

Government of Barbados



The Government of Barbados Modernises its National Procurement System with PROACTIS

Goals

- Implement an eProcurement system, integrated with SmartStream, to facilitate the management of strategic procurement processes
- Reduce time taken to conduct procurement activities whilst ensuring transparency and integrity
- Gain better value for money through competitive sourcing activities
- Ensure more efficient procurement of common goods and services to enable greater economies of scale
- Provide support for decentralised procurement of specialised goods and services

Profile

Barbados is the wealthiest and most developed country in the Eastern Caribbean and enjoys one of the highest per capita incomes in Latin America. Historically, the Barbadian economy was dependent on sugarcane cultivation and related activities. However, in recent years the economy has diversified into light industry and tourism with about four-fifths of GDP and of exports being attributed to services. Offshore finance and information services are important foreign exchange earners and thrive from having the same time zone as eastern US financial centres and a relatively highly educated workforce.

In terms of procurement, the Government of Barbados has an annual spend of about \$1.5 billion, over 16,000 suppliers, and about 310,000 invoices a year.

Challenge

The Government of Barbados received support from the American Development Bank for the Special Projects Unit of the Ministry of Finance and Economic Affairs to execute the modernisation of the Barbados National Procurement System. The overall objective was to improve the effectiveness of public procurement, save money through competitive prices and reduce process time, while ensuring the transparency and integrity of procurement activities. Statutory corporations, Government owned companies and other quasi-government institutions were included in the new framework as a means of promoting consistency, transparency and accountability in the process.

As part of the modernisation programme, the Government of Barbados was looking for a commercial off-the-shelf eProcurement system to support the needs of the Central Purchasing Department and wider Government ministries and departments. In particular, to ensure more efficient procurement of common goods and services to enable greater economies of scale, support for decentralised procurement of specialised goods and services carried out by the ministries and departments; and the standardisation of various aspects of the procurement process carried out by public entities to increase transparency and accountability.

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Results to Date

- Implemented PROACTIS Source-to-Contract solutions within five months, providing transparent processes
- Created central repository for all suppliers with up-to-date supplier information and business intelligence
- Created central library of standard procurement documentation and standard processes
- Streamlined supplier qualification with automated creation and scoring of supplier questionnaires
- Created central electronic repository for all supplier contracts with links to SmartStream finance system
- Removed inefficient and time-consuming paper-based activities
- Achieved greater compliance and adoption of international best practices in procurement

The Government of Barbados utilises its SmartStream finance and ERP system for management of its transactional purchasing: requisitioning, accounts receivables and accounts payables functionality. However, there was no system to facilitate the management of strategic procurement processes. Instead the processes were predominantly manual, paper based and resource intensive.

Why PROACTIS?

The Government of Barbados, through the Special Projects Unit of the Ministry of Finance and Economic Affairs selected PROACTIS in accordance with the procedures set out in the Policies for the Selection and Contracting of Suppliers financed by the Inter-American Development Bank.

PROACTIS was one of the few software companies that could deliver a government-wide eProcurement solution to facilitate the management of strategic procurement processes - supplier information, supplier selection and accreditation, electronic tendering/requests for quotation, and contract management - the Government of Barbados was looking for. In particular, PROACTIS demonstrated proven integration with the Government's SmartStream finance and ERP system. Once the Government of Barbados team saw the PROACTIS solution that included the knowledge, resources, and track record to make it happen, the decision was made.

"The decisive factor in the choice of PROACTIS, apart from a comprehensive track record, was the approach of the team," explains Ms. Margaret Sivers, Permanent Secretary, Acting, Special Projects Unit, Ministry of Finance of the Government of Barbados. "They share our vision and we attach great importance to the relationship with PROACTIS. They offer much more than a typical software product. It is a combination of innovative software solutions and well-structured services delivered by experienced professionals. This is a complex project with a complex implementation programme so we rely on advanced software functionality and a close and productive working relationship with the team to make this project the success we want it to be."

Results

In just five months, the Government of Barbados developed a national supplier master file and implemented the PROACTIS suite of integrated Source-to-Contract solutions to support and facilitate the modernisation of the Central Purchasing Department's processes.

A central electronic repository has been created for all suppliers with up to date supplier information and business intelligence. This included the creation of a central library of standard procurement documentation and standard processes for supplier classification, registration and appraisal across all spend categories, ministries and departments.

"With PROACTIS, supplier on-boarding is quick, collaborative, and easy for both parties. Once we approve a supplier, the supplier can add their own profile information, including contracts, capabilities etc. We can then use the Portal to exchange any documents involved in the supplier qualification process. PROACTIS also provides a number of ways to automate the creation and scoring of supplier questionnaires to streamline qualification" says Sivers.

PROACTIS is also used to support sourcing and tendering processes that are appropriate to all spend categories, including such things as high value capital equipment purchases, services contracts, and ongoing supply agreements. Capabilities include online buyer posting of electronic RFx documents for public or limited supplier visibility and supplier RFx response submission. In addition, a central electronic repository has been created for all types of supplier contracts, with links to their SmartStream finance system. It automatically collects purchase and delivery activity for analysis of supplier performance and buyer commitments. And it continually monitors contract dates and other criteria, alerting the appropriate people when reviews or actions are needed.

In summary, Sivers states: "With the implementation of PROACTIS, the Government's processes will become more transparent and accountable. It is leading to the removal of inefficient and time-consuming activities, promotion of greater competition among bidding companies, greater compliance and adoption of international best practices in procurement."

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