



Local Government Procurement Professionals Masterclass Webinar Series

Part 4. Mastering the Organisational
Interface

Presented by
Peter Morichovitis

Thursday 8 May 2025



A woman with grey hair and glasses, wearing a beige blazer, is seated and looking down at a document. A man with a beard, wearing a light blue shirt and a dark tie, is also seated and looking at the same document. They are in an office environment with a lamp and framed pictures in the background. A teal diagonal graphic element is on the left side of the image.

Who is Peak Services?

The Relationship between the Entities



Independent systems ensure compliance with regulations supported by annual QAO audit.

Ministerial approval sought for Peak Services to be appointed to a Local Buy Panel.

Both entities independently and wholly owned by the LGAQ.



Governed by an independent Board of Directors

- Consulting Services
 - Procurement Office
 - Probity and Assurance Office
 - Grant Office
 - Professional Advisory and Energy Services
 - Peak 247
 - Training RTO
 - Legal & Workforce
 - Recruitment
- Pre-qualified Arrangements
 - Procurement Technology & Data Analytics
 - Annual Conference + Summit Series

Our Services

		<div>Recruitment Talent Acquisition</div> <div></div>	<div>Training eLearning Platform</div> <div></div>	<div>Consulting Procurement Office</div> <div></div>
<div>Consulting Energy Advisory</div> <div></div>	<div>Peak 247 24 Hour Call Centre</div> <div></div>	<div>Training Accredited Courses</div> <div></div>	<div>Workforce LGAQ IR Helpdesk</div> <div></div>	<div>Training Harness Safety</div> <div></div>
<div>Recruitment Permanent & Contractors</div> <div></div>	<div>Consulting Grant Program Office</div> <div></div>	<div>Workforce HR/IR Services</div> <div></div>	<div>Consulting Probity & Assurance</div> <div></div>	<div>Workforce IR Assist Platform</div> <div></div>
<div>Training Elected Member Training</div> <div></div>	<div>Workforce Peak Services Legal</div> <div></div>	<div>Training Short Courses</div> <div></div>	<div>Recruitment Organisational Consultancy</div> <div></div>	<div>Consulting Professional Advisory</div> <div></div>

Peak's Procurement Specialists

Supported by our broader Consulting and Advisory Team



Peter Morichovitis
Principal Advisor - Procurement
Office & Professional Advisory



Brian Jackson
Director Consulting
Services



Sonali Cordeiro
Senior Advisor - Procurement Office
Probity and Assurance Office



John Lee
Principal Advisor - Procurement Office
and Probity and Assurance Office



Michael Byrne
Principal Advisor - Probity and
Assurance Office



Joneil Palenzuela
Senior Advisor - Procurement
Office & Professional Advisory



Masterclass Webinar Series

2024

Thursday
November 28

1. Mastering Procurement Strategy,
Planning and Performance

Thursday
June 26

5. Mastering Sourcing

2025

Thursday
February 13

2. Mastering Procurement
Governance

Thursday
September 18

6. Mastering Contract and
Supplier Relationship
Management

Thursday
March 27

3. Mastering Probity

Thursday
August 14

7. Mastering Procure-to-
Pay

Thursday
May 8

4. Mastering the
Organisational Interface

Thursday
November 27

8. Mastering Procurement
Technology

The 6 Building Blocks for Enhancing Local Government Procurement





Masterclass Webinar Series

#4.

Mastering the Organisational Interface

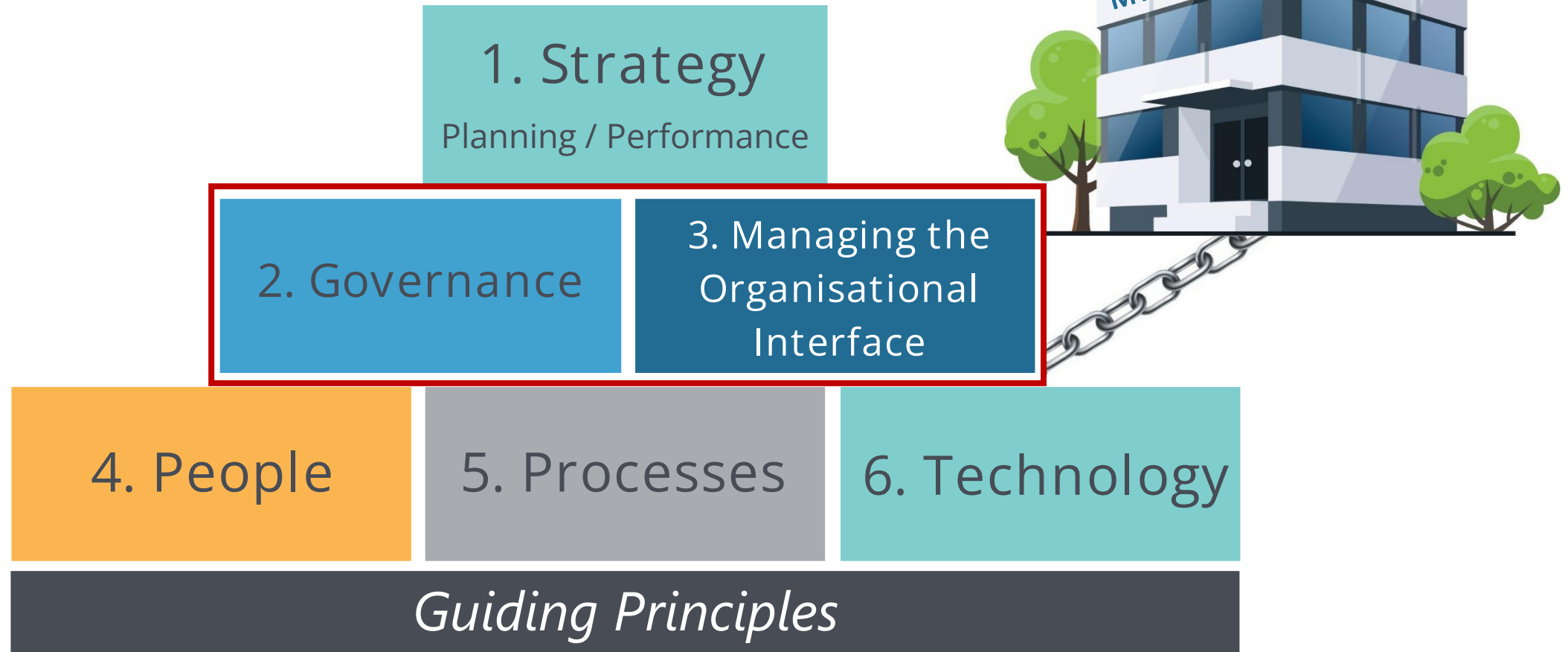


Topics for Masterclass #4

1. What is managing the organisational interface?
2. What are the benefits of managing the organisational interface?
3. Does procurement structure matter?
4. Managing stakeholders
5. Tools to manage the organisational interface
6. Category Management
7. What does success look like?



The 6 Building Blocks for Enhancing Local Government Procurement



The link to the wider organisation...

2. Governance

3. Managing the
Organisational
Interface



What is *managing the organisational interface*?

"The greatest ability in business is to get along with others and to influence their actions."

John Hancock

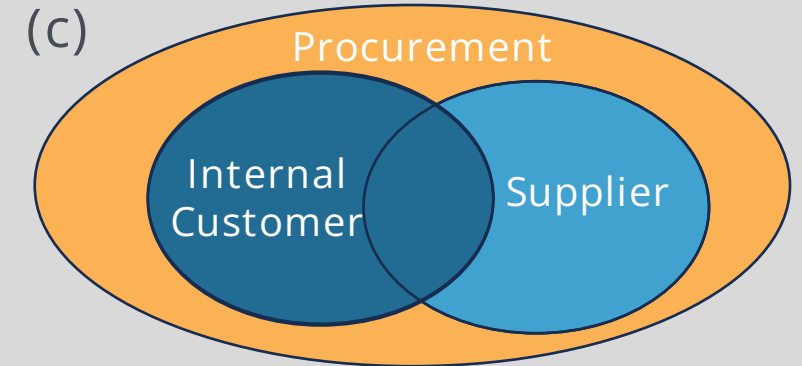
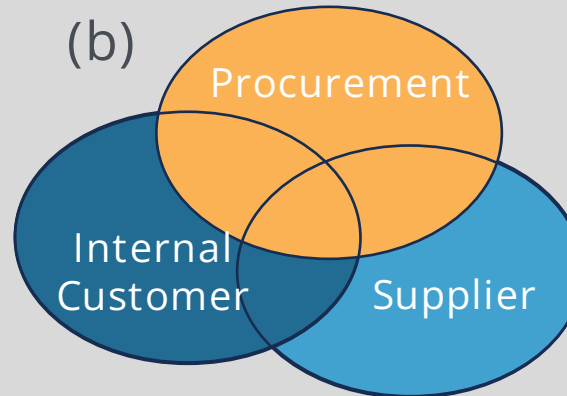
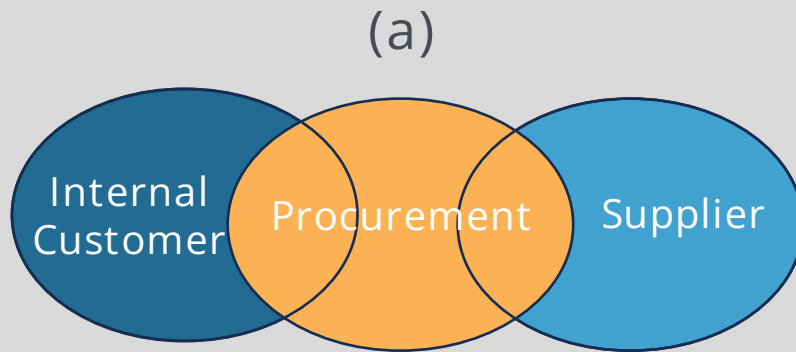
Managing the organisational interface is about getting buy-in from key stakeholders regarding procurement strategies, activities and goals. It encompasses leadership, communication, the ability to form relationships, build credibility and influence internal customers and senior executives, as well as get the best out of suppliers. Simply, a procurement professional needs to make or at least influence internal decisions where it has no decision-rights (i.e. governance) to do so.



Quick poll #1



Which model best represents *mastering the organisational interface*?



(a)

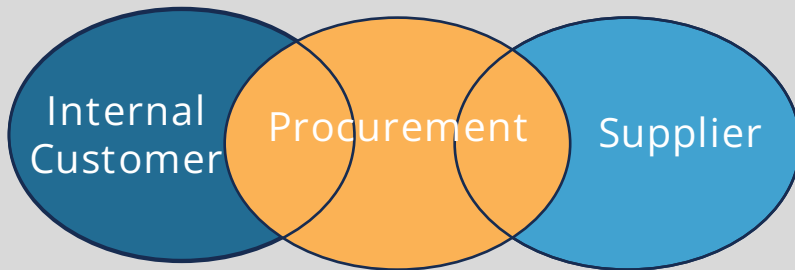
(b)

(c)

Procurement: *the Gatekeeper*

Procurement sits between the internal customer and the supplier, managing communication and transactions separately with each party

(a)



What it means:

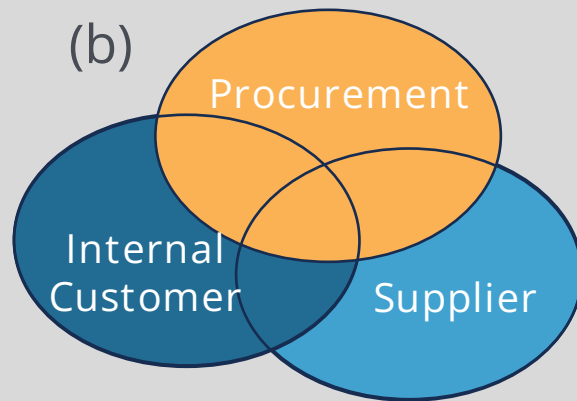
- Procurement acts like a gatekeeper, controlling the flow of information and decisions
- Internal customers have limited direct interaction with suppliers
- Supplier understanding of internal needs may be weak due to the lack of direct connection

