

**IMPACT OF E-  
PROCUREMENT ON  
PERFORMANCE OF COCA  
COLA, NAMANVE BRANCH**

**BY**

**ACHORU AMIN ZUMURA**

**17/U/BPLM/1144/K/DAY**

**A RESEARCH REPORT  
SUBMITTED IN PARTIAL  
FULFILLMENT OF THE  
REQUIREMENT FOR THE  
AWARD OF A BACHELOR'S  
DEGREE IN PROCUREMENT  
AND LOGISTICS MANAGEMENT**

**November, 2020**

## CHAPTER ONE

### 1.0 Introduction

This chapter presents background of the study, problem statement, objectives of the study, research questions, and scope of the study and significance of the study.

### 1.1 Background of the Study

The study focused on impact of e-procurement on performance of coca cola Uganda.

E-procurement has the capacity of acting as an integrative technology that enables integration and improvement of processes between departments. Flynn et al, (2010) define internal integration as the degree to which two departments collaborate in the management of both inter and intra departmental processes to provide maximum value for the firm. Researchers have argued that internal integration of various activities in an organization will be able to enhance economic performance

A survey on E-procurement in Australia (Williams and Hardy, 2007) showed that E-procurement has become an increasingly strategic topic in companies in different industries across the private and public. Compared to a similar survey conducted two years before, E-procurement implementations had increased in both scope and reach. More companies were investing in the electronic support of procurement functions and processes

E-procurement is at the early adoption stage (Oke et al, 2006). This has been attributed to the astronomical costs that are involved in the setting up of the infrastructure as well the skill gap that exists in the labor market. ICT is

considered as a key pillar in the success of vision 2030 by the government of Kenya which aims at transforming the country into an industrialized nation. ICT board has been set up by the government to spearhead the ICT revolution in the country which is a positive signal for e-procurement (Oke et al, 2006).

Coca cola currently known as Century Bottling Company manufactures both non-carbonated and carbonated drinks like Coca Cola Z&O, Sprite, Crest, Story, Novida, Coca Cola, Fanta Orange, Sunny water most important to note is that the company employs 1,000 contractors and casual workers.

Century Bottling Company has got two plants where one is in Namanve Kampala and another in Mbarara. The company has 664 permanent employees and 99% are Ugandans and 1% are foreigners and it has set her standardizer bottling operations. Century Bottling Company manufactures both Plastic and glass bottles of 500ml and 300ml during the study we were told that mostly the company uses glass bottles because it takes long for the products to go bad or expire

Coca cola mission states that “to declares our purpose as a company and serves as the standard against which we weigh our actions and decisions through refreshing the world, inspiring moments of optimism and happiness and to create value and make a difference”. Coca cola vision is to serve as the Frame work for our road map and guides every aspect of our business continue achieving sustainable, quality growth

Presitti (2002) defined e-procurement as a technology solution that facilitates

cooperate buying using internet. It has the power to transform the purchasing process because it pervades all of the identified by the supply manager. Electronic procurement is the electronic purchase and sale of goods and services, usually through an internet based platform. It is a tool designed to improve the purchasing process transparency and efficiency and help companies capture savings.

Objectives of Coca Cola Namanve branch Uganda are as follows;

- To maximize profits
- To ensure safety of their employees
- To offer employment opportunities
- To ensure that the environment is not attached by the operation
- To sweeten the world through supplying drinks

## 1.2 Statement of the Problem

Through the use of advanced technologies, businesses believe that conducting business online solve a great deal of business challenges resulting into quality and timely delivery of goods and services. E-services offered at coca cola Namanve include e-booking, e-payment, e-tendering, and e-sourcing, According to Heijboer, (2012) more specifically it is possible to identify the following tools in Coca Cola; E-MRO, Web-based ERP, E-Sourcing, E-informing, E-purchasing and E-Reverse auctioning services.

According to the Coca Cola Namanve branch Annual Security Report (2018) shows that computers from Procurement and logistics, and administration crashed and all the information concerning suppliers, payments, contracts, and tenders

for the year 2017-2019 were lost. Hence hindering e-procurement decision making.

According to Performance Management Report (2019) , Coca Cola Namanve branch has embraced e-procurement in order to minimize on its ever increasing costs, time saving, continuously the Company has provided e-procurement training to the employees, purchased new ICT equipment encouraged team work and increased on supervision of lower operational managers, the benefits of e-procurement including improvement on level of quality of service delivery is still very low, customers complaining about e-payment systems due to being on and off hence calling for need to conduct a study about e-procurement on performance of Coca Cola, Namanve branch.

