



The Dos and Don'ts of implementing Lapasar.com

Successful implementation is the key to making the most out of any tool or service. Over the past years, Lapasar.com has worked with GLCs, MNCs and various large private companies on the implementation of Lapasar.com. Here some of our findings:

Do



Have a person to champion the project. All successful implementations had a clear person championing the Lapasar.com project. In 50% of the cases, the person was a Senior Executive. 20% of the championing people received a promotion within 18 months, partially attributed to the results created with the implementation of Lapasar.com.



Commit to a strict timeline. Companies that committed to a strict timeline at the beginning showed a 60% higher success and satisfaction rate with the implementation.

Lapasar.com suggests a timeline of a maximum of 2 months, comprising of IT integration, supplier onboarding and user training.

"You might think that's too short - but from our experience, even the largest companies are able to implement within the timeframe, if the process is being followed." Lakshman Das, COO of Lapasar.com



Define clear targets and results you want from the implementation. Good examples are "We want all items of the category tools and equipment to be transacted through Lapasar.com by 1st of January" "We want monthly reports showcasing how our purchase prices are compared to other companies using Lapasar.com"



Involvement & empowerment of users. The implementation of Lapasar.com brings benefits mainly to the company as a whole, such as an efficiency increase, cost savings and transparency. It is important that daily users are being educated on how the implementation impacts the digitalization and transformation goals of the organization. Users that know they are contributing to a big goal are more likely to provide valuable feedback and adopt the changes the implementation brings in their daily process.

Don'ts:

- ✗ **Assuming that everyone is happy to change.** Lapasar.com changes 'how things have always been', which can create fear and uncertainty for employees and people involved in the process. Employees might fear for their jobs, superiors might fear a loss of control or people may be uncomfortable with total transparency or concerned if they will be able to perform under the new circumstances.

Based on our experience, the best way to counter backlashes is to be firm on the company's implementation targets, yet take user's concerns seriously and address them along the way. Lapasar.com conducts surveys to constantly monitor users' happiness. Pain points faced by users are taken seriously and Lapasar.com's tech team constantly works on enhancements of the system - free of charge.

- ✗ **Starting with the wrong product categories.** If Lapasar.com is implemented in product categories that have limited volume, the implementation can certainly be successful - however, the impact it creates on the company as a whole is limited.

The best and most impactful implementations are those where clients transact a minimum of RM200,000 per month within less than 3 months.

A certain volume is required to showcase real impactful benefits on e.g. procure-to-pay efficiency or general efficiency improvement.

- ✗ **Having no commitment to digitalization.** Embarking on Lapasar.com without full commitment to go paperless and digital will create challenges. For example, companies want to maintain printed documents (e.g. DOs, POs, Invoices etc)



Why TM chose to use Lapasar?

TM's Group Procurement identified that the decentralization of procurement will result in an increased process efficiency - giving users across the country the power to purchase items for their own usage by themselves.

At the same time, maintaining governance and control was a key factor. Ultimately, the objective was to make purchasing faster and easier, without compromising on governance and control.

Lapasar was used as a tool to achieve the above-mentioned desired results.

Before implementation, the Group Procurement formulated the following aims:

- ✔ Provide TM with digital procurement without compromising governance through empowerment of users within a controlled environment; which shall
- ✔ Increase efficiency and convenience of the procurement operations; and
- ✔ Improve the productivity of TM employees

How TM benefitted

- ✔ Digital procurement without compromising the corporate governance, while increasing efficiency and convenience of procurement operations within a controlled environment.
- ✔ Improve the productivity of TM employees via a simplified and faster procurement process.
- ✔ With the use of Lapasar, the manual Purchase Order (PO) issuance and approval have been eliminated, and the purchase of supplies made via online at cheaper prices, have resulted in noticeable cost savings at their end.



Lapasar Implementation - Reported Results & Benefits

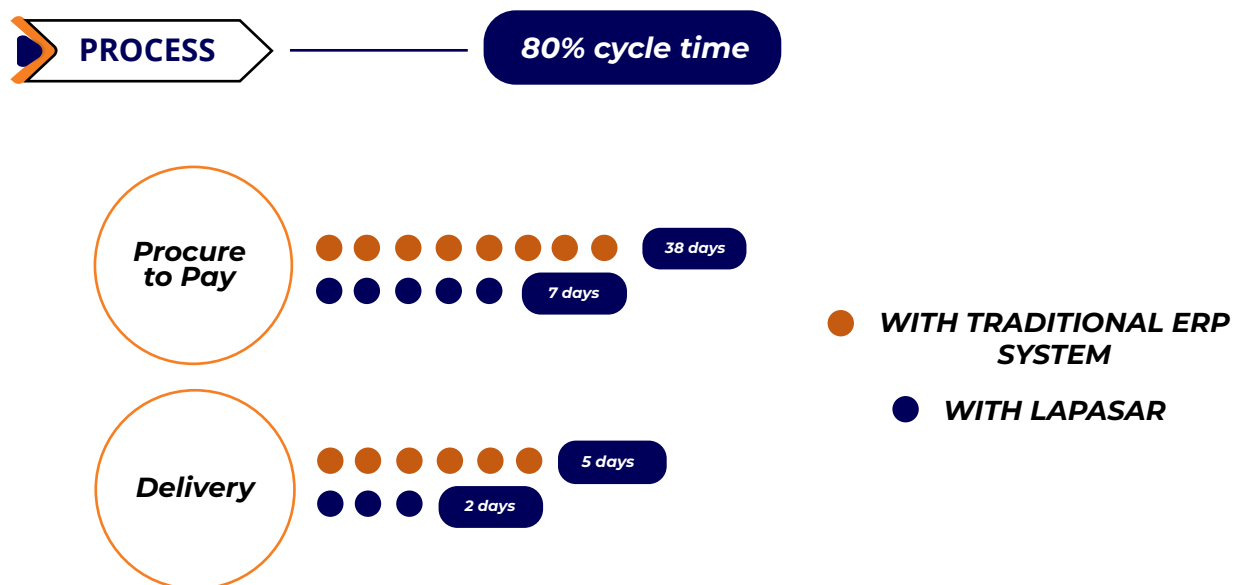
For the year 2018, TM's Group Procurement could report:

- ✓ Total cost saving of 9% and six-digit figure; and cost avoidance in the six-digit area



(As provided by TM Group Procurement, 2019)

- ✓ Digital processes reduce the typical PR to PO to Delivery process by 80%.



(As provided by TM Group Procurement, 2019)

Recognition

For the achieved results with implementing Lapasar.com, the procurement team of Telekom Malaysia was one of the shortlisted finalists in the category of :
Best Process Improvement Initiative

Below table highlights further results that were measured

	Prior to Lapasar	After Lapasar Implementation
Digitizing & Improved efficiency	Manual Purchase Order (PO) issuance and approval by Group Procurement.	Digital PO and approval process, empowering users to purchases by themselves.
Cost Avoidance &	Indirect handling cost for man hours and system cost	Cost avoidance in the six-digit figure area
Cost Savings	Not the best value purchases due to limited access to competitive prices	Cost savings of 9% and six-digit figure
Improved Speed	1-4 weeks from Purchase Request to Delivery	Average Approval time: 24 hours Average Delivery time: 3-4 work days
Technology	Manual SRM portal Web application (traditional)	Web and mobile application with interactive UI and UX <i>In August 2018, the Lapasar App was introduced to speed up approval processes and improve users' digital experience.</i>
Cost	Existing system cost & man power cost	Lapasar.com system - free implementation & maintenance

In a report handed to ProcureCon Asia by the Group Procurement, TM's team further highlights the following advantages achieved from using Lapasar:

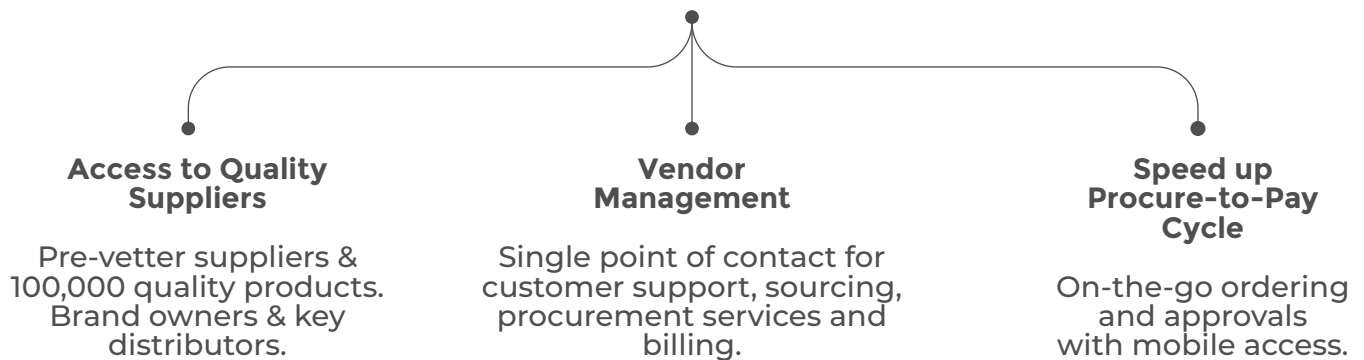
- ✔ 100+ pre-existing vendors and 300+ new vendors accessible via Lapasar.com
- ✔ Zero investment by TM
- ✔ TM is supporting the development of a local tech startups in Malaysia as mentioned by CEO Tenderin Sdn Bhd (owner of Lapasar): "We are proud to partner with TM and appreciate its acceptance and vision for the implementation of this new procurement concept, transforming traditional procurement to digital. TM saw us as a procurement partner and the first who bravely take the leap to make a change and to go digital"
- ✔ Design thinking approach follow TM's requirements
- ✔ High savings compared to traditional approach (SAP SRM) (9% savings from total transacted in Lapasar)

WHAT'S LAPASAR.COM

Lapasar is a **B2B Marketplace** giving buyers access to suppliers.

Typical marketplace environment where products are listed, and users can search for products, add-to-cart & checkout.

KEY REASONS WHY BUYERS USE US



VARIOUS PRODUCTS OF B2B CATEGORIES



Electrical



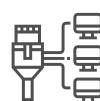
Tools



Safety



Computer



IT



Stationary



Pantry



Furniture

CLIENTS



We serve clients across industries on a daily basis

**Get in touch with Lapasar.com today to set an appointment
and explore how we can help you!**

**Tengku Iman Aziz
Head of Business Development**



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