Challenges:

- Slower communication
- Misalignment between what internal customers need and what suppliers provide
- Procurement may become a bottleneck
- Procurement acts like a go-between, but can become a blocker if too rigid or disconnected from business needs

Procurement: *the Partner or Policeman*

Procurement partners/polices the relationship between the supplier and the internal customer, allowing some direct communication



What it means - If used correctly

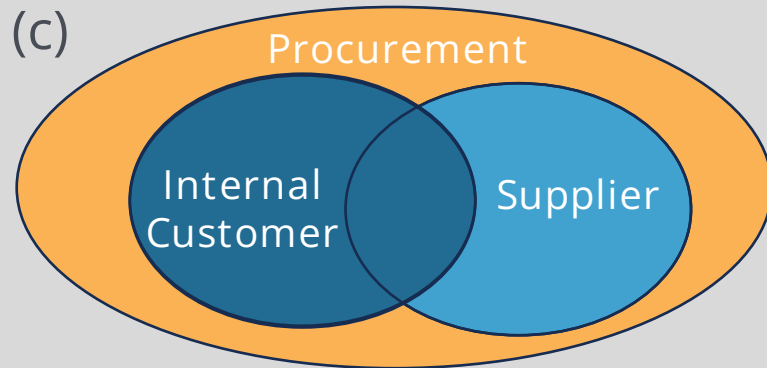
- ✓ Procurement helps initiate or structure the relationship but doesn't completely control it
- ✓ There's a mix of shared ownership between procurement and internal teams
- ✓ Procurement becomes a collaborative partner, not just a process manager

What it means - If not used correctly

- Procurement can be seen as a police officer, there to make sure people stick to the rules
- Considered as unnecessarily interfering
- It can create a sense of surveillance or frustration if the procurement oversight feels excessive or lacks trust

Procurement: *the Facilitator*

Procurement facilitates and supports the relationship between internal customers and suppliers. It's not in the middle - it's a strategic enabler of a strong, direct relationship between the two



What it means:

- Procurement builds frameworks, tools, and trust to empower internal customers to work effectively with suppliers
- Procurement facilitates conversations, ensures alignment, and supports long-term partnerships
- Strong emphasis on collaboration, innovation and value creation

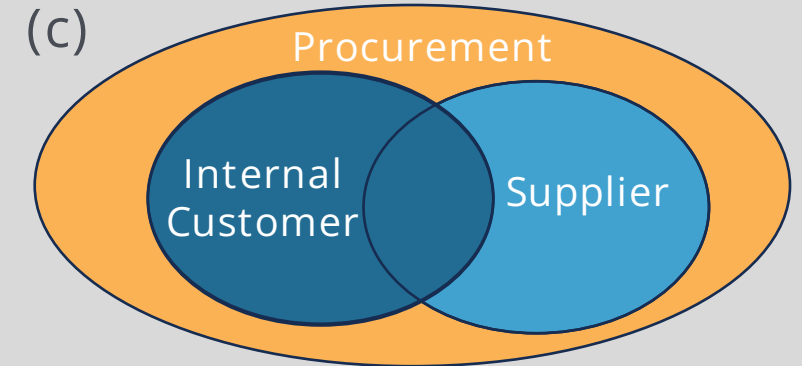
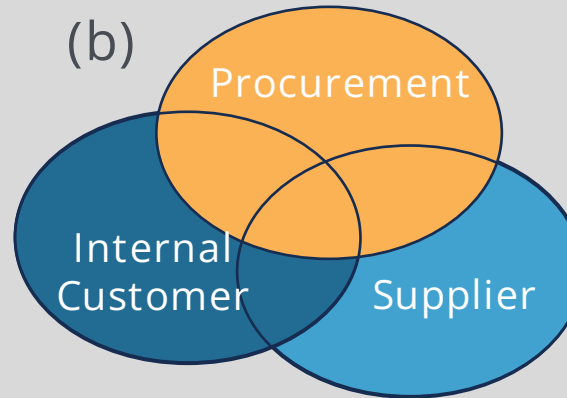
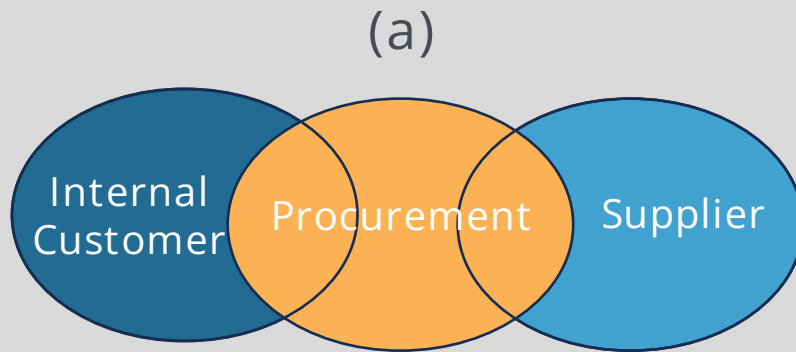
Benefits:

- ✓ Procurement becomes a facilitator, creating the space for internal stakeholders and suppliers to connect, align, and thrive
- ✓ Procurement is seen as a value-adding business partner
- ✓ Transparent relationships, higher innovation and agility, stronger supplier performance

Quick poll #2



If I asked a group of your internal customers; which model would they say is in place at your organisation?



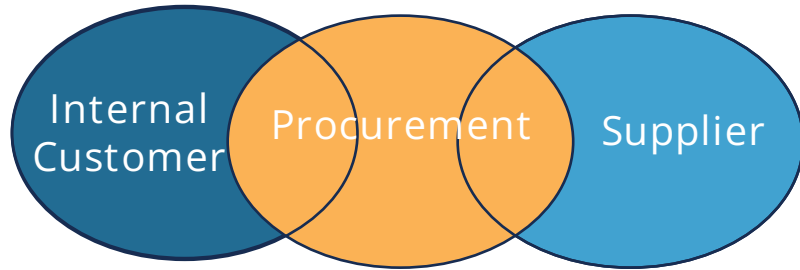
(a)

(b)

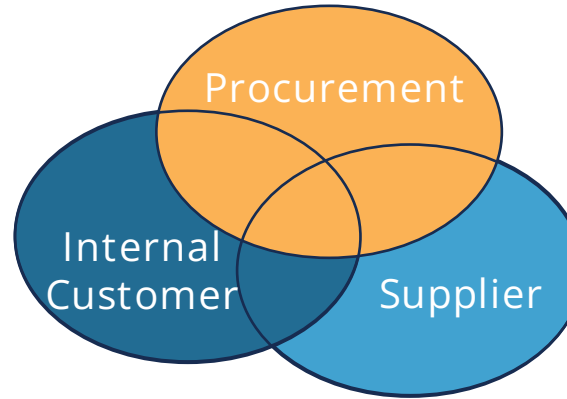
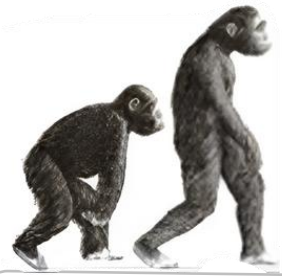
(c)



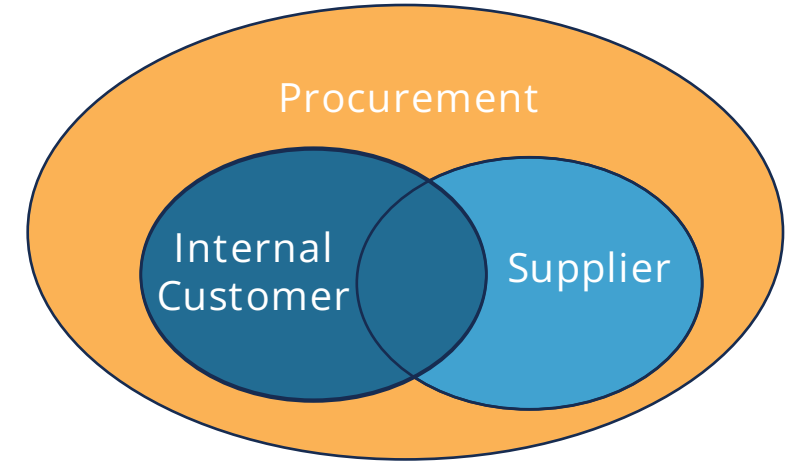
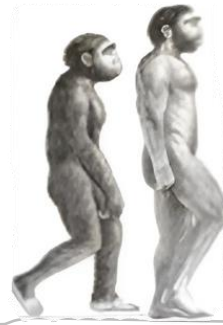
Mastering the organisational interface?



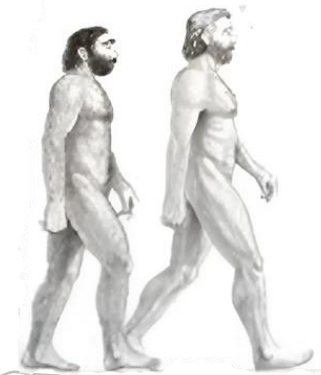
Gatekeeper



Policeman → Partner



Facilitator



Topics for Masterclass #4

1. What is managing the organisational interface?
2. What are the benefits of managing the organisational interface?
3. Does procurement structure matter?
4. Managing stakeholders
5. Tools to manage the organisational interface
6. Category Management
7. What does success look like?



2. Benefits of *managing the organisational interface*

1. Gain a detailed understanding of all stakeholders

- ✓ Identify and understand key internal stakeholders
- ✓ Recognise external stakeholders (e.g. suppliers, regulatory bodies, industry partners)
- ✓ Understand decision-making hierarchies and sources of power (both formal and informal)

2. Optimise customer/end-user satisfaction

- ✓ Builds relationships, trust and transparency with internal stakeholders
- ✓ Ensures timely availability of goods and services, preventing operational disruptions and dissatisfaction
- ✓ Improves goods/services and procurement quality by working with stakeholders to truly understand their requirements



2. Benefits of *managing the organisational interface*

3. Enhance strategic alignment

- ✓ Ensures procurement objectives align with organisational goals and business strategy
- ✓ Aligns procurement with end-user needs, improving demand forecasting and budgeting
- ✓ Encourages teamwork and shared responsibility in procurement decisions

4. Improve risk mitigation and compliance assurance

- ✓ Promotes adherence to procurement laws, internal policies, ethical sourcing standards and sustainability practices
- ✓ Reduces fraud and unethical practices by increasing procurement transparency and accountability
- ✓ Identifies and mitigates supply chain risks (e.g. disruptions, price fluctuations, compliance risks)



2. Benefits of *managing the organisational interface*

5. Maximise cost savings and process improvement

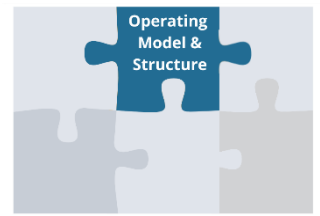
- ✓ Enables better spend management by identifying cost-saving opportunities in end-user areas
- ✓ Encourages feedback from stakeholders to enhance procurement processes
- ✓ Stronger cross-departmental collaboration helps negotiate stronger contracts and pricing with suppliers
- ✓ Better tracks spend data, cost savings, and supplier performance for informed decision-making
- ✓ Strengthens strategic partnerships with reliable suppliers, leading to better service and reduced costs



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Procurement Operating Model & Structure