Information Technology Annual performance Report (2018), noted that electronic procurement system was hacked by computer hackers where all relevant information about their tenders, contracts, performance reports among others got lost. Furthermore, customers are finding it had to use online business transactions due to the company IT system failure as it is ever on and off. This has delayed many e-requisitions, e-contracts, e-booking, e-ordering Coca Cola Namanve branch Company between and customers hence the researcher aims at finding a solution to the problem.

## 1.3 Purpose of the study

The purpose of the study is to evaluate the impact of e-procurement on performance of Coca Cola Namanve Branch

### 1.4.1 General objective

The main purpose of this study was to examine the impact of e-procurement on performance of Coca Cola Namanve branch in Uganda.

### 1.5 Specific Objectives of the study

1. To examine the relationship between e-procurement and performance Coca Cola Namanve branch Uganda.
2. To ascertain the benefit of planning on e-procurement of Coca Cola Namanve branch, Uganda.
3. To identify the e-procurement systems used in the operations of Coca Cola Namanve branch, Uganda.

### 1.6 Research Questions

1. What is the relationship between e-procurement and performance on Coca Cola Namanve branch Uganda?
2. What are the benefits of e-procurement planning to organizational purchase supplies?
3. What are e-procurement systems in Coca Cola Namanve branch Uganda?

### Hypothesis of the study

H<sub>0</sub>; There is no significant relationship between e-procurement and performance of Coca Cola Namanve branch Uganda

H<sub>1</sub>; There is a significant relationship between e-procurement and performance of Coca Cola Namanve branch Uganda

### 1.7 Scope of the study

The study comprises on content scope, geographical scope and time scope.

#### 1.7.1 Concept scope

The study focused on the relationship between significant relationship between e-procurement and performance of Coca Cola Namanve branch Uganda. The subject scope of the study includes; benefits of e-procurement planning and performance of Coca Cola Namanve branch Uganda, e-procurement systems in Coca Cola Namanve branch Uganda.

#### 1.7.2 Geographical scope

The research was carried out in Coca Cola Namanve branch, it is located in Kira Municipality, Namanve Village, Wakiso districts along Jinja high way, 27km kilometers from Kampala city.

#### 1.7.3 Time scope

The study considered the records from Coca Cola, covering a period of 3 years that is 2017 -2019. It is at this period when the e-procurement systems faced many issues relating to planning, e-procurement systems and data base management systems of e-procurement on supply chain management.

### 1.8 Significance of the Study

The findings of the study may equally enable managers to formulate e-procurement policies that will ensure a positive impact on e-procurement systems of the firm.

**Uganda Manufacturing Association..**The findings of this study will also enable

manufacturing firms to understand the benefits they will get from successful implementation of e-procurement strategies as well as the various challenges that they face in implementing e-procurement within their firms.

The study findings may help to inform the different organizations on different ways of how e-procurement can be made relevant to performance.

**Policymakers:** The study findings may also help policymakers such as Private sector foundation in Uganda by availing them with information that they may use to make decisions that are more informed, as far as e-procurement is concerned.

**Academicians:** Finally, the findings may be of great use to the academia, especially those who may wish to carry out further research on e-procurement and performance. It may build on the existing body of literature and knowledge.

It may also contribute to enhancement of theory and knowledge on contracting in particular and e-procurement in general, more so in the context of Uganda's public Institutions.

The result of this study may also serve as a data base for future researchers in this field of research as well as open up avenues for further research in this field.

## CHAPTER THREE

### METHODOLOGY

#### 3.0 Introduction

This chapter explains the approaches the researcher used to gain information on the research problem and these includes; the research design, study population and sample size, sampling design and procedure, data collection methods, Procedure of data collection, data processing, analysis, presentation, and anticipated problems to the study.

#### 3.1 Research Design

The study used both qualitative and descriptive study designs. Both methods will be used to help carry out self-report data collection from the interested sample and allowing a thorough and easy analysis of the respondents' opinion. Both survey designs will adequately lead to collection of reliable information by description of the role of e-procurement on performance of Coca Cola Uganda.

#### 3.2 Study population

The survey population consisted of 150 staff. The population include the sales representative, procurement department, and transportation department, and other employees holding familiar and unfamiliar titles but deemed suitable stakeholders for generating relevant data to the problem which will be under investigation.

#### 3.3 Sample size

The sample size constituted of 86 out of the 150 of the study population.

