

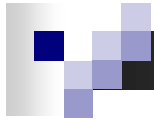
eG4M



E-procurement overview

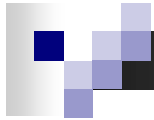
Prof. Marcella Corsi
Università "La Sapienza" di Roma

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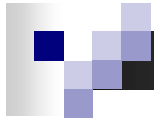
Why we focus on e-procurement

The basic tenet of our exercise is that e-government and, in particular, e-procurement programs result into an improvement of the labour productivity of the public sector and, as a consequence, contribute to a number of intermediate outcomes (better services, cost savings, time savings, transparency), to economic rationality (organisational efficiency, simplification) and to GDP growth.



E-procurement definition

- Is the term used to describe the use of electronic methods, typically over the Internet to conduct transactions between awarding authorities and suppliers.
- The process of e-procurement covers every stage of purchasing, from the initial identification of a requirement, through the tendering process, to the payment and potentially the contract management

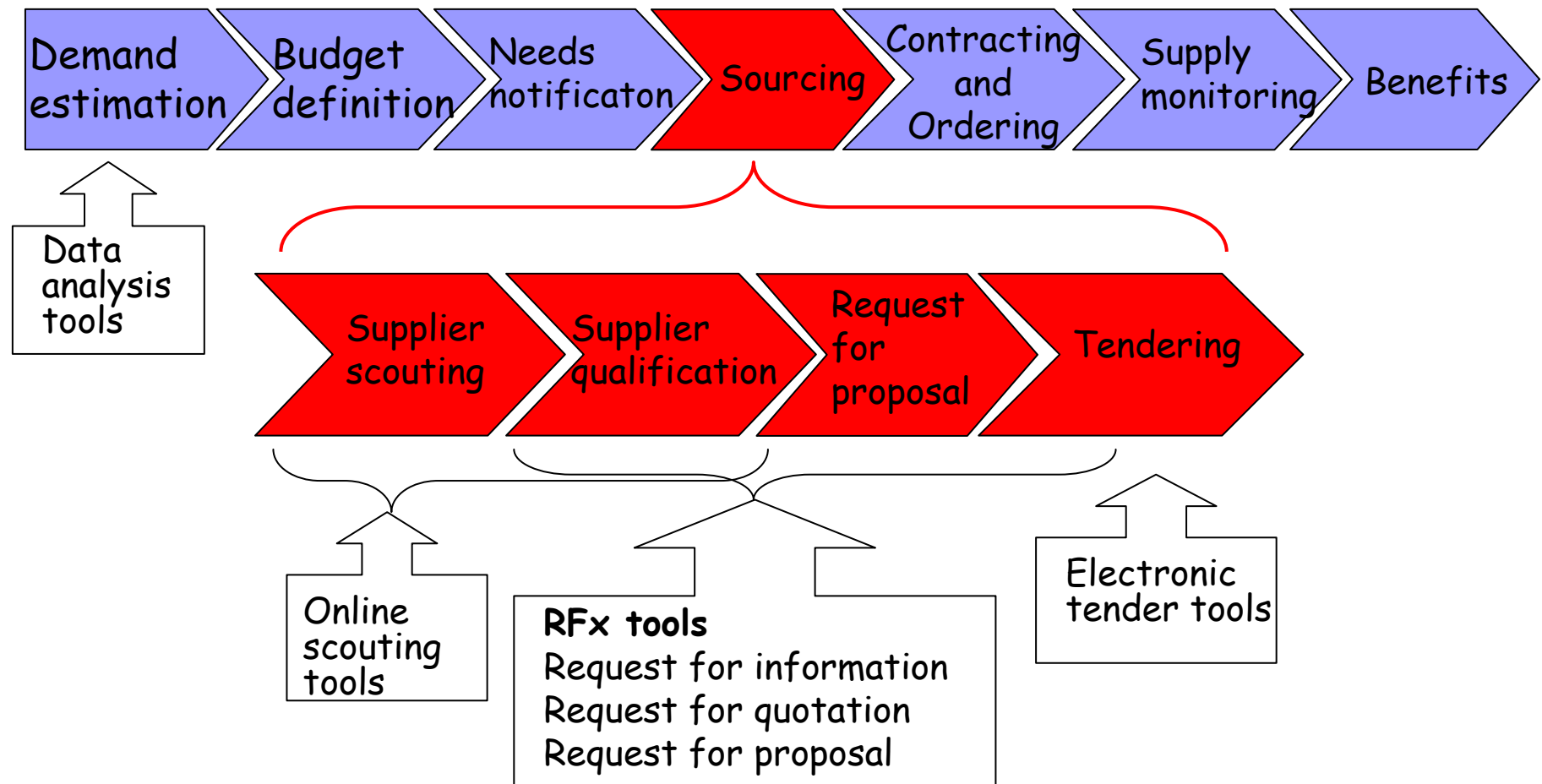


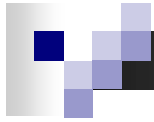
E-procurement challenges

- Organizational
 - ❑ Many users are resistant to change, simply due to human nature and habit
 - ❑ Users may believe that e-procurement will make their job more difficult or cumbersome
 - ❑ Current roles will change due to the impact of e-procurement
- Economic-Legal
 - ❑ Level of economic development
 - ❑ Regulatory framework
 - ❑ Technological scenario
 - ❑ Existence of private competitor services
 - ❑ General Education level



E-procurement process and ICT Supporting Tools





E-procurement models

- activity based model:
 - Indirect Procurement System (IPS)
 - Direct Procurement System (DPS)
- organization based model:
 - Centralized Model
 - Decentralized Model

