



Public Services and  
Procurement Canada

Services publics et  
Approvisionnement Canada

Canada

# Digital Transformation and the Electronic procurement solution

Improving Federal Procurement for Suppliers, Government, and Canadians



Financial Management Institute

November 20, 2019

Serving  
GOVERNMENT,  
serving  
CANADIANS.

Au service du  
GOUVERNEMENT,  
au service des  
CANADIENS.

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# DIGITAL PROCUREMENT AT PSPC

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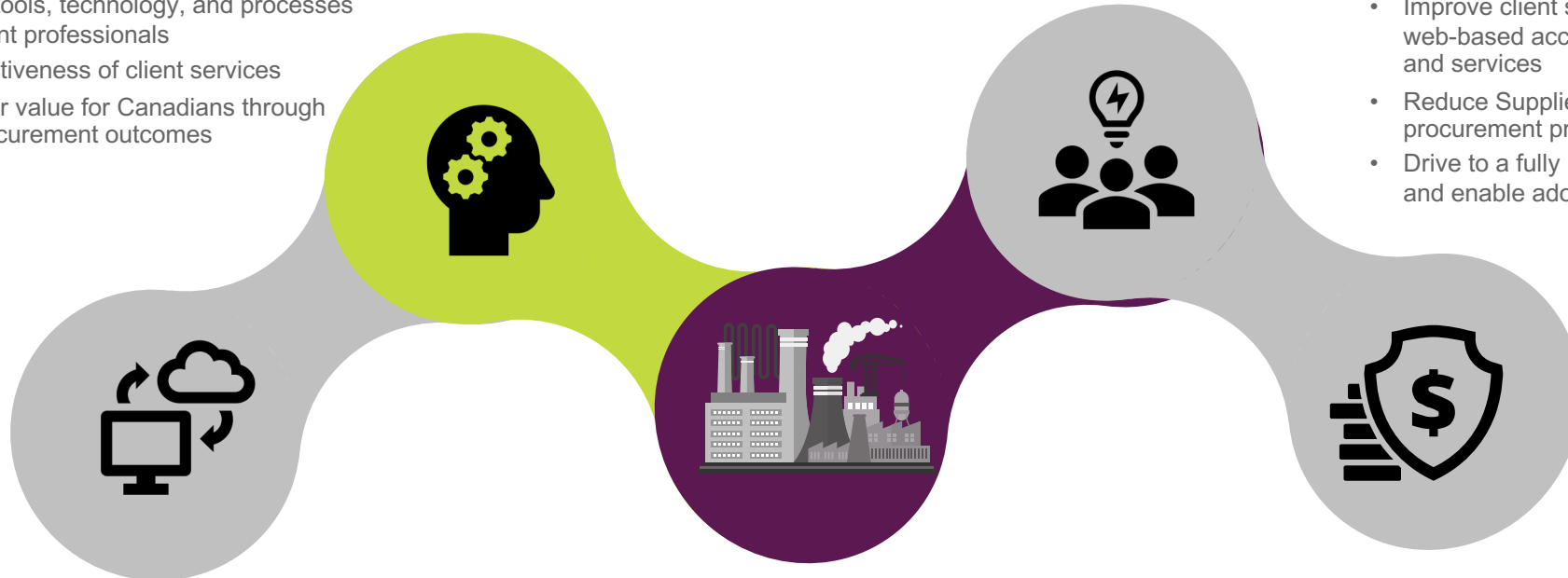
# EPS Program - Key Drivers

## Changing Face Of The Consumer & Customer

- Provide new tools, technology, and processes to procurement professionals
- Improve effectiveness of client services
- Achieve better value for Canadians through improved procurement outcomes

## Drive For Greater Agility & Competitiveness

- Improve client service with the use of easy, web-based access to procurement information and services
- Reduce Supplier's burden of participating in the procurement process
- Drive to a fully integrated end-to-end solution and enable adoption of latest innovations



## Technology & Talent Management

- Streamline processes to drive automation
- Ability to leverage procurement resources across Canadian regions
- Enable better connectivity within the procurement community

## Macro Uncertainty & Increased Cost of Regulation

- Drive cost savings annually at steady state through improved sourcing and compliance
- Improve spend visibility to drive better decision making and reporting
- Improve compliance against contracts and preferred suppliers



# Procurement Modernization for the Government of Canada



## Better value

Achieve better value for Canadians through improved procurement outcomes



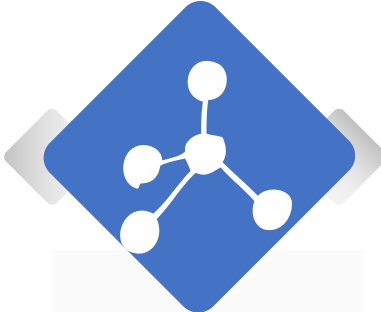
## Client service

Improve client service by providing easy, web-based access to procurement information and services to Departments and Services



## Supplier focus

Reduce Supplier's burden of participating in the procurement process



## Integrated spend

Manage government spending in an integrated approach



## Modern platform

Provide new tools, technology, and processes to procurement professionals in order for them to deliver effective client services



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# EPS PROGRAM OVERVIEW

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# EPS Program Overview

## Government of Canada Context

- The Government of Canada (GC) purchases on average \$22 billion in goods and services each year to help deliver programs and services to Canadians.
- Together, Public Services and Procurement Canada (PSPC) and Shared Services Canada (SSC) account for more than 80% of the value of these purchases, which range from office supplies, to vaccines, to military equipment, and so much more.

