

## PROJECT DELIVERY

Briefing Paper  
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**DWC**  
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# I.T PROCUREMENT 'BEST PRACTICE PRINCIPLES'

In today's business environment, upgrading existing systems, migrating to the cloud, or engaging a managed service partner, it is essential to adopt procurement 'best practise principles & framework'.

In this briefing paper, we define the industry-standard 'best practise' procurement principles.

### Procurement Best Practise Principles

- Value for Money
- Open & Fair Competition
- Accountability
- Risk Management
- Probity & Transparency

### Procurement Lifecycle Framework

- Procurement Strategy
- Requirements & Proposal
- Market Analysis
- Selection & Business Case
- Agreement Formation
- Implementation & Transition

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### Value for Money

'value for money' involves considering all costs from the initial price, ongoing costs, financial and non-financial costs, Total Cost of Ownership (ToC) through the whole-of-asset-life combination of quality, timeliness, acquisition cost, fitness for purpose, contract transition, disposing of goods, and service & support.



### Open and Fair Competition

Procurement governance must provide Vendors, organisation management, stockholders, and the public with confidence in the process. Prospective Vendors must be seen to be treated equally, openly, and fairly with access to information to enable them to respond and decide without any perception of any bias.



### Accountability

The procurement board and steering committee are responsible for the actions and decisions through the procurement process. Authority, delegation, and accountability are documented in the procurement charter, with the CEO ultimately accountable. The charter must ensure adequate accountability, and the team must provide enough information for a sound decision to be made.



### Risk Management

Managing procurement risk is a responsibility of the steering committee, who will be guided by the organisation risk framework. Procurements risks range from fraud, delivery delays, cost reviews, statutory regulations, or failure of a supplier, and will be evaluated to 'risk criteria' with mitigation controls and contingency planning applied at each stage of the procurement lifecycle.



### Probity

The probity advisor will be responsible for a plan to ensure procedural integrity. The advisor will audit and advise on the ability to withstand internal and external scrutiny, focusing on ethical governance practices, regulation compliance, confidentiality, conflict of interest, organisation code of conduct, selection and evaluation and procurement best practices.



### Transparency

All prospective Vendor bids need to be evaluated systematically against predetermined and disclosed evaluation criteria. Relevant documents must be made available, along with questions about the procurement activity and responses. Maintaining disclosure of information, managing feedback, briefing sessions, and handling grievances all form transparent procurement practises.



For an overview of 'I.T Procurement Lifecycle Framework'  
read the Project Delivery Briefing Paper Series 2, Vol.2.