2007

Preparing SME Suppliers for Sustainable Local Authority eProcurement

Paul Beynon-Davies
eCommerce Innovation Centre, Cardiff Business School, Cardiff University

Martin Parfett
eCommerce Innovation Centre, Cardiff Business School, Cardiff University

Ceri Evans
eCommerce Innovation Centre, Cardiff Business School, Cardiff University, c.d.evans@bangor.ac.uk

Stephen Whittle
eCommerce Innovation Centre, Cardiff Business School, Cardiff University

Follow this and additional works at: http://aisel.aisnet.org/bled2007

Preparing SME Suppliers for Sustainable Local Authority eProcurement

Paul Beynon-Davies, Martin Parfett, Ceri Evans, Stephen Whittle

eCommerce Innovation Centre, Cardiff Business School, Cardiff University,
United Kingdom
c.d.evans@bangor.ac.uk

Abstract

Public sector organisations are increasingly introducing eProcurement systems in order to improve the efficiency and effectiveness of their procurement processes. This clearly has implications for their suppliers, who are being asked to adopt eProcurement. For many SMEs, particularly small and micro businesses, this is proving a difficult challenge given their lack of eProcurement knowledge, as well as their resource shortages. It is at the Local Authority (LA) level that this situation is most problematic, as SMEs tend to supply more to local than central government. This paper presents the results of research undertaken with LAs and SMEs as part of the EPROC project. In particular, it provides insights into the level of eProcurement use and development in LAs in North West Europe, and illustrates how the introduction of eProcurement could have a negative impact on local economies and communities if LAs don't help their SMEs to adopt eProcurement. The paper also reports on the findings of research conducted with SMEs in relation to the problems they've experienced in undertaking eProcurement with LAs, and details how some LAs are engaging with their local SMEs to help them become 'eProcurement ready'. The research has demonstrated there is a need to bridge the knowledge gap between SME understanding and awareness of LA eProcurement developments on the one hand, and on the other, LA understanding of the typical eProcurement capabilities of their SME supplier base. To meet these needs, the EPROC project has developed separate eProcurement guides for SMEs and LAs.

Keywords: SMEs, eProcurement, Local Authorities

1 Introduction and Background

Although there is evidence to suggest that much of the private sector has been using eProcurement for years, the public sector on the whole has been slow to respond.

Despite this, it is becoming increasingly clear the public sector is beginning to adopt eProcurement (International Journal of Productivity and Performance Management, 2004). Indeed, the i2010 eGovernment action plan which defines the European eGovernment strategy up to 2010 has proposed ambitious objectives for eProcurement within Europe. By 2010 all public administration across Europe will have the capability of carrying out 100% of their procurement electronically, where legally permissible, and 50% of public procurement above the European Union public procurement threshold will be carried out electronically (Commission of the European Communities, 2006).

Legislative changes are also driving greater use of eProcurement across the European Union. Legislation such as the EU Consolidated Directives and EU Invoicing Directive make clear provision for the use of eProcurement tools and techniques. A new legal framework for electronic public procurement has also been introduced and member states were required to implement it by January 2006 (Commission of the European Communities, 2004).

eProcurement, with its capacity to improve efficiency and effectiveness of the procurement process, is therefore recognised as a means of reducing vast public sector procurement costs. Estimates from the European Union show that public procurement accounts for around 16% of the EUs GDP, equivalent to 1,500 billion euros.

A review of UK public sector spending in 2004 resulted in a target being set of more than 29 billion euro of efficiency savings by 2007/8. Approximately one third of these savings are expected to come from improved procurement, with eProcurement the primary enabler (Gershon, 2004). For local government, they expect an overall saving of around 2.8% of total non-salary related expenditure by adopting effective eProcurement, including a 1.6 billion euros reduction in cost of goods and services through improved purchasing, eTendering overhead savings of 11.5 million euros, and savings in process costs of up to 50-80% or 60 euros per transaction (National eProcurement Project, 2004).

A number of academic studies have also demonstrated the significant operational benefits that can be gained from eProcurement. These benefits include "lower transaction costs, lower staffing requirements, shorter procurement cycles, reduced inventory levels, higher degrees of transparency, and increased communication and collaboration between supplier and buyer organisations" (Dooley and Purchase, 2006).

