



## CITY OF LONG BEACH, CALIFORNIA

# Extreme Procurement Makeover

### ABOUT THE CITY OF LONG BEACH



The City of Long Beach, California, provides a full range of municipal services—including

police and fire, public health and environmental services, engineering and public works, sanitation, and library, parks, recreation, and related social services—to approximately 450,000 residents. The city also operates a harbor, convention center, several beaches, and marinas. Overall, Long Beach has 23 departments, approximately 5,300 employees, and an annual operating budget of more than \$3.5 billion.

### Summary

As part of its Extreme Procurement Makeover, the City of Long Beach identified a need to improve communications, planning, and overall coordination of procurement. By focusing on building relationships between procurement and the departments it serves, the city has greatly improved competitive outcomes, expanded contracting opportunities to new businesses, and introduced a new, human-focused, and fun approach to procurement.

### Past challenges—both real and perceived

Procurement had long been a perceived pain point for the city. Staff, vendors, and other stakeholders thought it was difficult to navigate the city's structure, hindering their ability to complete tasks, get questions answered, make purchases,

or facilitate competitive solicitations. Michelle Wilson, the city's purchasing agent, identified the primary problem: "The perception from departments was procurement staff sitting behind their computer doing little more than rejecting purchase orders." And it didn't help that limited training resources meant that many city employees were often confused about rules, leading them to provide incorrect information to vendors—which led to mistrust among the vendor community. "Some vendors didn't feel it was worth the effort to try and work with the city," Wilson said. The process was overwhelming. As a former department manager, Wilson knew that she and other departments often did what they could to avoid procurement. In fact, that was one of the many reasons she was hired. Tara Mortensen, the previous purchasing agent and current bureau manager, saw the need for a



The city's procurement team has been focusing on outreach, organizing community events to talk to businesses and provide training on finding and responding to city solicitations.

culture shift and wanted someone from the department side to fill her position. It was that kind of outside the box thinking that really got the ball rolling.

Internally, the city knew there was an opportunity to improve internal communications. City departments knew about projects, upcoming grant funds, and contract expirations—years in advance, sometimes—but they didn't have an open line of communication with the centralized Procurement Services Division until the formal process started. Without proper communication or insight into the upcoming projects or their timelines, the procurement process often became rushed, and shortcuts were taken to meet demanding deadlines. This led to flawed procurements. Requests for proposals (RFPs) were put together quickly and left out important details. There was no time to do market research, resulting in small vendor pools and reduced competition.

And vendors had little time to address solicitations, hindering responses.

### Creating a better way

Transforming the city's approach to procurement was going to take time, but Long Beach started working on improving communications and planning right away. The city's procurement team initiated an effort to prepare annual procurement forecasts to strategically and accurately plan upcoming procurements with city departments. These meetings engaged the procurement teams with the departments they served to make sure the departments knew who their procurement representatives were. Initially, departments were skeptical about the meetings and viewed them as punishment; however, the meetings quickly turned into discussions on what

the departments buy, what they needed, and how Procurement could better assist. Opening lines of communication changed the entire perception—in both directions. Procurement was able to provide suggestions to make the process easier, and departments were able to explain pain points and feel like they were heard. As part of discussions on future purchases, staff were able to identify more opportunities for city-wide solicitations that multiple departments could collaborate with. The city was also able to better coordinate procurement resources to serve departments better.

Over time, these meetings led to ideas for hosting more formal training sessions. To help get over negative stereotypes with the request for proposal (RFP) process, or the hesitation to go through an RFP process, the city led an "RFP-a-thon" that provided an opportunity for instruction on developing





The procurement team's improved coordination and communications resulted in a significant increase in RFPs in 2024.

an RFP for department staff who may only participate in one or two RFPs per year, including hands-on opportunities to work on writing an RFP together. The city was also able to document processes and policies throughout this process, and it is now working on converting that information to what will be the city's first comprehensive procurement policy manual.

Tommy Ryan, an administrative analyst III for the city, commented, "These trainings and the policy manual will help us be more proactive and provide help on what's causing confusion before it really becomes a problem or a bad habit." For organizations concerned about staffing levels in procurement and the time it takes to schedule and conduct similar training sessions, he said, "training like this becomes a great investment. It can save you time because you don't have to answer the same question over and over."