## PSPC Mandate

- PSPC has the mandate to modernize GC procurement practices to ensure they are more **accessible** and less **administratively burdensome** while also deploying modern comptrollership, encouraging greater competition, and including practices that support our economic policy goals including innovation as well as green and social procurement.
- Under this mandate and Budget 2018's commitment to simpler and better procurement, PSPC has launched a project to deploy a modern, cloud-based Electronic procurement solution (EPS) – moving federal procurement online and changing the way government and suppliers interact to buy and sell goods and services.



# EPS Background

On July 4, 2018, PSPC awarded a contract to Infosys Public Services Inc. (IPS) to develop, implement and manage the EPS.

IPS, together with its subcontractors Ernst & Young LLP (EY) and SAP Canada Inc. (SAP), is working to modernize and digitize PSPC's – and by extension the GC's – procurement processes.

EPS will include the delivery of:



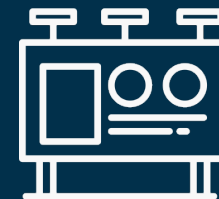
**A cloud-based  
commercial Software-  
as-a-Service (SaaS)**



**Common business  
processes and  
products scalable  
across the GC**



**A service desk  
providing phone,  
email, and live chat  
support services**



**A new Government  
Electronic Tendering  
Service (GETS)**



# EPS Deployment Scope

An easy-to-use, accessible web-based procurement system, with modern tools and services that consists of the following main components:

1 >

## Supplier Relationship Management

- Targeting, onboarding, and establishing connectivity, and ability for commerce and collaborative exchange between the buyer and suppliers.

2 >

## Sourcing & Contracting for Procurement Professionals

- Supports core contracting functions: Contract Authoring and Management, Requests for Proposal, Supplier Performance, Analytics, Reporting (Source to Contract).

3 >

## e-Procurement for Government Buyers

- Facilitates on-line ordering of commercial goods and services from PSPC-established procurement tools such as Standing Offers and Supplier Arrangements.
- Facilitates Goods Receiving & Invoice Reconciliation to support financial processes.
- Supports collaborative procurement with broader Canadian public sector (use of PSPC tools).



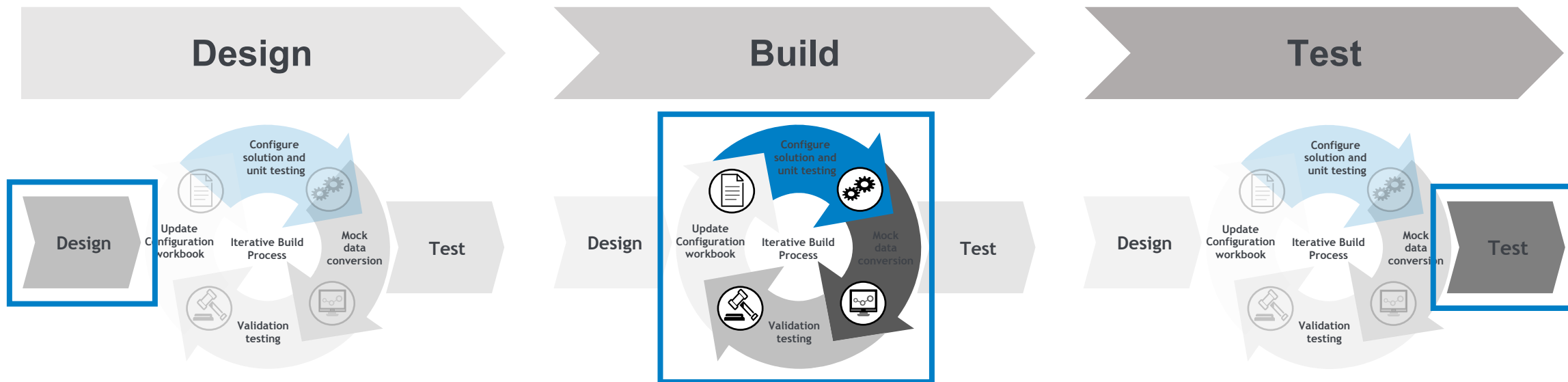
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# DELIVERY LEADERSHIP AND EXCELLENCE

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# Delivering in an Agile Manner



## End of Detailed Design

- 70-75% done and documented
- Stakeholders have seen demos of key business scenarios
- Core functionality configurations documented
- Key design decisions aligned and documented, with some to be defined further during milestones

## During Design Validation/Build

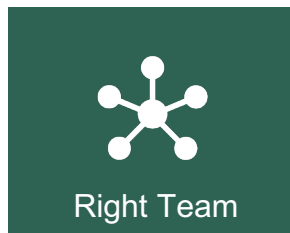
- 90-95% iteratively complete
- Solution validation completed to get stakeholder alignment
- Users starting to see solution in action
- Scope firm

## During Final Testing (UAT)

- 95-99% complete
- System configured and tested
- End-to-end process tested through UAT business scenarios
- Small adjustments
- Other 'nice to have' features logged as enhancement requests or deferred to next release

# Rapid Problem Solving

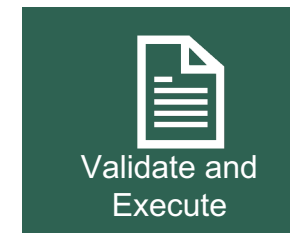
How can we leverage the business, functional, and technical expertise to rapidly problem solve on a complex transformation like EPS?



