

Article. (See terminology explanations on last page.)

Two common Procurement interview questions: How to respond.

Of the questions Interviewers are most likely to ask you in a one-hour interview, the first two questions are often the questions discussed in this article!

Question #1

The first question is likely to be "Tell us a bit about you."

How much time to allocate to this question?

No more than five minutes.

Analyse the question.

Despite having barely an hour to assess your capabilities, Interviewers are asking you to repeat information they have in your resume! This suggests there is <u>more</u> to this question.



What they are probably asking.

The Interviewers are really asking: "Tell us a bit about your <u>capabilities</u> as a Procurement person." They are not looking for a rehash of your extended work history. Neither are they interested in your activities outside of work.

Think about it: You are being assessed on perceived skills to perform specific responsibilities. This does not require knowledge about previous years when you were less experienced. Nothing you say should be outside the subject of Procurement. Focus only on Procurement.

A suggested approach to answer this question.

You must have a genuine answer rehearsed for this question, because it is likely to be asked.

□ First, give the Interviewers a brief **elevator pitch** of who you are <u>now</u>, and ensure you clarify in which category you work. For example: "I am a Procurement Officer with two years' experience working in private enterprise in the professional services category." You want to establish your job title, how long you have been working in this field, your industry sector, and category. By mentioning this information, you are giving the Interviewers a measure of who you are - now.

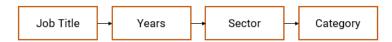


Image: Your elevator pitch.

□ Second, explain **why you applied** for the job. The answer is because you can perform the job responsibilities. With fierce competition surrounding Procurement jobs, you might consider applying only for opportunities with responsibilities like your outgoing work. It is unwise to apply for jobs at a higher level of capability that you *think* you can grow into with energy and passion. This Interview is to find the most meritorious candidate, not the candidate with most enthusiasm!

You might identify several responsibilities from the job description and explain that these are almost identical to your responsibilities at your current or outgoing job.



□ Third, you might want to give the Interviewers a peek into your **future**. You are asking them to make an ongoing investment in you. No one expects you to remain in a job for more than three years, but they certainly would like to hear that you will remain in the organisation. If you can confirm that you are committed to a pathway through your current category, for example, professional services, it may allay fears that you will move on when a better job comes your way.

Question #2

The second question is likely to be "Walk us through a tender process to engage professional services to write an environmental report."

How much time to allocate to this question?

No more than ten minutes.

Analyse the question.

Before the Interviewers proceed to interpersonal questions, they often first ask a <u>technical</u> question about Procurement process. If you are unable to respond effectively to how the basic process works, then more nuanced questions about your soft skills are probably no longer relevant, right?

What they are probably asking.

The Interviewers are asking you, at a high level, to explain how an Invitation to Offer (ITO) tender works. An ITO is a tender with evaluation criteria, where a contract is awarded based on capability (experience) and not simply on cheapest price. In their example, the Interviewers have chosen a complex professional service, involving consultants with specialised knowledge. You are not sourcing something simple like laptop computers! As you only have about ten minutes to respond, you should not get bogged down in granular detail about which tender documents are used, and what evaluation criteria you might ask suppliers.



A suggested approach to answer this question.

Again, consider that you only have about ten minutes.

- ☐ First, briefly explain the **purpose** of an ITO tender. That it is an approach to market to find a supplier with capability and a competitive price.
- ☐ Second, explain the tender **structure**. An ITO tender, like all tenders, could arguably be divided into four phases, as in the diagram below. As you explain each stage, you will need to weave in the professional services example.



Image: Nolan's Four Phases of a Tender Framework, taught in our Advanced Program.

- During the Engage phase, an internal client approaches Procurement for assistance with a tender. Procurement identifies an optimal Procurement strategy (e.g., ITO tender). During this phase, professional services requirements are finalised by the client. Procurement is not a subject matter expert in the tender's requirements and does not write them. Procurement collaborates with the client to design wording for the scored evaluation criteria.
- In the Market phase, Procurement releases the tender to the supplier market. As you are asking for professional services, you are less likely to approach the open market and instead invite a limited number of suppliers. If you go open, you risk being swamped with responses from non-capable suppliers.
- During the Evaluate phase, the evaluators identify a preferred supplier based on the <u>highest capability score</u>, and strictly against the criteria. The supplier's price is then assessed for competitiveness. Price is not scored. Professional services suppliers provide a rate card, such as the one on the next page.



Professional services rate card

Resource	USD per hour	No. hours	Total
Partner	190	8	1,520
Director	140	15	2,100
Consultant	130	60	7,800
Analyst	90	30	2,700
		Total excl. GST	14,120

Image: A professional service rate card, with an indicative (estimate) total price. The proportional distribution of hours by level of resource is typical of a professional services supplier.

- In the Contract phase, negotiation is followed by a contract, which is counterexecuted, first by supplier, then by customer. A purchase order is released by the Finance team to the supplier, and work may begin.
- ☐ Finally, you should spend the remaining minutes discussing **probity**. Probity means transparency and fairness towards suppliers in the tender process. Just as candidates should be given an equal opportunity in a job interview process, so suppliers should be given an equal opportunity to respond to a tender: Suppliers are given reasonable time to prepare a response. All suppliers are given an equal amount of time to respond. Suppliers are allowed to ask clarification questions (which are de-badged and shared with all responding suppliers). No supplier should be provided exclusively with additional information.

You may also gently suggest that both internal staff involved in the tender as well as suppliers should make a <u>conflict-of-interest</u> declaration. By speaking to probity, you are demonstrating to the Interviewers that you understand Procurement is not simply a compliance process, but a nuanced function involving strategy and ethics.

DID YOUR KNOWLEDGE ABOUT PROCUREMENT INTERVIEWS JUST IMPROVE?

NOLAN GIVES YOU SKILLS TO NAVIGATE A PROCUREMENT INTERVIEW.

GET A MUCH BETTER JOB. FIND OUT ABOUT OUR ADVANCED PROGRAM!



Terminology used in this article.

capability	Experience. Also, an appropriate solution.	
category	A group with the Procurement team that specialises in sourcing a particular good or service.	
conflict-of-interest declaration	A statement by a person that their personal interests do not compromise their job. This includes their participation in a tender.	
elevator pitch	A quick introduction to what you do work-wise, in no more time than it would take you to use an elevator, which is to say, a few seconds.	
indicative	Estimate.	
Invitation to Offer (ITO)	A tender with evaluation criteria, where a contract is awarded based on <u>capability</u> and not simply on cheapest price.	
market	All suppliers within a chosen region capable of delivering specific requirements.	
meritorious	Relating to the supplier most capable of performing the required responsibilities.	
probity	Transparency and fairness towards suppliers in the tender process.	
Procurement	The team responsible for sourcing higher value, higher risk goods and services.	
professional services	A Procurement category in which suppliers provide advice and reports, rather than goods or other types of services, such as technical services.	
purchase order	A customer document instructing the supplier to deliver goods and services, with agreed pricing.	
sourcing	Finding capable suppliers with competitive pricing.	
tender	A structured approach to the supplier market to attain goods and services.	