

**EFFECT OF SUPPLIER RELATIONSHIP MANAGEMENT PRACTICES ON
ORGANIZATIONAL PERFORMANCE OF SUPERMARKETS IN KENYA: A CASE OF
NAIVAS SUPERMARKETS IN NAKURU COUNTY**

JANE WANGARI MAGIRI



**A PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS
FOR THE AWARD OF MASTER OF SCIENCE DEGREE IN PROCUREMENT AND
SUPPLIES MANAGEMENT OF
MOUNT KENYA UNIVERSITY**

OCTOBER, 2024



DECLARATION AND APPROVAL

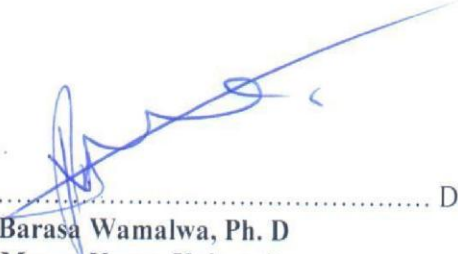
Declaration by the student

I declare that this is my original research work and has not been presented to any other learning institution or examination body.

Signed.......... Date :.....28/10/2024.....
Jane Wangari Magiri
MPSM/2023/54002

Declaration by the supervisor

I confirm that the work submitted was carried out by the candidate under my supervision

Signed.......... Date :.....28/10/2024.....
Dr. Peter Barasa Wamalwa, Ph. D
Lecturer, Mount Kenya University

DEDICATION

This research work is dedicated to my parents and siblings and for their great support and encouragement during the study period.



ACKNOWLEDGEMENTS

The successful completion and development of this research project would not have been possible without the support and contributions of my supervisor, Dr Peter Wamalwa Barasa. I am deeply thankful for his guidance and assistance throughout this period. Additionally, I extend my gratitude to my family and friends for their immense support and encouragement.



ABSTRACT

The study's primary goal was to establish the effect of supplier relationship management on organizational performance of Naivas supermarkets, Nakuru County. For companies to be well established, they must focus on creating closer connections with other organizations so as to attain competitive advantage and have a better place in the market. This has made organizations develop the urgency to have lasting relationships with suppliers with the intention of increasing SC performance. This research sought to understand whether information sharing, buyer-supplier trust, supplier collaboration and supplier commitment positively contribute to organizational success and how they affect performance. SRM practices are known to make organizational performance better however, there's limited empirical evidence on their specific impact within supermarkets in Kenya, which presents a research deficiency that the research desired to fill. The investigation was directed by these specific objectives; to examine the effect of information sharing on the organizational performance of Naivas supermarket, to determine the effect of buyersupplier trust on the performance of Naivas Supermarket, to determine the effect of supplier collaboration on the organizational performance of Naivas Supermarket and to examine the effect of supplier commitment on the performance of Naivas Supermarket in Nakuru county. The theories adopted were social exchange theory, commitment trust theory of relationship marketing and resource-based theory. The method employed in this investigation was descriptive research design. The target population was 82 respondents working at the seven Naivas supermarket branches in Nakuru county. This study adopted random sampling method. The study made use questionnaires and interviews as methods of collecting data. The questionnaires were issued to 82 respondents but only 70 were filled and returned. Interviews were conducted with top employees in the supermarkets. The data collected was according to each objective. Descriptive statistics i.e. standard deviation and mean as well as inferential statistics i.e., a Pearson's correlation analysis as well as a regression analysis were employed in this study for interpretation of the findings and the results. Data analysis was done by the use of Microsoft excel Data analysis tool as well as SPSS.

The results were displayed through tables. The first objective results showed that there's a positive relationship between information sharing and organizational performance ($r = .373$, p value=0.001). According to the results of the second objective, it is implied that there's a positive correlation between buyer-supplier trust and organizational performance ($r = .369$, p value= 0.001). The findings from the third objective indicated a significant positive relationship between supplier collaboration and organizational performance ($r = .455$, p value=0.000). The fourth objective's results showed that there's a strong positive correlation between supplier commitment and organizational performance ($r = .489$, p value= 0.000). The study concluded that Naivas supermarkets in Nakuru consider practicing the objectives as this will lead to increased performance. The study recommends that it is important to have training programs for all involved and the service users have to be informed about the practices and decisions that are related to supplier management. This study also recommends that the supermarkets should work more collaboratively with logistics providers.

TABLE OF CONTENTS

DECLARATION AND APPROVAL	ii
DEDICATION	iv
ACKNOWLEDGEMENTS	v
ABSTRACT	vi
LIST OF TABLES	xii
LIST OF FIGURES	xiii
LIST OF ABBREVIATIONS AND ACRONYMS	xiii
CHAPTER ONE	1
INTRODUCTION	1
1.1.Background to the study	1
1.1.1 Supermarket Chains in Kenya	7
1.2.Statement of the Problem	7
1.3.Purpose of the Study.....	8
1.4.Research Objectives	9
1.4.1.Objectives of the Study	9
1.5.Research Questions	9
1.6.Significance of the Study.....	9
1.6.1.Supermarkets and Management	10
1.6.2.Suppliers and Vendors.....	10
1.6.3.Future Researchers and Students.....	10
1.7.Scope of the Study.....	10
1.8.Limitations of the Study	11
1.9 Delimitations of the Study.....	11
1.10 Operational Definition of key terms	12
CHAPTER TWO	14
LITERATURE REVIEW	14
2.0 Introduction	14
2.1 Theoretical Review.....	14
2.1.1 Social Exchange Theory.....	14
2.1.2 Commitment Trust Theory	15

2.1.3 Resource Based Theory	16
2.2 Empirical Review	18
2.2.1 Information Sharing.....	18
2.2.2 Buyer-Supplier Trust	22
2.2.2.1 Supplier Development	25
2.2.3 Supplier Collaboration.....	26
2.2.4 Supplier Commitment	28
2.2.4.1 Supplier Base Optimization.....	30
2.3 Conceptual Framework	30
2.4 Summary of the Variables	31
CHAPTER THREE	34
RESEARCH METHODOLOGY	34
3.1 Introduction	34
3.2 Research Methodology.....	34
3.3 Research Design	34
3.4 Location of the Study	34
3.6 Sampling Procedures and Techniques.....	36
3.7 Sample Population.....	36
3.8 Construction of Research Instruments.....	37
3.9 Data Collection Instruments	37
3.10 Testing for Validity and Reliability.....	37
3.11 Data Analysis and Presentation	38
3.12 Ethical Considerations.....	38
CHAPTER FOUR	39
RESEARCH FINDINGS AND DISCUSSIONS	39
4.0 Introduction	39
4.1 Reliability and Validity Analysis	39
4.2 Response rate and Background Information	40
4.2.1 Response Rate	40

4.2.2 Background Information of the Respondents	40
4.2.2.1 Level of Education of the Respondents	40
4.2.2.2 Working Experience of the Respondents.....	41
4.2.2.3 Level of Employment of Respondents.....	41
4.3 Information Sharing and Organizational Performance.....	42
4.3.1 Descriptive Statistics for Information sharing.....	42
4.3.2 Correlation Analysis for Information Sharing and Organization Performance.....	43
4.3.3 Regression Statistics for Information Sharing and Organizational Performance	44
4.3.4 ANOVA for Information Sharing and Organizational Performance.....	44
4.4 Buyer-supplier Trust and Organizational Performance.....	46
4.4.1 Descriptive Statistics for Buyer-Supplier Trust and Organizational Performance.....	46
4.4.2 Correlation Analysis for Buyer-Supplier Trust and Organizational Performance	46
4.4.3 Regression Analysis for Buyer-Supplier Trust and Organizational Performance.....	47
4.4.4 ANOVA for Buyer-Supplier Trust and Organizational Performance	48
4.4.5 Coefficients for Buyer-Supplier Trust and Organizational Performance	48
4.5 Supplier Collaboration and Organizational Performance.....	49
4.5.1 Descriptive Statistics for Supplier Collaboration	49
4.5.2 Correlation Analysis for Supplier Collaboration and Organizational Performance	50
4.5.4 ANOVA for Supplier Collaboration and Organizational Performance.....	51
4.5.5 Coefficients for Supplier Collaboration and Organizational Performance.....	52
4.6 Supplier Commitment and Organizational Performance.....	53
4.6.1 Descriptive Statistics for Supplier Commitment and Organizational Performance	53

4.6.2 Correlation Analysis for Supplier Commitment and Organizational Performance	54
4.6.3 Regression Statistics for Supplier Commitment and Organizational Performance	54
4.6.4 ANOVA for Supplier Commitment and Organizational Performance.....	55
4.6.5 Coefficients for Supplier Commitment and Organizational Performance	56
4.7 Chapter Summary	57
CHAPTER FIVE	58
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	58
5.1 Introduction	58
5.2 Summary	58
5.2.1 Information Sharing and Organizational Performance.....	59
5.2.2 Buyer-Supplier Trust and Organizational Performance	60
5.2.3 Supplier Collaboration and Organizational Performance.....	61
5.2.4 Supplier Commitment and Organizational Performance.....	63
5.3 Conclusions	64
5.3.1 Information sharing and Organizational Performance	64
5.3.2 Buyer-Supplier Trust and Organizational Performance	64
5.3.3 Supplier Collaboration and Organizational Performance.....	65
5.3.4 Supplier Commitment and Organizational Performance.....	65
5.4 Recommendations	66
5.4.1 Recommendations for Practice to the Authorities for Implementation	66
5.4.2 Recommendations for Service Users/Beneficiaries	67
5.4.3 Recommendations for other Stakeholders.....	67
5.5 Recommendations for further research.....	68
REFERENCES	68
APPENDIX I: Questionnaire	75

APPENDIX II; INTERVIEW GUIDE..... 78
APPENDIX III; ERC CERTIFICATE..... 80
APPENDIX IV; INTRODUCTION LETTER..... 81
APPENDIX V; NACOSTI RESEARCH LISCENCE 82
APPENDIX VI; TURNIT IN REPORT 83



LIST OF TABLES

Table 1: Target Population	36
Table 2: Construct Validity	39
Table 3: Reliability Analysis	40
Table 4: Response Rate	40
Table 5: Level of Education of Respondents	41
Table 6: Working Experience of the Respondents	41
Table 7: Level of Employment of Respondents.....	42
Table 8: Descriptive statistics for Information Sharing	43
Table 9: Correlation analysis for information sharing and organizational performance	44
Table 10: Regression analysis for Information sharing and Organizational Performance	44
Table 11: ANOVA for Information Sharing and Organizational Performance	45
Table 12: Coefficient for Information Sharing and Organizational Performance	45
Table 13: Descriptive Statistics for Buyer- Supplier trust and Organizational Performance	46
Table 14: Correlation between Buyer-Supplier Trust and Organizational Performance	47
Table 15: Regression Analysis for Buyer-Supplier Trust and Organizational Performance	48
Table 16: ANOVA for Buyer-Supplier Trust and Organizational Performance	48
Table 17: Coefficients for Buyer-Supplier Trust and Organizational Performance	49
Table 18: Descriptive Statistics for Supplier Collaboration	50
Table 19: Correlation Analysis for Supplier Collaboration and Organizational Performance	51
Table 20: Regression Analysis for Supplier Collaboration and Organizational Performance	51

Table 21: ANOVA for Supplier Collaboration and Organizational Performance	52
Table 22: Coefficients for Supplier Collaboration and Organizational Performance	53
Table 23: Descriptive Statistics for Supplier Commitment	54
Table 24: Correlation Analysis for Supplier Commitment and Organizational Performance	54
Table 25: Regression Statistics for Supplier Commitment and Organizational Performance	55
Table 26: ANOVA for Supplier Commitment and Organizational Performance	56
Table 27: Coefficients for Supplier Commitment and Organizational Performance	57

LIST OF FIGURES

Figure 1: <i>Conceptual Framework</i>	32
--	----

LIST OF ABBREVIATIONS AND ACRONYMS

ANOVA- Analysis of Variance

EABL-East African Breweries Limited

IT -Information Technology

KQ- Kenya Airways

NACOSTI- National Commission for Science, Technology and Innovation.

RBV- Resource Based View Theory

SAB- South African Breweries SC-

Supply chain

SCM- Supply Chain Management

SPSS-Statistical Package for Social Sciences

SRM- Supplier Relationship Management



CHAPTER ONE

INTRODUCTION

1.0 Introduction

This introductory chapter focuses on the study's background, statement of the problem, purpose, study's objectives, the research questions, significance, the study's scope, limitations and operational definition of terms.

1.1. Background to the study

Global competition has driven and led companies to prioritize more on supplier relationship management. Supplier relationships are referred to as the process of interacting with suppliers and vendors that supply goods, works and services to their clients. Suppliers and clients have a major goal which is to form and develop lasting connections. Supplier relationship management is a structured technique in which vendors and suppliers are evaluated and organizations are making efforts to partner with them. These suppliers supply goods, materials and services to organizations. Supplier relationship management assesses each supplier's role in formulating and developing strategies to enhance organizational performance and success.

Therefore, the sourcing procedures that relate to supplier relationship management are most likely different from one organization to another. A study conducted globally found that "when organizations form working relationships with suppliers, they are more likely to gain a competitive edge in the supply chain environment which has proved to be very competitive in the recent years", (Lii & Kuo, 2016). SRM is relevant in a global context as seen through the various global trends that have been noted throughout the years. Some of these global trends

include; digital transformation, sustainability, risk management and innovation. Globally, many business organizations are adopting these trends due to the various benefits they provide.

Companies are adopting digital tools for SRM in order to boost efficiency and collaboration. Sustainable practices in the SRM context have been emphasized among members of the SC globally and this involves ethical sourcing and reducing carbon footprints. Global SC has enabled organizations focus on how they manage risks such as disputes during trade and currency fluctuations. The other global trend is innovation which comes as a result of collaboration with suppliers.

SRM has also been adopted in various regions over the past few years. In a regional context, economic conditions, cultural factors, regulatory environment and technological adoption are considered. It has been noted that various regions have differing economic conditions that affect SRM practices. These can include market demands, cost considerations and suppliers' availability. Differences in culture also affect how companies interact with suppliers through communication styles, negotiation practices and relationship building approaches. It is also important to mention that legal and regulatory structures that control SC activities can be different across regions and therefore impact SRM. The rate at which different regions adopt technology in SRM also varies and this affects the effectiveness of SRM.

SRM in a local perspective involves; market dynamics which discuss how local market conditions e.g. competition among supermarkets influence SRM. Another local perspective is supplier capabilities which involve the capabilities and challenges of local suppliers. Cultural practices also affect buyer-supplier relationships as well as regulatory framework which looks into how local regulations affect procurement processes and SRM. A supply chain (SC) is an interconnected system of organizations that transfer products, services, funds and information

both forward and backward from a supplier to the final customer. This is different from supply chain management, which focuses on overseeing and optimizing these flows to ensure efficiency and effectiveness. Supplier Relationship Management (SRM) is the proactive administration of the two-way relationship between a purchaser and a vendor. It's designed to be beneficial for both parties involved, aiming to enhance the operational capabilities of each party. (Scoot, 2011). Research conducted regionally in Ghana by Kwasi *et al.*, (2019) on SRM and firm performance found that flexibility of operations mediates the connection between SRM and the performance of an organization. Additionally, the study stated that SRM influence on the performance of the organization is stronger for organizations locally owned compared to organizations that are foreign.

