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Procurement Modernization: A Government of Canada-wide Approach

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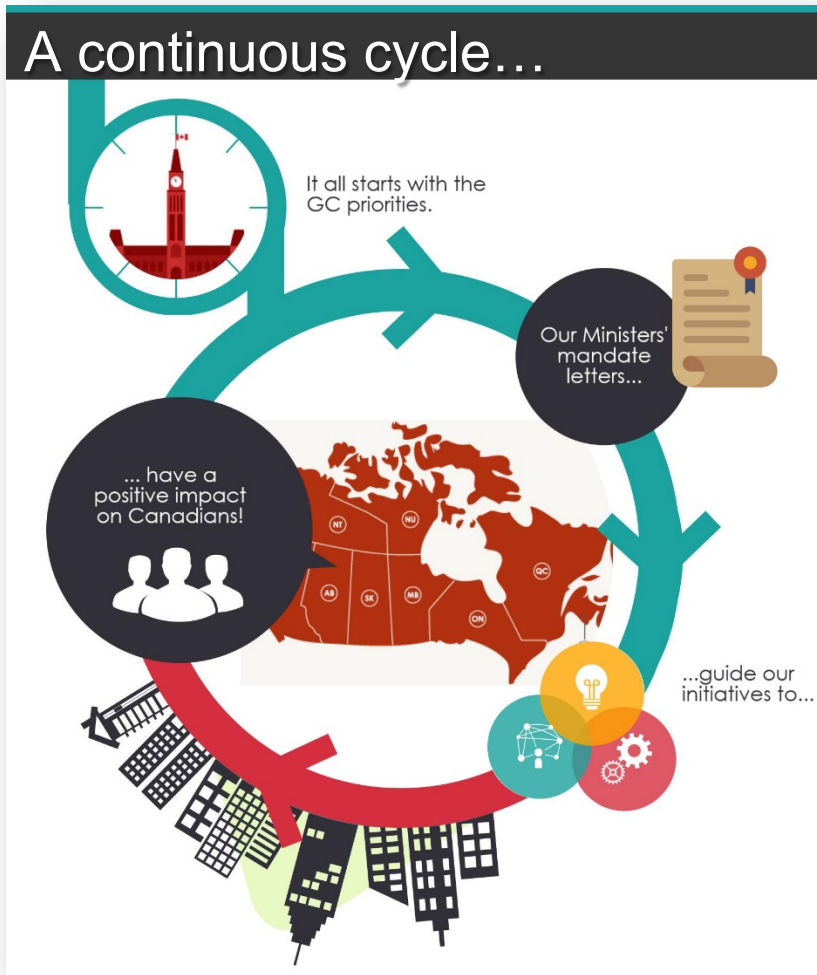
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Purpose

- To provide an overview of the:
 - Procurement Modernization agenda and outline achievements to date;
 - Plan for Government of Canada Procurement Modernization for the next 12 months; and
 - Procurement Modernization highlights within TBS, PSPC and SSC.



Answering the Call for Action



Procurement-related commitments in ministerial mandate letters:

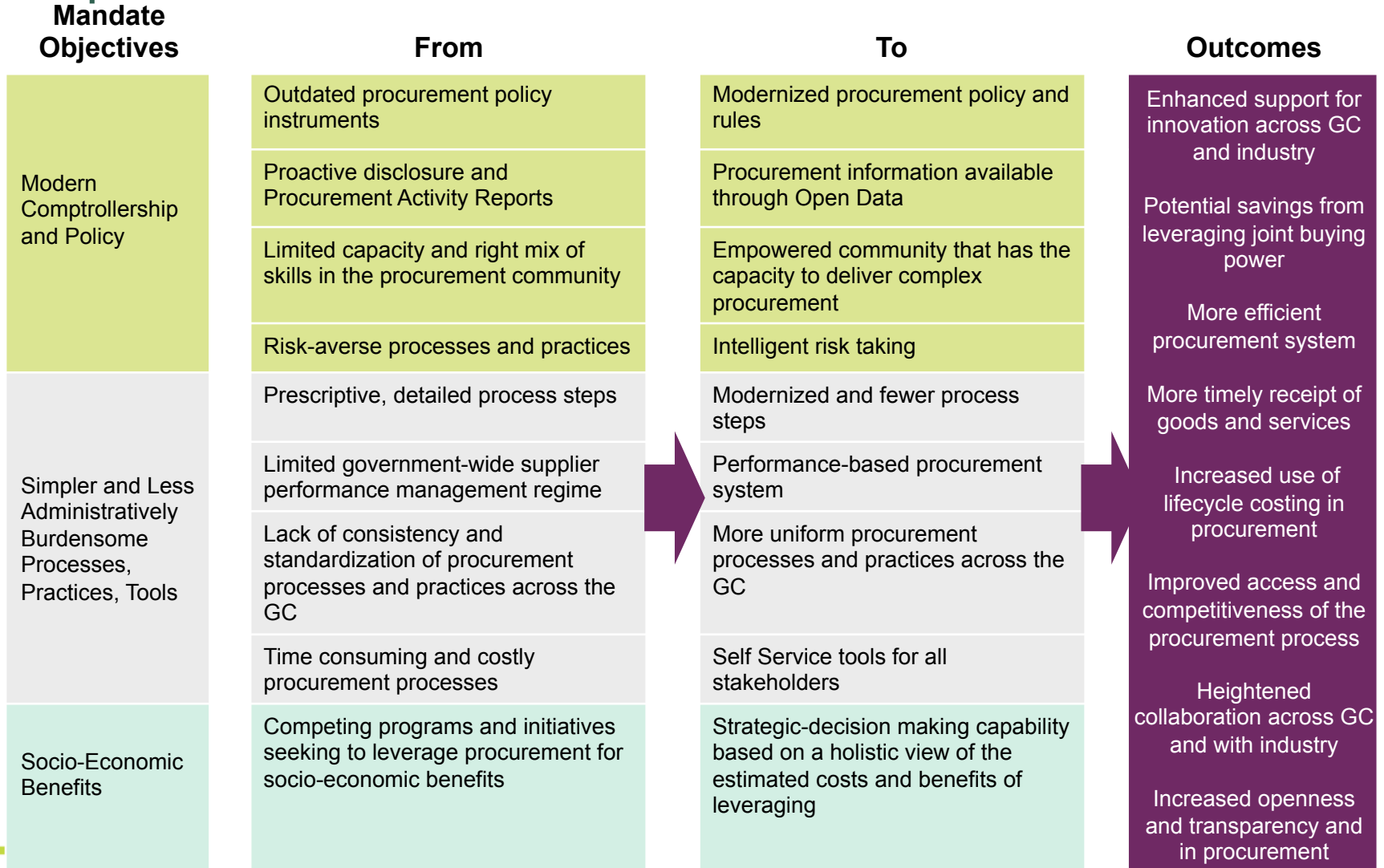
- Simpler, less administratively burdensome (PSPC)
- Modern comptrollership through renewed policy (TBS)
- Specific Socio-Economic Benefits (various departments and agencies)

A robust **foundation** for the procurement function, established through strong **collaboration and clear roles and responsibilities**, will allow for greater **agility**

Enabling us to efficiently respond to current and future government priorities



Expected outcomes



Better Value for Canadians



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What we've done – Establishing an Integrated Approach



Establishing our objectives

- Identified the right initiatives to achieve the desired impacts
- Leveraged and supported one another to advance initiatives
- Identified the gaps by taking a comprehensive approach to Procurement Modernization
- Ensured Procurement Modernization aligns with other key Government of Canada administrative initiatives



Laying the groundwork for GC-wide vision

- Following the support of Deputy Heads at the PSMAC in October 2016 we:
 - Consulted with your procurement communities, asking for their feedback on specific initiatives and Procurement Modernization
 - Collaborated with the OPIs of Procurement Modernization initiatives, aiding in developing work plans and performance indicators



Collaborating across GC and with industry

- Coordinated supplier and other engagements with Procurement Modernization partners
- Ensured the presence of solid implementation plans with timelines through the use of an integrated dashboard
- Encouraged and created opportunities for collaboration across GC and industry

Procurement Modernization initiatives

There are several specific initiatives currently underway that contribute to the overarching goal of modernizing federal public procurement. These include:

Simpler, less administratively burdensome

- Business Process & Contract Modernization such as phased bid compliance;
- Electronic Procurement Solution (EPS);
- Supplier Relationship and Performance Management Regime;
- Low Dollar Value (LDV) Low Complexity procurement; and
- Extension of GC procurement tools to Provinces and Territories.

