

PROMOTING FAIRNESS, OPENNESS & TRANSPARENCY IN FEDERAL PROCUREMENT

OFFICE OF THE PROCUREMENT OMBUDSMAN

KNOWLEDGE
DEEPENING AND
SHARING:

CHIEF PROCUREMENT
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The Office of the Procurement Ombudsman

The Office of the Procurement Ombudsman (OPO) is a neutral and independent organization of the Government of Canada that works collaboratively with federal departments and Canadian businesses (suppliers) to promote fairness, openness, and transparency in federal procurement. OPO delivers on this mandate by connecting stakeholders, investigating complaints, resolving problems, making recommendations, and sharing best practices.

In 2018, OPO launched a knowledge deepening and sharing (KDS) initiative to better understand key issues in federal procurement. Through the publication of KDS studies, OPO intends to share knowledge and provide meaningful guidance for federal procurement stakeholders.

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Introduction

A Chief Procurement Officer (CPO) is the lead for procurement within an organization or government. In government, it can exist at multiple levels, extending from a single department, to a city, province, or country. Currently, Canada does not have a CPO for federal procurement, but the role is established at the provincial level in Newfoundland and Labrador, Nova Scotia, and Saskatchewan. The role of a CPO can be broad and is designed to provide leadership in procurement.

Some key features of the position are:

- oversight;
- guidance;
- ensuring the consistent application of policy; and
- supporting talent management and innovation in the procurement community.¹

The purpose of this study is to assess whether a Chief Procurement Officer (CPO), as a leader for procurement at the federal level, could address some of the recurring issues in federal procurement. This study begins with a look at some of the ongoing issues in Canadian procurement and examines different models for a CPO using examples drawn from jurisdictions both within Canada and internationally. The research for this study included a review of government reports, academic literature, and interviews with government officials.

This study reveals 4 key themes where the role of a CPO may add value at the federal level within Canada.

1. The first theme is that of an agent of change. The CPO does not only oversee the existing procurement structure, but actively engages with it and changes it to meet the needs of stakeholders. For example, the CPO can promote standardization and simplification. Other examples include the evolving nature of best value, which has come to include economic, environmental, and social considerations.
2. The second theme is a single voice for procurement. The CPO role consolidates procurement information from across many departments and agencies, and serves as a spokesperson on issues, solutions, and best practices. A single voice enables further standardization of procurement approaches and the development of consistent practices for all departments and agencies.
3. The third theme is coordination. Supporting a single voice, the CPO also unifies the resulting actions of procuring departments. As many of the government reviews and reports discussed in this study show, the fragmented approach to federal procurement is a significant, longstanding issue. A CPO can allow greater coordination through the establishment of a council or group that brings together experts from various departments and agencies; the council is a part of each jurisdiction discussed. These councils are not simply passive actors, but are engaged with current issues and actively develop solutions.
4. The final theme is professionalization as it relates to training and procurement expertise. The continued development of the procurement profession is crucial to ensuring that the public sector has the capacity to meet the evolving needs of the government. By interpreting legislation and translating this into consistent policies, reference documents or guides, the CPO helps to create the conditions that support a well-equipped public sector.

The study concludes with the recommendation that the federal government should consider creating a CPO for federal procurement.

Government procurement

Over the past 15 years a number of government-wide reports on federal procurement have highlighted recurring issues such as the lack of leadership, need for standardization, complexity of procurement, lack of accountability, and the need for procurement professionalization. Similar issues have been noted by the Procurement Ombudsman and regularly figure in OPO's ["Top 10 Issues in Federal Procurement."](#) The following section provides an overview of some of these reports and highlights that certain issues identified as early as 2005 continue to persist.