Over the past few years, businesses have had to accept the various constant changes that have been taking place and they have to adapt to these changes because the business environment has been very competitive and globalization of markets has become the new norm. “Therefore, it is very essential to understand supply chain management in order to maintain competitiveness in today’s rapidly growing market and profitability”. (Stefan *et al.*, 2010).

Supply chain management has been described as the systematic and structured coordination of business operations and the strategies both inside a company and throughout the entire SC, aimed at improving individual performance and overall long-term efficiency. Supply chain management is a fundamental and core aspect of business strategies. Therefore, the plans of supplier relationship management should be highly considered when an organization comes up with its business strategy from the beginning. Supplier relationship management has also been discovered to be a way of interacting with suppliers and other third parties (Calvianto *et.*,

al 2019). Hence this leads to development of better relationships and closer ties among everyone involved because communication is also made easier and a smooth process.

Buyer and supplier relationships involve commercial transactions from one organization to another for purchasing as well as supplying goods and services. While transactions between organizations have long been significant in purchasing and marketing, recent engagement in buyer-supplier relationships have expanded across various fields of management. This shows the changes in ways of production and work organization during the late 20th century emphasizing the importance of managing external relationships to comprehend modern organizational practices and performance. Organizations that partner in businesses are more likely to share resources, market their products and services together and also conduct technical trainings jointly, (Zhang & Cao, 2018). SRM has become very crucial when it comes to buyersupplier relationships due to changes such as government policies, inflation as well as changes in demand patterns in the business world today, (Zhang & Cao, 2018).

In the business environment today, there are already existing businesses that are up and running. These businesses tend to face challenges such as threats of entry by new businesses who are also termed as rivals. This has forced the already existing businesses to cope with the new changes in the business environment over the years, (Wangeeci, 2013). Because globalization and increased competition have made it more difficult to deliver goods and services that meet customer requirements efficiently and effectively, organizations must make sure that they produce high-quality goods and services in order to achieve customer satisfaction, (McKinsey &Co 2016).

Kosgei and Gitau (2016), state that SRM is an approach in which interactions between one organization and another organization that provide and supply goods, products and services

are managed. Supplier relationship management also encompasses creating a more collaborative, closer relationship with suppliers and vendors in order to reduce the risk of failure and realize new value. One of the major objectives of SRM is to ensure that sourcing processes between organizations and suppliers are more effective. Therefore, it is important that good relations with suppliers and vendors are maintained as it ensures that the best prices are achieved.

A good buyer-supplier relationship is a mutually beneficial partnership over the long run. An organization should take it upon themselves to treat suppliers with courtesy, fairness and honesty. This will lead suppliers to deliver quality services and items at the best price and at the right time. Well treated suppliers & vendors will also respond to special requests and emergency situations. Dwyer *et al.*, (2007), states that a supplier who receives professional and equitable treatment from your company is likely to tell his associates about his or her positive experiences. A study done by Kamau (2013), about key SRM models, deduce that effective relationships which significantly enhance organizational performance, are built on key objectives such as communication, commitment, trust, shared goals, and working in cooperation. According to his research, suppliers who failed to maintain accurate records paid more for goods and longer terms of service. Inadequate supplier relations management by businesses can also result in subpar organizational performance.

Supplier relationship management practices help establish a shared understanding, facilitating effective communication between an organization and its suppliers, even when they have different business practices and terminologies, (Mwangi and Mwangangi, 2018). Kepher and Ismael (2015), examined how managing supplier relationships impacts the efficiency of procurement processes within Kenya's industrial sector. They carried out a study on EABL and

recommended that the company reassess its integration with suppliers to enhance procurement performance. The study also commented that in order to enhance communication there's need for EABL to upgrade its Supplier Training programs. Furthermore, the research suggested that the company should strengthen collaboration with suppliers in strategic planning, adapting to changes, and crisis management. Additionally, the study advised EABL to adopt specific procurement strategies to better control product quality.

Purchasing organizations and companies globally have been increasingly developing ever since the 20th century. It is evident that for buyer-supplier relationships to be successful, both parties need to have trust and an understanding of each other. The supplier needs to understand the buyer's requirements perfectly and ensure that they fulfill them. Buyers also need to understand suppliers and treat them well in order to develop stronger ties with them. This will lead to a dependable and a more established relationship which will lead to competitive advantage.

According to Tseng & Lee (2014), there are various factors that drive the performance of an organization. These include resources that are unique, resources of high value, challenging to replicate and resources that cannot be substituted by other resources. An organization's performance is determined by how a firm produces goods i.e. whether they produce quality products, timely delivery, management of costs and customer satisfaction. Creating better relationships with suppliers will lead to the achievement of an organization's goals and lead to organizations gaining competitive edge and a better market position. A study by Al- Abdalla *et al.*, (2014), states that SRM is very important as it plays a major role in ensuring that products and services are frequently delivered. Their study also discovered that in order to find out how

SRM affects the performance of organizations in third world countries, more research must be done.

When a supplier supplies another organization with goods and services, a relationship is formed and this relationship influences customer satisfaction and overall value. Supply chain management goes beyond mere financial transactions for goods and services. It also involves effectively managing the relationship between buyers and sellers, as highlighted by Leenders, *et al.* (2006). Building strong partnerships, trust and communication are essential components of a thriving supply management.

1.1.1 Supermarket Chains in Kenya

Over the years, Kenya has seen major growth and development in its retail sector which is majorly supermarkets. Many investors put their focus on starting businesses supermarkets and retail stores. Many supermarkets in Kenya like Tuskys and Naivas started off as small familyowned retail stores which have grown overtime into one of the biggest supermarkets in Kenya. It is also important to note that international supermarket chains such as Carrefour have also joined the Kenyan market. This has presented competition among the supermarkets in the country. SRM practices are very important for supermarkets to grow and gain competitive advantage. It is evident that when SRM exists and is practiced in the supermarkets, various benefits such as cost savings, improved S.C performance and customer satisfaction will be achieved.

1.2. Statement of the Problem

Supermarkets in Kenya strive to be as efficient as possible, increase their market share, gain competitive advantage and build their brand image in order to make profit and stay in business, (Kanja and Mwangangi, 2017). Many supermarkets struggle to build a strong brand reputation

and gain significant market share over the years. This has led to the loss of customers to competitors and they also struggle to get competent and reputable suppliers.

Nakumatt holdings was one of the largest and most successful supermarkets with branches all over East Africa until February 2017. One important thing to note is that Nakumatt was operating on debts such as bank loans, short term borrowings and letters of credit to its numerous suppliers. This clearly led to major losses to the point of the supermarket's demise, (Cytonn, 2018). Uchumi supermarket on the other hand was experiencing major issues with paying its suppliers on a timely basis. Studies conducted by past researchers might not have sufficiently examined the long-term effects of SRM on organizational performance and how these relationships evolve over time. There is also a lack of insight into how robust SRM strategies contribute to organizational resilience and performance during crises, such as economic downturns or pandemics. SRM practices are known for their potential to make organizational performance better however, there's limited empirical evidence on their specific impact within supermarkets in Kenya.

This research aimed to address existing gaps by examining how supplier relationship management practices affect the organizational performance of Naivas supermarket in Nakuru county. The research focused on determining and also sought to understand whether information sharing, buyer-supplier trust, supplier collaboration and supplier commitment positively contribute to organizational success.

1.3. Purpose of the Study

The research was aimed at investigating how supplier relationship management practices impact the organizational performance of Naivas supermarket in Nakuru county.

1.4. Research Objectives

The study was guided by four specific objectives.

1.4.1. Objectives of the Study

- a) To examine the effect of information sharing on the organizational performance of Naivas supermarkets in Nakuru county.
- b) To determine the effect of buyer-supplier trust on the organizational performance of Naivas supermarkets in Nakuru county.
- c) To determine the effect of supplier collaboration on the organizational performance of Naivas Supermarkets in Nakuru county.
- d) To examine the effect of supplier commitment on the organizational performance of Naivas Supermarkets in Nakuru county.

1.5. Research Questions

- a) How does information sharing affect the organizational performance of Naivas Supermarkets in Nakuru county?
- b) To what extent does buyer-supplier trust affect the organizational performance of Naivas in supermarkets Nakuru county?
- c) Does supplier collaboration affect the organizational performance of Naivas supermarkets in Nakuru county?
- d) What is the effect of supplier commitment on the organizational performance of Naivas Supermarkets in Nakuru county?

1.6. Significance of the Study

It is important and timely to carry out this study because businesses in the world today are dynamic and they also face challenges. Supermarkets must adapt SRM practices to remain competitive and resilient. This particular study will be relevant to supermarkets and the

management of the supermarkets. The study will also be significant to suppliers and vendors, students and future researchers. The study will be important to these parties in the following ways;

1.6.1. Supermarkets and Management

This study will assist supermarkets in developing an appropriate plan for managing their supplier-buyer relationship as effectively as possible. This will lead to many benefits such as the realization of value for money spent in each transaction and also the achievement of corporate goals. The management will be able to understand the nature and complexity of the relationship between suppliers and buyers thanks to the study.

1.6.2. Suppliers and Vendors

This study will be important to suppliers as they need to identify the areas that need improvement in their organizations in order for them to develop closer ties with the buyer organization. The suppliers will also understand that developing closer ties with the buyers will be beneficial to them.

1.6.3. Future Researchers and Students

This research will significantly inform other researchers about further knowledge in supplier relationship management and its effects in supermarkets at large. Future investigations into the complexities of supplier-buyer relationships in the supply chain will be well-founded on the findings of the study.

1.7. Scope of the Study

Using Naivas supermarkets in Nakuru county as one of the leading supermarkets in Kenya, the study investigated the effect of supplier relationship management on organizational performance of supermarkets, which is in the retail industry. The seven branches of Naivas

supermarket in Nakuru county served as the study's locations and they are located in Nakuru town and Naivasha town. They include; Naivas safari center, Naivas Nakuru midtown, Naivas westside, Naivas downtown, Naivas supercenter, Naivas Naivasha ndogo and Naivas Naivasha Kubwa for a period of three months and the target respondents included the employees that were working within the supply chain and logistics department of the supermarkets.

1.8. Limitations of the Study

This study faced various challenges such as a lack of cooperation from some of the target respondents in the supermarkets. Another limitation is issues of confidentiality. A challenge was encountered whereby one of the branches respondents protected the privacy of the organization and therefore did not disclose some crucial information which was important and required in the research. Another limitation was also due to the small sample, results were not generalized beyond specific population from which the sample was drawn. Finally, the investigation was only limited to the Naivas supermarkets which are located in Nakuru county and this does not give a clear picture of the relationship between buyer-supplier relationship and the performance in other areas.

1.9 Delimitations of the Study

This particular study was confined to Nakuru county Kenya and is specifically focused on Naivas supermarkets in the county. The population of the study comprised of only employees and the management team of Naivas supermarkets. The study focused on specific SRM practices which included; information sharing, buyer-supplier trust, supplier collaboration and supplier commitment. The research methods used were; questionnaires and interviews as the data collection tools, the research design method was descriptive research design.

1.10 Operational Definition of key terms

- Supply Chain Relationship Management

Supplier relationship management is an approach in which interactions between one organization and another organization that supply goods, products and services are managed.

Kosgei & Gitau (2016).

-Supply Chain Management

A process of organizing, carrying out and supervising the movement of products and services from the manufacturing location to a point of recovery or point of appropriate disposal is referred to in this definition.

-Information Sharing

Information sharing in a SRM context refers to the process in which organizations and suppliers exchange data and information to foster long-term, collaborative relationships.

-Supplier Development

The systematic process of Supplier Relationship Management (SRM) entails evaluating and forming strategic partnerships with suppliers who provide an organization with goods, materials, and services. It mainly focuses on understanding the role each supplier plays in the organization's success and formulating strategies to enhance their performance and contribution.

-Supplier Collaboration

This is the process in which two or more firms partner in order to band together to bring about supply chain milestones.

-Supplier Base Optimization

This is defined as a strategy employed to streamline the number of suppliers an organization collaborates with, particularly targeting those that are inactive or utilized infrequently. This approach allows organizations to dedicate more attention and resources to a smaller, more engaged group of suppliers.

-Organizational Performance

Organizational performance is gauged by how efficiently an organization handles and enhances its relationships with suppliers to meet its strategic goals. It's about the successful management and continuous improvement of these partnerships to drive the organization's overarching ambitions.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The focus of this section is the literature review. It is composed of a theoretical and empirical analysis of past studies that other researchers have done on supplier relationship management and buyer-supplier relationships. This chapter provides a conceptual framework that describes the relationship between the independent and dependent variables. A chapter summary is also available. The information was sourced from published books, academic websites, reports, and journals.

2.1 Theoretical Review

Previously there have been theories formulated concerning supplier relationship management and buyer supplier relationships that were essential to this study.

2.1.1 Social Exchange Theory

The theory of social exchange was initially formulated and identified by George Homans. In his study he examined the behavior of societies, communities and groups. He concluded that the three were best regarded as a social system. The social exchange theory is grounded on the belief that community behavior is as a result of the process of change. The theory has been adopted widely by people in their social relationships in order to gauge the potential risks and benefits of the said relationships. When the benefits are fewer than the risks the relationship is more likely to end. This particular theory of social exchange is connected directly to supplier relationships hence the importance of the supplier network within a business context is seen. A business network is an example of an exchange network as explained in the social exchange theory. In the context of supply chain partnerships, a supplier can form a working relationship

with the people in charge of distribution and contribute. It is expected that the distributor will have a sense of obligation to reciprocate to the supplier appropriately. A similar theory identified as market exchange theory was developed and it relies on the concept of organized behavioral system. This theory applies to information sharing in SRM by positing that the parties engage in information exchange with the expectations of reciprocal benefits. In SRM buyers and suppliers share information with the hope that this will lead to trust, long-term relationships and mutual gains like improved efficiency, innovation and competitive advantage. The theory tries to show that the suppliers and Naivas are in a contractual partnership. When the supermarkets work on building trust with their vendors through processes such as information sharing, collaboration occurs naturally. When both parties work together effectively cost benefits will be achieved as well as other benefits such as suppliers offering their best services and product, better coordination and long-lasting relationships.

2.1.2 Commitment Trust Theory

For a relationship to be effective and successful, there is need for trust and commitment to be present. Morgan and Hunt coined the commitment trust theory. In the context of business relationships, bonds are formed between buyers and suppliers by ensuring that customers meet their needs and suppliers perform as expected. By meeting the needs of customers and honoring commitments buyers form bonds with customers, this is known as relationship marketing. Business organizations must ensure that they fulfill their promises in order to nurture trust and gain trust from suppliers. Commitment on the other hand requires businesses to maintain long term partnership with suppliers in order to attain their goals. Commitment trust theory of relationship marketing also postulates that relationships between buyers and suppliers happen with multiple partners for a lengthy period of time. These relationships ensure that products of better quality are produced and they are delivered on time. Communication, trust and

cooperation are very crucial when organizations are working together because they help organizations develop trust for each other. According to Doyle and Roth (2022), commitment trust model implies that in order for business relationships to work effectively trust must exist and there should not be any uncertainties or opportunistic behavior from both parties. One of the emphases of this study is commitment and trust which are found to be very important in supplier relationship management and how they affect an organization and its performance.