Decentralised






Centre-led



Centralised



Procurement Operating Model & Structure

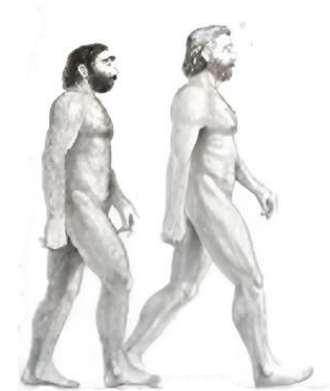
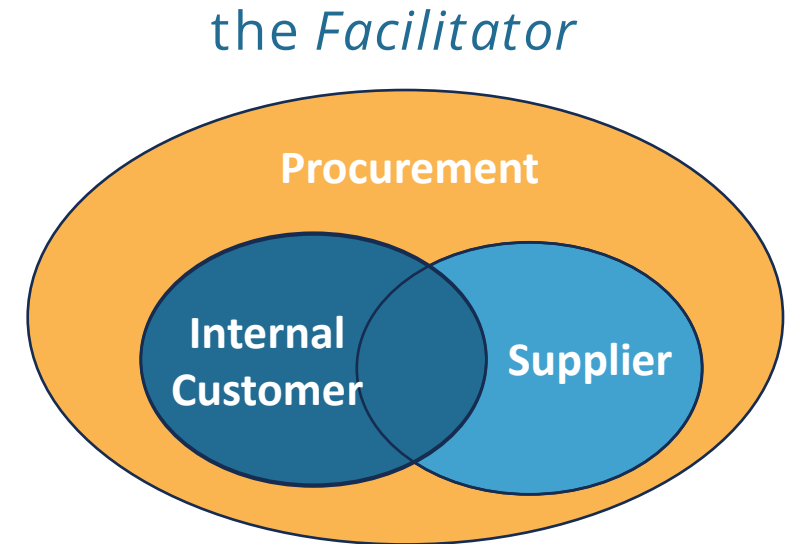
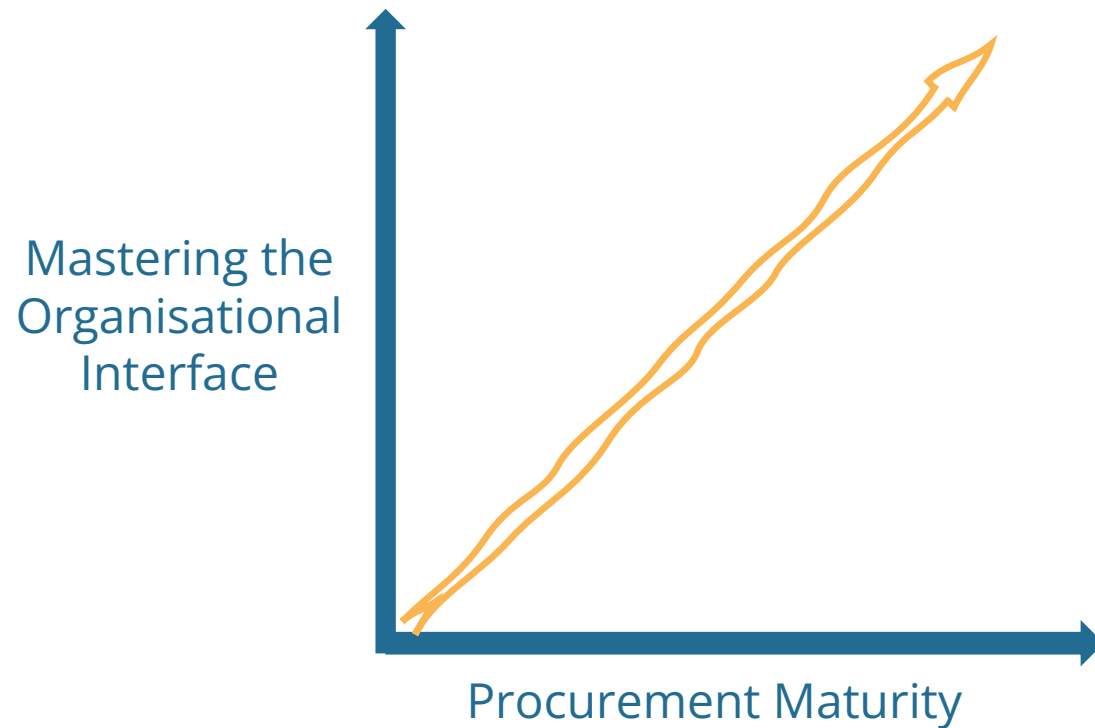
Procurement Structure	Procurement Governance	Procurement Execution	Poll from Webinar #2
Decentralised 	Decentralised	Decentralised	33%
Centre-led 	Centralised	Decentralised	38%
Centralised 	Centralised	Centralised	23%



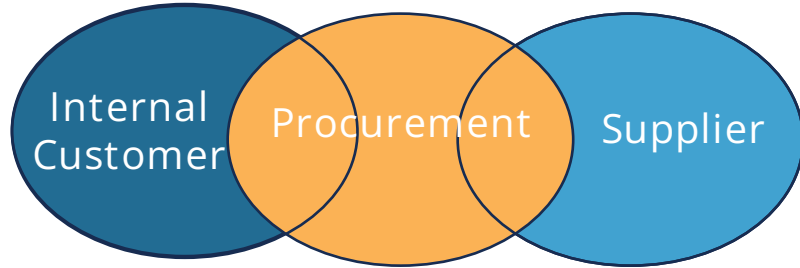
Does *Structure* matter in mastering the organisational interface?

“No, it should not”

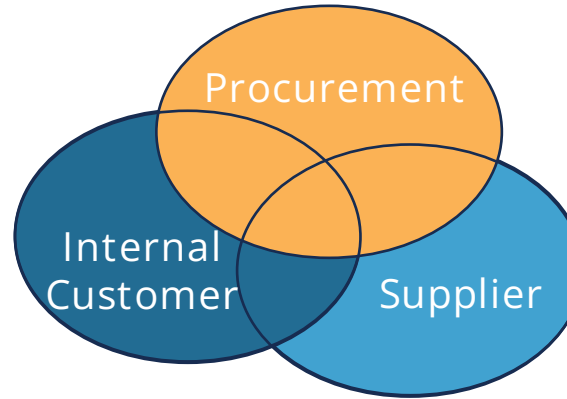
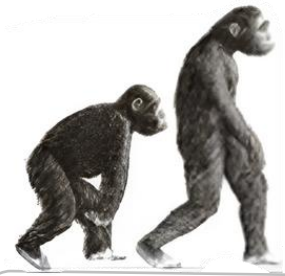
however...



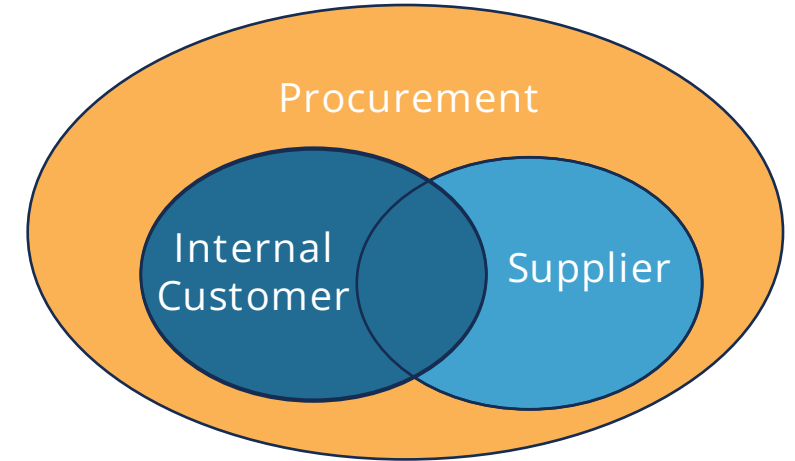
Does *Structure* matter in mastering the organisational interface?



Gatekeeper



Policeman → Partner



Facilitator



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4. Managing Stakeholders

“The most successful organisations are those where stakeholders feel heard, valued, and invested in the outcome.” Harvard Business Review

“Alignment with internal stakeholders isn't a courtesy—it's a strategy.”



Managing Stakeholders

Stakeholder Analysis



A. Identify Stakeholders

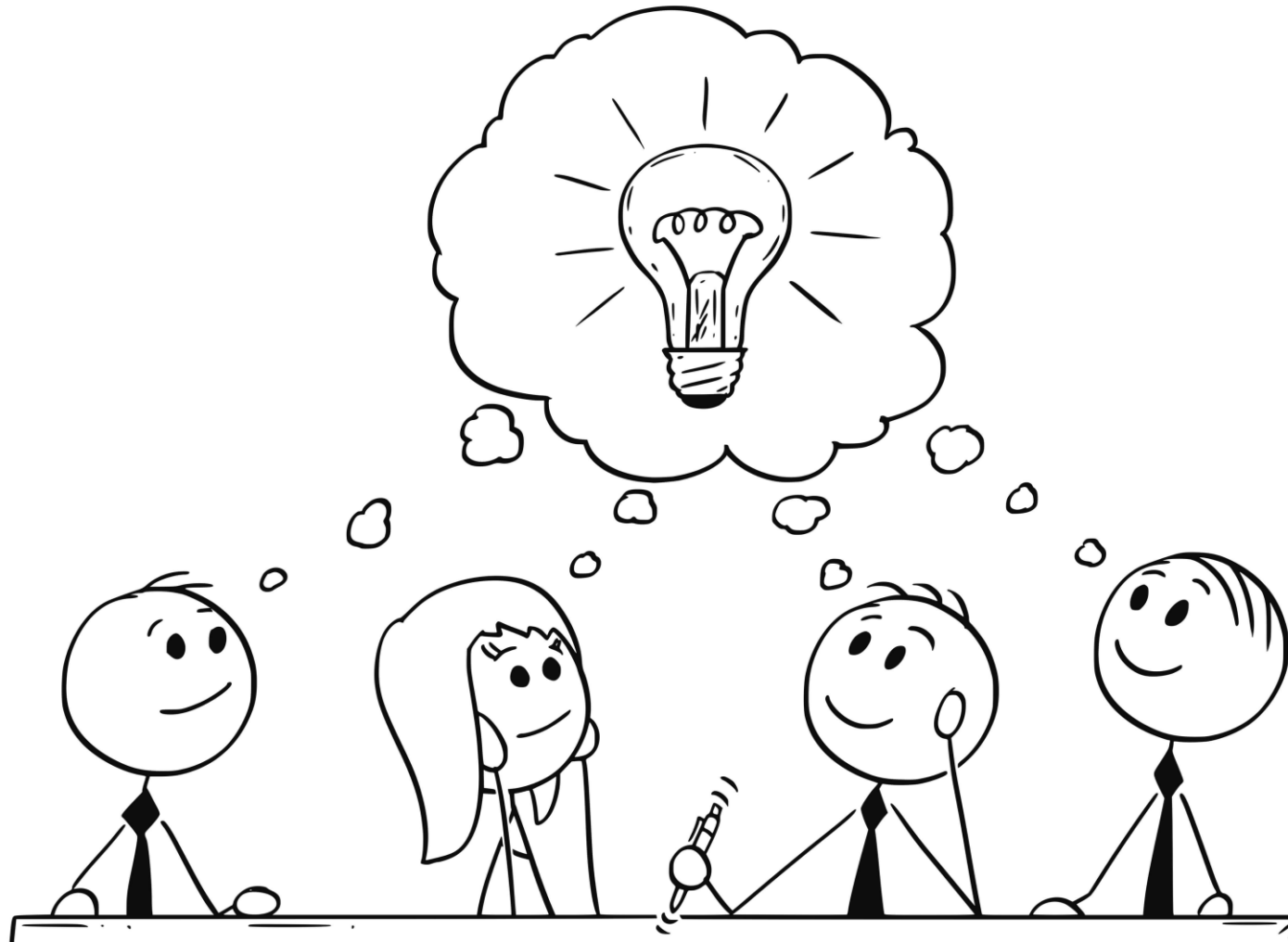
Stakeholder Analysis

Identify
Stakeholders

Categorise
Stakeholders

Analyse
Stakeholders

Manage
Stakeholders



A. Identify Stakeholders

Stakeholder Analysis



Internal Stakeholders:

- End users
- SMEs
- Procurement / Sourcing Team
- Evaluation Chair and Panel
- Contract Owner
- Contract Manager / Contract Mgmt. Team
- Legal, WHS, Risk, Audit, Finance, ESG
- Delegate
- Steering Committee
- Champion, other Executives
- Superintendent

External Stakeholders:

- Suppliers / Contractors
- Customers / Clients (end beneficiaries)
- Government / Regulators
- Community groups
- Industry Partners
- Industry Associations
- Unions
- Auditors

