

GETS Review

**A review conducted for
The Ministry of Economic Development
Government Procurement Development Group**

December 1 2008

Appendix C: Analysis of overseas sites

Azimuth[®]

Appendix C Analysis of overseas sites

C.1 Methodology

Introduction An analysis of overseas sites was conducted in order to gather ideas for the scope, functionality and usability of a new electronic tendering site in New Zealand, and identify possible options (that is, overseas systems that could be acquired and 'imported') for a New Zealand solution.

Relevant terms of reference The terms of reference (TOR) for the GETS review stated that 'the survey and assessment of alternative solutions' would 'focus on proven or 'in implementation stage' alternatives in comparable jurisdictions (as distinct from concepts or proposals)'.

The scope of analysis was:

- identify candidate electronic tendering systems used elsewhere in the world by organisations with a mandate/role similar to MED
- assess maturity
- agree target systems
- conduct background literature search on the evolution of these systems
- identify the senior responsible officers (SROs) for each system
- approach SROs via MED for 'phone, teleconferencing and/or email contact
- access sites to review functionality and usability
- acquire web traffic statistics and inquiry analyses
- interview SROs
- interview solution providers
- complete benchmarking templates
- produce an interim report of findings.

Approach This approach was implemented through the following stages:

1. An initial survey of likely contenders, performed in order to identify solutions worth investigating in more details.
2. An analysis of 4 leading contenders, using a standard template, in order to assess their match with the perceived requirements for a new electronic tendering site in New Zealand.
3. Further ad hoc contact with the web site owners for clarification

C.2 Initial Survey

Initial survey

Overseas sites to be surveyed (at high level) were selected through a combination of word-of-mouth recommendations from stakeholders and a web search for 'best practice' operators. The sites surveyed were:

- Canada
 - Singapore
 - Hong Kong
 - Wales
 - Scotland
 - European Union (TED)
 - Australia
- and the Australian states
- Victoria
 - New South Wales.

The survey results are summarised below. A more detailed set of template-based reviews is available on request.

Canada

Function	Y/N/Partly	Comments
1 Registration of buyers and/or suppliers	Y	
2 Portal approach with personalisation	N	
3 Search and analysis capabilities	Y	Including access to IP/templates
4 Procurement plans	N	
5 Proposed ATMs/early notification	Y	
6 Opportunity matching/emails	Y	
7 Support for collaborative procurement/supply	N	
8 Ability to download/upload documents and attachments	Partly	No rich media, amendment notification
9 Notification of awards	Y	
10 Auction	N	
11 Compliance checking	N	
12 Subscription or other fees	Partly	Basic service is free
13 Training service offered	Y	Includes online tutorial

Singapore

Function	Y/N/Partly	Comments
1 Registration of buyers and/or suppliers	Y	
2 Portal approach with personalisation	N	
3 Search and analysis capabilities	Partly	Basic search only
4 Procurement plans	N	
5 Proposed ATMs/early notification	N	
6 Opportunity matching/emails	N	
7 Support for collaborative procurement/supply	N	
8 Ability to download/upload documents and attachments	Partly	No rich media, D32 amendment notification
9 Notification of awards	N	
10 Auction	Y	
11 Compliance checking	N	
12 Subscription or other fees	Partly	Basic service is free
13 Training service offered	N	

Hong Kong

Function	Y/N/Partly	Comments
1 Registration of buyers and/or suppliers	Y	
2 Portal approach with personalisation	N	
3 Search and analysis capabilities	Partly	Basic search and user guide
4 Procurement plans	N	
5 Proposed ATMs/early notification	N	
6 Opportunity matching/emails	Y	
7 Support for collaborative procurement/supply	N	
8 Ability to download/upload documents and attachments	Partly	No rich media, amendment notification
9 Notification of awards	Y	
10 Auction	N	
11 Compliance checking	N	
12 Subscription or other fees	Y	
13 Training service offered	N	