Task force on Government-wide review of procurement

In January 2005, a Task Force on Government-Wide Review of Procurement (the Task Force), headed by the Public Works and Government Services Canada (PWGSC) Parliamentary Secretary, undertook a review of previous government studies on procurement dating back to 1962.² The Task Force found that while some major changes had been made to procurement and recommendations had been accepted, implementation had been difficult and only partially successful such that "many of the points raised in previous studies remain relevant and worthy of consideration."³

Treasury Board Secretariat (TBS) and PWGSC: roles and responsibilities

The Task Force noted in its review of government procurement that there was confusion created by the procurement roles and responsibilities of TBS and Public Works and Procurement Services Canada (now Public Services and Procurement Canada (PSPC)). It specifically noted that the division of responsibilities between the departments added to the lack of standardization in government procurement.⁴ A key issue was where the responsibilities of TBS, as the creator of procurement policy, end, and where the responsibilities of PWGSC, as the department implementing the policy, begin. This contributed to a tension between the creation of strategic objectives and their implementation that "can produce a challenging environment for decision makers."⁵

According to the Task Force, this tension appeared in the following issues noted in several audit reports: "compliance with, or clarity of, contract regulations and policies, responsibilities related to contract administration/contract management, and the need for procurement-related training."⁶ The impact of roles and accountabilities also hindered the development of clear objectives, which support the achievement of objectives and the mobilisation of the resources required to achieve them.⁷

Standardization and accountability

Lack of standardization was an overarching problem identified by the Task Force.⁸ This was partially owing to the fragmented nature of the procurement system, which the Task Force summarized as "policy versus operations; delegations divided between goods and services; departments sometimes operating independently, sometimes opting for services provided by the common service organization (PWGSC) and sometimes obliged to accept mandatory services from PWGSC."⁹ The resulting impact was

a complex system with no clear accountability center. The importance of accountability in procurement cannot be overstated, as it incentivizes the use and implementation of best practices.

Many suppliers noted the complexity and the slow pace of the procurement process and the resulting negative impact on fairness and transparency.⁸ These observations were shared by the Auditor General, who noted “the need to improve the time it takes to get suppliers in place to meet specific government operational needs.”⁴

To address these issues, the Task Force recommended creating a focal point for procurement accountabilities, and a procurement oversight body “to provide oversight and transparency on the management of procurement and the evolution of procurement best practices.”¹⁰ The Task Force also made a number of recommendations to support standardization including the mandatory use of government-wide procurement tools, the development of standing offers, and the creation and use of government-wide terminology.¹¹

In pursuit of balance: assisting Small and medium enterprises in accessing federal procurement

In 2009, a review was conducted by the Standing Committee on Government Operations and Estimates (OGGO) on how small and medium enterprises (SMEs) can access Federal procurement opportunities.¹²

The complexity of the procurement process was again identified by suppliers as a point of tension and frustration.¹³ Through a survey of suppliers, the report noted “many [suppliers] were concerned with ‘issues such as the amount of paperwork, difficulty in contacting purchasers, and not being able to determine why their bid was unsuccessful.’”¹³ There was an overall feeling among suppliers that “it is not worth the effort and investment to bid on Federal Government procurements.”¹⁴ Complexity does not just impact suppliers but also public servants. Survey respondents indicated that it was hard to get clarification on RFPs and that those working on the procurement did not have enough background to understand the more technical aspects of what was being procured.¹³

The issue of standardization emerged again in the 2009 report, with a focus on the fragmented nature of programs and services to aid SMEs.¹⁵ Despite offering many services to support SMEs in accessing procurement, the absence of a unified approach led some respondents to recommend the establishment of a centralized system of federal services and programs.¹⁵ Out of a concern that this approach could reduce the effectiveness of the programs, a recommendation was made that “SME programs and services provided by [The Office of Small and Medium enterprises] regional development agencies and Industry Canada should be absorbed into one area that would have powers to create policies and processes related to SMEs.”¹⁶

