

# 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

## Getting Started

### Login

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

## Dashboard

### Executive Overview

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

## 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
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## 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
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## 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
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End of MD Manual