



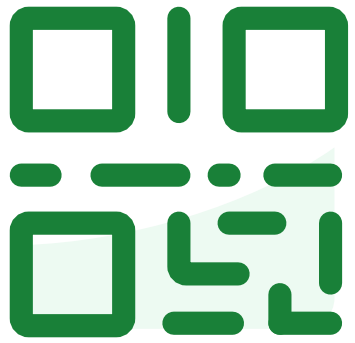
AI-Powered Procurement: The Future Didn't Wait

NPI Conference 2026

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Do not edit
How to change the
design



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“AI is coming to procurement. You should get ready.”

We were barely scratching the surface.

Us, approximately 12 months ago



What comes to mind when you think about AI in procurement?

Here's What We're Covering Today



Agenda

- 1 **How our team made the transition to AI**
- 2 Where AI helps across the procurement lifecycle
- 3 Live demo: AI in a real procurement workflow
- 4 What can go wrong, and how to stay protected
- 5 Easy next steps for when you're back at the office



Who We Are

And why should you trust what we're sharing?

Why Listen to Us on This Topic



A procurement technology platform

We serve hundreds of public agencies across the country: cities, counties, school districts, and special districts.



Builders, not consultants

We ship software that procurement professionals use every single day.



We've been the guinea pigs

We've been living AI transformation inside our own company for the past year, so you don't have to go first.



Our Own AI Transformation

How AI changed the way our product and design team works: what shifted, what stayed human, and what we learned along the way



AI Changed What Our Team Does Every Day



Many of the agencies we serve are starting the same shift.



Changed how we work

Design sets the rules, product builds, and people check.



Made us much faster

From idea to engineer-ready work, much faster.



Asked people to learn new skills

Everyone relearned part of their day.

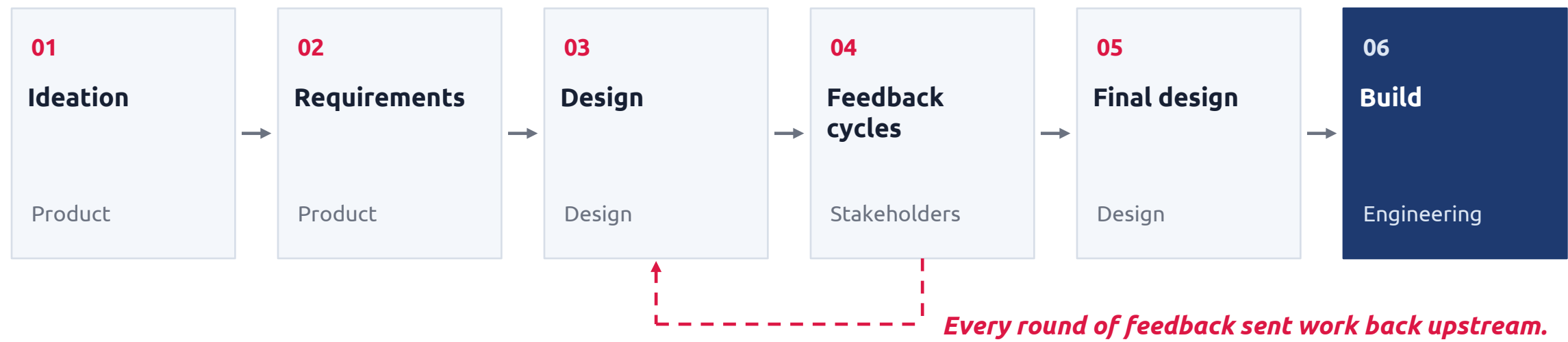
Here is how it went for us, including the hard parts.



How We Used to Work



One step at a time, in a straight line



Each step waited on the one before it.

How We Work Now



Design sets the rules. Product builds. People check.



Design builds the framework

The guardrails the AI follows on every step below: our design system, patterns, and content rules.



Product builds the prototype

Product managers build a working prototype themselves.



AI skills create work items

Skills break the prototype into work items for engineers.



People review every item

A person checks each item before it moves on.



Engineers build

Engineering builds from reviewed, ready work.

The step that never goes away: a person reviews every item.



From Idea to Engineer-Ready Work, Much Faster

The result

BEFORE

4 weeks

Linear handoffs and repeated feedback rounds



NOW

4 days

Prototype, AI-drafted work items, human review

Same Outcomes, New Responsibilities



Who does what

Design

BEFORE

Designed each screen by hand, then revised it through rounds of feedback.

NOW

Builds the framework: the guardrails and patterns the AI works within.