Socio-Economic Benefits

- Defence Procurement Strategy (DPS) & Sustainment Initiatives;
- Build in Canada Innovation Program (BCIP) assessment;
- Administrative requirements for leveraging public procurement for Socio-economic and Environmental Benefits; and
- Fulfilment of procurement requirements in Land Claim Area & Indigenous inclusiveness.

Modern Comptrollership & Policy

- Training and Capacity Building;
- Open Data initiative;
- Policy Suite Reset (PSR); and
- Risk Management Modernization.



A pragmatic example of change

Simplified process for Low Dollar Value (LDV), Low Complexity and Low Risk procurement

In consultations, we heard **Low Dollar Value, Low Complexity and Low Risk procurements** continue to be an irritant for suppliers, procurement professionals, and other GC employees

We convened departmental procurement experts to develop a new, simplified process.

We elaborated innovative new tools to support this process:

- Using an innovative and agile approach, we created a business integration tool to bring together the components of typical LDV procurements; and
- We adapted a proven monitoring tool to make it work with any procurement data source (i.e., across different financial systems).

Together, we will test and innovate in a production environment:

- A phased-in implementation: Departments who on-board will be using the business process and tools in a real production environment; and
- To date, more than 10 departments and agencies have stepped forward to participate in the continuous improvement, altering and adjusting of process as required.

A pragmatic example of collaboration

Interdepartmental Capacity Building and Training Working Group

In consultations, we heard there is a lack of uniform approach in addressing the needs of the GC Procurement Community

We convened an Interdepartmental Working Group to develop a Vision for the GC Procurement Community and establish an action plan.

We collaborated in a few collective staffing to date:

- PG-06 Collective Staffing led by TBS;
- PG-02 and PG-04 Collective Staffing led by PSPC and DND; and
- PG-05 Collective Staffing led by DND and SSC.

We consulted Other Government Departments, Industry Associations, Academia and other levels of government to date:

- Procurement Modernization: Overview of Initiatives Workshop: Feb 9, 2017; and
- Future of Procurement Community Workshop: Feb 16, 2017.

Together, we will work towards standardizing recruitment, training and retention of GC Procurement Community.

Milestones for the next 12 months

Through ongoing consultations & engagement, we will implement the Integrated Plan for Procurement Modernization, which includes:

Simpler, less administratively burdensome

- Further modernizing and enhancing the Buy and Sell website;
- Transitioning to a paperless procurement process through the acquisition of an E-Procurement Solution (EPS);
- Simplifying contracts;
- Reducing payment delays to suppliers through the use of Acquisitions Cards;
- Phasing in the simplified process for Low Dollar Value (LDV) Low Complexity procurements in 10+ Departments across the Government of Canada; and
- Signing additional agreements with provinces and territories, and encouraging use of Government of Canada procurement tools to get best value for Canadians and offering more opportunities for suppliers.

Socio-Economic Benefits

- Growing the Build in Canada Innovation Program (BCIP) by adding a demand-based component;
- Further streamlining of the Standing Offers and Supply Arrangements (SO/SAs) and increasing their use as a tool for leveraging procurement for Socio-Economic Benefits; and
- Continuing engagement across GC and with industry to develop a framework for leveraging procurement for Socio-Economic Benefits.

Modern Comptrollership & Policy

- Launching an aggressive recruitment campaign for PGs; and
- Conducting external consultations on the Policy Suite Reset, including with industry & organizations representing Indigenous Peoples.

