

User Manual - MD (Managing Director)

Purchase Requisition System v3.0

Your Role

As **Managing Director (MD)**, you provide final authorization.

Responsibilities

- Final approval authority
 - Strategic oversight
 - High-value authorization
 - Policy decisions
 - Organizational spending control
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Getting Started

Login

1. URL: **http://localhost:3000**
 2. Username: david.mulenga (or your username)
 3. Password: password123
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Dashboard

Executive Overview

- Pending MD approvals
 - Total organizational spending
 - Monthly approval trends
 - Department comparisons
 - Budget health indicators
 - Top requisitions by value
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Reviewing Requisitions

What Reaches You

Requisitions approved by:

1. ☒ HOD (Department head)
2. ☒ Finance (Budget verified)
3. Awaiting your final authorization

Step 1: Access MD Queue

- Click "MD Approvals"
- View finance-approved requisitions

Step 2: Strategic Review

Focus On:

- **Strategic Alignment** - Supports business goals
- **Budget Impact** - Overall financial health
- **Priority** - Urgency and importance
- **Value for Money** - Cost effectiveness
- **Risk** - Potential issues

Step 3: Make Decision

Approve

- Strategically aligned
- Financially sound
- Properly justified
- Risk acceptable

Example Comment:

Approved. Investment aligns **with** digital transformation strategy **and** has **clear** ROI. Authorize Procurement **to** proceed.

Reject

- Not aligned with strategy
- Better alternatives exist
- Timing inappropriate
- Excessive risk

Example Rejection:

Rejected - Strategic priority.
Current focus **is** on core operations. Defer **this**
initiative **to** Q3 **when** cash position improves.
Recommend revisiting **with** updated business **case**.

Refer Back

- Need more information
- Requires board approval
- Policy exception needed

High-Value Requisitions

Thresholds

Amount	Action
Up to K100,000	MD approval sufficient
K100,001 - K500,000	MD + CFO review
Over K500,000	Board approval required

Enhanced Review

For high-value items:

1. Review full business case
2. Check competitive quotes
3. ~~Assess~~ financial impact
4. Consider alternatives
5. Evaluate timing
6. ~~Risk~~ assessment
7. Board notification (if needed)

Executive Dashboard

Key Metrics

Financial Health:

- Total committed spend
- Budget utilization by department
- Cash flow impact
- YTD spending vs budget

Operational Efficiency:

- Average approval time
- Requisition volume trends
- Approval rates by stage
- Top spending categories

Strategic Alignment:

- CAPEX vs OPEX ratio
- Investment in key initiatives
- Department spending patterns
- ROI tracking

Strategic Oversight

Monthly Review

Conduct monthly:

1. **Spending Analysis**
 - Department trends
 - Category analysis
 - Budget variances
2. **Approval Patterns**
 - Rejection rates
 - Common issues
 - Process bottlenecks
3. **Policy Effectiveness**
 - Compliance rates
 - Exception requests
 - Policy updates needed

Quarterly Planning

Review quarterly:

- Budget reallocations
- Strategic initiatives funding
- Capital expenditure plans
- Procurement strategy
- Vendor performance

Policy Decisions

When to Set Policy

Common Scenarios:

- Repeated similar requests
- New spending categories
- Changed market conditions
- Risk mitigation needs
- Compliance requirements

Policy Examples

Example 1: IT Equipment

Policy: All laptops must be standard spec unless justified **by role** requirements. Reduces **costs and** simplifies support.

Example 2: Professional Services

Policy: Consulting engagements over K50,000 require competitive bidding (min 3 quotes).

Example 3: Travel

Policy: International travel requires MD pre-approval **before** requisition **submission**.