**Table 1: The Number of respondents from each department**

Department	Study population	Sample size	Percentage (%)
Sales representative	40	20	23
Procurement department	15	10	12
Transportation department	15	10	12
Other departments	80	46	53
<b>TOTAL</b>	<b>150</b>	<b>86</b>	<b>100</b>

### 3.4 Sampling Design and Procedure

A sample size of 86 of the respondents used to provide primary data. Sales department, procurement and transport was purposively selected and Bailey (1994) supports the sample size because he asserts that a minimum sample size of 47 respondents is sufficient. This sample size be selected based on the sampling designed by Kreije and Morgan (1970). Stratified random sampling was carried out to determine the number of employees from each department. Simple random sampling was used to select clients of the institution.

### 3.5 Data sources

Data was collected from interviews conducted in Coca Cola Uganda as well as responses from the questionnaires. Some of it was from secondary sources such as magazines, textbooks, internet and

Newspapers and this was quoted where necessary and used to draw deductions as per the study.

#### 3.5.1 Primary data

Primary data be mainly and generally gathered from the management of coca cola Uganda, included the sales officers, procurement and transport. More data was collected from other employees using questionnaires.

#### 3.5.2 Secondary data

Primary data was backed up with secondary data to bring out certain topic aspects like the background, literature review and several comparisons. Reference were made from journals, brochures, publications, and several management reports audited financial statements and annual financial reports of coca cola Uganda besides the internet.

### 3.6 Data collection methods

The researcher I used closed ended questions. These were administered to 50 respondents. This helped to obtain the required data. The questionnaires were answered by respondents and later collected by the researcher, quite a lot of information in a relatively short period of time.

#### 3.6.1 Research instruments

##### i) Questionnaire

The researcher used closed ended questions. They were administered to 50 respondents. This helped to obtain the required data. The questionnaires were answered by respondents and later collected by the researcher. The researcher

used a 5-point likert scale to measure the variables to come up, with findings. This will beranged from strongly agree to strongly disagree (strongly agree, agree, not sure, disagree, and strongly disagree).

## ii) Interviews

Interviewshelped the researcher to obtain more information from the respondents as the researcher was able to make interactions with the respondents by asking questions in relation to the interview guide. During this time the researcher used an interview guide that enabled him to collect information related to the study objectives. Some of the data to be obtained from secondary sources such as Magazines, text books, internet and Newspapers and this shall be quoted where necessary and was used to draw deductions as per the study.

### 3.7 Data Processing, Analysis and Presentation

The information assessed, edited to eliminate the errors, the data shall then be coded and grouped according to the study to ease analysis, and it was thenanalyzed using Ms Excel. The findings was interpreted in light of the research objective and reviewed in order to attach meaning to the data collected.

### 3.8 Limitations of the study

Disease outbreak (Corona Virus)

The was blocked by the pandemic of Corona Virus (Covid-19) since it is risky and even not allowed by the authorities to move from one place without permission which might lead to delay and

postponement of respondent's appointment.

The researcher had difficulty time in accessing information from some of the respondents who might be suspicious and uncomfortable while talking to a stranger, while others could ask for bribes in order to give out vital information. This was solved by obtaining introductory letters and seeking permission from higher authorities before carrying out the study.

There was a delay in submitting back the answered questionnaires by respondents. This was due to busy schedules of the respondents.

The researcher also experienced achallenge of the respondents failing to answer questions due to lack of knowledge. This was solved by allowing them more closed ended question wher they were at liberty to tick on the alternatives and little was called for open ended questions.

**CHAPTER FOUR**  
**DATA ANALYSIS, PRESENTATION**  
**AND INTERPRETATION**

**4.1 Introduction**

This chapter presents the analysis of data collected from the field based on the study by use of questionnaire, analyzing, discussing and interpreting it. The study investigated the influence of e-procurement on organizational performance of firms; established the influence of data transmission and billing management on the organizational performance of firms, examined the influence of systems management and determined how buyer/supplier collaboration affects the organizational performance of firms. This chapter presents the major data analysis techniques that were used during the study and the findings and results of the application of the variables using descriptive and inferential statistics.

**4.2 Questionnaire return Rate**

Return rate is the extent to which the final data sets includes all sample members and is calculated as the number of respondents with who completed the questionnaires and divided by the total number of respondents in the entire sample including non-respondents. The data was collected from the Coca Cola Namanve Branch. The sample of the study consisted of 90 respondents and only 86 were returned and analyzed. This represents 96% return rate.

