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# *Taking Action to Improve Federal Procurement for Suppliers*

June 2016



Government  
of Canada

Gouvernement  
du Canada

Canada

# Minister's Procurement Mandate (PSPC)

*Modernize procurement practices so that they are simpler, less administratively burdensome, deploy modern comptrollership, and include practices that support our economic policy goals, including green and social procurement.*



# Office of Small and Medium Enterprise and Strategic Engagement

Our mandate is to:

- Encourage the participation of SMEs in federal government procurement
- Provide information services to SMEs and advocate on their behalf
- **Identify, understand and work with government to reduce barriers for suppliers**
- Support Acquisitions Program initiatives with departments and suppliers
- Enhance relationships with provinces and territories to advance collaborative procurement



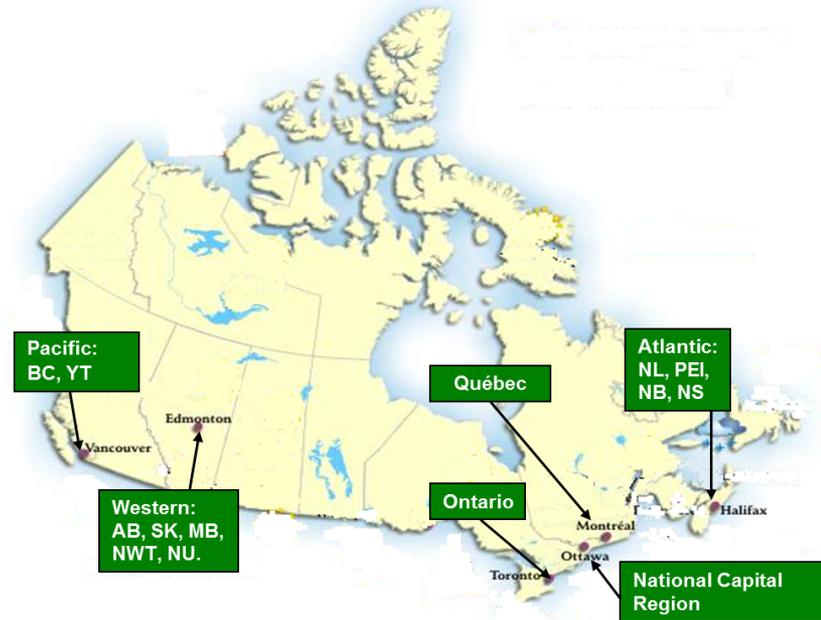
# Office of Small and Medium Enterprise and Strategic Engagement

## Six regional offices:

- Deliver seminars, webinars & one-on-one consultations on how to do business with the Government of Canada
- Present OSME at tradeshows & industry events
- Collect stakeholder intelligence

## National InfoLine (1-800-811-1148)

- Respond to enquiries from Suppliers, Departments and Acquisitions Branch



# Identify and understand barriers for suppliers

- In October 2014, the Minister issued an open letter to over 85,000 suppliers seeking opinions and recommendations on how to best bring about improvements to the federal procurement process
  - More than 1,400 suppliers responded providing upwards of 2,200 comments or recommendations addressing a wide range of issues including **technology, processes, communications, strategic buying, etc.**
- In 2015, a survey of small and medium enterprises (SMEs) was conducted to identify and assess barriers and irritants to SME participation in the federal procurement process.
  - A total of 728 suppliers responded to the online questionnaire between May and July identifying a range of **administrative challenges, and restrictive requirements** that prevented or limited their participation in the federal procurement process.

# What we heard from businesses

- **Reduce administrative burdens related to the procurement process**
  - Simplify / Standardize solicitation and contract templates
  - Simplify / Streamline processes for obtaining security clearances
  - Reduce incidences of being excluded from bidding for minor administrative errors
- **Reduce restrictive requirements related to solicitation(s)**
  - Overly restrictive requirement inhibiting ability to bid on opportunities
  - Contract bundling prohibits SMEs from bidding on opportunities
- **Our technology is outdated and difficult to use.**
  - Make it easier to identify procurement instruments that interest me
  - Enable small and medium enterprise to partner with primes
  - Adopt modern technology to ensure timely payment