On the need for a Chief Procurement Officer in the federal Government of Canada

In 2017 a white paper was published by 2 public servants that argued for the creation of a federal CPO.¹⁷ The authors point to several issues a CPO purports to solve including leadership, standardization, and modernization.¹ Modernization involves not only using the most up to date best practices in procurement, but it also encompasses simplification, reducing the administrative burden, encouraging competition, strategic procurement that supports economic policy goals, as well as green and social

procurement.¹⁸ As a leader in the procurement community, the authors state that a “CPO would provide the required central oversight and guidance to ensure standard application of procurement processes and tools across federal organizations, resulting in decreased costs, reduced risk, and improved access for suppliers.”¹⁹

While this publication did not lead to the creation of a federal CPO, it did draw attention to the need for greater procurement leadership to realize the goals of procurement modernization. Building on the ideas in the paper, the Office of the Comptroller General (OCG) launched a Departmental Chief Procurement Officer (DCPO) pilot project in February 2019 to explore the benefits of a more structured procurement governance model and provide concrete feedback to steer the direction of new models of procurement governance and leadership.²⁰ This initiative sought the benefits of greater procurement leadership at the departmental level. A brief discussion of the initiative can be found in the Appendix.

Modernizing federal procurement for SMEs, women-owned and Indigenous business

A 2018 review conducted by OGGO reaffirmed a number of the previous issues, with emphasis on the complexity of the procurement process and its impact on SMEs.²¹ The Committee wrote “that the federal procurement process is disjointed and would benefit from better coordination among federal departments and agencies.”²²

The Committee summarized five main challenges of the current system:

- The complexity of the federal procurement process;
- The use of misaligned procurement approaches;
- The focus on price, to the detriment of qualifications and quality when selecting contractors and suppliers;
- The need to make federal procurement more inclusive for SMEs, women-owned businesses and other social disadvantaged groups; and
- The failure of the Procurement Strategy for Aboriginal Business (PSAB) to live up to its potential and its need for improvement.²³

Its recommendations aimed to reduce these challenges by calling on the government to “modern[ize]...policies and procedures for contracting, including streamlining requirements and updating terms and conditions.”²³ In recognizing these issues—particularly the complexity due to poor coordination between departments—the Committee made 40 recommendations, some of which relate to the issues discussed in the previous two reports. For example, it recommended the government provide training for procurement officials, modernize policies and procedures, align procurement practices across departments, simplify procurement, and ensure a common interpretation of PSAB.²⁴

Procurement Ombudsman

The issues highlighted above reaffirm what the Ombudsman continues to hear, both from suppliers and government officials. Two issues worth noting are the complexity of the procurement process and the need for greater professionalization of the procurement community. These issues have been highlighted in three consecutive annual reports from 2017-2020.²⁵ On the issue of complexity, the Ombudsman noted that “simplification of the procurement process is an ongoing issue that has been raised...for

many years. [The Ombudsman] often hears that federal procurement is too complicated, time consuming, and bureaucratic.”²⁶ As a result, simplification has been identified as a key area of focus for the current Procurement Ombudsman.²⁶

The second issue on procurement professionalization concerns procurement expertise and the strengthening of the procurement community. This issue was raised to the Ombudsman by federal officials who identified that “the procurement community needs to be strengthened. Resource capacity is running low, training/certification is difficult to acquire...and expectations of procurement officers is inconsistent.”²⁷ This capacity gap has been recognized by TBS who has partnered with universities and colleges to promote procurement careers.²⁸

In summary, while the government reviews highlighted in this section were conducted independently over a 15 year period, they all draw attention to similar issues in federal procurement that persist to this day. These include a lack of leadership, need for standardization, complexity of procurement, lack of accountability, and the need for greater professionalization of the procurement community. In 2017, the CPO White Paper used these issues to call for the creation of a federal CPO.

Other chief roles within the federal Government

The establishment of a chief role in a specific area is not a new concept. Other chief roles in the federal government can be found in the areas of human resources, health, finance, information, and elections. The following section takes a closer look at some of the chief roles to understand the driving force for its establishment and whether the creation of a similar role in the area of procurement could be beneficial in addressing the issues noted above.