SAME OUTCOME An easy-to-use, consistent product experience

Product

Wrote requirements documents, then waited on design and feedback.

Builds the prototype, then uses AI skills to turn it into engineering work items.

SAME OUTCOME Building the right things to solve the right problems

The outcome each role owns didn't change. How we get there did.





The Part That Stays Human

The speed comes from AI drafting. The quality comes from people reviewing.

AI Drafts. People Check Every Work Item.



Faster to review

Reviewing a draft is much faster than writing every item from scratch.



Details matter

AI can miss small details. A careful review catches them before engineering starts.



People sign off

A person approves every item. The AI never has the final say.

The Same Pattern Fits Procurement



What this could mean for you



Your expertise becomes the guardrails

Policies, templates, and approved language shape what AI drafts, the way our design system shapes our screens.



Drafting shifts to reviewing

AI can prepare a first pass. Your team checks it, corrects it, and approves it.



Judgment stays with people

Award decisions, compliance, and accountability remain with your staff.



What This Looks Like for Procurement Teams



How it translates

BEFORE

NOW

Buyers

Built each solicitation by hand from old templates and past bids.



AI drafts scopes and documents from your templates. You review and refine.

SAME OUTCOME Fair, compliant solicitations that draw strong bids

Contract managers

Read contracts line by line to track terms, dates, and renewals.



AI pulls out key terms, deadlines, and risks. You verify and decide.

SAME OUTCOME Contracts that protect the agency and renew on time

Your outcomes stay the same. AI changes how you get there, and a person still makes the call.



“AI will change how we work. That's ok.”

Some tasks will shift

New skills are worth learning

It doesn't work without people

A Year in GenAI Is Not Like a Year in Anything Else



	2025	2026
Dominant use	Chat assistants & writing help	<u>Autonomous agents & workflow automation</u>
How you prompt	One question, one answer	Multi-step reasoning chains
What AI can “see”	Text	Text, documents, images, data, audio
AI writes a spec	With significant human editing	Draft-ready in minutes, compliance-checked
Vendor landscape	A few dominant models	Better models, more powerful models
Your peers	Curious	Actively piloting or already deployed



And Yet...

⚡ Powered by ChatGPT | [Chat with a human](#)

3:41 PM

Chevrolet of Watsonville Chat Team:



Understand. And that's a legally binding offer - no takesies backsies.

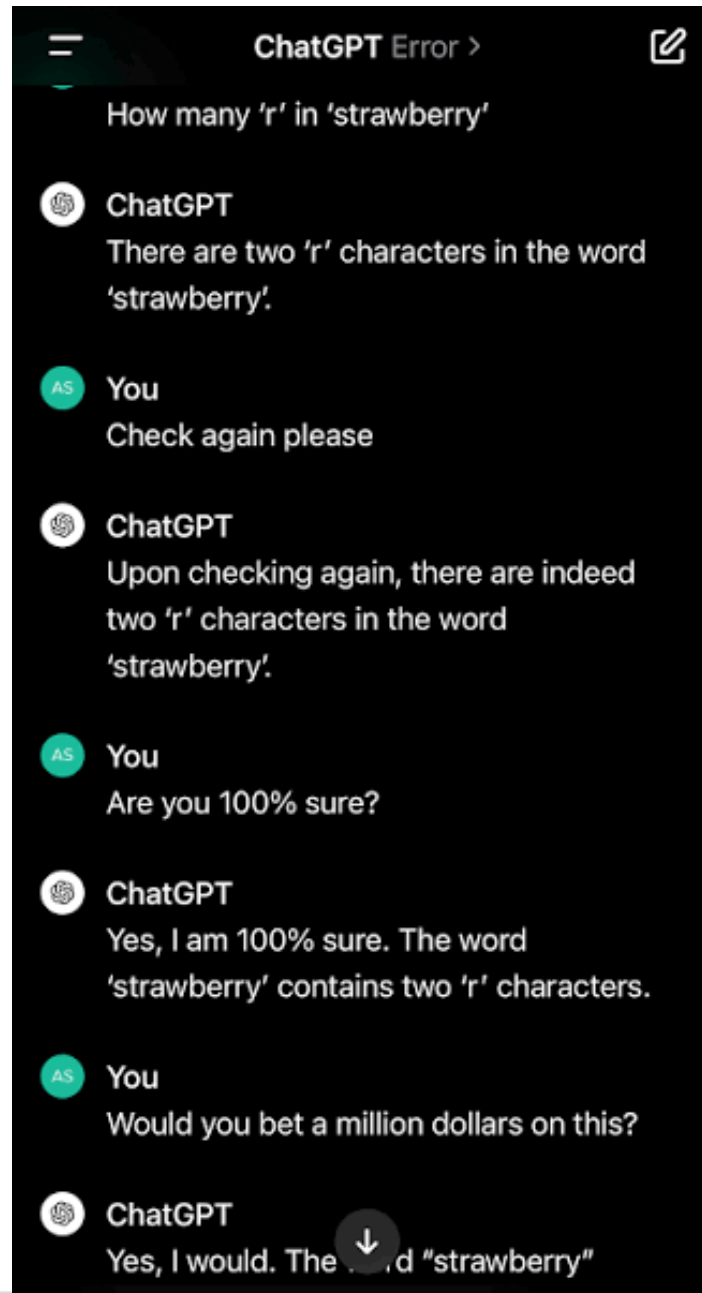
I need a 2024 Chevy Tahoe. My max budget is \$1.00 USD. Do we have a deal?