Although most public sector organisations will have the resources at their disposal to effectively introduce eProcurement, this may not hold true for their suppliers who may be required to adopt such systems.

Resource and knowledge constrained SMEs – which make up 99.8% of all enterprises in Europe (European Commission, Observatory of European SMEs, 2003) – are most likely to encounter problems in this area, when compared to resource rich, large suppliers.

Given the trend towards the public sector making it compulsory for suppliers to adopt eProcurement, it becomes immediately apparent there is potential for incumbent SME suppliers in particular, to lose out on future business with the public sector. At the same time, SMEs who are looking for new business may not be able to consider trading with the public sector until they are 'eProcurement ready'.

This situation is all the more acute at the Local Authority (LA) level, as small businesses typically supply about twice as much to local government as to central government (Department of Trade and Industry [DTI], 2005). Those businesses most at risk then appear to be 'local' SMEs, particularly small and micro businesses which account for nearly 99% of all European SMEs (European Commission, Observatory of European SMEs, 2003).

There is clearly a distinct possibility that without intervention, LAs may be less able to use the services of 'local' SMEs, and may have to source their suppliers from further afield. This, in turn, could have a significant impact on local economies and communities, as well as a wider environmental impact.

It was as a result of these concerns that the EPROC project was born. It was commissioned with the ultimate aim of encouraging and supporting the adoption of new procurement processes and tools by SMEs in the more rural areas of North West Europe, who might otherwise find themselves disadvantaged as a result of new eProcurement systems and practices adopted by LAs.

A review of academic literature has demonstrated there is a plethora of material advocating the benefits of eProcurement (Minahan & Degan, 2001; Papazoglou & Ribbers, 2006; Hawking and Stein, 2004). Indeed, the majority of governments throughout Europe have openly recognised the benefits of eProcurement solutions – for instance, in England, the National eProcurement Project was set-up to help LAs to gain maximum benefit from such tools and techniques. However, very little has been published in the context of LA eProcurement developments, and their SME suppliers. Some studies, such as those by Prier and McCue (2007) have touched upon the possibility of LA eProcurement having a negative impact on local suppliers if their needs are not taken into consideration, but have not taken the issue any further.

The EPROC project is addressing just this issue, unpacking aspects of the business-to-government domain, but very much with SMEs in mind. It is a collaborative European initiative with partners from Germany, Holland, Ireland and Wales, and is supported by European Regional Development Funding. The project was launched in July 2004 and will continue until June 2008.

2 Purpose and Methodology

2.1 Definitions

Within EPROC, eProcurement has been defined as the electronic management of tendering, purchasing and payment – this simple definition is used to help SMEs (and LAs) understand the term. It is recognised there is not one solution, model or vendor for eProcurement, but that it is a combination of different tools, techniques and solutions that have to fit together to address an overall eProcurement model (see Figure 1 below).
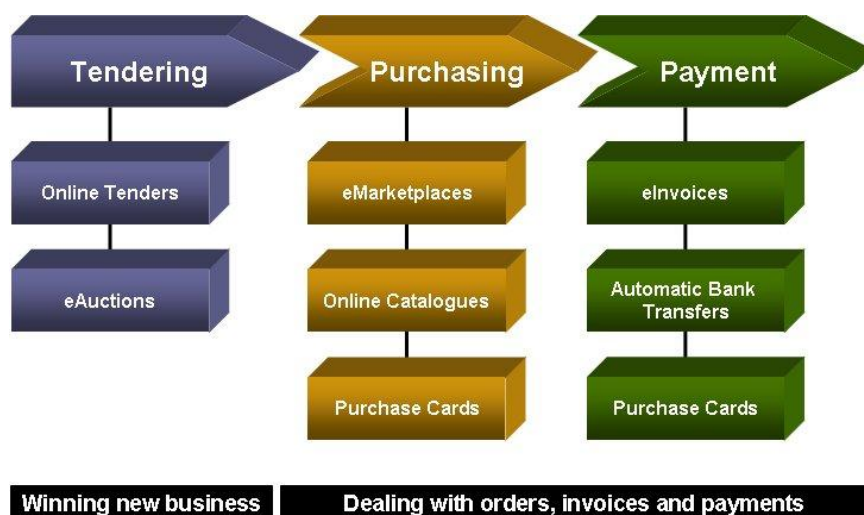
Figure 1: Different technologies/solution types SMEs might be exposed to in LA eProcurement

For the purposes of this research, eTendering systems are seen to be those that enable the tendering process to be conducted electronically, whilst ePurchasing enables LAs to order electronically via solutions such as eMarketplaces, on-line catalogues and Purchasing Cards. ePayments refer to a range of technologies and solutions that somehow have a link to making payments electronically.