A. Identify Stakeholders

Stakeholder Analysis



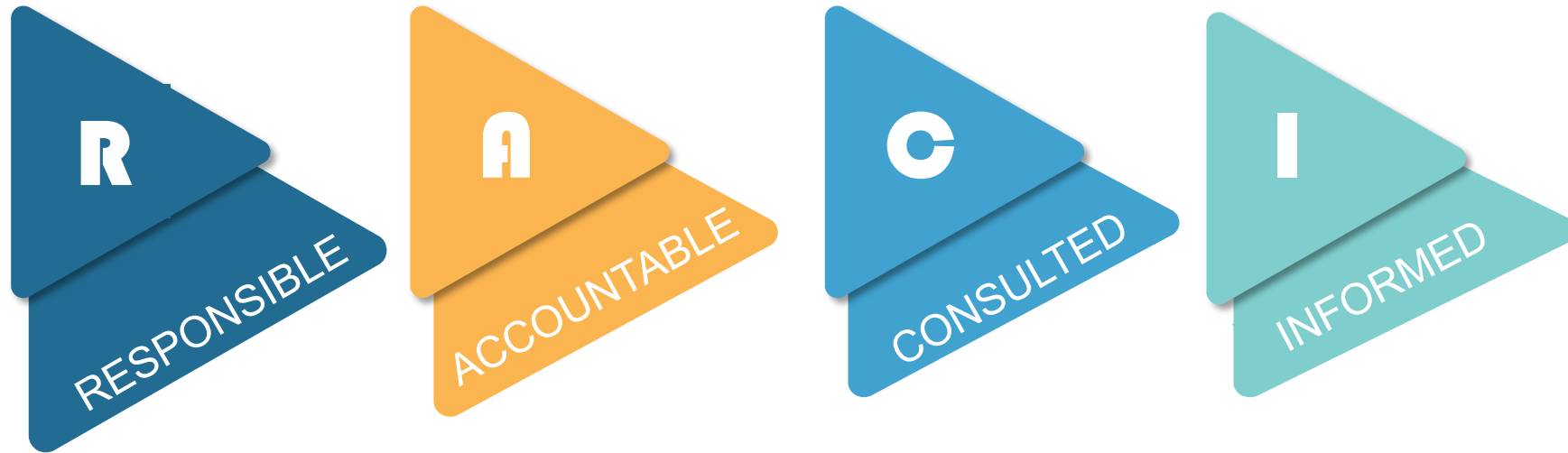
PROJECT:	<i>Insert the contract name and number</i>
----------	--------------------------------------------

PART A – IDENTIFY STAKEHOLDERS							
Name	Role	Email	Phone Number	Group representing	Why a Stakeholder?	Level of Support?	RACI
<i>Name</i>	<i>Role</i>	<i>Email</i>	<i>Phone</i>	<i>e.g. IT Team</i>	<i>Provide the reason why this person is a stakeholder</i>	<i>- Strongly Against?</i> <i>- Moderately Against?</i> <i>- Neutral?</i> <i>- Moderately Supportive?</i> <i>- Strongly Supportive?</i>	<i>- Responsible (R)?</i> <i>- Accountable (A)?</i> <i>- Consulted (C)?</i> <i>- Informed (I)?</i>



A. Identify Stakeholders

The RACI Model



B. Categorise Stakeholders

Stakeholder Analysis



Quick Poll #3:

Which internal stakeholder group is the most important to manage in order to satisfy expectations and requirements and ensure the success of procurement?

End-users

SMEs

Evaluation Panel

Contract Manager

Delegate

Legal

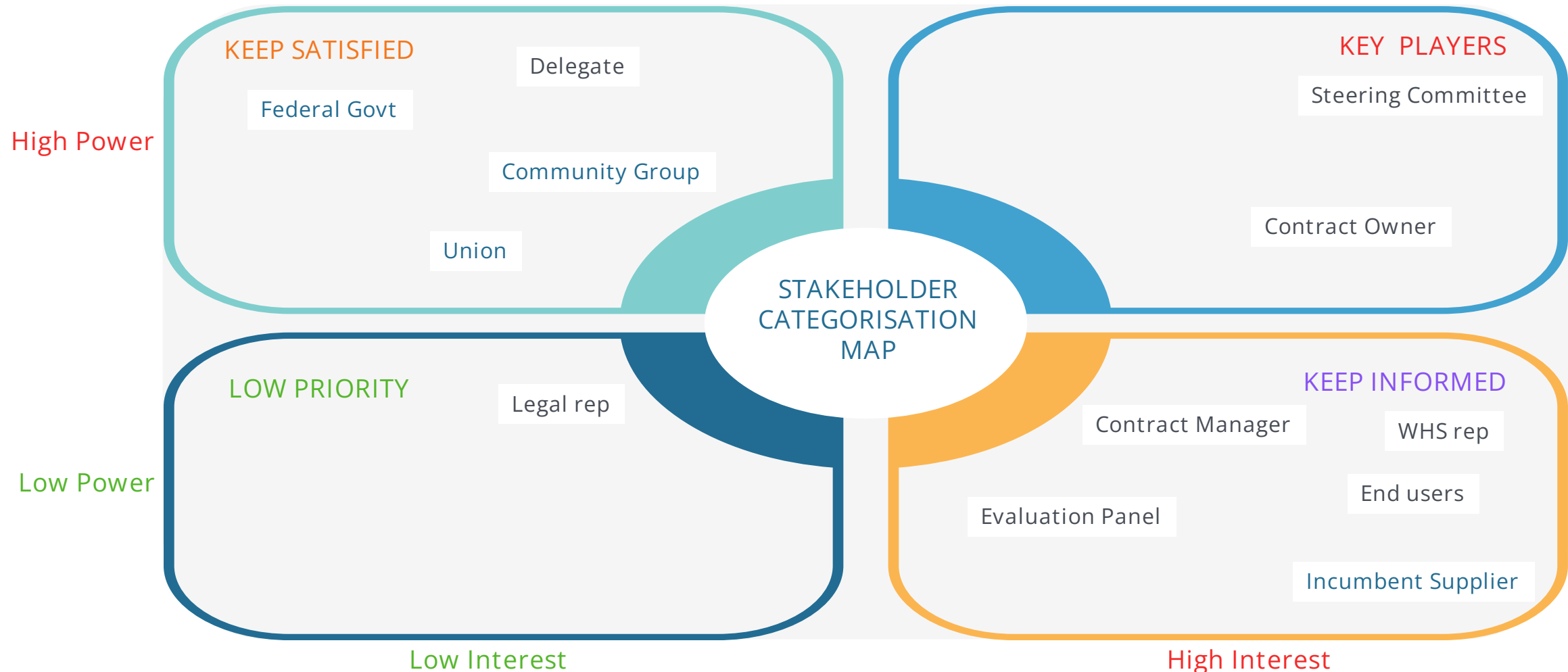


B. Categorise Stakeholders

Stakeholder Analysis



Add each identified Stakeholder into the appropriate quadrant of the Stakeholder Categorisation Map below



C. Analyse Stakeholders

Stakeholder Analysis



LEVEL OF SUPPORT

Analyse each Stakeholder and mark below:

- ✓ = Where individuals currently are in respect to their support for the procurement project (from 'Identifying Stakeholders').
- ✗ = Where individuals need to be in respect to their support for the procurement project.

STAKEHOLDER	STRONGLY AGAINST (-2)	MODERATELY AGAINST (-1)	NEUTRAL (0)	MODERATELY SUPPORTIVE (+1)	STRONGLY SUPPORTIVE (+2)
	✓			✗	



C. Analyse Stakeholders

Stakeholder Analysis



LEVEL OF SUPPORT

Analyse each Stakeholder and mark below:

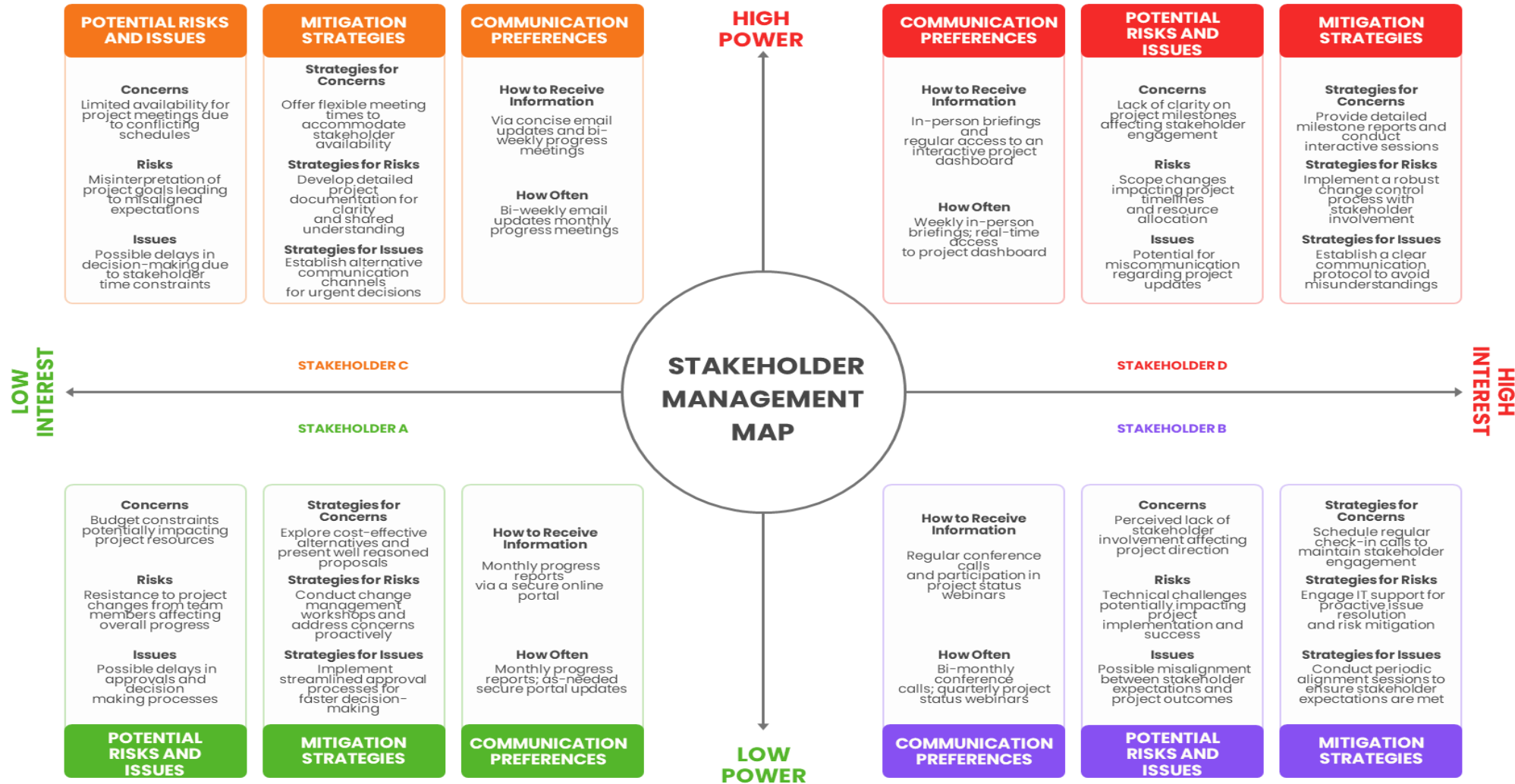
✓ = Where individuals currently are in respect to their support for the procurement project (from 'Identifying Stakeholders').

✗ = Where individuals need to be in respect to their support for the procurement project.