Chief Information Officer

Canada’s Chief Information Officer (CIO) was created in 1993 with the rise of new information and communication technologies.²⁹ The reason for the creation of this role stemmed from an influential report from the Glassco commission which drew attention to the “lack of leadership by Treasury Board with respect to data processing and transmission.”³⁰ The CIO is the “government’s senior advisor on the use of [information and communication technology],” and a leader “in information management, information technology, security, privacy, and access to information across the Government of Canada.”³¹ By providing strategic direction and leadership, the CIO is also a spokesman for the issues and possible solutions in the field.

The CIO Council is one way to promote leadership. Led by the CIO, the Council brings together all departmental CIOs to coordinate on policy development and implementation.³² The establishment of this Council “continued to be one of the CIO’s most important leadership instruments within the public service.”³³

From its creation in 1993 until 2018, the CIO was below the Deputy Minister (DM) level (Assistant Deputy Minister (ADM) is the level below), which is not the case with other chiefs, the Chief Human Resources Officer being one example.³⁴ The initial rank of the CIO limited its leadership ability.³⁵ In 2018 the CIO was elevated to DM rank, notably recalibrating the potential impact the function could have.³⁶ This change also gave the CIO a seat at the senior leadership table and allowed it to contribute to the interdepartmental committees that tackle systemic government issues. The CIO, as a Deputy Minister,

now has the ability to bring issues forward and bring attention to them in a way that would never have been possible had the position remained at the ADM level.³⁵

Office of the Chief Human Resources Officer

The Office of the Chief Human Resources Officer (OCHRO) was created in 2009 in response to a government review (encompassing \$250 million in human resource funding) that found leadership inefficiencies. The OCHRO was created by merging the Canada Public Service Agency and parts of TBS that dealt with compensation and human resources issues to create a centre of leadership with common roles and responsibilities.³⁷

The OCHRO “supports the Treasury Board in its role as the employer by driving excellence in people management and ensuring the appropriate degree of consistency across the public service.”³⁸ The OCHRO also supports the human resources community in creating awareness of ethical practices and whistleblowing.³⁷ One of the key responsibilities of the OCHRO is to provide advice and guidance to executives on their responsibilities regarding the *Public Servants Disclosure Protection Act* (PSDPA), which is the legislation that supports whistleblowing.³⁹ In supporting departments and the objectives in the *Public Service Modernization Act*, the office contributes to the overall simplification of government hiring.⁴⁰

Led by the Chief and providing further support for departments is the HR Council, which plays “an integral part in shaping a shared people management agenda and is engaged through established governance structures.”⁴¹ The Council further highlights the leadership role of the Chief, but also other aspects of the function like coordination, as the Council is “comprised of [the] Heads of Human Resources.”⁴¹

Chief Procurement Officer

It is envisioned that a CPO, once created, would be at the same DM level as the Chief Information Officer and Chief Human Resources Officer, and therefore have the ability and influence to successfully lead the federal procurement function.

Jurisdictions

The CPO model is established internationally in the United Kingdom (UK) as well as at the provincial level within Canada in Newfoundland and Labrador, and in Nova Scotia. This section examines the different approaches to a CPO in these jurisdictions to determine whether the model has addressed some of the systemic procurement issues discussed in this report.

