

Track Theme: Relationships and interaction shaping public procurement transformation

Track Co-chairs: Matin Taheriruh (Tampere University, Finland), Hannu Torvinen (University of Oulu, Finland)

E-mail Matin Taheriruh: matin.taheriruh@tuni.fi

High annual spending on public procurement has attracted significant attention for its use to achieve strategic outcomes. Traditionally, the primary focus of public procurement has been on efficiency and cost-effectiveness; however, contemporary procurement practices aim for innovation generation and promotion (Malacina et al., 2022; Melander & Arvidsson, 2020). Despite many successful examples of achieving innovation by applying public procurement, also critique that efforts to implement novel public procurement practices for innovation may struggle to transcend traditional cost-focused results exists (Håkansson & Axelsson, 2020). Public procurement complexities hindering innovation are addressed, for instance, in the predominant focus on procurement costs (Malacina et al., 2022) and excessive bureaucracy limiting organizational flexibility (Waluszewski & Wagrell, 2013).

A key aspect of enhancing value outcomes in public procurement lies in overcoming barriers to stakeholder engagement and examining how public organizations can build relationships and facilitate interactions with other actors (Torvatn & de Boer, 2017). Public procurement processes have traditionally been designed around standardized transactions between public entities and suppliers, often emphasizing efficiency and compliance (Axelsson and Torvatn, 2017; Håkansson and Axelsson, 2020). However, this emphasis can constrain innovation by limiting deeper, more interactive forms of relationships. Unlike private sector organizations, which often benefit from flexible, long-term relationships with suppliers for innovation, public organizations face multiple regulatory frameworks at least partly restricting certain types of interactions (Axelsson and Torvatn, 2017; Torvatn and de Boer, 2017). The former dynamics call for an exploration of strategies and structures that enable public organizations to foster meaningful relationships and interactions with between the key partners as well as other stakeholders while adhering to the given constraints, creating pathways for innovative and strategic outcomes.

The present IMP research related to public procurement seems to offer two contrasting viewpoints on the nature of interactions in the procurement process. One stream argues that public procurement may not inherently support innovation and is exclusively effective for standardized interfaces (Håkansson and Axelsson, 2020) that align with the dominant public sector perspective, facilitating streamlined transactions in a single contract. The regulations underlying these interfaces reflect a traditional free-market philosophy, and may hinder innovation by requiring competitive tendering too early in the development process (Waluszewski and Wagrell, 2013). Conversely, other research highlights alternative views, suggesting that creating more interactions within legal limits can enable interactions to foster innovation (Axelsson & Torvatn, 2017; Torvatn & de Boer, 2017). For instance, market dialogues and pre-tender interactions between public buyers and suppliers facilitate translation and interactive interfaces, challenging the necessity of standardized interfaces in public procurement (Holma et al., 2022).

Additionally, previous studies show that interactions in public procurement can go beyond direct buyer-supplier relationships, engaging other actors within the ecosystem to foster collaboration and innovation. For instance, they show that innovation in public procurement can emerge from "limited interaction with the public procurer" by engaging other actors, such as different suppliers of the public organization or suppliers collaborating with universities, in non-standardized interfaces, to jointly provide innovative solutions (Melander & Arvidsson, 2020). Various intermediaries have also been recognized for having interactive interfaces with public organizations, thereby facilitating indirect interactions with the supply market (Berg et al., 2022; Holma et al., 2022).

This special track invites both theoretical and empirical studies which to explore the nature of relationships and interaction within public procurement and how these can advance public to capture strategic outcomes such as innovation, sustainability, and other public values requiring more relational perspectives. Suggested topics and phenomena include, but are not limited to, the following:

- How can innovation emerge in public procurement through structured yet flexible relationship-building and interactive processes? (Torvinen & Haukipuro, 2018)
- How can stakeholder relationships in public procurement create (or destroy) shared value through collaboration, and what practices and conditions support this? (Cabral, 2017; Järvi et al., 2018)
- What are the appropriate organizational structures for coordinating and facilitating innovation within the constraints of public procurement systems? (Torvatn & de Boer, 2017; Torvinen & Ulkuniemi, 2016)
- What organizational capabilities or individual competences are required for public buyers to effectively manage innovative procurement processes, particularly in local government? (Holma et al., 2022; Torvatn & de Boer, 2017)
- How do suppliers and intermediaries contribute to fostering relationships and interactions in public procurement, and what complexities arise from these engagements? (Berg et al., 2022; Melander & Arvidsson, 2020)

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