



Template Guide

What is a Procurement Management Process?

A Procurement Management Process is a formal method by which products (goods or services) are acquired for a project from external suppliers. The process entails managing the ordering, receipt, review and approval of products from suppliers, as well as the overall management of supplier relationships to ensure continued customer service.

A Procurement Management Process is used to ensure that all products acquired for the project are in accordance with the requirements set out by the Procurement Plan. This requires that the products are:

- Acquired within the correct timescales
- To the level of quality defined
- Within the budgeted cost identified.

The process also lays out the procedures for ensuring that supplier relationships are properly managed through the:

- Regular review of supplier performance
- Identification and resolution of supplier issues.

When to use a Procurement Management Process

The Procurement Management Process is initiated immediately after the Procurement Plan has been approved and the Supplier Contract signed (i.e. during the 'Execution' phase of the project). The Procurement Process is usually managed by a single resource within the project (usually a Procurement Officer or Manager) and overseen by the Project Manager.

Without a formal Procurement Management Process in place it will be difficult to confirm that the products provided by the supplier are 'fit for purpose' and hence meet the requirements outlined within the Procurement Plan. Furthermore, it will be difficult to identify and manage supplier issues and will therefore increase the overall risk to the project. The Procurement Management Process is terminated only when the Execution phase of the project is completed (i.e. just prior to Project Closure).

How to use this template

This document provides a guide on the topics usually included in a Procurement Management Process. Sections may be added, removed or redefined at your leisure to meet your particular business circumstance. Example tables, diagrams and charts have been added (where suitable) to provide further guidance on how to complete each relevant section.