Delegation and Authority

Delegating Approval Authority

For routine items or during absence:

1. Go to "Settings" → "Delegation"
2. Select delegate (e.g., Deputy MD, CFO)
3. Set:
 - Date range
 - Amount limits
 - Categories
4. Activate delegation

Example Delegation:

Delegate: CFO
Period: Jan 15-30
Limit: Up to K100,000
Categories: All except CAPEX

Authority Matrix

Maintain clear authority levels:

Level	Amount	Approver
1	Up to K10,000	HOD
2	K10,001 - K50,000	HOD + Finance
3	K50,001 - K100,000	HOD + Finance + MD
4	Over K100,000	HOD + Finance + MD + Board

Reports and Analytics

Executive Reports

Monthly Dashboard:

- Total spending
- Budget health
- Department performance
- Key trends

Quarterly Board Report:

- Strategic spend analysis
- Budget vs actual
- Major initiatives
- Procurement efficiency

- Cost savings achieved

Custom Reports

Generate:

1. Click "Executive Reports"
2. Select report type
3. Choose parameters
4. Generate and export

Available Reports:

- Organizational spending summary
- Department comparison
- Category analysis
- Vendor spend analysis
- Budget utilization
- Approval efficiency

Exception Handling

Policy Exceptions

When request violates policy:

Evaluate:

1. Business justification
2. Risk level
3. Precedent impact
4. Alternative options

Decision:

- **Approve with exception** - Document reason
- **Reject** - Enforce policy
- **Modify policy** - If repeatedly needed

Example:

Approved **as policy exception**.
Business **case** demonstrates **unique** requirement.
Not to be considered precedent **for similar** requests.
Policy committee **to review in Q2**.

Crisis Management

Urgent Approvals

For critical/emergency requests:

1. **Fast-Track Review** - Within 4 hours
2. **Direct Communication** - Call stakeholders
3. **Risk Assessment** - Quick evaluation
4. **Document Decision** - Clear reasoning
5. **Post-Event Review** - Learn and improve

Example Urgent Approval:

APPROVED - Emergency Equipment **Failure**.
Critical operations impacted. Authorize immediate
procurement. Finance **to process** as priority.
Post-purchase review scheduled **for next** week.

Working with Leadership Team

With CFO

- Monthly budget reviews
- Financial planning
- Cash flow management
- Investment decisions

With Procurement Director

- Vendor strategy
- Cost optimization
- Market intelligence
- Contract management

With HODs

- Department planning
- Resource allocation
- Strategic initiatives

- Performance review

With Board

- Major investments
 - Budget approvals
 - Strategic direction
 - Risk oversight
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Best Practices

Efficient MD Review

1. **Trust the Process** - HOD and Finance reviewed
2. **Focus on Strategy** - Big picture view
3. **Quick Decisions** - Don't bottleneck
4. **Clear Communication** - Explain reasoning
5. **Set Precedents** - Consistent decisions

Red Flags

Watch for:

- Unusually high amounts
- Rushed requests
- Vague justifications
- Budget manipulations
- Circumventing process
- Vendor pressure

Decision Guidelines

Approve if:

- ☒ Strategically aligned
- ☒ Financially sound
- ☒ Properly vetted
- ☒ Risk acceptable
- ☒ Good timing

Reject if:

- ☒ Not aligned with strategy
 - ☒ Financial risk too high
 - ☒ Poor justification
 - ☒ Better alternatives exist
 - ☒ Wrong timing
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System Administration

User Management

As MD, you can:

- Approve new user accounts
- Modify user roles
- Deactivate users
- Reset passwords (via admin)

System Settings

Access:

- Approval thresholds
 - Authority limits
 - Notification settings
 - Report configurations
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Mobile Access

On-the-Go Approvals

Access system from mobile:

1. Open browser on phone
2. Navigate to system URL
3. Login with credentials
4. View pending approvals
5. Make decisions
6. Add comments

Mobile Features:

- View requisitions
- Approve/reject
- Add comments

- View reports
- Receive notifications

Contact Information

Executive Team:

- CFO: Extension XXXX
- COO: Extension XXXX
- Procurement Director: Extension XXXX

Support:

- Executive Assistant: Extension XXXX
- IT Support: support@company.com
- System Admin: admin user

Quick Reference

Your Position in Workflow

Initiator → HOD → Finance → YOU (MD) → Procurement → PO

Decision Timeframes

- **Critical:** Same day
- **High-value (>K100k):** Within 24 hours
- **Standard:** Within 2 business days

Key Metrics to Monitor

- Monthly organizational spend
- Budget utilization
- Approval turnaround time
- Department performance

End of MD Manual