This particular theory applies to the supplier development variable in this study by emphasizing that trust between buyers and suppliers fosters a willingness to invest in each other's capabilities. This leads to supplier development initiatives such as training, knowledge sharing and process improvements which will in turn lead to the growth of commitment and trust between the suppliers and the buyers. Commitment and trust are very important for SRM. This is because they are key to successful relationships and successful partnerships between the clients and supermarkets. When both are present it is clear that Naivas supermarkets and their suppliers cooperate and collaborate effectively. This means that information is shared and strategic plans are well coordinated. The supermarkets can greatly rely on their suppliers to perform and deliver quality products.

2.1.3 Resource Based Theory

The resource-based theory became dominant in the 90s. This theory is used as a basis of evaluating factors that can be deployed to lead to comparative advantage. The resource-based theory states that not all resources are of equal importance and they also do not have potential to be a source of competitive edge. In the context of SCM, supplier collaboration can improve and enhance an organization's resource base. When organizations collaborate, they gain access to unique resources and this leads to improved performance.

The main idea of RBV is that the management of an organization should understand and organize resources in order to gain a sustainable competitive advantage. The resources include finances, information, human resources and many others. The resources of an organization need to be valuable, Rare, Inimitable and Not substitutable in order to achieve sustainable competitive advantage. Sustainability depends on how much these resources are sustainable and imitable. Organizations that have the capability to combine resources in a different way from the others have the benefit of achieving a competitive edge over other organizations. Both internal and external capabilities are important in enhancing performance. This theory applies to this study as it will show the capabilities that suppliers have on organizational performance.

Both buyers and suppliers in the supply chain benefit from collaboration since it gives them access to superior resources. Organizations can achieve a sustainable competitive advantage by identifying, developing and deploying important resources through partnerships. This theory applies to the supplier base optimization variable by advocating for the strategic selection and management of suppliers based on the unique resources and capabilities that they bring to the buyer. By optimizing the supplier base, firms can focus on partnerships that offer the most strategic value such as quality and innovation. Suppliers provide Naivas with valuable resources that are not easily replicated by competitors. Stronger relationships between Naivas supermarkets and their suppliers lead to sustainable competitive advantage. This theory therefore states that unique and hard to acquire resources and capabilities lead to success. Better product quality, reduced costs and increased efficiency are a s a result of leveraging supplier relationships as strategic resources.

2.2 Empirical Review

An empirical review systematically examines existing empirical studies to address a specific research topic. Unlike theoretical or belief-based approaches, empirical research relies on actual observations, data, and measurements to draw conclusions. It's also referred to as a systematic literature review.

2.2.1 Information Sharing

Information sharing is referred to as the exchange of data and information between different organizations and firms throughout the supply chain. Sharing crucial information and data in the right way among buyers and suppliers will likely lead to benefits such as reduction of costs and better service delivery which will in turn boost customer satisfaction. Members of the supply chain share information regarding; purchases and sales, inventory levels, future plans, the costs of production, sales and marketing plans, product development, order tracking and technological processes that are involved. Cooper (2009), coined the definition of information sharing as the process in which information is updated frequently among all associates of the supply chain for effective and efficient supply chain management. Previous studies conducted by various researchers regarding the importance of information sharing while carrying out business activities has proven that proper sharing of information reduces uncertainty and greatly improves visibility. Sharing information efficiently and effectively enables organizations have access to important information and thus allows them to form close ties and partner up in various supply chain activities. According to Krause & Ellram, (2007), communication between organizations is regarded to be effective if it involves regular physical contact between the buyer and supplier, if the communication is genuine and if it happens from time to time.

Suppliers and supplier management are very important in the supply chain and in any organization. Organizations cannot operate without people or other organizations that supply them with their needs, they therefore need suppliers and they need to know how to manage the suppliers properly.

According to Kearney (2013), it is very important for organizations to have the right information on suppliers and their performance. Tasnia & Ramachandran (2019), undertook a study on Information sharing in SCM where they focused on cooperate partners in the manufacturing industry. This particular study sought to understand the extent to which information sharing between the SC cooperative members enhances performance within the business.

The paper's findings were presented from a systematic literature review that examines the link between information sharing among the cooperative partners in the supply chain, business performance and product quality in the production industry in Malaysia. Three hundred companies were sampled where 200 out of those gave out responses. The data collection methods used were Pearson's correlation analysis, cluster analysis and structural equation modelling. The data collection instrument that was used in this research was a structured survey questionnaire, which was structured to assess the companies in terms of the described dimensions. The study's findings emphasize the critical role of information sharing among cooperative SC partners. Specifically, effective information exchange significantly impacts both product quality performance and the overall performance of the business. This underscores the importance of implementing robust information sharing practices within the Malaysian manufacturing industry to enhance organizational performance.

Imam & Amrik (2013), conducted research on the impact of information sharing in supply chain on organizational performance, looked through various factors that influenced the degree

of information sharing in the supply chain. The factors that were discovered by this study included; information quality, information technology (IT), cost benefits sharing and internal integration. The study conducted a test on the relationship between the extent of information sharing and organizational performance. Data was acquired from 150 manufacturing organizations. The method that was used to collect data was structural equation modelling. The results of the study found that the information quality and information technologies positively influence the strength of information sharing. The study also discovered that there was no correlation between the degree of information sharing and internal integration or cost benefit sharing. Information sharing and organizational effectiveness are not directly correlated according to the study's findings. The supply chain participants' partnerships mediate the interaction. This demonstrates that, although being extremely vital and significant, knowledge exchange does not significantly boost performance. Nevertheless, trust, commitment, and teamwork are examples of qualities that this study neglected to examine and impact organizational performance.

A study about the “effect of Information and Knowledge Sharing on Supply Chain Performance”, which was done by Chourdury *et al.* (2016), explored the impact of information and knowledge sharing within buyer-supplier relationships on supplier operational performance. The development of a conceptual model was predicated on an earlier thorough literature review. The data was collected using a structured survey questionnaire. Data was collected from 30 Bangladeshi Readymade Garments Industry. This was done via interviews and surveys through the mail. The validity type used was construct and content validity, and reliability was also tested. The study employed path Analysis in order to validate their conceptual model. The results highlighted that effective information sharing serves as a

necessity for successful knowledge sharing. Additionally, maintaining a close supplier-buyer relationship significantly contributes to escalating supplier operational performance.

Otieno *et al.* (2022), conducted research on the “effects of supplier information sharing practice on supply chain performance of Kenyan selected county governments of the Nyanza region”.

This study primarily focused on examining how supplier sharing of information affects the performance of county governments in the Nyanza region and whether it has an important effect on the SC performance. A descriptive research design and correlation analysis were the methods used for data analysis in this study. A total of 112 procurement staff and 9 lead prequalified suppliers of the selected county governments of Nyanza region were the target population of the study. Stratified, simple random and purposive techniques were the sampling techniques used. The use of closed ended Likert scale questions was employed as well. The information gathered from the conducted interviews was examined using content analysis. The study’s conclusions show that, among some Nyanza County governments, supplier information exchange improves the supply chain performance in Nyanza.

Effective communication and collaboration among suppliers contribute to better overall supply chain outcomes. The study findings emphasize the importance of suppliers sharing information to create realistic supplier relationships. In addition to that, fostering trust among county governments in Kenya is very important in order to ensure that procurement activities are flowing smoothly. The implementation of these recommendations can enhance supplier relationships and improve overall supply chain performance. The study also mentions that poor relationships between buyers and suppliers paired with negative tendencies and distrusts lead to the loss of value.

A study carried out by Otieno & Getuno (2017), evaluated how “information sharing and procurement regulations impacts the performance of public secondary schools in Nairobi”. The study’s main focus was to examine the effects of information sharing and procurement regulations on the organizational performance of these schools. The investigation adopted a census survey where data was collected from 6 public secondary schools. The primary data collection method was the use of questionnaires that were distributed to the 6 schools. The research design used was descriptive research design. The link between inspections, procurement reforms, transparency, professionalism, tendering and organizational performance was evaluated using Pearson’s correlation coefficient analysis. The study’s findings indicated that the previously mentioned had significant influence on the performance. On the downside, this study did not look further into buyer-supplier trust, collaboration and commitment as factors that might affect buyer-supplier relationships.

Raghunathan, S. (2001), challenged an article that stated that “investment in information sharing is always necessary”. Instead, when manufacturers have sufficient historical order data, they can make the right decisions without additional investment. Lee and Tang (2000), quantified the benefits of demand information sharing to obtain inventory and cost reductions. Raghunathan (2001), argued that investment in information sharing between retailers and suppliers, highlighting significant cost and inventory reductions achievable through such initiatives.

2.2.2 Buyer-Supplier Trust

Trust is a situation where both partners believe in each other’s full commitment to shared goals. In the context of supplier relationships, trust plays a very important role. For buyers and suppliers to collaborate in any business venture, they are required to develop trust between each other. When buyers and suppliers trust each other, they collaborate effectively, leading to

better performance and mutual benefits and this will eventually lead to an efficient and effective supply chain. In buyer-supplier relationships, trust is cultivated through effective communication, mutual respect, being direct and honest, practicing loyalty between the parties, fairness and demonstrating expertise and reliability. Over the years trust has been known to be a crucial predictor of positive procurement performance in business relationships. Trust can be beneficial to the procurement performance in that it leads to things being done in an efficient and effective way. It was also noted that significantly influences effective cooperation and positively predicts performance outcomes.

Akhilesh (2016), conducted a study on the "effects of trust, satisfaction and other relationship dimensions on supplier relationship management". This paper aimed to focus on how trust and satisfaction will impact supplier relationship management. Other dimensions like benevolence, communication and commitment were studied. In this study, a questionnaire was prepared and then a survey was conducted among 28 organizations in India to determine the effects of these relationship dimensions. The study's findings indicate that despite the intense global competition, a sense of contentment with their supplier's overall performance, which leads them to cultivate long-term relationships.

A study about trust and SC relationships was conducted in South African Breweries by Tregurtha and Vink (2009). Their study findings noted that the effectiveness of the process of the production of barley Taung determines whether the relationship that is trust based between the farmers and South African Breweries will continue. In their paper they state that trust doesn't turn a poor economic relationship into a positive one, but it can enhance an already positive relationship.

The South African Breweries (SAB) emphasized that efficient and effective economic principles shape the long-term engagement of farmers. The small-scale farmers who are

involved in this supply chain indicated that they will continue barley production as long as they achieve maximum profit, considering their low-risk preference. The small-scale farmers also noted that their trust-based partnership with SAB helps to increase their profit margins by reducing their transaction costs. While trust contributes to relationship benefits, it doesn't fully compensate for inefficiencies. The study, being qualitative, didn't quantify trust's importance. These findings indicate trust is indeed a critical factor in supply chain management. that trust is a result of the benefits the individuals realize in the relationship.

A study on the impact of trust innovativeness and supply chain performance was conducted by Photis *et al.* (2009). The major focus of this study was to investigate how trust affects supply chain performance when it comes to innovation. The mode used for this study is survey data analyzed using structural equation modelling. A questionnaire was issued for this study for the purposes of primary data collection. The study's findings indicate that trust positively affects supply chain performance. Trust and innovation paired together lead to the improvement of supply chain performance. A study by Kosgei (2016), examines the effects of supplier relationship management on organizational performance at Kenya Airways analyzed how trust and similar goals between the organization and the suppliers affects the organizational performance at Kenya Airways (KQ). A total of 82 staff members from the departments at KQ were sampled.

The study design used was cross-sectional, and data collection was conducted through the use of questionnaires that were distributed across various departments. The research findings indicated that the management needs to show trust and commitment while dealing with SRM in order to implement SRM strategies successfully in the organization.

Locally, Tangus (2015), conducted a study on the effects of supplier relationship management practices on the performance of manufacturing firms in Kisumu County. A comprehensive survey aimed at supply chain professionals was employed in the study. The results of the study suggested that trust should be mutual in all the supply chain partners and organizations. The study's findings indicated that in order to develop commitment among members of the supply chain, trust is crucial. The study also noted that in order to improve and have a successful supply chain, trust needs to be present. When the members of the supply chain don't have trust for each other, supply chain performance will not be as efficient and effective. The study however failed to make clear how trust and commitment relate. The studies mentioned above primarily focus on trust in buyer-supplier relationships and they fail to look at other factors that may affect the relationship between suppliers and buyers such as collaboration and information sharing.

2.2.2.1 Supplier Development

This is a strategic process whereby companies work together and form partnerships with suppliers and vendors to enhance their capabilities and output. Supplier development works towards improving the organization's supply chain operations and simultaneously providing benefits to both suppliers and customers. In addition to promoting improvement, supplier development aims to prevent suppliers from making rash decisions in their proceedings and to increase improvement. A study conducted by Khuram *et al.*, (2016) connects supplier development to organizational performance in the following ways; customer satisfaction, order fulfillment, quick delivery and reduction in costs. Organizations with well-structured and organized programs regarding supplier development have an upper hand when it comes to competitive advantage due to the level of trust with their suppliers. It is therefore evident that

supplier development is very important when it comes to SRM as it enhances buyer-supplier trust and performance.

2.2.3 Supplier Collaboration

In the scheme of supply chain management, supplier collaboration, also referred to as cooperative strategy is regarded as two or more firms partnering in order to collaborate to achieve supply chain goals. Collaboration has been adopted over the years as it has proven to be advantageous to the partners. When two or more supply chains participants collaborate to make choices, share successes and exchange information, they are creating a competitive advantage. This will contribute to the achievement of profit and customers' needs will be achieved. It is very evident that the most successful organizations in the world practice teamwork and collaboration and this has made them achieve major milestones rather than working by themselves. It is also important to note that the success of any organization is brought about by how it maintains long-lasting good relationships with buyers and suppliers.

Chin *et al.* (2015), carried out a study about green SCM practices and sustainability performance. The study included literature about environmental collaboration and found that manufacturers opt to collaborate with suppliers in order to enhance sustainability in the environment. When manufacturers and suppliers collaborate in the environment, organizations will support the environment prowess of their supply chain partners. Kinai (2017), carried out research on the role of supplier collaboration on organizational performance of Kenya Urban Roads Authority.

The study adopted a descriptive research design which described the phenomenon that was studied. A total of 141 staff members across the various departments at the organization were selected for this study. Data was collected from the members using a census approach.