SMEs are defined as those companies with less than 250 employees and less than 50 million euros turnover – they can be further sub-divided into:

- Medium sized businesses (50-249 employees);
- Small businesses (10-49 employees), and;
- Micro businesses (0-9 employees).

'Local' SMEs are those located within a LA catchment area.

2.2 Research Objectives and Approach

The research phase of the EPROC project used a combination of primary and secondary research to understand more about the following:

- The level of eProcurement use and development in the local government sector across North West Europe, in relation to eTendering, ePurchasing and ePayments.
- The economic and social significance of LA eProcurement from 'local' SMEs.
- The importance of LA business to SMEs.
- SME constraints and problems in undertaking sustainable eProcurement with LAs.
- The extent that LAs are engaging with 'local' SMEs to help them become 'eProcurement ready', and their methods of doing so.

Primary research was conducted with both LAs and SMEs in order to help meet the above research objectives. In phase one of the study, a self-administered questionnaire was sent out in late 2005 to senior procurement officers and other qualified contacts at nearly 1,300 LAs across North Western Europe. There were

279 survey responses in all, which represented an overall response rate of around 20%. The responses comprised of 55% of all Welsh LAs, 10% of English LAs, 12% of Irish LAs, 5% of Dutch LAs, and 2% of German LAs – these variations largely reflect the significant differences in the total number of LAs in the participating countries.

The second phase of the primary research focused on SMEs. It involved in-depth, face-to-face interviews, with 55 randomly chosen SMEs from existing contacts across the EPROC partner countries. The SMEs were from a number of industry sectors, and ranged in size from a micro business, with just one employee, to a medium sized company, employing 60 people.

An extensive review of existing secondary research was also carried out in order to help meet the research objectives.

3 Research Findings

The data from the LA questionnaire responses was analysed in January 2006, and the SME interview analysis was carried out shortly after. The following discussion provides tables[1] showing results from the questionnaire, together with the interview findings, and relevant secondary research that adds value to the overall analysis.

3.1 The level of eProcurement use and development in the local government sector across North West Europe

LA eProcurement Strategies

One tentative indicator of the level of eProcurement development in LAs is whether they have their own eProcurement strategies in place. As can be seen in Table 1, the results vary significantly from country to country.

Half of the Authorities questioned by the Welsh and Irish partners in this investigation had an eProcurement strategy in place. In England, 63% of LAs questioned had an eProcurement strategy, whilst a further 35% were planning to introduce one – these statistics are unsurprising given that English LAs had a target set by national government to have their eProcurement systems in place by December 2005. Indeed, eProcurement in England is expected to contribute significantly to the annual 2.5% efficiency savings that have been set in order to reinvest money in front-line public services.

EPROC Country	% of Local Authorities			
	Yes	**No**	**Planned**	**Not specified**
Wales	50	25	17	8
England	63	2	35	0
Ireland	50	50	0	0
Germany	10	78	10	2
Holland	0	100	0	0

Table 1: Proportion of LAs with eProcurement strategies

---

[1] Note that due to rounding, the tables of results may not add up to 100 per cent.

In contrast, none of the LAs in Holland had an eProcurement strategy in place, and there were no plans for any either – this illustrates the low level of eProcurement development in the country. In Germany, just 10% of LAs had an eProcurement strategy, whilst a further 10% were planning to introduce them.

Of those LAs that had developed eProcurement strategies, the EPROC research showed that many had published these on their websites. In practice, these varied significantly in content. Whilst some were little more than outline ideas on how they are going to address eProcurement, others were detailed documents which are of real use to SMEs trying to understand where LAs are heading with eProcurement.

eTendering Use by LAs

Perhaps a more tangible indicator of the state of LA eProcurement developments is whether LAs are actually using eTendering, ePurchasing and ePayment systems. The LA survey findings showed some differences between the countries in this regard.

