
Electronic Procurement And Organizational Service Delivery. A Case Study Of Century Bottling Company

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ABSTRACT

The purpose of the study was to analyze the role of e-procurement on organizational service delivery of Century Bottling Company. The study was guided by the following objectives; to examine the role of e-sourcing on organizational service delivery of Century Bottling Company, to identify the role of e-informing on organizational service delivery of Century Bottling Company and to examine the role of e-tendering on organizational service delivery of Century Bottling Company. The study was carried out at Century Bottling Company (CBC) at Kampala Industrial and Business Park in Namanve, Wakiso District. It was found out that e-sourcing has far reaching impacts on the organizational service delivery of an organization like Century bottling company limited. It is so useful in the selecting the best materials for service delivery, helps in headcount of purchasing transactions for effective service delivery, improves compliance with existing contracts and also has helps in budgetary controls for effective service delivery. It was found out that e-informing has far reaching impacts on the organizational service delivery of an organization like Century bottling company limited. It can be seen that e-informing has reduced transport costs in the purchasing function something that can impact on improved service delivery, that e- informing has helped in selecting the best materials for service delivery, that e- informing has enhanced headcount supporting purchasing transactions for effective service delivery and that e- informing has led to improved compliance with existing contracts hence effective service delivery. It was found out that e-tendering has far reaching impacts on the organizational service delivery of an organization like Century bottling company limited. It can be seen that e-tendering reduces stress on the procurement function for effective execution of works, that e- tendering makes it sure that the goods required are delivered on time for effective service delivery, that e-tendering reduces the transmission of viruses like *Covid 19* for effective and continued delivery of goods and services and that e-tendering reduces costs in the tendering process hence effective service delivery.

Key words: electronic procurement, organizational, service delivery, e-informing

and e-tendering

Background to the study

In recent years, the Internet has had revolutionary effects on shopping practices, both in direct and indirect purchases (Martins et al., 2014). The impact of e-procurement on organizational service delivery has become a complex issue among scholars (Amit, et. al2010). According to Ward., P et al., , (1996), e-procurement (electronic procurement, sometimes also known as supplier exchange) is business-to-business or business-to-business or business-to-consumer or business-to-government purchasing. the sale of supplies (Gracious, 2023), labor and services via the Internet, as well as other information and network systems such as electronic data interchange and enterprise resource planning to improve service delivery (Polycarp et al., 2023). The value chain of e-procurement consists of bullet management, e-notification, e-tendering, e-auction, vendor management, catalog management, purchase order integration, order status, shipment notification, e-invoicing, e-payment and contract management. (Christopher, Komunda et al., 2022). Indent management is the workflow involved in the

preparation of quotations. This part of the value chain is optional, with individual purchasing departments defining their indentation process (Lydia et al., 2023). When awarding contracts for construction works, administrative consent and technical sanction are obtained in electronic form. When purchasing goods, the activity of generating indents is done online. The final result of the phase is taken as an input for issuing the NIT (Faridah et al., 2023). Service delivery as a deliberate mandatory decision by elected or appointed officials to serve or deliver goods and services to beneficiaries (Christopher, Muhindo, et al., 2022). A service delivery framework is a set of principles, standards, policies, and constraints used to guide the design, development, deployment, operation, and retirement of services provided by a service provider to offer a consistent service experience to a specific user community in a specific business context. A service delivery framework is the context in which a service provider's capabilities are organized into services (Christopher, Komunda, et al., 2022).

Statement of the Problem

E-procurement is the buying and selling of supplies, works and services through the Internet and other information and network systems (Moses et al., 2022).), such as electronic data interchange and enterprise resource planning (Nelson, Christopher, Teddy, et al., 2022). It has a significant positive impact on the purchasing function of organizations due to its ability to connect suppliers and buyers, buyers and sellers, organizations at all levels, small and large, have adopted e-procurement systems to strengthen purchasing roles as a strategy to achieve the organizational goal (Ash and Burn 2011). It has negative impacts due to being expensive and attributed to system breakdown that affects organizational service delivery (Ntirandekura et al., 2022).

