
E-PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

A CASE OF UCHUMI SUPERMARKET, KAMPALA UGANDA

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ABSTRACT

The study was conducted from Uchumi supermarket Kampala Uganda under the topic “E-procurement and supply chain management”. The study had three major objectives to examine the e-procurement methods and procedures of Uchumi supermarket Kampala, to assess the management of supply chain of Uchumi supermarket and to establish the effect of e-procurement on supply chain management. The study was purely descriptive and analytical based on both qualitative and quantitative data from primary and secondary sources. From the findings, 70% strongly agreed and 30% agreed that electronic data interchange affected supply chain management, 52% said that sometimes online market places also affected supply chain management, 62% strongly agreed and 38% agreed that e-tendering greatly affected the management of supply chain and 545 indicated that sometimes online auction affects supply chain management. It was discovered that Uchumi supermarket uses the following e-procurement methods, electronic data interchange, e-tending, e-auctioning, e-market places and each method follow certain procedures. It was found out that supply chain management was far below the desired level. It was discovered that e-procurement affects supply chain management. It was also found out that e-procurement has affected supply chain management because of non-adherence to the set procedures of each method and even failure to implement some e-procurement methods like e-auctioning and e-market places. The study therefore, concluded that e-procurement affects supply chain management. The study further made recommendations for improvements and for further studies.

Key words: E-Procurement and Supply Chain Management

Background to the study

Uchumi is public constrained organisation incorporated in 1975 underneath the businesses Act cap 486 of the laws of Kenya. Its predominant objective is every day have an agency for equitable merchandise at less expensive costs whilst developing an outlet for the neighborhood producers (Annet et al., 2023). In 2002, Uchumi crossed the Kenyan borders and installation a shop in Kampala Uganda. day-to-day the loss of 1.2 billion shillings that changed into inherited by the brand-new control (Paul et al., 2023), it held its annual popular meeting on 14-Dec-2005 at the grand imperial royal and the grand finances became again proposed slicing the price range via 17 percentage from procurement merchant, E- procurement service, buyers and organizations both regionally and worldwide have been proposed. The net speedy boom will drive many corporations to feature an e- procurement factor day-to-day their operations day-to-day advantage competitive advantage (Annet et al., 2023).

Supply chain management (scm) is the integration of key business methods from quit user through unique suppliers with a view to offer merchandise & offerings and facts that add price for clients every day and other stakeholders (Lambert] supply chain control emphasizes the control of upstream and downstream supplier relationships and the role of supply chain decide ionization is daily growth consumer cost at less price (Nelson, Christopher, Teddy, et al., 2022). The point of interest of a organization's e- procurement might be making its supply chain greater efficient thru paperless processing of order, receipt and invoices. Growing charges, competition and purchaser strain will power groups to check their supply chain approaches and tap in everyday the huge financial savings capability from oblique spending (e-procurement L staven R Leonard, 2001). Lee (2004) specifies that day-to-day make a supply chain extra agile, it has everyday short-term modifications in call for or deliver speedy and to deal with outside disruptions smoothly. The use of e- procurement allows fast responses, developing excessive responsiveness and cuts costs proper via the deliver chain (Gracious, 2023).

Problem Statement

There are limitations in the deliver chain and they encompass technological obstacles, courting barriers, structural and human resource barrier every day rectify those limitations, the business enterprise has changed its shape by means of having a coherent enterprise strategy that aligns commercial enterprise gadgets every day wards the identical intention, and having a formal procedure that is methodologies it has also joined strategic alliances with BIDCO provider and logistic- service carriers everyday have expectancies certainly stated, undersealed and agreed upon, the company has also attempted every day manage its human resources during sourcing

(Faridah et al., 2023), Recruiting and selection of skilled humans in any respect tiers, locating trade sellers everyday manipulate supply chain implementation. However, notwithstanding all the above efforts obstacles have persisted daily exist within the supply chain. This could be attributed every day the organizational failure everyday implement e-procurement and if the scenario keeps, day-to-day lead to fall apart of the enterprise everyday low profitability (Polycarp et al., 2023). it's miles from this haunting problem that the researcher decided everyday discover the impact of e-procurement on deliver chain management.

