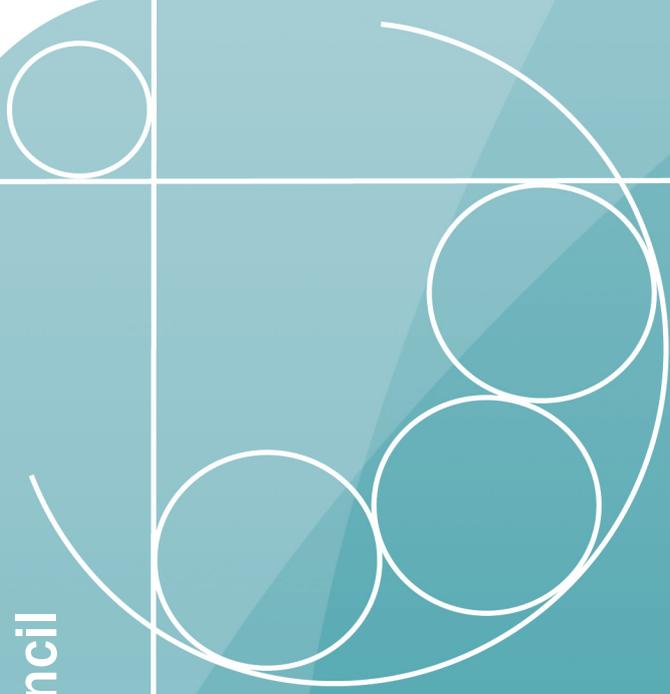


Australasian Procurement and Construction Council



# **APCC Guidelines for Engaging Training Providers to Deliver Procurement Training**

March 2012



## PROCUREMENT CAPABILITY DEVELOPMENT WORKING GROUP

### OUR VISION

The achievement of a coordinated and coherent national framework that meets the breadth and depth of the procurement profession.

### OUR PURPOSE

To assist the APCC to enhance the professionalism of procurement officers and to support the growth of the procurement profession.

### OUR VALUES

- High levels of confidentiality and integrity in the management of group information.
- A coordinated collaborative approach to sharing information.
- An increased level of knowledge transfer across membership.
- Development of innovative collaborative approaches.

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## Introduction

### Background

At the November 2010 meeting of the APCC Executive, the decision was made to establish a Procurement Capability Development Working Group in order to assist the APCC to enhance the professionalism of procurement officers and to support the growth of the procurement profession.

In February 2011 the Working Group Strategic Plan for 2011-2012 was finalised. The Strategic Plan set out a number of aims and tasks. One of the objectives in the Plan was to:

***Improve the engagement of Registered Training Organisations (RTOs) in order to facilitate consistency in delivery and assessment in Public Sector Procurement Vocational Education and Training.***

In order to achieve this objective the Working Group identified the need to develop a set of guidelines for public sector agencies and individuals wishing to engage with RTOs<sup>1</sup>. In particular, the guidelines were to provide information on good practice in:

- Procurement of accredited training for internal and external clients;
- Selecting the most appropriate training partner(s) to design, develop, deliver and evaluate the provision of this training; and
- Developing the partnership(s) to provide ongoing strategic and operational benefits to all stakeholders.