STAKEHOLDER	STRONGLY AGAINST (-2)	MODERATELY AGAINST (-1)	NEUTRAL (0)	MODERATELY SUPPORTIVE (+1)	STRONGLY SUPPORTIVE (+2)
Stakeholder A	✓			✗	
Stakeholder B			✓ ✗		
Stakeholder C			✓		✗
Stakeholder D			✓ ✗		
Stakeholder E	✓		✗		
Stakeholder F				✓ ✗	
Stakeholder G		✓		✗	
Stakeholder H			✓	✗	
Stakeholder I					✓ ✗
Stakeholder J		✓ ✗			

D. Manage Stakeholders

Stakeholder Analysis



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5. Tools to manage the organisational interface

1. Clear Procurement Policies & Procedures

- ✓ Sets expectations and processes to follow
- ✓ Creates consistency across departments and reduces ambiguity

2. Communication Plans

- ✓ Structured approaches to when, how, and what to communicate to different stakeholders

3. Digital Platforms & Procurement Software

- ✓ Procurement intranet site is the single repository for all procurement information
- ✓ Software (e.g. Vendor Panel) streamlines processes

4. Performance Dashboards & KPIs

- ✓ Provide data on spend, supplier performance, and process efficiency
- ✓ Helps stakeholders understand the impact of procurement and builds trust



Tools to manage the organisational interface

5. Regular Engagement (Meetings, Workshops, Surveys)

- ✓ Ongoing dialogue with customers to understand needs and challenges
- ✓ Prevents siloed decision-making and encourages joint ownership of outcomes

6. Feedback Mechanisms

- ✓ Provides a channel for internal stakeholders to give input or raise concerns
- ✓ A review is undertaken after every 'project' (e.g. tender) Procurement performs with/for a customer
- ✓ Customer satisfaction surveys
- ✓ Results from reviews and surveys - used to evaluate procurement strategies and activities and helps procurement continuously improve



Tools to manage the organisational interface

7. Training and Awareness Programs

- ✓ Educate internal teams about procurement's role, benefits, and processes

8. Cross-Functional Teams

- ✓ Involve representatives from different departments (finance, WHS, legal, etc.) in procurement decisions
- ✓ Builds alignment, improves transparency, and strengthens relationships

9. Service Level Agreements (SLAs)

- ✓ Defines expectations - outline what services will be provided, how they'll be measured, and the acceptable performance standards
- ✓ Establish accountability - holds both parties responsible and ensures services delivered support strategic and operational goals
- ✓ Enable performance monitoring



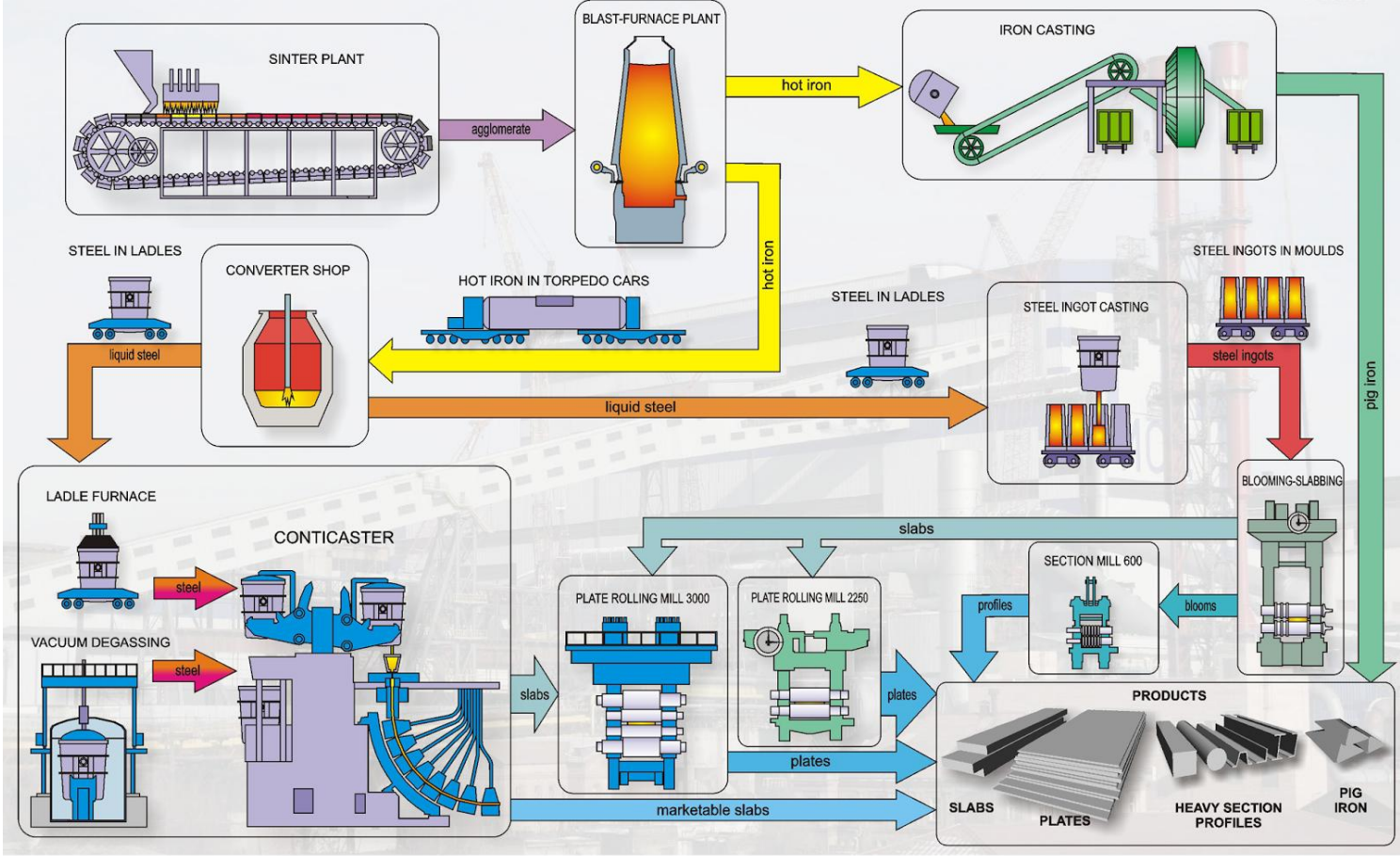
Tools to manage the organisational interface



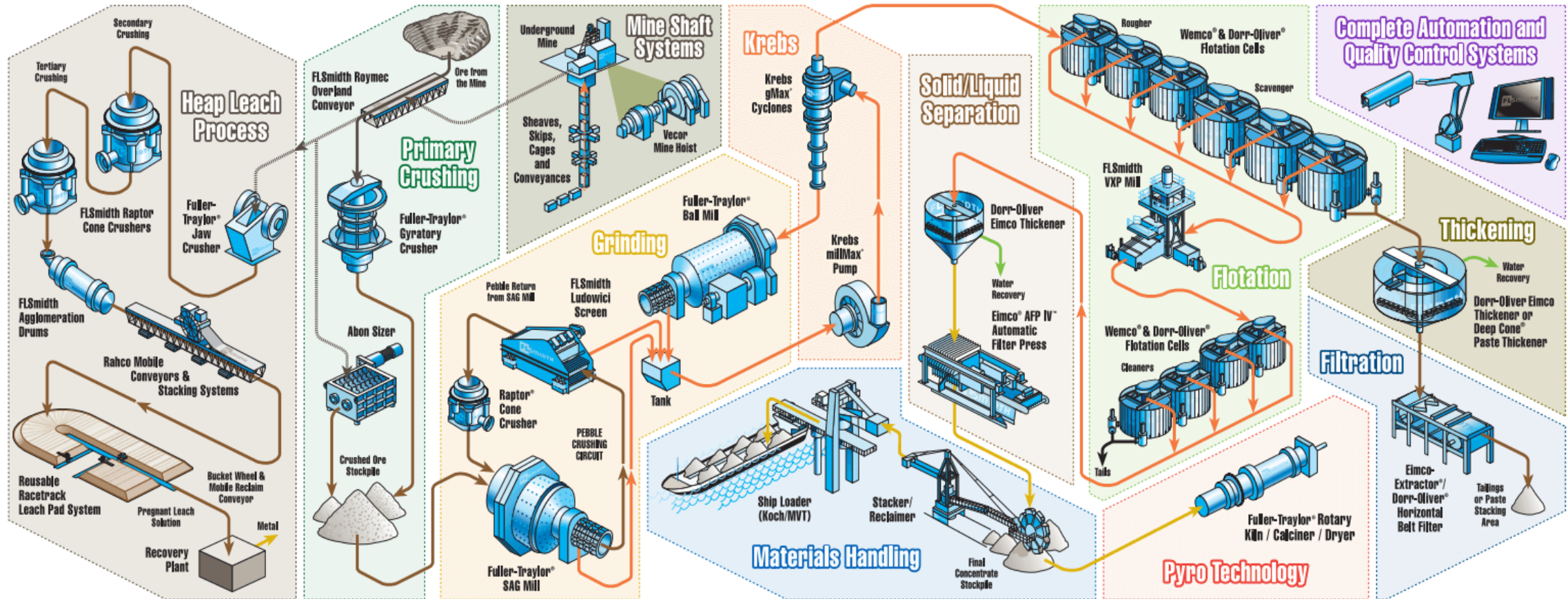
'Sell' better than you Buy



Steel Making

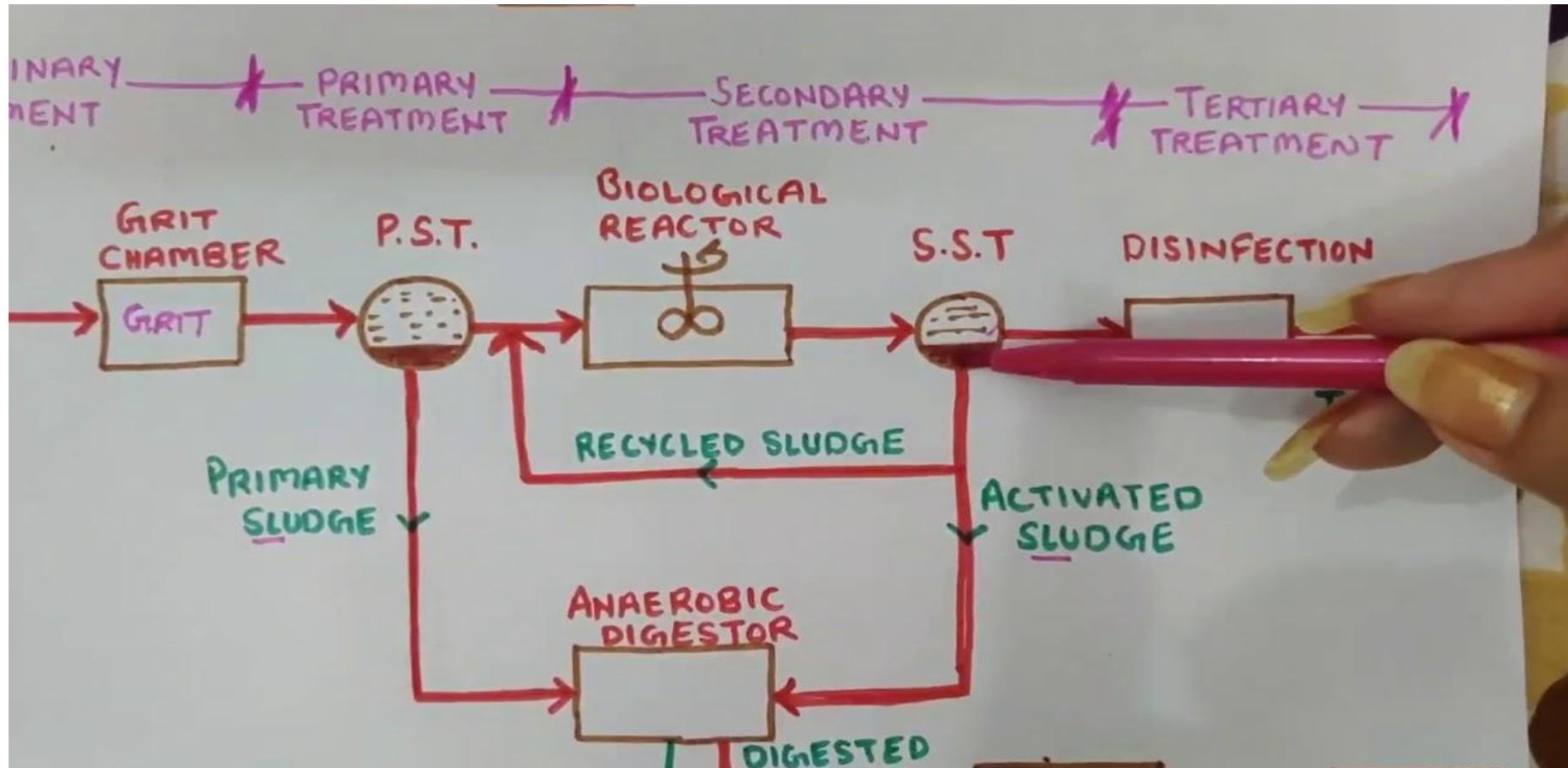


“Know your business” Resources



“Know your business”

Waste Water Treatment



“Know your business”

Typical Council Services

- animal management
- campgrounds
- cemeteries
- cleaning
- graffiti removal
- libraries
- lifeguard services
- parks
- sporting fields
- planning and development
- roads
- swimming pools
- tourist parks
- water
- waste water
- waste management



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Category Management



Quick Poll #4:

Does your council/agency/organisation use *category management* for its procurement?

