**procurement Management Plan**

**D7 Auto Service Center Web-App**

**D7 Auto Service Center**

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# **Procurement Management Plan**

# **Introduction**

The purpose of the procurement management plan is to have access to the required tools, skills, and services while within the budgetary constraints for the D7 Auto Service Center Web-App. By outlining the project's objectives, requirements, stakeholders, and scope, this plan establishes the project's overall context.

To ensure the successful implementation of the D7 Auto Service Center Web-App, the system must meet the following requirements:

* Account Management
* Reservation System
* Rating and Review System
* Community Forum
* User-Friendly Interface
* Service Details, Contact Information, and About the Company
* Gallery & 360 Virtual Tour
* Promos Tab, & Supports Tab
* Social Media Links
* Admin Panel

These requirements encompass all the essential features and functionalities that should be part of the D7 Auto Service Center Web-App to ensure a comprehensive and satisfactory user experience. By following this plan, it can effectively manage the procurement process, ensuring access to the required tools, skills, and experience, as well as services within the allocated budget. It emphasizes the importance of maintaining high quality standards throughout the implementation process.

* + 1. **Procurement Risks**

Assessing the risk is an important task in all projects, as it involves the whole project and whether the acquiring of goods, services, and the business model would work in the real-life scenario. These procurement risks are potential issues that can arise during the project's procurement process. Which can negatively impact the said project and potentially the clients and their customer. Hence, it is important to know and plan for the risks as early as possible to minimize if not eliminate the possible impact of them on the project.

1. **Security Risk**: This refers to the potential for unauthorized access to sensitive data, which can compromise the confidentiality and integrity of the information. It is important to implement strict security measures, such as encryption and access controls, to prevent unauthorized access and protect sensitive data.

1. **Technical Risk:** This risk involves challenges related to the technical aspects of the project. It could include issues such as the team's inability to meet project deadlines or inadequate user testing, leading to a buggy application. Mitigation strategies should focus on monitoring project progress, conducting thorough testing, and providing additional resources if needed.

1. **Business Risk:** Business risks are associated with factors that can impact the success of the project from a business perspective. This can include changes in the market that affect the relevance of the product or budget constraints that limit financial resources. It is crucial to conduct market research, adapt the product strategy as needed, and develop a well-defined budget to address these risks effectively.

These are the identified procurement risks that can happen during the implementation of the D7 Auto Service Center Web-App. It is important to conduct a comprehensive risk assessment and develop a plan to address any potential risks before implementation begins.

## Procurement Risk Management

1. **Identification of Procurement Risks**

The identified procurement risks for the D7 Auto Service Center Web-App are the following:

**Technical**

Team unable to meet project deadlines.

Inadequate user testing leads to buggy application.

Third-party software used becomes unavailable.

Miscommunication between team members

**Business**

Key team members are unavailable during a critical phase.

Changes in the market that affect the relevance of the product.

Budget constraints

**Security**

Unauthorized access to sensitive data

1. **Risk Mitigation Strategy**

After that, the risks for the project have been identified during the project. The appropriate risk mitigation and management strategy should follow to minimize the negative impact to the project.

* Regular project progress meetings and resource adjustments
* Cross-training team members and developing contingency plans.
* Implementing comprehensive user testing with QA and development teams
* Implementing strict security measures and regular monitoring
* Identifying alternative options for critical third-party software and maintaining communication with vendors
* Conducting market research and adapting to the new market trends.
* Developing a realistic budget and monitoring expenses
* Promoting effective communication and addressing misunderstandings promptly

1. **Assignment of Responsibilities**

The implementation of the D7 Auto Service Center Web-App requires a clear assignment of responsibilities to ensure the project is delivered on time, within budget, and to the desired quality standards.

The project manager will be responsible for the project, including establishing a management plan, setting project timelines, and ensuring all stakeholders are informed and engaged throughout the project. While the rest of the project team will be responsible for ensuring the system meets the needs of the business and its customers, providing user training and support, and monitoring the system's performance to ensure it is functioning properly.

1. **Communication**

For the successful completion of the project and the risk management of it, proper communication and reporting is needed. As the status updates of the project’s states will provide insight to the whole project team and makes them able to produce risk mitigation and risk management strategies

A communication plan must be developed to ensure that that the parties involved in the project are informed about the project of any development that is happening in the procurement risk management or risk mitigation section of the project.

1. **Continuous Improvement**

The procurement risk management plan emphasizes continuous improvement through regular review and assessment of risk mitigation strategies, learning from past experiences, monitoring the external environment for new risks, and adjusting the procurement management plan accordingly. A proactive risk management culture is cultivated to minimize potential risks and drive ongoing improvement.

