



WHITE PAPER

2026 Public Procurement Survey

As the new year begins, we've conducted a survey of procurement professionals across the United States and Canada to assess the current state of the industry and identify the most critical trends shaping the coming years. These insights were complemented by in-depth conversations with public procurement experts and thought leaders who offered valuable guidance on the road ahead.

Across all discussions, one message was clear: **procurement is undergoing fundamental change.**

Heightened economic and geopolitical volatility, combined with rapid advances in digital technologies, are reshaping expectations of the procurement function. Agencies are being asked to move faster, manage greater complexity, and deliver increased value, often with constrained resources. At the same time, procurement is experiencing a notable shift in perception across government, from a transactional support function to a strategic enabler of policy, performance, and public outcomes.

As with any major shift, there will be both challenges and opportunities. Procurement agencies that embrace new solutions and competencies will be able to play a much more strategic and influential role in their governments. In this report, we examine the current state of public sector procurement, identify key obstacles to transformation, and outline practical actions that organizations can take, regardless of their stage in the modernization journey, to build a more resilient, agile, and value-driven procurement function.

Key trends that we'll cover include:

- Procurement professionals recognize the importance of modernization, but most have not yet implemented a holistic modernization strategy.
- New technology brings the opportunity to apply creative solutions to familiar procurement challenges.
- Supplier selection is still dominated by cost, while supplier risk management represents one of the biggest gaps for procurement.
- AI is set to have a major impact on public procurement, but technology readiness is a key element for agencies to take full advantage.

About the Survey

Insights gathered from 131 Senior Public Procurement professionals throughout North America.

Meet the Experts



Jeanette Bruno

Director of Advocacy at [SOVRA](#) and former Director of Projects at the City of Philadelphia



Colin Erhardt

Director of Partners for Public Good and former Acting Director of DHS Field Operations for the Commonwealth of Massachusetts



Elena Hoffnagle

VP at Partners for Public Good and former Business Management Consultant for the National Park Service



Mariel Reed

Founder and CEO at Pavilion and former Innovation & Strategy at the County and City of San Francisco



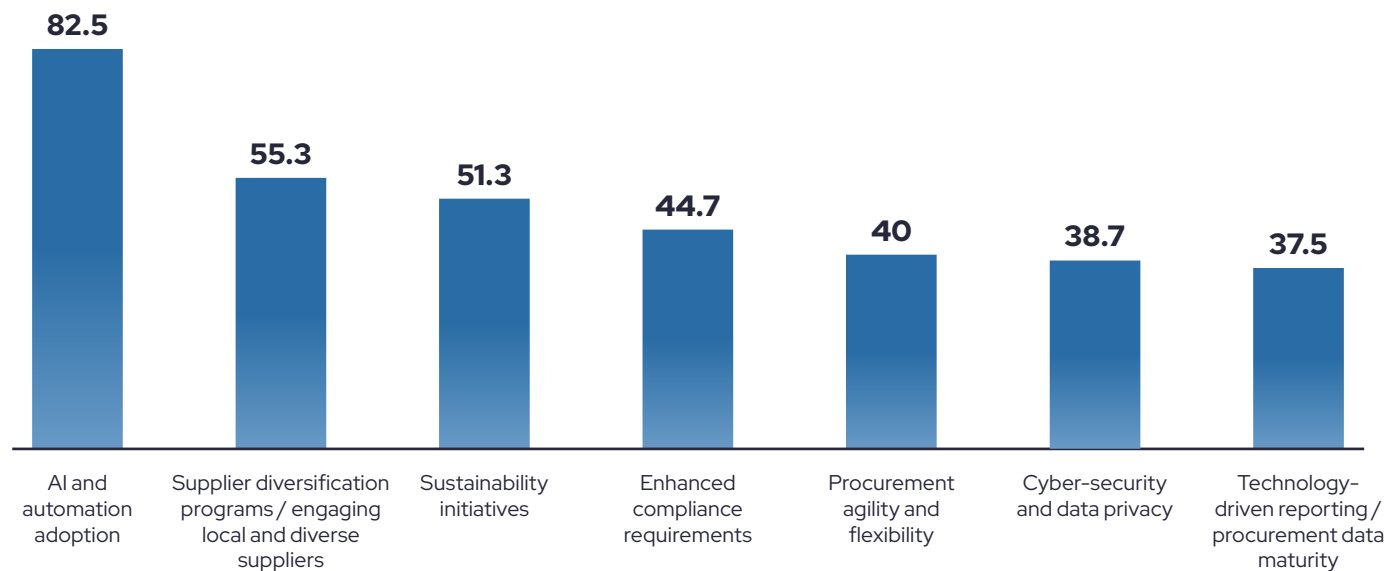
David Yarkin

CEO of Procurated and former CPO of Pennsylvania

Key Trends to Understand for 2026

1. Emerging Technologies and Sustainability Drive Highest Impact

Respondents were asked, “Which trends do you believe will most impact public procurement in the next three years?” and three clear trends dominated responses. AI and Automation Adoption was the clear primary variable, followed by Supplier Diversification Efforts and Sustainability Initiatives.



AI and automation can reshape public procurement, raising expectations for productivity and efficiency. At the same time, agencies must account for how vendors and end users adopt AI and understand how that external use affects procurement processes and outcomes.

Beyond that, we see that unpredictability in the environment has strengthened the focus on strategies that can ensure the delivery of necessary goods in a time of constant change. This means that maintaining service levels by anticipating and mitigating risk will be a top priority for this year.

2. The Importance of Public Procurement Continues to Grow

One clear trend for 2026 is public procurement’s continued growth as a strategic value driver for government organizations. When asked about the strategic importance and investment in procurement in the next 3 years, **43.51%** of respondents said “Very High” or “High.”