**4.3 Demographic characteristics of the respondents**

The study sought to establish the background information of respondents in terms of job designation, gender distribution, level of education and duration since adoption of e- procurement

**4.3.1 Job Designation of Respondents**

The study sought to establish the role and job designation of respondents. The results are as shown in Table 4.1.

**Table 4.1 Showing Job Designation of Respondents**

<b>Designation</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Sales representative	20	23
Procurement department	10	12
Transportation department	10	12
Other departments	46	53
<b>Total</b>	<b>86</b>	<b>100</b>

Source; Primary Data, 2020

According to the table above findings show that 12% of the respondents were from procurement department, 23% were sales representatives, 53% of the respondents were from other departments, such as ICT, 12% were from transportation department. This was a very



important profile distribution for this study since the respondents were the right people with adequate information relevant to this study hence best placed.

### 4.3.2 Gender Distribution

The researcher further sought to establish the respondents' gender distribution. The results are as indicated in the Table 4.2.

**Table 4.2 Showing Gender Distribution**

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>
Male	59	68.0
Female	27	32.0
<b>Total</b>	<b>86</b>	<b>100</b>

Source; Primary Data, 2020

A majority of 68% of the respondents were male while 32% were female as shown. This was a good distribution which depicts a fair balance of gender. Since majority of the responses for this study relies on the perceptual measures of the respondents, this gender distribution is expected to accommodate the opinions and views from both sides of the gender divide.

### 4.3.3 Level of Education of Respondents

The researcher also sought to establish the respondent's highest level of education. The results are as indicated in the Table 4.3.

**Table 4.3 Showing Level of Education of Respondents**

<b>Education Level</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Diploma	2	2
Bachelor's Degree	60	71
Postgraduate	24	27
<b>Total</b>	<b>86</b>	<b>100</b>

Source; Primary Data, 2020

Respondents' level of education was sought and majority (71%) of the respondents indicated that they have at least a degree level of education while sizeable (27%) possess a higher degree at postgraduate level and 2% had a Diploma as shown in table 4.3. This is highly expected since the respondents are at a senior management level where the skills, knowledge and competencies are supposed to be high. Nevertheless, the well-educated respondents

mean that they were well informed and furnished this study with better information which added value.

#### 4. 3.4 Company’s Duration since Adoption of E-procurement

The study sought to establish the number of years since E- procurement adoption. It was ensured that each manufacturing company that was sampled had adopted e-procurement. The results are shown in Table 4.4.

**Table 4.4 Company’s duration since E-Procurement adoption**

Number of Years	Frequency	Percent
1-5 years	41	48
6-10 years	38	44
11-15 years	5	6
Above 16 years	2	2
<b>Total</b>	<b>86</b>	<b>100</b>

Source; Primary Data, 2020

For each company sampled, the period of e-procurement adoption was also sought. A range of years were given which were categorized to come up with various range for easy presentation. 48% of the respondents indicated their company adopted e-procurement between 1 to 5 years, 44% indicated between 6 to 10 years, 6% indicated 11 to 15 years and another 2% gave above 16 years.

The size of the firms’ workforce ranged from 50 to 2,000 employees. This is a workforce size that can provide a rich, adequate and diverse pool of knowledge among the employees which is the critical construct focused in this study.

#### 4.4 Data Transmission and Organizational Performance

The study sought to find out extent to which data transmission systems have influenced organizational performance of Coca Cola Namanve Branch.

**Table 4.5 Showing Data Transmission**

	Strongly agree	Agree	Not sure	Disagree	Strongly disagree	Total
Automation	49(57%)	37(43%)	-	-	-	86(100%)
Security	60(70%)	26(30%)	-	-	-	86(100%)
Real-Time Communication	73(85%)	13(15%)	-	-	-	86(100%)
E- Notification	19(23%)	67(77%)	-	-	-	86(100%)

Source; Primary Data, 2020

From the findings in the table above, it was revealed that 49(57%) respondents strongly agreed that in coca cola automation is very high, 37(43%) agreed and this implies that Automation is high applied and used Coca Cola Company Limited.

From the findings in table above, it was revealed that 60(70%) of the total respondents strongly agreed that Coca Cola Namanve Branch has strong security when it comes to data transmission, 26(30%) agreed and this implies that Coca Cola Namanve Branch has strong security when it comes to data transmission.

From the findings in table above, it was revealed that 73(85%) of the total respondents strongly agreed that Coca Cola Namanve Branch data transmission embraces real time communication, 13(15%) agreed and this implies that Coca Cola Namanve Branch data transmission embraces real time communication.