Wales

Function	Y/N/Partly	Comments
1 Registration of buyers and/or suppliers	Y	
2 Portal approach with personalisation	Y	
3 Search and analysis capabilities	Y	
4 Procurement plans	N	
5 Proposed ATMs/early notification	N	
6 Opportunity matching/emails	Y	
7 Support for collaborative procurement/supply	Y	
8 Ability to download/upload documents and attachments	Y	No rich media
9 Notification of awards	Y	
10 Auction	Y	
11 Compliance checking	N	
12 Subscription or other fees	Partly	
13 Training service offered	Y	

Scotland

Function	Y/N	Comments
1 Registration of buyers and/or suppliers	Y	
2 Portal approach with personalisation	Y	
3 Search and analysis capabilities	Y	
4 Procurement plans	Y	
5 Proposed ATMs/early notification	Y	
6 Opportunity matching/emails	Y	
7 Support for collaborative procurement/supply	Y	
8 Ability to upload/download documents and attachments	Y	
9 Notification of awards	Y	
10 Auction	Y	
11 Compliance checking	Y	
12 Subscription or other fees	Y	
13 Training service offered	Y	

European Union

Function	Y/N/Partly	Comments
1 Registration of buyers and/or suppliers	Y	
2 Portal approach with personalisation	Partly	Limited functionality
3 Search and analysis capabilities	Y	Many standard forms
4 Procurement plans	N	
5 Proposed ATMs/early notification	N	
6 Opportunity matching/emails	N	
7 Support for collaborative procurement/supply	N	
8 Ability to download/upload documents and attachments	Partly	No rich media, amendment notification
9 Notification of awards	Y	
10 Auction	N	
11 Compliance checking	N	
12 Subscription or other fees	N	
13 Training service offered	Y	

Australia

Function	Y/N/Partly	Comments
1 Registration of buyers and/or suppliers	Y	
2 Portal approach with personalisation	N	
3 Search and analysis capabilities	Partly	
4 Procurement plans	Y	
5 Proposed ATMs/early notification	Y	
6 Opportunity matching/emails	Y	
7 Support for collaborative procurement/supply	N	
8 Ability to download/upload documents and attachments	Y	No rich media, amendment notification
9 Notification of awards	Y	
10 Auction	N	
11 Compliance checking	N	
12 Subscription or other fees	N	
13 Training service offered	N	

Victoria

Function	Y/N/Partly	Comments
1 Registration of buyers and/or suppliers	Y	
2 Portal approach with personalisation	N	
3 Search and analysis capabilities	Y	
4 Procurement plans	N	
5 Proposed ATMs/early notification	Y	
6 Opportunity matching/emails	N	
7 Support for collaborative procurement/supply	N	
8 Ability to download/upload documents and attachments	Partly	No rich media, amendment notification
9 Notification of awards	N	
10 Auction	N	
11 Compliance checking	N	
12 Subscription or other fees	N	
13 Training service offered	N	

New South Wales

Function	Y/N/Partly	Comments
1 Registration of buyers and/or suppliers	Y	
2 Portal approach with personalisation	N	
3 Search and analysis capabilities	Partly	
4 Procurement plans	N	
5 Proposed ATMs/early notification	Y	
6 Opportunity matching/emails	Y	
7 Support for collaborative procurement/supply	N	
8 Ability to download/upload documents and attachments	Partly	No rich media, amendment notification
9 Notification of awards	Y	
10 Auction	N	
11 Compliance checking	N	
12 Subscription or other fees	N	
13 Training service offered	N	

Conclusions Based on the survey, the following sites were considered most advanced and worth in-depth analysis:

- Canada
- Wales
- Scotland
- Australia.

C.3 Analysis of leading overseas sites

Canada

The Canadian federal site, GETS, (<http://www.merx.com/> and <http://www.tpsgc-pwgsc.gc.ca/app-acq/cae-esc/seaog-gets-eng.html>) aims to 'support sustainable development practices and reduce barriers to doing business with the government'. Together with the Government of Canada Marketplace, which is used by the federal government and eight states, it is a key component of the federal Electronic Supply Chain Program.