The experts we spoke with identified several key roles that public procurement departments can step into, including:

- Driver of governmental operational efficiency
- AI acquisition thought leader
- Implementation partner for new administrations
- Trust builder between governments and citizens



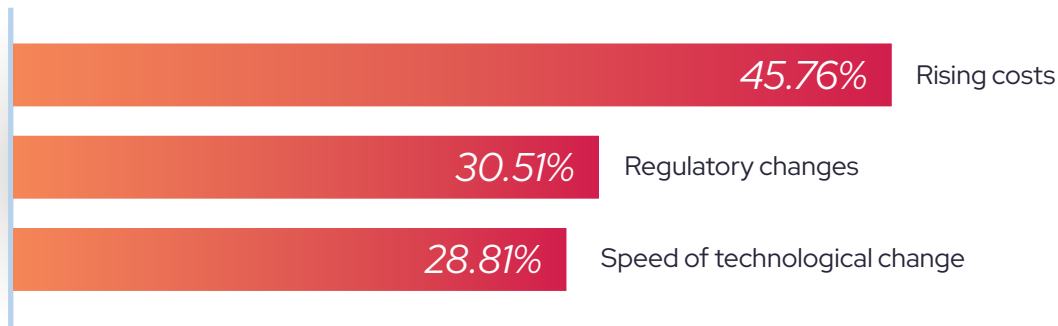
“Whenever there’s big change, there’s an opportunity for reinvention, and procurement teams can start to do that today.”

Jeanette Bruno

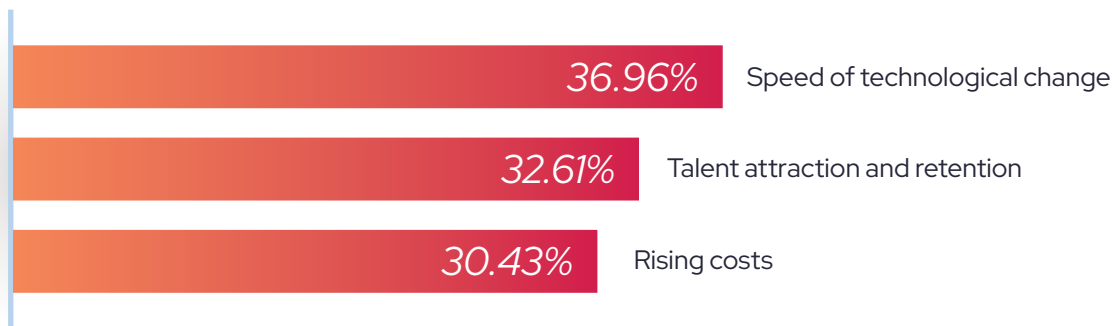
3. Familiar Procurement Challenges Persist, but Responses Are Evolving

While advances in technology may feel new, the primary concerns for procurement departments are all too familiar. Costs, regulatory changes, speed of technology change, and talent retention were all top concerns. The priority of these challenges changed for agencies depending on their constituency size.

Top concerns for agencies serving 250,000 or fewer constituents:



Top concerns for agencies serving more than 250,000 constituents:



Despite the challenge of rising costs, agencies appear determined to find solutions that don’t involve downsizing. Only **13.13%** of respondents relied on staff reduction to maintain service levels at higher costs, and **8.08%** chose to reduce budget and procurement activities.

Instead, we are seeing teams embrace creative and innovative solutions to top concerns, with **66.67%** of respondents expanding the use of eProcurement and automation tools and **62.63%** relying on cooperative purchasing contracts. These two strategies far outrank alternatives such as vendor consolidation and outsourcing.

Cooperative Purchasing as a Cost-Reduction Strategy

The move toward cooperative purchasing reflects a broader shift in procurement, with agencies working more closely across governments to deliver better public outcomes. Rather than scaling back, agencies are expanding collaboration to build shared successes.

One example from Mariel Reed, Founder and CEO at Pavilion, captures the value of working with other agencies to lower costs while delivering community value. She explained that before cooperative purchasing, San Francisco's Recreation and Park Department found that making even modest park improvements required significant time and expense. Under its previous processes, the cost of adding a single public restroom could reach as high as \$1 million, limiting the department's ability to maintain safe and accessible public spaces.

In response, the department turned to cooperative purchasing to accelerate park improvements while reducing costs for taxpayers. Reed notes that this initial, targeted use case helped build confidence in more creative approaches to procurement. *"They've de-risked it on a small scale and have a clear case of 'This is how we've done something better.' Now the conversation is about scaling it up,"* added Reed.

When a park is successfully reopened, the team shares the win on its constituent-facing Instagram channel along with details of its cooperative purchasing process, including budget and timeline. This reimagining of public communications provides the community with more visibility into the tangible ways procurement is improving performance and driving value.



Embracing Digital Solutions

As agencies move away from manual, paper-based processes, many are turning to digital tools such as eProcurement platforms and automation to maintain service levels while managing costs.

These technologies can remove time-consuming administrative work, allowing procurement teams to do more with existing resources. While modernization itself is not new to public procurement, the years ahead (starting in 2026) require a clearer distinction between partial and holistic approaches to modernization.

Partial modernization often takes the form of segmented improvements: individual tools adopted to solve specific problems, systems that don't communicate with one another, and uneven adoption across the organization, where some parts of the office operate digitally while others still rely on paper-based workflows.

As Jeanette Bruno, Director of Advocacy at SOVRA, explains, “The biggest risk of partial modernization is that it creates a lack of transparency and visibility, which is crucial for compliance-driven departments like procurement.” In practice, these gaps limit insight across the procurement lifecycle and make it harder to maintain consistent oversight.

Although this approach can deliver isolated productivity gains, it often introduces new challenges. Disconnected tools create redundancies, duplicate work, and inefficiencies that waste time and money. Staff are forced to manually bridge gaps between systems, increasing the risk of errors and slowing down processes.

As a result, agencies may see short-term improvements

in select areas while remaining reactive overall, struggling to scale efficiency, manage risk, and align procurement activity with broader strategic goals.

By contrast, a **holistic modernization** strategy applies modern solutions across the entire procurement ecosystem, creating a more centralized, transparent, and efficient set of tools for both procurement teams and the departments they support.

These systems are fully integrated, improving visibility and coordination while helping agencies mitigate risk, ensure compliance, and drive better outcomes. With this foundation in place, procurement teams become more agile and proactive, positioning them to deliver sustained strategic value across government.

