Procurement Model – 8 Sep 09 V6

1. Initiate

Project Team

Contracts

Category Assessments

Needs from Customers

Information Gathering

Opportunity Assessment

Task Initiation Request (TIR)

Refine needs and engage stakeholders

Tools

- Spend analysis
- Initial needs analysis
- Initial supplier analysis
- Industry (market) analysis
- Research
- Opportunity assessment
- Supplier performance
- Current process analysis
- TCO
- Supply levers

Outcomes

The Procurement Initiation Document (PID)

2 Strategy (Analyse, Design and Develop)

Project Team

Scope Requirements

Conduct internal due diligence

Specify requirements

Plan the Project

Develop the Procurement Strategy

Tools

- Internal driver analysis
- Determine demand levers
- Analyse the supply market
- Analyse current processes
- Review existing contracts and projects
- Review budgets (as required)
- Project management methodology

Outcomes

The Procurement Plan

The Statement of Requirement (SOR)

3 Sourcing

Project Team

Agree RFx Documents

Release to Market

Evaluate the responses

Clarify and/or Negotiate Offers

Gain endorsement

Retender

Tools

- Tender process
- EOI/ROI/RFI/RFT/RFP/RFQ
- Evaluation plan
- Contract T&C's
- Tenders Board templates

Outcomes

The Tender Documentation

4. Implement

Project Team

Finalise the Contract

Implement the Requirements

Agree the Service Levels

Communicate the Deal to Customers

Tools

- Implementation Strategy
- Communications plan
- Transition plan
- Supplier Portfolios
- Performance measures and reporting
- Benefits analysis

Outcomes

The Contract

The Implementation Plan

5. Manage

Project Team

Manage the Contract

Review Performance

Administer the Contract

Manage Issues

Report on Outcomes

Tools

- Crisis Management
- Customer satisfaction
- Innovation
- Product/Service Analysis
- Value management
- RFGs/SSR management
- Extension management
- Service level management
- KPI reporting
- Communications management

Outcomes

The Contract Management Plan