From the findings in table above, it was revealed that 19(23%) of the total respondents strongly agreed that Coca Cola Namanve Branch data transmission has E-notification, 67(77%) agreed and this implies that Coca Cola Namanve Branch data transmission has E-Notification.

#### 4.5 Buyer/ Supplier collaboration and Organizational Performance

The study sought to find out the influence of buyer/supplier collaboration on organizational procurement of Coca Cola Namanve Branch.

**Table 4.6 Showing Buyer/Supplier Collaboration**

	Strongly agree	Agree	Not sure	Disagree	Strongly disagree	Total
Inter-organizational systems	18(21%)	68(79%)	-	-	-	86(100%)
Channel relationships	44(51%)	42(49%)	-	-	-	86(100%)
Decision making	80(93%)	6(7%)	-	-	-	86(100%)
Information sharing	36(40%)	50(60%)	-	-	-	86(100%)

Source; Primary Data, 2020

From the findings in table above, it was revealed that 18(21%) of the total respondents strongly agreed that Inter-organizational exist in Coca Cola Namanve Branch, 68(79%) agreed and this implies that Inter-organizational exist in Coca Cola Namanve Branch

From the findings in table above, it was revealed that 44(51%) of the total respondents strongly agreed that there is Channel relationships in Coca Cola Namanve Branch, 42(49%) agreed and this implies that there is Channel relationships in Coca Cola Namanve Branch.

From the findings in table above, it was revealed that 36(40%) of the total respondents strongly agreed that there is information sharing in Coca Cola Namanve Branch, 50(60%) agreed and this implies that there is information sharing in Coca Cola Namanve Branch

The respondents agreed that buyer/supplier collaboration have been integrated into the procurement function with inter organizational systems (mean = 3.43), channel relationships (mean = 3.48), decision making (mean = 3.64) and information sharing (mean = 3.63).

#### 4.6 System Management and Organizational Performance

The study further investigated the influence of system management on organizational performance.

**Table 4.7 Showing descriptive findings on system management component of e-procurement.**

	<b>Strongly agree</b>	<b>Agree</b>	<b>Not sure</b>	<b>Disagree</b>	<b>Strongly disagree</b>	<b>Total</b>
Monitoring	80(93%)	6(7%)	-	-	-	86(100%)
Transparency	34(39%)	52(61%)	-	-	-	86(100%)
Demand Forecasting	44(51%)	42(49%)	-	-	-	86(100%)
Coordination	18(21%)	68(79%)	-	-	-	86(100%)

Source; Primary Data, 2020

From the findings in table above, it was revealed that 80(93%) of the total respondents strongly agreed that there is system monitoring in Coca Cola Namanve Branch, 6(7%) agreed and this implies that there is system monitoring in Coca Cola Namanve Branch.

From the findings in table above, it was revealed that 34(39%) of the total respondents strongly agreed that there is system transparency in Coca Cola Namanve Branch, 52(61%) agreed and this implies that there is system transparency in Coca Cola Namanve Branch.

From the findings in table above, it was revealed that 18(21%) of the total respondents strongly agreed that there is system in Coca Cola Namanve Branch, 68(79%) agreed and this implies that there is system Coordination in Coca Cola Namanve Branch.

From table 4.7, the responses ranged between 1 and 5 on transparency while responses to coordination, Demand forecasting, and monitoring ranged between 3 and 5. From the study,

the respondents agreed that transparency (mean = 3.83), coordination (mean = 3.74), demand forecasting (mean = 3.74), monitoring (mean = 3.71) are factors of system management that influence the organizational performance of Coca Cola Namanve Branch

#### 4.7 Billing Management and Organizational Performance

The study sought to establish the influence of billing management on organizational performance. To examine the influence of billing management on organizational performance in Coca Cola Namanve Branch, the study rated key billing management indicators in e- procurement as shown in table 4.8.

**Table 4.8 Showing billing management**

	<b>Strongly agree</b>	<b>Agree</b>	<b>Not sure</b>	<b>Disagree</b>	<b>Strongly disagree</b>	<b>Total</b>
Inventory Control	34(39%)	52(61%)	-	-	-	86(100%)
Transaction Costs	18(21%)	68(79%)	-	-	-	86(100%)
Accountability	33(38%)	53(62%)	-	-	-	86(100%)
Pricing Policies	62(72%)	24(28%)	-	-	-	86(100%)

**Source; Primary Data, 2020**

From the findings in table above, it was revealed that 34(39%) of the total respondents strongly agreed that there is inventory Control in Coca Cola Namanve Branch, 52(61%) agreed and this implies thatthere is inventory Control in Coca Cola Namanve Branch.