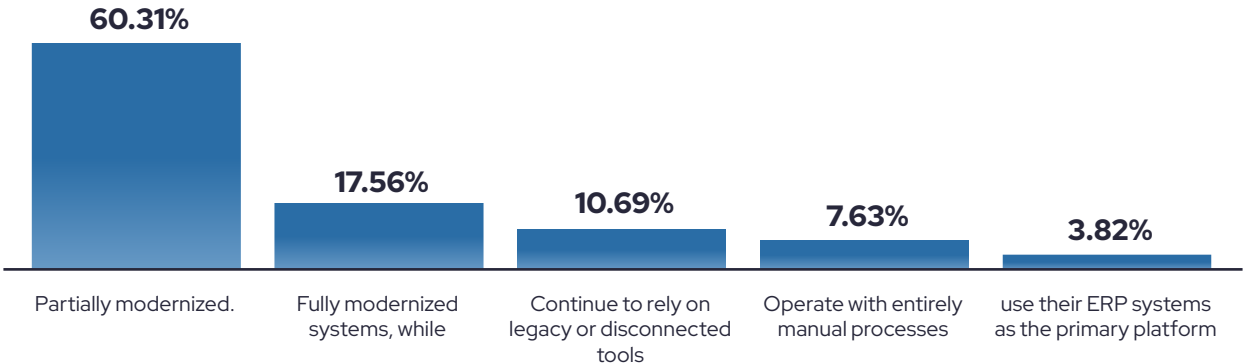
4. Actual Modernization Levels Lag Behind Acknowledged Importance

As the demands on public procurement grow more frequent and complex, most agencies recognize modernization as essential. Yet survey results show that progress remains uneven, with the majority of agencies reporting only partial modernization.

Taken together, these findings indicate that roughly **22%** of agencies are operating with limited or no modernization, despite increasing operational pressures. While partial modernization is the most common approach today, it presents growing risks as agencies look ahead to 2026 and beyond.

Without clear, end-to-end visibility, teams often remain reactive, focused on responding to issues rather than shaping strategy.

Procurement processes are:



That reactive posture makes it difficult for procurement to evolve into a more strategic function. Elena Hoffnagle, VP at Partners for Public Good, underscores this challenge, noting, “Our big vision is that procurement professionals become strategic partners, focusing on high-level market research, writing RFPs that attract vendors,

and negotiating contracts to secure the best possible value.” This vision is far harder to realize under partial modernization, which may reduce some manual work but leaves procurement anchored to administrative tasks.

To keep pace with rapid [technological change and growing uncertainty](#), procurement departments must move beyond incremental improvements and work toward the end goal of holistic modernization.

An Incremental Approach to Holistic Modernization

While holistic modernization remains the long-term goal, reaching that vision requires incremental progress. Bruno emphasizes that being partway through the journey is both expected and appropriate. “It’s okay to be midway through your modernization journey,” she explains. *“It’s prudent for a public entity to take modernization in chunks, especially because procurement is so compliance-driven, with a high need for transparency and visibility throughout the process.”*

The critical distinction between healthy incremental progress and getting stuck in partial modernization is

vision. Agencies need a clear, strategic end state to guide their decisions. Without that coherence, modernization efforts risk improving isolated pieces of the process while delivering only marginal results.

When agencies understand their destination, they can modernize in logical stages, building synergy across systems and generating compounding returns on investment. A clear vision also enables the second essential factor for successful modernization: **momentum**.

In environments where technology is constantly evolving, one-and-done solutions are unlikely to address long-term challenges. For instance, a rigid 10-year modernization plan, created today, may be outdated in just a few years as both problems and tools continue to change.

Colin Erhardt, Director of Partners for Public Good, describes the approach that should be taken instead:

“What looks like a 10-year plan should really be a commitment to making consistent improvements on a weekly and monthly basis.”

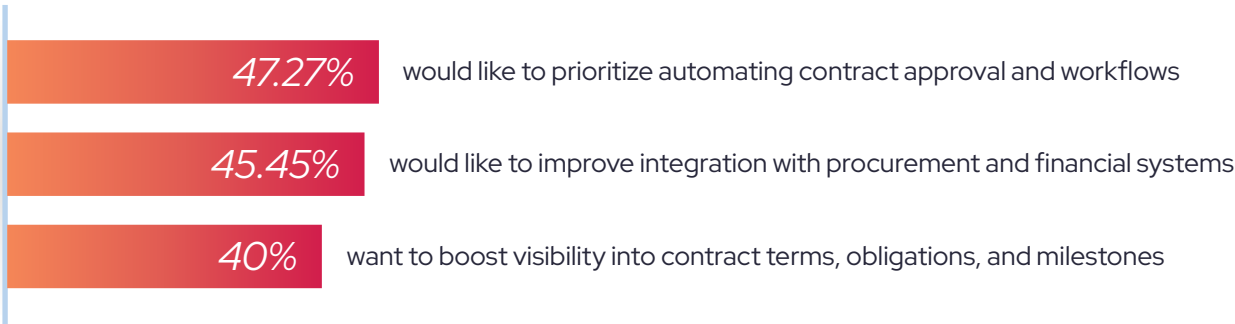
Colin Erhardt
Director of Partners for Public Good

By prioritizing momentum over static planning, agencies can remain flexible and responsive while still making steady progress toward a clear, long-term modernization goal.

Addressing Low-Hanging Fruit

While most agencies have not yet reached full, holistic modernization, the survey data points to clear areas where teams are eager to begin. Respondents most often identified [contract management](#) (29.77%) and bid/RFP creation (22.9%) as the highest priorities for modernization investment.

