How to Write Your Own Procurement Plan

Create a compliant, cost-effective, and aligned procurement plan with ease.

PT | Procurement Tactics

Step 1 : Explain the Procurement Process

ROLE	RESPONSIBILITIES
Sourcing Methodology	Outline the approach for sourcing office supplies, focusing on quality, cost, and supplier reliability.
Market Research	Research potential suppliers for office furniture and electronics, gather pricing and review quality and durability.
Request of Information (RIF)	Send an RFI to suppliers to obtain details about available office desks, chairs, and laptops, including bulk discounts.
Request for Quotation (RFQ)	Request initial pricing from shortlisted suppliers for each item, comparing costs for bulk orders and delivery times.
Negotiation Phase	Negotiate terms for pricing, delivery, and warranty coverage with selected suppliers.
Contracting Phase	Finalize agreements with chosen suppliers, ensuring all terms (e.g., delivery, returns, and warranties) are documented.
Supplier Relationship Management (SRM)	Establish a relationship with suppliers to ensure long-term quality and timely delivery, and address any ongoing needs

Step 2 : Identify Roles and Responsibilities

ROLE	RESPONSIBILITIES
Technical Manager	Develop the statement of work, outline technical requirements, and monitor vendor performance.
Project Manager	Oversee procurement activities, manage the budget, monitor the schedule, and assess risks during the project.
Contract Manager	Provide contract documentation, ensure compliance, and advise on contract-related matters.
C-Level Executives	Approve final contract agreements, make high-level decisions, and provide oversight on contract services.
Lawyer	Draft and review contracts, ensure legal compliance, and provide guidance on regulatory matters.

Step 3 : Identify the Procurement Needs and Requirements

ITEM OR SERVICE REQUIRED	DESCRIPTION OF NEEDS	RESPONSIBILITIES
Laptops	High-performance laptops with necessary software and specifications for business use.	Procuring externally allows access to the latest models with vendor support.
Office Desks	Ergonomic desks that optimize workspace and support employee productivity.	External suppliers offer specialized office furniture at competitive prices.
Office Chairs	Comfortable, ergonomic chairs to promote health and efficiency among employees.	Procuring from reputable furniture suppliers ensures quality and warranty coverage.
Bulk Purchase Discount	Option for bulk discounts to reduce overall costs.	External suppliers can offer better rates on bulk purchases than purchasing piecemeal.

Step 4 : Define the Procurement Timeline

MILESTONE	DESCRIPTION	TARGET DATE
Initiate Procurement Process	High-performance laptops with necessary software and specifications for business use.	January 10
RFI Sent to Suppliers	Send Request for Information to potential suppliers to gather details about product availability and pricing.	January 15
RFQ Submission Deadline	Deadline for suppliers to submit quotations for office supplies.	January 25
Supplier Selection and Negotiation	Review quotations, negotiate terms, and select preferred suppliers.	February 5
Contract Finalization	Finalize contracts with chosen suppliers, covering delivery terms and warranties.	February 10
Delivery of Supplies	Expected delivery date for all office supplies (laptops, desks, chairs).	March 1
Set-Up Completion	Complete setup of new workspace with delivered office supplies.	March 5

Step 5 : Define Change of Approval Process

CHANGE TYPE	DESCRIPTION OF CHANGE	APPROVAL PROCESS	RESPONSIBLE PARTIES
Budget Adjustment	Any changes to the budget allocation for office supplies.	Requires approval from the Finance and Procurement departments.	Finance, Procurement Manager
Supplier Substitution	Changing from one supplier to another due to availability or quality issues.	Approval from Procurement and Operations teams, with notification to C-Level Executives.	Procurement, Operations
Quantity Modification	Increase or decrease in the quantity of laptops, desks, or chairs required.	The project Manager to review the request, with final approval from the Procurement Manager.	Project Manager, Procurement
Timeline Adjustment	Changes to the expected delivery or setup completion date.	Approval from the Operations Manager and notification to stakeholders impacted by the change.	Operations Manager, Stakeholders
Specification Change	Alterations to the required specifications for laptops, desks, or chairs	Approval is required from the Operations Manager for compatibility check.	Operations Manager