According to the 2018 financial year report for Century Bottling Company, the years 2016 and 2017 were characterized by low sales volume, inflexibility of supply, insufficient low quantity of materials and fraud tendencies which hindered the general performance of the organization and thus insufficient service delivery to its customers (Christopher, Mojžiš, Muhindo and Komunda, 2022). According to a review by Mugarura (2019), in 2010 Century Bottling Company attempted to implement e-procurement systems in its purchasing function as a strategy to achieve profits, repeat sales, fair raw materials to improve performance (Tasha et al. , 2023). Since then, no study has been conducted to evaluate the effectiveness of e-procurement in enhancing performance and service delivery, yet such a study may be useful in designing future business prospects for the company. Therefore, the researcher attempts to analyze the role of e-procurement on the provision of organizational services to Century Bottling Company.

Purpose of the study

The purpose of the study was to analyze the role of e-procurement on organizational service delivery of Century Bottling Company.

Objectives of the study

1. To examine the role of e-sourcing on organizational service delivery of Century Bottling Company.
2. To identify the role of e-informing on organizational service delivery of Century Bottling Company.
3. To examine the role of e-tendering on organizational service delivery of Century Bottling Company.

Methodology

The researcher employed a cross-sectional study design incorporating both quantitative and qualitative methods of data collection. The data was systematically collected and presented to give explanatory analysis to particular phenomena with emphasis to cover the extent of the problem. Qualitative research design was used to study things in their natural settings, attempting to make sense of or to interpret, phenomena in terms of the meanings people bring to them. However, quantitative research is a formal, objective, systematic process in which numerical data which was used to obtain information about the world. It was chosen because the study involved a cross section of people. The study was carried out at Century Bottling Company (CBC) at Kampala Industrial and Business Park in Namanve, Wakiso District. According to Hartl, (2007), population is the collection of individuals or objects known

to have similar characteristics. All individuals or objects within a certain population usually have a common, binding characteristic or trait.

The study population included the management and employees of Century Bottling Company limited. The total population of (45) respondents were used. It is from this population that a sample was picked. A sample of 40 respondents were drawn from the population of 40 as guided by the Krejcie and Morgan (1970) sample table which was attached under appendices. These included 4 administrators, 12 procurement personnel, 12 store managers and 12 finance managers. The sampling distribution is indicated in table 1 below.

Table 1: Summary of targeted population and Sample Size

Category of respondents	Population of the study	Sample size
Administrators	4	4
Procurement personnel	13	12
Store managers	13	12
Finance managers	15	12
Total	45	40

Source: Krejcie and Morgan (1970)

Purposive sampling was used to enable researcher select the respondents easily by looking at their characteristics based on the requirements of the study. For example, employees in the administrative department were used in order to get in-depth information concerning with dealings of the company with the suppliers using electronic means, employees were selected to share their experiences concerning the service delivery. Primary data was obtained using self-administered structured questionnaire using both open ended and closed ended questions. A self-administered questionnaire was used to address staff. In total, 40 questionnaires were distributed. These were designed to gather information from the respondents of the study. Both open and closed ended questionnaires were used to let the respondents give their own opinion about the research problem. After data collection, data was processed and then edited and coded to ensure that authentic results are got from the data using SPSS and STATA (Nelson, Christopher, & Milton, 2022). Obvious errors and omissions were then removed to ensure accuracy, uniformity and completeness so as to facilitate coding for easy entry into MS, Excel (2010) to extract graphs and tables for analysis. After data processing, data was analyzed and then entered into SPSS. Frequencies and percentages tables were used to portray statistics that were used to analyze and interpret the findings of the study.