Function	Y/N	Comments
1 One stop shop for public sector tenders	Y	
2 Registration of suppliers	Y	
3 Some form of supplier database for access by buyers	Y	
4 Registration of purchasers	Y	
5 Portal approach with personalisation	N	
6 Users can maintain personal and organisation details	Y	
7 Procurement plans - what will be purchased and how	N	
8 - Annual capex/opex budgets	N	
9 - Analysis by sector, agency, category, \$, region	N	
10 Proposed ATMs/early notification	Y	
11 Browse available contracts (by category & sub-category)	Y	
12 Opportunity matching	Y	
13 Email alerts	Y	
14 Interest list	N	
15 News/newsletters	N	
16 Standard templates, IP libraries, helpful information	Y	
17 Information about legislation and processes	N	Available elsewhere
18 Information embedded into process	Y	Through help functions
19 Q&A facility suitable for infrequent users	Y	Online and phone service
20 Support for dispersed organisations and business units	Y	
21 Support for collaborative procurement	N	
22 Ability for purchasers to seek potential partners	Y	
23 Ability to download documents	Y	
24 Ability to upload proposals	Y	
25 Ability to upload/download schematics and/or images	Y	Buyers and sellers can use
26 Ability to upload/download video	N	
27 Automatic delivery of amendments	Y	
28 Support for the evaluation process	N	
29 Support for the contract negotiation process	N	
30 Notification of awards	Y	
31 Analysis of actual procurement by sector, agency, etc.	Y	"Opportunity Matching" service
32 Search for closed ATMs	Y	
33 Auction	N	
34 Some form of exchange	N	
35 Compliance checks and sign-offs for closure of process	Y	
36 Exception reporting for non-compliance	N	
37 Other 'value add' tools	N	
38 Management & analytic information EG buying patterns	Y	
39 Subscription or other fees	Y/N	Some fees for 'extended' services.
40 Training service offered	Y	Includes online tutorial
41 Access to international opportunities	Y	

Commentary

Level of maturity: The current web site dates from 2003, although it seems there was an earlier version before this date. It is a functionally-rich site. It's subscription-based, with a basic and more advanced 2-tier subscription structure.

The Electronic Distribution of Construction Drawings and Specifications (EDCDS) Solution provides for the distribution of construction solicitation packages through a downloadable format. The solution supports the Government's sustainable development practices and the 'Smart Business Initiative' which reduces barriers to doing business with the government.

This site also offers an 'Identifying Potential Partnerships' option which:

- sets up opportunity matching
- identifies buying patterns
- accesses international opportunities, awards database and other Government information

Evolution of the system: The MERX site was developed by BravoSolution, who were also behind the new Wales site. Plans allow for extending access to drawings and specifications.

Planned developments include extension of secure electronic access to government information and access to drawings and specifications (to reduce costs for suppliers and buyers).

Statistics:

The site allows users to search for open tender opportunities from more than 1,500 opportunities across more than 2,500 government buying organizations.

Wales

This is a full e-procurement system, available to all public sector organisations in Wales, from schools and colleges through to Local Authorities and NHS Trusts that includes tendering. It operates through <https://www.buy4wales.co.uk/> and <https://www.sell2wales.co.uk/> (which are the two sites analysed here).