From the findings in table above, it was revealed that 18(21%) of the total respondents strongly agreed that Coca Cola Namanve Branch considers transaction Costs, 68(79%) agreed and this implies that Coca Cola Namanve Branch considers transaction Costs

From the findings in table above, it was revealed that 33(38%) of the total respondents strongly agreed that Coca Cola Namanve Branch considers accountability, 53(62%) agreed and this implies that Coca Cola Namanve Branch considers accountability.

#### 4.8 Performance of the Organization

The study sought to establish the respondent’s level of agreement on some statements on the evaluation of the performance of the organization on several areas.

**Table 4.9 Performance of the Organization**

	Strongly agree	Agree	Not sure	Disagree	Strongly disagree	Total
There is increased adherence to power processes and procedures	80(93%)	6(7%)	-	-	-	86(100%)
We are producing better quality products and services	34(39%)	52(61%)	-	-	-	86(100%)
The Procurement planning has significantly improved	18(21%)	68(79%)	-	-	-	86(100%)
Better procurement benchmarks have been set up	33(38%)	53(62%)	-	-	-	86(100%)
There is enhancement of procurement integrity and transparency	49(57%)	37(43%)	-	-	-	86(100%)
The overall performance has generally improved	60(70%)	26(30%)	-	-	-	86(100%)
There is increased adherence to power processes and procedures	73(85%)	13(15%)	-	-	-	86(100%)

Source; Primary Data, 2020

From the findings in table above, it was revealed that 80(93%) of the total respondents strongly agreed that there is increased adherence to power processes and procedures, 6(7%) agreed and this implies that there is increased adherence to power processes and procedures

From the findings in table above, it was revealed that 34(39%) of the total respondents strongly agreed that they are producing better quality products and services, 52(61%) agreed and this implies that they are producing better quality products and services

From the findings in table above, it was revealed that 18(21%) of the total respondents strongly agreed that the Procurement planning has significantly improved, 68(79%) agreed and this implies that the Procurement planning has significantly improved

From the findings in table above, it was revealed that 33(38%) of the total respondents strongly agreed that Better procurement benchmarks have been set up, 53(62%) agreed and this implies that Better procurement benchmarks have been set up

From the findings in table above, it was revealed that 49(57%) of the total respondents strongly agreed that there is enhancement of procurement integrity and transparency, 37(43%) agreed and this implies that there is enhancement of procurement integrity and transparency

From the findings in table above, it was revealed that 60(70%) of the total respondents strongly agreed that the overall performance has generally improved, 26(30%) agreed and this implies that the overall performance has generally improved

From the findings in table above, it was revealed that 73(85%) of the total respondents strongly agreed that there is increased adherence to power processes and procedures, 13(15%) agreed and this implies that there is increased adherence to power processes and procedures

## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents a summary of findings, discussions, conclusions, recommendations and suggestions on the areas the researcher felt might require further investigation through research

activity. This study sought to investigate the influence of e-procurement on organizational performance of Coca Cola Namanve Branch. The conclusion relates directly to the objectives/research questions and the recommendations were deduced from discussion and Conclusion.

#### **5.2 Summary of Findings**

The study sought to explore the influence of e-procurement on organizational performance of Coca Cola Namanve Branch. The study made inference on the research hypotheses that; data transmission systems, buyer/supplier collaboration, systems management and billing management have no significant influence on organizational performance. From the study findings, it can be concluded that to a larger extent, Coca Cola Namanve Branch have adopted e-procurement in influencing organizational performance.

##### **5.2.1 Data transmission and Organizational Performance of Coca Cola Namanve Branch**

The study sought to find out the extent to which data transmission affected organizational performance of Coca Cola Namanve Branch. Research findings revealed that data transmission has a positive and significant effect on organizational performance. From the findings data transmission affected the performance of Coca Cola Namanve Branch. On overall, majority of the respondents with an average percentage rated all data transmission factors as influencing organizational performance to a moderate extent, a large extent, and a very large extent respectively. The study therefore, concluded that factors such as automation, E-notification, security and

real- time communication in procurement of goods, services and works influenced how data transmission affected organizational performance of Coca Cola Namanve Branch.

