

Use of eMarketplace for Public Procurement

Andreja Pucihar

Electronic Commerce Center, Faculty of Organizational Sciences, University of Maribor,
Kidričeva cesta 55a, 4000 Kranj, Slovenia
Andreja.Pucihar@fov.uni-mb.si

Mladen Hrvčanin

Faculty of Organizational Sciences, University of Maribor,
Kidričeva cesta 55a, 4000 Kranj, Slovenia
Hrvacanin@volja.net

Aleš Jeriha

Faculty of Organizational Sciences, University of Maribor,
Kidričeva cesta 55a, 4000 Kranj, Slovenia
Jeriha@volja.net

Problem Definition

Internet growth and new electronic commerce technology create opportunities as well as challenges for doing business faster, cheaper and more efficient electronically. Today, organizations need to be competitive in a global market. This demands new technology and new business models. One of these models is the eMarketplace that allows suppliers and buyers to exchange information and to carry out business transactions.

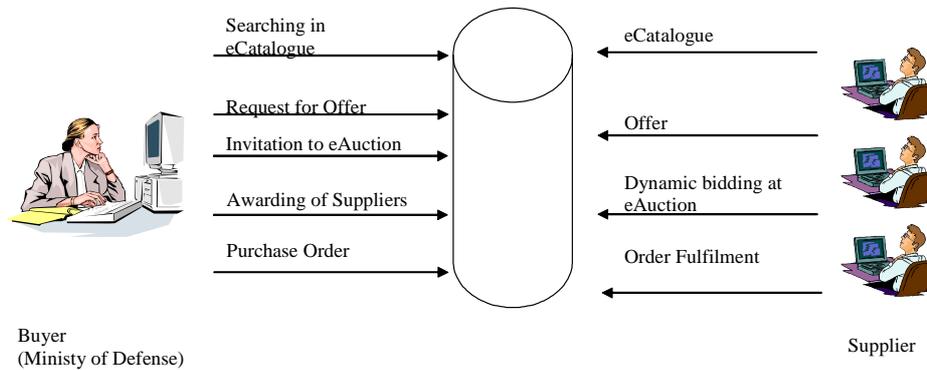
The focus of the project was to study the possibilities of using eMarketplace technology for public procurement. In Slovenia the law regulates the process of public procurement. The process is complicated and ongoing. One reason is that the process is not supported by electronic commerce technology. Many documents requiring a signature must be submitted in paper version. Since 2000, Slovenia has an Electronic Commerce and Electronic Signature Act that regulate certain legal aspects, imposed by fast technological development in the area of electronic commerce. This law supports additional opportunities in the process of public procurement. One way to make public procurement more efficient is by use of the

eMarketplace system. Slovenia has no business-to-business eMarketplaces operating at present but there appears to be an interest in moving toward the use of eMarketplaces. Some companies were forced by business partners to participate in the eMarketplaces outside Slovenia.

Project Description

In this project we utilized Oracle E-Business Suite 11-i technology exchange for eMarketplaces. The stakeholder is the State Undersecretary, Deputy Director of IT and Telecommunications in Slovenia's Ministry of Defense.

The first challenge was to create three different eMarketplace suppliers. Creating three different electronic catalogs for all suppliers in MS Excel format and XML format was required. During this stage, additional possibilities of creating electronic catalogs in different formats was also explored. Then the catalogs were imported into an eMarketplace environment. In the final stage, an electronic auction to involve the Ministry of Defense with all three suppliers completed the project. It appears that Ministry of Defense has a great interest in exploring the new possibilities of using eMarketplace technology to support public procurement processes.



Lessons Learned

The project group was the first customer in Slovenia that have used the Oracle E-Business suite 11-i technology named Exchange. We would like to express our thanks to Oracle Slovenia for this opportunity.

With our prototype we have shown the possibilities to use the new business model and technology for public procurement. The main lesson that we have learned is

that the technology is not the problem anymore. The problems are in regulations, in current organization of business processes and in peoples' mind. We believe that understanding of new business models and technologies might spread the use of it.

References

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