RESULTS

Table 1: Role of e-sourcing on organizational service delivery of Century Bottling Company

Response	Strongly agree		Agree		Not sure		Disagree		Strongly disagree	
	f/40	%	f/40	%	f/40	%	f/40	%	f/40	%
e-sourcing has helped in selecting the best	32	80	3	7.5	-	-	-	-	5	12.5

Received: 16.12.2023

Accepted: 21.12.2023

Published on: 30.12.2023

materials for service delivery										
e-sourcing has enhanced headcount supporting purchasing transactions for effective service delivery	32	80	4	10	-	-	-	-	4	10
e- sourcing has led to improved compliance with existing contracts hence effective service delivery	27	67.5	7	17.5	-	-	-	-	6	15
e-sourcing has enhanced budgetary controls for effective service delivery	27	67.5	9	22.5	-	-	-	-	4	10
E-sourcing has reduced transport costs in the purchasing function hence improved service delivery	27	67.5	9	22.5	-	-	-	-	4	10

Source: Primary data

From table 1 above, the largest proportion of respondents 80% Strongly Agreed that e-sourcing has helped in selecting the best materials for service delivery. 7.5% Agreed where as 12.5% Strongly Disagreed. The table also shows that 80% strongly agreed and 10% agreed that e-sourcing has enhanced headcount supporting purchasing transactions for effective service delivery (Isaac et al., 2023). Only 10% Strongly Disagreed. The table also showed that 67.5% strongly agreed that e- sourcing has led to improved compliance with existing contracts hence effective service delivery.17.5% Agreed to this same issue where as 15% Strongly Disagreed. The table further showed that 67.5% strongly agreed and 22.5% agreed that e-sourcing has reduced transport costs in the purchasing function hence improved service delivery and that e-sourcing has reduced transport costs in the purchasing function hence improved service delivery (Musaibah et al., 2023).

The observation here is that e-sourcing has far reaching impacts on the organizational service delivery of an organization like Century bottling company limited. It is so useful in the selecting the best materials for service delivery, helps in headcount of purchasing transactions for effective service delivery, improves compliance with existing contracts and also has helps in budgetary controls for effective service delivery (Akankwasa et al., 2022).

Role of e-informing on organizational service delivery of Century Bottling Company

Table 2: Showing the role of e-informing on organizational service delivery of Century Bottling Company

Reponses	Strongly agree		Agree		Not sure		Disagree		Strongly disagree	
	f/40	%	f/40	%	f/40	%	f/40	%	f/40	%
e-informing has reduced transport costs in the purchasing function hence improved service delivery	39	97.5	1	2.5	0	0	0	0	0	0

Received: 16.12.2023

Accepted: 21.12.2023

Published on: 30.12.2023

e-informing has helped in selecting the best materials for service delivery	37	92.5	2	5	1	2.5	0	0	0	0
e-informing has enhanced headcount supporting purchasing transactions for effective service delivery	35	87.5	3	7.5	2	5	0	0	0	0
e-informing has led to improved compliance with existing contracts hence effective service delivery	30	75	5	12.5	2	5	3	7.5	0	0
e- informing has enhanced budgetary controls for effective service delivery	8	20	12	30	6	15	10	25	4	10

Source: Primary data

From table 2 above, the largest proportion of respondents 97.5% strongly agreed and 2.5% agreed that e-informing has reduced transport costs in the purchasing function hence improved service delivery. The table goes on and shows that 92.5% strongly agreed and 5% agreed that e-informing has helped in selecting the best materials for service delivery. Only 2.5% were not sure regarding this issue. Furthermore, the table goes on and shows that 87.5% strongly agreed and 7.5% agreed that e-informing has enhanced headcount supporting purchasing transactions for effective service delivery (Deus, 2023). On this issue, only 5% were not sure. Similarly, the table goes and shows that 75% strongly agreed and 12.5% agreed that e-informing has led to improved compliance with existing contracts hence effective service delivery. Regarding this issue, it is clear that 7.5% disagreed, and 5% were not sure. Interestingly, the table also shows that 25% disagreed and 10% agreed that e-informing has enhanced budgetary controls for effective service delivery. However, only 10% were not sure (Pdu et al., 2023).

