



Australian Government

Department of Education, Employment and Workplace Relations

PSPPROC411A Plan procurement

Revision Number: 3

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Modification History

Release	TP Version	Comments
3	PSP12V1	Layout adjusted. No changes to content.
2	PSP04V4.2.	Layout adjusted. No changes to content.
1	PSP04V4.1	Primary release.

Unit Descriptor

This unit covers the ability to plan, justify and approve of procurement requirements to achieve the required outcome. It includes defining and justifying the need, researching potential impact and risks, and securing organisational support to proceed with procurement activity.

In practice, planning procurement overlaps with other generalist and specialist public sector and local government work activities, such as upholding and supporting the values and principles of public service, identifying and treating risks, exercising delegations, applying government processes, encouraging compliance with legislation in the public sector or local government, developing and distributing requests for offers, selecting providers and managing contracts.

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

Application of the Unit

The unit applies to those who plan for procurement, including those who specialise in procurement.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

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 range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Interpret procurement requirements	1.1. Consultation is undertaken with stakeholders to determine whether viable alternatives to procurement exist that address identified business need, to define and clarify requirements, and to justify the procurement decision. 1.2. Scoping of procurement requirements is conducted identifying outcomes, objectives and logistics/supply chain factors. 1.3. Market analysis is conducted to identify factors that may impact on procurement decisions. 1.4. Procurement approvals and appropriations are confirmed for whole-of-life of the activity. 1.5. Information on sources of supply is accessed to determine possible providers and any conflict of interest is identified and resolved. 1.6. Planned provider contract arrangements are specified in accordance with legislation, policy and probity requirements. 1.7. Issues and opportunities are investigated for integration into procurement activity.
2. Plan procurement activities	2.1. Procurement requirement that meets legislative, policy and probity requirements is outlined from transition to close-out. 2.2. Opportunities to obtain stakeholder input at all stages of the procurement process are actively planned. 2.3. Resource requirements are confirmed and committed in a timely manner and responsible authorities are nominated. 2.4. Strategies for briefing potential bidders are included when required, are practical and meet probity requirements of fairness and impartiality, public sector standards and organisational protocols. 2.5. Consideration is given to environmental and sustainability practices along with corporate social responsibility practices at all stages of the procurement process.
3. Develop procurement plans	3.1. Procurement approval documentation and procurement plan are developed and approved which contain relevant detail about the procurement process and desired business outcomes, according to organisational policy and public sector standards. 3.2. Stakeholder input is sought at all stages during the development of the procurement plan. 3.3. Probity risks in the procurement process are

expressly considered during the development of the procurement plan.

- 3.4. Approved procurement plan or strategy is communicated to stakeholders.

Required Skills and Knowledge

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

Required skills

- communication skills to:
 - consult with stakeholders, involving complex oral and written exchanges of information
 - write a procurement requirement, which may require complex style and language expressed in unambiguous terms
 - provide feedback
- teamwork skills to:
 - work independently or under direction as appropriate to the situation
 - model team leadership approaches if appropriate
 - respond to diversity
 - refer issues to the correct person
- problem-solving skills to:
 - undertake analysis of issues relating to procurement need
 - make comparisons, justify a point of view and provide supporting evidence
- initiative and enterprise skills to apply OHS, environmental, sustainability and corporate social responsibility practices in the context of developing requests for offers
- planning and organising skills to:
 - research issues relating to procurement need
 - plan issues relating to procurement need
- learning skills to keep up-to-date with relevant procurement legislation, policies and procedures
- technology skills to:
 - operate organisational IT systems
 - use electronic procurement templates

Required knowledge

- commonwealth, state or territory, and local government legislation, policies, practices and guidelines:
 - relating to contract management, including environmental purchasing and corporate social responsibility guidance
 - such as OHS and equity and diversity
- organisational procurement policies, practices and approval processes
- probity principles and issues
- codes of conduct, codes of practice and standards of individual behaviour relating to procurement
- life cycle costs

- whole-of-life considerations
- technical knowledge or subject matter expertise in the goods or services being procured
- aspects of law of contract, laws of tort, trade practices law, commercial law and other legislation relating to receipt and evaluation of offers, negotiation and award of contracts

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

Competency must be demonstrated in the ability to plan procurement consistently in accordance with legislative and organisational requirements.

