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Factors Affecting the Effectiveness of E-Procurement by Small and Medium Enterprises in Nairobi Central Business District Kenya; A Case study of Kenyatta Market

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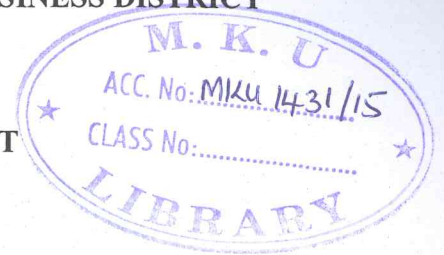
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**FACTORS AFFECTING THE EFFECTIVENESS OF E-PROCUREMENT BY SMALL
AND MEDIUM ENTERPRISES IN NAIROBI CENTRAL BUSINESS DISTRICT**

KENYA

A CASE STUDY OF KENYATTA MARKET



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RESEARCH PROJECT

**RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL
FULFILLMENT OF THE REQUIREMENT OF BACHALOR DEGREE IN
PURCHASING & SUPPLIES FROM MOUNTKENYA UNIVERSITY**

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ABSTRACT

E-procurement is the acquisitions of goods and services by exchanging vital trade information through the electronic devices. The purpose of this study is to analysis factors affecting effectiveness of E-Procurement in Small Medium Enterprises (SMEs) in Kenya with specific reference of Kenyatta Market. The study dealt with the following factors; cultural factors, I.C.T Infrastructure, finance and security. It also analyzed the following objectives; to find out the extent to which cultural factors affect E-Procurement in SMEs in Kenya, to determine the extent to which availability of ICT Infrastructure affects E-Procurement in SMEs in Kenya, to examine the extent of finance on E-Procurement in SMEs in Kenya and to determine the extent to which security concerns affect the effectiveness of E-Procurement in SMEs in Kenya.

The study further reviews the literature of e-procurement and the research gaps which are there. The study, adopted the descriptive research design, this method is preferred because it allows in-depth of the case study, and it is also reliable and valid. The data was collected by use of questionnaires which were given to the target population. The target population was the traders of Kenyatta Market who totalled to 220 traders. The stratified field random sampling is used to ensure all sub groups are involved. The data was analysed using qualitative and quantitative techniques, and was analysed using descriptive statistics. The data obtained was presented in tabular form, percentages and in descriptive statistics such as pie charts, line and bar graphs.

The researcher recommended the following; there should be an area of telecommunications, that Credit facilities should be readily available to assist small and medium enterprises to enable them expand their services and tap into unexplored territories, especially within the emerging globalization and regional market opportunities, such as the East Africa Community Market, finally it was recommended that the government to ensure security of the data interchange through the internet.