CHECKLIST

Procurement Process Checklist

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Are you efficiently monitoring steps throughout your procurement process

The cost of standard, low risk procurement contract from draft to signature has increased 38% in six years.

Introduction

Audience :

This checklist is designed for procurement practitioners such as procurement officers,procurement managers, procurement specialists, and purchasing managers.

Procurement includes much more than simply paying for a purchase. The primary purpose of the procurement process is to ensure that the organization buys the goods and services it needs to operate profitably. Procurement involves all sorts of activities, ranging from sourcing materials and services to developing relationships with critical suppliers. But the most significant function of a procurement department is giving the organization assurance that their business needs are being met up to a satisfactory level.

- **Disclaimer:** These checklists are intended to provide basic information only, not precise professional or personal advice, and are not intended to be used as a substitute for professional advice of any kind.
- Use this checklist as a starting point and guide for document creation, in whole or in part. Simply replace the Aavenir information in the Header and Footer fields of this document to customise it with corporate marks and titles.

Procurement Process Checklist

Here is a checklist for procurement practitioners to help them stay more organized. This checklist will also help them reduce prices, cut costs, identify better sources of supply, and adequately evaluate potential new suppliers.

Step-1: Identify the goods and services to procure	
☐	Determine what the business needs.
☐	Prioritize the business needs.
☐	List down the goods/services to be procured.
When you list the goods/services, keep in mind the following points:	
☐	Ensure that goods and services deliver value for money.
☐	Note down the estimated benefits/savings on procuring these goods/services.
☐	Estimate costs for these goods/services.
Step-2: Identify potential suppliers/service providers	
☐	Make a list of suppliers to be invited for the bid.
☐	Update the supplier list after relevant procurement activities take place.

Step-3: Draft a detailed RFP/RFQ/RFI

The objective behind this task is to shrink your list of suppliers/service providers. So you can easily compare and analyze each one and select the best fit for your organization.

There isn't an ultimate RFP format. However, there are a few common elements to be included

☐	Background and introduction.
☐	Project timeline, goals, and scope of services.
☐	Anticipated selection schedule.
☐	Time and place of submission of proposals.
☐	Evaluation criteria.
☐	Possible roadblocks.
☐	And lastly the budget.

Step-4: Get quotes from the supplier/service providers.

☐	Invite suppliers to bid for RFx.
☐	Select a team of evaluators to evaluate received answers and score them appropriately.
☐	Create a shortlist of the top suppliers after evaluations are done.

Step-5: Finalize the most appropriate supplier/service providers.	
☐	Research and analyze the past performance of shortlisted suppliers.
☐	List down the pros and cons for each supplier.
☐	Award the bid to the most suitable supplier(s).
Step-6: Get the PO	
☐	Ensure approved purchase request
☐	Issue the PO for goods/services to be procured.
☐	Upload this PO in a central location as it will be needed further down the process.
Step-7: Negotiations and contracting	
☐	Create the contract and start negotiating the terms and conditions.
☐	Decide the timeline of the project.
☐	Identify what your delivery preferences are.
☐	Establish a reasonable cost for both you and the supplier.
☐	Send the contract to legal and other relevant departments for internal approval.
☐	Send the contract to the supplier after receiving approval.
☐	Sign and execute the contract once the supplier has signed.
☐	Store the signed contract in a central a location.

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Checklist



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