



# INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

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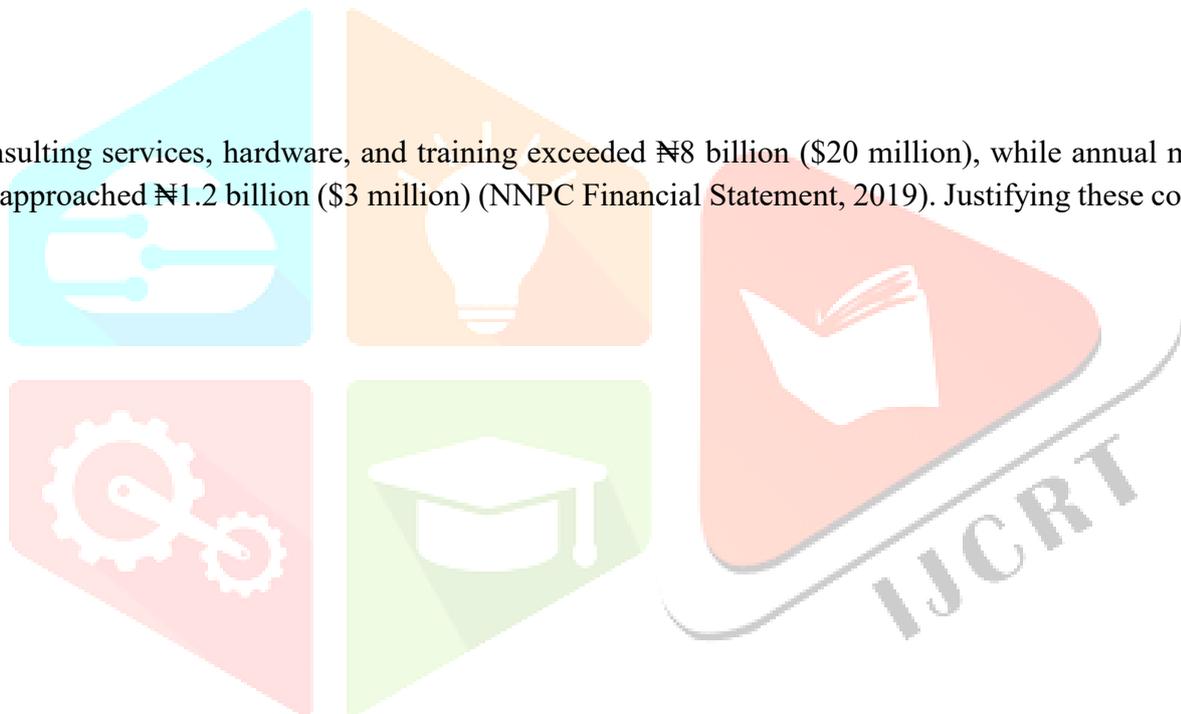
hat e-procurement implementation across EU member states could generate savings of approximately €100







s, consulting services, hardware, and training exceeded ₦8 billion (\$20 million), while annual maintenance costs approached ₦1.2 billion (\$3 million) (NNPC Financial Statement, 2019). Justifying these costs required



approximately ₦58 million annually (Lagos State Financial Report, 2020).

Aggregate procurement savings over five years (2016-2021) exceeded ₦87 billion (\$217 million), far exceeding implementation costs of ₦1.8 billion (Lagos State Financial Statement, 2021), representing an ROI

Dangote Group, Nigeria's largest private conglomerate with annual procurement exceeding ₦500 billion

Dangote's implementation delivered exceptional results. Analysis reveals aggregate cost savings of 35% over five years (2015-2020), translating to approximately ₦175 billion (\$437.5 million) (Dangote Group Annual

The ROI was exceptional: ₦175 billion savings against ₦16 billion total costs (implementation + 5 years

additional ₦450 million consulting costs.