Questionnaires were prepared and were issued to the members of the departments. The study's findings indicate that supplier collaboration links buyers and suppliers and hence they collaborate to meet the organization's objectives. Arusei (2020), studied the "effects of supplier collaboration on the procurement performance of the county government of Elgeyo Marakwet". The main purpose of the study was to establish how supplier collaboration affects procurement performance. The research utilized descriptive research design and targeted 140 employees from the procurement department. A total of 104 employees were sampled and a structured questionnaire was issued to them. The findings of the study establish that lengthy relationships, resource sharing, partnerships & information sharing have major influence on the performance of procurement of the county government of Elgeyo Marakwet. The recommendations of the investigation stated that the governing policies should be utilized effectively.

A study about "the collaborative supply chain practices on the performance of food and beverage companies, a case study of Delmonte Ltd Kenya", was conducted by Gichuru *et al.* (2015). Examining Delmonte Limited's collaborative supply chain strategies was the primary goal of the research report. Stratified random sampling and a descriptive case study research methodology were employed in the study. The researchers found that cooperatively sharing information and resources between the company and its suppliers significantly improves the performance of the latter. The downside of the study was that it only focused on a single food and beverage firm which doesn't clearly represent all the food and beverage firms. Hoegl & Wagner (2005) undertook a study about buyer-supplier collaboration in product development projects. According to various researchers that have been conducted in the past, the involvement of suppliers in projects regarding supplier development, has had contradictory

results.

Data was collected from 124 project managers, project leaders, buyers and suppliers. The study's findings indicate that collaboration between buyers and suppliers positively affects the quality of the product, product costs, budget as well as schedules of development. Their study also states that communication frequency has influence on the product costs and development budget.

A study conducted locally by Nyamasege and Biraori (2015), analyzed the factors that "affect supply chain management effectiveness at the Central bank of the Kenyan government". A descriptive case study method was used in this study. Data was gathered from a total of 60 managers in the ministry. The research's findings implied that there was lack of SRM practices in the ministry. The ministry should therefore have a strategy that will help them put SRM into practice. The study recommended that the ministry should put programs in place that promote collaboration among their suppliers. It's evident that supplier collaboration indeed positively affects organizational performance and procurement performance as seen in the studies above. The studies however, did not delve into other factors such as information sharing, trust and commitment among the members of the supply chain.

2.2.4 Supplier Commitment

Supplier commitment has been defined as the extent to which suppliers and vendors feel compelled to continue doing business with a particular buyer. "Supplier commitment is a very important aspect in any buyer-supplier partnership", (Tanskanen & Aminoff, 2018). Supplier commitment is when both parties of a business transaction work together to create a long-term relationship. All buying organizations should know that having committed suppliers is crucial in order for them to achieve their goals. This is because their success is highly dependent on

the commitment of all the members in the supply chains and this includes suppliers. For supply relationships to be successful in the long run, commitment is very essential.

According to Kwon and Suh (2005), every business transaction that takes place between partners of the supply chain requires commitment so that the common objectives will be achieved. Commitment levels between a buying organization and suppliers increases when the company confirms that suppliers will work towards ensuring the supply chain is running effectively in the long run. A study carried out by Patrucco *et al.* (2024), about sustaining commitment in preferred buyer-supplier relationships, focuses on how buying organizations can sustain supplier commitment in a highly competitive market. Primary data was collected from 215 strategic buyer-supplier partnerships. This was made possible by the use of structural equation modelling.

The data analysis revealed that when suppliers are involved and when supplier development takes place, they will commit to the buyers. The study also indicated that knowledge sharing will also contribute to supplier commitment positively. Buyers therefore do their best to attain supplier commitment. An essay about Global perspectives on supply chain collaboration by Wachuma and Shalle (2016), highlighted some key things that are regarded as crucial in the maintenance of cooperative arrangements among partners in the supply chain. The length of the relationship, the ability to perform and loyalty were found to be key in building confidence and obtaining commitment from the supply chain members. Karungani (2021), carried out a research study on the determination of buyer-supplier commitment and performance of foreign based development agencies in Kenya. The purpose of this study was to examine whether buyer-supplier commitment has any effects on the performance of foreign based development agencies in Kenya. Data obtained from 111 respondents from the management, accounts and

procurement offices was collected and sampling was done from 37 foreign based agencies in Kenya. SPSS i.e. the Statistical package for social sciences was employed in this investigation for further analysis of the data. The study's results imply that the factors that determine the commitment between the buyers and suppliers have a significantly positive influence on firm performance in this study. The studies mentioned above agree that supplier commitment positively impact organizational performance. However, they did not show how these relationships evolve overtime.

2.2.4.1 Supplier Base Optimization

Supplier Base Optimization is a method that is used to minimize the number of supporters.

This is a strategy used by organizations to minimize the number of suppliers they work with.

This is in order to make it easier for the organizations to focus on specific suppliers who have more benefits than others in terms of productivity, efficiency, cost reductions and better performance. Organizations are more likely to consider suppliers that show more commitment to their work because this means that a long-term relationship will be cultivated. A study by Luthubua (2014), states that when large manufacturing firms in Nairobi optimize their supplier base, their supply chain performance will be positively impacted. An efficient, effective and well-structured supplier network can make these organizations be in a better place in the market.

2.3 Conceptual Framework

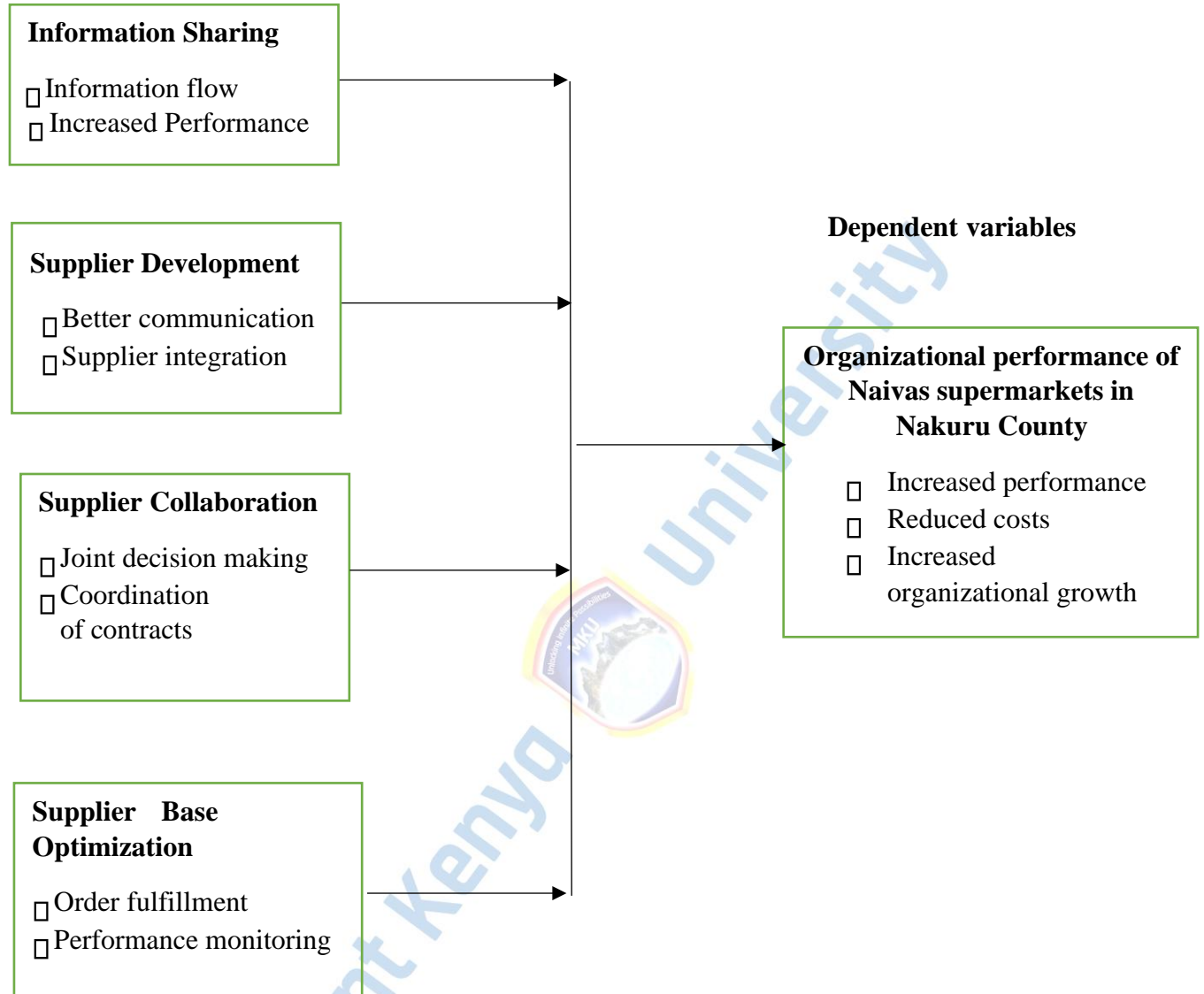
Making conceptual distinctions and structuring ideas are two uses for a conceptual framework, an instrument for analysis that many forms and applications. Effective conceptual frameworks capture real phenomena and do this in a manner that is easy to remember and utilize. However, if one variable relies on or is a consequence of the other variable, it is termed as a dependent

variable, while the variable that precedes and influences the dependent variable is known as an independent variable. In this study the performance of Naivas supermarkets in Nakuru county depends upon the effective supplier relationship management, and hence the performance of the supermarkets is the dependent variable and the independent variables are effect of information sharing, effect of buyer-supplier trust, supplier collaboration and effect of supplier commitment. As illustrated in Figure 1, the relationship between the dependent and the independent variables of this study.

2.4 Summary of the Variables

This study has both the dependent variable and independent variables. The dependent variable is organizational performance of the supermarkets which includes the following sub variables; increased performance, reduced costs and increased organizational growth. The independent variables are; Information sharing, supplier development, supplier collaboration and supplier base optimization. The sub variables for information sharing include; information flow and increased performance. For supplier development include; better communication and supplier integration, for supplier collaboration include; joint decision making and coordination of contracts and finally the sub variables for supplier base optimization include; order fulfillment and performance monitoring.

Independent variables



Source: Self compilation, (2024)

Figure 1: Conceptual Framework

2.5 Summary and Research Gap

This chapter has basically explained the empirical review and the theories that relate to this study. It clearly defines the researchers' independent variables its advantages and disadvantages. It also includes a clear explanation of the existing literature that is relevant to

the researchers' independent variables. Additionally, it has been helpful in distinctly highlighting the gaps in the earlier research or studies in order to enhance the effectiveness of SC management performance inside an organization through this study. This study has a goal to plug the existing gaps and to provoke more critical thinking and research in the areas of effects of supplier relationship management on organizational performance of supermarkets.

There were apparently gaps in the previous studies as seen in the empirical review. Imam and Amrik (2013), in their study about information sharing in the SC on organizational performance failed to look at factors such as trust, commitment and collaboration. Another study on information sharing and procurement regulations impact on performance of public secondary schools by Otieno and Getuno (2017), solely focused on information sharing and failed to look into other factors such as buyer-supplier trust, collaboration and commitment. This study aims to fill that gap as well. Another apparent gap was seen in an investigation done by Tangus (2015), about the effects of SRM practices on the performance of manufacturing firms. This study however failed to make clear how trust and commitment relate. SRM practices are known for their potential to make organizational performance better however, there's limited empirical evidence on their specific impact within supermarkets in Kenya. This study therefore aimed to fill the research gaps by investigating how supplier relationship management practices affect the organizational performance of Naivas supermarket in Nakuru county. The research sought to understand whether information sharing, buyer-supplier trust, supplier collaboration and supplier commitment positively contribute to organizational success.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter goes into great detail about the research methodology that was employed while carrying out this research. This study addressed the following subtopics: location of the study, target population, sampling procedures and techniques, sample population, data collection instruments, validity and reliability of the instruments, procedures for data collection, data analysis techniques and ethical considerations.

3.2 Research Methodology

In addition to using interviews and questionnaires to gather data, this study used a descriptive research design. The questionnaires were issued to supply chain managers, distribution service managers, logistics personnel and store supervisors. Interviews were conducted with the managers and the heads of the procurement department.

3.3 Research Design

The steps that will be taken to collect the data needed to provide answers are outlined in the research design. This study utilized descriptive research design which aimed to provide a systematic and accurate portrayal of a population, situation, or phenomenon, Taherdoost (2022). It addressed questions related to what, where, when, and how. Researchers can employ various methodologies to explore one or more factors. For instance, surveys, observations, and content analysis are common methods used in descriptive research.

3.4 Location of the Study

The study took place in Nakuru County targeting all branches of Naivas supermarket in the county. The branches are 7 total and they include; Naivas safari center, Naivas Nakuru

midtown, Naivas westside, Naivas downtown, Naivas supercenter, Naivas Naivasha ndogo and Naivas Naivasha Kubwa.

3.5 Target Population

The target population according to Kothari (2019), is a universal set of the study that includes every member of a real or hypothetical group of people, events or objects to which a researcher aims to generalize their result. The target population of this study included staff working in the supply chain and logistics departments at the 7 branches of Naivas supermarket in Nakuru county which include Naivas safari center, Naivas Nakuru midtown, Naivas westside, Naivas downtown, Naivas supercenter, Naivas Naivasha ndogo and Naivas Naivasha Kubwa. The study therefore, targeted the supply chain managers, distribution service managers, logistics personnel's and the store supervisors. The target population of the investigation was as shown in Table 1.

Table 1: **Target Population**

Supermarket	Supply chain managers	Distribution service managers	Logistics Personnel	Store supervisors	Total No of Employees
Naivas safari center	3	3	5	5	16
Naivas Nakuru midtown	3	3	4	3	13
Naivas westside	3	4	3	3	13
Naivas downtown	2	3	4	2	11
Naivas supercenter	3	2	5	2	12
Naivas Naivasha ndogo	2	1	3	2	8
Naivas Naivasha Kubwa	2	3	2	2	9
Total	18	19	26	19	82

Source: Naivas LTD

3.6 Sampling Procedures and Techniques

Scribbr (2023), defines a sample as a representative of individuals from a bigger population. This study adopted random sampling which makes it possible to produce population estimates from the data obtained from the units included in the sample. In this case a census was used whereby 82 respondents. Only 70 of the respondents were able to cooperate and respond and this included the employees who work at the supermarkets. Customers or any other outside members were not required to participate.

3.7 Sample Population

A sample population is defined as a subset of the target population. Sampling allows us to generalize findings from a single group to the entire population.

3.8 Construction of Research Instruments

Research instruments are referred to as tools which are used to collect, measure and analyze data. This study used questionnaires and interviews. Questionnaires were constructed according to the particular objectives of the study and a Likert scale was utilized to answer the questions. Interview questions were also created based on the study's objectives. Interview guides were also utilized.

3.9 Data Collection Instruments

A structured questionnaire was designed taking into consideration the specific objectives of the study. The data was collected during working hours, the questionnaires were issued to the selected respondents and interviews were used to corroborate the data that was in the questionnaires. The questionnaires were distributed to the employees in the procurement departments and the interviews were conducted with the managers and heads of procurement department in the supermarkets.

