

**“Importance & Adoption of e-Procurement and Supply Chain
Management Integration;
Private Sector Perspective in Pakistan”**



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ABSTRACT

In present business environment managers try their level best to make organizations efficient. To stream line procurement or logistics is one of the significant ways to become competitive. E-Procurement is the purchase of goods/services, and works electronically and integral part of overall strategic procurement plan in the current business environment. Over the years the world has witnessed a dramatic change in business management and service functions. E-procurement has benefited both the managers by managing and operating their businesses at lower costs and with great efficiency and has given the stakeholders multiple options for deciding appropriately regarding feedstock, engineering items, utilities or services.

During the last few years, a large number of new procurement business models have been developed, mostly concerning companies operating in the private sector. Their main objective is the introduction and utilization of new technologies such as e-systems, e-commerce, B2B, B3C, EDI, e-transfer etc for the fulfilment of the procurement process. Lately, such models are also developed for organisations operating in the public sector. This paper presents a research work concerning the analysis of “Importance & adoption of e-procurement and supply chain integration; private sector perspective in Pakistan” and the functions’ definition of the new e-procurement system. The methodological approach as well as the tools used are analysed and the achieved results are presented.

The present challenging economic conditions have compelled the organizations to focus on adopting new ways to cut the costs and add to their competence, productivity and profitability. Thus switching from conventional ways of procurement to e-procurement systems in general and e-procurement integration with supply chain management in particular remains one of the most important resource practices and organizational activities. While investigating the significance and adoption of e-procurement and its related factors in the private sector context of Pakistan; it recognized and established that in order to make the e-procurement system an effective tool for augmentation of firms’ efficiency and cut the costs, it is important that employees should accept the process as profitable for both the organization and the employees.

This research has added new insights on evaluation of the importance and adoption of e-procurement for businesses. Only private sector organizations in the twin cities of “Rawalpindi and Islamabad” of Pakistan were the subject of the present study. This may limit the generalize ability of the research results. Being capital of the country and adjacent to the capital city, both the cities of Islamabad and Rawalpindi fall under the umbrella of costliest cities of the country, thereby such elements cast an impact on the individual perceptual filters that affect the adoption of e-procurement system or utilization of IT platforms.

Keywords: Supply Chain Management (SCM), E-procurement, Strategic Objectives, SMEs, ERP, RFQ

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