12.3 Administer procurements

- Take action to ctrl. the project
- Measure performance against other metrics determined by PM
- Determine variances and if they warrant corrective actions or change requests
- Influence the factors that cause change
- Request changes
- Updt PP & project doc's

Administer procurements

- Review Invoices
- Complete Integrated Change Ctrl.
- Record everything
- Manage Changes
- Authorise payments to seller
- Interpret what is & is NOT part of contract
- Resolve disputes — Proc. Mgr. usually the only one who can change contract
- Only authorised people comm. with seller
- Work with proc. mgr.
- Hold Proc.Performance Reviews
- Understand legal implications
- Ctrl. Q

Coordinate sellers work with P work

- **FP contract**
  - Watch for seller cutting scope
  - Watch for seller cutting quality
  - Watch for overpriced change orders
  - Check for scope-misunderstanding
- **T&M contract**
  - Provide day-to-day direction to seller
  - Attempt to get concrete deliverables
  - Make sure P length is not exceeded
  - Make sure N° of hours spent is reasonable
  - Watch when switching to different contracts
- **CR contract**
  - Audit every invoice
  - Make sure costs are applicable / chargeable to P
  - Make sure sellers work is progressing efficiently
  - Watch for seller adding unnecessary resources
  - Watch out for resource shifting:
    Proposal with expert = high rate
    Work with worker = same rate as expert
  - Watch out for charges originally not anticipated
  - Reestimate cost of P

- Manage Interfaces
- Verify correct scope is being done
- Perform Inspections & Audits
- Reestimate risks, cost, schedule
- Mon. & Ctrl. Risks

P ctrl. in Proc. environment

- Buyer & seller have different objectives
- Buyer & seller have different EEF/OPA
- Not easy to see problems as work is done in different location
- Reliance on reports if problems exist
- Reliance on relationship between Buyer/Seller to solve problems

Tools/Techniques

- CCCS — Procedures must be followed
- Proc. Performance Reviews
  - PM analyses data to verify the seller is performing as they should
  - Done with Team & Seller
- Inspections / Audits
- Performance Reporting
- Records Mgmt. System — Information relevant for industry / P is kept

Input

- Proc. doc's
- PP
- Contract — Should have provisions for termination
  - Termination for convenience (Buyer terminates if work not needed anymore) — Seller gets paid for work done & work in progress
  - Termination by default — Seller gets paid for work done
- Performance Reports
- Approved Change Requests
- Work Performance Information

Output

- Proc. doc's
- Updt. OPA
- Change Requests
- Updt. PP