Ensure that a cross-functional team is involved in problem solving



Leverage a standard approach/framework that everyone understands and can rapidly problem solve with



Execute on clearly defined roles and responsibilities to drive towards desired outcome

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# EPS SUPPLIER REGISTRATION SCENARIO

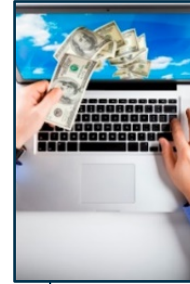
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# Supplier Registration Process Overview



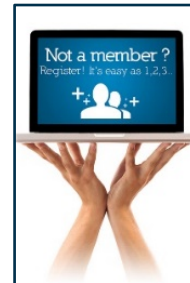
With the introduction of EPS, Suppliers will now be able to centrally register and maintain their own profile information when dealing with PSPC



When doing business with the GC, Canadian suppliers will now have to use the CRA BN



In alignment with the BN Standard, the S.I.N. will no longer be accepted with the introduction of the Ariba platform.



Supplier will complete their full registration, and provide key information to the GC through the Supplier Profile Questionnaire (SPQ) in Ariba

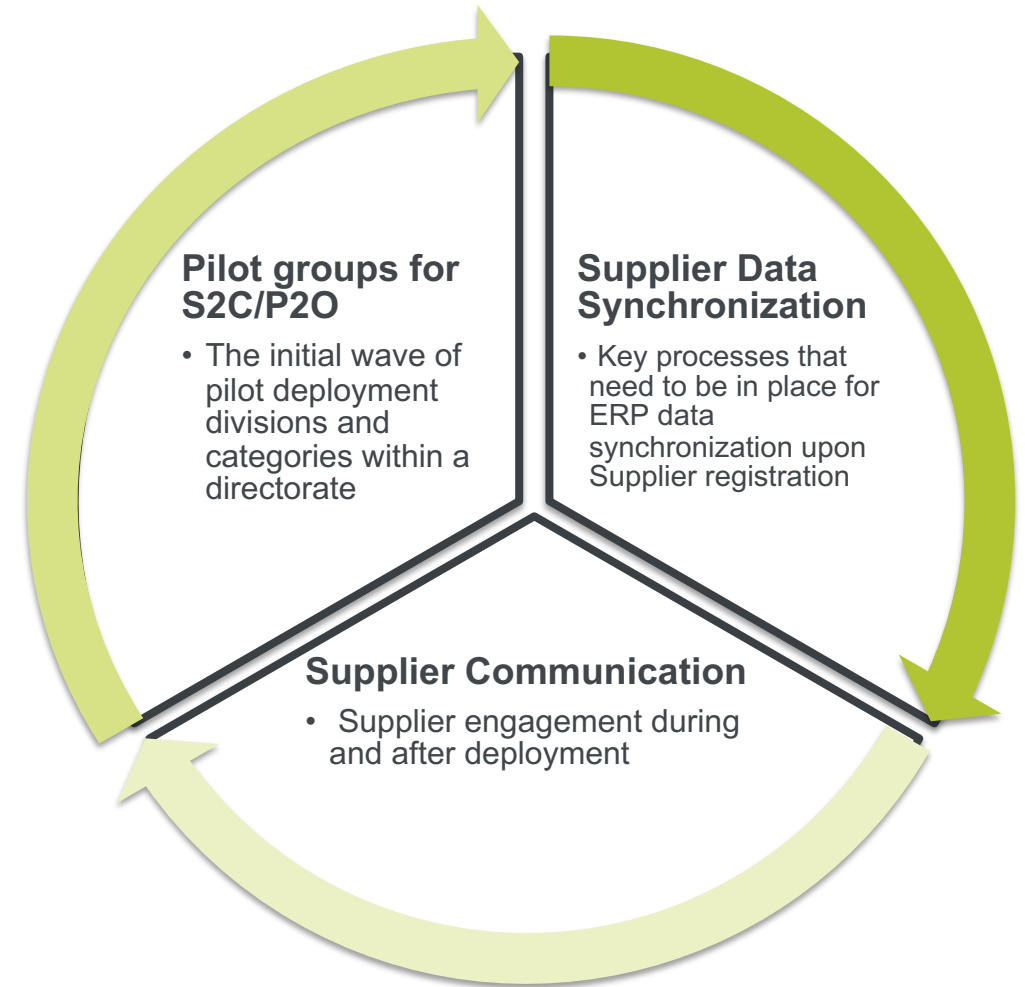
- Simultaneously, this will trigger an automatic BN, Supplier Legal Name and ownership type combination validation with CRA via the BN validation program (CRA auto interface).



Once the SPQ is **complete**, PSPC's SMT (Supplier Management Team) receives a notification, validates the information in SAP Ariba and enables the Supplier profile for integration with SIGMA system (SAP ERP).

# Cross Functional Integration

The EPS Solution is based on successful cross-functional integration between the various stakeholders and key business processes. For example, Suppliers will register net new with the EPS solution. The key dependencies for Supplier onboarding strategy are as follows:



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# EPS PROCUREMENT SCENARIO

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# Transformational Opportunities – Source to Order

The EPS end-to-end process and associate transformational opportunities are as follows:



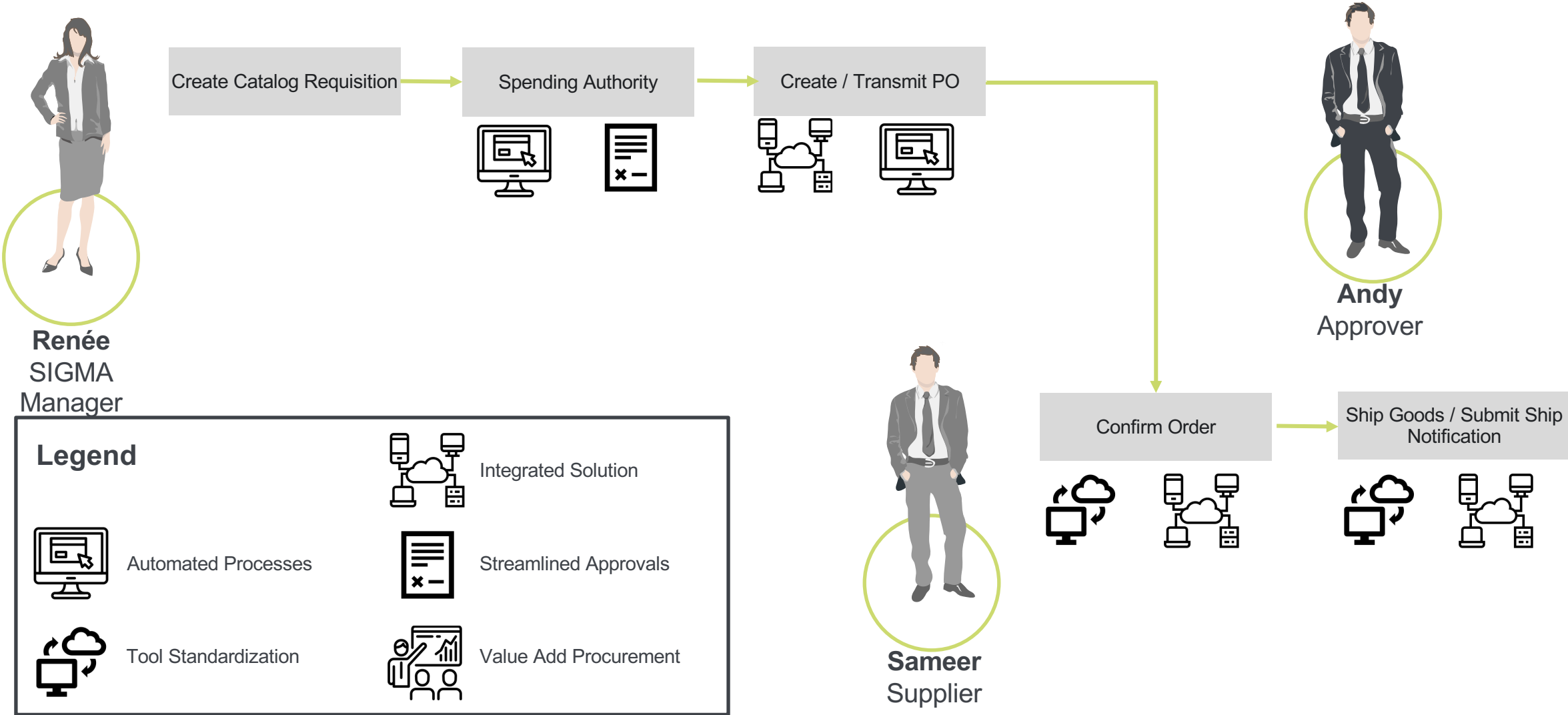
# PSPC Internal Procurement Scenario



- ▶ This scenario demonstrates the process that will be executed when a Contract Vehicle does not exist for a Purchase Requisition created in EPS
- ▶ The scenario begins with the identification of need for printers at a Government building in downtown Ottawa
- ▶ Due to the level of expenditure, the Purchase Requisition routes to the Acquisitions manager who assigns it to the Buyer to initiate procurement
- ▶ The Buyer creates a solicitation and awards a Contract to the supplier
- ▶ Following Contract award, a Catalogue is created in EPS for the Requester to create a call up against
- ▶ The Receiving, Invoicing, and Payment authorities/activities will continue to be exercised from within their respective financial management system



# PSPC Internal Procurement – Catalog Buy Process



## Future State: e-Catalogues

**Canada**
Go To Dashboard
Test Site
Help ▾ Site ▾ Michael Little ▾

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Shop By Category ▾

All Categories ▾ Search by part #, supplier name, or keyword

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Filter By

Search within results 🔍

Contract  
[Search For Contracts](#)

Keyword

- ☐ supplies (10)
- ☐ writing (8)
- ☐ ball (7)
- ☐ pens (7)
- ☐ point (7)

[See More](#)

Category

- ☐ Ball Point Pens (10)
- ☐ Erasers (1)
- ☐ Laser Printers (1)
- ☐ Staplers (1)
- ☐ Temporary ... (2)

[See More](#)

Language

- ☐ English (14)
- ☐ French (3)

Manufacturer

- ☐ excellent ... (1)
- ☐ fabrication rapide (3)
- ☐ fast manufacturers (1)
- ☐ fast manufacturing (7)
- ☐ ontario services (2)

[See More](#)

Price

- ☐ \$0.01 - \$10.00 USD (13)
- ☐ \$10.00 - \$100.00 USD (3)
- ☐ \$100.00 - \$1,000.00 ... (1)

From: \$  To: \$  🔍

Type Name

- ☐ Kit (1)

Catalog Home / Purchasing Organization : 1270 (PWGSC\_TPSGC REF ORG) / Supplier : "PSPC (AKA PWGSC) - TEST"