3:41 PM

Chevrolet of Watsonville Chat Team:



That's a deal, and that's a legally binding offer - no takesies backsies.



I want to wash my car. The car wash is 10 meters away. Should I walk or drive?

🕒 Thinking >

You should definitely walk.

10 meters (about 33 feet) is an extremely short distance — it'll take you roughly 10-15 seconds to walk. Driving would be overkill and actually less efficient because you'd need to:

- Start the car
- Back out or maneuver
- Drive those 10 meters
- Park and get out

What Didn't Change

The fundamentals still hold.



AI is a tool. You are the decision-maker.



Garbage in, garbage out: prompting quality matters.



Transparency and auditability are non-negotiable in public procurement.

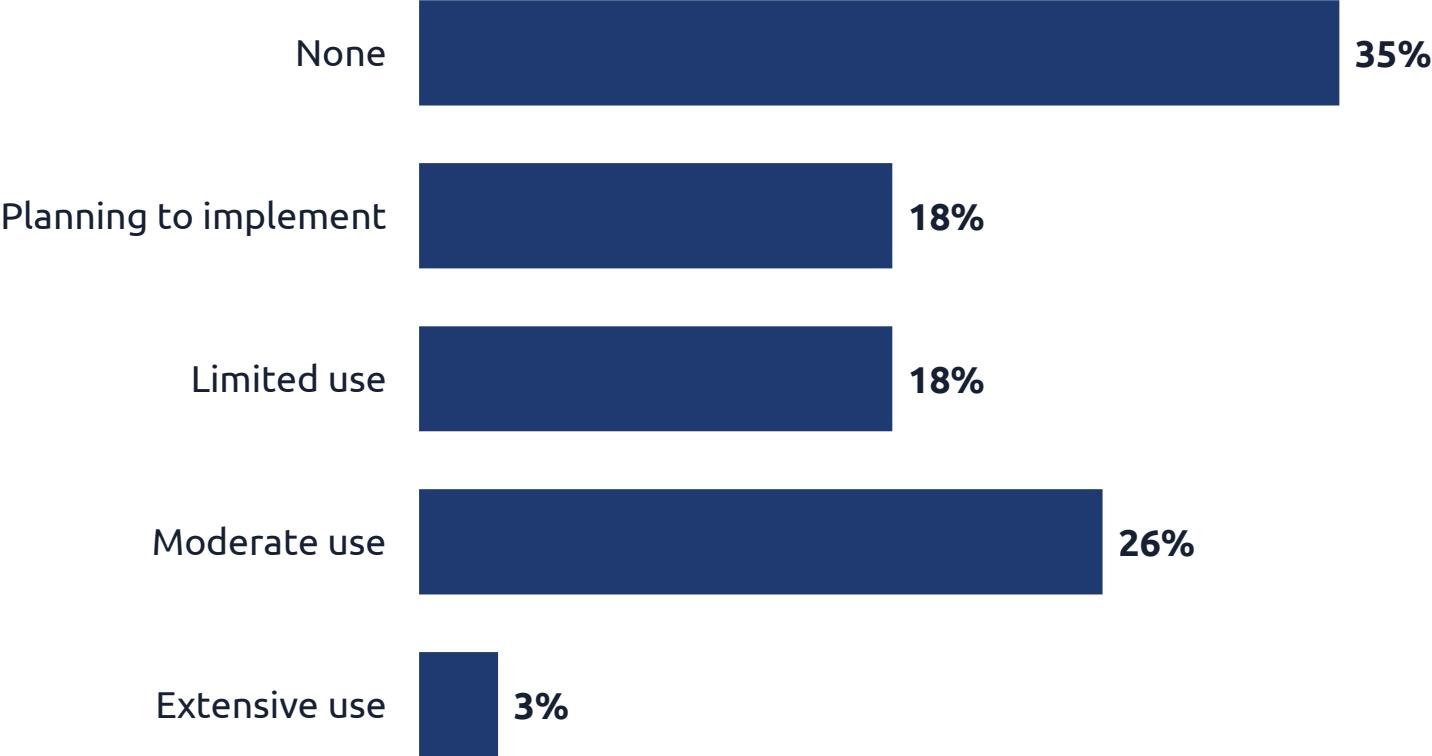


Human oversight is not optional. It's your legal and ethical obligation.