In working to create a better approach to procurement the city focused on building relationships. Wilson said that she tried to emphasize to employees that they had a valuable role to play, but departments

needed to see it. "Our customers in the city's departments were trying to deliver goods and services to the community and they believed that Procurement was making their lives more difficult. In reality, we were trying to make sure the purchase was fair, equitable, competitive, and all the other great things that procurement can do." The city realized that to create a better way in the future, they needed to work on creating a better perception. To this end, procurement staff always have their camera on now in virtual meetings. They hold office hours to answer questions and dedicate time to providing training—and not just training, but fun training, with music and laughter. When the city first started with this strategy, there was likely some culture shock on both sides, but it helped defeat the narrative that Procurement wasn't approachable. "The first step was just making us human," Wilson said.

This shift forced procurement staff out of their comfort zones at times, but it also pushed them to use different skillsets. "We were able to figure out what people were passionate about and put that energy to good use," Wilson

said. Some staff members were stronger at working with data, while others thrived in public speaking roles or facilitating groups. Wilson told a story about one staff member who hated public speaking but was excellent at explaining concepts in a mentoring role one-on-one. She was made responsible for coordinating office hours for city staff to drop in, ask questions, or work through problems.

## More competition

Improved coordination and communications allowed the city's procurement team to better serve customers both internally and externally and increase the use of competitive solicitations. Competitive solicitations using a best-value approach to awarding contracts is a best practice that can lead to more than just better pricing. RFPs add value by ensuring that the city is receiving quality services, taking advantage of innovative approaches, and better serving the community. In 2024, the city saw a 30 percent increase in RFPs, with total RFP going to 36.2 percent, from 5.9 percent, of total procurement spend. The city was also able to use administrative resources more efficiently by combining similar types of procurements. In 2024 alone, four new citywide contracts were identified after it was discovered that different departments were contracting for similar services. Rather than perpetuating the administrative burden of each department managing their own contracts for the same thing, the procurement team was able to centralize and manage a single contract, reducing staff time and resources. Similarly, Procurement was able to identify 19 opportunities where multiple departments came together to purchase in 2024, compared to only one the year before.

## Community impact

Better internal relationships made it possible for the city to identify ways to better serve external customers. Government procurement has an opportunity to have an impact on the local economy and to improve relationships with local communities—but only if it can be accessible to those who need it. Some of the most vulnerable organizations in



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**TOMMY RYAN, ADMINISTRATIVE ANALYST III**

a community can do valuable work in reaching underserved populations. Better planning, better coordination, and more proactive approaches to engaging the community can catch the attention of new firms that have been left out of city procurement.

The annual forecasts have transformed the ways in which underrepresented vendors do business with the city. Forecasting and planning lead to an appropriate amount of time for thoughtful solicitations and targeted outreach plans, which are easier for smaller vendors to respond to and win the business. This focus on equity has allowed the city to increase contract opportunities for local and minority-owned businesses and nonprofits, and community-based organizations. Response rates for American Rescue Plan Act (ARPA) procurements doubled, with 92 percent being competitive. Similarly, 64 percent of vendors who were awarded Long Beach Recovery Act contracts were first-time vendors for the city. When surveyed, 100 percent of the proposers viewed the forecasted procurements as transparent.

Because of the city’s success in transforming the perception of procurement internally and its initial success in expanding contracting opportunities in the community, the mayor supported funding for an additional position in procurement to focus on outreach. This new position is able to get out into the community, talk to businesses, provide training on finding and responding to city solicitations, and explain what to expect in the process. The city is looking at options for combining knowledge of procurement needs with businesses in the community in hopes of matching demand with supply. “We really want to go out in the community and bring businesses into the city rather than just always pushing information out to vendors,” Wilson explained.

### Lessons learned for other governments

Other governments can establish annual procurement forecasts with departments quickly and without a substantial cost; however, the city’s approach is relevant

for opportunities beyond procurement. For the city, procurement is one part of a larger financial management function. The city’s budget department, also part of this group, has looked into developing training sessions that are accessible across the whole city.

“Departments can see the culture shift that occurred and realize that work can be enjoyable,” Wilson said.

“Long Beach has always been a fairly progressive organization, in the way we think outside the box, but some solutions don’t require expensive resources. In this case we were able to open doors, increase transparency, and provide a better experience just by working to improve our relationship,” Ryan said. “For me personally, I can say I’m a more well-rounded employee and more confident leading in different scenarios. I’m proud of that.”

### Contacts

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