Objectives of the study

- To examine the e-procurement methods and procedures of Uchumi supermarket Kampala-Uganda.
- To assess the management of supply chain of Uchumi supermarket Kampala- Uganda
- To establish the effect of e-procurement on supply chain management.

Research questions

- What is the e-procurement methods and procedures of Uchumi supermarket Kampala, Uganda?
- How is supply chain managed in Uchumi supermarket Kampala, Uganda
- What is the effect of e-procurement on supply chain management?

Methodology

Research design

The study used both quantitative and qualitative research design. This design was preferred because the researcher based on the views of the respondents to derive conclusions and recommendations.

Study population

The study population included the management and employees of Uchumi supermarket Kampala Uganda.

Sampling technique and size

Sampling method

The study used stratified sampling to group the study population into two groups that is management group and employees' group. Then from each stratum, the researcher used simple random sampling to select a representative sample.

Sample size

The study used simple random sampling to select a sample of 50 respondents in different proportions presented in the table below;

Table 1 Sample size determination

Department	Access population	Sample size	Sample Techniques
Top management	90	20	Purposive
Legal services	227	50	Purposive
Procurement	113	25	Simple random
Roads and bridges	520	114	Simple random
Total	950	209	

Data collection methods and instruments

The researcher used four different types of methods and instruments to collect data they include;

Questionnaire method: the researcher used semi-structured questioners to collect data. These were given to respondents to fill them in and were collected after a period of one week.

Interviews. The researcher conducted face to face interviews with the respondents. The interviews were based on the answers provided in the questionnaires.

Observation method: the researcher used this method to collect firsthand data by looking at the different purchasing activities taking place in the field and the body language of respondents during interviews.

Data analysis

After the data collection exercise, data was arranged and edited to ensure accuracy, relevance and completeness. It was then analyzed using frequencies and percentages as units of measurement and using frequency tables using SPSS (Nelson, Christopher, & Milton, 2022).

RESULTS**Characteristics according to period worked with Uchumi supermarket.****Table 1: Period worked with Uchumi supermarket.**

Period	Frequency		Percentage
Less than 3 years		4	8
3 -5 years		14	28
6 – 8 years		19	38
9 – 12 years		8	16
Above 12 years		5	10
Total		50	100

Source: Primary Data

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Table 1 above indicates that 38% had worked for 6- 8 years, 28% for 3 -5 years, 16% for 9 – 12 years, 10% for above 12 years and 8% for less than 3 years.

From the general analysis of the respondents the sample was representative enough as it had good education background and had worked with uchumi Supermarket Company for a reasonably long period. This made the researcher believe that the data provided was reliable.

Findings about e-procurement

The study sought to establish whether the company had methods and procedures that guide e-procurement. The respondents overwhelmingly (100%) agree that the company has e-procurement methods.

Table 2: Showing methods of e-procurement that are used

Method	Strongly Agree		Agree		Sometime		Disagree		Strongly Disagree	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
Electronic data interchange	35	70	15	30	-	-	-	-	-	-
Online market places	13	26	11	22	26	52	-	-	-	-
Online auction	13	26	10	20	27	54	-	-	-	-
E-tendering	31	62	19	38	-	-	-	-	-	-

From table above 70% strongly agree and 30% agree that electronic data interchange is the most commonly used e-procurement method at Uchumi supermarket. 26% indicated that uchumi sometimes uses the online search for market places. 54% indicated that uchumi sometimes uses online auction to sell its products (Oromo et al., 2023).

60% strongly agree and 38% agree that uchumi uses e-tendering.

The study sought to establish the procedures followed by supermarket while using each e-procurement method.

ET takes j, k, l, and m where; j is advertising tenders online is submission of proposals online is evaluation of proposals online and m is award of the tender to the best evaluated bidder online (Mark et al., 2023).

Table 3: Showing e-procurement procedures of each method

Procedure	Strongly Agree		Agree		Sometime		Disagree		Strongly Disagree	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
Electronic data interchange Transmitting a purchase order	35	70	15	30	-	-	-	-	-	-

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online and transactions done until online payment										
Online market places searching for market places online until a sale is closed	13	26	11	22	26	52	-	-	-	-
Online auction placing items to be auctioned on line and to be given to the bidder with the highest price	13	26	10	20	27	54	-	-	-	-
e-tendering advertising tenders online and interested supplies, responds with their proposals	31	62	19	38	-	-	-	-	-	-

From table 3 above, 70% strongly agree and 30% agree that electronic data interchange follows the placing of order online and conducting business online until the time of payment.