United Kingdom

Procurement in the UK is semi-centralized, which means that procurements are conducted by departments and agencies, rather than one central purchaser.⁴² The UK created a national CPO to address procurement issues and oversee procurement policy as part of a procurement reform strategy in 2012.⁴³ This was in response to reports of systemic procurement issues, including complexity, the absence of a common strategic purpose and a system that was “inefficient, fragmented and

uncoordinated.”⁴⁴ The CPO is the lead on policy development and implementation and is responsible for other initiatives such as the Procurement Reform Board, government as a single buyer, simplification, supplier performance management, and professionalization.⁴⁵

By creating procurement leadership, the CPO clarified lines of responsibility and increased accountability.⁴⁶ The CPO claimed to “strengthen the government’s ability to match best practice in the private sector by merging the existing procurement and commercial relationship functions in the Cabinet Office into a single Commercial Procurement and Relationships Directorate.”⁴⁷ There were a number of sub-groups under the CPO created to deal with commercial and procurement issues.⁴⁸ Each of the following reports to the CPO: Small and Medium Enterprises (SME) team, Procurement Policy and Capability, Complex Transactions Team, and Commercial Relationships.⁴⁸

Best value and government as single buyer

The fragmented nature of the procurement system was addressed through the creation of the Government Procurement Service (GPS), with a reporting relationship to the CPO.⁴⁹ Similar to PSPC in Canada, the GPS supports centralization by contracting for common goods and services on behalf of departments.⁵⁰ Before this reform, departments held contracts with many of the same suppliers for similar or identical goods or services; a practice which the National Audit Office noted carried monetary risks.⁵¹ As a single buyer and with the support of the CPO, the government was able to unify its purchasing position and speak with one voice. Due to many departments contracting for the same goods and services, experts were appointed to negotiate—as a single purchaser representing all departments—with the suppliers that had a large share of procurement.⁵²

Simplification and standardization

An achievement of the CPO was the increased accessibility of ICT [Information and Communication Technology] contracts to SMEs. To achieve the government-wide goal of awarding 25% of contracts to SMEs, changes were made to the procurement strategy of timelines and advertising for ICT requirements.⁵³ The government tried to reduce large contracts and organize what used to be an all-encompassing ICT contract into contracts organized by the work.⁵⁴ For example, work on software was contracted separate from networks, rather than coupled in a larger contract.⁵⁴ This method increased accessibility by allowing smaller suppliers with specific expertise on a single topic to compete with larger suppliers with expertise across topics.

Standardization benefited supplier performance management. Prior to the reforms the National Audit Office noted that “a supplier performing poorly in one department could win a bid for a similar contract in another department, without performance concerns being discussed.”⁵⁵ With the creation of a CPO came a united approach to supplier management. The Commercial Relationships team and Crown Representatives compiled a supplier portfolio and produced recommended performance ratings.⁵⁵

Professionalization

The CPO also contributed to strengthening procurement expertise and professionalizing the procurement function through the creation of the Commissioning Academy to “elevate the status of both commissioning and procurement, and develop a cadre of professionals.”⁴⁷ The creation of the Academy supported the development of public sector expertise across the UK by hosting “master classes, workshops, guest speakers, site visits, and peer challenge.”⁵⁶ The professionalization of the profession was one way the CPO contributed to outcomes-based procurement and it further enhanced

the knowledge of citizens and communities in the public sector.⁵⁷ For the Academy, knowing localized needs was a means of focusing on outcomes.⁵⁸

Procurement Reform Board (PRB)

The Procurement Reform Board (PRB) was established to be the CPO's touchpoint with departments. Led by the CPO, the PRB brought together the procurement directors from the 6 departments with the highest procurement volume.⁵⁹ Oriented by the strategic goals of the reform strategy, the PRB allowed procurement leaders to coordinate their response and subsequent action items.⁵⁹ With the goal of saving money and emphasizing proper oversight of taxpayer dollars, the reform strategy aimed to "aggregate and standardize expenditure on common goods and services."⁶⁰

Nova Scotia

The Province of Nova Scotia has had a CPO since 2011.⁶¹ The following section provides an overview of the provincial CPO's mandate and highlights the intersections with some of the themes discussed thus far including, standardization, transparency, and accountability.