### Intended Audience

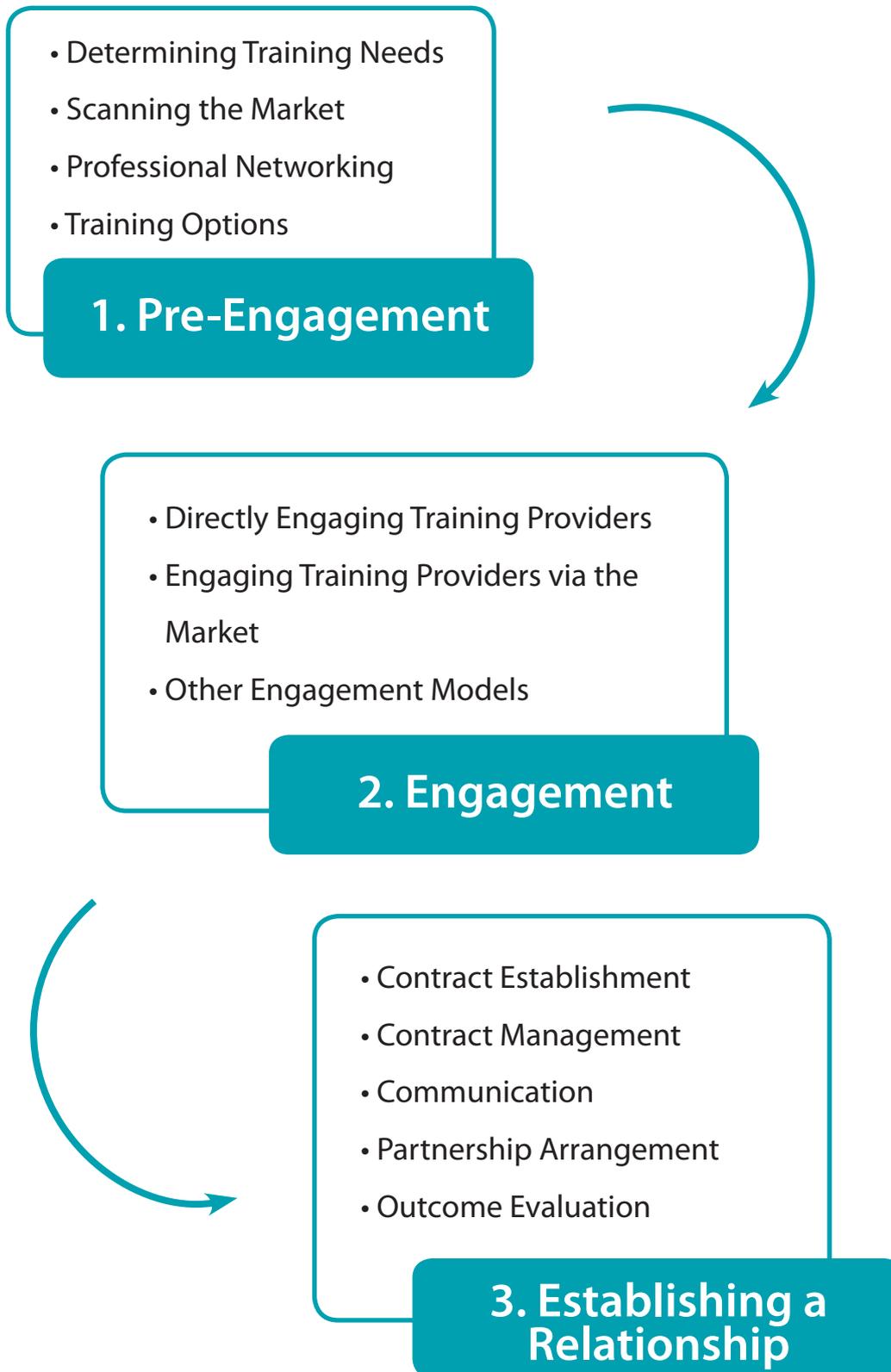
It is expected that the audience for these guidelines would consist of two main groups:

1. Procurement specialists who have been tasked with responding to a perceived or actual need to provide procurement training programs for a range of audiences.
2. Learning and development specialists who have undertaken some form of skills audit or training needs analysis and have identified an actual need to provide procurement training programs for a range of audiences.

In general, these two groups have quite diverse experiences and expertise, therefore their approach to the same task may begin at a different point and from a different perspective. The aim of these guidelines is to provide a common ground for both groups, that facilitates a procurement training program that meets the needs of the identified stakeholders.

<sup>1</sup> Please note that during the development of the Guidelines, the scope was broadened to include a wider range of training providers, not only RTOs.

## Training Provider Engagement Model



The following page describes in detail the elements for each of the three stages.

## Pre-Engagement of Training Providers

### Determining Training Needs

Good practice in learning and development begins with the need to answer a number of questions about any proposed learning and development process, i.e. completing a '*training needs analysis*'. Here is a sample of the questions that need to be asked and answered in order to clarify and identify possible responses to a perceived need for training.

- Who has identified a need for development, i.e. who is the 'owner' of the request for development?
- Who are the other stakeholders?
- Who is the target audience?
- What are the development needs of the target audience in the area of procurement?
- What changes in behaviour or outcomes does the project/process 'owner' want to see as a result of addressing the development needs?
- What are the best forms of development for achieving this desired/changed behaviour?
- How much will the desired development cost (in time, money, effort, supervision)?
- Who will pay for the development (in time, money, effort, supervision)?
- How will you source the development?
- How will you evaluate the development (reaction/learning)?
- How will you know that the desired/changed behaviour has occurred (training transfer and application/Return on Investment)?

For the purpose of these guidelines, we will assume that our audience has asked and answered all these questions, and that training is at least one of the forms of development that has been identified as appropriate.

## Scanning the Market

By answering all the questions in the Pre-Engagement section, a clear sense of required training should have emerged. Understanding the training requirement is vital when scanning the market to determine how best to:

- Meet the identified training needs;
- Identify type of training required; and
- Identify possible providers.

