2004, 2008), Price and Riccucci (2005), Keeney (2007), Van Slyke (2003, 2007) and Chen (2009) underlined the challenges and implications of contractual and management decisions in the milieu of the provision of services that were traditionally reserved for governments (such as social services, prison administration or military support). Durant, Girth and Johnston (2009) discussed the contractual tendencies in the light of America's philosophical tensions, historical developments at federal level and future economic pressures. While, Hodge (2000), Johnston, Romzek and Wood (2004), Romzek and Johnston (2005), Chen (2009) and Durant

et al. (2009) depicted accountability and oversight shortcomings within the complex framework of contract-based governance.

Despite the notable advancement in our understandings about the dynamics within public procurement, considerable challenges remain. It is not uncommon, for example, for the literature on public procurement to lack methodological and theoretical rigor and to fail to provide substantive suggestions (Fernandez & Smith, 2007; McCue & Prier, 2007; Murray, 2009; Van Slyke, 2007). Some have argued that the field operates on a bouquet of metaphorical principles (Ramsay & Caldwell, 2004). In addition, scholars have raised concerns about the tendency of administrators to transfer private sector practices into public procurement routines with limited adjustments for public or democratic prerogatives (see Cox, 1997; Durant et al., 2009; McCue & Roman, 2012; Murray, 2009, Roman, 2013b; Panayiotou, Gayialis, & Tatsiopoulos, 2004). Ellram and Carr (1994) and Murray (2009) suggested that the role of politics often remains underreported and underemphasized by the literature in the field.

Given the austere budgetary outlooks, one should expect increasing demand for accountability and scrutiny in regards to the manner in which choices regarding who, what, when, how and from whom to procure are made by governments. Understanding decision-making at the individual level plays an important role in constructing a framework for explaining the administrative dynamics of the consequential implications of such decisions. It is in the hope to add to the extant body of literature in public procurement in particular and individual decision-making in general that this research was undertaken. Among others, the research presented here posed the questions - How are routine decisions made by public procurement specialists and how do they define accountability? Within what theoretical context can the uncovered decision-making pattern(s) be placed? What are the implications for public administration theory and practice?

Beyond this introduction and outside of the concluding remarks, the article consists of three main sections. The first section introduces the methodology. It is followed by a detailed discussion of the data and the research results. The last section places the findings within the context Simon's (1997) bounded rationality framework.

### METHODOLOGICAL APPROACH AND DATA

It is important to note here that the study started with few theoretical assumptions. Although a detailed literature review was undertaken before data collection, none of literature streams were prioritized or allowed to shape research interpretations during data gathering. The research attempted to identify constructs as perceived by administrators, rather than to confirm or test existing frameworks. To this extent, the study should be treated primarily as explorative in nature.

Due to the complexity of public procurement, in order to delineate decision-making dynamics a combination of qualitative and quantitative methodologies was found appropriate. For purposes of this study, semi-structured interviews with willing informants, field research and content analysis were employed for data collection. In order to define the contingency environment and to cross-verify respondents' statements auditor's reports (county level) and procurement guidelines/ordinances at the county/city/town/village/agency levels for those interviewed were analyzed. Additionally, within the jurisdictions affecting those interviewed - commission/public hearings were attended, transcripts and video recordings of commission/public debates were consulted.

The knowledgeable informants who volunteered for this study were employed in one of the three South Florida counties: Broward, Miami-Dade or Palm Beach. It is estimated that there are approximately 650 public procurement specialists active within this area. This estimate does not include individuals within public agencies that perform procurement functions on ad-hoc basis. A total of 343 specialists were contacted for the purpose of setting up interviews. The contacts were obtained using a snowball technique. As such, by and large this represented a convenience sample. A total of 41 of the contacted procurement specialists agreed to participate in the research. The interviews were conducted during the period of March - June, 2011. There were no coordinated efforts undertaken to target a specific segment of the population. Table 1 provides the descriptive statistics for the sample.

