



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **BSBPMG609A Direct procurement and contracting for a project program**

**Release: 1**

## BSBPMG609A Direct procurement and contracting for a project program

### Modification History

Not applicable.

### Unit Descriptor

<b>Unit descriptor</b>	<p>This unit describes the performance outcomes, skills and knowledge required to direct the management of contracting and procurement activities across projects and programs. It covers setting up the contracting process, directing the management of contract and procurement processes and finalising contracts for projects across the program.</p> <p>No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.</p>
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### Application of the Unit

<b>Application of the unit</b>	<p>A program is defined as a set of interrelated projects, each of which has a project manager. Multiple projects (sometimes called a portfolio of projects) refers to a number of projects related in some way and managed by the same person as a program to achieve a common organisational objective/s.</p> <p>For the purposes of this unit someone who manages a suite of projects (a program) will be referred to as a program manager.</p> <p>The functions performed by a project manager to manage procurement within individual projects are addressed in BSBPMG509A Manage project procurement.</p> <p>It should be noted that conflicting priorities between projects are managed with higher project authority support, in this case project governance committees or senior management.</p>
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## Licensing/Regulatory Information

Not applicable.

## Pre-Requisites

<b>Prerequisite units</b>		

## Employability Skills Information

<b>Employability skills</b>	This unit contains employability skills.
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## Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	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.
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## Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Direct planning for project contracting and procurement	<p>1.1. Direct product specifications and procurement requirements for procurement and contract planning, in consultation with appropriate stakeholders</p> <p>1.2. Direct development of <i>procurement strategies, methods and management plans</i> in line with project objectives across the program</p>
2. Direct set up of contract and procurement process	<p>2.1. Direct project managers to source organisations that meet procurement requirements</p> <p>2.2. Establish selection processes and selection criteria, in consultation with stakeholders, and arrange for communication to prospective contractors</p> <p>2.3. Ensure contract and procurement actions accord with organisation and program objectives</p>
3. Direct management of contract and procurement process	<p>3.1. Provide direction for requirements of <i>proposals</i> and arrange communication to prospective contractors</p> <p>3.2. Ensure responses are evaluated and preferred contractors are selected in accordance with agreed selection processes</p> <p>3.3. Direct negotiation of contract terms and conditions between client and preferred contractor</p>
4. Direct management of contracts	<p>4.1. Direct management of contract and procurement activities in accordance with program contract and procurement management guidelines</p> <p>4.2. Provide direction for regular reviews from available <i>records</i> and information, and ensure variances are analysed and changes are agreed for implementation</p> <p>4.3. Ensure project managers work within the legal and organisational framework for contracts</p> <p>4.4. Identify potential, perceived and actual contractual conflicts and approve remedial actions to minimise disruption</p>
5. Direct finalisation of contracts	<p>5.1. Direct finalisation activities for management of contract deliverables in accordance with contractual project and program requirements</p> <p>5.2. Direct review and analysis of project outcomes to determine the effectiveness of contract and procurement processes and procedures</p> <p>5.3. Aggregate and use lessons learned for application in planning and implementation of later projects within the program and, where appropriate, pass on to</p>

ELEMENT	PERFORMANCE CRITERIA
	organisational management for use in strategic planning

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

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

#### Required skills

- literacy skills to communicate decisions, to comprehend complex contractual provisions and to write quality reports
- negotiation skills to set up contracts, to agree prices and terms, and to resolve disputes
- planning and organising skills to ensure procurement processes are properly established and sequenced
- analytical skills to review program performance and to recommend improvements.

#### Required knowledge

- contract management and legal obligations of both parties
- procurement processes and options.

## Evidence Guide

<b>EVIDENCE GUIDE</b>	
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.	
<b>Overview of assessment</b>	
<b>Critical aspects for assessment and evidence required to demonstrate competency in this unit</b>	<p>Evidence of the following is essential:</p> <ul style="list-style-type: none"> <li>• demonstrated experience in successfully directing procurement and contract management processes across a range of concurrent projects</li> <li>• knowledge of contract management and legal obligations.</li> </ul>
<b>Context of and specific resources for assessment</b>	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> <li>• access to workplace contractual and procurement documentation</li> <li>• consideration of feedback from project team and stakeholders as to how procurement and contractual processes were handled.</li> </ul>
<b>Method of assessment</b>	<p>A range of assessment methods should be used to assess practical skill and knowledge. The following examples are appropriate for this unit:</p> <ul style="list-style-type: none"> <li>• direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance of scope management techniques by the candidate</li> <li>• analysis of responses addressing different project scope management case studies and scenarios</li> <li>• oral or written questioning to assess knowledge of strategies for managing project procurement and contracts, and their application to different situations</li> <li>• review of established selection processes and selection criteria and how they were communicated to prospective contractors</li> <li>• assessment of identified potential, perceived and actual contractual conflicts and remedial actions taken to minimise disruption.</li> </ul>
<b>Guidance information for assessment</b>	<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"> <li>• other units in the Advanced Diploma of Project</li> </ul>

**EVIDENCE GUIDE**

Management.

## Range Statement

### 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.

<p><b><i>Procurement strategies, methods and management plans</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• conflict resolution processes</li> <li>• contract performance plans and an associated performance monitoring processes</li> <li>• contractor and sub-contractor responsibilities, controls and reporting relationships</li> <li>• explanatory information (for example background, restrictions or expectations) relating to special terms and conditions, planning for long lead-time items and critical program components, and transition plans</li> <li>• procurement, test and acceptance procedures and payment schedules</li> </ul>
<p><b><i>Proposals</i></b> may take the form of:</p>	<ul style="list-style-type: none"> <li>• expressions of interest</li> <li>• quotations</li> <li>• submissions</li> <li>• tenders</li> </ul>
<p><b><i>Records</i></b> may take the form of:</p>	<ul style="list-style-type: none"> <li>• contract analysis, evaluation of options and strategy development</li> <li>• contract discharge procedures and outcomes</li> <li>• contract negotiation documentation, for example contract negotiation strategies, plans, team and individual directives</li> <li>• contractor identification, evaluation and selection records</li> <li>• development and management of contract change procedures</li> <li>• procurement management lessons learned</li> <li>• procurement management plans</li> <li>• product specifications</li> <li>• progress measurement and conflict resolution process records</li> <li>• test and acceptance procedures</li> </ul>



**Unit Sector(s)**

<b>Unit sector</b>	
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**Competency field**

<b>Competency field</b>	Management and Leadership - Project Management
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**Co-requisite units**

<b>Co-requisite units</b>		