## Professional Networking

Potential information sources may include your corporate learning and development, your professional networks, your jurisdiction's consultant registers and/or prequalification schemes and the internet.

There are two main types of procurement training:

- Accredited Training/Qualifications
- Non-Accredited Training

## Training Options

### Accredited Training/Qualifications

The accredited training/qualifications market can be further broken down into the Vocational Education and Training (VET) market and the undergraduate and post-graduate (university) market.

In the VET market, there are four relevant qualifications:

- Certificate IV in Government (Procurement & Contracting)
- Diploma of Government (Procurement & Contracting)
- Advanced Diploma of Government (Procurement & Contracting)
- Vocational Graduate Certificate in Government (Strategic Procurement)

There is a limited number of providers offering these qualifications. At the time of this publication there were a total of 12 providers across Australia who have one or more of the Government (Procurement and Contracting) VET qualifications on their scope, i.e. are accredited to provide these qualifications. The head offices of these providers are generally located in NSW and the ACT though able to deliver training elsewhere in Australia. Details of both the providers and the qualifications can be found at [www.training.gov.au](http://www.training.gov.au)

In the university market, there are a number of undergraduate and post-graduate qualifications that have procurement as a component of the program of study, including bachelor degrees, graduate certificates, graduate diplomas and masters degrees. The APCC has worked with the Australian Technology Network of Universities (ATN) and the University of Canberra to develop post-graduate qualifications in strategic procurement. These universities are a useful starting point for discussions around the delivery of undergraduate and post-graduate training programs in procurement.

### **Non-accredited Training**

In contrast to the accredited training market, non-accredited training is a more diverse field. Non-accredited training can be categorised according to the provider and the price e.g. external consultant or in-house subject matter expert (SME); fee-for-service or cost neutral.

### **External Consultant/Fee-for-Service Training**

This type of training encompasses programs of varying length and with varying content delivered by consultants, registered training organisations or other providers. What these programs have in common is that they do not lead to the attainment of a nationally-recognised qualification.

### **In-house/Informal/Cost-neutral Training**

Many enterprises and organisations provide procurement-related training delivered by internal subject matter experts (SMEs). These SMEs can include procurement specialists, learning and development professionals, internal auditors, risk assessors, corruption prevention specialists etc. In-house or informal training may allow you to develop your own training program tailored to your agency needs. This type of activity may also include alternatives to training programs, such as mentoring/ coaching programs, job shadowing, project or problem based learning activities etc. It is advisable, irrespective of the type of training and providers you consider, that you seek to utilise professional procurement or learning and development networks. Engaging colleagues in other organisations or jurisdictions may assist you to examine different programs that have been conducted in their respective organisations. This could identify solutions that you may not have considered and provide insight into the benefits and costs of the various approaches. In particular, in-house training solutions that have worked in other organisations may be identified and adapted to suit your particular needs.



## Engagement of Training Providers

Engaging possible training providers can be done through direct approaches or via a market strategy.

### Directly Engaging Training Providers

It may be appropriate to directly engage the training providers to understand the variety of approaches available to meet your training needs. If you clearly articulate the outcomes you wish to achieve, training providers will be able to offer proposals on training solutions. This is of particular value when the outcomes are clear but the means to achieve them is not. In addition, it may be of value to publicly invite potential training providers to register interest to stimulate the market and provide time for potential providers to develop proposals.

### Engaging Training Providers via the Market

As suggested above, if you are clear on the outcomes and the means by which they are to be achieved, you can directly approach the market using appropriate procurement methods, such as a Request for Quote or Tender. *Appendix 1 – Factors to Consider in preparing 'Request' Documentation for Procurement Training* is designed as a guide to identify the issues to be considered in your specification to achieve the desired training outcomes, and to assist in the evaluation of responses. It is not a definitive list of the issues and the nomenclature used may vary across jurisdictions.

In some circumstances this formal approach may not suit. For example, your organisation may:

- Be clear on the outcomes desired but open to a variety of means to achieve them;
- Feel there is a risk that the “people development” may get lost with a too prescriptive approach; or
- Wish to ensure flexibility such that the training provider can bring different ideas or approaches to the table and add value to the organisation or the project.

### Other Engagement Models

In these circumstances, other procurement methods may be necessary. For example:

- An outcome-based approach, whereby the providers propose solutions to achieve the clearly defined training needs;
- A two-stage procurement process, using an Expression of Interest (EOI) or Request for Proposal (RFP) in order to encourage preliminary interest and assist in selecting a list of potential credible providers before undertaking a more formal procurement process;
- Directly negotiating with a preferred training provider judged to best meet the selection criteria.

