ABSTRACT

This paper analyses the impact of e-procurement on performance enhancement in organizations that depend on imports. The impact of improved purchasing function in the bottom –line business performance in such organizations based on a research done in the selected companies based in Arusha is the main focus of the thesis. In order for organizations to succeed in the modern business environment, the daily business processes performance should be continuously improved (Garrison and Noreen, 2000).

In today's business world, companies that sell imported products such as cars, Information Technology software and hardware and so many others, a strategic cost effective procurement process is paramount. This will not only guarantee the overall organizational performance improvement, but also increase the financial performance and competitive advantage, which is crucial in today's dynamic business environment. In this paper, I will detail how e-procurement can impact the performance in an effort to elucidate its significance when used as a strategic tool. The economy of a country such as Tanzania mostly depends on imports and before we get to a point where we don't depend on imports anymore, businesses will need better alternatives for better results.

This study's framework contends that e-procurement has a positive impact on financial as well as strategic performance due to modernized highly effective day-to-day procurement functions of a heavily import dependent company. The alignment among business strategy, e-procurement tool will elucidate the impact on costs and profits as the relationship is analyzed.

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