



Australian Government

PSPPCM023 Manage strategic contracts

Release: 1

PSPPCM023 Manage strategic contracts

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 PSPPROC607A Manage strategic contracts. • 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 contracts for strategic purchases, to effectively minimise risks and achieve value for money to meet an organisation's core objectives. It includes managing the establishment, performance and evaluation of strategic contracts.

This unit applies to those working in roles that involve the acquisition of strategic assets.

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 independently seeking advice as required, performing complex tasks in a range of familiar and unfamiliar 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. Manage contract establishment	1.1 Discuss and agree upon requirements of contracts and strategic initiatives with all parties. 1.2 Assign responsibilities for establishing and carrying out procedures to achieve contract outcomes. 1.3 Establish and implement effective communication strategies and processes to assist ongoing communication between internal and external stakeholders and contractors. 1.4 Perform relationship management with all levels of personnel involved in procurement and contract management, within probity boundaries. 1.5 Establish strategic relationships within probity boundaries to improve procurement capability and performance. 1.6 Update risk management plans.
2. Manage contract performance	2.1 Monitor progress of contracts against set targets and performance measures to ensure success of procurement activities. 2.2 Take action to rectify performance where set targets, performance measures and probity requirements are not being met. 2.3 Provide advice and support to solve problems, make improvements and maintain progress. 2.4 Manage disputes promptly according to contractual conditions to achieve resolution and maintain contract performance and progress. 2.5 Seek and negotiate opportunities to continuously improve procurement outcomes with contractors. 2.6 Provide or gain approvals for contract variations that are negotiated and agreed between the parties. 2.7 Provide opportunities for stakeholders and contractors to have input into and receive feedback on progress during the performance of the contract. 2.8 Engage internal and external stakeholders as necessary throughout the life of the contract to maintain progress.
3. Manage contract evaluation	3.1 Evaluate contract performance relative to planned performance measures and in consultation with stakeholders and contractors. 3.2 Undertake dispute resolution where stakeholders and contractors do not agree. 3.3 Detail conclusions against agreed criteria to provide a complete picture of performance of contractors, organisation's procurement processes and value for money. 3.4 Measure performance of strategic initiatives relative to planned outcomes in consultation with industry and other stakeholders. 3.5 Document lessons learnt from evaluations of contracts and strategic initiatives and use to continuously improve future

	procurement activities. 3.6 Advise contractors and stakeholders of evaluation outcomes.
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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 PSPPROC607A Manage strategic contracts.

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 PSPPCM023 Manage strategic contracts

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.

- writing complex documents
- managing teams of expert negotiators in functions identifying and resolving strategic contract management issues
- identifying, assessing and implementing opportunities for performance improvement
- manage strategic procurement contracts, contract management plans and sub-plans

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 or territory, and local government legislation, policies, practices and guidelines relating to managing strategic contracts, including environmental purchasing guidance.
- organisational procurement policies, practices and approval processes
- aspects of law of contract, trade practices law, and commercial law relating to managing strategic contracts
- codes of conduct, codes of practice and standards of individual behaviour relating to management of contracts and relationships with contractors
- government procurement environment
- implications of particular contracting arrangements
- whole-of-life considerations
- cultural issues relating to contract management and industry development

- relationship management at all personnel levels
- environmental, sustainability and corporate social responsibility principles relevant to managing strategic contracts

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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