Function	Y/N	Comments
1 One stop shop for public sector tenders	Y	
2 Registration of suppliers	Y	
3 Some form of supplier database for access by buyers	Y	
4 Registration of purchasers	Y	
5 Portal approach with personalisation	Y	Home pages,schools portal
6 Users can maintain personal and organisation details	Y	
7 Procurement plans - what will be purchased and how	N	No facility found
8 - Annual capex/opex budgets		
9 - Analysis by sector, agency, category, \$, region	N	
10 Proposed ATMs/early notification	N	
11 Browse available contracts (by category & sub-category)	Y	Strict and fuzzy search matching
12 Opportunity matching	Y	
13 Email alerts	Y	
14 Interest list	Y	
15 News/newsletters	Y	Excellent information sources
16 Standard templates, IP libraries, helpful information	Y/N	No templates
17 Information about legislation and processes	Y	
18 Information embedded into process	Y	
19 Q&A facility suitable for infrequent users	Y	
20 Support for dispersed organisations and business units	N	
21 Support for collaborative procurement	Y	Support and <i>encouragement</i>
22 Ability for purchasers to seek potential partners		
23 Ability to download documents	Y	
24 Ability to upload proposals	Y	
25 Ability to upload/download schematics and/or images	Y	Assumed
26 Ability to upload/download video	N	
27 Automatic delivery of amendments	Y	*
28 Support for the evaluation process	N	*
29 Support for the contract negotiation process	N	*
30 Notification of awards	Y	
31 Analysis of actual procurement by sector, agency, etc.	?	*
32 Search for closed ATMs	Y	
33 Auction	Y	
34 Some form of exchange	Y	
35 Compliance checks and sign-offs for closure of process	N	*
36 Exception reporting for non-compliance	N	*
37 Other 'value add' tools	Y	Sustainability information.
38 Management & analytic information EG buying patterns	Y	
39 Subscription or other fees	Y/N	Basic service is free.
40 Training service offered	Y	Excellent access to online docs
41 Access to international opportunities		

* Assumed: these parts of the site are for registered procurers only. Need to follow up by email

Commentary

Level of maturity: this is a new, collaborative 'shared service' site that is well set out, and appears user-friendly. It features some, but not all, of the advanced functionality identified during the GETS review. It was the most advanced site identified during the analysis of overseas services.

The site is meant to reduce costs for SMEs. It allows integration with ERPs and other systems. The basic service is free but they charge for a range of tools, ranging from eTendering and eAuctions, on a 'take & pay' basis.

Evolution of the system: The system was only announced in August 2008. The initial implementation occurred in October 2008. Development was by BravoSolution, who were also responsible for the Canada GETS site.

For buyers it will deliver ‘an Amazon-type shopping experience’, enabling users to access electronic on-line catalogues and allowing invoices to be received and paid electronically.

It will also include the ‘Welsh Purchase Card’ as a payment method where appropriate.

The programme will also offer suppliers the ability to pick up orders, generate invoices and accept payment, by electronic means.

Statistics:

Potential benefits (net of costs) are estimated at between 1-2.8% of the Wales government’s annual spend. The Programme aims to capture £3bn of procurement expenditure – and £200 million of savings - by Year 5. The following table is from their web site:

	Year 1	Year 2	Year 3	Year 4	Year 5	Cumulative
Captured Spend	£90m	£590m	£1.5bn	£2bn	£3bn	£7.2bn
Savings @ 1%	£900k	£5.9m	£15m	£20m	£ 30m	£72m
Savings @ 1.5%	£1.35m	£8.85m	£22.5m	£30m	£ 45m	£108m
Savings @ 2.8%	£2.5m	£16.5m	£42m	£56m	£84m	£201m

The site ‘It will also have the knock-on effect of increasing efficiency, improving support for SMEs, improving collaboration across sectors and reducing paper used.’

Note: A dialogue was opened with the site’s owners. They promised to provide information but hadn’t done so at the time this report was written, presumably because of pressure of work.

Scotland

eProcurement Scotland (ePS), founded 2002, is a hosted and managed service that is the result of a systems integration exercise prime-contracted by Cap Gemini Ernst & Young.

The service provides access to electronic tendering and reverse auctions through the eSourcing Scotland (eSS) system. eSS is an element of the 'core' ePS service and is available to any buying organisation participating in the programme. The system was provided by BravoSolution (<https://www.bravosolution.com>).