Step 6 : Identify Vendor Management Techniques

VENDOR MANAGEMENT TECHNIQUE	DESCRIPTION	FREQUENCY / RESPONSIBILITY
Statement of Work (SOW)	Create an SOW outlining project requirements, delivery timelines, and compliance expectations for office supplies	Conducted during the supplier selection phase
Vendor Selection Criteria	Criteria based on cost, quality, and risk analysis to ensure the best fit for office supplies procurement.	Conducted during the supplier selection phase
Key Performance Indicators (KPIs)	Use KPIs to monitor supplier performance, focusing on the quality of products and on-time delivery.	Monitored monthly by the Procurement Officer
Regular Meetings	Conduct meetings with vendors to discuss performance, address issues, and plan improvements as needed.	Bi-weekly; led by Procurement Officer
Project Updates	Require vendors to provide regular updates on order status, any delays, and issue resolutions.	Weekly updates are provided to the Office Administrator

Step 7 : Define Relevant Jurisdiction

LEGAL ASPECT	DESCRIPTION	APPLICABLE JURISDICTION
Contract Compliance	Ensure all contract terms comply with local business and procurement laws.	State of California
Data Protection Laws	Confirm that the vendor follows data privacy regulations regarding employee information during transactions.	California Consumer Privacy Act (CCPA)
Warranty and Liability	Define legal liabilities related to product defects, delays, or unmet terms.	United States
Dispute Resolution	Specify the legal framework for resolving disputes, such as arbitration or court jurisdiction	State of California
Intellectual Property Rights	Ensure any proprietary designs or specifications shared with the vendor are protected.	United States

Step 8 : Identify Payment Method

PAYMENT ASPECT	DESCRIPTION	DETAILS
Accepted Payment Methods	Types of payment methods accepted by the vendor.	Bank transfer, credit card
Currency	The currency used for payments.	U.S. Dollar (USD)
Payment Schedule	Frequency of payments if made periodically.	Monthly installments
Due Dates	Specific dates for each payment to avoid delays.	1st of every month
Early Payment Discount	Discount is offered if payment is made before the due date.	2% discount for early payment
Late Payment Penalties	Penalties incurred if payments are late.	5% late fee after 10 days

Step 9 : Explain Risk Management Processes

RISK ASPECT	DESCRIPTION	ASSESSMENT / STRATEGY
Risk Tolerance	Company's willingness to accept risk associated with vendor reliability and product quality.	Low – products needed immediately for operations
Risk Probability	Likelihood of potential risks, such as supply delays or product defects.	Medium – due to supply chain variability
Risk Severity	Impact level if risks are realized, such as operational delays or cost increases.	High – significant impact on productivity if supplies are delayed
Types of Contracts Used	Contract types that define responsibilities and mitigate risks, e.g., fixed-term contracts with warranties.	Fixed-term with specified delivery timelines
Policies and Procedures	Guidelines are outlined in the contract to manage risks, such as delivery penalties or quality standards.	Delivery penalty clause for delays
Review and Approval Processes	Steps for approving significant requirements or contract changes, reducing the risk of misunderstandings.	Reviewed by Procurement and Operations Managers
Statement of Work (SOW)	Document outlining expectations, deliverables, and timelines to reduce the risk of miscommunication.	SOW created with specific quality standards and deadlines

Step 10 : Identify Project Constraints and Limitations

CONSTRAINT/ LIMITATION	DESCRIPTION	IMPACT/ACTION REQUIRED
Legal Compliance	Adherence to state and federal procurement laws, including contract and data protection requirements.	Ensure contract review by legal team to avoid non-compliance issues.
Budget Restrictions	Limited budget allocated for the procurement of office supplies, with minimal flexibility for increases.	Prioritize essential items and negotiate bulk discounts where possible.
External Stakeholders	Approval is needed from external stakeholders, such as board members, for major budget or contract changes.	Establish regular updates and checkpoints with stakeholders to avoid delays.
Scheduling Limitations	Supplies must be procured and set up by a fixed deadline to accommodate new hires.	Expedite sourcing and prioritize suppliers with immediate availability
Geographic Restrictions	Suppliers must be located within the country to comply with the company's sourcing policy and reduce shipping delays	Limit supplier options to domestic vendors to meet policy requirements.
Security Requirements	Suppliers must adhere to security protocols to protect sensitive data, especially during payment transactions	Implement data security checks and require vendor compliance with security standards.
Specifications and Standards	All items (e.g., laptops, and chairs) must meet specific ergonomic and technical standards to ensure quality and usability.	Include detailed specifications in the RFI/RFQ and assess samples before finalizing the purchase.

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Thank you!

Let us help you build your best procurement team yet at www.procurementtactics.com.

LET'S KEEP IN TOUCH

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