Further advice and guidance can be sought from the Enterprise RTO Association (ERTO - <http://www.ertoa.org.au/>)

## Establishing a Relationship with your Training Providers

### Contract Establishment

After selecting a training provider and establishing a contract, the next phase of the process begins - the delivery of the training. The approach will depend on the nature of the training sought, however there are some critical and interrelated aspects that should be considered:

- Proactive contract management;
- Working relationships and successful partnerships; and
- Evaluation of the training program (and the partnership).

### Contract Management

Contract management can be defined as the conscious effort to ensure services are delivered according to the specified standards, **on** time and **on** budget. 'Proactive' contract management is going beyond what the contract says to better understand the outcomes you want and the ways in which your training providers can help you achieve these outcomes.

### Communication

Building effective relationships that better enable the delivery of outcomes relies on:

- Good communication and organisation skills;
- Clearly defined contract scope, timeframes, deliverables and expectations; and
- Clearly defined roles and responsibilities and dispute resolution processes.

Effective relationships require effort at the beginning of the contract to establish how the partnership is to work, and on-going effort to maintain the relationship. A simple framework to build an effective partnership arrangement is outlined in the steps below<sup>2</sup>:

1. Clarify the partnership goals and scope
2. Identify criteria for success
3. Identify costs and risks
4. Document the agreement and any variations from the contract
5. Monitor and review the arrangements

## Partnership Arrangement

Seeing the contract as a partnership arrangement may provide a number of benefits. These include:

- Fostering creative thinking and methods;
- Focusing on achieving the organisation's desired outcomes;
- Responding effectively to contractual challenges or evaluation feedback; and
- Growing the relationship to realise new opportunities.

The National Centre for Vocational Education Research (NCVER) has a range of research papers on partnerships between industry and education and training providers. Agencies who wish to pursue best practice in partnering with training providers have many avenues to explore. In addition, APCC members can provide support and information to one another on this journey.

## Outcome Evaluation

Finally, evaluating the training program to understand whether the program has actually delivered the intended outcomes for your organisation is vital in order to determine the value of conducting the program, plus an opportunity to learn lessons for future training programs. Evaluation needs to be carefully considered prior to undertaking the training, as it will be easier to design appropriate measures to determine the impact of the training if there is a very clear understanding of the desired outcome of the training from the outset. If formal evaluation is desired, then it should be clearly specified when approaching the market for a training provider or, if it is an in-house training program, when designing the training program itself.



## APPENDIX 1

### Factors to consider in preparing 'Request' documentation for Procurement Training

Elements	Principle	Considerations
Statement of Requirements:	Defining your desired outcome, e.g. a brief statement of the requirements to be carried out.	
Specifications	Detailed description of the specification/requirements desired.	<ul style="list-style-type: none"> <li>• General program or course characteristics, e.g.               <ul style="list-style-type: none"> <li>o Focus on delivery of qualification (which one?) or just competency based training</li> <li>o Whole of procurement focus or individual aspect of procurement/contracting</li> <li>o Assessments - mandatory, voluntary or none</li> <li>o Recognition of Prior Learning (RPL) process – if required</li> <li>o Particular policies, procedures or context required to be incorporated into the training</li> <li>o If on-going program, frequency offered</li> <li>o Articulation to further study program</li> </ul> </li> <li>• Program requirements:               <ul style="list-style-type: none"> <li>o When and where delivery of program</li> <li>o Form of delivery – face to face trainer, external or online</li> <li>o Further customisation required</li> <li>o Numbers of participants</li> </ul> </li> <li>• Program outcomes – could revolve around:               <ul style="list-style-type: none"> <li>o Process training for operational officers</li> <li>o Different perspectives and methodologies of procurement</li> <li>o Improve qualifications and career prospects of employees</li> <li>o Networking opportunities across sector/agencies or between sectors (public and private)</li> <li>o Legislation/compliance issues</li> </ul> </li> </ul>
Qualitative Requirements	The criteria upon which to assess value for money. Each criterion will require a specified % weighting	
	<p><b>Approach and Methodology</b> – This is a description of what you expect in terms of how the training organisations are to deliver the training and other aspects of the contract.</p>	<p>Approach and methodology – Principles:</p> <ul style="list-style-type: none"> <li>• Knowledge of relevant legislation, procurement policies and processes, especially relating to the public sector</li> <li>• Proposed curriculum and course content</li> <li>• Mapping of core competencies to be developed in training, and articulation to qualification (if required)</li> <li>• Learning methodologies to be employed, including application of adult learning principles</li> <li>• Delivery methods</li> <li>• Assessment methods, including RPL (if required)</li> <li>• Methods for administration and certification, including IT support systems that may be utilised, and/or key administration personnel proposed to be used to support contract delivery</li> <li>• Performance measures to be employed and collated</li> <li>• Timeframes for course development (if required) and delivery</li> </ul>

