

# **In advocacy of trust: utilizing vendors in the procurement process will enhance collaboration and innovation within aviation security**

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Diederik Stolk has extensive experience in building collaborative relationships centered around joint problem-solving. Clients include various armed forces, banks & government ministries. He was the director of the Output Academy until 2018 and is a founding partner in GS&A.



# So What? Who Cares?

- Space:** Procurement of innovative products for aviation security.
- Problem:** Present procurement process (extensive RFP+ proposals) may limit innovation.
- Solution:** Verified foolproof method which enables trust-building, joint goal-setting and collaboration between stakeholders.
- By collaboratively developing RFP's with vendors (within the scope of the law) will result in:
- Enhanced trust and collaboration between stakeholders
  - New players entering the market with innovative solutions.
  - Vendors committing to results rather than effort
  - Reduction of red tape, increase in transparency
- Results:**
1. Cost reduction in delivery of humanitarian aid. Effective collaboration between actors in failed state settings.
  2. Large Dutch bank uses method for fraud reduction and ethical lending practices.
- TRL:** 10

# NLD Ministry of Infrastructure spends millions on unseaworthy Rigid Hull Inflatable Boats



- Boat built to exact ministry-defined specifications.
- Court rules vendor not at fault.

# Without consensus on the problem, you will get inadequate solutions.

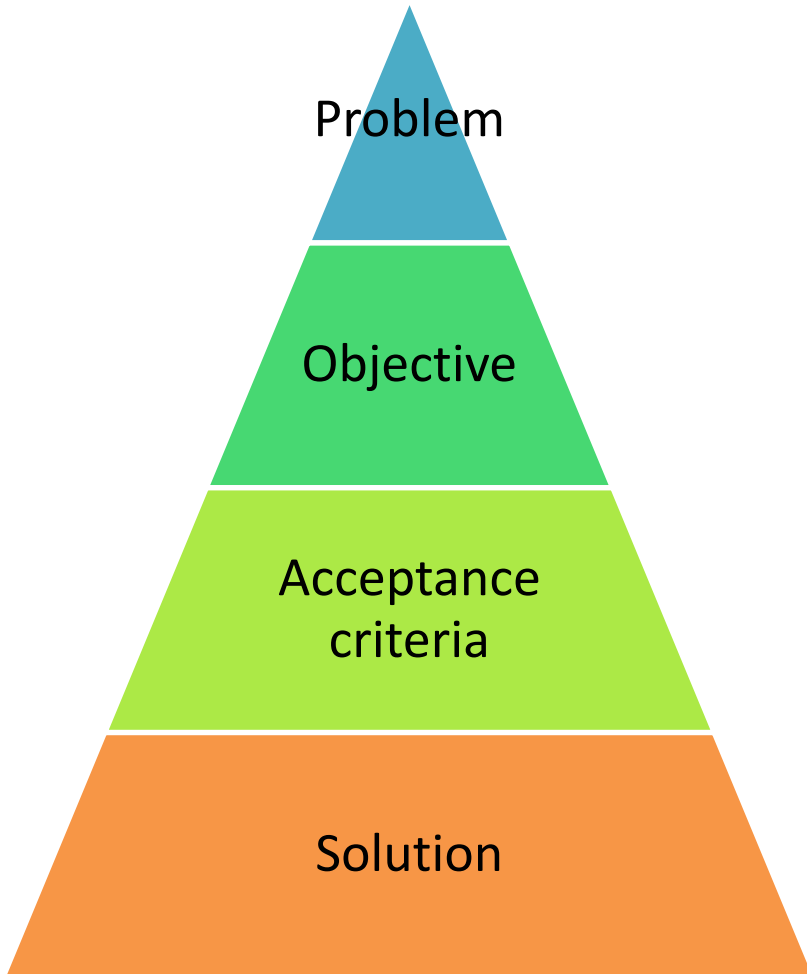
small



Likelihood of conflict



large



The likelihood of low-intensity conflict and disagreement is highest when talking in solutions, e.g. timelines, costs, manpower, repeatability, permanence and scalability.