Among larger agencies, the emphasis shifts toward centralization and visibility. When asked, “*What improvements would have the greatest impact on your organization’s contract management process? (select up to three)*,” agencies serving populations of more than 250,000 identified the following priorities:

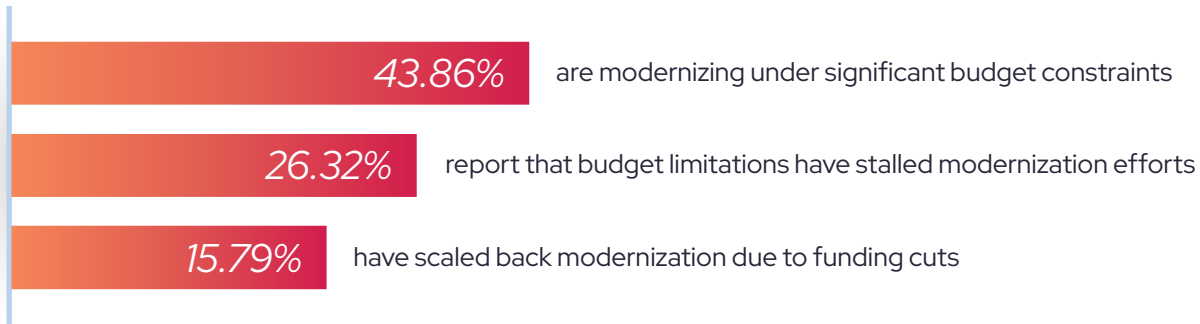


When deciding where to get started, Bruno recommends closely examining existing processes to identify opportunities for immediate impact. “If you are doing something manually today, like entering data into a

spreadsheet or copying and pasting information between systems, that is ripe for modernization,” she explains. Mapping out these workflows helps teams pinpoint the specific tasks where technology can deliver quick wins.

Bruno also emphasizes that early modernization efforts don't always require significant new investment. This is especially true for smaller agencies serving 250,000

or fewer constituents, where budget constraints more directly shape modernization decisions:



While limited resources present real challenges, they don't have to halt progress altogether. As Bruno notes, *"If you don't have the money right now, it's still important to understand where your problems are. There have been many times when we optimized our processes using tools our IT department had already invested in."* Even small, strategic steps can move agencies forward on the modernization journey.

Making the Case for Investment in Modernization

While some modernization efforts can begin incrementally, there are moments when meaningful financial investment is unavoidable. In those cases, procurement departments need to clearly and effectively make the case for holistic modernization. Conversations with budget offices are far more productive when teams can point to a defined set of tools that address specific manual pain points, and, critically, assign a measurable cost to the work those tools replace.

Bruno offers an example from her time as Director of Projects for the City of Philadelphia that illustrates the value of quantifying manual effort. Before investing in modernization, her team partnered with IT to measure how long key procurement tasks took to complete. That time analysis created a tangible cost baseline tied directly to existing manual processes.

By grounding their proposal in data, the team was able to build alignment and clearly articulate the intended outcomes. As Bruno explains,

"When we rolled out new technology, we had a benchmark of time savings that we expected, which amounts to a certain number of dollars we could reinvest back into the organization and the community."

Beyond efficiency and cost savings, holistic modernization delivers value across several critical dimensions: visibility, performance outcomes, collaboration, [and compliance](#).

The Importance of Increased Visibility and User-Friendly Processes

Too often, public procurement is perceived as a black box: requests go in, but progress remains opaque until a project is complete. This lack of visibility can frustrate suppliers, internal stakeholders, and constituents alike, making it harder to build trust and meaningfully engage the community.

Part of this challenge stems from a limited understanding of how public procurement differs from personal or private sector purchasing. Stakeholders unfamiliar with government processes may assume procurement is straightforward, when in reality it is highly regulated and compliance-driven. Clear visibility, proactive communication, and expectation-setting help bridge that gap.

This gap between stakeholder needs and an understanding of government procurement requirements is especially challenging when it comes to intake management. At SOVRA, we're reimagining this process with our NextGen Intake Requester. This tool helps requesters create comprehensive initial drafts by guiding them through required questions, calculating estimated budgets, and routing requests through the best procurement path. The AI interface leverages real-time data to ensure accuracy and completeness.

These drafts are ultimately reviewed by procurement teams to ensure human oversight, but the tool leverages AI to improve requests and make the process more efficient. It's also designed with the [community in mind](#), and asks questions that help ensure requests don't disadvantage local suppliers or place overly restrictive requirements.

While modern solutions can speed up key parts of the procurement process, government purchases still won't happen instantly. This is where visibility comes into play. High-performing agencies also make a point of showing how long processes take and where projects stand at any given moment. For instance, Erhardt describes working with a county that implemented a solicitation tracker outlining each step in the process and displaying real-time project status. To reinforce transparency, the Chief Procurement Officer also sent weekly status updates to agency leadership.

That said, achieving this level of communication requires centralized systems. A holistic modernization approach (where tools are integrated and data flows freely) eliminates silos and ensures that accurate, timely information is accessible to both teams and stakeholders.

Leveraging Data-Driven Collaboration for Better Government-Wide Performance

For procurement to step into a more strategic leadership role, modernization efforts must extend beyond procurement-specific workflows. When agencies focus narrowly on activities such as sourcing or contract execution, the benefits of modernization are often confined to procurement. This limited scope reinforces the perception of procurement as an administrative function, rather than a strategic driver capable of improving performance across multiple government offices and agencies.

Holistic modernization, by contrast, accounts for the needs of the departments that work alongside procurement. Integrated systems enable smoother collaboration, easier data-sharing, and fewer bottlenecks across government functions such as finance, legal, and program delivery. By centralizing information and standardizing workflows, procurement can support faster decision-making, stronger coordination, and more consistent outcomes across the organization, not just within its own team.

This broader visibility also strengthens performance management across government. With shared, reliable data, agencies can track metrics that reflect how well procurement supports other departments, not just how efficiently procurement operates in isolation.

Cycle time is one example of a metric with clear cross-agency implications. When procurements are delayed, the impact is felt downstream by program teams, finance offices, and service delivery functions that depend on timely purchasing to meet their own objectives.



Yet, some agencies continue to struggle in this area, with roughly one-third of our survey participants reporting ongoing challenges in meeting internal procurement timelines.

Looking beyond averages to examine outliers (why some procurements move quickly while others stall) provides insight into where coordination, approvals, or handoffs between departments break down. These insights enable addressing root causes that span multiple offices, rather than treating delays as isolated procurement issues.

