

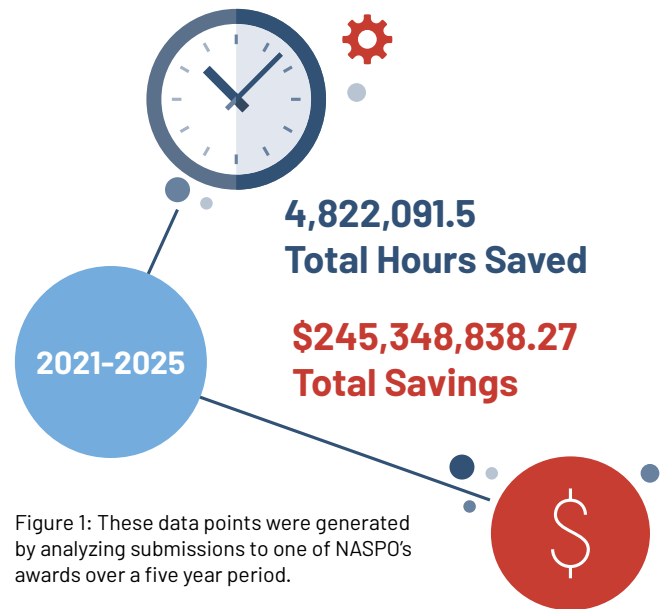


By the Numbers: A Snapshot into Public Procurement Savings

Cronin Submissions

Quantifying the Value of Public Procurement

One often overlooked, but vitally important, office for generating cost savings and other notable benefits is a state's procurement office. By leveraging discounts generated through state-wide and cooperative contracts, along with best value-based procurement strategies,¹ a state's central procurement office can generate millions of dollars worth of savings, all the while continuing to deliver all the goods and services that agencies across the state require to serve the state's citizens in a fair and transparent manner. **Beyond cost savings, procurement offices can also provide additional benefits such as reducing bureaucratic inefficiencies, stimulating local economic development, and promoting sustainability goals.**



Overcoming the Challenges to Data Collection

A primary challenge in communicating the value of public procurement is that there is no comprehensive set of data that captures all of the cost savings and other benefits that procurement offices achieve. Rather, data on this topic is fragmented across the states and even further within an individual state across different agencies and localities. Furthermore, estimating the true value of cost savings that a statewide contract produces is difficult whenever there is no easily accessible data regarding the prices of services and goods in the contract versus the MSRP of those commodities. Additionally, measuring other key performance indicators, like administrative efficiency gains, can be difficult to estimate whenever baseline data is not available for metrics like the average number of days to develop an RFP, or the average number of hours a public procurement official spends on a given part of the procurement process.

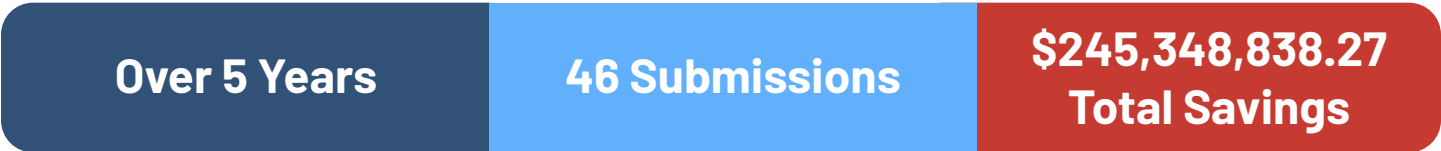
To address this gap in data availability concerning the value of public procurement, this fact sheet leverages original data collected by NASPO. This paper explores submissions provided by state central procurement offices to NASPO's George Cronin Award for Procurement Excellence. Ultimately, these submissions serve to develop a more data-driven picture of the value and importance of public procurement.

¹For a brief explanation of best-value and cooperative purchasing in public procurement, you can review "Procurement Guide for Executive and Legislative Leadership," NASPO, accessed November 11, 2025, https://cdn.naspo.org/RI/ProcurementGuide_Executive_LegislativeLeadership.pdf.

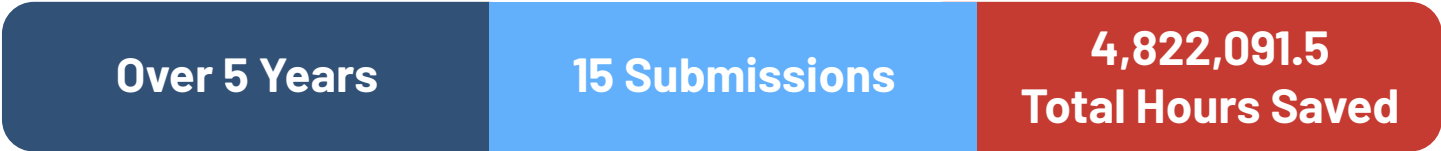
Cronin Submissions Data

The data for this fact sheet comes from submissions to NASPO’s George Cronin Award for Procurement Excellence² received between 2021 and 2025. The subsequent analysis focuses on the 55 submissions out of the total 72 submissions that included self-reported data points.³ In total, 24 different states are represented across these 55 submissions that the analysis focuses on. Importantly, the submissions vary widely in the scope of their projects and how they present their self-reported metrics.