3.10 Testing for Validity and Reliability

According to Mugenda and Mugenda (2003), a significant factor influencing the accuracy of the data collected was the validity and reliability of the data collection instruments. The degree to which an instrument accurately measures what it is supposed to measure is known as its validity. The validity of the questionnaire was assessed using construct validity. Construct validity refers to the extent to which an assessment accurately represents the theoretical concept it is intended to measure. Convergent validity was employed to test whether the questionnaires correlated well with the other measures. Reliability refers to a measure of degree to which a research instrument yields consistent results or data after repeat trials. Test-retest was used to determine correlation in this study. By conducting a pilot test, the

questionnaires' reliability was tested and evaluated. The piloting was conducted at Naivas supermarket in Kapsabet Town.

3.11 Data Analysis and Presentation

This study employed both qualitative and quantitative analysis so as to achieve the objectives of the study. Descriptive statistics was employed in this study. The general information and demographic profiles of the respondents was examined using descriptive statistics and the results were presents in tables and figures.

Data analysis was done using Microsoft Excel data analysis tool as well as the SPSS software. The relationship between the dependent variables and the independent variables was determined using a Pearson's correlation analysis and a regression analysis which were done in order to determine the findings. An ANOVA analysis was also conducted and the coefficients of the data collected were also determined. The results were then presented by the use of tables and figures.

3.12 Ethical Considerations

Any research project must take ethical issues into account. Every research subject was asked for their informed consent. An introductory letter was also issued to the organization. Obtaining permission to conduct the study was considered and confidentiality and anonymity of the respondents was considered as well. A research permit form NACOSTI was also presented to the respondents in order to prove that the research is valid and genuine. Questionnaires did not have names nor contacts of respondents to maintain confidentiality. All data concerning this research project was stored by the use of thorough documentation which means that only authorized parties can access the work.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.0 Introduction

This chapter contains the findings of the research results, analysis and presentation. The chapter clearly provides and explains the processes that were used to conduct data analysis, present, as well as to interpret the data that was gathered by the use both questionnaires and interview guides.

4.1 Reliability and Validity Analysis

A pilot study was carried out in order to verify the validity and reliability. Construct validity was used in this study and it refers to the degree to which an assessment accurately represents the theoretical concept it is intended to measure. Test-retest was used to determine correlation in this investigation. A test-retest reliability is used to measure the consistency of a test overtime. A Pearson's correlation was used for both methods. It was established that the questions were reliable and also had a positive validity. The results are presented in the tables below;

Table 2: Construct Validity

	Correlation
Information Sharing	0.91
Buyer-Supplier Trust	0.84
Supplier Collaboration	0.88
Supplier Commitment	0.81
Average	0.86

Source; Researcher 2024.

Table 3: Reliability Analysis

	Correlation	Verdict
Information Sharing	0.735	Reliable
Buyer-Supplier Trust	0.843	Reliable
Supplier Collaboration	0.911	Reliable
Supplier Commitment	0.737	Reliable

Source; Researcher 2024.

4.2 Response rate and Background Information

4.2.1 Response Rate

A sum of 82 questionnaires were issued to the respondents across all the Naivas Supermarket branches in Nakuru County. Out of 82 questionnaires, 70 of them were filled and returned. This resulted in an 85% response rate which is deemed sufficient for data analysis. According to Mugenda & Mugenda (2003), a response rate of 50% is considered appropriate, while a rate of more than 70% is considered excellent.

Table 4: Response Rate

Variable	Frequency	Percentage
Filled and returned	70	85%
Not Filled	12	15%
Total	82	100

Source; Researcher 2024.

4.2.2 Background Information of the Respondents

4.2.2.1 Level of Education of the Respondents

This study sought to find out the levels of education of the respondents. The results established that the employees with university (undergraduate) level education were the majority representing 47%. This was followed by employees with college level education at 30%, then followed by the employees with high school level education at 14% then finally the employees with postgraduate

education level at 9%. This implies that a significant number of the employees in the organization held impressive educational credentials. **Table 5: Level of Education of Respondents**

Level of Education	Frequencies	Percentages
Primary level	0	0
Highschool level	10	14%
College level	21	30%
University (undergraduate)	33	47%
Postgraduate level	6	9%
Total	70	100%

Source; Researcher 2024.

4.2.2.2 Working Experience of the Respondents

The research also sought to determine the length of time that the respondents had worked at the supermarket in years. The results indicated that 36% had 9-5 years' experience, 33% had 1-4 years' experience, 20% had 10 years and above experience and finally 11% had less than 1 year experience. The results are shown in table 6 below. **Table 6: Working Experience of the Respondents**

Number of years	Frequencies	Percentages
Less than 1 year	8	11%
1-4 years	23	33%
5-9 years	25	36%
10+ years	14	20%
Total	70	100%

Source; Researcher 2024.

4.2.2.3 Level of Employment of Respondents

The research also looked into the levels of employment of the respondents which included employees (non-managers), lower management level, middle management level, and top management level. The results indicated that 36% are the employees (non-managers), 23% represented the respondents at the lower management level, 21% represents the respondents at the

middle management level and finally 20% are at the top management level. The results are presented in table 7 below.

Table 7: Level of Employment of Respondents.

Level of Employment	Frequencies	Percentages
Top management	14	20%
Middle management	15	21%
Lower management	16	23%
Employees (non-managers)	25	36%
Total	70	100%

Source; Researcher 2024.

4.3 Information Sharing and Organizational Performance

Examining the effect of information sharing on organizational performance of Naivas supermarkets in Nakuru County was the first objective of this study. A Likert scale-based questionnaire was prepared and issued to the respondents across all the 7 branches of Naivas supermarket in Nakuru County. Data analysis for this specific objective was conducted and is shown below.

4.3.1 Descriptive Statistics for Information sharing

Information sharing is the first objective of the study and the research focused at investigating the effect of information sharing on organization performance of Naivas Supermarkets in Nakuru County. The respondents were required to fill a Likert scale ranging from 5-1 where 5= Strongly Agree, 4= Agree, 3= Neutral and 1=Strongly Disagree. The mean and standard deviation are shown in the table below. According to the results, it is apparent that a large number of the participants agreed that sharing information with suppliers will lead to increased performance

with a mean of 4.39 and standard deviation of 3.892. It was also noted that most of the respondents agreed that the supermarkets communicate their organization's future strategic plans to suppliers (mean= 4.21, standard deviation= 3.762. The participants somewhat agreed on the sentiment that integrated information technologies and the quality of information positively influence the intensity of information sharing investment in information sharing (mean= 3.71, standard deviation= 3.394). There was also a bit of uncertainty on whether investment in information sharing will lead to inventory and cost reductions (mean= 3.56, standard deviation= 3.207).

Table 8: Descriptive statistics for Information Sharing

Variable	N	Mean	SD
We usually communicate our organization's future strategic plans to suppliers	70	4.21	3.762
Sharing Information with suppliers will lead to increased performance	70	4.39	3.892
Investment in information sharing will lead to inventory and cost reductions	70	3.56	3.207
Integrated information technologies and information quality have positive influence on the intensity of information sharing.	70	3.71	3.394

4.3.2 Correlation Analysis for Information Sharing and Organization Performance

To ascertain whether a relationship exists or not between variables, statisticians utilize the correlation analysis technique. The study used a Pearson's correlation analysis in order to demonstrate the connection between the organization performance of Naivas supermarkets in Nakuru Count and the first objective which is information sharing. Information sharing and organizational performance were found to have a moderately positive correlation ($r=.373$, p value = 0.001). Table 9 below displays these results.

Table 9: Correlation analysis for information sharing and organizational performance

		Organizational Performance	Information Sharing
Information sharing	Pearson Correlation	.373**	1
	Sig. (2-tailed)	.001	
	N	70	70

** . Correlation is significant at the 0.01 level (2-tailed)

4.3.3 Regression Statistics for Information Sharing and Organizational Performance

The study examined the connection between information sharing & organizational performance of Naivas supermarkets in Nakuru County. The findings showed that the adjusted R square value was 0.126 hence 12.6% of the variation in supermarket performance was explained by the variations in buyer-supplier trust. These results are as shown in table 10 below.

Table 10: Regression analysis for Information sharing and Organizational Performance

Model		Summary					
Model	R	R Square	Adjusted R Square	Standard Error	df1	df2	Sig. F
1	.373a	.139	.126	.710	1	68	.001

a. Predictors: (Constant), for Information Sharing **Source;**
Researcher 2024.

4.3.4 ANOVA for Information Sharing and Organizational Performance

ANOVA analysis was also conducted between information sharing and organizational performance at a confidence level of 95%. The level of significance was (0.001) and is therefore statistically significant because it is less than 0.05. The F critical was 10.984. These results are presented in table 11 below.

Table 11: ANOVA for Information Sharing and Organizational Performance

ANOVA ^a						
Model		df	SS	MS	F	Sig
1	Regression	1	5.541	5.541	10.984	.001b
	Residual	68	34.302	.504		
	Total	69	39.842			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Information Sharing Source; Researcher 2024.

4.3.5 Coefficients for Information Sharing and Organizational Performance

The results in the table below show that, with all other factors held constant, information sharing leads to a positive change of 0.475. Additionally, with all other variables set to zero, a one-unit increase in information sharing leads to a 2.189-unit improvement in performance. Since all variables are significant ($p < 0.05$), it is clear that information sharing plays a crucial role in determining the organizational performance of Naivas Supermarkets in Nakuru County. The results show that information sharing has a positive effect on organizational performance of Naivas supermarkets ($\beta = 0.455$, $p < 0.05$). The equation ($Y = \beta_0 + \beta_1 X_1$) becomes; $Y = 2.189 + .475 X_1$.

Table 12: Coefficient for Information Sharing and Organizational Performance

Model		Coefficients	Standard Error	Beta	t Stat	Sig. F
1	(Intercept)	2.189	.634		3.454	.001
	Information Sharing	.475	.143	.373	3.314	.001

Source; Researcher 2024.

4.4 Buyer-supplier Trust and Organizational Performance

Determining the effect of buyer-supplier trust on the organizational performance of Naivas supermarkets in Nakuru County was the study's second objective. A Likert-scale based questionnaire was issued to the respondents and then data analysis was conducted as shown below.

4.4.1 Descriptive Statistics for Buyer-Supplier Trust and Organizational Performance

The study also aimed to determine the impact of buyer-supplier trust on the organizational performance of Naivas Supermarkets in Nakuru County. Table 13 displays the data below. The respondents were required to complete a Likert scale with the following choices; 5= strongly agree, 4= Agree, 3= Neutral and 1=Strongly Disagree. The findings determined that most of the respondents, (mean= 4.30, standard deviation= 3.8) agreed that supplier integration is practiced.

The respondents also concurred that there's better communication with suppliers (mean= 4.13, standard deviation= 3.6). The respondents also concurred that the supermarkets trust the information that their major suppliers provide them (mean= 4.06, standard deviation=3.5). It appeared that the respondents somewhat agreed or were uncertain that the supermarket trust their major suppliers to keep their best interests in mind (mean= 3.60, standard deviation= 3.3).

Table 13: Descriptive Statistics for Buyer- Supplier trust and Organizational Performance

Variable	N	Mean	SD
There's better communication with suppliers	70	4.13	3.6
Supplier integration is practiced	70	4.30	3.8
We trust the information that our major suppliers provide to us	70	4.06	3.5
We trust our major suppliers to keep our best interests in mind	70	3.60	3.3

Source; Researcher 2024.

4.4.2 Correlation Analysis for Buyer-Supplier Trust and Organizational Performance

For this specific objective, a Pearson's correlation analysis was carried out to ascertain the association between relationship between buyer-supplier trust and organizational performance of Naivas Supermarkets in Nakuru County. As presented in the table below, the correlation between

buyer-supplier trust and organizational performance was shown to be positive ($r = .369$, $p \text{ value} = .001$).

Table 14: Correlation between Buyer-Supplier Trust and Organizational Performance

		Organizational Performance	Buyer-Supplier Trust
Buyer-Supplier Trust	Pearson Correlation	.369**	1
	Sig. (2-tailed)	.001	
	N	70	70

** . Correlation is significant at the 0.01 level (2-tailed)

Source; Researcher 2024.

4.4.3 Regression Analysis for Buyer-Supplier Trust and Organizational Performance

The study examined the connection between organizational performance of Naivas supermarkets in Nakuru County and buyer-supplier trust. The modified R-squared value according to the data, was 0.123, meaning that 12.3% of the variation in supermarket performance could be explained by the changes in buyer-supplier trust. Table 15 below displays these findings.

Table 15: Regression Analysis for Buyer-Supplier Trust and Organizational Performance

Model		Summary				
Model	R	R Square	Adjusted R Square	Standard Error	df1	df2
						Sig. F

1	.369a	.136	.123	.821	1	68	.001
---	-------	------	------	------	---	----	------

a. Predictors: (Constant), for Buyer-Supplier Trust

Source; Researcher 2024.

4.4.4 ANOVA for Buyer-Supplier Trust and Organizational Performance

ANOVA analysis was also conducted between buyer-supplier trust and organizational performance at a confidence level of 95%. The level of significance was (0.001) and therefore is significant statistically due to it being less than 0.05. The F critical was 10.713. These results are shown in the table 16 below.

Table 16: ANOVA for Buyer-Supplier Trust and Organizational Performance

ANOVA ^a						
Model		df	SS (Sum of Squares)	MS (Mean Square)	F	Sig
1	Regression	1	7.225	7.225	10.713	.001b
	Residual	68	45.861	.674		
	Total	69	53.086			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Buyer-Supplier Trust

Source; Researcher 2024.

4.4.5 Coefficients for Buyer-Supplier Trust and Organizational Performance

The results in the table below show that, when all other variables are controlled, information sharing leads to a positive change of 0.502. Furthermore, a unit increase in information sharing leads to a 6.272-unit improvement in performance when all other variables are zero. Given that all of the variables have significant values ($p < 0.05$), it is evident that information sharing is a key

factor in determining the organizational performance of Naivas Supermarkets in Nakuru County. The results show that buyer-supplier trust has a positive effect on organizational performance of Naivas supermarkets ($\beta = 0.369$, $p < 0.05$). The equation ($Y = \beta_0 + \beta_1 X_1$) becomes; $Y = 6.272 + .502X_1$

Table 17: Coefficients for Buyer-Supplier Trust and Organizational Performance

Model		Standard		t Stat	Sig. F
		Coefficients	Error		
1	(Intercept)	6.272	.667	9.411	.001
	Information				
	Sharing	.369			
		.502	.153	3.273	.001

Source; Researcher 2024.

4.5 Supplier Collaboration and Organizational Performance

The third goal of this study was to determine how supplier collaboration affects the organizational performance of Naivas supermarkets in Nakuru County was the third objective of this study. A survey utilizing a Likert scale was created and issued to the participants in each of the 7 branches of Naivas supermarket in Nakuru County. Data analysis for this specific objective was conducted and is shown below.

