Chapter 4

E-Procurement Associated with MRO:
The Case of Caixa Econômica Federal

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ABSTRACT

The purpose of this chapter is to identify the benefits achieved by the Caixa Economica Federal (Caixa), with regard to improvements in efficiency, to deploy its e-procurement solution associated with MRO (Maintenance, Repair, and Operation). Through a simple case study, this chapter seeks to analyze the strategic importance of deploying shopping site Caixa, investigating how the dimensions of technological, organizational and cultural influence the efficiency of their production processes. Although the results are significant in relation to the recovery time of investment, and promising for the potential to reduce administrative costs of the company, factors linked to participation and willingness to adopt a new sales model and the investment capacity and flexibility to adopt models were extremely important from the perspective of suppliers.

INTRODUCTION

With the passage of time, social changes, economic and technological have occurred, more intense and fast, causing society to constantly adapt and dynamic, seeking new strategies and technology alternatives. This evolutionary scenario requires the state, as co-responsible for the provision of public services, a fitness for this technological acceleration (Baião and Seco, 2000).

Despite the developments, enterprise systems in the federal public administration are centralized, poorly integrated, and focused on the structure and process management functions not.

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Brazilian legislation has been updated in light of changes in social, economic and technological areas. The organizations have sought to optimize the use of Information Technology (IT), intensifying and expanding this powerful tool, in order to change the basis of competitiveness and business strategies. Organizations began to plan and strategize the main ally of IT (Joia and Zamot, 2002).

A milestone for implementing this new vision was to enhance the Procurement Law, to ensure greater speed in transactions, a wider range of opportunities to suppliers, better quality control of products and services, and effective reduction cost (Joia and Zamot, 2002).

Therefore, this chapter investigates the perceptions of suppliers and employees of a Public Company - Caixa Economica Federal (CAIXA), regarding the process of implementing e-Procurement associated with Maintenance, Repair and Operation (MRO).

This study could be useful, since they contain information and data that can provide support in assessing the implementation of the shopping site, thus increasing the chances of success of similar ventures in the context of public enterprises.

LITERATURE REVIEW

The literature on associated traditional MRO Procurement is not large or diverse in its approach. You can find on Neef (2001), Gebauer & Segev (2001) and Aberdeen Group (1999 and 2001) a good summary of academic and practical approaches on the subject.

Although this theme is not new, only in recent years he has been the focus of attention in academia, due to have assumed strategic importance. This importance arose from the pressures for cost reductions and greater agility in the purchasing process, imposed by global markets.

Increased global competition and pricing pressures have forced companies to continually identify new opportunities to increase productivity and reduce costs. As a result, many companies began to focus its attention on improving the management activities of the supply chain, particularly in cases of corporate Procurement (Aberdeen Group, 1999).

In many organizations, particularly in the manufacturing sector, activities related to Procurement can be categorized into two dimensions. On the one hand, Direct Procurement - products related to production - and another the Indirect Procurement - goods not related to production (Gebauer and Segev, 2001).

The indirect Procurement, in turn, has received little attention over time, both organizationally and in relation to greater use of IT (Gebauer and Segev, 2001).

The MRO (Maintenance Supplies, Repair and Operation) covers products and services routinely used, ordinary, customary, that the organization purchased in their day to day, i.e., office supplies, furniture, travel services, computers, Maintenance services, light bulbs, among others. Purchased in large volume, have low price. However, they generate a great expense of energy for their provision (Neef, 2001, p. 26).

IT has been applied to support the exchange of goods, services and information between organizations. With the advent of Procurement systems and Internet-based electronic markets Business to Business (B2B), real opportunities for online transactions have been opened to close the gap and improve performance relative to time (Dai and Kauffman, 2000).

The internet, through its innovative applications, enabling new organizational arrangements that can change the shape of the supply chain. This is due to greater automation of procurement processes, which allows the department greater concentration in their business strategy (Gebauer and Segev, 2001).

Technological advances, including the spread of Internet use by society, have allowed the review
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