In total, across the 72 submissions, 46 of them provided a self-reported estimate for the cost savings on their initiative or program. **The estimated self-reported cost savings are a staggering \$245,348,838.27.** The bulk of which, \$150,000,000, comes from Tennessee’s 2025 submission concerning emergency procurement in response to Hurricane Helene. The remaining 45 submissions account for the other \$95,348,838.27. Furthermore, several submissions mentioned cost savings per employee or bid, but the final cost savings estimate only accounted for a single employee or bid for those programs. **This means the total amount of \$245,348,838.27 is certainly an underestimation, and the actual cost savings realized by all these submissions are even higher.**⁴



In addition, across the 72 submissions, 15 of them provided metrics for administrative hours saved with a baseline to compare against.⁵ **The estimated self-reported administrative hours saved across those 14 submissions were 4,822,091.5,** with the overwhelming majority, 4,800,000, coming from Washington’s 2024 submission about the usage of the state’s new virtual state procurement manual.⁶ The remaining 14 submissions account for the remaining 22,091.5 estimated savings in administrative hours. Regarding the methodology of arriving at this estimation, for submissions that mentioned hours saved per bid or contract, the estimate assumed only one bid or contract. This means that, like the cost savings estimate, the actual amount of administrative hours being saved is likely even higher, given the conservative approach in the methodology used.



²“George Cronin Awards,” NASPO, accessed November 11, 2025, <https://www.naspo.org/awards/george-cronin-awards/>.

³You can review all of the submissions in the submission booklets, which are available at “George Cronin Awards Winners 2025,” NASPO, accessed November 11, 2025, <https://www.naspo.org/awards/george-cronin-awards/winners/2025/>.

⁴For submissions that provided an annual savings per year, that number was multiplied by the total number of years that the program would have been running for. For example, if a submission from 2021 mentioned a cost savings estimate of \$20,000 per year, that would result in \$100,000 in the final estimation, given the program would have been running for five years.

⁵A few submissions mentioned a percentage reduction in administrative hours required for a given task in the public procurement process, but did not provide a baseline to generate an estimated amount of hours saved.

⁶For states that estimated their administrative time savings in days as opposed to hours, the approach was to multiply the number of days by 8, used to represent the standard amount of working hours in a day. In addition, if a state provided a range of hours or days, 24–40 hours saved as an example, the approach was to take the average, so in the case of the example, 32 hours.

VIRGINIA



11,615 New Supplier Registrations

NEW MEXICO



107,758 Sheets Reduced Paper Waste



11,422 Gallons of Water Saved



9,106 lbs. of CO2 Saved



630 lbs. of Solid Waste Reduced

Additionally, some submissions mentioned additional benefits realized by their programs or initiatives beyond cost savings or administrative hour reductions. For example, Virginia's 2024 submission on its new eProcurement platform, Next-Gen eVA, produced an additional 11,615 new supplier registrations from the previous year, showcasing the state's central procurement office's ability to increase competition in order to lower contract prices and to stimulate local economic development. Furthermore, New Mexico's 2022 submission concerning its digitization efforts reported that it had reduced so much paper waste, an estimated 107,758 sheets, that it had already saved 11,422 gallons of water, 9,106 lbs. of CO₂, and 630 lbs. of solid waste. These two examples highlight the additional ways that state central procurement offices produce value, along with demonstrating the importance of supporting programs that aid in modernizing public procurement.

Conclusion

This small sample of data reveals a very compelling story, which is that the value of public procurement is immense. **Over five years, between 2021-2025, public procurement initiatives saved state governments millions of dollars and administrative hours.** Additionally, given the small sample size of the data set, the overall impact of public procurement is likely magnitudes greater. Recognizing the value of public procurement, along with strengthening the relationships between central procurement offices and state legislatures and governors' offices, is vitally important to the achievement of a state's strategic goals.⁷



⁷For an in-depth discussion on how state legislative and executive officials can work with state central procurement offices, see "Procurement Guide for Executive and Legislative Leadership," NASPO, accessed November 11, 2025, https://cdn.naspo.org/RI/ProcurementGuide_Executive_LegislativeLeadership.pdf.