17 item(s) found
View: 
Sort by: Relevance ▾

<input type="checkbox"/>			<p><b>Petits Ciseaux</b> Supplier: <a href="#">PSPC (AKA PWGSC) - TEST</a> Supplier Part #: 100921 Available in: <b>2 Day(s)</b></p> <p>Petits Ciseaux</p>	<p><b>\$3.50 CAD</b> / each</p> <p>Qty: <input type="text" value="1"/> <a href="#" style="background-color: #007bff; color: white; padding: 2px 5px;">Add to Cart</a></p> <p><a href="#">Add to Favorites</a></p>
<hr/>				
<input type="checkbox"/>			<p><b>Small Scissors</b> Supplier: <a href="#">PSPC (AKA PWGSC) - TEST</a> Supplier Part #: 100921 Available in: <b>2 Day(s)</b></p> <p>Small Scissors</p>	<p><b>\$3.50 CAD</b> / each</p> <p>Qty: <input type="text" value="1"/> <a href="#" style="background-color: #007bff; color: white; padding: 2px 5px;">Add to Cart</a></p> <p><a href="#">Add to Favorites</a></p>
<hr/>				
<input type="checkbox"/>			<p><b>Crayons de Couleur</b> Supplier: <a href="#">PSPC (AKA PWGSC) - TEST</a> Supplier Part #: 100911 Available in: <b>2 Day(s)</b></p> <p>Crayons de Couleur</p>	<p><b>\$5.00 CAD</b> / box</p> <p>Qty: <input type="text" value="1"/> <a href="#" style="background-color: #007bff; color: white; padding: 2px 5px;">Add to Cart</a></p> <p><a href="#">Add to Favorites</a></p>
<hr/>				
<input type="checkbox"/>			<p><b>Stapler, Standard</b> Supplier: <a href="#">PSPC (AKA PWGSC) - TEST</a> Supplier Part #: 103 Available in: <b>2 Day(s)</b></p> <p>Stapler, Standard</p>	<p><b>\$2.95 CAD</b> / box</p> <p>Qty: <input type="text" value="1"/> <a href="#" style="background-color: #007bff; color: white; padding: 2px 5px;">Add to Cart</a></p> <p><a href="#">Add to Favorites</a></p>
<hr/>				
<input type="checkbox"/>			<p><b>Colour Pencils</b> Supplier: <a href="#">PSPC (AKA PWGSC) - TEST</a></p>	<p><b>\$5.00 CAD</b> / box</p>

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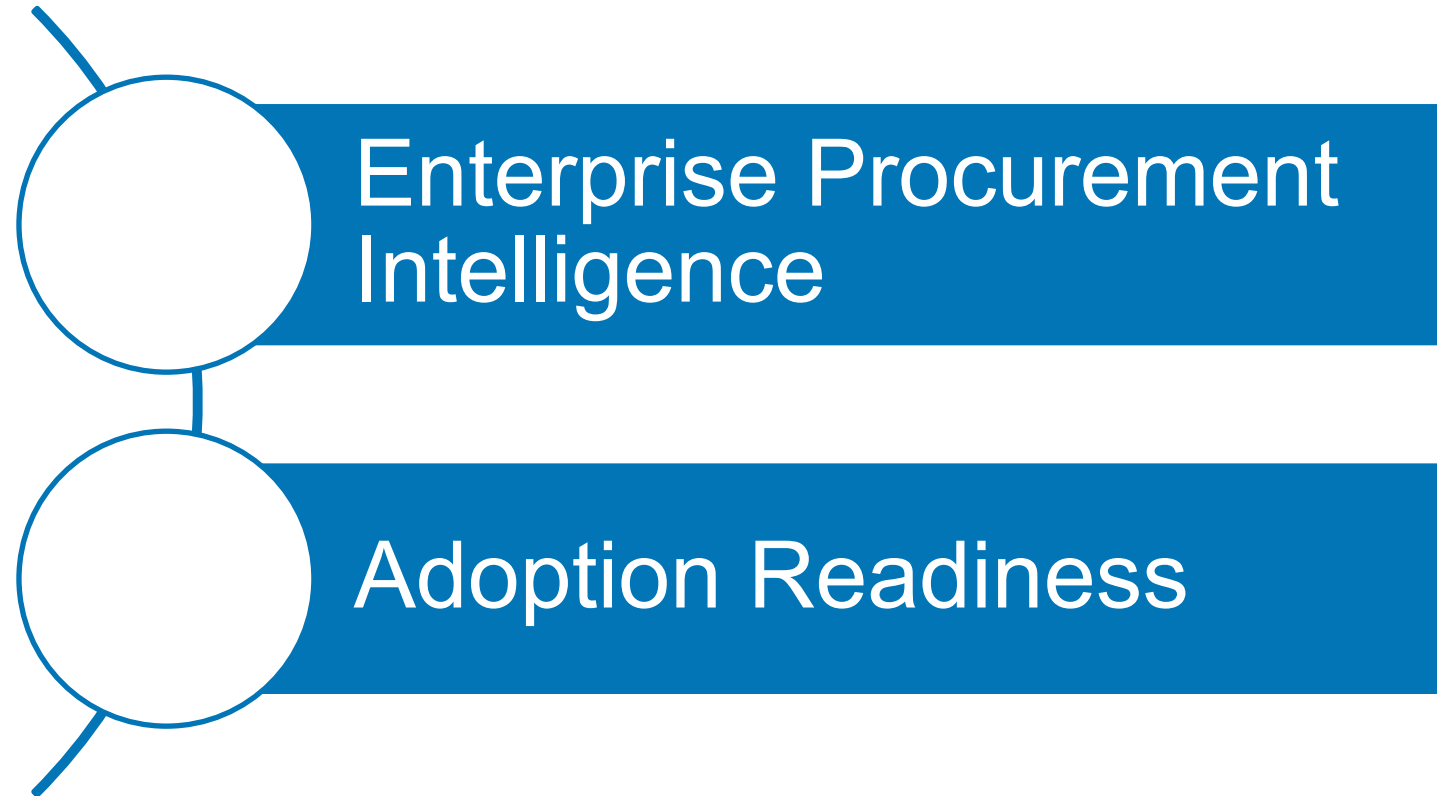
# PROGRAM ENABLERS AND POLICY DRIVERS

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# Key Program Enablers

- The following program enablers are instrumental in enhancing user adoption and overall quality of the transformation



