



Acquisition Management Working Group – Scope Definition

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By Gustavo A. Calderon*

Acquisition Management is a total life cycle approach to acquiring a depreciable asset (a major capital investment) and maintaining it throughout its useful life. Acquisition management involves an array of organization-related, people, process, and technological considerations as well as operational, performance, and affordability trade-offs.

Examples of Depreciable Assets (Major Capital Investments) include:

- Land
- Buildings or Facilities
- Heavy Machinery
- Planes, Trains, and Automobiles
- Technology
- Hosting and Cloud Computing
- Information Technology Systems
- Cybersecurity Systems
- Etc.

Acquisition Management also includes the professional and operational services needed to acquire and maintain the asset throughout the entire life cycle; the cradle to grave “people, process, and technological support” for the depreciable asset in question.

Acquisition Management for a Capital Asset in question includes, IN SCOPE:

- Procurement Management
- Purchasing Management
- Contract Management
- Program & Project Management
- Capital Asset Disposal Management

Acquisition Management for a Capital Asset in question excludes, OUT-OF-SCOPE:

- Asset Management
- Configuration Management
- Asset Financial Management

The subject matter or business area associated with ***Corporate Mergers and Acquisitions*** is also outside the scope of this working group.

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For the purposes of this working group, we shall deem ***Acquisition*** and ***Procurement*** to be synonymous terms.

So, given the definition and scope of *Acquisition Management* provided herein this working group will focus on:

- (1) Identifying opportunities for improving Acquisition Management processes anywhere along its life cycle for an organization (or institution) in the USA or abroad, private or public, provided the organization is engaged in obtaining, maintaining, and disposing of capital assets.
- (2) Developing technological solutions that employ Blockchain, DLT, and related technologies.
- (3) Supporting the implementation of “real” as opposed to “sandbox” Acquisition Management Process Improvement Projects vis-à-vis the use blockchain-enabled solutions that incorporate these 4 tenets:
 - a. Decentralized,
 - b. Trustless,
 - c. Transparent, and
 - d. Permissionless

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KEY COMPETENCIES required of the public procurement workforce

COMPETENCY AREAS	BRIEF DESCRIPTION
Group 1: PROCESS AND POLICY COMPREHENSION	
1a. POLICIES AND REGULATIONS	Understand the policies, procedures, rules, and regulations that govern procurement decisions and contract design. Apply these policies in a manner that enables innovative solutions to achieve desired outcomes rather than imposes constraints. Comply with public policy mandates, such as procurement-related socioeconomic goals and support for disadvantaged businesses.
1b. PROGRAM AND PROJECT MANAGEMENT	Provide effective coordination for the purchase of public goods and services through project planning, developing and executing schedules and time lines, and managing for outcomes.
1c. CONTRACTING PROCESS	Understand the mechanics of contracts and the contracting process, including the acquisition life cycle, elements of a contract, method and strategy, pricing techniques, competition, and principles of contract management. Understand electronic contract management systems and reporting tools that support contract workflow and data reporting.
Group 2: FUNCTIONAL REQUIREMENTS AND ANALYTICAL SKILLS	
2a. REQUIREMENTS PLANNING AND UNDERSTANDING	Comprehend internal customer needs and desired outcomes; structure requirements for solicitations and contracts to support overall mission.
2b. BUSINESS ACUMEN AND FINANCIAL ANALYSES	Serve as a business adviser and manager throughout the procurement life cycle, and demonstrate a firm grasp of business and market fundamentals. Conduct fundamental procurement financial analyses: <ul style="list-style-type: none"> • Spend analysis: Understand past, current, and future projected spending. • Cost and price analysis: Ensure that government is getting the best value in exchange for its investment, and understand alternative cost and price strategies and how they are influenced by requirements. • Market analysis: Understand supplier capabilities, costs, pricing, product and service trends, and overall supplier market dynamics.
2c. PROBLEM SOLVING AND CRITICAL THINKING	Apply critical thinking skills to develop innovative solutions that balance internal customer needs, best practices, core mission objectives, and procurement regulations.
2d. RISK ANALYSIS AND MANAGEMENT	Analyze and manage all aspects of financial, time line, performance, and legal risk associated with complex procurements.
2e. NEGOTIATIONS	Develop and execute effective negotiation approaches based on a strong understanding of supplier costs and pricing strategies, and of product capabilities.
2f. CONTRACT MANAGEMENT AND ADMINISTRATION	Work with internal customers to ensure suppliers are meeting agreed-on deliverables. Manage contract change orders with appropriate justifications. Ensure government is providing suppliers with appropriate feedback and resources. Close out contracts efficiently and effectively.
Group 3: STAKEHOLDER ENGAGEMENT*	
3a. INTERNAL CUSTOMER ALIGNMENT AND EXPERTISE	Collaborate with internal customers to understand the mission or program objectives and requirements. Use influence to assist with defining and shaping procurement strategy, resolve disagreements, and obtain buy-in across departments and groups. Maintain a clear customer service mind-set.
3b. MARKET ALIGNMENT AND EXPERTISE	Possess deep expertise in targeted industry sectors, including market trends, innovations, pricing and cost, competition, and best practices for structuring relationships. (Examples of targeted sectors common to public agencies include information technology, facilities management and services, and professional services.)
3c. SUPPLIER ENGAGEMENT	Partner with suppliers throughout the procurement process to ensure proper understanding of internal customer requirements and needs. Provide ongoing management of relationships with suppliers through the entire process to ensure performance against requirements and alignment with broader mission goals.

Source:

https://www.volckeralliance.org/sites/default/files/attachments/Doing%20the%20People%20Business_The%20Volcker%20Alliance.pdf