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Assessment must confirm the ability to:

- consult with a wide range of stakeholders in order to identify, confirm and clarify procurement requirements
- undertake market research
- develop business case, using templates if available
- develop a procurement plan, using templates if available
- act within own delegations and refer issues to higher authority when necessary.

Consistency in performance

Competency should be demonstrated by providing evidence of undertaking a range of relevant work tasks in an actual or simulated procurement environment on at least two separate occasions.

Context of and specific resources for assessment

The unit of competency is to be assessed in the workplace or a simulated workplace environment.

Access may be required to:

- legislation, policy, procedures and protocols relating to procuring goods and services
- codes of conduct and codes of practice
- workplace scenarios and case studies relating to a range of procurement activities
- case studies that incorporate dilemmas, and probity requirements relating to planning procurement of goods and services.

Method of assessment

The following assessment methods are suggested:

- questions to assess understanding of relevant legislation and procedures
- review of strategies selected for procurement planning
- review of business cases, budgets, procurement plans, risk assessments, procurement approvals and other documentation prepared or obtained by the candidate in a range of contexts
- review of stakeholder engagement approaches adopted by the candidate.

In all cases, practical assessment should be supported by questions to

assess underpinning knowledge and those aspects of competency which are difficult to assess directly. Questioning techniques should suit the language and literacy levels of the candidate.

Guidance information for assessment

Evidence must be gathered over time in a range of contexts to ensure the person can achieve the unit outcome and apply the competency in different situations or environments.

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:

- PSPETHC401A Uphold and support the values and principles of public service
- PSPGOV417A Identify and treat risks
- PSPGOV421A Exercise delegations
- PSPLEGN401A Encourage compliance with legislation in the public sector
- PSPPROC412A Develop and distribute requests for offers
- PSPPROC413A Select providers and develop contracts.

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.

Stakeholders may include:

- end users, customers or clients, and sponsors
- current or potential providers or suppliers
- technical or functional experts or advisers
- commonwealth, state or territory, and local government
- the organisation
- other public sector organisations
- employees, unions and staff associations
- industry bodies
- local communities
- lobby groups and special user groups
- experts, including financial, legal, technical, commercial and probity.

Market analysis may include:

- structure of market
- 'players' in the market
- market capability
- market maturity
- market strength
- factors or conditions that may affect supply
- supplier positioning and referencing
- supplier viability analysis
- potential impact of intended contracting activity.

Procurement approvals and appropriations may require:

- ministerial authorisation
- compliance with instructions or finance circulars
- CEO or board authorisation
- confirmation by chief financial officer
- delegate approval
- budget approval
- business case approval
- special consideration if they concern:
 - long-term travel deals
 - long-term computer deals
 - long-term lease deals

- issuing indemnities.

Information on sources of supply may include:

- Yellow Pages
- buyers guides, supplier brochures and advertisements
- purchasing contract awareness service
- suppliers' previous histories and files
- peer, supplier and customer networks
- computer-aided purchase of computers
- newspapers, journals, bulletins or directories
- government gazettal notices
- internet.

Legislation, policy and probity requirements may include:

- commonwealth or state and territory legislation
- equal employment opportunity and anti-discrimination law
- commonwealth, and state or territory government procurement guidelines
- organisational policies and practices
- probity guidelines
- codes of conduct, codes of practice and standards of individual behaviour relating to procurement
- security and confidentiality
- risk management
- environmental, sustainability and corporate social responsibility principles.

Issues and opportunities may include:

- risk sharing
- cost sharing
- cost escalation
- intellectual property rights
- knowledge management
- corporate knowledge
- libraries and archives
- capital equipment and asset ownership
- value engineering
- value management
- innovation
- continuous improvement
- future organisational requirements
- quality
- whole-of-life considerations
- organisational integration and cooperation.

Resource requirements

- facilities

may include:

- information technology
- personnel
- budget support equipment
- use of contractor staff
- professional service providers
- risk assessment.

Procurement approval documentation may include:

- business case
- justifications
- delegate submissions.

Procurement plan may include:

- formal documented procurement plan, either using an organisational template or not using a template
- procurement strategy
- acquisition strategy
- leasing strategy.

Probity risks may include:

- corruption
- fraud
- conflict of interest (actual, perceived or potential)
- unfair treatment of providers or potential providers
- misuse of resources
- misuse of information
- manipulation of the marketplace.

Unit Sector(s)

Not applicable.

Competency field

Procurement and Contract Management.