In six cases when the specialists were available and it was deemed necessary, respondents were approached for additional

**TABLE 1**  
**Sample Description**

|  |                  |
|--|------------------|
| Total number of interviews conducted   | 41               |
| Pilot interviews   | 5                |
| Interviews that were dropped from the sample because the respondents failed to provide an acceptable quality of responses. | 2                |
| Interviews in the final sample   | 34               |
| In person interviews (phone interviews)  | 24 (10)          |
| Average interview time   | 70 minutes       |
| Female (male)  | 14 (20)          |
| Respondent over 30 years old (under)   | 32 (2)           |
| With current organization more than 5 years (less than 5 years)  | 19 (15)          |
| Holds some procurement certification (does not hold any procurement certification)   | 19(15)           |
| Position: director/manager/non-manager   | 16/8/10          |
| Procurement was undertaken: centralized/decentralized/hybrid   | 25/5/4           |
| Procurement department independent (within other department such as finance)   | 18(16)           |
| Average years of experience in public procurement  | 20               |
| Maximum years of experience in public procurement in the sample (minimum)  | 43 (1)           |
| <b>Employed by</b>   |                  |
| Village or town  | 3                |
| County   | 4                |
| State or regional governmental agency  | 9                |
| City   | 18               |
| <b>Procurement Spend by Agency</b>   |                  |
| Approximate mean procurement spend   | \$91,000,000     |
| Approximate median procurement spend   | \$53,000,000)    |
| Approximate maximum procurement spend  | \$375,000,000.00 |
| Approximate minimum procurement spend  | \$200,000.00     |

interview sessions. Such sessions are usually suggested for member checking and validation purposes (Rubin & Babbie, 2011; Schwartz-Shea, 2006). The data collection was carried out within a reflexive

approach which emphasized the right of the others to speak (see Cunliffe, 2002) and allowed the respondents to become participants in knowledge creation (see Babbie, 2010; Denzin & Lincoln, 2005; Hardy & Williams, 2011; Smith, 2002; Yin, 2003).

Each interview was guided by a set of 22 core questions (Appendix A). The interview protocol was generated and evaluated during five pilot interviews. In all instances responses to the core variables led to additional queries and comments. Respondents were encouraged to qualify perspectives and beliefs within stories (see Hummel, 1991; Yanow & Schwartz-Shea, 2006). If the discussions led towards sensitive matters, the procurement specialists were invited to hypothesize about what they would do or how they would react under certain hypothetical scenarios.

Respondents were not offered any definitions and were encouraged to discuss matters based on their perspectives, beliefs and experiences. An interpretive sensitivity (see Schwartz-Shea, 2006), tolerance of high levels of ambiguity (see Patton, 2002), developing a trust in respondents' ability to participate in knowledge creation and openness to research serendipity (see Hardy & Williams 2011) – were emphasized during data collection.

In developing the initial constructs, efforts were made to limit the influence of learned theoretical perspectives (see Lather, 1986; Lincoln & Guba, 1985). Categories, patterns and themes were generated through iterative deconstructions of the data obtained from the interviews and content analysis. Given the methodological approach, representativeness of the sample and the conservativeness of nonparametric tests employed in the analysis, the final sample size of 34 was determined to be adequate for the type of analysis that was undertaken (see Acar, Guo, & Yang, 2008; Strauss, 1987; Ritchie, Lewis, & Elam, 2003).

## RESULTS

### Purists and Brokers

Once data collection was completed, the profiles of the respondents and their responses were iteratively reviewed. The dominant theme that emerged from the initial analysis was that the perceived distinction between on the job (professional) and off the job (personal) value sets<sup>1</sup> was found powerful in terms of explaining

how accountability was defined and how procurement decisions were made. The presence of a perceived dichotomy between personal and professional value sets was chosen as the leading coding category.<sup>2</sup> Further coding and analysis revealed two distinct types of decision-making. One for whom professional and personal value sets did not always overlap and a second one that did not discern between professional and personal values. The procurement specialists who made decisions within the frame of the first pattern were coded as “purists” whereas those associated with the latter as “brokers.”<sup>3</sup> For the remainder of this discussion the terms broker and purist are used to refer to the two decision-making types and the individuals who subscribed to these patterns. The terms were suggested by the respondents, and should be interpreted outside the connotations with which these concepts might be associated within their vernacular usage. Table 2 provides a summary breakdown of the two types by gender and position.