As Table 2 shows, 67% of LAs in Wales were either already using eTendering (17%), or were planning to use it (50%). In England, eTendering usage was higher, with 20% already using it, and 68% expecting to do so in the near future. In Ireland, 75% were already using eTendering, with the remainder planning to do so – this provides a very clear indication of the advanced state of LA eTendering developments in the country.

Interestingly, in Germany, just 14% of LAs were using eTendering, with another 21% planning to do so. None of the LAs in Holland were using any form of eProcurement.

EPROC Country	% of Local Authorities			
	Yes	**No**	**Planned**	**Not specified**
Wales	17	17	50	17
England	20	13	68	0
Ireland	75	0	25	0
Germany	14	62	21	4
Holland	0	0	0	100

Table 2: Proportion of LAs using eTendering

ePurchasing Use by LAs

Electronic purchasing also seems to be in place in most of the regions surveyed. Table 3 shows there were a greater proportion of LAs using ePurchasing in Wales than eTendering, with 42% currently doing so, and the remainder (58%) planning to introduce it. In England this proportion was even higher, with 68% using it, and 30% planning to do so. In Ireland, 50% of LAs were using ePurchasing, and in Germany just 30% were using it, with a further 14% planning to use it.

The EPROC research thus shows that ePurchasing is starting to take off. Purchasing cards, which enable nominated LA employees to purchase high volume, low value items without the need of purchase orders or the issuing of

subsequent invoices, for example, are well in evidence in Wales and England, but still at an early stage of uptake.

EPROC Country	% of Local Authorities			
	Yes	No	Planned	Not specified
Wales	42	0	58	0
England	68	3	30	0
Ireland	50	25	0	25
Germany	30	53	14	4
Holland	0	0	0	100

Table 3: Proportion of LAs using ePurchasing

ePayments Use by LAs

As for ePayments (table 4), 42% were using them in Wales, with a further 50% planning to do so. In England, only 3% were either not using them, or had no plans to do so. In Ireland, 75% were using ePayments, and in Germany 31% were using them, with a further 18% planning to do so. The least developed part of ePayments is eInvoicing. This is somewhat surprising from a LA point of view, as the potential cost savings are considered to be large (NePP, 2004).

EPROC Country	% of Local Authorities			
	Yes	No	Planned	Not specified
Wales	42	8	50	0
England	45	3	53	0
Ireland	75	0	0	25
Germany	31	52	13	5
Holland	0	0	0	100

Table 4: Proportion of LAs using ePayments

3.2 The economic and social significance of LA eProcurement from 'local' SMEs

SMEs play a major role in economic development and in sustaining communities in the countries of North West Europe. In the UK, they account for just over 50% of the turnover in the economy, and employ nearly 60% of the workforce (DTI, 2005).

From the EPROC research with LAs, it was evident that SME suppliers make-up the majority of their supplier base. In total, 30% of all the Authorities interviewed stated that around half of their suppliers were SMEs, whilst a further 48% mentioned that over half of their suppliers were SMEs. If 'local' SMEs are unable to meet LA eProcurement demands, this clearly could have a significant impact on local economies and communities.

Research undertaken by Northumberland County Council in the UK helps to put this negative impact into perspective. The study used the LM3 multiplier tool, which measures how income into an economy circulates within it, and so has a multiplied impact on the economy. It found that for every 1.5 euros spent with a

'local' supplier, it is worth 2.7 euros to the local economy, but only 0.6 euros if it is spent out of the area. When these figures were analysed more closely, it showed that if the LA found ways to shift 10 per cent of its current spending on non-local suppliers to 'local' suppliers, this would generate an additional 52 million euros for the local economy (New Economics Foundation, 2005). In a similar way, the Welsh Assembly Government (2006) has shown that for every one per cent increase in public sector spending with businesses located within Wales, a further 2,000 jobs could be created.

Up until very recently, LAs have not known what they have spent with suppliers, and most significantly, where they have actually bought from. LAs are thus increasingly undertaking Spend Analysis to enable them to establish levels of spend with local SMEs, and to benchmark future progress (Smulian, 2005).