Elements	Principle	Considerations
	<p><b>Specified Personnel</b> – The quality of the program development and delivery is critical to the success of the training program. To assist in ensuring program success, you should identify the capabilities, and seek the evidence to demonstrate those capabilities, that you require for the people who will develop and deliver the training.</p>	<ul style="list-style-type: none"> <li>• Qualifications and experience of specified personnel in training</li> <li>• Qualifications and experience of specified personnel in (public sector) procurement</li> <li>• Examples of previous developed curriculum by specified personnel</li> <li>• Availability of personnel</li> <li>• Referee details for specified personnel (possibly linked to examples of previous curriculum provided)</li> </ul>
	<p><b>Demonstrated skills and experience of organisation to undertake project of a similar nature</b> – This is where you specify the evidence you require to be assured of the training organisation's capacity to deliver against the contract. As a general rule, previous behaviour is the best indicator of future behaviour, so requiring evidence of previous successful projects is strongly advised.</p>	<ul style="list-style-type: none"> <li>• Details of contracts for similar services provided to other organisations</li> <li>• Overview of organisational capacity demonstrating ability to fulfil contract requirements - could include business history, annual turnover, number of training courses delivered per year</li> <li>• Mitigation strategies in place to address perceived risk in the contract/program delivery, e.g. loss of key personnel</li> <li>• Referees in provision of similar services to other organisations</li> </ul>
Key Performance Indicators for Contract Management		<ul style="list-style-type: none"> <li>• Performance Reporting Principles <ul style="list-style-type: none"> <li>o Mutual objective of performance improvement</li> <li>o Open, proactive, objective and periodic formal reporting</li> <li>o Performance issues promptly addressed</li> <li>o Open discussion of any performance issues as a prerequisite to any formal notification</li> </ul> </li> <li>• Performance Reporting Periods <ul style="list-style-type: none"> <li>o When (milestones/triggers) and how throughout program delivery</li> </ul> </li> <li>• Performance Reporting Content <ul style="list-style-type: none"> <li>o What are your KPIs? Number of courses delivered? Project deliverables provided on time and on budget? Ease of working with training provider? Outcomes based on evaluation process (see below).</li> </ul> </li> </ul>
Program Evaluation/ Continuous Improvement	<p>You need to consider how you evaluate the program before you engage a provider so that evaluation is incorporated into the program from beginning to end, rather than tacked on as an afterthought.</p>	<ul style="list-style-type: none"> <li>• What evaluation approach will you use – Qualitative or Quantitative or a mixture?</li> <li>• What will be evaluated – participants' reaction to the training in terms of content, structure, delivery? Change in knowledge of participants? Change in behaviour of participants? Application back in the workplace by the participants? Return on investment?</li> <li>• How will you evaluate? Surveys, case studies, focus groups, analysis of changes in the business metrics?</li> <li>• How will you report on the outcomes of your evaluation?</li> </ul>

Elements	Principle	Considerations
Pricing Structures	In your specifications, you may wish to put some parameters around pricing, e.g. a ceiling price. You may also want to require the respondents to include any price variation provisions, arrangement or mechanism applicable to the offered price, e.g. discounts based on numbers of participants, discounts for payments within 7 days, CPI increase etc.;	<p>A variety of different approaches and considerations to requesting prices include:</p> <ul style="list-style-type: none"> <li>• Price for whole program - particularly relevant if you are seeking to obtain qualifications for staff;</li> <li>• Price per training module – if program is made up of individual stand alone modules this may be an appropriate pricing structure</li> <li>• Price per day of training – may assist comparison of different providers’ cost structures if programs offered differ in length and structure</li> <li>• Pricing for the maximum and minimum number of participants, if rates differ</li> <li>• Price for RPL process – either for whole qualification, or per unit of competency</li> <li>• Price per external or online module, unit of competency or entire course</li> <li>• Hours of customisation incorporated into pricing structure</li> <li>• Price per hour for customisation</li> <li>• Other costs – e.g.: <ul style="list-style-type: none"> <li>o Assessment prices (if not mandatory)</li> <li>o Program materials, if this is an extra</li> <li>o Administration fees</li> <li>o Cancellation fees</li> </ul> </li> <li>• Annual price variations, if delivery is to extend across more than one year</li> </ul>
Responsibilities	Clearly define the responsibilities of each party to the contract.	



# APCC

Adding value and promoting excellence  
in the way governments deliver their  
services to the community

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