E-procurement of Goods in Procurement Institutions: A case of Tanzania Breweries Limited Arusha Plant

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The introduction of the Internet as a business systems platform has been a catalyst for major changes in the operation and status of procurement activities in organizations. Application of e-procurement in procuring entities has significant improvements in procurement costs, purchasing function, and changes the structure of supply markets. The purpose of this study is to examine the advantages of e-procurement of goods in procuring entities. The study examined the adoption level of e-procurement application at TBL Arusha Plant; examined its effects in reduction of procurement costs; and the contribution of e-procurement towards optimizing the delivery of goods and finally identifies the ways through which e-procurement enhances acquisition of quality goods at TBL Arusha Plant. The data for the study were collected from various sources both primary and secondary. Primary data were collected from TBL Arusha Plant through structured and semi structured interview and questionnaire. Secondary information was also gathered from documentary sources in the form of reports and various publications. The study revealed that application of e-procurement at TBL Arusha Plant helped the organisation to fasttrack procurement transactions through use of flow centric and Syspro software, the system also leads in reduction of costs such as ordering cost, transaction cost, lowering overhead cost as well as purchase cost. Also, implementation of e-procurement assists the organisation in reducing cycle time of receiving goods and due to that it supports the organisation in acquiring quality goods.