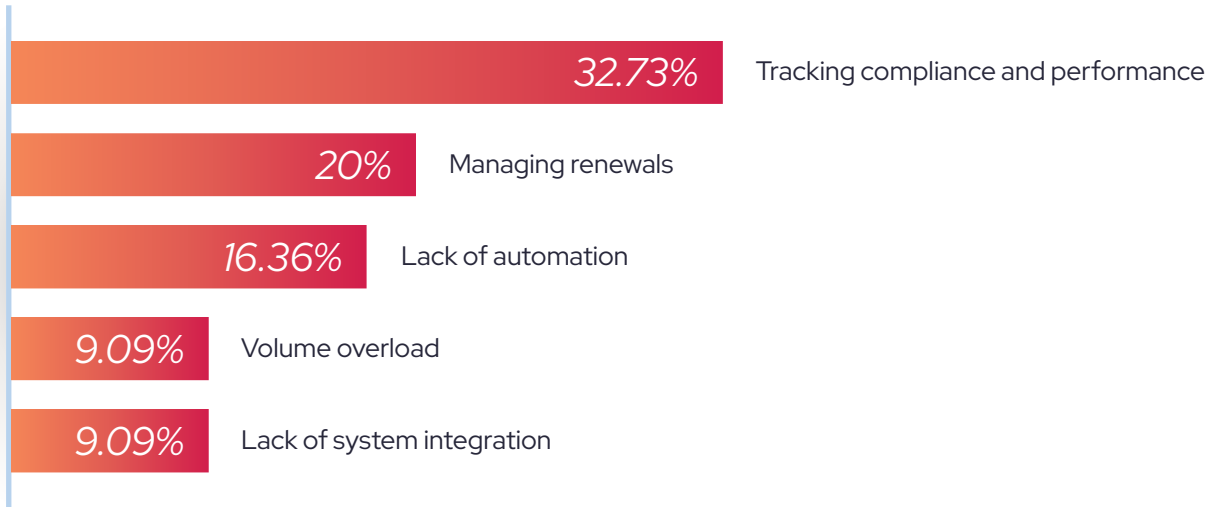
By identifying what enables the fastest cycle times and where delays consistently occur, procurement can help standardize effective practices across agencies, reduce friction between teams, and improve overall government performance.

In this way, holistic modernization positions procurement as a driver of efficiency and reliability across the organization, with benefits that extend well beyond the procurement department itself.

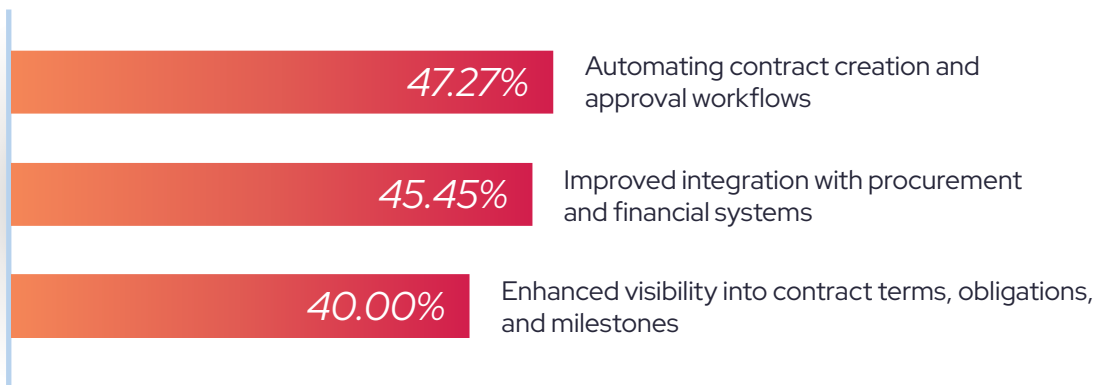
Technology-Enabled Compliance and Tracking for Contracts

For large agencies managing high volumes of complex purchases, compliance and performance tracking remain

top priorities. When agencies serving more than 250,000 constituents were asked about their biggest contract management challenges, they cited:



When the same group was asked which improvements would have the greatest impact on contract management, three clear priorities emerged:



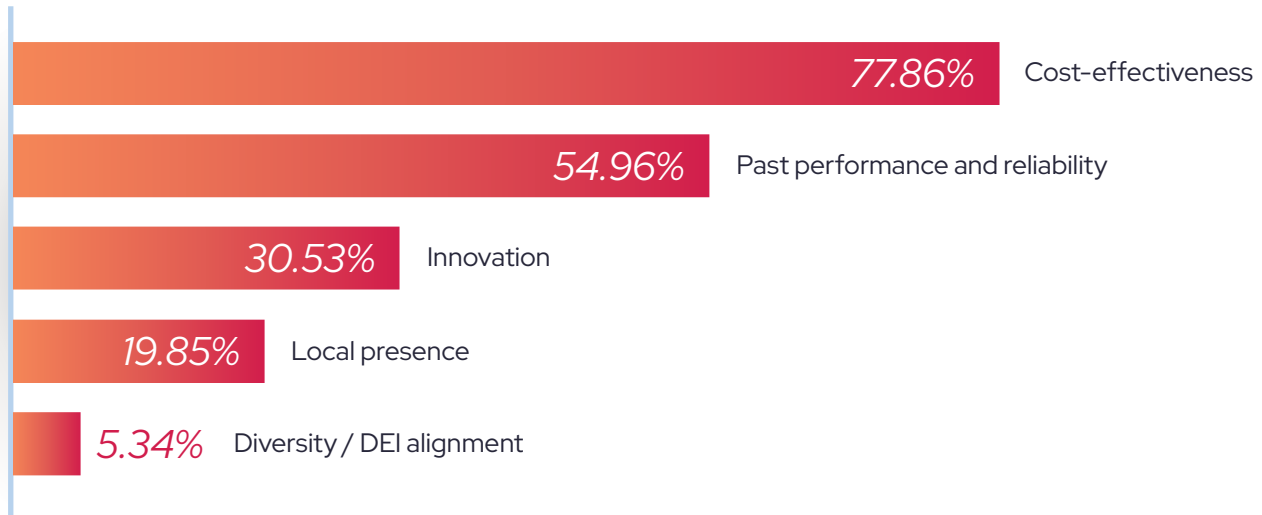
Once again, the data underscores a consistent theme: the future of procurement depends on connectivity. Each part of the procurement lifecycle must work together seamlessly, while also integrating with finance, legal, program teams, and external suppliers. By automating

repetitive manual tasks, procurement professionals gain the time and capacity to build centralized, resilient systems capable of handling increased demand and complexity while remaining agile in volatile environments.