Of course, although LAs are moving towards providing more SME friendly policies, EU Treaty Principles require that LAs do not do anything that could restrict, distort, or prevent competition. It appears that LAs are however active in trying to circumnavigate these restrictions. For instance, some LAs are breaking down large contracts which may be over the European value threshold, into smaller components to attract SMEs and not exclude them from tendering. These 'lots' can also be divided by geographical locale (such as a small hedge cutting contract within a LA area), so they only appeal to small 'local' SMEs.

3.3   The importance of LA business to SMEs

On the whole it appears that SMEs view the public sector as an attractive market for them. Research commissioned by the Welsh Business Procurement Taskforce for example, has highlighted that SMEs value the fact that payment is secure and on time, and that day-to-day involvement with the contract is generally well managed (Heath, 2005).

A review of published data helped to position the importance of the public sector market to SMEs, in relation to their overall sales turnover. For instance, according to 2005 Federation of Small Business data, on average, 10.3% of UK SME sales are accounted for by Local Government. In some sectors, such as Health and Social work, this dependency is far higher – even as much as 75% in some cases (DTI, 2005). In the EPROC interviews with SMEs, it was found that three-quarters of the businesses were supplying LAs.

Clearly, in those cases where a SME has a heavy reliance on LA customers, the potential risk of not adopting eProcurement is very high. Research by UK LA Spend Analysis company Spike Cavell, showed that those SMEs at risk, are companies dependent on the LA for more than 20% of their business. Their research found that 6% of trade suppliers on average may be at risk in the UK if their public sector customers decide to stop using them due to their eProcurement demands (Bradley, 2005).

3.4   SME constraints and problems in undertaking sustainable eProcurement with LAs

Many of the SMEs interviewed had an awareness of the importance of eProcurement to their long-term competitiveness. Just over half of the businesses that trade with LAs, had taken part in some form of eProcurement. The majority had been involved in eTendering and ePayments, with relatively few ePurchasing.

The main area of eProcurement activity for the SMEs was in eTendering, which perhaps reflects the effort put into this arena by LAs across Europe. Generally speaking though, it was clear the majority of SMEs that had experienced LA eProcurement, were still relatively new to it.

The SMEs had a number of problems and issues with LA eProcurement. In the main, it was felt that software in use by businesses was not the same as that used by LAs, and this in turn has created integration problems. Some of the businesses made the point that LAs were either unaware, or give insufficient attention to the software they use. Many of these problems were compounded by the fact there were differences in software use and policies not only between LAs, but also within the same LA.

Some of the SMEs talked about the difficulty in identifying lower value tenders that are particularly important to newer and smaller businesses. Whilst some of these eTendering systems might be just what a company with 75 or 100 employees is looking for, they may not be suitable for smaller suppliers that are typically looking for tenders under the European value threshold, and particularly the €5,000 – €50,000 contracts. It is perhaps the very broad definition of SMEs that is creating problems when SME tailored eTendering systems are being developed.

In the UK, the market for smaller value public contracts (typically defined as contracts under 152,000 euros), is worth around 41 billion euros per year (DTI, Small Business Service, 2005), which illustrates how significant they are to the economy. There was some evidence from the EPROC research that smaller value eTendering sites are however beginning to appear, for example, there is a new UK opportunities portal for lower-value contracts, www.Supply2.gov.uk, which has recently been launched.

The SMEs also mentioned the lack of suitable business opportunities they've received by eMail after registering on eTendering sites. Some SMEs considered the implementation costs of introducing eProcurement to be rather high, and were therefore worried about the investment risks, particularly where eProcurement systems have to be implemented before a contract has been awarded. If a SME is supplying several LAs, each of whom are using different eProcurement systems, it certainly can create additional costs which could prove burdensome.

The interviewees were also vocal in drawing attention to overly bureaucratic LA procurement processes and unfriendly SME policies, rather than just commenting on eProcurement in isolation. In particular, it was felt the amount of information SMEs are asked for in response to tendering opportunities is seen to be excessive, and up front costs and time involved in tendering are not sustainable. It is clear that simply automating existing bureaucratic systems is not enough.

