



Australian Government

Department of Education, Employment and Workplace Relations

BSBPMG408A Apply contract and procurement procedures

Revision Number: 2

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Modification History

Release	Comments
Release 2	<p>New release of this Qualification released with <i>version 6 of BSB07 Business Services Training Package</i>.</p> <ul style="list-style-type: none"> Inclusion of 'audit of environmentally sustainable supply practices' in the Range Statement

Unit Descriptor

This unit describes the performance outcomes, skills and knowledge required to assist with contracting and procurement for a project. It covers identifying procurement and contract requirements, assisting with contractor selection, conducting contracting and procurement activities and assisting with finalisation of activities for the project.

Application of the Unit

This unit applies to a project team member working under the direction of a project manager with other project team members. The individual may be operating within an organisation or as a consultant. The skills should be applied in the context of multiple complex projects, with the individual operating as part of a specialist project management team.

In the context of this unit a complex project is defined as a project which involves:

- the need for a comprehensive and multi faceted project plan
- the need for a formal internal or external communications strategy
- a dedicated and diverse project budget
- multiple administrative components
- multiple operational components
- a wide range of stakeholders
- a project operations team.

The functions performed by a worker managing a straightforward project or a section of a larger project where project management is not the main focus of the job role are covered by BSBPMG510A Manage projects.

The functions performed by a project manager to manage procurement for the whole project are addressed in BSBPMG509A Manage project procurement.

Licensing/Regulatory Information

No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.

Pre-Requisites

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

<p>Elements describe the essential outcomes of a unit of competency.</p>	<p>Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.</p>
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Assist with contract and procurement planning	1.1. Contribute to the establishment of procurement requirements 1.2. Act under <i>delegated authority</i> to contribute to the development of the procurement management plan 1.3. Contribute to the development of project documentation for contract definition and formation
2. Contribute to contractor selection process	2.1. Gather and evaluate information on potential suppliers 2.2. Make recommendations to assist in selection of preferred contractors 2.3. Provide contribution to the definition of agreed terms and conditions with preferred contractor/s 2.4. Assist with the development of the final tendering and contractual documentation
3. Conduct contracting and procurement activities	3.1. Undertake <i>procurement activities</i> and maintain information so that reporting, confidentiality and audit requirements are met 3.2. Receive, reconcile and register supplies in accordance with established procedures to facilitate payment throughout project 3.3. Monitor and control contractors and suppliers and their activities for compliance with designated responsibilities, deliverables, time/cost and quality conformance and other requirements
4. Conduct finalisation activities	4.1. Test and accept supplies to ensure quality and suitability for purpose 4.2. Provide assistance in the ongoing <i>review</i> of project outcomes using available <i>records</i> and information to determine the effectiveness of contracting and procurement activities 4.3. Report contracting and procurement management issues and responses to <i>others</i> for application in future projects

Required Skills and Knowledge

This section describes the skills and knowledge required for this unit.

Required skills
<ul style="list-style-type: none">• organisational skills to participate in contract and procurement management• literacy skills to read and interpret contracts and procurement documentation• interpersonal skills to communicate effectively with contractors and suppliers about contract performance and obligations.
Required knowledge
<ul style="list-style-type: none">• contract and procurement management framework as applied to project management• project procurement and contract management tools and techniques• broad legal contractual obligations of each party.

Evidence Guide

The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>Evidence of the following is essential:</p> <ul style="list-style-type: none"> • application of procurement and contract management techniques in relation to multiple complex projects • knowledge of the place and role of procurement in the project life cycle.
Context of and specific resources for assessment	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> • access to examples of project contract and procurement documentation • access to records of project team participation in procurement tasks and activities.
Method of assessment	<p>A range of assessment methods should be used to assess practical skill and knowledge. The following assessment methods are appropriate for this unit:</p> <ul style="list-style-type: none"> • direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate • analysis of responses addressing different case studies and scenarios which present issues and problems in procurement • oral or written questioning to assess knowledge of strategies for project procurement and contracting and their application to different situations • review of procurement and contract management plans and other documentation associated with procurement processes • evaluation of information gathered on potential suppliers • assessment of recommendations made to assist in selecting preferred contractors • assessment of reports produced about contracting and procurement management issues.
Guidance information for assessment	<p>Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:</p> <ul style="list-style-type: none"> • other units from the Certificate IV in Project Management.

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

Delegated authority means:	<ul style="list-style-type: none"> • subject to frequent change in a multi-disciplinary environment • under limited guidance and supervision • within agreed authorisation and limits • within established organisational framework, procedures and routines
Procurement activities may include:	<ul style="list-style-type: none"> • conducting transfer and disposal actions • confirming details and obtaining additional information about quotes etc. • formally receipting goods and services or providing formal notice of delivery of goods and services • identifying occupational health and safety (OHS) issues • liaising with client, contractors, sub-contractors and other stakeholders • maintaining registers and lists • obtaining approvals from higher project authorities • obtaining quotes from potential suppliers, providing quotes to potential clients or collaborating agencies and alliances • planning, specifying and/or conducting test and acceptance procedures • audit of environmentally sustainable supply practices • processing payment documentation
Reviews may include evaluations of:	<ul style="list-style-type: none"> • agreed major milestones, for example phases and sub-contracts • changes of key personnel • delivery of major deliverables • finalisation of project and other agreed milestones
Records may include:	<ul style="list-style-type: none"> • assets and disposal actions • lists of suppliers • procurement logs, registers

	<ul style="list-style-type: none">• procurement reports• records of contract planning, formation, negotiation or administration• quotes, invoices and receipts• test and acceptance results
<i>Others</i> may include:	<ul style="list-style-type: none">• higher project authorities• project manager• project specialists or personnel• team members

Unit Sector(s)

Management and Leadership - Project Management