

Playing the Game

By Sherry J. Williams



Inclusive strategies can do more than support M/WBES, they can drive economic development.

Over the course of my career, I have had the opportunity to work with many pioneers in small-, minority-, and woman-owned business development. Because of that proximity, people often ask me what their secret to success is, or what gimmicks or tricks they used to succeed. I can honestly tell you that there are no tricks or gimmicks; there is just an understanding of, and willingness to, *play the game*.

Most people think that the game is limited to corporate and political arenas other than procurement. When gamesmanship is introduced into the equation, people think that corruption or favoritism is afoot—and that's the first signal to those who play the game that you don't know how to play it.

As with any game, you have to be prepared to play it before you can master it. There are three rules that you should be comfortable with: (1) You must understand the implications of the game; (2) You must be willing to play the game to win, and keep playing even when you lose; and (3) You must gain the knowledge and experience necessary to play the game.

Understanding the Implications of the Game

Public-sector procurement represents 10 percent to 45

percent of a nation's GDP, with the average percentage in developed countries between 15 percent and 20 percent. When private-sector procurement is added to the equation, institutional purchasing accounts for a whopping 30 percent to 60 percent of a nation's GDP. That means that our economies are driven by the decisions made by purchasing agents.

Understanding the importance of procurement in the overall economic health of a city, state, or nation is the first sign that you have joined in the game, but if procurement is defined as obtaining the best product for the best price, you are already out of the game. As one pioneer and former purchasing director told me recently, most mayors and their staffs take a "project" approach to economic development instead of a public-policy approach, meaning that they are not trying to maximize the impact that their procurement and project opportunities have on the overall health of their economies. Too often, these opportunities become projects for which a particular group or firm pushes, limiting M/WBE participation to only the chance to put minority- and women-owned firms on *someone else's project*. The prime contractor often becomes the driver of the project, and public policy takes a back seat.

Sound public policy dictates that cities and states determine what efforts best promote economic, business, and community development within their jurisdictions in a manner that benefits all citizens. That public policy is then implemented through the procurement process. Firms are selected based on their ability to assist the public entity to meet its public-policy objectives—with low bid being only one of many objectives.

In this scenario, M/WBE participation is not an appendage to the project, nor is it an affirmative-action measure; it is an effort to ensure that the needs of all citizens within that jurisdiction—including M/WBEs—are met. This understanding and attitude is the critical difference between being in charge of the game and sitting on the sidelines.

Be Willing to Play the Game to Win, and Keep Playing Even When You Lose

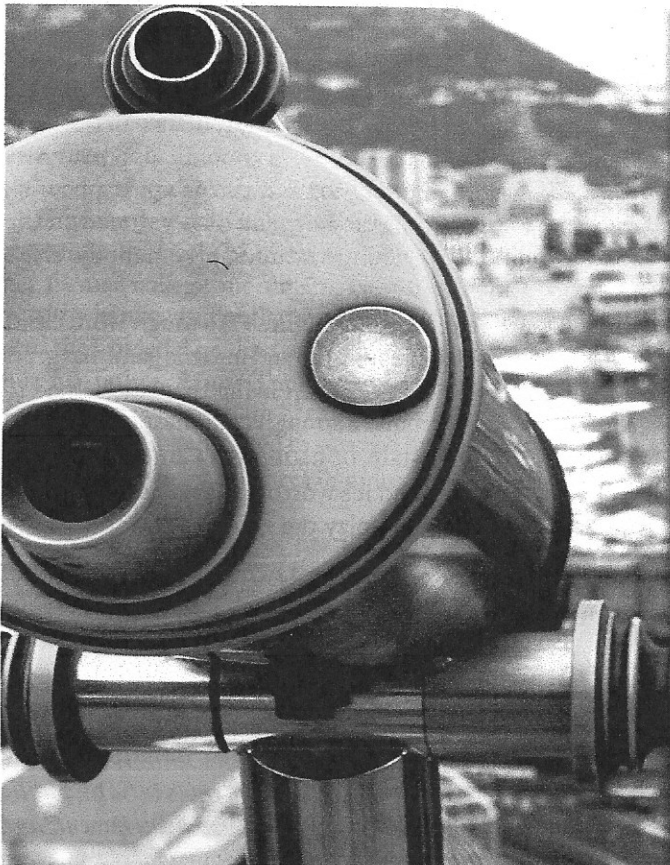
Fear is the greatest danger to the success of an M/WBE program. Fear can arise from several sources: Fear of losing a job. Fear of changing the economic-development game to one of inclusion. Fear of retaliation. Fear of selecting a small firm just because it is small. Fear of selecting a minority- or women-owned firm because a purchasing officer is a minority or woman and feels he or she must

defend the decision or be accused of favoritism. If you have any of these fears and you are a procurement agent or an officer in an M/WBE program—you are in the wrong job. Procurement agents or M/WBE managers should be change agents who are responsible for ensuring that their jurisdictions meet the needs of businesses that are often excluded from opportunity, and not afraid to play the game to effect meaningful inclusion.

Courageous, committed leadership is a must for leaders of successful M/WBE programs. Courageous leaders establish expectations regarding inclusion, and expect their staffs to meet them without fear or concern about whether the apparatus will produce the public-policy outcome they are seeking. Interestingly, majority-owned firms usually fall in line with socioeconomic inclusion requirements once they understand that staffers have the full intent of meeting their leaders' directives. Why? Because the public entity has something that the vendor wants—a contract opportunity.

“But what if we get sued?” some ask.

It's just litigation—you have a 50 percent chance of winning, even on a bad day. Fear, more often than not, causes lawsuits. And if a fear of losing keeps you from playing the game aggressively, you have already lost. You are now a liability, and it highlights your lack of understanding of



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Playing the Game *(continued)*

the first rule.

For those who say that we now live in a world of coalition-building and collaboration, I absolutely agree. But I add this observation: Collaboration and negotiation from a position of strength is great diplomacy; collaboration and negotiation from a position of weakness usually results in capitulation. The people—not big firms or interest groups—have placed your purchasing organization, in charge of a multibillion-dollar institution, and you have the responsibility

to run it efficiently and effectively on behalf of its citizens. Innovation and excellence on behalf of all citizens must be your mantra. Just doing a good job is not good enough. Be bold and responsible in carrying out your mission. This leads us to the third rule.

Gain the Knowledge and Experience Necessary to Play the Game

Do the people you are buying from understand more about procurement

than you do? If they do, it is a problem—a problem that the people with whom you negotiate can easily detect. They know you don't have sufficient knowledge to stay in front of players bidding for \$100,000 or \$1 billion in procurement activity. Without sufficient knowledge and experience, you become a pawn in the game, which is a dangerous position for you, for your agency, and for the excluded groups you mean to help.

You may have won awards; you may be doing great at your job. But doing a great job is just the baseline for getting a raise, and to do so, you simply need to perform your assigned tasks well. Certification, contract compliance, and outreach are tasks associated with the M/WBE office, but understanding how to drive economic development means you're in the game.

You'll know you're in the game when the mayor, governor, or head of your federal agency asks you to be a part of major discussions on economic development and development initiatives, and to contribute your insights and expertise to ensure that all businesses are included in your jurisdiction's economic opportunities and growth. If this is not happening, you are not yet a player; you're on the sidelines, carrying somebody else's water.

I know these are tough words. But stepping up and into the game has great benefits. Knowing that you helped to build a strong, economically viable city, state, or nation is an amazing reward, and it's worth the risk. So get in there and play the game! ♦

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