



Public Procurement

Update for the Trilateral Forum of June 8, 2012

Title of Theme: Professional Services Procurement

History/Background of the topic:

As a result of the February 9, 2012 Trilateral Meeting, it was decided that collaboration would occur between the US, UK and Canada on Professional Services Procurement, including Demand Management.

It was also decided that a shared communication tool such as wikis be used to do this and have a document(s) prepared for the next Trilateral meeting.

Issue(s):

Some challenges have occurred in setting-up the collaboration software. PWGSC's International Team has now taken over the responsibility of implementing a solution.

Update:

As of April 26, 2012, four meetings were held to discuss Professional Services Procurement.

The first meeting was held on March 2, 2012, which involved the participation of all 3 nations. This meeting provided an opportunity for each participant to provide a brief summary of their respective roles & responsibilities, at least 1 element they could share, and at least 1 element that they would like to benefit from the collaboration. As a result, it was decided that there were 3 general areas of collaboration: Performance Based Contracting, Demand Management, and Category Management.

The second meeting was held on March 29, 2012, which was to involve the participation of all 3 nations; however, at the last minute the UK was unavailable due to an urgent matter. Nonetheless, a beneficial discussion was held with the US where it was learned that both the US and Canada have good tools in place for Performance / Solutions Based contracts; although neither country has the usage they would like.

Two best practices were identified:

- the US provides a 1-week training course on this subject. The US has indicated they are willing to share this information.
- Canada developed a list of qualified suppliers specifically for solution(performance) based contracts.



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The third meeting was held on April 19, 2012, which involved the participation of all 3 nations. A beneficial discussion was held on Demand Management. Five best practices were identified:

- Business Planning, including long-term strategy of internal vs. external resources
- Need for quality data to conduct accurate analysis to support decision making
- Competition between Private and Public Sector to deliver Services (US Program)
- Benefit of Industry consultations
- Move towards Output / Solutions Based contracts being the primary focus, with Consultancy / Resource Based contracts being the last contractual option.

The fourth meeting was held on April 26, 2012, which was to involve the participation of all 3 nations; however, at the last minute the UK was unavailable due to an urgent matter. A beneficial discussion was held on Category Management. Five best practices were identified:

- Consultations with clients and Industry is key in developing a National Strategy;
- Track the Percentage of Suppliers who receive little to no business on a Procurement Tool, as there is a cost associated to maintaining Suppliers who receive no business.
- Provide training to Suppliers, in order to ensure they know the 'realities' of what means to be on a Government procurement tool
- Invest in the development of IT support tools, as well as modernizing bidding requirements (e.g. Grandfathering existing suppliers) in order to reduce the administrative cost of bidding

In addition to the Best Practices, a few Challenges have been identified as elements that warrant further discussions:

- Too many suppliers on a procurement tool (Saturation) for the amount of government business available;
- Accurate data on the actual business volume within the Professional Services tools
- Cost of maintaining Suppliers with little to no business

Summary of Information to be shared

Canada has agreed to:

- Share examples of Solution Based Contracts (provided)



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- Agreed to provide information on Canada's Management Accountability Framework (provided)
- Share information on the average daily per diem rates for Professional Services categories, as part of a Benchmarking exercise
- Share the Professional Service National Procurement Strategy (provided)
- Share information on the various Professional Services procurement tools (provided)
- Share information on the web-based client and supplier training being developed
- Provide Professional Services category definitions (provided)

US has agreed to:

- Share information on its Performance Based SOW training (provided)
- Provide information on its A-76 – competition between Public & Private Sector process (provided)
- Provide a copy of the "Pathways to Success" training program for Suppliers.
- Provide Professional Services category definitions
- Provide the contact info for the Relocation Program managed by the Travel and Transportation group within GSA.

UK has agreed to:

- Provide Information on its Demand Management Program (provided)
- Share information on the average daily per diem rates for Professional Services categories, as part of a Benchmarking exercise