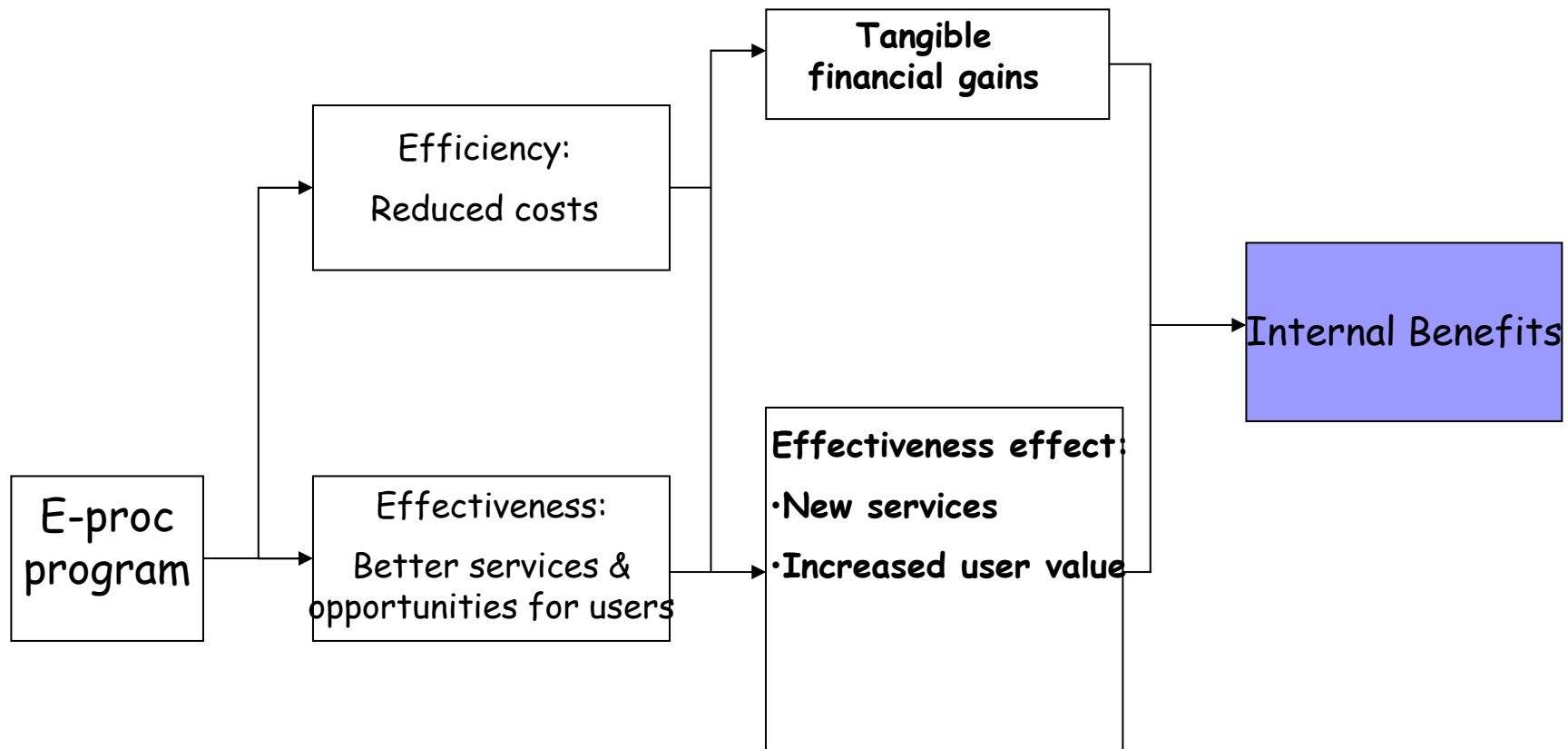


Definitions

- IPS
 - Contracting subject do not coincide with the ordering administration
- DPS
 - Contracting subject coincides with the ordering administration
- Centralized Model
 - Purchasing procedures are centralized
- Decentralized Model
 - purchasing procedures depend on each administration unit