**TABLE 2**  
**Sample Breakdown by Gender and Position**

|   | Brokers | Purists |
|---|---------|---------|
| Female                                    | 8       | 6       |
| Male                                      | 8       | 12      |
| Directors                                 | 9       | 7       |
| Managers                                  | 4       | 4       |
| Non-Managers                              | 3       | 7       |
| Total number of specialist identified as: | 16      | 18      |

In bland terms, a brokers perceived themselves as “the same” person with the “same values” at work and outside work. Purists, however, clearly differentiated between the values held as public administrators and those embraced as citizens. For instance, purists perceived certain decisions as “correct” within the context of their work environments; yet, rejected and condemned the very same choice within the domain of their private lives. Coding along these categories identified that in terms of decision-making purists were more likely to emphasize procurement rules, the procurement process<sup>4</sup> and administrative objectivity, while brokers primarily focused on human relationships and learning dynamics.

Brokers characterized themselves as helpers and facilitators in the public procurement process. They placed heavy emphasis on learning and developing personal, professional and inter-organizational networks. They perceived their professional roles as one of guidance. Brokers believed that their external environments can be shaped (educated) in a manner that would assist (improve) the extant public procurement habits. Brokers' perspectives on economic activity were similar to that of a general equilibrium lens. Control was not necessarily sought after and was easily shared.

Unlike brokers, purists described themselves as defenders and enforcers of the supposedly neutral and hierarchical nature of the procurement process. They believed that their external environments were not friendly to their work and unlike brokers they did not perceive vendors as citizens. As one of the respondents argued:

You can't trust the vendors. They realize that you are limited in your capacity to check every claim they make, so they become really good at filling out paperwork. Before you know it....they do it better than some of us. Many of them have professional staff that completes applications all day. You cannot trust them. I have yet to see a vendor to claim that he cannot do something. No matter what your question is - they can do it....Later, once they get the contract...it turns out that there are a lot of things they can't do.

Purists viewed economic dynamics in a manner that mimicked that of a partial equilibrium perspective. Control was an important goal within this type of decision-making. Purists believed that it is important to control and resist pressures imposed by environments, and they attempted to do so through their ability to enforce and interpret rules. If there should be any decision-making criteria and performance measurements imposed, purists believed and encouraged that the development of such frames be exogenous to their organizational context. The latter was motivated by a prominent preference for neutrality and objectivity, which also reinforced the guidelines as a protective mechanism and as a tool for delineating zones of acceptance.

It is important to note that the distinction between brokers and purists is suggestive of other theoretical lenses already present in the literature such as those offered by Bardach (1977), Romzek and



Dubnick (1987), Gruber (1987), Kearns (1994), Mashaw (2006) and Koliba, Mills and Zia (2011). What sets the broker-purist lens apart is its emphasis on the relationship between the personal and professional value sets. Similar to Weber's (1978) discussion of the ideal bureaucracy, here broker and purist refer to the ideal or contextually-free manifestations of the two decision-making patterns. The ideal types will seldom materialize in reality; however, such clean constructs are useful when generating the basis for theoretical understandings. In practice, while the decision-making by procurement specialists might exhibit dimensions of both types, one of the two interpretations will clearly dominate.<sup>5</sup> Furthermore, the decision-making dynamics should not be interpreted as rigid or strictly correlated with one's personality. Depending on organizational and personal conditions, public procurement specialists can adopt any one of the two patterns throughout their careers. Although it can be argued that if a jump from one decision-making pattern to another is to take place, it would most likely happen during the earlier part of one's professional experience.

### **Contingency Associations**

No significant contingency associations were identified between decision-making patterns and procurement ordinances, structure of the procurement process (centralized, decentralized, hybrid)<sup>6</sup> or whether the procurement department was independent or activated within another department (see Diggs & Roman, 2012). Respondent's gender, position, years of experience in government, type of agency employed by, procurement spend and years of experience in the private sector also failed to reach statistical significance (see Diggs & Roman, 2012). However, the length of employment with current organization ( $p < .01$ ) and whether the respondent perceived his or her environment as being highly political ( $p < .01$ ) were found to be statistically significant (see Diggs & Roman, 2012). A procurement specialist who was employed with his or her organization for more than five years and believed that she or he was under relatively low political pressure was more likely to be identified as a broker.