Yes

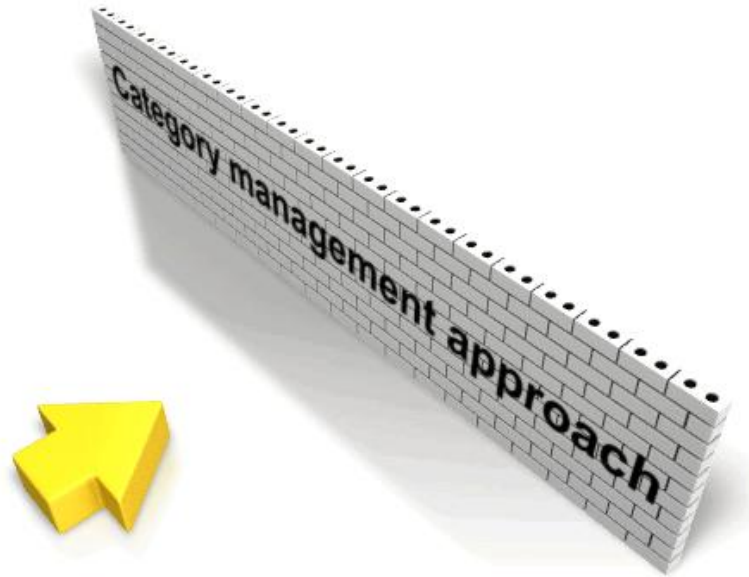
No

Unsure



What is *Category Management*?

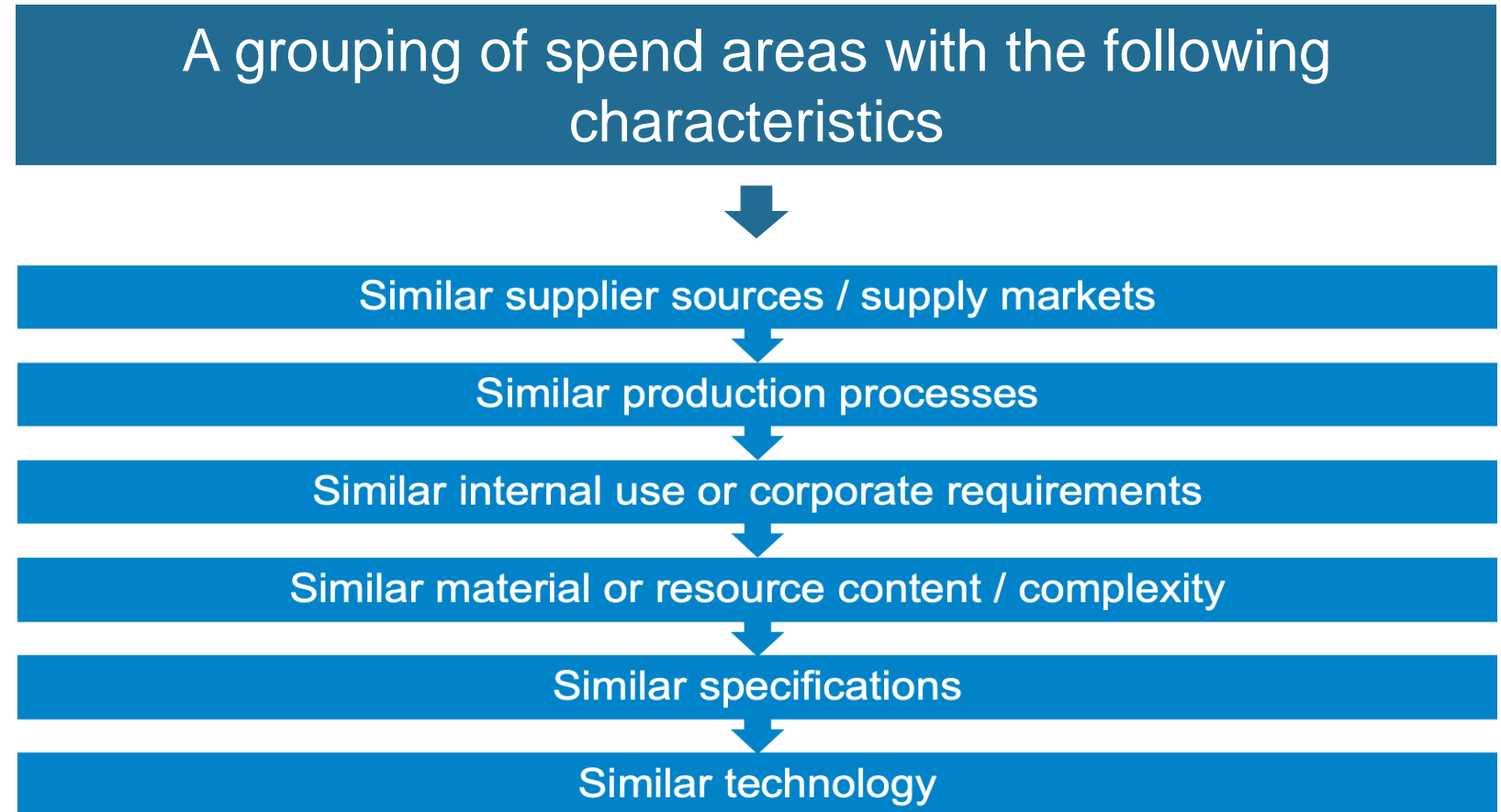
A lifecycle approach to managing spend that groups categories together and aligns the approach to the characteristics of the category



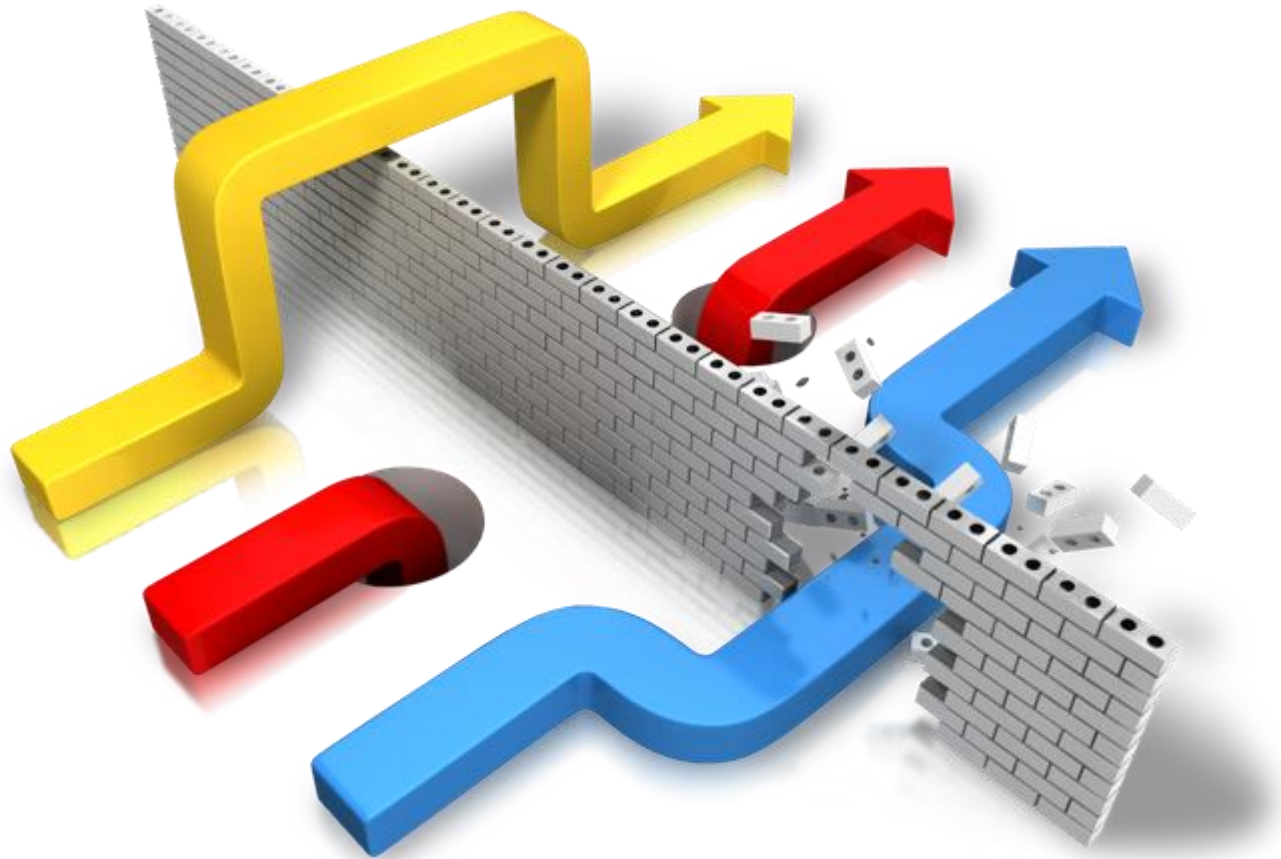
Category Management takes a holistic approach (cross-organisation view) of major spend areas

What is a *Procurement Category*?

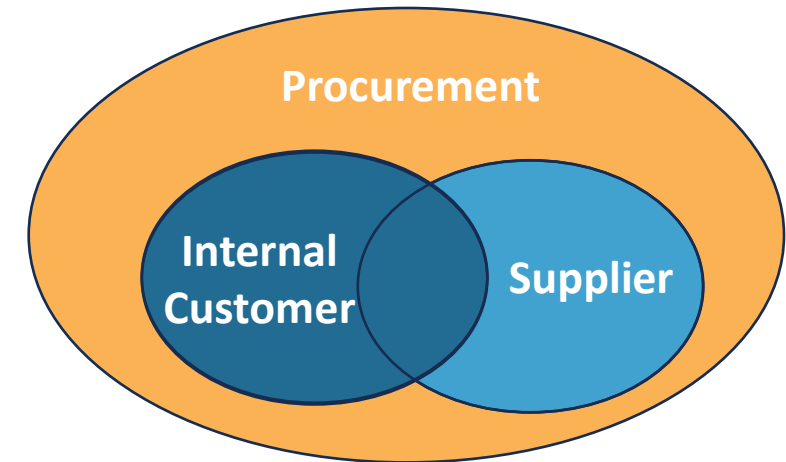
Procurement Category is a grouping of similar goods or services with common supply and demand drivers and suppliers



