E-PROCURMENT SYSTEM

A
Proposal Document
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Submitted to
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ABSTRACT

Businesses, enterprises and governments institutions do at some point in their running have to outsource certain products or services. This process has over time become a means through which institutions lose money due award to dubious tenders. A way of enhancing this process is the use of technology and the internet to develop an electronic and online system. This project will focus on developing a web-based public procurement system to be used by both government and private institutions.

1 INTRODUCTION

1.1 Introduction

Any system that uses information and communication technologies (ICT) in order to do business can be classified as e-Business system. E-procurement is the purchase of goods and services electronically (internet enabled) required for an organization's operation. This has thus been identified as a priority in the e-Government agenda. E-procurement is set to transform the sector by eliminating the paper based system. An increasing number of government institutions are working on moving to an E-procurement system to reap the benefits that are there, such as: lower administrative running costs, improved inventory management and better communication between vendors and institutions that will in turn provide an increase in profits.

1.2 Problem Statement

Electronic transformation of the procurement process has become crucial in the information age. Procurement covers many aspects of an institution like acquiring goods and services such as buying items, delivery of goods and many more. The crucial aspect come in at the following points: obtaining the goods or services, at the right quality, at the right price and at the right time. All factors considered, institutional and government expenditure in the approach to procurement should adopt a more cautious approach. The approach to an e-Procurement is one of the key activities in e-government transformation.

The main feature supported by the proposed Online Procurement system is tendering. This feature will provide an online tendering environment for governments, private organizations and vendors. There are several IT organizations that offer e-Procurement software solutions (mainly for e-Purchasing and e-Market places) targeting governments. These products are widely accepted and provide cost effective solutions to most of the common problems faced by institutions. On the other hand, solutions for e-Tendering are rarely found in the IT market.

1.3 Justification

Transparency is the major idea behind the e-Procurement system. An understanding of the technology in fostering good governance to avoid incidences where more of the budget is needed to be invested.

1.4 Objectives

As businesses continue to thrive more organizations continue to utilize the use of the internet. If done well organizations can achieve enormous cost benefits and improvements in productivity. The major objectives are:

- Provide cost efficient solutions, increase transparency and accountability.
- Restructure the way organizations deal purchase of goods.
- To find out the challenges that influence the success of an e-Procurement system.

1.5 Methodology

I will discuss the methods I have used to collect information about this proposal.

I relied on observation as the main method for data collection. I got to see first-hand what other e-Procurement systems (i.e. IFMIS) are able to do. I also read up on books that have been written about e-Procurement systems and visited various websites too, still about the e-Procurement system.

2   Literature Review

2.1   Introduction

A Literature review surveys books, scholarly articles, any published or unpublished work from secondary sources of information and any other sources of information relevant to the area of research. The critical success factor initiative of an online procurement system will be examined from various papers. Literature has been used to find barriers and implementation outcomes of an online procurement system. These academic papers will provide a theoretical understanding, with respect to this study, of an online procurement system.

2.2   Literature Review

2.2.1   Development and implementation of a national e-Procurement strategy for THE SLOVAK REPUBLIC

The Slovak republic undertook the implementation for a nation-wide e-Procurement framework. The e-Procurement strategy was given the highest priority in terms of timing and content given its impact in the overall public procurement system for the Slovak republic. The current e-Procurement environment on Slovak, although existing for the past nine years, is characterized by a lack of clarity in terms of governance, legislation, processes and systems, which prevents a better and more efficient use of the available tool. Based on the current state of e-procurement in the Slovak Republic, an analysis was performed on a number of criteria combining the achievement of e-Procurement objectives, good international practices in public e-Procurement.

2.2.2   Integrated Financial Management Information Systems(IFMIS)

An IFMIS is an information system that tracks financial events and summarizes financial information. The Kenyan National treasury proposed improvements to its IFMIS application which is an Online Oracle E-Business Suite Financial, Purchasing, Budgeting and Business Intelligence. In its early stages the Kenyan government reaped some benefits though still faced some challenges. They were able to save millions of money which might have been lost through dubious and corrupt tenders. Though this application was online, those who sought tenders still had to print receipts and present them in person. Thus going contrary to what the aspect of an online system should be.

2.3   Conclusion

Based on discussed and reviewed literature an e-Procurement system is crucial to any government or organization and its governance.

3 Project Overview

3.1 Introduction

This section provides a brief overview of what the e-Procurement system is supposed to do.

3.2 Proposed solution

I propose a web based online procurement system that will comprise of the following:

- Registration of Bidder accounts for those who seek award of tenders.
- Registration of organization accounts for those who award tenders.
- A tender on the system will have: tender description, tender budget, period of tender, mode of payment and tender specifications (e.g. Bidder should have completed a number of jobs).
- A bid on the system will have: A piece quote, description of services or goods offered and necessary documents uploaded.
- Organizations that opt for a premium account will have to pay for use.
- On completion of any tender the organization will be asked to rate the bidder.

3.3 Project Scope

The following additional functionalities should be considered in the scope of proposed e-Procurement system.

- Manage Catalogue.
- Manage Order (Refuse Order, Accept Order, Fill Order, View Order, Track Order and Get Payment).
- Manage Tender (Get Tender File, Submit Proposals and Ask Questions).
- Make Advertisement.
- Make Analysis (Receive Report, View Sales History and Analyse Sales).

3.4 Resources

6GB RAM recommended but 4GB minimum
Web Browser

Window Operating System

A web hosting server

4 Project Plan

4.1 Introduction

The Project Workplan will reflect the scope of the project and the size of the grant which will be needed.

4.2 Project Schedule

I expect this project to take 8 months starting from November 2018 to June 2019. These deadlines are subject to change due to class work and assignments.

Starting Date	Task/Topic	End Date
November 2018	• Problem Identification	December 2018
December 2018	• Literature Review • Collect Data • Proposal Drafting • SRS and SDD Drafting	January 2019
January 2019	• Selecting tools • Tool adapting	March 2019
March 2019	• Web Development • Testing • Fill in gaps • Fixing bugs	May 2019
	Submit Project	June 2019

4.3 Budget

This is an estimate of the budget that will be required to complete the system.

TASK	ESTIMATED COSTS
LABOUR	0/-
TRAVEL	2000/-
INVESTMENT	2000/-
OTHER COSTS	1500/-
TOTAL	Ksh. 5,500.00

4.4 Conclusion

I believe the current system can be improved if the following work plan and budget was to be provided for the system.

5   Final Conclusion

I believe the proposed system can be done within the given timeline. Its main purpose is to minimize if not eliminate corruption in the procurement department. Organizations both public and private will be able to use this system. If need be the organization can replace the entire procurement department with this system. This can be achieved thru the cost efficient premium tender accounts that choose a tender from the bids posted.

6   References

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