

Web communication tools and their use in the procurement function

Communicating one clear message to all stakeholders is a major challenge for the procurement function. This paper looks at the development of web based communication tools

Through web based technologies such as intranets, extranets and portals, procurement functions are able to communicate to a wide audience promoting collaboration, self service and knowledge sharing both with internal and external stakeholders. This is ever more important as organisations operate in global marketplaces and the structure of procurement teams becomes more devolved.

Intranets

Intranets are internal, private media and a means of conveying messages to employees. Departments, including procurement more often have a page or subsection to disseminate information such as;

- Policies
- Procedure manuals
- Supplier listing
- Links to supplier sites
- Legal advice
- Catalogues
- Guidance materials or 'how to' documents
- Inventory levels
- News
- Frequently asked questions

These sites are a valuable means of providing guidance to those departments that retain ownership of procurement activity. Even when procurement is not directly involved, managers can be steered to the standardised support services whilst promoting the benefits that the procurement function can add. This will help to bridge the dichotomy between centralised and decentralised procurement teams. Along with other e-procurement tools, business units are able to purchase goods and services within a robust framework with little

direct involvement from Purchasing and Supply Management (P&SM) professionals.

Extranets & Portals

External sites such as extranets and portals broadcast information and exchange documents to a more varied viewing group. These often have restricted access and registered users log on with a username and password. Suppliers are able to receive purchase orders, post invoices and goods received notes; buyers are able to advise suppliers on policies, procedures, and upload supplier performance matrices.

Business to business examples of extranets and portals include; **Zanzibar**, the OCG marketplace for the public sector (www.ogcbuyingsolutions.gov.uk), is a managed service for all UK public sector organisations. From the website registered users have access to a hosted purchase to pay system as well as an on line e-marketplace. 'A key part of the Government's procurement strategy, the Zanzibar Managed Service enables the public sector and suppliers to be linked up over the internet, and transact in a fully integrated end-to-end manner using electronic systems.'¹

The MoD procurement portal (www.contracts.mod.uk) provides information to both supplier and buyer. The MoD procurement portal assists and supports both suppliers and buyers within the defence industry, providing access to a wide variety of information at differing levels with free access to all subscription services for suppliers and approved access for buyers. Subscribers can access the MoD Defence Contracts Bulletin (DCB) which is a gateway for new business opportunities, guidelines for industry, contact points and other procurement related documents.

Intranets, extranets and portals are a platform to give a sense of unity and continuity to large amounts of disparate content. More intuitive systems allow users to customise their home page to deliver those topics most relevant to them. My Yahoo! and MSN are good examples of how users can select regional news, weather reports, or results of their favourite sporting teams. Websites now offer 'web feeds' or 'RSS Feeds' which allows users to receive frequently updated information on one 'feed reader' site known as an aggregation site. P&SM professionals can consolidate commodity price indices, updates on EU regulations, journals or notification of system updates all in one place. Benefits of web feeds include;

- Users are provided with updated information from one source
- Aggregator sites can be customised negating the need to navigate multiple complex web pages
- Users do not disclose their e-mail address to every site and are therefore not inundated with e-mails, increasing the risk of viruses, or identity threat.
- Users can remove feeds at any point without having to contact sites to unsubscribe.

P&SM professionals are often working in a consultancy capacity in conjunction with business partners who retain ownership of spend and supplier relationships; the role of procurement now is to provide guidance and a robust framework for them to operate in. Self service of information on these sites as well as e-sourcing and e-procurement tools has provided a veiled policing of procedures, guiding compliance and promoting the preservation of ownership.

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¹ www.ogcbuyingsolutions.gov.uk