

Closing Process Group Artifacts

12.4 Close Procurement

12.4.3 Procurement Negotiations (Tools and Techniques)

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12.4.3 Procurement Negotiations (Tools and Techniques): procurement negotiations are the final equitable settlement of all outstanding issues, claims and disputes by negotiations. If contracts cannot be settled through negotiations then a mediator or arbitrator may be explored (PMI, 2013).

Negotiations go along with procurement documentations. They explain how the contracts will be settled upon completion. There should not be any disputes considering that all key personnel involved sign acceptance contracts in the initiation phase. However, project can change throughout the life cycle of the project. If change requests affected the procurements, these negotiations need to help explain what took place, why it took longer, or if the contractors will be getting paid more or less. If a consensus cannot be made, a mediator can be hired. If either party is negligent in holding up their end of the contract, then legal action can be pursued.

In my work organization, I had the opportunity to witness procurement negotiations with outside vendors relating to our annual air show. Procurement closeout, there was very little actual negotiations. The vendors were checking off checklists along with the project manager to make sure they complied with all standards and regulations. The contracts were set up that they were to be paid in full upon close out which was set up through direct deposit. Also, these vendors wanted the business so they were following up with USAF public affairs for future base functions.

Reference List

Project Management Institute. (2013). A guide to the project management body of knowledge (PMBOK Guide). Project Management Institute

