



Launching a professionalisation strategy for procurement at PEMEX



Public Procurement Principle: **Capacity**



Procurement Stage: **All stages**



Audience: **Policy makers, Procuring entity**

Description

In reviewing public procurement practices at PEMEX, the OECD identified that in a challenging economic environment, the positioning of the procurement function in the organisation could create synergies with the business's strategic objectives. The decision taken by the PEMEX Board of Directors to conduct a review of the procurement function was made following an analysis of existing practices in 14 different oil companies worldwide. They took the view that by creating value, the procurement team at PEMEX could generate savings, quality and opportunity in goods, services and works acquired by PEMEX. PEMEX is one of the main sources of business for the private sector in Mexico; it is thus critical that the company is endowed with the right number of procurement officials with a fit-for-purpose set of competencies and skills to fulfil the company's objectives. PEMEX recognises that the development of the strategic role of the procurement function will be a gradual process. In particular, PEMEX has identified three main challenges:

- completing the setup of the organisational structure and encouraging its efficient and transparent operation, with incremental added value
- developing the required competencies to adopt best practices in a timely and effective manner
- developing the personnel to facilitate the continuity of operations in key posts

The strategy "Professionalising to Transform" (Profesionalizar para Transformar) is the first intensive effort by the Corporate Directorate for Procurement and Supply to establish a basic platform of standardised knowledge relative to the business practices that will advance the feasibility of the procurement business model, where the guiding criterion is value creation. As part of Professionalising to Transform, seven e-learning courses have



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been delivered to procurement staff that concentrated on the basic procurement concepts, methodologies, and strategies. These courses provide harmonised knowledge to incorporate good practices and standardise the procurement function.

Source: OECD (2018), *Second Public Procurement Review of the Mexican Institute of Social Security (IMSS): Reshaping Strategies for Better Healthcare*, OECD Public Governance Reviews, OECD Publishing, Paris. <https://doi.org/10.1787/9789264190191-en>