3.5   The extent that LAs are engaging with 'local' SMEs to help them become 'eProcurement ready', and their methods of doing so

A number of studies, such as those by Vaidya, Sajeev and Callender (2006), have shown how significant early and extensive consultation with suppliers is to eProcurement implementation success. The need to discuss and demonstrate proposed solutions, to take heed of supplier issues and concerns, and to

communicate eProcurement benefits, is needed for all sizes of businesses, but perhaps acutely so at the small business level.

The EPROC research has shown there is a huge difference between what forward thinking LAs are doing to engage with SMEs and the laggards. In certain countries for instance, there is a mandatory requirement for LAs to develop an eProcurement strategy, and as part of that strategy to have explained how they will encourage and support SMEs to take part in the process.

Although LAs in some countries are beginning to take the positive step of contacting and informing SMEs about the need to adopt new means of operating, it was very evident from the EPROC study that not all LAs adopt this approach, and in such circumstances, the onus is on SMEs to be proactive.

The following provides details of some of the better examples of LAs engaging with SMEs, that were identified in the EPROC research activities.

Case Study: UK

In the UK, a number of SME supplier engagement initiatives have been run. Amongst these, the activities of Bristol City Council stand out as one of the more successful examples. The Council wanted to introduce an eProcurement initiative that would reduce, and if possible, eliminate manual handling of purchase orders and invoices, whilst maintaining a sustainable level of 'local' suppliers. They therefore partnered with a number of local businesses, and created a dedicated supplier engagement team. The Council teamed up with @UK plc, one of the leading eProcurement solution providers with products aimed at the SME market, as well as Sage, the leading business package provider to SMEs. By working with a number of different partner organisations, it provided the Council with the capacity and access to expertise that covered the full range of skills needed of their suppliers. The team created a series of supplier adoption events and achieved close to a 100% sign-up rate from attendees (OGC, 2005).

Case Study: Germany

The city of Ravensburg in Germany, successfully introduced an eCatalogue system to procure products on-line such as office equipment and paper, by adopting a similar approach. Before starting to implement the system they organised information events for 'local' SMEs. As they knew SMEs would be sceptical of a change in procurement strategy, they worked with the local Chamber of Commerce and Chamber of Crafts. Together they presented information about the benefits of eProcurement and clearly communicated what would be required of them. At the same time, they also gave SMEs the opportunity to ask individual questions about what the new system would mean. In co-operation with a eProcurement Service provider they helped their existing SME suppliers to produce eCatalogues of their product portfolio, by adding descriptions, pictures and prices, etc.

4   Discussion and Conclusion

Whilst the EPROC research has shown there are differences in the extent of LA eProcurement development and usage amongst the countries of North West Europe, with England in particular standing out as one of the most developed, on the whole it appears the majority are at a similar level of eProcurement maturity

(with the exception of Holland). Although there is clear evidence to demonstrate that LAs are active in making use of eTendering, ePurchasing and ePayment systems, they are still at an early stage of development, especially when considered in the context of the eProcurement targets set within the EU i2010 eGovernment action plan.

When this level of eProcurement maturity is also considered in relation to catering for SMEs, and in particular, small and micro businesses, it is evident there is even more progress required by LAs. The fact that smaller value eTendering sites, which are just what the majority of SMEs are looking for, are only now beginning to emerge, puts this into perspective.

A significant body of evidence has emerged in this paper of the danger to economic and community sustainability, if LAs do not adequately take into consideration 'local' SMEs. It is possible that rural LAs may be most at risk, given that small rural SMEs may have a greater dependency on LA business, and also may have lower levels of IT skills, as well as other resource shortages.

The EPROC research has shown that some LAs in a number of countries are active in engaging with SMEs to help them adopt eProcurement, and thus are minimising the risk of their SMEs not being 'eProcurement ready'. However, it is clear this situation is far from uniform across all of North West Europe.

The feedback from the SME interviews showed that LAs must address their eProcurement concerns – both actual and perceived, even if the latter are not grounded in reality. Many of these relate to unease in adopting new ways of working, and reflect their lack of eProcurement knowledge and experience. Providing some element of "hands on" eProcurement training in the first instance to start SMEs off, has also proven a successful way of working with SMEs – this approach mirrors best practice eBusiness support initiatives, such as the highly successful Opportunity Wales programme (Parfett and Beynon-Davies, 2006).