### **5.2.2 Buyer/Supplier collaboration and Performance of Coca Cola Namanve Branch**

The study sought to find out the extent to which buyer/supplier collaboration in e-procurement affected performance in Coca Cola Namanve Branch. From the findings the respondents agreed that buyer/supplier collaboration have been integrated into the procurement function and has a positive influence on organizational performance.

### **5.2.3 Systems management and Performance of Coca Cola Namanve Branch**

The study sought to find out the extent to which systems management in e-procurement affected performance in Coca Cola Namanve Branch. From the findings the respondents indicated that systems management affected the procurement function of a firm which in turn had great influence on the overall performance of Coca Cola Namanve Branch

### **5.2.4. Billing management and Performance of Coca Cola Namanve Branch**

The study sought to find out the extent to which billing management affected e-procurement performance in manufacturing firms. From the findings, respondents indicated that billing management component of e-procurement

influenced organizational performance in Coca Cola Namanve Branch

## **5.3 Discussions of the Findings**

The study sought to explore the influence of e-procurement on organizational performance of Coca Cola Namanve Branch. The purpose of discussion was to look at the findings of the study, compare the findings with what has been found out by other researchers and presented arguments for the findings based on what was discovered during literature review.

### **5.3.1 Data transmission and Organizational Performance of Coca Cola Namanve Branch**

Research findings revealed that data transmission has a significant and positive influence on organizational performance, Melville and Kraemer, (2004) asserts that data transmission which involves sending Request for Invoices and Request for Purchases to suppliers and receiving the responses from suppliers backed with the use of the internet results to improved organizational performance. Furthermore Aberdeen Group, (2011) echoes that data transmission provides a centralized system that helps organizations to improve efficiencies, accountability, reduce traditional tendering costs thus increasing increase organizational performance.

### **5.3.2 Buyer/Supplier collaboration and Performance of Coca Cola Namanve Branch**

From the findings the respondents agreed that buyer/supplier collaboration have been integrated into the procurement function. Hjelmberg, (2006) states that buyer/supplier collaboration plays an



important role in an organization's ability to respond to dynamic and unpredictable change thus it's one of the quickest ways for firms to boost their bottom line in a competitive economy thus improved organizational performance.

In a similar view Davenport, (2008) asserts that buyer/supplier collaboration is an enduring desire to maintain a mutual and valued relationship. Through commitment, buyers/sellers allocate resources to sustain goals of collaboration thus allowing organizations personnel to spend more time on addressing strategic level of handling total value chain for the organization hence improving organizational performance.

### **5.3.3 Systems management and Performance of Coca Cola Namanve Branch**

From the findings the respondents indicated that systems management affected the procurement function of a firm which in turn had great influence on the overall performance of Coca Cola Namanve Branch. Cognate to the results, Sprague, (2000) argues that systems management greatly improves the e - procurement performance since the placing of purchase orders as well as receiving goods and services ordered is made possible by the use of internet technology. Concurrently, Berger & Zeng, (2006) argues that system management removes the need for paperwork leading to increased productivity, improved customer service and eradicates repetitive manual processes thus improving supply chain performance. Further support to the study is by Aberdeen Group, (2011) who asserts that system management allows customers

to order services and products through their website thus improving overall organizational performance.

### **5.3.4. Billing management and Performance of Coca Cola Namanve Branch**

From the findings, respondents indicated that billing management component of e-procurement influenced organizational performance in Coca Cola Namanve Branch. In conformity with the findings, Xu et, (2005) observes that billing management helps to reduce transaction costs by improving a higher level of precision in requisition, invoicing payment through electronic documentation and process automation. In turn this ensures quality with precise timeliness, credibility, accuracy, criticality and adequacy thus more e-procurement performance becomes noticeable. In line with the findings of the study, a study by Subramaniam and Shaw (2002) found out that the moving from traditional procurement processes to e-procurement is one of the most effective ways of improving price establishments and real-time exchange of information thereby reducing time to market and thus impacting positively on organizational performance.

### **5.4 Conclusions of the Study**

The aim of this study was to explore the influence of e-procurement on the organizational performance of Coca Cola Namanve Branch. Based on previous studies the components of e-procurement were expected to have positive relation with performance of Coca Cola Namanve Branch

The output from the findings indicate that there is a significant positive relationship between the components of e-procurement namely data transmission systems, buyer/supplier collaboration, billing management and systems management with the organizational performance. Prior to e-procurement, procurement often dealt with administrative routine duties as well such as individual transactions, converting purchase requests into purchase orders or ensuring the correct amount of inventory is maintained and therefore, the use of e-procurement technologies in e-procurement is aimed at realizing faster and more efficient operational procurement processes hence reducing procurement costs and thereby enhancing organizational performance.

