# **Initial complexity assessment tool**

The initial complexity assessment determines whether a procurement category is transactional in nature. Where a procurement category is deemed transactional, a detailed complexity assessment is **NOT** required.

## Complexity assessment process

The initial complexity assessment tool is used in Step 4: Perform initial complexity assessment as shown in the following figure. The key steps for Step 4 are outlined below.

Figure The complexity assessment process



The figure is a flow chart. The flow chart has 8 steps, as follows:

|  |  |
| --- | --- |
| **Step** | **Action** |
| 1 | Select the category for assessment. |
| 2 | Is complexity assessment required?  If yes, go to step 3.  If no, complexity assessment not required (documentation of reason(s) required). |
| 3 | Review categories to I.D. likely transactional categories.  If transactional, go to step 6.  If non transactional, go to step 6. |
| 4 | Perform initial complexity assessment. |
| 5 | Is the procurement category assessed as transactional?  If yes, go to step 7.  If no, go to step 6. |
| 6 | Perform detailed complexity assessment. |
| 7 | Identify appropriate sourcing strategies. |
| 8 | Procurement process continues. |

## Key steps in performing an initial complexity assessment

Key steps in performing an initial complexity assessment (step 4 of the complexity assessment process):

(a) Obtain a list of procurement categories likely to be transactional.

(b) In the initial complexity assessment template below, insert procurement categories under consideration into a separate row in the procurement category column.

(c) Assess each procurement category against the initial complexity assessment template questions. Questions B, D, E, F and G require a mandatory ‘yes’ response for a procurement category to be assessed as transactional.

(d) Record the appropriate response (‘yes’ or ‘no’) to each question in the tool. Where relevant, record an explanation to justify the selection of your response in the Comments column.

(e) Review the responses to determine whether you have responded ‘yes’ to the relevant questions (B, D, E, F and G).

(f) Where all mandatory ‘yes’ responses have been attained, complete the column Is the procurement category transactional? by answering ‘yes’, otherwise respond ‘no’.

(g) Once complete, the assessor signs and dates the template.

(h) Forward the template to an approver for endorsement.

Proceed to Step 5: Is the item assessed as transactional? in the complexity assessment process.

## Initial complexity assessment template

**Note**: Mandatory response of ‘yes’ required for questions B, D, E, F and G for a procurement category to be assessed as transactional.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Question A** | **Question B:** | **Question C** | **Question D:** | **Question E** | **Question F** | **Question G:** |  |  |
| Procurement category | Does the procurement category require a low level of customisation? | Does the procurement category have a low impact on the organisation’s core operations? | Are there many substitute products (>3) or suppliers (>3) able to deliver the procurement category? | Would there be a limited impact on the supplier market by purchasing the procurement category? | Is the procurement category’s total cost of ownership low (relative to total organisation expenditure)? | Is the benefit of demand aggregation low? | Does the procurement category purchase result in no or a limited impact on the organisation’s ability to meet their social, economic and environmental policy objectives? | Is the procurement category transactional? | Comments |
| <Insert procurement category> | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No |  |  |
| <Insert procurement category> | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No |  |  |
| <Insert procurement category> | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No |  |  |
| <Insert procurement category> | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No |  |  |
| <Insert procurement category> | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No |  |  |
| <Insert procurement category> | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No |  |  |
| <Insert procurement category> | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No |  |  |
| <Insert procurement category> | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No |  |  |
| <Insert procurement category> | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No |  |  |

### Signatures:

Signed by assessor ..................................................... Date........................

Signed by approver ..................................................... Date........................

## Using this tool

This tool accompanies the [Complexity - Goods and services procurement guide.](https://buyingfor.vic.gov.au/complexity-goods-and-services-procurement-guide)

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