In terms of the implications for public administration, the main finding in regards to the two decision-making patterns lies within interpretation of the discretion in the guidelines and the role of

collaboration in decision-making. Brokers acknowledged and believed that they had a lot of discretion in their interpretations of procurement rules. For them it was impossible, at times not even desirable, to separate politics and procurement (administration); even a public-private dichotomy was fuzzy at best. Purists rejected those notions, while referencing to the same exact ordinances. For them a politics-procurement (administration) and a public-private dichotomy was not only desirable, but also realistic.

Brokers have also been identified to be more inclined towards collaborative behavior. They were more likely to believe and accept the possibility that adding voices to the dialogue would make the decision-making processes about sensitive procurement spends easier. Overall, based on the perception that it would lead to improved outcomes, they normatively embraced the role of active collaborative decision-making in the procurement process. Purists, on the contrary, were more likely to feel that increasing the number of those involved in decision-making would make the process more difficult. They were highly likely to argue that increased levels of collaborative type arrangements not only made the process more difficult, but actually led to less effective outcomes. The results regarding desirability of increasing the number of voices in decision-making are presented in Table 3.

**TABLE 3**  
**Perceptions regarding Increased Participation in Decision-making**

|   |                    | Interpretation |                       | Total              |
|---|--------------------|----------------|-----------------------|--------------------|
|   |                    | Broker         | Purist                |                    |
| Involving more individuals in the process makes decision-making more difficult. | It depends         | 6              | 0                     | 6                  |
|   | No                 | 3              | 4                     | 7                  |
|   | Yes                | 7              | 14                    | 21                 |
| Total   |                    | 16             | 18                    | 34                 |
|   | Value              | df             | Asymp. Sig. (2-sided) | Ex. Sig. (2-sided) |
| Pearson Chi-Square  | 8.388 <sup>a</sup> | 2              | .015                  | .015               |
| Likelihood Ratio  | 10.722             | 2              | .005                  | .015               |
| Fisher's Exact Test   | 8.437              |                |                       | .013               |

The specialists within the two decision-making types did not necessarily manifest dissimilarities along all of the dimensions that were addressed. Both brokers and purists revealed common motivational structures for choosing employment in the public sector. Under both interpretation patterns, public procurement agents valued the integrity and consistency within the ranks of procurement specialists, although they defined integrity differently. For purists, integrity was associated with consistency in outputs,<sup>7</sup> while brokers delineated integrity through efforts to establish what they believed to be just outcomes.<sup>8</sup>

### **Change and Proactive/Reactive Procurement**

Brokers believed that the procurement process, operational changes and procurement reforms should be designed within a holistic policy perspective. Public procurement was perceived as a strategic tool within the economic, political and social frameworks. Brokers encouraged a certain level of conflict.<sup>9</sup> Under some circumstances conflict was perceived as “healthy” since it acted as a preference authentication and revealing mechanism. As argued by a procurement specialist, public procurement is more than “just clerical.” While the idea was not fully rejected by purists, they were more likely to support procurement reformative constructs that were limited to the operational level. For purists, transformations linking procurement to broader policy scopes added complexity and ambiguity to the process. Ambiguity was particularly “feared” by the purists, since it was perceived as favoring conflict, which in turn hurt the integrity of the process.

Purists managed conflict by attempting to predict the preferences of dominant political actors or final decision makers (e.g. city managers, board members, state legislators or civic leaders). Over time they got a “feel” for the demands and the expectations of political players and developed approaches that satisfied them, but at the same time did not conflict with their zones of acceptance. Technicality was used to manipulate and constrain the final set of choices to those considered to be the “right” ones. In situations when purists did not make the final decision, they constructed the set of choices in manner that what they believed to be the technically “correct” choice would have the highest probability to be selected. As one procurement specialist stated:

There are some things that we don't even bring up in front of the commission. We know that they have certain preferences and if we do not cater to them they will not accept our selections. You learn to work with them. When there is one specific direction that we feel strongly about, we make sure that we build our case in such a way that they will eventually agree with us.

