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a **tie!**

SUMMIT

Canada's magazine on public sector purchasing

in collaboration with
THE CANADIAN PUBLIC PROCUREMENT COUNCIL

presents



2005

WINNERS
and
FINALISTS

Thank you
to our judges

George A. Butts

Director General, Other Commodities
Acquisitions Branch
Public Works and Government Services
Canada

Stephen Cook

Manager, Procurement & Contracts
University of Waterloo

Nicole Desrochers

Director, Direction des services de
renseignements
Quebec Ministry of Tourism

Robert Isbister

Director of Purchasing
Saskatchewan Property Management
Corporation

Dave Kehoe

Regional Director, Materiel Management
David Thompson Health Region, Alberta

Greg Lusk

Executive Director, Government Services
Nova Scotia Transportation and Public
Works

Micheal Tipman

Managing Director
Tipany Consulting, Ottawa

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from the publisher

IN THE WORDS of William H. Swanson, chairman and CEO of Raytheon Canada, “the essential qualities of leadership are: confidence, to believe in yourself, and others; dedication, to be the best you can be; integrity, to have the fortitude to do what is right even when no one is watching; and love, to sacrifice for the benefit of others.”

It was our great honour to award the first of the Leadership in Public Procurement Awards, at the Canadian Public Procurement Forum in Tor-

PROCUREMENT AND CONTRACT MANAGEMENT PROGRAM

Government of British Columbia

In 2002, as one part of a procurement reform initiative, the Government of British Columbia launched the Procurement and Contract Management Program (PCMP) – a project to develop and implement a comprehensive training program for government employees in the area of procurement and contract management. It was designed to improve the overall level of professionalism in the government’s procurement practices.

This project brought together a broad range of expertise and input from across government and from the private sector. The development, design and delivery of the program is led by the Procurement Management Learning Advisory Committee, consisting of members from the Procurement Governance Office (PGO), Leadership and Learning Centre (LLC), Common Business Services (CBS), ministries and the private sector consortium engaged by the government to design, develop and deliver the PCMP over an initial four-year period. The consortium is led by National Education Consulting Inc. (NECI), and includes Three•E Training Inc., Etraffic Solutions Inc., Stevens Consulting Group Inc., and Sector Business School. Additional government staff participate in focus groups, provide specialized expertise required for the program’s development, and participate in pilot courses as they are developed.

As a basis upon which to build a procurement curriculum, a procurement com-

petency model was developed to describe the full range of knowledge, skills and abilities required for all aspects of the procurement process: planning, pre-award, award, administration and monitoring, post contract evaluation, reporting, and vendor relationship management. These competencies were described in terms of learning requirements for a range of roles, including contract/procurement administrator, contract/procurement manager, procurement specialist, program director/manager, and executive/senior manager.

The PCMP is now in year two of its three-year development plan and has proven to be outstanding; it makes British Columbia a leader in procurement training. In year one, the curriculum design (20 courses covering all aspects of the procurement process, modelled on the government procurement policy) was completed, a program website designed and implemented (www.procurementlearning.gov.bc.ca), and several courses, at each of the four levels, were developed, piloted and offered as government training courses. Years two and three will see completion of the course development, piloting and full offerings available in locations across the province. The key procurement roles from the competency model overlap across four proficiency levels. Certification is available to recognize completion of each of the first three of the four levels: basic, fundamental and applied. Graduation from the program is achieved with level three



I-r: Dave Collisson, Deborah Harding, Anne Kirkaldy, McE Galbreath

certification. The additional strategic level provides specialized expert training and training developed especially for senior and executive government staff. A broad range of learning methods are employed in the PCMP – self-assessment tools; self-directed and peer-to-peer e-learning courses; instructor-led courses; on-the-job training assignments; mentoring opportunities; and annual update workshops. The program also resulted in a higher profile for the function of procurement within the BC government, and is assisting in helping the government meet its stated goals for procurement: ensuring fairness, openness and value for money. For information contact: anne.kirkaldy@gov.bc.ca.

Team members

Dave Collisson

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Richard Poutney

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onto, October 4th. The submissions, summarized below, represented an outstanding group of initiatives from right across the country. Congratulations go to our winners and to our finalists!

For 2006, send in a submission and share your experiences with the judges, for the benefit of your team and the public procurement community as a whole. We look forward to hearing from you! Nomination forms are on our website. Click the Leadership Award button at summitconnects.com.



l-r: McE Galbreath, Deidre Kerr-Perrott, Jo-Anne Carrière

The Administration Directorate (AD), Finance and Administration Branch, responsible for contracting, corporate services and telephony services across the Canada Revenue Agency (CRA) undertook a range of initiatives to identify costs and potential savings. The AD's approach to procurement reform elevates and professionalizes the role of the procurement officer within CRA; they are trained professionals with assigned delegation of authority. In the regions, the AD's overall focus has shifted to providing advice and training on: WBRO (CRA's e-procurement system); using acquisition cards; strategic sourcing arrangements; and monitoring and compliance functions. End-users complete transactional activities, freeing procurement specialists to focus on higher-level procurement strategies, like supplier relationships, buying trends, project coordination, verification and compliance.

The Procurement Reform Project involves developing business partnerships and practices that result in standardized products, reduced purchasing timeframes, and a consolidation of the spend in order to achieve best value and service for the CRA and its clients. A multitude of initiatives were identified that required close coordination, integration, phased-in implementation and communication. A long-term business plan and a series of operational plans were prepared and approved. While the business plan and performance

measurement system – designed to identify and assess operational performance, highlight achievements, identify functional concerns, determine client satisfaction, and improve programs and services – contributed significantly to the overall success, strategic sourcing and the CRA e-procurement tool, WBRO, are the key elements. Linked together, they allow CRA to capitalize on strategic partnerships and fully optimize processes, service delivery and product availability by providing clients with an easy-to-use online tool, while enforcing a standardized and compliant procurement process.

