



DATA SHEET

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procurement process review

The procurement process review is a proven strategy to reduce costs and improve the delivered value of goods and services. PSI Asia Pacific can provide a framework for reviewing your organisation's current procurement process, assisting in identifying areas for improvement, and executing the right procurement strategies in order to reduce costs significantly.

Influencing factors that are likely to impact on the procurement review include the:

- consistency of application of standardised procurement principles and the current procurement structure;
- availability of procurement spend data;
- extent to which feedback is available on the strategy and implementation issues; and
- degree of senior organisational commitment to the future state procurement strategy and implementation plan.

A review of procurement processes includes issues such as purchasing and acquisition strategies (including the use of e-commerce and preferred supplier arrangements), logistics (stores handling and distribution), tendering practices, contract management, and strategic relationships with related agencies.

PSI Asia Pacific has successfully brought together these issues by adopting a procurement life cycle model as the framework for developing and implementing procurement policies and processes.

procurement & grants management

business case development

tendering management

grants management

contract performance management

tender & grants application assistance

probity & corporate management

probity advice & audit

compliance assessment

corporate governance review

corporate responsibility

business improvement

program & project evaluation

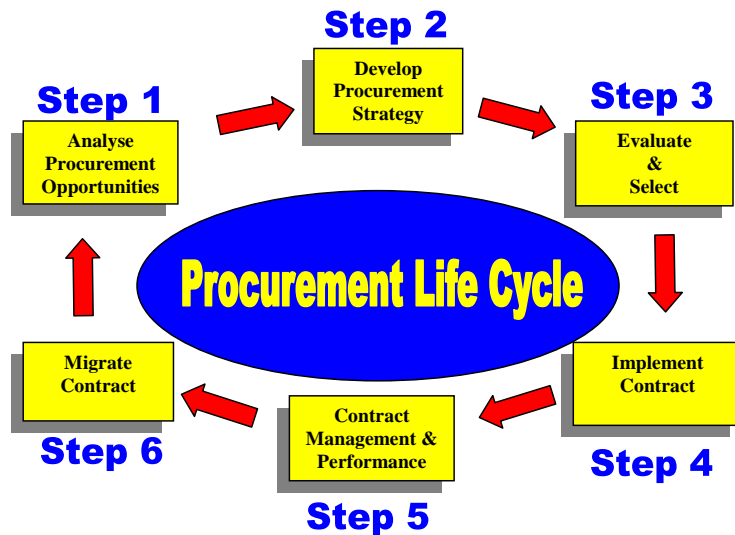
business process review

solution implementation

cost models and financial analysis



procurement life cycle



The procurement lifecycle underpins a two stage methodology typically utilised by PSI Asia Pacific:

stage 1 current state

- A review of the existing organisational procurement policy and process arrangements, including existing documentation relating to policy and process, as well as guidelines for the implementation of policy.
- A review of existing procurement spend in order to determine relevant spend categories and information on suppliers.
- The conduct of workshop(s) involving staff associated with procurement in order to obtain first-hand information and feedback on current procurement activities, associated procurement related constraints and issues, and opportunities to achieve efficiencies in procurement.
- Analysis of the information gathered and the development of options in relation to the procurement strategy, including the potential for e-procurement and structural and governance modifications, as well as implementation of the strategy.

stage 2 future state

- The development of a draft procurement strategy, including a Procurement Strategy Action Plan, structural and governance arrangements and an implementation plan for review and discussion by senior organisational stakeholders.
- The presentation of this draft strategy in a workshop format to key operational stakeholders and the gathering of feedback on the strategy and implementation issues.
- The refinement of the strategy and implementation plan.

For more information on how PSI Asia Pacific can assist in improving your Procurement processes, please contact us through our website: [www.psiasiapacific.com.au](http://www.psiasiapacific.com.au) or email us at [psi@psiasiapacific.com.au](mailto:psi@psiasiapacific.com.au)

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