The observation here is that e-informing has far reaching impacts on the organizational service delivery of an organization like Century bottling company limited. It can be seen that e-informing has reduced transport costs in the purchasing function something that can impact on improved service delivery, that e- informing has helped in selecting the best materials for service delivery, that e- informing has enhanced headcount supporting purchasing transactions for effective service delivery and that e- informing has led to improved compliance with existing contracts hence effective service delivery (Collins et al., 2023). These findings are in line with Trakman & McCormack, (2010) who said that e-informing as the gathering and distributing of purchasing information both from internal; and external parties using internet aided technology (Ramadhan et al., 2023). According to Subramaniam & Shaw (2011), e-informing expands on Web-based ERP to open up value chains. Buying communities can access preferred suppliers' products and services, add to shopping carts, create requisition, seek approval, receipt purchase orders and process electronic invoices with integration to suppliers' supply chains and

Received: 16.12.2023

Accepted: 21.12.2023

Published on: 30.12.2023

buyers' financial systems (Alex & Kazaara, 2023). Wong and Sloan, (2014) said that organizations use e-informing in gathering and distributing related information about purchasing from buyers, suppliers and other parties using Internet technology. This comparison of buyers and supplier relationship is under a B2B environment. Here, one company buys and the other sells to the other hence buyer and supplier relationship. It is therefore policy variable of electronic integration.

Table 3: Showing the role of e-tendering on organizational service delivery of Century Bottling Company

Reponses	Strongly agree		Agree		Not sure		Disagree		Strongly disagree	
	f/40	%	f/40	%	f/40	%	f/40	%	f/40	%
e-tendering reduces stress on the procurement function for effective execution of works	40	100	0	0	0	0	0	0	0	0
e- tendering makes it sure that the goods required are delivered on time for effective service delivery	39	97.5	1	2.5	0	0	0	0	0	0
e-tendering reduces the transmission of viruses like Covid 19 for effective and continued delivery of goods and services	37	92.5	3	7.5	0	0	0	0	0	0
e-tendering reduces costs in the tendering process hence effective service delivery	34	85	4	10	2	5	0	0	0	0
e-tendering helps in the purchase of effective goods and services	29	72.5	7	17.5	4	10	0	0	0	0

Source: Primary data

From table 3 above, all respondents strongly agreed that e-tendering reduces stress on the procurement function for effective execution of works. The table goes on and shows 97.5% of the respondents who strongly agreed and 2.5% agreed that e- tendering makes it sure that the goods required are delivered on time for effective service delivery (Christopher, Moses, Muhindo, & Muhammad, 2022). The table goes on and shows that 92.5% strongly agreed and 7.5% who agreed that e-tendering reduces the transmission of viruses like Covid 19 for effective and continued delivery of goods and services. Furthermore, the table goes on and shows that 85% strongly agreed and 10% agreed that e-tendering reduces costs in the tendering process hence effective service delivery (Kazaara & Christopher, 2023). On this issue, only 5% were not sure. Similarly, the table goes on and shows that 72.5% strongly agreed and 17.5% agreed that e-tendering helps in the purchase of effective goods and services. On this issue, 10% were not sure (Mark et al., 2023).

Received: 16.12.2023

Accepted: 21.12.2023

Published on: 30.12.2023

The observation here is that e-tendering has far reaching impacts on the organizational service delivery of an organization like Century bottling company limited. It can be seen that e-tendering reduces stress on the procurement function for effective execution of works, that e-tendering makes it sure that the goods required are delivered on time for effective service delivery, that e-tendering reduces the transmission of viruses like Covid 19 for effective and continued delivery of goods and services and that e-tendering reduces costs in the tendering process hence effective service delivery (Oromo et al., 2023).

Conclusions

The study concluded that e-sourcing is very useful in the selecting the best materials for service delivery, helps in headcount of purchasing transactions for effective service delivery, improves compliance with existing contracts and also has helps in budgetary controls for effective service delivery.

The study also concluded that e-informing has reduced transport costs in the purchasing function something that can impact on improved service delivery, that e-informing has helped in selecting the best materials for service delivery, that e-informing has enhanced headcount supporting purchasing transactions for effective service delivery and that e-informing has led to improved compliance with existing contracts hence effective service delivery.

Recommendations

Century Bottling Company should update its ICT essentials in order to effectively utilize the power of electronic procurement. This can be effective in utilizing e-procurement in service delivery.

Century Bottling Company should train its employees mostly those in the procurement department in order to offer them with the required skills and knowledge on e-procurement essentials. This can be effective in utilizing e-procurement in the service delivery.

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