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Government Procurement Resources – What's Missing?

The Function of Procurement areas

Procurement and commercial staff provide the organisation with an independent check of the business areas conducting the procurement activity, ensuring value-for-money and compliance with any required policies including the Commonwealth's Procurement Rules (CPRs) looking at the ethical, economical efficient and effective use of public moneys.

One aspect of this role is to scrutinise the details of the proposed procurement requirements, statements of work, service level agreements, and draft contract terms but also to reduce unnecessary risk and expenditure to the organisation. Procurement staff are largely facilitators working with business areas to organise, schedule and manage activities in a series of often complex events. Procurement staff understand the timeframes needed to prepare and complete these activities; however business areas often fail to adhere to these timeframes. This remains a challenge for procurement resources.

Skills Required

The procurement skillset is the result of education and practical experience. Unfortunately, procurement is still not viewed as a profession by many in the Public Service. The lack of formal, practical training provided to procurement resources needs to be addressed as a matter of urgency across Departments.

Specialist procurement training (such as the Certificate IV courses) covers the procurement process within the context of public policy expenditure. While this training is valuable, it's only part of the required development for a procurement professional and doesn't address the foundations of any procurement:

What do you want?

How do you want it?

Under what terms and conditions?

Complex and strategic procurements including those that are project related, must strive to get the foundations correct, which includes addressing the three questions above. What do you want refers to the business requirements or user stories. These remain the foundation of the procurement process and procurement staff often need to work with business areas to tease out the requirements within the scope of the procurement process. Defining these and writing these in a contractual framework requires skill, training and experience.

The question "how do you want it" then describes the statement of work or the project methodology and its deliverables, and thirdly under what terms and conditions defines the contract. Drafting and developing these before the market approach and undertaking the associated planning is crucial to getting the best outcome for the procurement and the project or business outcome.

Many procurement staff end up being purchasing staff, and sadly, they act as pass through agents and do not add any value to the procurement process. There is a difference between being involved

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in a process and running that process. Procurement professional must be able to assist the business areas in developing the required documentation and information along with running and facilitating the actual procurement from end to end.

Developing requirements, statements of work and contract terms and conditions remains one of the most important aspects of the procurement lifecycle. In addition to the procurement process, staff need to be training in how to write and develop requirements, have an appreciation of system engineering concepts so they can work effectively with projects writing statements of work, and thirdly undergo some training in basic contract law and contract drafting. A broader capability understanding by procurement staff could prevent new systems being acquired without effective user training, transition in, ongoing support and maintenance, transition out, and disposal.

Experienced procurement staff should therefore be capable of:

- Analysing business problems and requirements
- Facilitating requirements workshops
- Drafting and writing statements of work
- Drafting risk assessments and risk management plans
- Drafting procurement plans
- Drafting business cases
- Designing budgets and payment plans
- Drafting tender documentation including draft contracts
- Facilitating and presenting industry briefs and presentations
- Drafting evaluation plans and strategies
- Facilitating evaluation processes
- Drafting evaluation reports including topics for further negotiation
- Facilitating negotiations and drafting negotiation reports and
- Finalising contracts and conducting tender debriefs.

So, when business or government agencies describe the full range of skills that their procurement professionals should strive to develop, this range of skills could include:

- Procurement training and experience
- Project training and experience
- IT training and experience
- Finance training and experience
- Contract law training and experience and
- Good written and verbal communications skills.

In conclusion, the hope is for the reader to draw from this discussion the realisation that a ***procurement professional needs to be developed and mentored*** on the job to meet the business outcomes of the organisation's procurement activities.

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