There is a separate tender advertising portal called Public Contracts Scotland (<http://www.publiccontractsscotland.gov.uk/>).

This site was introduced because they needed a nationwide advertising system and the Bravo system was considered too basic.

It is functionally similar, but has advanced functionality, to GETS. There are overlaps between the two services which the Scottish service acknowledges may cause them problems in the future.

ePS is available for the entire Scottish public service and, for example, has been adopted by some large councils such as Glasgow City (although not all councils: one recently implemented Oracle e-procurement).

The service includes consultancy and advice, including analysis of a buying organisation's requirements and priorities.

Buying organisations pay a joining fee, which helps the service fund its contractors.

There are no fees for suppliers although there may be set-up charges for processing of orders, invoices and credits.

The following service description covers the functionality available in both the Public Contracts Scotland and ePS solutions.

Function	Y/N	Comments
1 One stop shop for public sector tenders	Y	
2 Registration of suppliers	Y	
3 Some form of supplier database for access by buyers	Y	A 'contact directory'
4 Registration of purchasers	Y	
5 Portal approach with personalisation	Y	Based on user preferences
6 Users can maintain personal and organisation details	?	
7 Procurement plans - what will be purchased and how	Y	Compliant with EU rules
8 - Annual capex/opex budgets	Y	Basic only
9 - Analysis by sector, agency, category, \$, region	Y	Basic only
10 Proposed ATMs/early notification	Y	But not normal practice
11 Browse available contracts (by category & sub-category)	Y	
12 Opportunity matching	Y	(From the PCS system)
13 Email alerts	Y	
14 Interest list	N	
15 News/newsletters	N	
16 Standard templates, IP libraries, helpful information	Y	Facility to create
17 Information about legislation and processes	Y	
18 Information embedded into process	Y	
19 Q&A facility suitable for infrequent users	Y	Allied to a training programme
20 Support for dispersed organisations and business units	Y	
21 Support for collaborative procurement	Y	
22 Ability for purchasers to seek potential partners	Y	
23 Ability to download documents	Y	
24 Ability to upload proposals	Y	
25 Ability to upload/download schematics and/or images	Y	
26 Ability to upload/download video	Y	Although not yet tested
27 Automatic delivery of amendments	Y	
28 Support for the evaluation process	Y	
29 Support for the contract negotiation process	Y	
30 Notification of awards	Y	Compliant with EU rules
31 Analysis of actual procurement by sector, agency, etc.	Y	But via another system
32 Search for closed ATMs	Y	
33 Auction	Y	
34 Some form of exchange	N	
35 Compliance checks and sign-offs for closure of process	Y	Compliant with EU rules
36 Exception reporting for non-compliance	Y	In theory (see additional notes)
37 Other 'value add' tools	Y	Tender box, bulletin board
38 Management & analytic information EG buying patterns	Y	
39 Subscription or other fees	Y	Buyers only pay subs
40 Training service offered	Y	
41 Access to international opportunities	Y	

Commentary

Level of maturity: This service has been in existence since 2002 but ePS is, in reality, a collection of tools grouped under the overall heading of e-procurement. The e-tendering system is one of these tools. It has, however, been in production since December 2003 so can be regarded as reasonably mature.

Evolution of the system: In practice, most organisations join in order to implement the P2P technology (PECOS) and only take on e-sourcing once they have digested the implementation of P2P. ePS's electronic tender system (the front page is at www.esourcingscotland.com) is a branded version of an off-the-shelf system (<http://demoxe.verticalnet.com>) from BravoSolution (https://www.bravosolution.com/web/en/welcome_en.html). ePS has used a "best-of-breed" strategy, selecting individual software solutions to cover discrete elements of the procurement process rather than taking one provider's 'product suite'. They have generally sourced existing systems rather than building their own.