Ironically, then, purists who embraced the normative grounds for a politics-procurement dichotomy did attempt to shape policy outcomes through their technical decision and choice of presentation. Yet, they vehemently refused to acknowledge the political nature of some of their selections and unremittently believed in a dichotomy between what they thought was "right" as a person and what they thought it was "right" as a procurement specialist. To paraphrase Selden, Brewer and Brudney (1999, 172) even if policy neutrality would be possible, the public administrator's choice to remain neutral is in itself a fundamental political decision.

In instances when the organizational environments were described as highly political, the procurement decision-making process was also more likely to be described as reactive. By reactive it was meant that non-routine purchases were more often than not triggered by need. The perceived instability of the environment led to the rationalization of short term, non-strategic procurement perspectives. As one of the respondents argued:

We buy when a need comes up. Other than that...good luck putting anything big through...Since we have to justify everything we buy, it is easier for us to wait for something to break before we order spare parts. It is safer this way.

In contrast, individuals who believed that their agencies were not under significant political pressure were more likely to describe their agencies' overall procurement practices as proactive and innovative. By proactive procurement specialists understood practices that were strategic in character, foresaw future needs and were undertaken for purposes of improving the overall effectiveness of the process. The association is presented in Table 4.

**TABLE 4**  
**Political Pressure and Categorization of Procurement Process**

|   |                    | Procurement perceived as: |                       | Total              |
|---|--------------------|---------------------------|-----------------------|--------------------|
|   |                    | Proactive                 | Reactive              |                    |
| Perceived level of political pressure on agency | High               | 5                         | 17                    | 22                 |
|   | Low                | 8                         | 4                     | 12                 |
| Total   |                    | 13                        | 21                    | 34                 |
|   | Value              | df                        | Asymp. Sig. (2-sided) | Ex. Sig. (2-sided) |
| Pearson Chi-Square                              | 6.348 <sup>a</sup> | 1                         | .012                  | .025               |
| Likelihood Ratio                                | 6.375              | 1                         | .012                  | .025               |
| Fisher's Exact Test                             |                    |                           |                       | .025               |

### Information

There were important differences in the role played by information in non-routine choices within the two decision-making patterns. Purists collected as much information as possible. There was never enough or too much information. The volume of collected information became sufficient the moment that it assured that due diligence was undertaken and procedurally veiled the specialist from risk. There was a strong relationship between the amount of information believed necessary to make a decision and the ability of the information to “defend” the final decision. The sooner the sum and the detail of the data became sufficient to “prove” the rationality and unbiased-ness of the final choice – the sooner the purist reached an acceptable decision. Recording the decision-making process was paramount. Data collection held an important place in the process, even if the data itself was not be used in decision-making.

For brokers not all information and not all sources of data were created equal. Brokers spent a significant part of their time on identifying who the stakeholders were and what type of information led to what they believed would be improved choices. Given that brokers relied heavily on building trust relationships, the information itself was only checked when it came through new channels. Brokers believed that they have reached an adequate decision when they were convinced that the interests of a sufficient number of stakeholders were considered. The stakeholders needed not participate in the process as brokers assumed the responsibility and

ability to represent their interests. As one procurement specialist stated:

I have to think of everyone. The way we spend our money impacts everyone in our city. They don't have the time to come and observe. So we have to make sure that when we award a contract we consider how it will affect our people. It is not even about saving money. We need to be fair to everyone. Vendors have to make some money; otherwise they will not be in business. The public needs to feel that we spend the money wisely and that we will pick contractors who are responsive and responsible. It is important to think long term. [If] You build a reputation of doing things the right way, that will save you money later down the road...If you do not consider all the angles you will make a mistake...Fixing that will cost you more than taking the time to do it right in the first place...This is something that the rules cannot teach you.

Although brokers were constrained in their ability to develop, maintain, activate in and direct long term professional relationships and networking initiatives (both on institutional and cognitive basis), they were likely to believe that such constructs were more meaningful than numbers.

