INFLUENCE OF E-PROCUREMENT SYSTEMS ON PERFORMANCE OF AN ORGANISATION: A CASE STUDY OF KENYA COMMERCIAL BANK IN NAIROBI KENYA.

BY

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A RESEARCH PROJECT REPORT SUBMITTED IN PARTIAL FULFILLMENT FOR THE REQUIREMENTS OF THE AWARD OF DIPLOMA IN PURCHASING AND SUPPLIES OF THE UNIVERSITY OF NAIROBI.

2014
DECLARATION

This research project report is my original work and has not been presented for award at any university, or institution of higher learning.

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REG NO: L126/30936/2012

This research project report has been submitted for examination with my approval as a university supervisor.

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ABSTRACT

The study sought to establish the Influence of E-Procurement Systems on Performance of an Organisation; A Case Study of Kenya Commercial Bank in Nairobi Kenya. The study sought to achieve the following objectives: to establish the influence of e-tendering on the performance of an organization in Kenya, to examine the influence of e-sourcing on the performance of an organization in Kenya, to determine the influence of e-enterprise resource planning on the performance of an organization in Kenya and to find out the influence of information technology on the performance of an organization in Kenya. The study used the Technological Acceptance Theory, Schumpeter Theory of Innovation, Innovation Diffusion Theory and Transaction Cost Theory. The target population comprised 72 employees that comprised top level employees, middle level and lower level in the head office. The study adopted a descriptive research design. The sample size was 50% of the target population. Stratified sampling was used to select the population from which a sample was drawn. The study used both quantitative and qualitative techniques to analyze data from the questionnaire. Quantitative and qualitative data was analyzed using descriptive statistics and later summarized and represented in frequencies, tables and percentages using Statistical Package for Social Sciences (SPSS). The study concluded that E- Tendering influence the Performance of Kenya Commercial Bank and that bid selection is nearly always based on lowest tender but this may not always be the most economical solution in the long term. The study also concluded that E-Sourcing influence the Performance of Kenya Commercial Bank and that purchasing processes should be evaluated and improved before adopting e-procurement tools such as e-sourcing, that Enterprise Resource Planning influence the Performance of Kenya Commercial Bank and that organizations face a new challenge of increasing competition, expanding markets and enhancement in customer expectations and thus ERP systems have been developed to provide a total business system in order to improve business performance, that information technology influence the Performance of Kenya Commercial Bank and that the respondents indicated to a great extent that using Internet technology to buy goods and services from a number of known or unknown suppliers is of increase in the banking sector. The study recommended that banks should incorporate E – Tendering, E-Sourcing and Enterprise resource planning in there organisation to improve their efficiency hence performance thus improving profitability and competitiveness.