ABSTRACT

The government of Kenya considers Information Communication Technology as a key pillar in implementation of vision 2030 which targets to transform this country into an industrialized nation. Recently, the ministry of Finance with the support of Public Procurement Oversight Authority (PPOA) came up with a mandate of establishing e-procurement alongside Integrated Financial Management Information Systems (IFMIS) in public sector to enhance supply chain performance. The initiative of implementing e-procurement and IFMIS by the government of Kenya has been hailed as a success towards attainment of vision 2030. Despite these efforts, numerous complaints on system failures, downtimes, massive scandals and indignity which have been attributed to the poor handling of procurement processes thus leading to excessive corruption have been reported leading to the question as to why the intended purpose of eprocurement in improving supply chain performance has been met. This study was therefore designed to determine the relationship between electronic procurement adoption practices and supply chain performance in Kenya Power Limited, South Nyanza Region. The specific objectives were to determine the relationship between e- Tendering and supply chain performance, e-Access and supply chain performance, e-Sourcing and supply chain performance and e-ordering and supply chain performance; of Kenya Power Limited, South Nyanza Region. The study was guided by a conceptual framework where the dependent variable was supply chain performance and independent variable was e-procurement practices. The study was based on the Technological Acceptance Theory (TAM). Correlational and Case Study designs were adopted. The study population was 300 respondents drawn from both staff and pregualified suppliers of Kenya Power Limited, South Nyanza Region. Stratified random sampling was carried out on a sample size of 137 respondents. A structured questionnaire was used to collect primary data. Test re-test method was used help gauge instrument reliability while validity of the instrument was assessed using expert judgment on how well the construct items fit their conceptual definition. Inferential statistic like regression analysis was used to analyze data. Data was presented in form of tables. Regression analysis indicated that e-tendering (β_1 = 0.033, p>0.05) was positive relationship on supply chain performance. E-access (β_2 = -0.065, p>0.05) had a negative relationship-sourcing (β_3 =0.012, p>0.05) and e-ordering (β_4 = 0.095, p>0.05) were positive relationship on supply chain performance. Besides, the value of R² of 2.6% indicated that 2.6% variance in supply chain performance accounted for by the three inventory management controls. The concluded that the three e-procurement practices (e-tenderingsourcing and e-ordering) influenced supply chain positively hence the organization should invest on them and should not invest in access since it has negative relationship. The study recommends that organizations should invest in e-sourcing, ordering and e-sourcing platforms to ensure accurate processes of sending requests for information and prices to suppliers and receiving the response using internet technology are adhered too for the organization benefit from this eprocurement practice and put in place measures to monitor implementation of e-access and no investment should attached to the practice