Through strategic sourcing, the CRA established numerous contractual arrangements on a fully competitive basis that promote long-term relationships with vendors to supply goods and services on a best value basis. Savings of up to 50 percent on commodities are possible. WBRO enables CRA to post the resulting catalogues on its Internet-based, in-house developed, and fully automated procure-to-pay solution. WBRO increases operational efficiency and expands management reporting, monitoring, financial analysis and forecasting abilities. It has reduced the number of purchase orders, processing costs, order-to-delivery timeframes, order errors, overhead and inventory costs and administrative workload. WBRO users can place orders and pay for them using acquisition cards, reducing transaction costs. Orders are received directly, eliminating the need for warehousing. Rules are built right into WBRO, so using it to make purchases en-

ures user compliance. WBRO is linked to the CRA financial system, providing management with the ability to run reports. The acquisition card post-payment reconciliation process is automated within WBRO. Current rebates of approximately \$355,000 – due to the high-volume of purchasing – are expected to increase significantly once service contracts are paid for using acquisition cards. Furthermore, WBRO promotes green procurement by identifying products that support sustainable development with a green leaf symbol.

Other federal departments have expressed interest in the CRA's systems and services. The federal Government-Wide Review of Procurement cites CRA as an example of what could and should be done in government procurement. Contact: susan.mcgahan@ccra-adrc.gc.ca.

PROCUREMENT REFORM PROJECT

Administration Directorate Management Team, CRA

Team members

Deidre Kerr-Perrott

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Ken Cierpicki

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Director, Transition Management

Angèle Gosselin

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Director, Contracting

Linda Lussier

Acting Director, Policy and Program Development

Lisa Reynolds

Acting Director
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Cathy Savage

Acting Manager, Management Services

Elayne Taylor

Acting Manager, Directorate Services

Healthcare Supply Chain Management

The Atlantic Partnership Group (APG) includes five healthcare organizations in Atlantic Canada and their prime distribution partner, Source Medical. APG operates in an environment comprised of different cultures, languages, provincial jurisdictions, unions and clinical expectations. The group joined together with a goal of developing a leading practice healthcare supply chain management model with significant, measurable and sustainable benefits for all involved. APG established a set of guiding principles (i.e., open and honest communication, evidence-based decision making, incorporating accountability, partnership relationships) very early in the process. The group intended to leverage their collective experience and resources to decrease the total delivered cost of managing the collective supply chains of the group; increase the quality of service between manufacturers, distributors and the hospitals; increase the quality of service between

the hospital materiel management departments and their internal customers; and ensure the improvements are sustainable in the long term through the measurement of key performance indicators and a strong change management program. The core components of the model are: developing an organized structure; developing a model for change; building in performance

Team members

Atlantic Health Sciences Corporation

Saint John, New Brunswick

Beausejour Regional Health Authority

Moncton, New Brunswick

Cape Breton District Health Authority

Sydney, Nova Scotia

IWK Health Centre

Halifax, Nova Scotia

Southeast Regional Health Authority

Moncton, New Brunswick

Source Medical Corporation

Toronto, Ontario

MUNICIPAL • MONTREAL TRANSIT AUTHORITY

City Bus Procurement

Based on the concept of joint procurement, the nine public transit authorities that are members of ATUQ, the *Association des transporteurs urbains du Québec* (Quebec urban transit association) asked the *Société de transport de Montréal* (STM, Montreal transit authority) to manage the various supply-chain activities related to the procurement of roughly 825 city buses for nine transit authorities between 2003 and 2007. One of the project goals was the creation of a group to provide leadership in managing changes in information, goods (buses, manuals, parts) and related services, and to build a partner relationship between the transit authorities and the supplier chosen through the tendering process. The project is worth more than \$420 million before options.

The GUAA team has leadership and support responsibilities throughout the supply

chain. The resulting methodology led to improvements in product quality and the integration of best practices in supply chain management. A new strategic management flowchart provides an overview of the key activities in the overall supply

Team members

Pierre Rocray, Director of procurement
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Guylaine St-Louis, MBA

Contract and team management

Pedro Miranda, CPP

Contract and team management

optimization; and developing a realistic work processes.

By using the fundamentals of continuous quality improvement, the partnership achieved significant benefits. To date the APG has realized over \$2,750,000 in sustainable annual cost-saving improvements as well as a significant number of successful non-financial, quality-focused improvement initiatives, and demonstrated a successful track record that continues to gain respect and credibility. Seven peer organizations across the country have recognized the strength of the APG model and have begun to implement similar programs in their own organizations. The APG continues to develop the components of its supply chain improvement model to enable ongoing and continued growth and improvement. For information contact: paul.richard@sourcemedical.com.



chain, including trend lines on the service reliability of buses delivered and on adherence to “after-market” delivery as well as a chart on the guarantees. With support from other inter-authority working groups, the team ensured the buses met the quality and warranty standards, were delivered on schedule and on budget, that contractual obligations were met and any non-compliance was dealt with, communicated effectively with all stakeholders sharing technical and contract information and handled research and development, and coordinated the various committees handling technical issues, including reliability improvements and management of modifications. A survey in 2004 showed 92 percent client satisfaction. For information contact: g.d.t.@stm.info.

Get nomination forms for 2006 at www.summitconnects.com