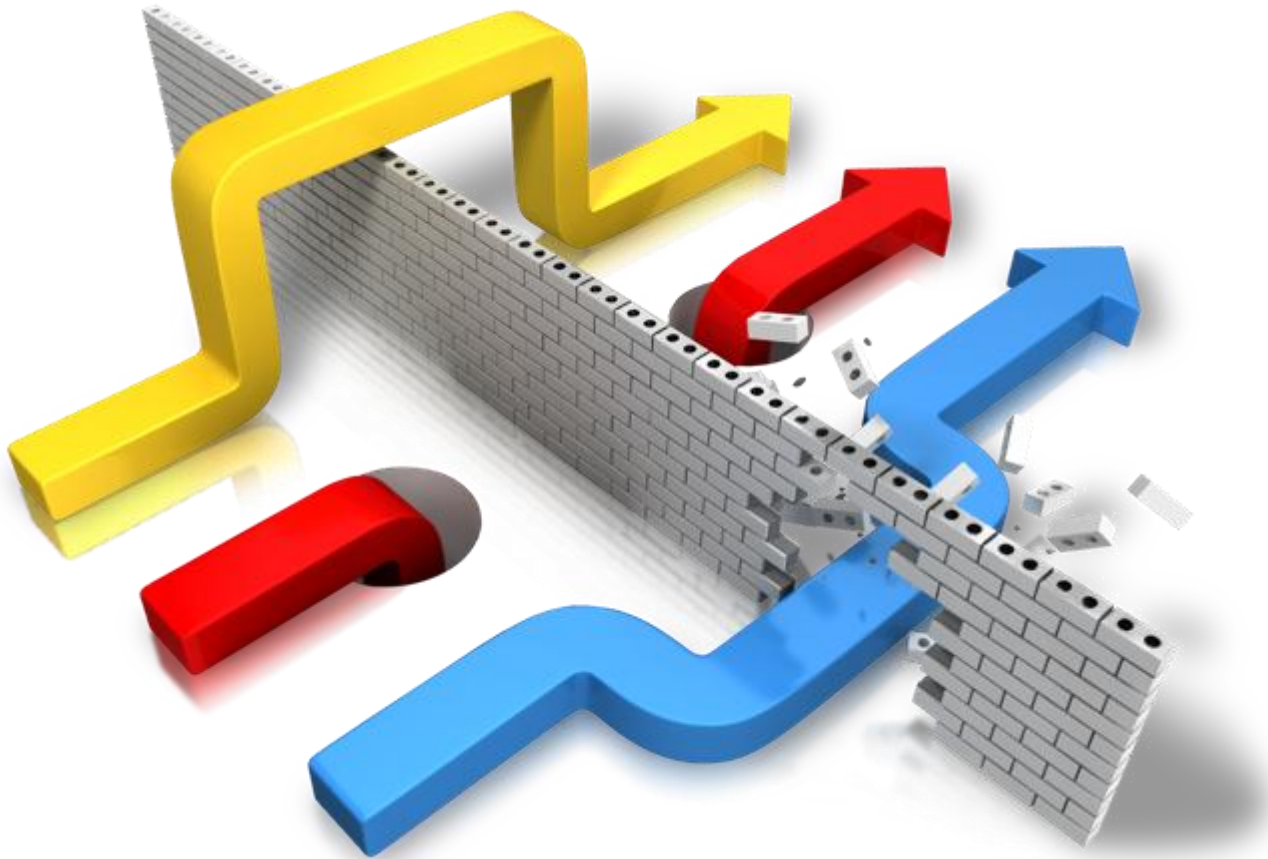
Benefits of Category Management



Procurement: *the Facilitator*



Benefits of Category Management



- ✓ Defined category sourcing strategies
- ✓ Improved value for money
- ✓ Improved service quality for users
- ✓ Cost reduction opportunities
- ✓ Becoming a customer of choice by suppliers
- ✓ Better overall management of council/agency spend
- ✓ professional procurement expertise can be utilised

Examples of Category Management

Category groups

1. Capital Works -
Construction

2. Operational
Works

3. Operational
Services

4. Professional
Services

5. ICT

6. Materials

Examples of Category Management

Category groups

1. Construction

2. Operational
Works

3. Operational
Services

3. Professional
Services

Examples of Category Management

Categories

Construction

- Buildings Construction
- Venue Construction
- Bridges Construction
- Road/Transport Asset Construction
- Beaches & Waterway Asset Construction
- Parks & Recreation Assets Construction
- Water, Sewerage & Waste Assets Construction
- Stormwater Assets Construction

Operational works

- Pavement Services
- Traffic Services
- Beaches & Waterway Services & Maintenance
- City Services
- Domestic Waste Services
- Waste Management Services
- Recycling Services
- Water, Sewerage & Waste System/Network Maintenance
- Stormwater System Maintenance

Operational services

- Parks & Landscape Products
- Park & Open Spaces Services
- Park & Recreation Assets
- Building Services & Maintenance
- Fleet and Plant
- Petroleum Products/ Chemicals Supply
- Consumables Supply

Professional services

- ICT
- Digital
- Facilities Management
- Electricity
- Office Services
- Professional Services/Consultancies
- Contingent Labour
- Communications & Marketing Services
- Community Venues Management
- Library Products
- Animal Management

Examples of Category Management

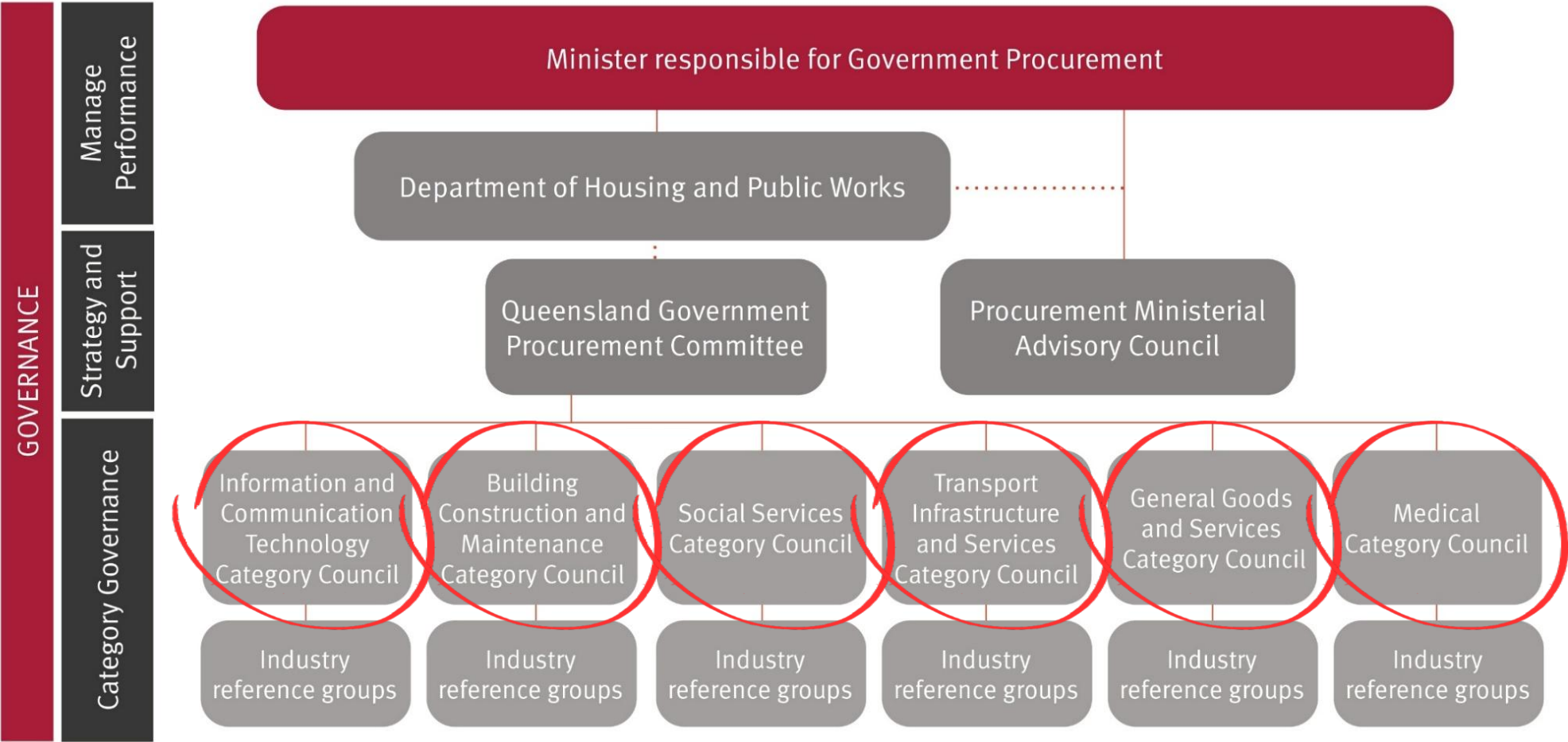
Aligns with Council services

- animal management
- campgrounds
- cemeteries
- cleaning
- graffiti removal
- libraries
- lifeguard services
- parks
- sporting fields
- planning and development
- roads
- swimming pools
- tourist parks
- water
- waste water
- waste management

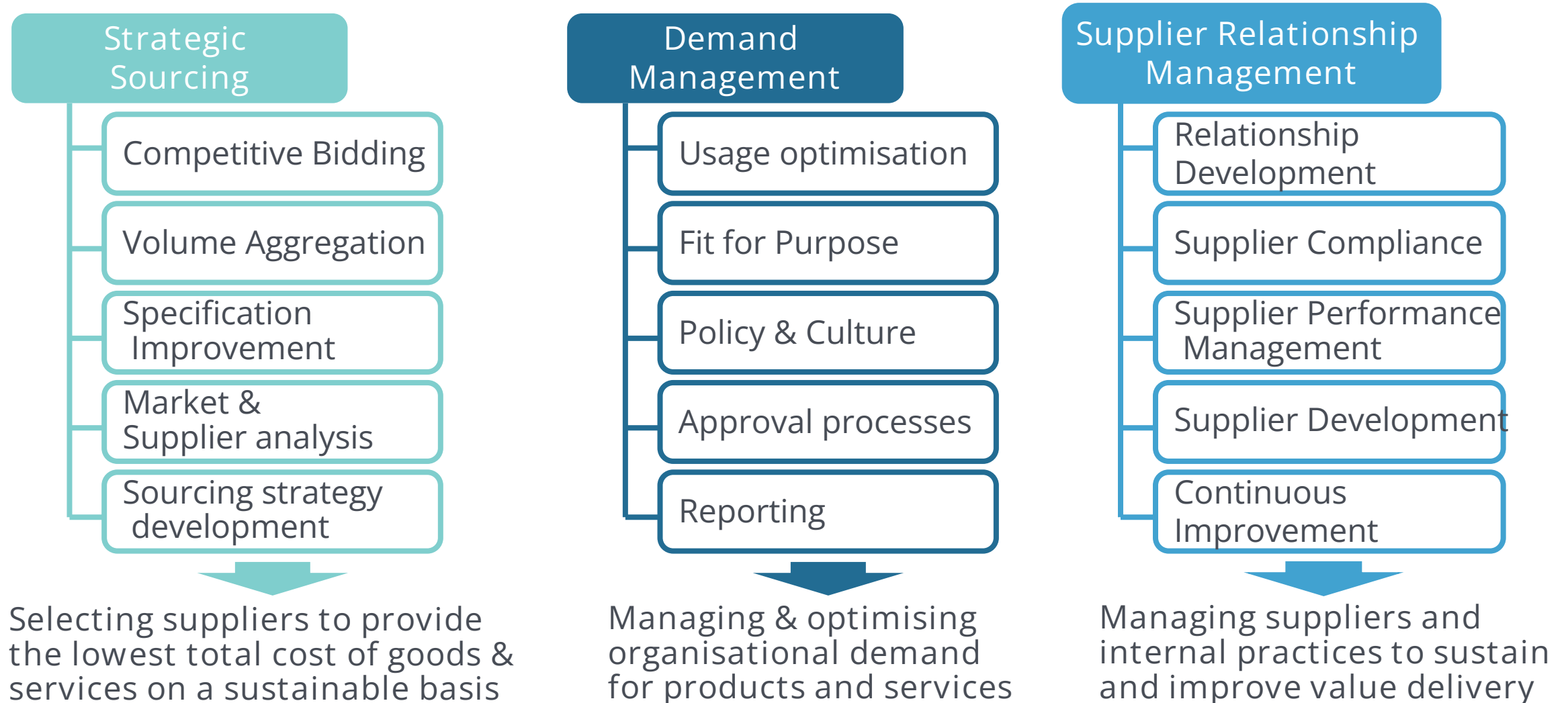


Queensland Government Categories

Queensland Government Procurement governance structure



Advanced Category Techniques



Topics for Masterclass #4

1. What is managing the organisational interface?
2. What are the benefits of managing the organisational interface?
3. Does procurement structure matter?
4. Managing stakeholders
5. Tools to manage the organisational interface
6. Category Management
7. What does success look like?