### **Procurement Guidelines and Ordinances as a Protective Mechanism**

Purists used procurement guidelines and ordinances as a protective mechanism. They described their environments as highly unstable, stressful and even somewhat dangerous. They believed that it could not be changed, but that did not stop their efforts to control it. Within environments characterized by high political volatility, specialists emphasized the technicality of the procurement process (through guidelines) to build and enforce zones of acceptance.

Purists highlighted cohesion among a department's members, who were expected to converge to one common perspective. In organizational environments dominated by purists, brokers were not "welcomed." One procurement director (a purist) argued:

Everything that we do has to be by the rules. We work under a lot of pressure and under a lot of time constraints, so we need to see things the same way across the board. I trust my staff.

They understand the complexity of the job. I cannot afford someone talking to vendors outside our normal procedures. Despite his best intentions....this never leads to anything good.

In contrast a different director (a broker) stated:

I hate working with them [purists]. I hate working with those accountants. But I need them. They serve their purpose. They raise procedural red flags and for that I need them.

It can be argued that in a broker dominated environment - brokers and purists could coexist. As previously noted, this was not the case within settings shaped by purists. In such cases the two decision-making patterns appeared incompatible.

In a broad sense, the results suggest that the perceived presence of political instability (pressure) might be associated (1) with a strong impulse to impose a dichotomy between on the job (professional) and off the job (personal) value sets at the individual level and (2) a more bureaucratic-like behavior and perspective (purist) on the part of public procurement specialists. This might support a paradoxical argument that the efforts to control bureaucracy through political means might lead bureaucracies to develop less collaborative and responsive decision-making patterns.

### **The “e-Innovation” Paradox**

Brokers were generally found to be more acceptant of process change, innovation and pioneering dynamics, but also more open to a double loop type learning. At the same time, apparently in contradiction, brokers were not necessarily open to the implementation of e-procurement, whereas purists were much more likely to see e-procurement within a positive connotation. This suggests that while e-procurement might be interpreted as an innovative application of information communication technology - it was being resisted by brokers because (1) it enforced the techno-mechanical rigidity on a software program, (2) it strained (removed) the dynamics of personal relationships and professional networks and (3) it was believed to reduce accountability. The latter fits within Romzek and Johnston (2005) discussion of the negative correlation between the implementation of technology and accountability.

Purists, on the other hand, favored e-procurement efforts at least from two considerations. First, it increased the distance between them and the vendors – thus removing the complications that might have risen from developing personal relationships. Second, given that most of the purists worked in departments/agencies that were described as reactive, it was hoped that e-procurement would have decreased processing times – reducing the daily operational demands.

### **IS THE SATISFICING MAN EVOLVING INTO THE GOVERNANCE ADMINISTRATOR?**

The results suggest that the bounded rationality framework pioneered by Simon (1997 [1947], 1957, 1983, 1985) is suitable for the theoretical placement of the decision-making by public procurement specialists – although it does perform better in the case of purists than in the case of brokers. Simon's (1997, 118-119) core argument is that “The central concern of administrative theory is with the boundary between the rational and the non-rational aspects of human social behavior. Administrative theory is peculiarly the theory of intended and bounded rationality – of behavior of human beings who satisfice because they have not the wits to maximize.” Where, satisfice intends to emphasize the bounded-ness of human cognitive ability, which inevitably leads to decision-making turning into efforts to reach a satisfactory result that will simply suffice under a given context. This does not necessarily mean that individuals will not intend to maximize; it simply suggests that individuals by nature and due to their environmental constraints might not be capable of maximization.

While the bounded rationality perspective provides the basis for understanding the decision-making process and how accountability is defined in public procurement, it falls short in terms of capturing several important perspectives. First, despite challenging the rational model, Simon's (1997) bounded rationality ends up enforcing it. Bounded rationality is also “hierarchically skewed” and inevitably favors centralized decision-making. The latter is primarily due to the failure to acknowledge the influence of the non-organizational forces.

