



Canadian Association of Management Consultants Association canadienne des conseillers en management

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CAMC Ad Hoc Committee for the Parliamentary Secretary's Task Force on Federal Procurement Reform

Update from the Ad Hoc Committee Chair: Michael Appleton, CMC

As many will recall, CAMC created an ad hoc committee to represent our members during the Parliamentary Secretary's Task Force on Federal Procurement Reform policy formulation efforts. That work has now transitioned to collaborating with the Public Works and Government Services Canada (PWGSC) procurement staff as they implement those Task Force recommendations selected for approval.

The mandate of the Task Force was to review the current system used by the federal government for the procurement of goods and services, and to make recommendations for improvement. The objective of the CAMC ad hoc committee was to represent the views of the Association and its members to the Task Force and to the federal government's procurement staff, in particular, to recommend that the CMC designation be featured in future federal government procurement of management consulting services.

The CAMC ad hoc committee first appeared before the Task Force working group on June 22, 2004. We then made a formal submission to the Task Force itself on October 20, 2004. Informal contact was maintained with the Task Force throughout its deliberations until the Task Force Report was released in January 2005. The full report can be downloaded from http://www.pwgsc.gc.ca/prtf/text/final_report_e.html; however, the following recommendations (see text below in quotes) should be of particular interest to CAMC members:

- “The government should adopt a corporate approach to managing procurement, based on the best overall value for Canadians” and “PWGSC should develop appropriate ‘standing offers’ or other corporate procurement tools that fully reflect value for money and that meet needs of departments.” These recommendations should lead to a reduction in the number of business entities with which the federal government will deal. As such, sole practitioners will need to align with larger firms or form consortia in order to place on the Standing Offers. CAMC ad hoc committee efforts in this area are focused on protecting the interests of small and medium-sized (SME) management consulting firms.
- “The government should manage its procurement of all goods, services and construction based on government-wide commodity management planning”. This should lead to the creation of commodity councils which will form the policies and procedures for the federal government procurement of that commodity. (Don't concern yourselves with the term ‘commodity’ – they understand our point that professional services are different from pencils). CAMC ad hoc committee efforts in this area are focused on active participation in the commodity council managing the procurement of management consulting services.
- “Each commodity plan should demonstrate which sourcing mechanism will achieve best value for money in procurement and adherence to trade agreements.” This should lead to recognition by procurement officers that lowest cost compliant procurement of management consulting services is not necessarily the preferred procurement strategy. CAMC ad hoc committee efforts in this area are focused on reinforcing this best-value-over-low-cost method of procurement.

- "... a pre-qualification for suppliers should be created. Pre-qualification criteria should include performance history, **professional and industry standards**, business management systems and/or other applicable core requirements". This should lead to the recognition of the CMC certification as a selection feature in the procurement of management consulting services. CAMC ad hoc committee efforts in this area are focused on embedding this requirement in future federal government RFPs.
- "All individuals who exercise procurement authority should have appropriate procurement training reflecting the qualifications needed to make informed decisions related to procurement." This should lead to better training of federal procurement officers. CAMC ad hoc committee efforts in this area are focused on assisting, where appropriate, in the training of federal government procurement officers in order to make them smarter buyers of management consulting services.

The CAMC ad hoc committee was also represented at the function for the official release of the Task Force Report which was held on February 10, 2005.

Since the release of the Task Force Report, members of the CAMC ad hoc committee have been active in furthering the efforts described above. An immediate result is that the CMC certification is now listed in the federal government's Informatics professional Services (IPS) Marketplace on-line Supply Arrangement (SA).

A meeting was held on April 7, 2005 with several procurement officers who are formulating the upcoming RFP for the Standing Offer for Informatics Professional Services. Our recommendation for the creation of 2-3 categories for management consulting and our recommendation that the CMC certification be featured in supplier selection were positively received.

Another meeting was held on April 13, 2005 with three top executives within PWGSC Acquisition Branch (Director General (DG) Commercial Acquisition and Supply Management, DG Services & Technology Acquisition Management and DG Acquisition Reform). At this meeting we continued to stress:

- The need for enhancing the professionalism in the federal government's procurement staff and CAMC's willingness to assist where appropriate;
- The need for enhancing the professionalism in the management consulting services procured by the government through the use of the CMC certification as a key feature in supplier selection;
- The need to seriously consider the situation with SMEs in formulating the commodity plans for management consulting services; and
- The willingness of CAMC to participate actively on the commodity council(s) working on the procurement of management consulting services.

Throughout the meeting, our comments, recommendations and offers of participation in formulating the solution were positively received.

To conclude, your ad hoc committee on Federal Procurement Reform will continue to advocate on your behalf. Much has been done and what we have recommended appears to have been positively received. However to use a football analogy we are only in the red zone at this point, we still need to get across the goal line!