4.5.1 Descriptive Statistics for Supplier Collaboration

The participants in this particular study were required to fill a Likert scale which ranged from 5 to 1 where; 5= strongly agree, 4= Agree, 3= Neutral and 1=Strongly Disagree. The mean and standard deviation were described and tabulated. It is clear that majority of the participants agreed that information is shared among suppliers with a mean of 4.3 and a standard deviation of 3.82. The

participants were split on whether coordination of contracts takes place (mean= 3.9, standard deviation= 3.45), whether joint quality management takes place (mean= 3.89, standard deviation= 3.42) as well as whether they communicate the organization’s future strategic plans to suppliers (mean= 3.87, standard deviation= 3.45)

Table 18: Descriptive Statistics for Supplier Collaboration

Variable	N	Mean	SD
Joint decision-making is practiced	70	3.87	3.45
Coordination of contracts takes place	70	3.90	3.45
Joint quality management takes place	70	3.89	3.42
Information is shared among suppliers	70	4.30	3.82

Source; Researcher 2024.

4.5.2 Correlation Analysis for Supplier Collaboration and Organizational Performance

The relationship between supplier collaboration and organizational performance of Naivas supermarkets in Nakuru county was investigated using a Pearson’s correlation analysis ($r = .455$, p value= 0.000). This demonstrates that supplier collaboration and organizational performance have a significant positive relationship. The outcomes are shown in table 19 below.

Table 19: Correlation Analysis for Supplier Collaboration and Organizational Performance

		Organizational Performance	Supplier Collaboration
Supplier collaboration	Pearson Correlation	.455**	1

Sig. (2-tailed)	.000	
N	70	70

** . Correlation is significant at the 0.01 level (2-tailed)

Source; Researcher 2024.

4.5.3 Regression Analysis for Supplier Collaboration and Organizational Performance

The study examined the relationship between supplier collaboration and organizational performance of Naivas supermarkets in Nakuru County. According to the data 19.5% of the variation in the supermarket performance was explained by the adjusted R square value of 0.195 by the differences in supplier participation. The table 20 below shows these outcomes.

Table 20: Regression Analysis for Supplier Collaboration and Organizational Performance

Model		Summary					
Model	R	R Square	Adjusted R Square	Standard Error	df1	df2	Sig. F
1	.455a	.207	.195	.702	1	68	.000

a. Predictors: (Constant), for Supplier Collaboration

Source; Researcher 2024.

4.5.4 ANOVA for Supplier Collaboration and Organizational Performance

An ANOVA analysis was also conducted between supplier collaboration and organizational performance. Because the p value was (0.000) and the F critical was 36.654 at 95% confidence level, the result is therefore statistically significant because it is less than 0.05. These results are illustrated in table 21 below.

Table 21: ANOVA for Supplier Collaboration and Organizational Performance

ANOVA ^a						
Model		df	SS (Sum of Squares)	MS (Mean Square)	F	Sig
1	Regression	1	8.746	8.746	36.654	.000b
	Residual	68	33.554	.493		
	Total	69	42.300			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Supplier Collaboration

Source; Researcher 2024.

4.5.5 Coefficients for Supplier Collaboration and Organizational Performance

The results in the table below show that, with all other factors held constant, supplier collaboration leads to a positive change of 0.396. Additionally, when all other variables are zero, a unit increase in information sharing results in a 2.368 unit increase in performance. Since all variables are significant ($p < 0.05$), it is clear that information sharing plays a crucial role in determining the organizational performance of Naivas Supermarkets in Nakuru County. The findings indicate that supplier collaboration has a positive effect on organizational performance of Naivas supermarkets

($\beta = 0.455$, $p < 0.05$). The equation ($Y = \beta_0 + \beta_1 X_1$) becomes; $Y = 2.368 + .396 X_1$

Table 22: Coefficients for Supplier Collaboration and Organizational Performance

Model		Coefficients	Standard Error	Beta	t Stat	Sig. F
1	(Intercept)	2.368	.373		6.340	.000

Supplier				
Collaboration		.455		
	.396	.094	4.210	.000

4.6 Supplier Commitment and Organizational Performance

Examining the effect of supplier commitment on the organizational performance of Naivas supermarkets in Nakuru County was the study's fourth and final specific objective. A Likert-scale based questionnaire was issued to the respondents and then data analysis was conducted as shown below.

4.6.1 Descriptive Statistics for Supplier Commitment and Organizational Performance

The respondents were required to fill a Likert scale ranging from 5-1 where 5= Strongly Agree, 4= Agree, 3= Neutral and 1=Strongly Disagree. The mean and standard deviation are also tabulated. With a mean of 4.41 and a standard deviation of 3.939, the data clearly show that most respondents believed that suppliers' performance is reviewed. Additionally, it was also observed that most of the respondents agreed that the relationship that the firm has with their major suppliers is something the firm really cares about (mean of 4.1 and a standard deviation of 3.625). The respondents somewhat agreed that the supermarkets are always committed to listening to their suppliers' complaints (mean= 3.7, standard deviation= 3.330). There was also uncertainty on whether order fulfillment is achieved (mean= 3.29, standard deviation= 2.877).

Table 23: Descriptive Statistics for Supplier Commitment

Variable	N	Mean	SD
Order fulfillment is achieved	70	3.29	2.877
Supplier's performance is monitored	70	4.41	3.939

The relationship that our firm has with our major supplier is something our firm really cares about	70	4.10	3.625
We are always committed to listening to suppliers' complaints	70	3.70	3.330

Source; Researcher 2024.

4.6.2 Correlation Analysis for Supplier Commitment and Organizational Performance

The association between supplier commitment and organizational performance of Naivas supermarkets in Nakuru County was found using a Pearson's correlation analysis ($r = .489$, p value = 0.000). This demonstrates that there is a significant positive correlation between supplier commitment and organizational performance. The table 24 below displays the findings.

Table 24: Correlation Analysis for Supplier Commitment and Organizational Performance

		Organizational Performance	Supplier Commitment
Supplier	Pearson Correlation	.489**	1
Commitment	Sig. (2-tailed)	.000	
	N	70	70

** . Correlation is significant at the 0.01 level (2-tailed)

Source; Researcher 2024.

4.6.3 Regression Statistics for Supplier Commitment and Organizational Performance

The study examined the relationship between supplier commitment and organizational performance of Naivas supermarkets in Nakuru County. The findings showed that the adjusted R

square value was 0.228 meaning that differences in supplier commitment accounted for 22.8% of the variation in supermarket performance. The table 25 below shows the findings.

Table 25: Regression Statistics for Supplier Commitment and Organizational Performance

Model		Summary					
Model	R	R Square	Adjusted R Square	Standard Error	df1	df2	Sig. F
1	.489a	.239	.228	.649	1	68	.000

a. Predictors: (Constant), for Supplier Commitment

Source; Researcher 2024.

4.6.4 ANOVA for Supplier Commitment and Organizational Performance

An ANOVA analysis was also conducted between supplier commitment and organizational performance. Because the p value was (0.000) and the F critical was 21.455 at the 95% confidence level, the result is statistically significant because it is less than 0.05. Table 26 below provides an illustration of these results.

Table 26: ANOVA for Supplier Commitment and Organizational Performance

ANOVA ^a	
--------------------	--

Model		df	SS (Sum of Squares)	MS (Mean Square)	F	Sig
1	Regression	1	9.059	9.059	21.455	.000b
	Residual	68	28.712	.422		
	Total	69	37.771			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Supplier Commitment

Source; Researcher 2024.

4.6.5 Coefficients for Supplier Commitment and Organizational Performance

The results in the table below demonstrate that supplier commitment resulted in a positive change of 0.410 when all other parameters are maintained constant. In addition to that, when all other variables are zero, a unit increase in information sharing results in a 2.601 unit increase in performance. Since all variables are significant ($p < 0.05$), it is evident that the organizational performance of Naivas supermarkets in Nakuru County is greatly influenced by information sharing. The outcomes indicate that supplier commitment has a positive effect on organizational performance of Naivas supermarkets ($\beta = 0.489$, $p < 0.05$). The equation ($Y = \beta_0 + \beta_1 X_1$) becomes; $Y = 2.601 + .410 X_1$.

Table 27: Coefficients for Supplier Commitment and Organizational Performance

Model		Standard				
		Coefficients	Error	Beta	t Stat	Sig. F
1	(Intercept)	2.601	.299		8.672	.000
	Supplier					
	Collaboration			.489		
		.410	.089		4.632	.000

Source; Researcher 2024.

4.7 Chapter Summary

The study's outcomes and conclusions have been elucidated and illustrated in detail in chapter 4. The chapter's first section examined the study participants' demographic data and information. The results of the first objective, which looked at how information sharing affected organizational performance, are presented in the second half of the chapter. Descriptive statistics, correlation analysis and regression analysis were used to analyze the data in this case. In the third section, data was analyzed using regression analysis and descriptive statistics to examine the impact of buyersupplier trust on organizational performance. The fourth section presents research on how supplier collaboration affects organizational performance. Regression analysis, correlation analysis and descriptive statistics are used for analysis. The final segment of the chapter offers the findings on the effects of supplier commitment on organizational performance, just like the other objectives, descriptive statistics, correlation analysis as well as regression analysis was used to ascertain the results. Chapter five presents the study's discussion, the study's conclusion and the study's recommendations.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This section includes a summary of the study and the findings, conclusion and the recommendations of each research objective in the research. The first part of the chapter provides the summary, the second part contains the conclusions then final part provides the recommendations of the study.

5.2 Summary

Examining the effects of supplier relationship management on organizational performance of Naivas supermarkets in Nakuru County was the main goal of this study. Additionally, the research was also lead by four specific goals that include; to examine the effect of information sharing on the organizational performance of Naivas supermarkets in Nakuru county, to determine the effect of buyer-supplier trust on the organizational performance of Naivas supermarkets in Nakuru county, to determine the effect of supplier collaboration on the organizational performance of Naivas Supermarkets in Nakuru county and lastly to examine the effect of supplier commitment on the organizational performance of Naivas Supermarkets in Nakuru county. The research methodology used in this study consisted of descriptive research design and data was collected by the use of questionnaires and interviews. The target population was 82 respondents but only 70 of them were capable of participating in this investigation from all the 7 branches of Naivas supermarket in Nakuru County. After the data was collected, the data was analyzed through descriptive statistics by the use of mean and standard deviation, as well as inferential statistics where a Pearson's correlation and regression analysis were employed. The outcomes were shown in figures and tables.

5.2.1 Information Sharing and Organizational Performance

This study sought to determine the effect of information sharing on organizational performance of Naivas supermarkets in Nakuru County. The findings of this study showed that there appears to be a positive connection between information sharing and organizational performance ($r=0.373$, p value= 0.001). It is therefore evident that information sharing highly influences organizational performance. Most of the respondents agreed that sharing information with suppliers will lead to increased performance in the supermarkets. This supports Lamming R (1993) who mentioned in his book that information sharing has a role in fostering closer supplier relationships and improving organizational performance. Evidence from other research documents imply that information sharing is important in enhancing organizational performance (Spren *et., al* 2022). The study also revealed that the supermarkets communicate their organization's future strategic plans to their suppliers. This is supported by Faruquee *et., al* (2021) where the study emphasizes the importance of sharing information in building resilient supply chains. The study also mentions that sharing strategic plans with suppliers will lead to solving problems jointly and resilience. Sheu *et., al* (2006), mentioned that effective supplier- retailer collaboration involves sharing of strategic information with suppliers because this will lead to increased supply chain performance and overall organizational performance.

The study's findings also suggest that to some extent, the participants somewhat agreement that integrated information technologies and high-quality information have a beneficial impact on the volume of information sharing. Technological capacity is a crucial factor that influences information shared. Advanced technology will most likely lead to better communication and information sharing among stakeholders (Chau *et., al* 2021). According to Perlin *et., al* (2016), information that is of high quality is relevant, timely and accurate and this type of information will enhance the ability of an organization to share information. The study also revealed that investment

in information sharing will lead to inventory and cost reductions. Unlike the other sentiments the findings on this particular sentiment indicated that there was a bit of uncertainty amongst the respondents although most of them agreed with the sentiment. According to Cachon and Fisher (2000), Sharing information among members of the supply chain will greatly reduce inventory levels and costs as well. In their study they also mention that efficient inventory management and accurate demand forecasting will be achieved with better information sharing. When organizations invest in sharing information effectively, production planning and demand forecasting can be improved. This will reduce overproduction which will in turn lead to lower inventory levels and lower costs.

5.2.2 Buyer-Supplier Trust and Organizational Performance

The study also aimed to investigate how buyer-supplier trust affects the organizational performance of Naivas Supermarkets in Nakuru County. Most of the respondents were in agreement that supplier integration is practiced in the supermarkets. Supplier integration is important as it enhances supply chain and organizational performance. Evidence shows that supplier integration will most probably improve efficiency and innovation (Molinaro *et., al* 2022). Evidently, supplier integration aids firms in reducing production costs, shortening cycle times, as well as enhancing the quality of the product. This will lead to an enhancement in production efficiency and customer satisfaction. (Shou *et., al* 2022). The study also revealed that there's better communication between the supermarkets and their suppliers. It is very important for supermarkets and suppliers to have better communication so as to have efficient supply chain management and organizational performance. Mwangi *et., al* (2021), mention that effective and efficient communication is a very important factor for organizations and suppliers to work together. This will lead to improved performance. When suppliers and organizations trust each other, there will

be better communication with suppliers. Supermarkets should be transparent with their suppliers in order to increase efficiency and have better communication (Marcus *et. al* 2019).

According to the aftermath of the investigation, the respondents also agreed that the supermarkets trust the information that their major suppliers provide them. It is very crucial for supermarkets to develop trust for their suppliers in order to have effective organizational performance. Trust is a fundamental factor of successful relationships in the supply chain. According to Chen *et. al* (2023), supermarkets highly depend on the reliability and accuracy of the information from their suppliers in order to make the right decisions. Trust between supermarkets and suppliers is worked on and built overtime through reliability and consistency of information sharing. Trust is important as it enhances collaboration (Munubi *et. al* 2017). The respondents somewhat agreed that the supermarkets trust their major suppliers to keep their best interests in mind. In support of this statement, Dion *et. al* (2023) mention that supermarkets count on their major suppliers to work on their needs and interests. This will lead to a joint working relationship and improved organizational performance. Evidently, trust makes certain that suppliers have the supermarkets' best interests and goals in mind (Hobelsberger, 2021).

To confirm the relationship between buyer-supplier trust and organizational performance, a Pearson's correlation analysis was conducted. The results established a positive connection between the two variables ($r=0.369$, p value= 0.001) It is therefore evident that buyer-supplier trust is very crucial in the supermarket's performance.

5.2.3 Supplier Collaboration and Organizational Performance

Determining the effect of supplier collaboration on the organizational performance of Naivas Supermarkets in Nakuru county was the third objective of the study. The majority of the respondents concurred that suppliers exchange information with one another. It is crucial for

information to be shared with suppliers for effective supply chain management. In support to this statement, Colicchia *et. al* (2019), indicates that sharing information with suppliers will lead to enhanced performance, SC visibility and collaboration. The findings of this study also indicate that coordination of contracts takes place in the supermarkets. The respondents were however a bit split on this sentiment but they were still in agreement. Supermarkets commonly undertake coordination of contracts so as to make sure that collaboration and supply chain management are efficient. It is evident that having contracts will lead to long-term stability in supply chain coordination. This is likely to be beneficial to all members involved due to improvements in profit (Liang *et. al* 2022). The findings of this study also concur that joint quality management takes place in the supermarkets. Joint quality management is done in supermarkets in order to ensure that products of high quality are produced and this will eventually lead to customer satisfaction. According to Suresh *et. al* (2019), in support of this statement, it is evident that supermarkets focus on practices such as joint quality management in order to enhance customer satisfaction and achieve competitive advantage.

