



Australian Government

PSPPCM018 Conduct demand and procurement spend analysis

Release: 1

PSPPCM018 Conduct demand and procurement spend analysis

Modification History

Release	Comments
1	This unit was released in PSP Public Sector Training Package release 1.0 and meets the Standards for Training Packages. This unit supersedes and is equivalent to PSPPROC513 Conduct demand and procurement spend analysis. • Unit code updated • Content and formatting updated to comply with new standards • All PC transitioned from passive to active voice

Application

This unit describes the skills required to manage demand and procurement spend within an organisation.

This unit applies to those working in roles involving procurement of goods or services essential to the operation of their organisation.

The skills and knowledge described in this unit must be applied within the legislative, regulatory and policy environment in which they are carried out. Organisational policies and procedures must be consulted and adhered to.

Those undertaking this unit would work autonomously with management responsibilities, while performing complex tasks in familiar contexts.

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

Competency Field

Procurement

Elements and Performance Criteria

ELEMENTS	PERFORMANCE CRITERIA
Elements describe the essential	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used,

outcomes	further information is detailed in the range of conditions section.
1. Collect and analyse demand and procurement spend data	1.1 Identify and analyse demand patterns (organisational consumption), using a range of data sources and using appropriate breakdowns such as by category, region or time period. 1.2 Identify and analyse procurement spend data, using a range of data sources and using appropriate breakdowns, including by category, region or time period. 1.3 Establish and analyse the relationship between demand, consumption and procurement spend and assess business complexity of the buying organisation based on this analysis. 1.4 Develop product usage profiles and organisational spend profiles. 1.5 Establish causal links for demand and spend patterns through engagement with internal stakeholders and analysis of data. 1.6 Map and analyse processes involved across the whole procurement life cycle to identify potential for efficiencies and improved data gathering. 1.7 Review organisational policies and processes for procurement, asset management and budget, assess the impact of these on demand and/or spend and make recommendations to improve management of demand.
2. Develop and implement demand/spend management strategy	2.1 Develop and implement effective communication strategies to engage internal stakeholders, external and market stakeholders. 2.2 Develop and implement outcome based demand and/or spend management processes across the procurement life cycle. 2.3 Identify and use appropriate systems to support procurement and financial processes. 2.4 Develop and implement processes to control and manage the demand for particular goods and services according to influencing factors. 2.5 Identify staff skills and training and development opportunities related to demand and/or procurement spend management and incorporate these into professional development plans. 2.6 Develop outcome based, transparent and manageable performance metrics to ensure best practice is achieved, whilst satisfying organisational needs.
3. Manage demand/spend risks and opportunities	3.1 Review and analyse the market profile, including opportunities to influence or develop the market. 3.2 Identify and assess market dynamics including market cycles, product life cycles and growth and/or decline. 3.3 Assess realistically the desirability and practicality of ongoing market development and undertake market development activities where these are appropriate.

	3.4 Identify and consider opportunities and risks associated with managing demand and procurement spend.
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Foundation Skills

Foundation skills are embedded within the elements and performance criteria of this unit.

Unit Mapping Information

This unit supersedes and is equivalent to PSPPROC513 Conduct demand and procurement spend analysis.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=bebbece7-ff48-4d2c-8876-405679019623>

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Assessment Requirements for PSPPCM018 Conduct demand and procurement spend analysis

Modification History

Release	Comments
1	These Assessment Requirements were released in PSP Public Sector Training Package release 1.0 and meet the Standards for Training Packages. • Assessment Requirements created drawing upon specified assessment information from superseded unit

Performance Evidence

Evidence required to demonstrate competence must satisfy all of the requirements of the elements and performance criteria. If not otherwise specified the candidate must demonstrate evidence of performance of the following on at least one occasion.

- consulting and negotiating with the market place, contractors and stakeholders
- interpreting complex documents
- gathering and analysing organisational data to build demand and spend profiles, market data, and stakeholder requirements.
- planning, monitoring and implementing change management strategies
- promoting change within the organisation
- measuring and monitoring performance
- celebrating success
- applying the content of complex documents, including contracts, legislation and policy guidelines
- applying complex government policy and inter-governmental agreements
- interrogating corporate systems to obtain data
- analysing complex supply chains to identify risk, vulnerability and opportunity
- interpreting market reaction
- developing effective performance measurement metrics
- planning procurement processes in alignment with business and organisational goals
- documenting procurement planning decisions and expected outcomes
- managing and updating procurement plans and sub-plans in line with strategic plans and budgets
- applying complex strategies to development of strategic plans, including corporate, budget and procurement plans and sub plans
- contributing to strategic and risk planning
- understanding systems architecture

- identifying needs from ERPs
- exploiting organisational ERPs
- developing and managing electronic commerce
- exploiting market opportunities and initiatives in electronic commerce

Knowledge Evidence

Evidence required to demonstrate competence must satisfy all of the requirements of the elements and performance criteria. If not otherwise specified the depth of knowledge demonstrated must be appropriate to the job context of the candidate.

- Commonwealth, state and/or territory, or local government legislation, regulation, policies, practices, procedures and guidelines in relation to procurement and financial management
- international treaties relevant to trade and procurement practices
- government and inter-governmental policy and agreements in relation to procurement practices
- principles and practices associated with Corporate Social Responsibility (CSR) principles, sustainability and environmental issues as applicable to procurement and market behaviours
- complex and strategic planning
- research and analysis as applied to complex outcomes, trends and predictions of markets and procurement changes
- codes of conduct, codes of practice and standards of individual behaviour relating to procurement decisions
- government procurement environment
- micro and macro-economic issues applicable to market behaviours and the impact of procurement
- implications for the organisation and market (suppliers) of key procurement strategies and/or arrangements
- whole of life costing considerations and value for money
- financial, costing and accounting issues relevant to procurement and contracts
- cultural issues relevant to strategic procurement and industry development in specific markets or market sectors

Assessment Conditions

This unit contains no specific industry-mandated assessment conditions. Guidance on suggested and recommended conditions and methods can be found in the Implementation Guide.

Assessors must satisfy the NVR/AQTF mandatory competency requirements for assessors.

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