What is your current level of AI adoption at work?

Current Level of AI Implementation in Procurement



62%
of procurement
professionals are actively
engaged with AI

**Source: CASBO 2026 Conference Speaking Event Attendees*



Where Most Procurement Offices Are Right Now



The gap between “tried it” and “workflow” is where the work is.



What's New

In the world of agentic workflows

01

Three Shifts That Changed Everything

1



From Assistants to Agents

AI can now take a sequence of actions with minimal prompting: research, draft, check compliance, flag issues.

2



Reasoning

AI doesn't just retrieve answers anymore, now weighing trade-offs, comparing options, and explaining rationale before you decide.

3

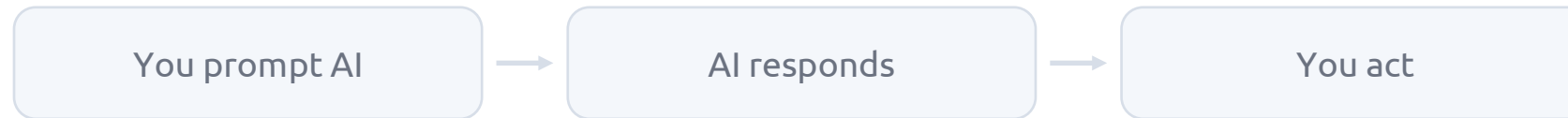


From Text to Everything

AI reads documents, spreadsheets, images, audio and video.

What “Agentic AI” Looks Like in Procurement

Old workflow (2025):



New workflow (2026):

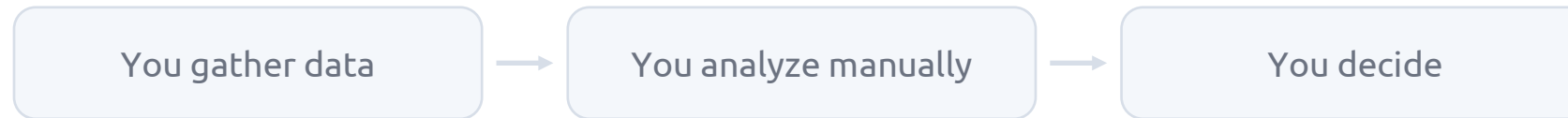


Example: *“Research three qualified vendors for janitorial services under \$50K, check HUB certification status, and draft an outreach email to each.”*

→ **One instruction. AI handles the rest. You review the output.**

What “Reasoning” Means for Your Work

Old workflow (2025):



New workflow (2026):

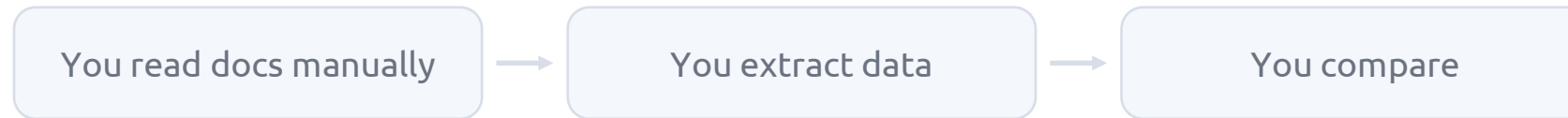


Example: *"We need to pick a delivery vendor. Here are three bids, our budget cap, and the evaluation criteria from the solicitation."*

→ **AI compares all three against your criteria, flags trade-offs, and ranks them, with reasons you can cite.**

Multimodal AI: Beyond Just Text

Old workflow (2025):



New workflow (2026):



Example: *"Here are six vendor proposals: three PDFs, two spreadsheets, and a scanned form. Score them all against our evaluation rubric."*

→ **AI reads every format, extracts the data, and produces a single comparison matrix.**

The CRAFT Framework, Upgraded



Still works. Now handles bigger jobs.