Additionally, the findings imply that joint decision-making is practiced in the supermarkets. The respondents were also split on this sentiment, however some of them agreed with the statement. Joint decision making is a very important practice in supermarkets as it enhances efficiency and leads to better collaboration. In support to this statement, most supermarkets engage in joint decision-making practices in order to improve the processes of inventory management. This practice aids in achieving goals and improving organizational performance as well as supply chain performance (Kalanite *et. al* 2013). To determine the connection between supplier collaboration and organizational performance, a Pearson's correlation analysis was done. The findings demonstrate that there's a strong positive correlation between supplier collaboration and

organizational performance ($r=0.455$, p value= 0.000). According to Autry (2013), supply chain collaboration is among the leading factors for future SCs.

5.2.4 Supplier Commitment and Organizational Performance

Examining the effect of supplier commitment on Naivas supermarkets in Nakuru County organizational performance was the fourth and last objective of the study. Majority of the respondents agreed that suppliers' performance is monitored in the supermarkets. Monitoring the performance of suppliers is a very important practice in supply chain management. This is because reliability, efficiency and quality will be ensured. Some evidence that supports this statement is that monitoring supplier performance will lead to securing good performance from the suppliers (Zou *et. al* 2019). The respondents also agreed that the relationship that the supermarkets have with their major suppliers is something that the supermarkets really care about. Supermarkets do care about the relationships they have with their major suppliers. This is because having a good relationship with suppliers is important for having a reliable supply chain and achieve organizational performance in the long run. This is supported by a study done by Lees *et. al* (2020), where it was mentioned that "relationships of higher quality result to positive performance outcomes. This shows that supermarkets highly value the relationships". Other findings of the study were that the respondents somewhat agreed that the supermarkets are always committed to listening to supplier complaints. It is very important for supermarkets to be committed to listening to their suppliers' complaints. This will lead to strong supplier relationships and this will ensure that operations run smoothly and organizational performance is achieved. Scholarly evidence suggests that effective SRM involves listening to their suppliers' complaints. This is effective in establishing trustworthy relationships and partnerships that last long. The findings of this study also imply that order fulfillment is achieved. The respondents were however split about this sentiment but some of them agreed with the statement. Order fulfillment is another important

aspect of SCM. According to some scholarly evidence, order fulfillment is achieved by conducting risk management and ensuring that long-term relationships are maintained (Heydari *et. al* 2020). An examination using Pearson's correlation analysis revealed a strong positive association between supplier commitment and organizational performance ($r=0.489$, p value= 0.000). This means that supplier commitment influences organizational performance in the supermarkets in a positive way.

5.3 Conclusions

5.3.1 Information sharing and Organizational Performance

Based on the findings, the study concluded that there is a favorable positive correlation between organizational performance and information sharing. It was concluded that Naivas supermarkets in Nakuru county consider sharing information with their suppliers as this will lead to increased performance. The study also concluded that the supermarkets communicate their organization's future strategic plans to suppliers. This is because information sharing is very crucial in order to improve organizational performance. Additionally, it was determined that the intensity of information sharing is positively impacted by integrated information technology and high-quality information. The study also found that spending on information exchange will increase inventory and expense reductions in the supermarkets. This is significant because it demonstrates how important information sharing is in the effectiveness of the organization. Without information exchange with its suppliers, the supermarkets cannot function as doing so is essential to the operation of the supermarkets.

5.3.2 Buyer-Supplier Trust and Organizational Performance

Determining how buyer-supplier affected Naivas supermarkets in Nakuru county organizational performance was the second objective. In conclusion, the study it was established by the study that

supplier integration is practiced in Naivas supermarkets in Nakuru County. The study also concluded that the supermarkets have better communication with their suppliers. It is evident that better communication with suppliers increases the organizational performance of the supermarkets. Additionally, the study came to the resolution that they trust the information that their major suppliers provide them. Trust is very important between suppliers and supermarkets in order for their relationships to last long and in order to have positive organizational performance. This research also concluded that Naivas supermarkets in Nakuru county trust that their major suppliers will keep the supermarkets best interests in mind. Therefore, organizational performance and buyer-supplier trust are positively correlated.

5.3.3 Supplier Collaboration and Organizational Performance

Determining the effect of supplier collaboration on the organizational performance of Naivas supermarkets in Nakuru county was the third objective of this investigation. Naivas supermarket's organizational performance was found to be influenced by the practice of sharing information among their suppliers. The study also concluded that the coordination of contracts takes place in the supermarkets. It is essential for the supermarkets to coordinate contracts with suppliers so as to develop long term effective relationships with them. This research also concluded that joint quality management takes place in Naivas supermarkets, working together with suppliers benefits both the supermarkets and the suppliers. The study further concluded that joint decision-making is practiced. The supermarkets consider suppliers as a crucial part in their organizational success and they therefore include them in decision making. It was therefore concluded that supplier collaboration has a significant influence on organizational performance on Naivas supermarkets.

5.3.4 Supplier Commitment and Organizational Performance

The study concluded that the supermarkets monitor the supplier's performance, this will enable the supplier to perform as expected with accuracy and reliability. The study also concluded that the

relationship that the supermarkets have with their major suppliers is something that the supermarkets really care about. The study also concludes that the supermarkets are always committed to listening to their supplier complaints, as this will enable them to work well with their suppliers and have a committed relationship. The study further concludes that order fulfillment is achieved in the supermarkets. In conclusion, supplier commitment significantly affects the organizational performance of Naivas supermarkets in Nakuru county.

5.4 Recommendations

5.4.1 Recommendations for Practice to the Authorities for Implementation

This research study recommends that the authorities should enforce SRM guidelines as well as develop them. Some of these guidelines include; communication, how to resolve disputes, and performance metrics in order to make sure that the relationship between the supermarkets and the suppliers is reliable and consistent. The research also recommends that the supermarkets should keep on using integrated information technologies as this will lead to benefits such as real-time data access, improved communication, reduced risks of errors, increased productivity, cost efficiency as well as customer satisfaction. Investing in information sharing will definitely lead to inventory and cost reductions and therefore the supermarkets are recommended to invest greatly in information sharing as this will help in managing relationships with suppliers effectively.

The study also recommends that it is important to put in place training programs for all members involved, i.e. the staff, the suppliers and the supermarket as well. The training programs should emphasize on joint quality management, joint decision making as well as effective communication. The study also recommends that SRM practices should be monitored so as to assess the effectiveness of SRM. Creating platforms for collaboration between supermarkets and the suppliers is also very important and is recommended by this study. This study further recommends

that in order for Naivas supermarkets and suppliers to maintain a trust-based relationship with each other, practices such as supplier integration should be taken seriously.

5.4.2 Recommendations for Service Users/Beneficiaries

This study recommends that customers need to actively participate in providing feedback so as to enable the supermarkets identify the areas for improvement. The study also recommends that the service users/ beneficiaries have to be informed about the practices and decisions that are related to supplier management. This will be very beneficial in aiding the customers make the right choices and help the supermarkets manage supplier relationships better. It is also recommended that the customers should utilize customer service channels so that they can report any issues that might occur and concerns that might occur as well. This will be very important because Naivas supermarkets will be able to solve problems with suppliers in a fast pace. It is also recommended that the supermarkets should ensure that they maintain better interactions with their customers as this will lead to great feedback which will in turn enable the supermarkets to work properly with their suppliers.

5.4.3 Recommendations for other Stakeholders

-Suppliers and vendors

The research recommends that Naivas supermarkets in Nakuru county should ensure that better communication should be maintained and shared with suppliers and vendors in order to have an improvement in the performance of the supermarkets. Including the organizations future strategic plans, all important information should be made accessible to the supplier so that the organizational processes can flow effectively. In order to ensure that suppliers are providing trustworthy information to the supermarkets, it is recommended that supplier evaluation is carried out rigorously, quality control measures are established, ensuring that suppliers have the relevant

certifications and ensuring that regular communication and feedback is followed through. There's also a need for coordination of contracts to take place as this helps in risk management, legal requirements and compliance, monitoring of suppliers' performance as well as solving any disputes that may arise. The study recommends that supplier performance should be continuously monitored in order to ensure that the suppliers are providing the best products and services. The study also recommends that the supermarkets should build good relationships with their suppliers that are based on trust. Once trust is achieved, commitment will be easily formed. It was also recommended that training programs should be put in place for order fulfillment practices.

-Logistics Providers

This study recommends that the supermarkets should work more collaboratively with logistics providers as this will help in the smooth running of operations and can as well implement SRM practices. Sharing information with logistics providers will also help in enhancing organizational performance and improving the relationship between the supermarkets and the logistics providers.

5.5 Recommendations for further research

The purpose of the current study was to ascertain how supplier relationship management practices affect Naivas supermarkets' organizational performance in Nakuru County. Similar studies must be carried out in additional Naivas supermarket locations throughout all of Kenya's other counties in order to generalize the results.

REFERENCES

Akhilesh, K. (2016). *Effects of trust, satisfaction and other relationship dimensions on supplier relationship management*. International Journal of Indian Culture and Business Management, 12(2), 255-272.

- Al-Abdallah, G. M., Abdallah, A. B., & Hamdan, K. B. (2014). The impact of supplier relationship management on competitive performance of manufacturing firms. *International Journal of Business and Management*, 9(2), 192-204. <https://doi.org/10.5539/ijbm.v9n2p192>
- Arusei B. & Musau E., G (2020). The Effect of Supplier Collaboration on Procurement Performance in the County Government of Elgeyo Marakwet. *Journal of Procurement & Supply Chain*, Vol 4(1) pp. 1-80.
- Calvianto, N., Fitriani, M. A., and Mustafidah, H. (2019). Implementasi Rfid Di Gudang Pt. *El deco Purwokerto. Seminar Nasional APTIKOM*, 486-493.
- Chau, M., Wong, C., & Lee, A. (2021). Advanced technology and its impact on communication and information sharing among stakeholders. *Journal of Information Technology Management*, 32(2), 123-135.
- Chen, Y. L., Ho, D. K. N., Chiu, W. C., Cheah, K. J., Mayasari, N. R., & Chang, J. S. (2023). Consistency and accuracy of artificial intelligence for providing nutritional information. *JAMA Network Open*, 6(12), e2350367.
- Chin, T. A., Tat, H. H., Sulaiman, Z., & Muhamad Zainon, S. N. L. (2015). Green supply chain management practices and sustainability performance. *Advanced Science Letters*, 21(5), 13591362. <https://doi.org/10.1166/asl.2015.6029>
- Chourdury A., Abdullahil A., and Zaheed H. (2006). The Chain of Effects from Brand Trust and Brand Affect to Brand Performance: The Role of Brand Loyalty, *Journal of Marketing*, 65 (April), 81-93.
- Colicchia, C., Creazza, A., Noè, C., & Strozzi, F. (2019). Information sharing in supply chains: A review of risks and opportunities using the systematic literature network analysis. *Supply Chain Management: An International Journal*, 24(1), 5-21. <https://doi.org/10.1108/SCM-012018-0003>
- Cooper M, (2009). Characteristics of supply chain management and the implications for purchasing and logistics strategy. *International Journal of Logistics Management*, 4 (2), 3–2
- Cytonn. (2018). *Restructuring an insolvent business: Case study of Nakumatt Holdings*. Retrieved from <https://www.cytonn.com/uploads/downloads/restructuring-an-insolventbusiness-case-study-of-nakumatt-holdings-cytonn-weekly-12-2018.pdf>
- Pakurar M, Diem Le CT, Kun IA, Olah J (2021). “The impact of factors on information sharing” *An application of meta-analysis*. PLOS One 16(12): e0260653
- Doyle, M. A., & Roth, A. V. (2022). The commitment-trust theory of relationship marketing. *Journal of Marketing*, **56**(2), 123–139
- Dwyer, F. R., Schurr, P. H., & Oh, S. (1987). Developing Buyer-Seller Relationships. *Journal of Marketing*, 51(2), 11-27. <https://doi.org/10.1177/002224298705100202>

- Gerard P. Cachon and Marshall Fisher (2000), Supply chain inventory management and the value of shared information. *The Wharton School Journal*, Vol. 46, No. 8
- Gichuru M, Iravo, M., & Arani, W. (2015). Collaborative supply practices on Performance of Food and Beverage Companies: A case study of Del Monte Kenya Ltd. *International Journal of Academic Research in Business and Social Sciences*, 5(11), 17-31
- Heydari M., Lai K.K., Zhou, X (2020). Creating sustainable order fulfillment processes through managing the risk: Evidence from the disposable product industry. *Sustainability journal* 12(7) 2871
- Hoegl, M., & Wagner, S. M. (2005). Buyer-Supplier Collaboration in Product Development Projects. *Journal of Management*, [31\(4\), 530–548](#)
- Hobelsberger, C. (2021). Supermarkets and modern food retail management. In restricting of food retail markets in nations of the global south. *Handel und international marketing and international marketing Springer Gabler* 658-33315-7_4
- Hsu, J.Y., & Saxenian, A. (2008). The limits of guanxi capitalism: Transnational collaboration between Taiwan and the USA. *Environment and Planning A: Economy and Space*, 32(11), 1991-2005. <https://doi.org/10.1068/a3376>
- Imam Baihaqi & Amrik S. Sohal (2012). The impact of information sharing in supply chains on organizational performance: an empirical study. *Journal of Management Information Systems*, 23(1), 13-42.
- Jonathan B. Perlin, David J. Brailer, Dixie B. Baker and Paul C. Tang (2016) Information Technology interoperability and use for better care and evidence: A vital direction for health and healthcare.
- Kalanite, A., Smith, J., & Johnson, L. (2013). The impact of supplier integration on organizational and supply chain performance. *Journal of Supply Chain Management*, 49(2), 123-135.
- Kamau, N. I. (2013). Buyer – supplier relationship and organizational performance among large manufacturing firms in Nairobi, Kenya. *Unpublished master's thesis. University of Nairobi*
- Kanja, D.W. and Mwangangi, P. (2017) Influence of Logistics Management on Supply Chain Performance in Retail Chain Stores in Kenya: A Case of Nakumatt Holdings Limited. *The Strategic Journal of Business & Change Management*, 4, 425-444.
- Kearney, (2013). *Supplier performance management – Driving successful strategies and relationships*. www.edgererve.com/procureedge.