They consider that this reduced the risk normally associated with development, although it did cause them work in terms of adapting the product to the environment (or vice versa), implementation, training, developing and promulgating best practice, and so on, as well as in filling any gaps (or – increasingly - resolving any overlaps) between systems.

One of the 'gaps' was for an all-of-Scotland tender advertising system, which is where Public Contracts Scotland came in.

Statistics: Purchasers comprise 32 local councils, around 15 health boards, around 60 colleges & universities and around a hundred central government bodies & agencies.

Since the inception of electronic tendering in December 2003, up to October 2003, ePS processed:

- 1,600 procurements;
- 19,000 ITTs (or similar) issued;
- and 8,500 tenders (or similar) received via the system.

The reverse e-auction functionality has only been used 27 times but savings from its use are estimated to exceed £10 million.

In 2006 it was claimed that the Scottish Executive was 'on course to make annual savings of £200m' from the overall e-procurement service.

Additional notes:

1. The service's 'supplier contact directory' builds up as buyers issue RFx to suppliers. It could be expanded into a full suppliers database but they don't see the need.
2. The personalisation aspects of 'the' portal are based on user preferences. In eSS, each buyer sees their own "dashboard", with access to the functionality their system administrator has granted them, links to their own "most recently viewed documents", etc. while suppliers (and other kinds of guest users such as evaluators) see an inbox containing documents they have been invited to view/respond to.
3. Although eSS allows for collaborative procurement, there seems to be some resistance from buyer organisations, who seem to guard their independence rather than join a larger grouping. This foregoes some economies of scale when it comes to use of common methodologies, access to documentation, templates, etc.
4. Although ePS claim they have evaluation and contract management modules, the processes seem fairly basic and would stand further inspection if this service was considered for adoption in New Zealand.
5. Although the ePS system supports data mining and analysis, some of it is performed by a separate system supplied by Spikes Cavell.
6. Compliance reporting is regarded as 'tricky' and isn't widely used.

Australia

The Australian federal site is <https://www.tenders.gov.au>

Function	Y/N	Comments
1 One stop shop for public sector tenders	Y	
2 Registration of suppliers	Y	
3 Some form of supplier database for access by buyers	Y	
4 Registration of purchasers	Y	
5 Portal approach with personalisation	N	
6 Users can maintain personal and organisation details	Y	
7 Procurement plans - what will be purchased and how	Y	Search capability for suppliers
8 - Annual capex/opex budgets	Y	Depends on agencies
9 - Analysis by sector, agency, category, \$, region	*	Depends on agencies
10 Proposed ATMs/early notification	Y	
11 Browse available contracts (by category & sub-category)	Y	
12 Opportunity matching	Y	
13 Email alerts	Y	
14 Interest list	Y	?
15 News/newsletters	N	
16 Standard templates, IP libraries, helpful information	N	
17 Information about legislation and processes	Y	
18 Information embedded into process	N	
19 Q&A facility suitable for infrequent users		Depends on agencies
20 Support for dispersed organisations and business units	N	
21 Support for collaborative procurement	N	
22 Ability for purchasers to seek potential partners	N	
23 Ability to download documents	Y	
24 Ability to upload proposals	Y	Tender box approach
25 Ability to upload/download schematics and/or images	Y	As attachments
26 Ability to upload/download video	N	
27 Automatic delivery of amendments	Y	
28 Support for the evaluation process	N	
29 Support for the contract negotiation process	N	
30 Notification of awards	Y	
31 Analysis of actual procurement by sector, agency, etc.		
32 Search for closed ATMs	Y	
33 Auction	N	
34 Some form of exchange	N	
35 Compliance checks and sign-offs for closure of process	N	
36 Exception reporting for non-compliance	N	
37 Other 'value add' tools	N	
38 Management & analytic information EG buying patterns		Unknown
39 Subscription or other fees	N	
40 Training service offered	N	
41 Access to international opportunities	N	

Commentary

Level of maturity: Unknown: unable to get a response from the site owners in time.