Secondly, bounded rationality, through an overemphasis on the individual, is not able to discern the increased decision-making capacity of an organization, either as a consequence of network



efforts or technological advances (Morgan, 2006). If the lens is adjusted to allow for systematic probability of nonlinear decision-making patterns it would provide a useful and practical theoretical framework for studying decision-making in public procurement. The lens performs well in terms of explaining the purist decision-making process. The purist is in larger part the satisficing man. But, in order for the framework to adequately capture a broker interpretation – “bounded” needs to be “extended” beyond cognitive limitations to also include the limited human ability to construct, maintain and activate in professional relationships and networks.

Public procurement specialists will assign different weights (in terms of importance) to distinct pressure streams, conditional on the context. It is within this relative weight realignment that the rationality is delineated. The process remains bounded in that the assignment of preferences is not always linear and the weights assignment might not be transitive. The implication of this realization, then, is that bounded rationality does not unavoidably, as it is often criticized for, have to endorse hierarchical constructs or tendencies towards static equilibriums. By extending the understanding of what bounded is from limits in processing information to the irrationality of weights assignments and building relationships, the lens can be easily applied to horizontal structures (networks) or to emphasize human relations. This would address Ostrom and Ostrom’s (1971) critique that Simon’s (1997) concept of the satisficing man fails to go past organizational boundaries.

Cooper (2006) claims that in order to sustain an ethical identity and integrity administrators are expected to deal with many demands including at times conflicting sets of values and assumptions. This forces the administrator to transform into a juggler of manifold and multifaceted competing imperatives and values. Few other areas of governance are as uncertain and thus expect a higher juggling skill set from administrators than it is demanded of them in public procurement. The same set of rules and performance criteria might have different effects depending on whether or not the organization operates within an environment that is perceived as volatile, with high levels of conflict or risky. The introduction of technology might only further complicate matters by making it that much more difficult for administrators do develop and maintain clear ethical agendas (Roman, 2013c; Roman & Miller, 2013)

The broker is able to see past organizational boundaries - partially embracing, as a procurement specialist, the role of a semi-political player that interprets and represents the interests of the citizens. While still bounded in his/her rationality, the broker is not interested only in information, but also in identifying and building relationships with stakeholders. Their roles and participation within professional networks juxtaposed with the trust developed within such associations, allow brokers to regularly undertake a parallel processing approach when making procurement decisions. Additionally, brokers appear to emphasize qualities that have traditionally been associated with female behavior - relationship building, willingness to teach, listen and learn, and acceptance of conflict (Stivers, 1994, 2002). In summary the decision-making flexibility, the willingness to shape decisions based on the demands of the circumstances, and the manner in which brokers identify with conflict, communication and learning closely resembles what Follett (1924) referred to as the law of the situation. Is the broker, then, the network induced evolutionary form of the satisficing man - the governance administrator (man and woman) - half bureaucrat half policy entrepreneur?

### CONCLUSIONS

The perspective proposed in this paper makes no claims of perfection and is presented as an additional approach to interpreting administrative decision-making within complex environments. While the model is based on a limited number of assumptions, it too, inexorably, is constrained by the author's training, implicit beliefs and contextual influences. The discussion in this article should be accepted only under the condition that it is well understood that the small sample size might make statistical inference beyond the scope of the sample to the larger population of procurement specialists perhaps somewhat unreliable. In addition, there is an unavoidable bias introduced by employing snowball sampling. There are to be sure many valid reasons to believe that those who accepted to participate in the research as a result of a reference from a colleague might differ in meaningful ways from a professional selected at random from the public procurement universe. These limitations notwithstanding, there are several important implications for public administration theory and practice that can be drawn from the

suggestions made in this article; not the least being that they could be used as a theoretical framework and as hypotheses for future research.

First, the results suggest that there is a strong link between the perceived relationship between professional and personal value sets, manner in which accountability is defined, decision-making patterns and whether an organizational environment is perceived as highly political. Secondly, the findings lend support to the paradoxical conclusion that Simon's (1997) satisficing man may well be the result of a politically laden environment. Finally, given the nature of the coding process the findings are not necessarily exclusive to the public procurement context.