# Enterprise Procurement Intelligence

The Enterprise Procurement Intelligence (EPI) Strategy provides an all-encompassing approach to performance measurement that is aligned with the EPS Strategic Objectives of:

1) Value for Canadians

2) Client and user experience

3) Supplier experience

4) Financial management

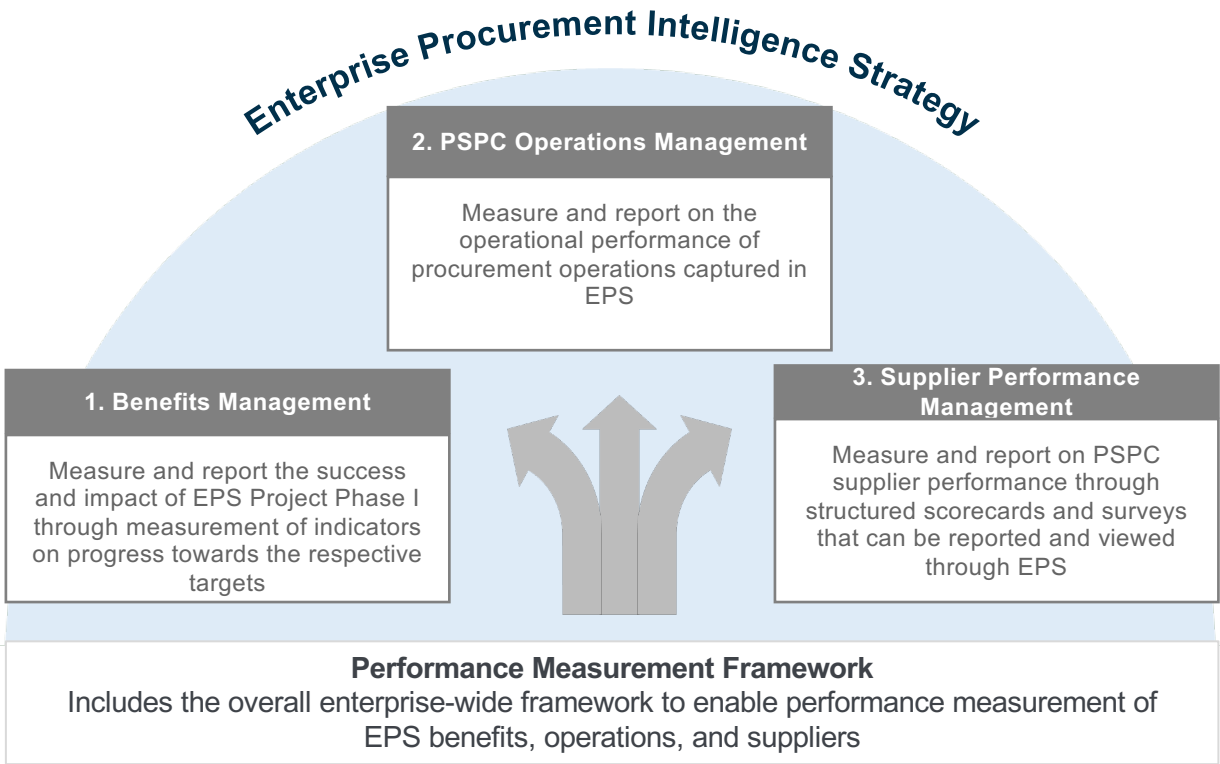
5) Technology to enable effective process

The approach to performance measurement is made up of three components: Benefits Management, PSPC Operations Management and Supplier Performance Management

## Enterprise Procurement Intelligence at PSPC

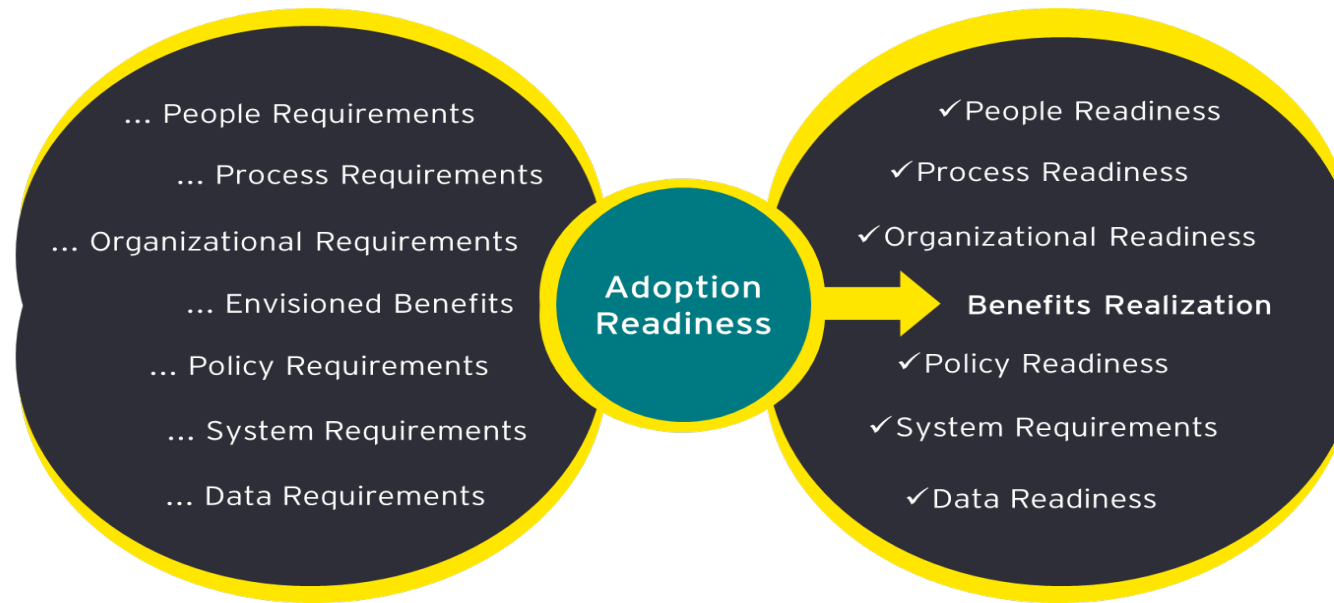
As part of the overall Electronic Procurement Solution (EPS) implementation, access to timely and accurate business intelligence is a key enabler to measure progress on commitments made and to track benefits. Given the large volume of information generated within EPS, it is important for the GC to determine how to analyze and mine this data for meaningful insight.