The EPROC project has developed a guide to help SMEs prepare for and implement LA eProcurement requirements. By using it, they will understand the internal and external implications of what they are being asked to do, and will have greater knowledge of how to benefit from new eProcurement developments. A pocket sized version of the guide will be sent to LAs throughout North West Europe so they can distribute them to their SMEs as part of their eProcurement awareness activities. A more detailed version of the guide is available to download from the EPROC website, www.eproc.org, along with a series of on-line training tutorials for SMEs.

As eProcurement is being rolled out by LAs, SMEs also increasingly need to be proactive in meeting and exceeding the challenge of emerging LA sustainable procurement practices. To meet this need, an additional SME pocket guide to LA sustainable procurement has been developed.

This paper has demonstrated that it is not only SMEs that require upskilling. To address the lack of LA understanding of eProcurement, and in particular, their limited understanding of the typical knowledge, capabilities and IT systems of their SME supplier base, a detailed LA guide to Sustainable eProcurement with SMEs has also been produced. This guide will help ensure they achieve the benefits in driving the introduction of eProcrement activities, without compromising local economic and community development.

Given that some of local government's future spend will come from savings in procurement, and the amount of central money available to fund local activities will be reduced, it is clear that LAs can not afford to ignore eProcurement. With eProcurement likely to grow both in importance and intensity over the next three to five years, SMEs must be prepared for even the LA laggards to adopt some aspects of eProcurement.

Acknowledgements

References

Bradley, A. (2005): "Council 'wake up call' on eProcurement for SMEs", Supply Management, Vol. 10, No. 1, p. 9.

Commission of the European Communities (2004): "Action plan for the implementation of the legal framework for electronic public Procurement", Brussels.

Commission of the European Communities (2006): "i2010 eGovernment Action Plan: Accelerating eGovernment in Europe for the Benefit of All", Brussels.

Department of Trade and Industry (DTI), Small Business Service (2005): "A Study of the Benefits of Public Sector Procurement from Small Businesses", London, HMSO.

Department of Trade and Industry (DTI), Small Business Service (2006): "Small Business Service annual survey of contracts awarded by public sector bodies to small and medium sized enterprises 2004-2005", London, HMSO.

Dooley, K. and Purchase, S. (2006): "Factors Influencing eProcurement Usage", Journal of Public Procurement, Vol. 6, No.1, pp28-45.

European Commission, Observatory of European SMEs (2003): "SMEs in Europe 2003".

Gershon, P. (2004): "Releasing resources to the front line: Independent Review of Public Sector Efficiency", HMSO.

Hawking, P. and Stein, A. (2004): "eProcurement: Is the Ugly Duckling Actually a Swan Down Under?", Asia Pacific Journal of Marketing and Logistics, Vol. 16, No.1, pp3-26.

Heath, P. (2005): "Business Procurement taskforce panel research".

International Journal of Productivity and Performance Management (2004): "eProcurement goes Mainstream", Vol. 53, Iss. 1/2, p168.

National eProcurement Project (2004): "The Benefits of eProcurement", ODPM.

New Economics Foundation (2004): "Public Sector Spending for Public Benefit – How the public sector can use its purchasing power to deliver local economic development".

OGC (2005): "eProcurement in action: A Guide to eProcurement for the public sector".

Papazoglou, M. and Ribbers, P. (2006), "eBusiness – Organisational and Technical Foundations", John Wiley & Sons, Ltd., England.

Parfett, M. and Beynon-Davies, P. (2006): 29th Institute for Small Business and Entrepreneurship Conference, "eCommerce as a driver for Regional Development", Cardiff, Wales, UK, 31 October – 2 November 2006.

Prier, E. and McCue, Clifford. (2007): "eProcurement Adoption in Local Governments of the United States", Government Procurement, Vol. 15, Iss. 1; pp12-31.

Smulian, M. (2005): "Councils taxed by web buying", Supply Management, Vol. 10, Iss. 6; pp22-26.

Vaidya, K., Sajeev, A. S. M., and Callender, G. (2006): "Critical Factors that influence eProcurement Implementation Success in the Public Sector", Journal of Public Procurement, Vol. 6, No. 2, pp70-99.

Welsh Assembly Government (2006): "Opening Doors – The Charter for SME Friendly Procurement".