Critical success factors included unwavering CEO support from Aliko Dangote, who personally chaired quarterly reviews. Comprehensive change management involved ₦1.1 billion investment. Selection of robust,



Cost savings averaged 23% across cases with documented data. Dangote achieved 35% savings (₦175 billion over 5 years), NNPC 31%, and Lagos State 27% (₦87 billion). Federal ministries had limited documented

mprehensive Change Management: Successful cases invested heavily (Dangote ₦1.1 billion, Lagos ₦380



3. Digital Literacy Gaps: 30-45% of users lacked basic skills, requiring sustained training investment (₦120-

cluded hacking, fraud, data breaches, and vendor impersonation. NNPC and Dangote invested ₦180-380

6. Cost and Resource Constraints: Implementation costs (₦1.8-10 billion) and ongoing costs (₦120 million - ₦1.2 billion annually) strained resources, sometimes resulting in compromised implementations.



ng 23% across cases with documented savings, translating to enormous fiscal impacts for large procurement organizations. Dangote's ₦175 billion (\$437.5 million) savings over five years from 35% average cost

ositions validating substantial upfront investments: Dangote achieved 994% ROI (₦175 billion savings versus ₦16 billion total costs including implementation and five years operations), while Lagos State achieved 4,733% ROI (₦87 billion savings versus ₦1.8 billion costs) over five years. These exceptional returns

enefits. Digital literacy gaps among 30-45% of users across multiple cases necessitated extensive training investments ranging from ₦120-400 million in study organizations. System reliability issues including confidence and forced reversions to manual processes. Cybersecurity vulnerabilities created ongoing risks requiring investments of ₦180-380 million in case organizations for comprehensive security frameworks.



ing integration across government systems. Clear regulations should establish mandatory e-procurement thresholds specifying procurement values requiring electronic processing (e.g., all procurement above ₦50

Rather than universal mandatory e-procurement, government should implement phased requirements: Phase 1 (Years 1-2) mandatory for procurement above ₦50 million in all federal ministries and agencies covering

highest-value procurement representing 70-80% of total value; Phase 2 (Years 3-4) threshold reduced to ₦25 million with state governments encouraged to adopt; Phase 3 (Years 5+) threshold reduced to ₦10 million

with redundancy, disaster recovery, and Tier III or higher certification ensuring 99.982% availability. Infrastructure investment estimated at ₦50-80 billion nationally would enable effective e-procurement for government procurement exceeding ₦5 trillion annually, representing compelling value.

umption, and faster deployment (3-6 months versus 12-18 months). NNPC's successful SAP-Ariba cloud deployment avoided estimated ₦2.5 billion infrastructure investment while achieving superior reliability.

r security audits by independent firms annually, penetration testing semi-annually, compliance with standards (ISO 27001, NIST Cybersecurity Framework), and comprehensive logging for audit trails. Cybersecurity investments (₦180-380 million based on organizational size) protect against fraud and breaches potentially

rs, approvers, vendors). Investment should include initial training (₦150-200 million for large organizations with 1,000+ staff), annual ongoing training (₦40-60 million for new staff and refreshers), and vendor training (₦

ve adjustments. Change management investment should be ₦300-600 million for large complex

d requirements, demonstrations of system capabilities and oversight features, data analytics training interpreting procurement dashboards, and best practice sharing from successful implementations. National investment requirement: ₦5-8 billion over 5 years reaching 50,000+ procurement professionals, 100,000+

t centers in 20 local governments assisting 12,000+ vendors and Dangote's training of 3,000+ suppliers, costing ₦80-150 million annually for large procurement organizations.

xpertise (internal or consultant), testing before production deployment, and change management addressing workflow changes. Budget ₦200-500 million for complex integration in large organizations. NNPC and



ing competitive research grants for Nigerian scholars (₦500 million annual fund), PhD scholarships for

ts enabling long-term planning, and inflation indexing maintaining real value over time; cost recovery mechanisms including vendor registration fees (modest amounts not creating barriers: ₦10,000-50,000

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justified by savings and benefits: Lagos State ₦640 million annual costs versus ₦17.4 billion annual savings; Dangote ₦1.2 billion annual costs versus ₦35 billion annual savings.

+ major updates over 5 years) maintained competitiveness and user satisfaction. Budget for evolution: annual technology assessment ₦5-10 million, innovation pilots (2-3 annually) ₦30-50 million, major system upgrades (every 2-3 years) ₦100-300 million, and training on new features ₦20-40 million. Total technology