# What we heard from businesses

- **Government is missing opportunities to buy strategically and advance social and economic policy objectives**
  - Establish evaluation criteria and policy framework to support small and medium enterprise / green procurement / regional procurement
- **Government is failing to communicate effectively with the supplier community**
  - Improve continuous outreach, engagement and two-way communication and marketing opportunities

# The Supplier Action Plan

Informed by the extensive input received from suppliers, the *Supplier Action Plan* is a plan to improve federal procurement making it easier for suppliers to do business with the Government of Canada: with emphasis on improving **processes, technology, strategic sourcing, and our standing offers and supply arrangements.**

Area of Improvement	Improvement Initiatives
<b>Procurement Processes</b>	<ul style="list-style-type: none"> <li>• Communications &amp; Engagement</li> <li>• Flexible Bid Compliance</li> <li>• Paying Suppliers On-Time</li> <li>• Security: Educate Suppliers and Improve Processes</li> </ul>
<b>Technology</b>	<ul style="list-style-type: none"> <li>• Improving Buyandsell.gc.ca</li> <li>• Modern Procurement Systems</li> </ul>
<b>Buying Strategically</b>	<ul style="list-style-type: none"> <li>• Improving the Build in Canada Innovation Program</li> <li>• Increase Sole Source Limits</li> <li>• Enhance Transparency</li> <li>• Increased Business Opportunities</li> </ul>
<b>Standing Offers / Supply Arrangements</b>	<ul style="list-style-type: none"> <li>• Improve Standing Offers and Supply Arrangements</li> </ul>

# Deliverables / Intended Outcomes

## Improved Procurement Processes

- Shorter waiting periods for suppliers to obtain security clearances
  - Implement new phone system
  - Expand training activities for suppliers (*online videos*)
  - Increase processing capacity and speed of legacy systems
- Standardized / Streamlined contract and solicitation templates
  - Development of plain language guidelines
  - Revised solicitation templates
- Implement flexible bid acceptance procedures
- Enhanced supplier access to information supporting their ability to do business with the Government of Canada
- Ongoing support to client departments to assist them in improving their procurement processes

# Deliverables / Intended Outcomes

## Leveraging Technology

- Improvements to Buyandsell.gc.ca
  - Post contract history on Buyandsell.gc.ca on weekly basis in Open Data format
  - Deliver new functionality allowing suppliers to self-identify their interest in a specific tender notice
- Acquire and Implement an web-based e-Procurement Solution to modernize procurement practices



# Deliverables / Intended Outcomes

## Buying Strategically and Improving our SO/SAs

- Review SO/SAs to prepare for an e-commerce business delivery model
  - Catalogues / ordering
  - Payment via acquisitions cards
- Establishment of a Supplier Performance Policy to contribute to improving access, competitiveness and fairness in the procurement process
- Review contract approval limits and delegations to streamline business processes
- Review policies to allow for set-asides in support of socioeconomic policy goals
- Defence: Ongoing interdepartmental engagement with industry on proposed requirements, potential solutions and opportunities for economic leveraging of individual procurements.

# Accomplishments to date

- Improved procedures for security clearances
- Enhanced Buyandsell.gc.ca
- Defined business requirements for an e-Procurement Solution
- Improved the Build in Canada Innovation Program
- Reviewed processes for electronic payment in preparation for an e-commerce environment
- Reviewed standing offers and supply arrangements in preparation for an e-commerce environment



# Ongoing Engagement

## What can you do?

- For your suppliers:
  - Look at your procurement from a barriers perspective - Keep things simple!
  - If your suppliers are looking for help, send them to OSME-SE
    - National InfoLine (1-800-811-1148)
    - OSME regional Offices (<https://buyandsell.gc.ca/for-businesses/contacts-for-businesses/office-of-small-and-medium-enterprises-osme-regional-offices>)
- For yourself if you have questions:
  - Consult Buyandsell.gc.ca
    - New “Snapshot of SO/SA” data makes it fast and easy to find just what you are looking for
  - Contact your Account Managers (<https://buyandsell.gc.ca/for-government/contacts-for-government-buyers/account-managers-for-government-buyers>)
    - To find out about the newest initiatives and tools that could impact your work
    - To request training for groups or individuals new to procurement or needing a refresher
    - Anytime you have questions – They’re there to help!