The adoption of an Agile Scrum methodology further enhances the procurement risk management process by enabling iterative and flexible development. Through collaborative Scrum meetings, the project team identifies and addresses risks, adjusts priorities, and implements timely mitigation strategies. This iterative approach ensures continuous evaluation and management of risks, enabling effective response to changing circumstances and successful procurement outcomes.

## Cost Determination

Determining the cost of the D7 auto service center booking, and reservation system project necessitates considering several elements that influence the project's scope, complexity, and timing. Project management, development, integration, procurement, training, maintenance and support, contingency, and operating expenditures are some of the cost aspects that must be considered when estimating the entire cost of the project.

Personnel costs, equipment expenditures, and software costs associated with project management are all included. Development expenses include software development, hardware, testing, and quality assurance, whereas integration costs include the cost of integrating the system with existing software or third-party applications. The cost of procuring hardware, software, and services required to design and implement the system is included in the procurement expenses. The cost of teaching personnel to operate the system efficiently is included in the training costs.

The cost of maintaining the system, including software updates, hardware maintenance, and user support, is included in maintenance and support costs. Contingency costs are funds set aside to cover unexpected events such as delays, scope changes, or new requirements. Finally, operating costs include the costs of running the system after it is operational, such as labor costs, licensing fees, and maintenance expenses.

The total cost for the D7 auto service booking, and reservation system project can be established by estimating the cost of each of these cost elements. The total cost establishes a baseline for budgeting, forecasting, and monitoring project spending throughout the project's lifecycle.

## Procurement Constraints

The D7 Auto Service Center Web-App is no exception and demands careful consideration of multiple such constraints. The following are the constraints that must be considered as part of the D7 Auto Service Center Web-App:

* **Security –** The web-app must adhere to strict security measures to safeguard sensitive customer data, prevent unauthorized access, and protect against cyber threats/attacks.
* **Business –** The business objectives of the project must be considered when developing the system. This includes financial restraints, schedule restrictions, and market trends.
* **Technical -** The D7 Auto Service Center Web-App must have the necessary features to allow the customers to book appointments, view available services, and receive confirmation of bookings. It also must have a user-friendly interface that can easily be navigated and must be accessible to customers that have various levels of technical proficiency.

## Contract Approval Process

To ensure that all contracts are approved within the period of their urgency, the contract approval process for the D7 Auto Service Center project will be formal and informed immediately to the project sponsor. The procedure will follow the organization's policies and regulations as follows:

**Contract Planning:** The project team will develop and construct the document that is necessary for the said project.

**Contract Development:** Once approved by the team, the contract thereby proceeds to be delivered to the project sponsor for approval/revisions.

**Contract Approval:** The contract would then be presented for approval to the project sponsor and project manager.

**Contract Management:** Once the contract is signed, the project manager will align the project to the contract's constraints and agreements.

## Decision Criteria

For the D7 Auto Service Center Web-App, the following decision criteria will be used by the contract review board:

* **Business Needs**: The system should be aligned with the organization's business needs, such as improving the customer experience, increasing operational efficiency, or increasing revenue.
* **Pricing**: The cost of the vendor's proposed solution will be considered during the decision-making process. Based on market research and other proposals received, the vendor's pricing should be competitive and reasonable.
* **Schedule**: The vendor must demonstrate their ability to meet the project timeline and deliverables, which include key milestones and completion dates.
* **Risk Management**: The vendor must demonstrate a thorough understanding of potential risks and mitigation strategies. This includes identifying potential procurement and project risks.
* **Compliance**: All legal, regulatory, and contractual requirements, including intellectual property rights, data privacy, and security, must be met by the vendor.
* **Technical Requirements**: The system must meet the organization's technical requirements, such as compatibility with existing systems, security protocols, and compliance with relevant industry standards.
* **Resource Availability**: The project should have the necessary resources, such as staff, budget, or technology, to ensure its success.

## Performance Metrics for Procurement Activities

For the D7 Auto Service Center Web-App, the following performance metrics will be used for procurement activities:

1. **Procurement Life Cycle Period:**

The time it takes to complete the procurement process, beginning with identifying the need and ending with the issuance of a purchase order or contract.

1. **Cost Liquidation:**

This metric will enable the breakdown of costs to see whether the project exceeded its approved budget. The liquidation will help in informing the actual costs over the planned costs.

1. **Customer Satisfaction:**

Customer satisfaction will also be a metric that will be of great reliability to see the project’s efficacy to its intended purpose.