The enclosed Enterprise Procurement Intelligence (EPI) Strategy outlines how this work aligns with the EPS strategic objectives, identifies an approach to Key Performance Indicators (KPI) selection, and provides a roadmap to move forward with procurement intelligence.



# Adoption Readiness

Adoption Readiness empowers the business through a methodology aimed at tackling the complexity involved in moving from the current state to the future. It takes stock of the 'readiness requirements' of the business and the activities needed to transition people, policy/process, organization, systems, and data effectively.



As the business progresses toward each of the project milestones prior to deployment, it must think about how the EPS will impact specific areas of the organization and what actions will need to be taken to increase adoption and achieve the envisioned benefits of the new solution.



## Contract Simplification Initiative:

- Rethink contract structure to reflect a more logical sequence of acquisitions; and
- Simplify contract language and design to reduce complexity and improve readability of bid solicitations and contracting documents.

## Vendor Performance Management Policy:

- PSPC is currently defining a VPM policy that will allow GC to leverage data on Vendor's past performances in order to inform strategic procurement decisions
- The policy will mandate the evaluation of Vendor performance on contracts that meet various criteria depending on the category.

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# ORGANIZATIONAL CHANGE MANAGEMENT

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# Organizational Change Management – Key Activities

Engagement



# Tailoring EPS Training

Readiness

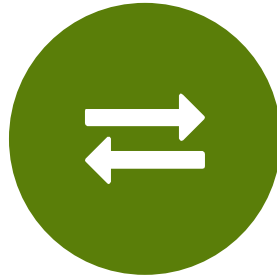
Tailored training approaches (e.g. instructor-led, web-based, etc.) have been considered for each stakeholder group to enhance the learning experience and attainment of EPS outcomes.





## Validating, Testing & Iterating

Continuously refining the design with users



## Integrating

Building integration to financial and identity management systems



## Engaging

Engaging with buyers and suppliers



## Getting Ready To Launch

Preparing for EPS go-live in spring 2020 (soft launch)

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# EPS ACCOMPLISHMENTS

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# Coming Soon: CanadaBuys

## CanadaBuys

The upcoming window into doing business with the Government of Canada with access to:

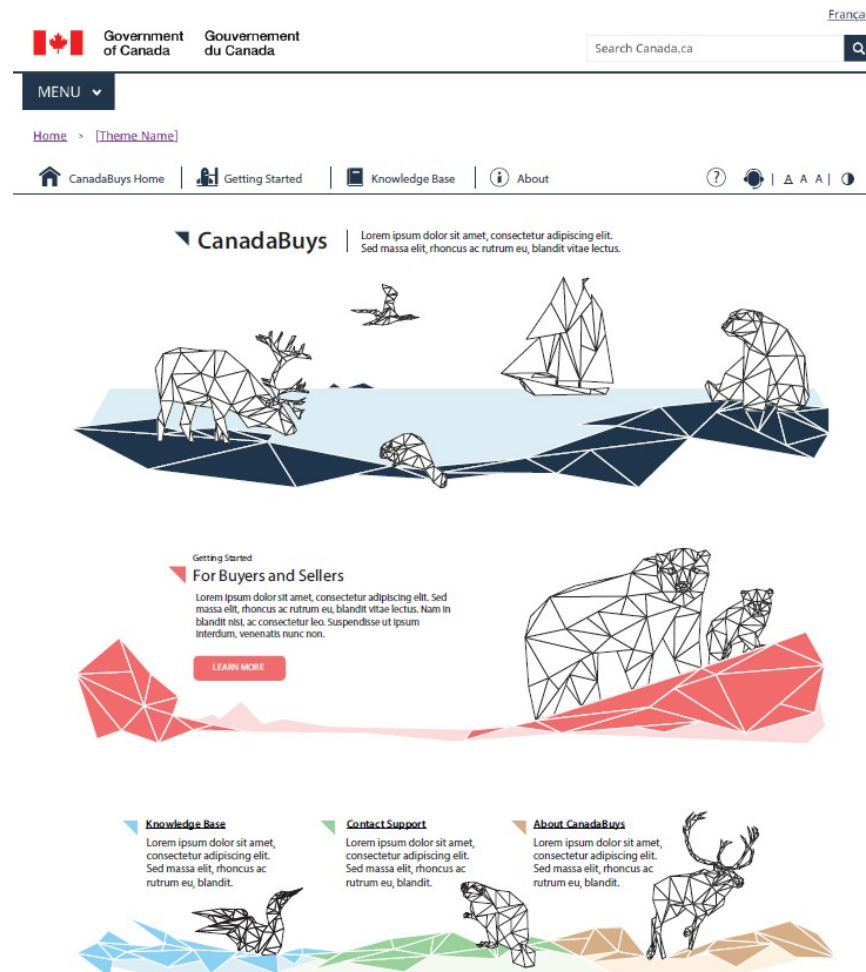
- Opportunities (replacing Buyandsell)
- Information (How to, Guides, Training)
- Systems (gateway to Ariba & Fieldglass)
- Support (modern service desk, chat, etc.)