Standardization

Standardization is a crucial issue that is a key area of focus for Nova Scotia's CPO. To ensure consistency across departments, the CPO is empowered to "identify opportunities and support collaboration [...] across the public sector."⁶² By developing a procurement manual with various protocols and templated tools (RFPs, RFQs) for government-wide use, the CPO supports a unified procurement approach.⁶³

The CPO also runs a compliance program to ensure the policy is being followed.⁶⁴ The program contributes to standardization while acting as a feedback mechanism on the policy itself. This alleviates any conflict between those developing the policy and those implementing it.⁶⁴ The Procurement Advisory Group also monitors how a policy is interacting with various public departments.⁶⁵

The CPO has contributed to the modernization of the procurement function. An example is the development and implementation of e-procurement tools.⁶⁶ E-procurement is not only important for environmental support through saved resources, but also for efficiency—the creation and submission of bids through one online tool. Another example of modernization is an initiative called Flextrack, which is similar to a standing offer, yet with added flexibility.⁶⁷ Evolving from standing offers for IT management, Flextrack has grown to include "managing executive search, communication services, managed business services, and temporary staffing."⁶⁸ Where a standing offer requires the supplier to be available for a fixed period of time and to be able to deliver a good or service upon request, Flextrack allows suppliers to exit the program at any point.⁶⁹ A few benefits of the program are "controls over setting and maintaining budgets, managing extensions, and ensuring visibility into the fair and equitable selection of vendors."⁶⁸

Leadership and innovation

Led by the CPO, the Procurement Advisory Group (PAG) brings together procurement experts from a variety of areas, including municipalities, academic institutions, school boards, health authorities and

government departments.⁷⁰ The PAG advises the Minister on a number of procurement issues including best practices (efficiency and cost), risk, and standardization of policy and practices.⁷¹

Beyond its advisory function, the PAG also plays a role in innovation through the development of guides and protocols for use by public agencies. Two examples include Alternative Procurement Circumstance Guide (ALTP Guide) and a guide on the use of piggy-back clauses.⁶⁸ The ALTP guide discusses various procurement scenarios and the procurement methodologies that could be utilized (emergency scenarios, sole-source etc.) and outlines a path forward.⁷² The second guide on piggy-backing discusses a procurement methodology used post contract award whereby the government can purchase the same goods/services through the original process.⁷³ Looking forward, the PAG is working on “a Complaint Protocol, a guide to Joint Procurements, and How to Deal with Unsolicited Proposals.”⁶⁸

Reporting to the CPO and supporting the PAG is the Procurement Governance Secretariat.⁷⁴ The Secretariat addresses some of the issues associated with procurement, both for public servants and suppliers. Supporting suppliers, the Secretariat conducts outreach activities and continually improves the procurement web portal and other e-tools that support ease of use.⁷⁵ To support public servants and by extension the procurement community, the Secretariat supports and develops professional development programs as well as conducting general procurement research.⁷⁶

Transparency and accountability

Another key feature of the CPO at the provincial level is its contribution to transparency and accountability. On the buying side, public sector entities are required to submit an annual report on departmental accomplishments to the CPO, which allows the CPO to account for activities that are mandated by legislation.⁷⁷ On the selling side, a supplier left unsatisfied with the information provided by a department can file a complaint with the CPO.⁷⁸ The complaint mechanism holds departments accountable for providing clear and concise information. If necessary, a complaint can lead to an investigation and result in recommendations to both parties involved.⁷⁹

A feature supporting the CPO’s ability to receive complaints is the Procurement Review Committee. This function receives, reviews, creates timelines, and clarifies the outcomes of a review.⁶⁸ While limited in its power, as it cannot overturn a procurement award nor pause the award of a contract, the Committee fulfills an important accountability mechanism by providing a vehicle for suppliers to voice their concerns.⁶⁸