52% indicated that sometimes the online search for markets until a sale is closed is the procedure used under online market places that is followed (Damasus et al., 2023).

54% say that sometimes when online auctioning is done, it follows the procedure of placing items to be auctioned online and to be given to the highest bidder.

62% Strongly agree and 38% agree that while doing e-tendering tenders are advertised online and interested suppliers respond with their proposals online and it continues until a supplier is chosen.

Findings About supply chain management of uchumi supermarket

The study tried to achieve objective two of the study under this section.

The study sought to establish the respondent's explanation of the supply chain management.

Table 4: Showing people involved in the management of uchumi supply chain

Category	Frequency	Percentage
Top managers	15	20
functional managers	10	30
Operating staff	5	10
All the above	20	40
Total	50	100

From table 4 above, 20% indicated that top management is responsible for management of uchumi supermarket, 30% said functional managers are the ones responsible and 10% indicated that it's the operating staff that is responsible for the management of uchumi supply chain while 40% said that all the above people are responsible for the management of supply chain.

The study sought to establish people with the highest responsibility in managing the supply chain.

Table 5: Response on which people that takes the highest percentage of responsibility on the management of supply chain

Category of people	Frequency		Percentage
Top managers		15	30
Functional managers		30	60
Operating staff		5	10
Total		50	100

From table 5 above, 30% said that top managers are more responsible, 60% indicated that it's the functional managers that are highly responsible for managing the supply chain an 10% indicated that the operating staff takes the highest percentage. It was interpreted that functional managers take the highest percentage of responsibility for managing uchumi supply chain.

Findings about the effect of e-procurement on supply chain management

The study sought to establish whether e-procurement has an effect on supply chain. The respondents concurred that e-procurement affects supply chain management

Figure 6: A pie chart showing response on whether e-procurement affects supply chain management.

From figure 11 above, 76% indicated that yes e-procurement has great effect on the supply chain management while 24% say no it has less effect on the supply chain management of uchumi supermarket.

Table 6: Response on whether e-procurement affects supply chain management

Response	Frequency	Percentage
Yes	38	75
No	12	24
Total	50	100

From table 6 above, 76% said yes and 24% said No indicating that e-procurement have significantly effect on the supply chain of Uchumi supermarket.

The study also sought to establish the effect of each e-procurement method on supply chain management.

Table 7: Response on how greatly e-procurement methods affect the management of Uchumi supply chain

Procurement method	Strongly Agree		Agree		Sometime		Disagree		Strongly Disagree	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
Electronic data interchange	35	70	15	30	-	-	-	-	-	-
Online market places	13	26	11	22	26	52	-	-	-	-
E-tendering	31	62	19	28	-	-	-	-	-	-
Online auctioning	13	26	10	20	27	54	-	-	-	-

From table 7 above, 70% strongly agree and 30% agree that electronic data interchange affects supply chain management, 52% said that sometimes online market places also affect supply chain management, 62% strongly agree and 38% agree that e-tendering greatly affect the management of supply chain and 54% indicated that sometimes online auction affects supply chain management. All in all, this indicated that electronic data interchange greatly affects management of supply chain of Uchumi supermarket compared to other e-procurement methods because it has the highest percentage of 70% and 30%.

Conclusion

The study based on the findings of the study to derive the following conclusions; that uchumi supermarket uses different e-procurement methods and each method follows its own procedures until a purchase is made.

E-procurement effects the management of supply chain. The study concurs with other scholars that once e-procurement is efficient or properly implemented, it will lead to acquisition of high-quality products but at a low cost, timely delivery, reduce paper work, timely payments, allow fair competition, enhance productivity and management of supply chain and the reverse will lead to shortage in the supply chain.

Recommendations of the study

The study recommends that, Uchumi supermarket should introduce full e-procurement policy suitable for streamlining efficiency in its supply chain.

The study also recommends that, Uchumi supermarket should emphasize strict adherence to the e-procurement procedures so that this facilitates easy audits trail.

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