### **5.5 Recommendations of the Study**

Coca Cola Namanve Branch needs to incorporate all the e-procurement components into the system. This will enable them to improve the overall organizational performance of their firms. The Coca Cola Namanve Branch need to find out ways of encouraging employees to make use of e-procurement systems. If employees are encouraged to use the e-procurement, adoption of the same will greatly improve.

It is therefore recommended that Enterprise resources planning (ERP) systems in particular should be concerned with trying to integrate and co-ordinate the various internal functional areas in order to break down those functional boundaries and ensure decisions for areas like marketing, operations and financial decisions are all made using the same data. Customer Relationship Management

systems can also be used to co-ordinate the supply chain by ensuring better sharing of information. In summary use of information technology in e- procurement is considered to be a driver of innovation strategy action.

### **5.6 Suggested areas for Further Research**

This study is a milestone for future research particularly. The findings emphasized the importance of the components of e-procurement in the organizational performance of Coca Cola Namanve Branch, which is data transmission systems, buyer/supplier collaboration, systems management and billing management of the e- procurement systems and processes in Coca Cola Namanve Branch. Future research will need to be carried in other industries and counties in order to confirm if the link between e- procurement components and organizational performance can be generalized.

### **5.7 Areas of Further Research**

Further studies should be carried out on;

1. The challenges of e-procurement and their remedies.
2. Electronic Procurement and Online deliveries
3. Electronic procurement and Employee Turnover

Further studies should be carried out to establish the reasons behind low utilization of e-procurement among other manufacturing companies.

There is need to conduct a comparative study of the effects of e-procurement on

performance of the private sector companies and those in the public sector. This will assist in coming up with similarities and differences that can serve as benchmarks.

## REFERENCES

- Aberdeen Group(2011). Best Practices in E-procurement: The Abridged Report, Aberdeen Group, and Boston, MA.
- Coca Cola Company Ltd Information Technology Annual performance Report (2018) pdf
- Coca Cola Namanve Annual Performance Management Report (2019) pdf
- Coca Cola Namanve branch Annual Security Report (2018) pdf
- Arrowsmith S. (2002). Reviewing the GPA: The Role and Development of the Plurilateral Agreement after Doha, *Journal of International Economic Law*, pp.761-790.
- Avery, S. (1999). Online Buy Systems Help Clean up Business Processes, *Purchasing*, October 21, 1999, pp. S38–40.
- Baily, P. J. H. (2008), *Procurement Principles and Management*. Harlow, England: Financial Times. ISBN-13: 978-0273713791 pp 394.
- Bakker, E., Zheng, J., Knight, L. and Harland, C. (2008). Putting E-Commerce Adoption in A Supply Chain Context, *International Journal of Operations & Production Management*, Vol. 28, pp. 313-3303
- Bales, W.A. and Fearon, H.E. (2006). Presidents' Perceptions and Expectations of the Purchasing Function, Report by the Center for Advanced Purchasing Studies, Tempe, A Z.
- Barratt, M. and Rosdahl, K. (2002). Exploring Business-To-Business Market Sites, *European Journal of Purchasing and Supply Management*, Vol. 8 No. 2, pp. 111-122
- Bartels, A (2004b). Trends 2005: E-Procurement/E-sourcing: The Glass Floor" Effect Persists, *IT View Trends*, November 2, Forrester Research, Cambridge, MA.
- Basheka, B. C. & Bisangabasaija, E. (2010) Determinants of Unethical Public Procurement in Local Government Systems of Uganda: A Case Study. *International Journal of Procurement Management*, 3(1), 91–104
- Berger P.D, and Zeng A.Z (2006). Single Versus Multiple Sourcing in the Presence of Risks. *Journal of Operational Research Society*, vol. 57, no. 3, pp. 250-261
- Billinge, C. (2000). Everyone Needs a Leader in Understanding E-Procurement Survey. *The Financial Times* P. 14.
- Brewster, C. J. and W. Mayrhofer (eds.) (2012). *Handbook of Research on Comparative Human Resource Management*, Cheltenham: Edward Elgar Publishing Inc.
- Brousseau, E. (2000). Information Technologies and Inter-firm Relationships: The Spread of Inter-organizational Telematics Systems and Its Impact on Economic Structure, *International Telecommunications Society*, Venice, June.