Newfoundland and Labrador

Through the *Public Procurement Act*, the CPO was established in Newfoundland and Labrador in 2016 as head of the Public Procurement Agency.⁸⁰ The goal of the Act, and ultimately the CPO, was to support value for money, transparency, and accountability of government procurement.⁸¹ Prior to the establishment of the CPO, government procurement lacked central leadership.⁸² A crucial difference with the new legislation concerns leadership; the CPO has authority to oversee policy implementation and authority that extends to public bodies.⁸²

Standardization

The CPO has contributed to standardization through the development of general policy “for application by all public bodies.”⁸³ One example is the Public Procurement Policy; it is multifaceted in providing guidance to procuring bodies and clarifying aspects of the legislation.⁸² The CPO also provides support outside of policy by publishing procurement information and advising departments on implementing procurement frameworks.⁸⁴ The CPO is also responsible for developing “standardized procedures for the procurement of commodities, documents and training programs.”⁸⁵ To support consistent implementation and a common look and feel, the CPO developed standardized procurement templates.⁸²

One area that the CPO has been responsible for bringing greater standardization to is supplier performance. The Act tasks the CPO with maintaining “effective oversight of the procurement activities of public bodies, particularly with respect to (i) supplier performance.”⁸⁶ Increased standardization in the area of supplier performance, through the development of a government-wide consensus on what constitutes a good or bad supplier, contributes to value for money. Despite guidance and leadership from the CPO, supplier performance is a new initiative and the diversity of government purchasing poses a challenge to standardization.⁸² Defining what constitutes poor performance across the wide range of goods and services the government procures, as well as the range of methodologies used to procure them, can be challenging. Furthermore, the supplier is only one variable; the government can also impact supplier performance through poorly written solicitations and statements of work and poor contract management.⁸²

Procurement Advisory Council

Led by the CPO, the Procurement Advisory Council (the Council) is composed of procurement experts from a wide range of institutions like school boards and municipalities that have been appointed by the Minister.⁸⁷ While the primary goal of the Council is to advise the Minister, the Council has also been engaged in the areas of procurement methodologies, standardization, and the identification of efficiencies and inefficiencies.⁸⁸ Despite its recent creation, the Council has been a helpful structure in clarifying “the legislation, discussing best practices, and sharing experiences.”⁸²

Transparency & accountability

The CPO also supports a transparent and accountable procurement process through the review of departmental procurement practices.⁸⁹ In reviewing procurement files, the CPO notes deficiencies and can make recommendations to the procuring department. These reviews are scheduled annually and can target the full procurement process—pre-solicitation, solicitation, and contracting—or one aspect of the procurement process.⁸² In addition, the CPO has the authority to conduct an ad-hoc review.⁸² The findings in these reviews can vary and recommendations stem from the particular case; however, in all cases, the reviews support the principles of transparency and accountability, and benefit government procurement as a whole by identifying lessons learned.

Conclusion

The purpose of this study was to assess whether a CPO, as a procurement leader at the federal level, could address some of the persistent issues in federal procurement. Through a review of jurisdictions

within Canada and internationally, this study has found that the model addresses many of the systemic procurement issues noted by various government reports and departments.

Several themes highlighted throughout this study point to specific areas where the CPO model can address ongoing issues in federal procurement:

CPO as an agent of change

A CPO not only presides over the existing infrastructure, but also actively evolves it. By creating policy and guidance documents, the CPO sets the tone for procuring bodies and ensures that policy is implemented and rules are followed.

A federal CPO can contribute to the broader modernization of government procurement by acting as an agent of change. Modernization has been a recurring theme in the Minister of PSPC's mandate letters.⁹⁰ This concept is wide-reaching, inclusive of simplification, best practices, encouraging competition, and other considerations like economic development and social procurement. The breadth of this concept necessitates action by the CPO and the case studies reviewed demonstrate how a CPO can be successful in furthering modernization initiatives.

A crucial piece of modernization is the evolving concept of value in procurement. Traditionally, best value was coupled with a lowest-price consideration. Now value has evolved to encapsulate other considerations like economic development, social procurement, and environmental concerns. These factors bring new considerations to procurement that create additional demands on the procuring department.

