



**Australian Government**

# **BSBPMG537 Manage project procurement**

**Release: 1**

# BSBPMG537 Manage project procurement

## Modification History

| Release   | Comments                                                                             |
|-----------|--------------------------------------------------------------------------------------|
| Release 1 | This version first released with BSB Business Services Training Package Version 7.0. |

## Application

This unit describes the skills and knowledge required to undertake procurement in projects.

The unit applies to individuals responsible for managing and leading a project in an organisation, business, or as a consultant.

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

## Unit Sector

Business Competence – Project Management

## Elements and Performance Criteria

| ELEMENT                                             | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Elements describe the essential outcomes.</i>    | <i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>                                                                                                                                                                                                                                                                                                                                                                 |
| 1. Determine procurement requirements and processes | 1.1 Identify project objectives, needs and budget<br>1.2 Identify procurement requirements<br>1.3 Establish agreed procurement management plan<br>1.4 Identify potential suppliers<br>1.5 Obtain information from potential suppliers capable of fulfilling procurement requirements<br>1.6 Determine selection processes and selection criteria, and communicate to suppliers<br>1.7 Obtain approvals from relevant stakeholders for procurement processes to be used |
| 2. Conduct procurement activities                   | 2.1 Communicate agreed proposals and specifications to potential suppliers and confirm understanding of project objectives<br>2.2 Seek supplier responses and evaluate according to proposal                                                                                                                                                                                                                                                                           |

| ELEMENT                                       | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                               | requirements<br>2.3 Select preferred supplier according to legal requirements and agreed selection criteria<br>2.4 Negotiate with preferred supplier and agree on terms and conditions of supply                                                                                                                                                                                                                                               |
| 3. Monitor procurement                        | 3.1 Implement procurement management plan and arrange regular meetings with supplier to track progress<br>3.2 Maintain procurements records and documentation according to organisational policies and procedures<br>3.3 Monitor completion of task against agreed terms and conditions<br>3.4 Review progress and manage agreed variations<br>3.5 Identify and report procurement management challenges and implement agreed remedial actions |
| 4. Manage procurement finalisation procedures | 4.1 Conduct finalisation activities and confirm deliverables meet contracted requirements<br>4.2 Review project outcomes using procurement records and information and determine effectiveness of procurement processes and procedures<br>4.3 Seek and respond to feedback from relevant stakeholders on management of project procurement<br>4.4 Document lessons learned and recommended improvements for future projects                    |

## Foundation Skills

*This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.*

| SKILL              | DESCRIPTION                                                                                                                                                                                                                                                                                                                     |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reading            | <ul style="list-style-type: none"> <li>Interprets, evaluates and critiques ideas and information from a range of complex texts</li> </ul>                                                                                                                                                                                       |
| Writing            | <ul style="list-style-type: none"> <li>Develops plans using vocabulary, structure and conventions appropriate to text</li> <li>Creates documents for internal and external use, using vocabulary and structure suitable for audience and context</li> <li>Drafts requests for approvals using organisational formats</li> </ul> |
| Oral Communication | <ul style="list-style-type: none"> <li>Participates in verbal exchanges using clear language to seek and provide information, or request approvals</li> <li>Uses active listening and questioning techniques to confirm understanding</li> </ul>                                                                                |

| SKILL                   | DESCRIPTION                                                                                                                                                                                                                                                           |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Numeracy                | <ul style="list-style-type: none"><li>• Recognises cost parameters and interprets numerical information accordingly</li><li>• Calculates changes to timelines resulting from changes to plan</li></ul>                                                                |
| Self-management         | <ul style="list-style-type: none"><li>• Identifies responsibilities and boundaries of own role</li></ul>                                                                                                                                                              |
| Teamwork                | <ul style="list-style-type: none"><li>• Selects and uses appropriate conventions and protocols when communicating with internal and external stakeholders to seek or share information</li><li>• Uses interpersonal skills to negotiate acceptable outcomes</li></ul> |
| Planning and organising | <ul style="list-style-type: none"><li>• Plans and organises complex activities, monitors implementation and manages relevant communication</li><li>• Resolves problems and makes decisions based on analysis of options against set criteria and targets</li></ul>    |

## Unit Mapping Information

Supersedes and is equivalent to BSBPMG518 Manage project procurement.

Supersedes but is not equivalent to BSBPMG609 Direct procurement and contracting for a project program.

## Links

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=11ef6853-ceed-4ba7-9d87-4da407e23c10>

## Assessment Requirements for BSBPMG537 Manage project procurement

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### Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- manage project procurement on at least two occasions.

In the course of above, the candidate must:

- determine procurement requirements and produce a procurement management plan
- carry out procurement and contracting activities according to agreed processes
- monitor activities across a project's life cycle and resolve issues that could affect achievement of project objectives
- create and maintain procurement records and documentation according to requirements of project and organisation
- document a review of procurement management processes and procedures
- identify and act according to probity and project governance constraints.

### Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- project objectives, needs and budget
- procurement management plan
- vendor selection criteria
- legal obligations
- probity and project governance constraints that relate to project procurement in a project and industry context
- selection processes and selection criteria
- project life cycle
- conflict resolution and management.

## Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- workplace documentation and resources relevant to procurement and contracts.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

## Links

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