On the whole, this article contributes to the rapidly growing base of knowledge on the dynamics of contracting and public purchasing and to motivate additional research efforts by constructing a theoretical frame, and suggesting effective methodological approaches. Above all, it is hoped that future empirical examinations will confirm that the broker-purist lens performs well both in terms of its descriptive and predictive capabilities. Constructing an adequate understanding of the dynamics behind the decisions regarding who, what, when, how and from whom to procure – is of great importance in terms of addressing procurement shortcomings and designing effective reform initiatives.

#### NOTES

1. Bozeman (2007, 117) defines value as a “complex and broad-based assessment of an object or set of objects (whether the objects may be concrete, psychological, socially constructed, or a combination of all three) characterized by both cognitive and emotive elements, arrived at after some deliberation, and, because a value is part of the individual's definition of self, it is not easily changed and it has the potential to elicit action.” Here, a value set is primarily understood as the collection of values that one might call upon when making decisions.
2. It is important to note that examining the reality of such dichotomy is not necessarily crucial. Whether such dichotomy is “real” or “imagined” is secondary to the fact that respondents

believed in such a dichotomy and allowed it to direct their administrative decision-making and on the job moral reasoning.

3. The coding categories could have easily been named Type A and Type B. The “names” for the two types were suggested by respondents.
4. Here by procurement process it is meant the hierarchical patterns of decision-making as “envisioned” by procurement ordinances or organizational habits.
5. For a similar reason the descriptions of the patterns rely on probabilistic qualifiers such as “more likely” or “more probable.”
6. If all procurement needs were met by a dedicated procurement department the process was coded as centralized. When every department undertook the bulk of the procurement functions the process was coded as decentralized. Instances when there were approximately similar levels of centralized and decentralized procurement the process was coded as hybrid.
7. By consistency it is meant that in case when faced with a similar set of conditions the specialist will reach identical decisions.
8. For brokers, just outcome meant doing “what is right” even if it meant breaking the rules.
9. For instance they could act as whistle blowers in cases when they believed that contracts were assigned unfairly by elected officials or they could engaged into “guerilla tactics” by educating a particular vendor on how to pressure the city council. Along the same lines they could support conflict among council members if it was believed that such tensions would reveal the true underlying dynamics behind the strong support for a specific contractor. A more settled form of conflict rose in cases when specialists would challenge the representatives of taking for granted ordinances and attempted to circumvent their standard interpretation.

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#### APPENDIX A

1. Please take a few minutes to discuss your work experience. What are some things that are important to know about you?
2. For how many years have you been working in the public sector?
3. For how long have you been involved with public procurement functions?
4. How did you “get” into public procurement?
5. Do you hold a certification?
6. Is your procurement office independent or within another department? Please, discuss the implications of that.
7. Is your agency’s procurement process reactive or proactive (that is do you purchase in expectation of events or do you wait for the need to appear)? Please, give us an example or discuss the implications.
8. Are you currently operating within a centralized or decentralized manner?
9. How much is spent on procurement within your jurisdiction/agency/department?
10. How would you define accountability?
11. What does it mean to you? Please, give an example where the concept of accountability would be made clear.
12. As a public procurement professional who do you feel accountable to? What do you feel accountable for? Please define/associate.
13. What if there is ambiguity present (guidelines, goals etc.)? How do you make your decisions? What do you rely on? Please discuss the patterns in your decision-making process.
14. Is there such a thing as public-private-partnerships in public procurement? Can we talk of it? If yes. Please describe.

15. How much experience do you have with PPPs?
16. Who should be more accountable in PPPs? Accountable to whom? What if the relationship is over long period? Are decisions made differently in partnerships?
17. Do you have performance measurements? Does your procurement performance “get evaluated”? Please, specify.
18. Please, name the entities/organizations/individuals/matters that you pay the most attention to, when you make your decisions? Why? Please discuss a hypothetical scenario.
19. Does it matter how many people are involved in the procurement decision-making process? Does this complicate or ease the decision-making process?
20. Is public procurement political? How much political pressure do you believe your organization is under? Relatively - high or low? How much political pressure do you feel yourself? Relatively high or low? Please, explain.
21. Any trends in public procurement that you have been noticing? E-procurement?
22. Is there anything that we have missed, that you would like to discuss?