CPO as a single voice

The CPO creates a clear focal point for procurement information, whether it be policy development, guidance, templates, or procurement training. By addressing standardization a CPO reinforces that the government is a single customer, conducting business consistently across departments.

CPO as a means of coordination

The CPO is an effective means of ensuring government procurement is completed in a coordinated manner across government departments. The creation of an advisory council or group that brings procurement experts together to elevate important issues and make recommendations to the minister has benefitted the jurisdictions reviewed.

CPO as a means of professionalizing the procurement function

The continued development of the procurement profession is crucial to ensuring that the public sector has the capacity to meet the evolving needs of the government. By interpreting legislation and translating this into consistent policies, reference documents or guides, the CPO helps to create the conditions that support a well-equipped public sector. The government-wide reviews indicated that the procurement process is often complicated and a burden on suppliers. Increasing procurement expertise on any number of factors from solicitations to contract administration is one means of addressing the problem. This was seen in the example of the Commissioning Academy in the UK and the emphasis on training the public sector in Newfoundland and Labrador after the new legislation came into force; it

was also supported by the creation of guides and reference documents that were applicable to all public bodies.

Recommendation for the creation of a federal Chief Procurement Officer

Based on the potential for a CPO at the federal level to address these long-standing issues in federal procurement, comes a recommendation that Canada consider creating a CPO for federal procurement. Since some of the functions of the CPO are already in existence within the federal system, for example, the role of the Procurement Ombudsman who is mandated to both review complaints from suppliers and conduct departmental procurement practices, exploring the potential of a CPO requires further research into the areas of overlap with existing federal procurement bodies.

Appendix: Departmental Chief Procurement Officer (DCPO)

In February 2019, the Office of the Comptroller General (OCG) launched a Departmental Chief Procurement Officer (DCPO) pilot project to explore the benefits of a more structured procurement governance model and provide concrete feedback to steer the direction of new models of procurement governance and leadership.⁹¹ After reviewing the findings from the project, it was decided that the initiative would continue to run under a voluntary structure.⁹²

The DCPO should not be conflated with a CPO generally. The CPO would exist above the departmental level, where the DCPO would be specific to each department. The DCPO model—having DCPOs in each department—could be a stepping stone to the creation of a CPO. This model was recommended by the CPO white paper from 2017.⁹³ This model also exists in other jurisdictions, where departmental chiefs are led by an overall chief; in these cases a council, like that in the information space discussed in this study, brings together each of the chiefs to coordinate on policy and initiatives.

The DCPO pilot project addresses issues in leadership, planning, standardization, and performance monitoring.⁹⁴ Despite its focus at the departmental level, the initiative explores the impact of a new leadership model on procurement.⁹⁴ With the emphasis on leadership, the DCPO pilot contributes to and supports best practices, lessons learned, as well as the professionalization of the procurement function.⁹⁴

The DCPO supports standardization—mainly through the consolidation of lessons learned and best practices—while also allowing for flexibility. However, in the DCPO pilot, standardization is not so much a unifying concept—it is speaking to what is being done, rather than how it is done.⁹⁴ The difference would appear in the details. For example, the practice of identifying lessons learned is the ‘what’ and the identification of these lessons is the ‘how.’ Therefore, 2 departments could both be identifying lessons learned, but how the departments go about achieving them could be different.

The pilot project also supports standardization and coordination through the DCPO Council, which is comprised of all the DCPOs in the initiative and meets every 2 months.⁹⁴ Though not a decision-making body, the Council supports both the development of a procurement community, and the sharing of best practices. For example, the Council endorsed, developed, and adopted the procurement management framework.⁹⁴ After reviewing the findings of the project, it was observed that “interviewees strongly agreed that the Council has been the most important trigger to improve networking, information sharing, and cohesive decision making.”⁹⁵

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