Solutions fail during implementation when there is no real discussion about the problem, the objectives and acceptance criteria.

The challenge in most organisations is that talking about a “problem” is perceived as negative, weak, threatening and or demoralising.

# Consensus on the problem creates sense of urgency. How to kickstart dialogue?

As long as a problem can be ignored, it will be. Acknowledgement is critical for change.

## **How to get people talking? Some ideas:**

- Use case studies based on undisputed facts. Start small.
- Use outsiders to facilitate the dialogue, acting as “referees”
- Have top-level support.
- Make clear that the current status-quo is unacceptable.
- Organise discussions in private safe spaces, such as ADSA.
- Use anonymity. Online there are many opportunities for it.

**Dialogue is critical to establish trust.**

# Case study:

## Dutch Social Insurance Bank

**Large institution responsible for social welfare spending.**

**Problem:** Desire for oversight burdens first-line departments, strains relations with executive board and third parties, e.g. finance ministry. Audit department is blamed.

**Effects:** Stress, unconcise administration, heavy turnover of staff, incomprehensible audit reporting leading to failed audits, misspending, strained relation with board members, as well as the ministry. Negative stress and citizen complaints.

# Case Study: Intervention

By facilitating a dialogue through various activities, we were able to “reset” relations between stakeholders and build trust.

My company did the following:

- a) We ran several workshops focusing with various departments focusing on:
  1. Resetting relationships and collaboration.
  2. Enabling dialogue and building trust through empowering staff to share their experiences.
  3. Finding ways to enable oversight with less administrative burdens.
  
- a) Developed a financial dashboard in collaboration with audit department and executive board.

# Case Study: Results

1. New way of auditing based on increased automatization and less manual administration by departments.
2. Increased collaboration between department; fixing fires before they occur.
3. Increased employee satisfaction, decline in employee turnover.
4. Executive board more in control regarding finances.
5. Reset in relationship with ministry, increased goodwill.



# Recommendations to TSA

1. Experiment and organize workshops with stakeholders to identify:
  - Areas for collaboration with regards to RFP+ proposal setting.
  - Areas to simplify procurement processes by focusing more on acceptance criteria and end goals, rather than means, e.g. activities and process adherence requirements.
2. Investigate to what extent present procurement process (extensive RFP+ proposals) may limit innovation using “output model”.
3. Educate TSA personnel in method. Create new working practice within TSA and enable low-cost scale up.

Diederik Stolk (GS&A) can be hired to facilitate noted activities.

# **MODERATOR QUESTIONS**

# What is your definition of collaboration?

Collaboration occurs when more than one party or person needs to work together to realise a shared goal, e.g. fix a problem. Collaboration centres around the alignment of shared interests (a win-win) rather than competition.

In order for collaboration to occur parties should have:

1. A shared situational understanding of the problem space creates a shared sense of urgency.
2. A shared mutual understanding of each other's role, responsibilities and capabilities.
3. Shared objectives.

Collaboration implies a dynamic relationship that is strong enough to deal with uncertainty.

# How is collaboration different than contracting with a performer to perform a task?

Contracting relationships are best suited for repeat standardized tasks that occur frequently. It is a relationship characterized by:

1. hierarchy,
2. expected performance with a well-defined task with as little ambiguity as possible, and
3. rules that set the conditions for the exchange of money for performance.

Advice: investigate & delineate what covers innovation and what covers standardized tasks.

# What is the role of trust in successful collaborations?

For collaborations to be long-lasting trust on multiple fronts is essential.

1. Without trust in the outcome, i.e. the attainment of a shared goal, it is impossible to create the foundations to work together.
2. Trust in the task-setting, e.g. the shared task does not change without everyone's buy in. The task is clear and has a strong sense of urgency.
3. Trust in each other's capabilities and expertise, e.g. all parties have a clear understanding of the value each party brings.
4. Trust at the interpersonal level, it is preferred that people like working with each other. Collaborations do not have to be fun, but they need to be rewarding.

**Dialogue is critical in establishing trust.**