5. Supplier Selection Remains Dominated by Cost and Performance

Despite strong public commitments to DEI, sustainability, and local economic development, supplier selection in public procurement remains largely traditional and risk-averse. Maturity is still measured primarily by cost control and compliance, with other priorities often treated as secondary.

When asked about the most important criteria for selecting suppliers, respondents cited:



While price sensitivity is understandable in public-sector environments, an evaluation approach that overemphasizes cost carries meaningful risks. As Elena Hoffnagle, VP at Partners for Public Good, explains, *“Far too often, governments end up working with lower-performing vendors because they’re over-preferencing cost or don’t have a good way to evaluate past performance.”* Over time, this tradeoff can prove more expensive and increase the likelihood of high-profile failures that erode public trust.

The encouraging signal in the data is that more than half of the respondents (54.96%) still prioritize past performance. This suggests the challenge lies less in intent than in the limitations of current evaluation methods, particularly in consistently and defensibly assessing vendor performance.

Evaluating Supplier Assessment in an AI-Enabled World

Diversifying supplier evaluation criteria will become even more important as vendors increasingly use AI to respond to RFPs. Without stronger evaluation frameworks, procurement teams may default to lowest-bid decisions simply because other factors are harder to measure, raising the risk of selecting underperforming vendors.

As procurement continues to evolve, suppliers must be viewed as an extension of the procurement function itself. They ultimately serve constituents and end users, making it essential to assess vendors holistically across price, reliability, diversity, and local impact.

One immediate opportunity is moving beyond limited reference checks toward more robust performance evaluation. David Yarkin, CEO of Procurated, notes that *“Looking at a higher quantity of peer reviews is a better way to identify high-performing vendors than calling two or three vendor-supplied references.”*

Platforms like Procurated support this shift by providing a searchable repository of more than 100,000 verified reviews written by government procurement professionals. Access to broader, peer-generated data enables more objective and defensible vendor assessments.



“Looking at a higher quantity of peer reviews is a better way to identify high-performing vendors than calling two or three vendor-supplied references.”

David Yarkin

Assessing True Cost vs. Initial Investment

Procurement teams can further strengthen supplier evaluation by shifting focus from upfront price to true cost over time. Rather than evaluating purchases solely on initial spend, this approach considers the full lifecycle cost of goods and services.

Hoffnagle compares this to buying a car: *“You could buy a cheaper car because you have a limited budget, but when you factor in repairs and a shorter lifespan, it may cost more in the long run than making a slightly higher investment upfront.”*

A true-cost approach is especially valuable for agencies facing budget constraints, as it helps avoid unforeseen expenses and supports stronger business cases for leadership. Estimating total cost and clearly communicating that analysis to internal stakeholders will be critical for procurement teams seeking to maximize the return on taxpayer dollars. With holistic modernization, agencies gain the data needed to analyze past purchases and present quantitative evidence that justifies higher initial investments.

Going Beyond Price: Procurement as a Champion for Local Vendors

As a strategic partner within government, procurement can do more than secure low-cost contracts. As Erhardt puts it, *“Procurement is the lever for governments to make a difference in their communities.”* This is particularly true at the local level, where procurement spending can account for **25–50%** of an agency’s total budget.

Lowering barriers to local businesses participating in procurement not only diversifies the supplier base and reduces risk but also serves as a powerful economic driver. Erhardt notes that transition periods present especially strong opportunities to advance local investment. When procurement teams understand voters’ priorities and new administrations’ priorities, they can propose solutions that address urgent needs while keeping public dollars circulating within the community.

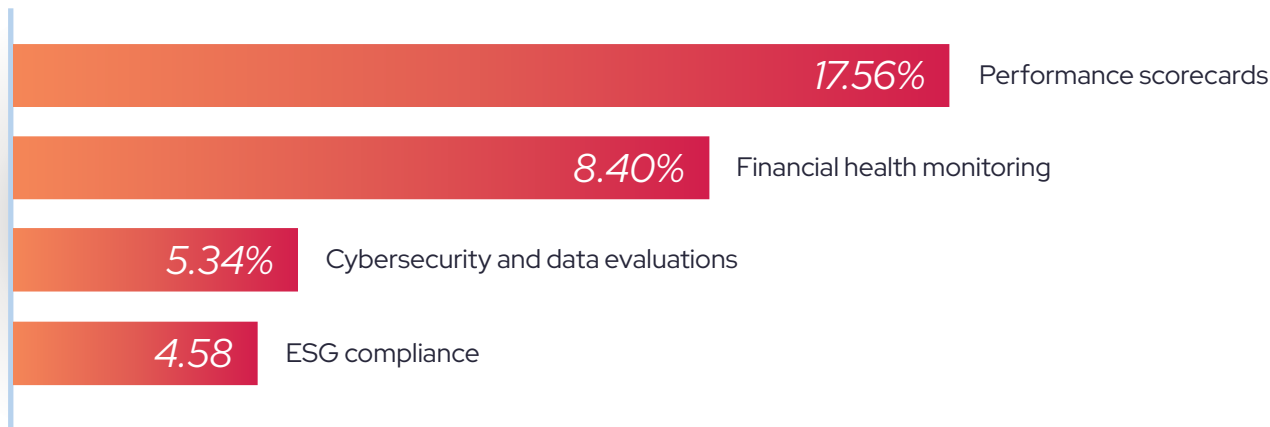
Procurement spending can account for **25–50%** of an agency’s total budget.