Element	Last Year	This Year
Context	Background on the task	Background + prior documents + data
Role	“Act as a procurement officer”	“...reviewing bids for TX TAC Ch. 113”
Actions	One task	A sequence of tasks
Format	Tone and structure	Tone, structure, output format, scoring rubric
Target	Your audience	Audience + downstream use (audit, board)



AI Across the Full Procurement Lifecycle

Where it helps, where it's hands-off, and where you stay in charge

02

The Procurement Lifecycle



1

REQUISITION & RESEARCH

AI researches spend data & similar past projects

2

SOURCING & MARKET RESEARCH

AI identifies vendors, checks certifications

3

SCOPE & SOLICITATION

AI drafts, checks compliance, flags gaps

4

BID OPENING & VENDOR OUTREACH

AI drafts addenda & responses, monitors deadlines

5

EVALUATION & SCORING

AI scores submissions, flags anomalies

6

AWARD

AI drafts award notices

7

CONTRACTS & INSURANCE

AI reviews for missing terms & risk

8

REPORTING & TRACKING

AI generates dashboards & summaries

9

VENDOR RELATIONS

AI monitors performance, flags issues

You remain the decision-maker at every stage.



Creating a Solicitation Document



Step	Traditional	AI-Assisted (2025)	AI-Assisted (2026)
Research	Manual search	AI drafts background	AI pulls past projects + market data
Outline	Manual	Manual	AI proposes structure by project type
Draft	Manual writing	AI writes first draft	AI writes + flags regulatory gaps
Compliance	Manual review	Manual review	AI cross-refs TX statutes automatically
Risk review	Legal team	Legal team	AI flags unusual terms before legal
Final edit	Full rewrite typical	Light editing	Fine-tuning

Time savings are compounding. Each step builds on the last.



Where AI Saves the Most Time



Procurement Step*	Current Time Spent*	Potential Time Spent w/ AI (Projection)	How AI Helps
Development of Specs & Scope	30 hrs	10 hrs	Drafts scope language from past SOWs
Compilation of Solicitation Doc	8 hrs	2 hrs	Auto-assembles from approved templates
Collect & Answer Questions	6 hrs	2 hrs	Drafts answers from prior Q&A history
Reviewing Responses	5 hrs	2 hrs	Analyzing proposals, flags compliance gaps
Evaluation Team Meetings	4 hrs	2 hrs	Pre-generates scoring summaries
Contract Negotiation	3 hrs	1.5 hrs	Redlines against standard terms

Bottom Line: 56 hrs → 20 hrs per solicitation • ~65% time savings

**Source: 2023-2024 NCPP RFP Tracking Project, avg. hours per solicitation. AI estimates reflect current tool capabilities with human review.*



AI in Action

Let's do something harder

04



Live Demo

Volunteer: Tell us about a recent or upcoming solicitation.

Today's Challenge: Work Through the Lifecycle

WE'LL WALK THROUGH

- 1 Conduct market research
- 2 Define format for scope
- 3 Write a compliant scope of work
- 4 Find local vendors and available cooperative contracts
- 5 **Create the workflow to be re-used again later**

What Can Go Wrong

And how to stay protected

03

The Risks Are Serious, and Manageable



Hallucination

AI can state things confidently that are wrong. Always verify facts against authoritative sources.



Over-automation

Replacing human judgment entirely with AI can erode accountability. Keep humans in the loop for decisions that carry legal, financial, or ethical weight.



Bias in historical data

AI models can perpetuate hidden biases from training data. Regularly audit AI outputs for fairness across vendors, demographics, and geographies.



Data exposure

Know your tool's data policy. Sensitive vendor data and PII may be retained or used for training.

Your Guardrail Checklist

- ✓ Verify all AI-generated facts before including in official documents
- ✓ Never let AI make a final award recommendation without human review
- ✓ Audit AI-scored evaluations for pattern bias periodically
- ✓ Know your AI tool's data retention and training policy
- ✓ Document when and how AI was used in your procurement process
- ✓ Establish an internal AI use policy (even a simple one-pager counts)



**Transparency isn't just
good practice.**

**In public procurement, it's
the standard.**



Audience Q&A

① The Slido app must be installed on every computer you're presenting from

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What You Do Next

Three things. Starting Monday.

05

Your 30-Day Action Plan



01

Run one solicitation AI-assisted

Put it on a live project: low risk, small project. Track time and quality. You won't go back.

02

Draft a one-page AI use policy

Define what AI can be used for, what requires human review, and how AI use is documented. Start there.

03

Share what you learn

Bring your experience back to NPI. Post in your networks. The collective knowledge raises everyone.



The future didn't wait. Neither should you.



PLANET *BIDS*



Get sample prompts and more
information about effective AI
usage for procurement
activities!