

Challenges for Adopting Electronic Procurement in the Sri Lankan Public Sector: A Study on the Divisional Secretariat Offices

W.M.S.D. Wijethunga^{1*}, A.M.A.S.M. Bandara²

¹ *Postgraduate Unit of Management, University of Peradeniya, Peradeniya, Sri Lanka and Divisional Secretariat Office, Minipe, Sri Lanka*

² *Department of Operations Management, University of Peradeniya, Peradeniya, Sri Lanka*

**shaludilru123@gmail.com*

Electronic Procurement (EP) has facilitated the inclusion of digital technologies to strengthen the procurement activities of an organization. Efficient procurement practices are important in the public sector for delivering social and economic commodities to the public. Although many countries have successfully adopted EP into their public sector operations, Sri Lanka's public sector (SLPS) is yet to replace the traditional manual methods. These traditional methods have significantly contributed to the inefficiency of the SLPS while providing loopholes for many fraudulent activities. Despite the availability of provisions to accommodate EP in public sector procurement guidelines since 2006, SLPS has failed to shift towards EP. Therefore, the SLPS provides a unique case to investigate the reasons behind the failure to implement EP, despite its recognized need and legal support. This qualitative study used Organizational Capability theoretical lens to explore the challenges for adopting EP at the Divisional Secretariat Offices (DSOs) in Kandy District of Sri Lanka. Five respondents from each DSO were interviewed, including the Divisional Secretary, a representative from Financial, Procurement, and ICT Departments, and a Supplier registered at the DSO. Data saturation was observed after conducting a total of 15 interviews. Thematic analysis revealed three main challenges for adopting EP: (1) inadequate technological infrastructure, (2) insufficient technical knowledge, and (3) the resistance of the experienced staff who prefer traditional methods. While acknowledging the need of more research in this specific context, this study recommends to (1) develop the required infrastructure, (2) training staff on EP practices, and (3) introduce awareness programs and employee rotation schemes to mitigate the employee resistance.

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