6. Nearly Half of Agencies Lack Formal Supplier Risk Assessment

When asked about supplier evaluation practices, **48.85%** of survey respondents reported not formally assessing supplier risk, by far the most common response.

For comparison, fewer than one in five agencies use performance scorecards.

Leading indicators for assessing supplier risk include:



In a time of heightened scrutiny on cybersecurity, financial stability, and supply chain reliability, this represents a significant governance gap. To navigate unpredictable environments and maintain public trust, supplier risk management is no longer optional – it is essential.

The Importance of Supplier Risk Management in an Increasingly Volatile Environment

In 2025, procurement teams faced rising demand alongside resource constraints. Volatility from tariffs and geopolitical tensions amplified these pressures, and these challenges are expected to persist into 2026 and beyond.

Procurement teams have pursued creative solutions, but without formal risk management, even cost-saving strategies can backfire. For example, vendor consolidation, used by **22%** of respondents, may reduce expenses in the short term, but it can also increase exposure.

While consolidating contracts from 20 vendors into one may save money upfront, it leaves the agency (and end users) vulnerable. If the consolidated vendor backs out, experiences supply chain disruptions, or goes bankrupt, agencies may face:

- Failure to supply key items
- Loss of trust with end users
- Overpaying for emergency solutions

What seemed like a cost-saving move can quickly become more expensive and time-consuming than anticipated. As Jeanette Bruno, Director of Advocacy at SOVRA, emphasizes, *“These are public dollars we’re talking about, so the stakes are high.”*

A Vision for Supplier Risk Management

Effective supplier risk management allows teams to balance initial cost savings with sustainable performance and organizational agility. Agencies should ask: "What does effective supplier risk management look like in a world of fast-paced change?"

Key elements include:

1. **Proactive risk assessment:** Anticipate possible risk scenarios and design multiple response strategies to enhance resilience.
2. **Continuous monitoring:** Risk management doesn't end at contract signing. David Yarkin, CEO of Procurated, emphasizes, *"You have to reach out to your end users and ask how things are going with the vendors. You can't just wait until people start reaching out to you with issues."*

Note that although engaging end users is critical, it can be challenging. Agencies can increase response rates by:

- Linking requests to specific transactions
- Clearly explaining the benefits of providing feedback
- Building trust by acting on responses

Once again, collaboration and communication emerge as foundational to building a more agile and strategic procurement function.

Leveraging Holistic Modernization to Foster Partnerships with Suppliers

Treating vendors as purely transactional increases risk and keeps agencies in a reactive posture. Manual processes, at best, allow only transactional relationships; at worst, they foster adversarial dynamics.

Holistic modernization, by contrast, positions agencies as strong, strategic partners:

- **Better vendor experience:** Centralized systems and streamlined processes make working with agencies smoother.
- **Seamless communication:** Integrated tools eliminate data silos and ensure accurate information flows between agencies and suppliers.
- **Proactive problem-solving:** Performance data tracked over time enables frank discussions with vendors and continuous improvement in outcomes.

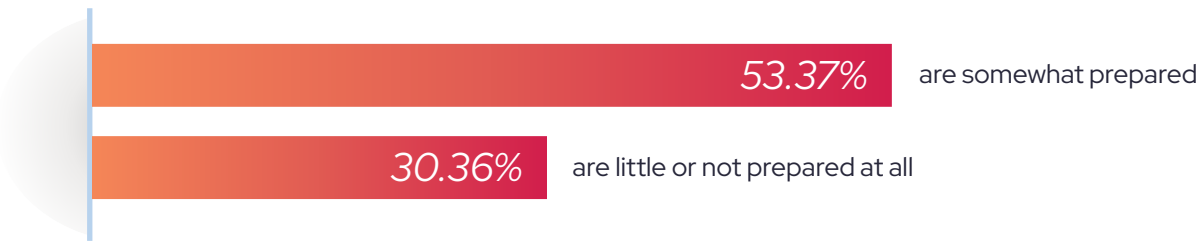
For example, Fulton County, Georgia, began modernizing procurement during the COVID-19 pandemic by digitizing sourcing and bidding but quickly expanded toward a fully connected source-to-contract ecosystem.

By implementing online bid evaluation tools such as SOVRA's Bid Evaluation, the County replaced manual, Excel-based scoring with structured, transparent workflows that allowed evaluators to score independently while giving managers real-time visibility into results. This not only reduced administrative burden and errors but also improved bid quality, strengthened vendor participation, and reinforced trust in the fairness of the process.

Overall, agencies that modernize holistically and incorporate structured evaluation approaches can foster trust-based, collaborative partnerships, improving both internal efficiency and external results.

7. AI Potential Meets Low Tech-Readiness

AI and automation are widely identified as the trends most likely to impact procurement in the next three years. Yet only **16.07%** of respondents feel very prepared to adopt these solutions. Meanwhile:



This misalignment between expected impact and tech-readiness can slow modernization if agencies are not strategic in adoption.

Leveraging AI in Public Procurement

Moving forward, both Generative and Agentic AI solutions present an opportunity for procurement to effectively manage increased responsibility while controlling costs, remaining agile, staying compliant, and retaining talent.

Generative AI (Gen AI) uses deep learning models to generate content in response to user input. In procurement, Gen AI can assist with:

- > Drafting RFPs
- > Comparing vendor bids
- > Summarizing peer reviews

Conversely, **Agentic AI** takes independent action toward a defined goal, reducing the need for constant human oversight. Use cases include:

- > Compliance checks
- > Supplier onboarding
- > Enhanced risk management

While AI is set to have a massive impact on all industries, including public procurement, it's not a miracle drug. As with any other technology, agencies still have to be strategic and selective about the solutions they use. With AI specifically, it's crucial to understand its particular strengths and weaknesses, so you can figure out where it does and **doesn't** belong.