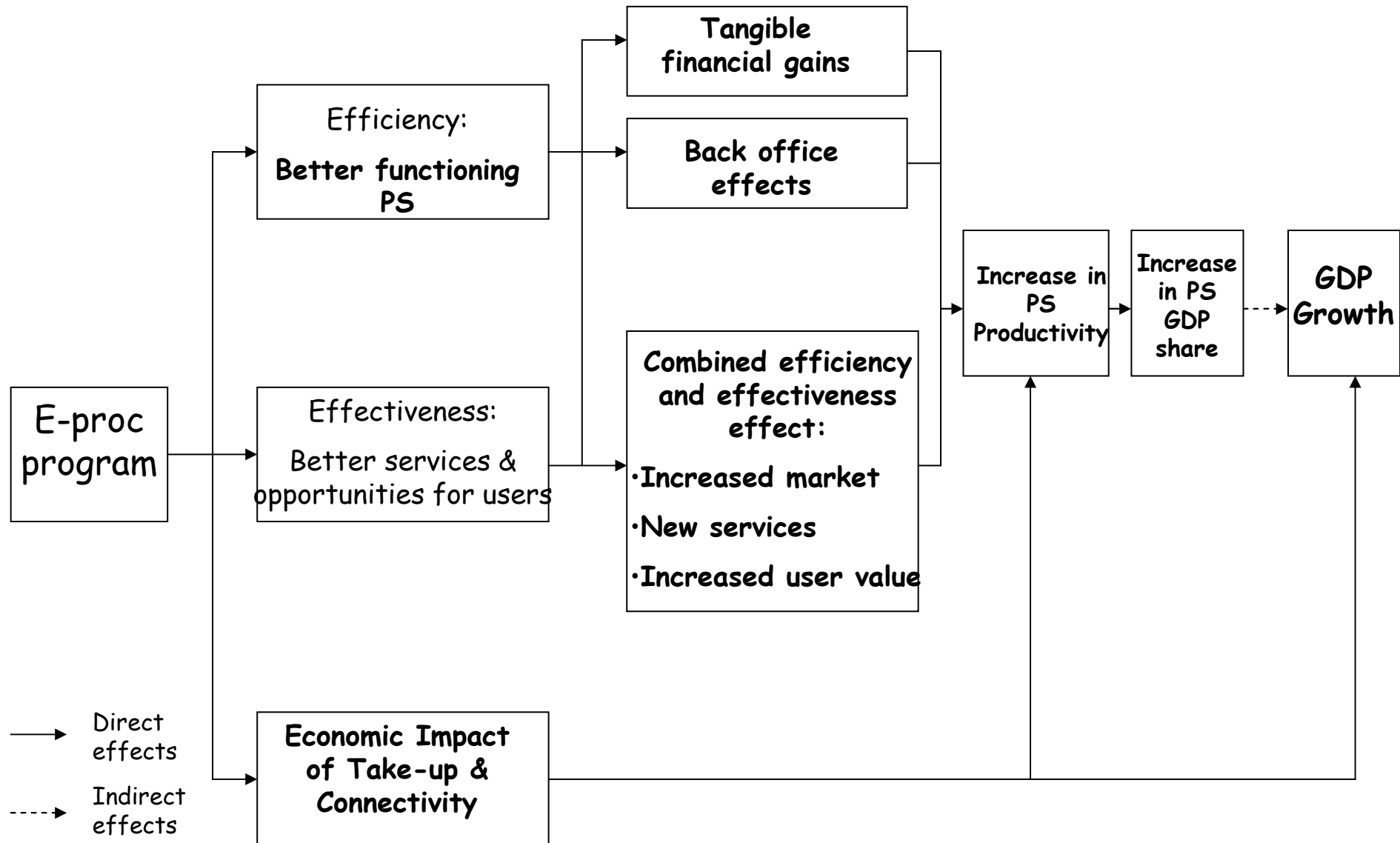


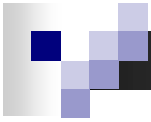
Old Generation E-procurement: Direct Effects





New Generation E-procurement: Direct and Indirect effects





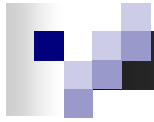
E-procurement outcomes

■ Intermediate outcomes:

- ☐ better services;
- ☐ cost savings;
- ☐ time savings.

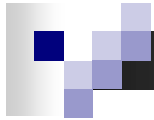
■ Final outcomes:

- ☐ improvement of the labour productivity of the public sector;
- ☐ economic rationality (organizational efficiency), simplification, transparency and accountability;
- ☐ GDP growth.



Further outcomes

- Openness and transparency
- Increased participation in the information society
- Increased democratic participation
- Enhanced policy effectiveness



E-procurement Models & Targets Matrix: Pros and Cons

Targets Models	<i>Economic Rationality</i>	<i>Competition</i>	<i>Simplification</i>	<i>Accountability</i>
IPS	<i>Pros:</i> <ul style="list-style-type: none">■ Inventory coordination■ Cost control <i>Cons:</i> <ul style="list-style-type: none">■ Cost of coordination	<i>Cons:</i> <ul style="list-style-type: none">■ Loss of competition (in case of preselection)	<i>Cons:</i> <ul style="list-style-type: none">■ Lack of flexibility	<i>Pros:</i> <ul style="list-style-type: none">■ Standard decision making process■ More control due to the reduction number of decision maker units
DPS	<i>Pros:</i> <ul style="list-style-type: none">■ High autonomy of single Administrations <i>Cons:</i> <ul style="list-style-type: none">■ No budget and procedures coordination■ No uniform solutions for standard problems	<i>Pros:</i> <ul style="list-style-type: none">■ Access for new suppliers (no pre selection)	<i>Pros:</i> <ul style="list-style-type: none">■ Procedures flexibility	<i>Cons:</i> <ul style="list-style-type: none">■ Loss of control due to the improved number of decision maker units, <i>Pros:</i> <ul style="list-style-type: none">■ Potential higher control over corruption■ More Corporate Social Responsibility

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Thank you for your attention