What does *successfully Mastering the Organisational Interface* look like?

organisation-wide



- ✓ Procurement has a seat at the table at the highest levels in the organisation
- ✓ Procurement expertise is across all addressable external spend
- ✓ Procurement has a strategic influence on the conduct of the overall organisation
- ✓ Procurement strategy is an integral component of the overall corporate strategy
- ✓ The organisation's culture complies with procurement policies and procedures
- ✓ Procurement articulates a credible business case for increased involvement and collaboration in internal customer areas
- ✓ Procurement is a driver in integrating and developing key relationships between internal customers and suppliers (Procurement: *the Facilitator*)
- ✓ Procurement is an attractive career within the organisation and there is a clear career path within, and beyond, the function
- ✓ Procurement provides a clearly defined professional track for resources striving for executive level positions

What does *successfully Mastering the Organisational Interface* look like?

with *internal stakeholders*



- ✓ A procurement communication plan is operative and communicates procurement strategies, plans, activities, measures and results
- ✓ SLAs are in place with customers. The SLAs contain joint strategies, activities, actions, and goals that measure the performance of the collaborative relationship
- ✓ A procurement intranet site and technology, consistent with the corporate standards, is in place to actively communicate and report procurement information and facilitate transactions
- ✓ Dashboards & KPIs provide data on spend, supplier performance, and process efficiency
- ✓ A review is undertaken after every 'project' procurement performs with/for a customer
- ✓ A customer satisfaction survey is issued to customer groups annually
- ✓ Results from reviews and surveys are analysed, actioned, marketed to stakeholder groups, and used as a driver for the evaluation of procurement strategies and activities
- ✓ Procurement integrates and develops key relationships with internal customers
- ✓ Procurement accurately understands and supports customer challenges and priorities
- ✓ Procurement proactively identifies improvement opportunities in customer areas

What does *successfully Mastering the Organisational Interface* look like?

with *suppliers*



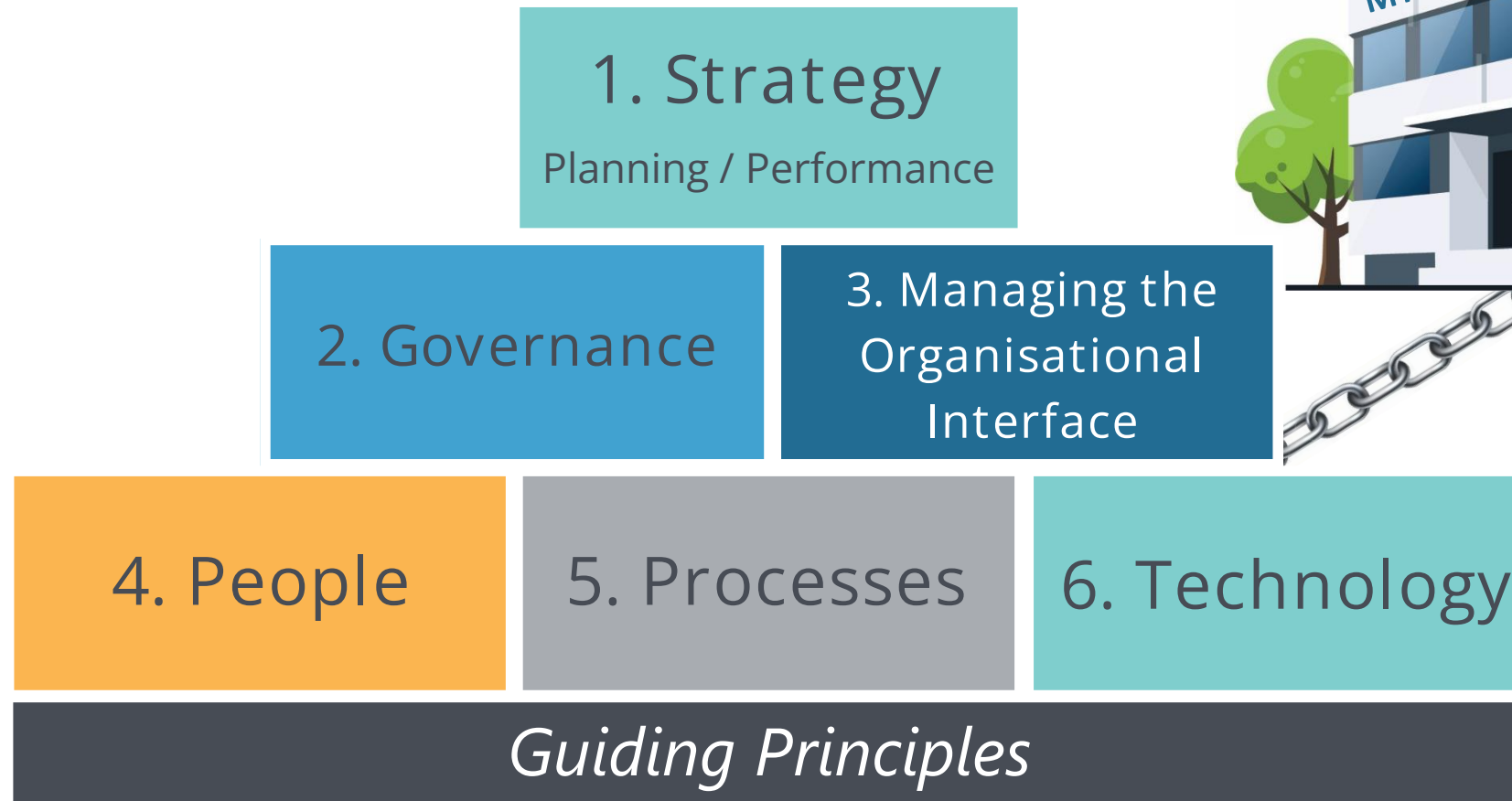
- ✓ Suppliers' share procurement's values, particularly around ethics, safety, environment, community and sustainability
- ✓ Procurement owns and facilitates relationship development programs with key suppliers
- ✓ Techniques are operative to integrate suppliers into the business improvement process
- ✓ Projects are in place with suppliers focused on extracting additional value from the collaborative relationship
- ✓ Opportunities and risks are shared with suppliers to optimise procurement results
- ✓ Supplier initiated savings are operative, recognised and rewarded
- ✓ Two-way business information updates are regularly held with suppliers (e.g. quarterly briefings, monthly meetings, supplier councils, newsletters, etc)
- ✓ A supplier recognition and awards program is in place that formally recognises and rewards supplier contributions



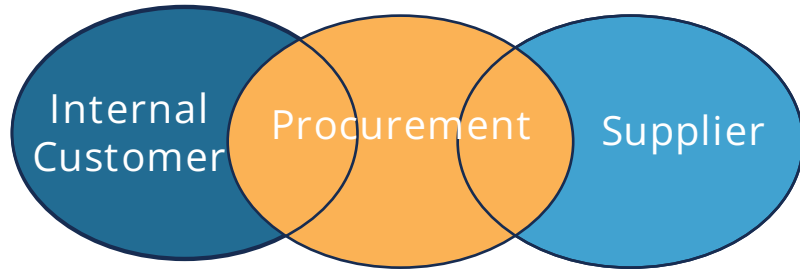
Take aways



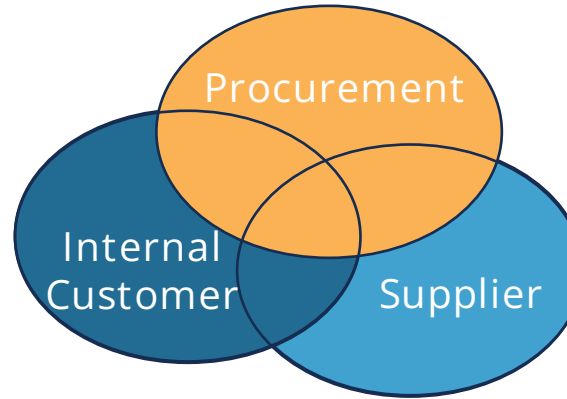
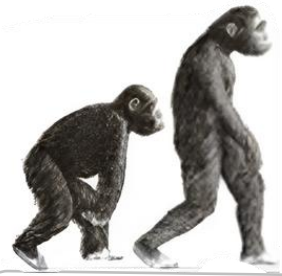
The link to the wider organisation...



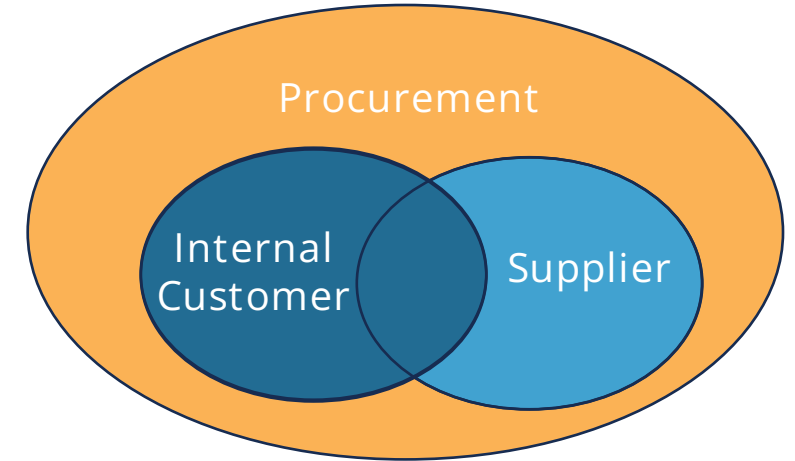
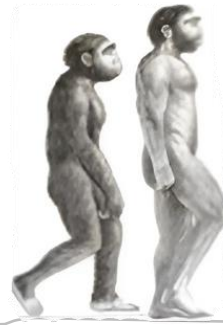
Mastering the organisational interface



Gatekeeper



Partner or Policeman



Facilitator



Benefits of *managing the organisational interface*



1. Gain a detailed understanding of all stakeholders
2. Optimise customer/end-user satisfaction
3. Enhance strategic alignment
4. Risk mitigation and compliance assurance
5. Cost savings and process improvement



Tools to manage the organisational interface



- * Stakeholder Analysis
- 1. Clear Procurement Policies & Procedures
- 2. Communication Plans
- 3. Digital Platforms & Procurement Software
- 4. Performance Dashboards & KPIs
- 5. Regular Engagement (Meetings, Workshops, Surveys)
- 6. Feedback Mechanisms
- 7. Training and Awareness Programs
- 8. Cross-Functional Teams
- 9. Service Level Agreements (SLAs)



Tools to manage the organisational interface



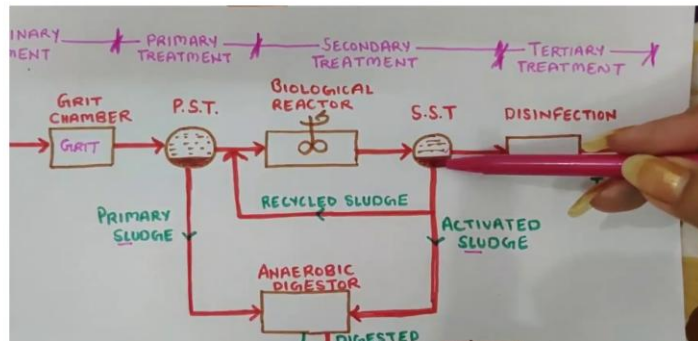
10. 'Sell' better than you Buy

11. Know your business

12. Master Category Management



"Know your business"
Waste Water Treatment



Q&A + FEEDBACK

We'd love to know what you think!





Masterclass Webinar Series

2024



Thursday
November 28

1. Mastering Procurement Strategy,
Planning and Performance



5. Mastering Sourcing

2025



Thursday
February 13

2. Mastering Procurement
Governance

Thursday
September 18

6. Mastering Contract and
Supplier Relationship
Management



Thursday
March 27

3. Mastering Probity

Thursday
August 14

7. Mastering Procure-to-
Pay



Thursday
May 8

4. Mastering the
Organisational Interface

Thursday
November 27

8. Mastering Procurement
Technology

THANK YOU

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