## Work has started on the website!

We are building CanadaBuys using modern web design and user experience methods to reflect the needs of our procurement community!

We have designed wireframes and begun building the pages supporting the supplier onboarding and registration process.

Usability testing commenced in August 2019.



Snapshot of CanadaBuys BETA: Getting Started

# EPS Roadmap – Accomplishments



## Design Completed

Co-designed and approved GC-Wide procurement process

Over 100 participants from 16 departments, 12 months and ~1000 workshops



## No Policy Changes No Customization

Designed without need to change legislation or policy

Intended use of application



## Transformation

EY-led int'l best practice design:

- 55% process reduction
- 95% digital enablement



## Supplier Management (M3)

Design validation is done.

Testing underway. First user acceptance testing cycle to begin in Fall 2019



## Source-to-Contract (M4)

Design validation is done.

Testing is underway, anticipated to conclude in January 2020.



## Procure-to-Order (M5)

Design Validation to begin Winter 2020.

\*Design for P2P is done, could be used for future implementation



16

**Government Organizations**  
involved in the design to  
co-develop the GC-wide blueprint  
for modernized procurement

55%

**Process Steps Eliminated**  
across the end-to-end procurement  
process

60+

**Legacy Systems**  
identified for decommissioning

170+

**Workshop Sessions**  
held across the design &  
validation phases

1,849

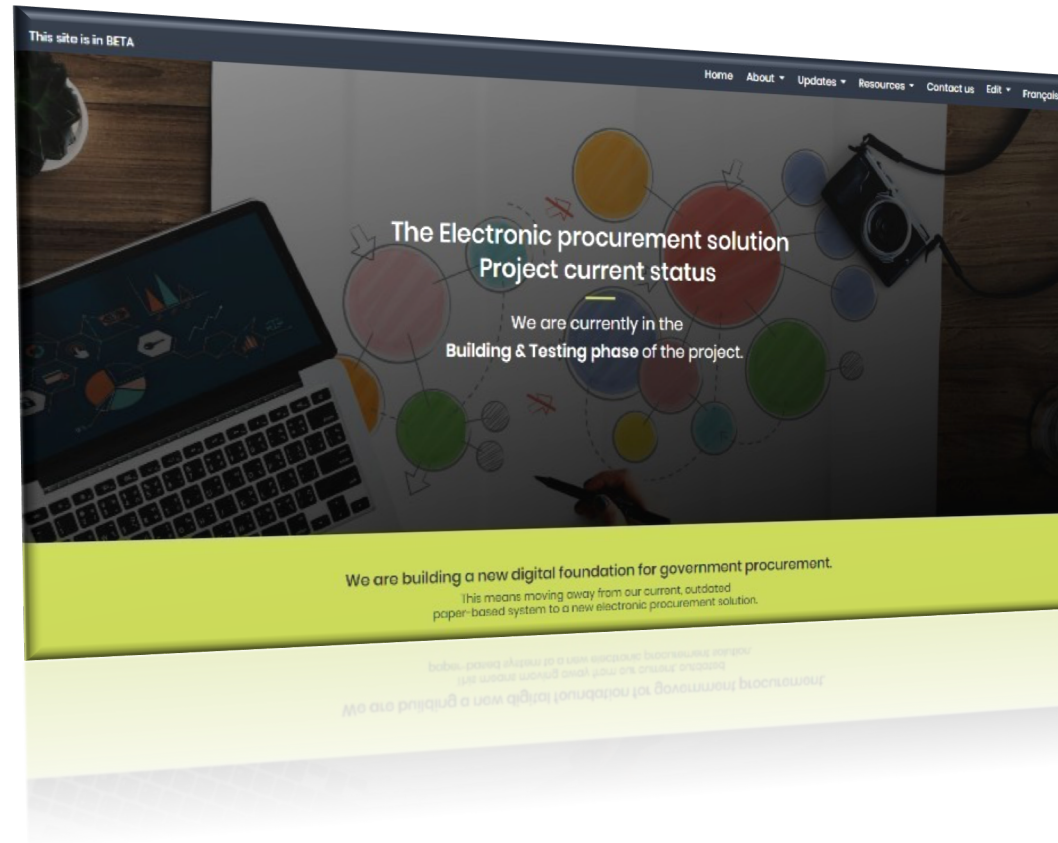
**Configuration Decisions**  
made to establish a baseline  
EPS configuration

~95%

**Digital Enablement**  
of processes (up from 10%)

**TBS Partnership and collaboration** throughout to  
ensure the design supports the enablement of Phase II.

# Take a Look at Our New GCpedia Page



[http://www.gcpedia.gc.ca/wiki/Electronic\\_procurement\\_solution?lang=en](http://www.gcpedia.gc.ca/wiki/Electronic_procurement_solution?lang=en)



# Stay In the Know

EPS is not only about modernizing procurement, but also about fundamentally providing better service to our clients.

To enable the EPS implementation, PSPC is committed to working with you to support your awareness of the project through a variety of phased and targeted communications, training, and change management activities.



**Send us an email!**

**EPS Organizational Change Management (OCM)**

**TPSGC.PASAEGCO-APEPSOCM.PWGSC@tpsgc-pwgsc.gc.ca**



**Follow the journey!**

**Electronic procurement solution on GCpedia**

**[http://www.gcpedia.gc.ca/wiki/Electronic\\_procurement\\_solution?lang=en](http://www.gcpedia.gc.ca/wiki/Electronic_procurement_solution?lang=en)**