A notable caveat is that **AI is not a substitute for human decision-making**. David Yarkin, CEO of Procurated, notes, *"AI excels at taking a lot of data and boiling it down to the key points a decision maker needs to know from that information."* Mariel Reed, Founder and CEO at Pavilion, supports this by adding, *"AI shouldn't make decisions that have ethical or human considerations, but it can turbocharge productivity and free up time typically spent on repetitive tasks."*

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Mariel Reed

Agentic AI can drive efficiency, improve communication, and help manage risk, but human oversight must remain at critical decision points, especially in compliance-driven contexts.

AI Readiness Starts In-House

Jeanette Bruno, Director of Advocacy at SOVRA, highlights the importance of internal preparation before heavy AI adoption: *"AI is an amazing tool, but if you don't tackle your broader operational ecosystem first, it's just going to be another expensive tool that doesn't bring the results you wanted."*

Achieving foundational modernization first ensures smoother AI adoption, faster ROI, and the ability to leverage existing tools and human resources. Not to mention, the success of both Gen AI and Agentic AI depends on high-quality, usable internal data.

In that sense, to prepare, agencies should:

- Modernize internal operations
- Optimize workflows
- Map processes and quantify current costs

Once internal systems are ready, teams can take a strategic approach to AI by asking:

- What problem are we trying to solve?
- What is the cost of current solutions?
- Which AI tools best fit our needs?

This methodical approach maximizes the potential of AI while ensuring investments deliver meaningful, sustainable results.

A New Vision for Public Procurement

Public procurement is on the precipice of significant change. Not just in the technology available, but in the role agencies play. If teams want to step into their expanding

function, they need a new understanding of the value they provide and tools to change the narrative around procurement.

Building Trust Between Citizens and Government

Maintaining trust with constituents is a familiar challenge for governments. When political tensions and volatility increase, procurement has the power to serve as an example of reliable nonpartisan service.

As David Yarkin, CEO of Procurated, explains, *"These days, people are skeptical about whether the government*

can accomplish anything, and procurement is a way to start building back that trust between citizens and the government." By using tax dollars responsibly, operating efficiently, and consistently supplying the community with what it needs, procurement provides stability people can count on.



“AI will likely touch procurement first. This is an opportunity for procurement professionals to be strategic leaders in how governments best leverage these tools.”

Elena Hoffnagle

Emerging Core Competencies

Successful procurement agencies will be those that embrace new approaches and develop the skills needed to operate in a more strategic and agile manner.

In 2026 and the coming years, key competencies will include AI literacy, internal customer service and communication, and storytelling, all critical for demonstrating value, driving modernization, and supporting cross-departmental collaboration.

AI Literacy

Getting educated on AI will enable procurement to become more active thought leaders in conversations around acquiring these solutions for other departments.

Elena Hoffnagle, VP at Partners for Public Good, explains that *“AI will likely touch procurement first. This is an opportunity for procurement professionals to be strategic leaders in how governments best leverage these tools.”* In particular, agencies should focus on the risks of AI, government-specific use cases, and tech-readiness.

Customer Service and Communication

While procurement has traditionally been viewed as an operational function, it must broaden its capabilities to take on a more strategic role. Agencies that succeed in 2026 and beyond will treat procurement as an internal customer service function, supporting other departments across the organization. Excelling in this role requires a deep understanding of the internal customer journey and the ability to identify and address key pain points efficiently.

Storytelling

Crafting data-driven stories that showcase the impact of procurement successes is essential for shifting the perception of procurement from a reactive function to a strategic partner. In other words, procurement teams need to be more proactive in demonstrating their value and contributions.

As Colin Erhardt, Director of Partners for Public Good, advises, *“Procurement teams need to be advocates for their function by explaining their roles and procedures in a way that really builds excitement and understanding around their work.”* Doing so enables agencies to strengthen inter-departmental collaboration, maintain public trust, and generate broader support for holistic modernization that benefits the entire government.

A Tech-Empowered Procurement Function

Public procurement has reached a defining moment. The findings of this survey make it clear that technology is no longer a support layer. It is central to procurement's ability to lead strategically amid volatility, rising expectations, and constrained resources.

Across agencies, procurement teams are being asked to do more with less. They are managing rising costs, mitigating supplier risk, collaborating across departments, adopting AI responsibly, and maintaining transparency and compliance. Partial modernization can ease isolated pain points, but it cannot support this expanded mandate. Without connected systems and shared data, procurement remains reactive and limited in its ability to deliver sustained value.

A tech-empowered procurement function is built on holistic modernization. When intake, sourcing, contracting, supplier management, and downstream workflows operate within a connected ecosystem, agencies gain the visibility and coordination needed to move faster and make better decisions. This end-to-end view also strengthens collaboration with finance, legal, and program teams, turning procurement into a true operational and strategic partner.

SOVRA was built to enable exactly this shift. Purpose-built for the public sector, SOVRA delivers a comprehensive procurement platform that supports agencies from initial intake through contract execution and supplier engagement. Through open architecture and its iPaaS integration framework, SOVRA connects procurement

data across systems, eliminates silos, and establishes a single source of truth across the lifecycle. The result is stronger compliance, clearer visibility, and smoother coordination across departments.

This connected foundation also unlocks practical, responsible use of AI. As the survey highlights, AI delivers value only when paired with clean, accessible data and clear intent. Within the SOVRA ecosystem, AI can improve intake quality, support planning and forecasting, automate compliance checks, and reduce administrative burden for procurement teams. On the supplier side, SOVRA supports more transparent, defensible engagement as vendors increasingly rely on AI to discover opportunities and respond to solicitations.

Most importantly, these outcomes are proven in practice. SOVRA has helped agencies move from manual, paper-based processes to fully integrated, end-to-end procurement environments. Along the way, organizations have reduced redundant work, improved data quality, strengthened supplier evaluation, and freed procurement teams to focus on higher-value, strategic activities.

As procurement's role continues to expand in 2026 and beyond, agencies need more than disconnected tools. They need a platform that delivers results today and evolves alongside policy, technology, and market change. SOVRA is helping public procurement move from fragmented and reactive to connected, intelligent, and outcome-driven at a pace agencies can sustain.

To learn more about holistic purchasing solutions built specifically for the public sector, explore [SOVRA](#) today.



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