

**FACTORS CONTRIBUTING TO POOR PROCUREMENT OF SMALL SCALE  
ENTERPRISES: A CASE OF TUMAINI SUPERMARKET-DONHOLM, NAIROBI**

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## ABSTRACT

Procurement is one of the vital functions in an organization and it plays a vital role in acquiring the needed resources at the time required. However, in an effort to achieve this objective, the procurement staff experiences various challenges that hinder the effective performance of their activities. Most importantly, retail organizations, by the nature of their operations, they are highly involved in procurement activities in order to be able to deliver the required products and services to their customers. Some of the major retail organizations are supermarkets and this study intention was to identify what factors affect their procurement function in terms of how it delivers efficiency and effectiveness to the organization.

In order to achieve this objective, the researcher reviewed literature in the procurement field with a bias to the tendering process and its relevance to retail organizations, storage, the necessary skills required by procurement staff, the use of Information and Communication Technology (ICT) in procurement and also information on product specifications. Tumaini Supermarket-Donholm was selected due to the population it serves and the record sales in comparison with other branches within Nairobi city.

A semi-structured questionnaire was used to collect primary data. The questionnaire was divided into two parts, where the first part was used to determine general information of the shoppers and the second part was used to determine the factors affecting procurement in retail organizations. The data collected, analyzed and thereafter data was presented using frequency tables and graphs.

The findings revealed that 91% of the respondents were of the opinion that staff skills affect procurement. A further 96% of the respondents felt that the use of proper material storage and application of ICT in procurement contributed significantly to the success of the procurement function. From the findings, the researcher concluded that the procurement function in retail organizations play a critical role in ensuring that there is proper acquisition of materials of the required nature takes place when needed and within the right timelines. The research recommendations were that; there is need to periodically train the procurement staff in order to equip them with the necessary skills, create ICT awareness, develop a proper supplier selection procedure, and establish proper lead times in order to streamline procurement activities.