- Kepher, B. A., Shalle, N. I., & Oduma, E. (2015). Role of supplier management on procurement performance in manufacturing sector in Kenya: A case of East African Breweries, Kenya. *International Journal of Social Science and Humanities Research*, 3(4), 540-555.
- Kenya Retail Sector Report 2018, & Cytonn Monthly – August 2018 by Cytonn Research Team, Sep 2, 2018
- Karungani, W., & Odhiambo, R. (2021). Determination of buyer-supplier commitment and performance of foreign-based development agencies in Kenya. *International Journal of Economics, Commerce and Management*, [9\(4\), 4–13](#)
- Kinai M. (2017). Role of Supplier Collaboration on Organization Performance: A Case of Kenya Urban Roads Authority. *International journal of social sciences* (Vol III). 2412-0294
- Kinanga, R., Munubi K. Z & Ondiba K. P (2017). Effects of electronic procurement on organizational performance: A case of major supermarkets in Nairobi County. *International Journal of procurement and supply chain management*, 2(3), 92-105
- Kosgei, R. C. & Gitau, R. (2016). Effect of supplier relationship management on organizational performance: A case study of Kenya Airways Limited. *International Academic Journal of Procurement and Supply Chain Management*, 2 (2), 134-148
- Krause, D. R., & Ellram, L. M (2007). Critical elements of supplier development. *European Journal of Purchasing and Supply Management*, 3(1), 21-31
- Khuram, S., Chan, F. T. S., & Qi, Q. (2016). Supplier development and its impact on organizational performance: A literature review. *International Journal of Production Economics*, **182**, 240–254. doi:10.1016/j.ijpe.2016.09.014
- Kwasi A, Kwabena G, Ebenezer A, and Samuel F (2019). Supplier relationship management and firm performance in developing economies: A moderated mediation analysis of flexibility capability and ownership structure, *International Journal of Production Economics*, Vol 208, Pages 160-170.
- Kothari, C. R. (2019). *Research Methodology: Methods and Techniques* (4th ed.). New Age Publishers Pvt Limited.
- Kwon, I. G., & Suh, T. (2005). Trust, commitment, and relationships in supply chain management: A path analysis. *Supply Chain Management*, [10\(1\), 26–33](#)
- Lamming, R. (1993). *Beyond partnership: Strategies for innovation and lean supply*. Prentice Hall.
- Lee, H. L., & Tang, C. S. (2000). Quantifying the benefits of demand information sharing in supply chains. *Management Science*, 46(5), 626-643. <https://doi.org/10.1287/mnsc.46.5.626.12047>
- Leenders, Michiel, Johnson, P. Fraser, Flynn, Anna, Fearon, Harold E. (2010) *Purchasing and Supply Management*. Published by McGraw-Hill Higher Education, 2006 ISBN 10: 0073377899 ISBN 13: 9780073377896

- Lees, N., Nuthall, P., & Wilson, M. M. J. (2020). Relationship quality and supplier performance in food supply chains. *International Food and Agribusiness Management Review*, 23(4), 567589.
- Liang P., Sima M., Huang Y. and Sum X. (2022). Assessing the coordinated revenue sharing contract of China's farmer supermarket direct purchase model. *International food and agribusiness management review*, 25(2), 229-244
- Lii, P & Kuo F.-I, (2016). "Innovation-oriented supply chain integration for combined competitiveness and firm performance," *International Journal of Production Economics*, Elsevier, vol. 174(C), pages 142-155.
- Luthubua, D.M. (2014). Supplier base rationalization practices and supply chain performance of large manufacturing firms in Nairobi, Kenya. *University of Nairobi Journal*. [24481]
- Manish G. & Akhilesh K.C., (2016). "[An empirical study to assess the impact of various relationship dimensions on supplier relationship in Indian scenario](#)," *International Journal of Indian Culture and Business Management*, Inder science Enterprises Ltd, vol. 12(2), pages 255-272.
- Marcus, Saber, Weber, Anja (2019), A comparative analysis of sustainability reports in store communication: How so supermarkets and discounters communicate about sustainability? *International Journal of Retail & Distribution Management; Bradford* Vol. 47, ISS. 11
- McKinsey & Company. (2016). Customer experience: *Creating value through transforming customer journeys*.
- Molinaro, M., Danese, P., Romano, P., & Swink, M. (2022). Implementing supplier integration practices to improve performance: The contingency effects of supply base concentration. *Journal of Business Logistics*, 43(4), 540-565.
- Mugenda, O. M. Mugenda. A G. (2003). Research Methods, Qualitative and Quantitative Approaches.
- Mwangi, J., and Mwangangi, N. (2018). Materials Management - *Profit Centre*. Indian Institute of Materials
- Mwangi P., Ragui M., Arani (2021). Relationship between supplier collaboration and retail stores performance in Nairobi County, Kenya: Intervening role of supply chain resilience. *International Academic Journal of Human Resource and BA*, 3(10), 46-66
- Nyamasege, O. J., and Biraori, O. E. (2015). Effect of supplier relationship management on the effectiveness of supply chain management in the Kenya public sector. *International Journal of Managing Value and Supply Chains*, 6(1), 25.
- Otieno O. and Getuno P. (2017). Effects of Procurement Regulations on Performance of Public Secondary Schools in Nairobi City, County, Kenya (Vol. 5). *International Journal of Innovative Social Sciences & Humanities Research*. Retrieved July-Sept

- Otieno, K., Kiongera, F., Odero, J., & Makori, E. (2022). Effect of supplier information sharing practice on supply chain performance of Kenyan selected county governments of Nyanza Region. *The strategic Journal of Business & Change Management*, 9(4), 521-533.
- Park, Y.W., Shou, Y., Kang M. (2022). A systematic literature review of supply chain integration. In supply chain integration for sustainable advantages. Springer, Singapore, 978-981-1693332-8.
- Patrucco, A. S., Schoenherr, T., & Moretto, A. (2024). Sustaining commitment in preferred buyersupplier relationships: How to retain the ‘customer of choice’ status? *International Journal of Production Economics*, **109165**. doi: [10.1016/j.ijpe.2024.109165](https://doi.org/10.1016/j.ijpe.2024.109165)
- Paulraj, A., Faruquee, M. and Irawan, CA. (2021), “Strategic supplier relationships and supply chain resilience: Is digital transformation that precludes trust beneficial?”, *International Journal of Operations and Production Management*, Vol. 41 No. 7, pp. 1192-1219.
- Photis M. Panayides, Y.H. Venus Lun (2009). The impact of trust on innovativeness and supply chain performance, *International Journal of Production Economics*, Vol 122, Issue 1, Pages 35-46, ISSN 0925-5273,
- Qian, C, Dion, P.A, Wagner, R (2023). Efficacy of supply chain relationships- differences in performance appraisals between buyers and suppliers. 023-00354-3
- Raghunathan, S., (2001). Assessing the Value of Supply Chain Information Sharing in the New Millennium. *Management Science*. 60(6), 1434-1451.
- Romano, P. and Swink, M. (2022). Implementing supplier integration practices to improve performance: The contingency effects of supply base concentration. *Journal of Business Logistics*, 43, 540-565
- Scribbr. (2023). *Research terms explained: Sample*. Retrieved from Scribbr website
- Scoot (2011). *Supply Chain Management: Processes, Partnerships, Performance*, 3rd edition
- Sheu, C., Rebecca Yen, H. and Chae, B. (2006), “Determinants of Supplier-retailer collaboration: evidence from an international study”, *International journal of Operations & Production Management*, Vol, 26 No. 1, pp, 24-29.
- Shou, Y., Kang, M., & Park, Y. W. (2022). A systematic literature review of supply chain integration. In *Supply Chain Integration for Sustainable Advantages* (pp. 9-29).
- Spreen, T., Smith, J., & Johnson, L. (2022). The impact of information sharing on organizational performance: A study of supermarkets. *Journal of Supply Chain Management*, 58(3), 45-60
- Stefan G, Stefan S & P Beske, (2010). "Sustainable supply chain management and interorganizational resources: a literature review," *Corporate Social Responsibility and Environmental Management*, John Wiley & Sons, vol. 17(4), pages 230-245, July.

- Suresh M., Mahadevan, G & Abhishek, R.D (2019). Modelling the factors influencing the service quality in supermarkets. *International system assurance of management* 10, 1474-1486
- Taherdoost, H. (2022). Designing a Questionnaire for a Research Paper: A Comprehensive Review. *Journal of Management Science & Engineering Research*, 5(1), 4538. [doi:10.30564/jmsr.v5i1.4538](https://doi.org/10.30564/jmsr.v5i1.4538)
- Tangus, C. (2015). Effect of supplier relationship management practices on performance of manufacturing firms in Kisumu County, Kenya. *International Journal of Economics, Commerce and Management*, 3(11),1-15.
- Tanskanen, K., & Aminoff, A. (2018). How to stimulate supplier innovation? Insights from a multiple case study. *Journal of Purchasing and Supply Management*, 24(4), 295–306. doi: 10.1016/j.pursup.2018.08.001
- Tasnia, H. N., & Ramachandran, K. K. (2019). Information sharing in supply chain management: A case study between the cooperative partners in manufacturing industry. *Journal of System and Management Sciences*, 9(1), 19-47.
- Teegen and Doh, (2002). Retaining Customers Through Relationship Quality: A Services Business Marketing Case, *Journal of Services Marketing*, Vol. 22 No. 6, Pp. 445-53.
- Tregurtha and Vink (2009). Trust and supply chain relationships: A South African case study. *Agrekon*, 38 (4): 755-765.
- Tseng, S.M. and Lee, P.S. (2014), The Effect of Knowledge Management Capability and Dynamic Capability on Organizational Performance. *Journal of Enterprise Information Management*, 27, 158-179. <http://dx.doi.org/10.1108/JEIM-05-2012-0025>
- Wachuma, P. and Shalle, N. (2016), Effect of Lean Supply Chain Management Practices on Organizational Performance in Government Ministries in Kenya: A Case of Children's Department in the MLSSS *International Journal of Academic Research in Business and Social Sciences*, 6(5), 364-375.
- Wangechi Ruth (2013), Supplier relationship management and supply chain management in alcoholic beverage industry in Kenya. *Unpublished master's thesis University of Nairobi*.
- Zhang, Q., and Cao, M. (2018). Exploring antecedents of supply chain collaboration: Effects of culture and interorganizational system appropriation. *International Journal of Production Economics*, 195, 146- 157. doi: 10.1016/j.ijpe.2017.10.014
- Zou W., Brax S.A., Vuori M. and Rajala R. (2019). The influences of contract structure, contracting process and service complexity on supplier performance. *International journal of operations and production management*, Vol. 39 No. 4, pp. 525-549

APPENDIX I: Questionnaire

The questions below are for the purposes of investigating the effect of supplier relationship management on Organizational performance of supermarkets; a case study of Naivas supermarkets in Nakuru County. Your opinion as reflected in this questionnaire is important to this study and will be held in confidentiality. Therefore, you are requested to fill this questionnaire in the most free and honest way possible.

SECTION A: Background Information

1. What is your level of education?

University (Postgraduate) University (Undergraduate) College

High school level Primary level

2. How long have you worked with the supermarket?

Less than 1 year 1- 4 years

5-9 years 10 years and above years

3. Which level of employment do you belong to in the supermarket?

Employees (non-managers) Lower management

Middle management Top management

SECTION B: INFORMATION SHARING

4. Please respond to the following statements by ticking in the appropriate column. The different columns indicate Strongly Agree (SA); Agree (A); Neutral (N); Disagree (D); and Strongly Disagree (SD) represented by 5,4,3,2 and 1 respectively. How do you agree with the following statements about information sharing among buyers-suppliers?

SECTION C: BUYER-SUPPLIER TRUST

Information Sharing	5	4	3	2	1
We usually communicate our organization's future strategic plans to suppliers					
Sharing information with suppliers will lead to increased performance					
Investment in information sharing will lead to inventory and cost reductions.					
Integrated information technologies and information quality have positive influence on the intensity of information sharing.					

5. Please respond to the following statements by ticking in the appropriate column. The different columns indicate Strongly Agree (SA); Agree (A); Neutral (N); Disagree (D); and Strongly Disagree (SD) represented by 5,4,3,2 and 1 respectively. How do you agree with the following statements about trust between the buyer and supplier?

Buyer-Supplier Trust	5	4	3	2	1
There's better communication with suppliers					
Supplier integration is practiced					
We trust the information that our major suppliers provide to us					
We trust our major suppliers to keep our best interests in mind					

SECTION D: SUPPLIER COLLABORATION

6. Please respond to the following statements by ticking in the appropriate column. The different columns indicate Strongly Agree (SA); Agree (A); Neutral (N); Disagree (D); and Strongly Disagree (SD) represented by 5,4,3,2 and 1 respectively. How do you agree with the following statements about supplier collaboration?

Supplier collaboration	5	4	3	2	1
Joint decision-making is practiced					
Coordination of contracts takes place					
Joint quality management takes place					
Information is shared among suppliers					

SECTION E: SUPPLIER COMMITMENT

7. Please respond to the following statements by ticking in the appropriate column. The different columns indicate Strongly Agree (SA); Agree (A); Neutral (N); Disagree (D); and Strongly Disagree (SD) represented by 5,4,3,2 and 1 respectively. How do you agree with the following statements about supplier commitment?

Supplier Commitment	5	4	3	2	1
Order fulfillment is achieved					
Supplier's performance is monitored					
The relationship that our firm has with our major supplier is something our firm really					
cares about					
We are always committed to listening to supplier complaints					

Thank you for your co-operation



APPENDIX II; INTERVIEW GUIDE

Focus Area	Specific questions
-------------------	---------------------------

<p>Information Sharing</p>	<p>How do you ensure that critical information is shared with all your suppliers?</p> <p>How do you ensure that communication is transparent and timely with your suppliers? Are there any barriers to effective communication?</p>
<p>Buyer-supplier trust</p>	<p>What are some of the factors that influence your trust in a supplier? How important is trust in your decision making?</p> <p>b) Can you share an instance where trust impacted your relationship?</p>
<p>Supplier collaboration</p>	<p>What factors contribute to successful collaboration with suppliers in your opinion?</p> <p>Could you describe a recent collaboration with one of your suppliers? What issues did you encounter and what worked well?</p>
<p>Supplier Base Optimization</p>	<p>What basis do you use when selecting your suppliers?</p> <p>What challenges and issues have you faced during supplier selection?</p>

APPENDIX III; ERC CERTIFICATE



REF: MKU/ISERC/4033

Date: 30 July 2024

TO: JANE WANGARI MAGIRI

REG: MPSM/2023/54002

Dear Sir/Madam,

RE: EFFECT OF SUPPLIER RELATIONSHIP MANAGEMENT PRACTICES ON ORGANIZATIONAL PERFORMANCE OF SUPERMARKETS IN KENYA: A CASE OF NAIVAS SUPERMARKETS IN NAKURU COUNTY

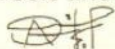
This is to inform you that **Mount Kenya University** has reviewed and approved your above research proposal. Your application approval number is **2949**. The approval period is **30/07/2024 - 29/07/2025**.

This approval is subject to compliance with the following requirements;

- i. Only approved documents including informed consents, study instruments, MTA will be used
- ii. All changes including amendments, deviations and violations are submitted for review and approval by **Mount Kenya University**
- iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to **Mount Kenya University** within 72 hours of notification
- iv. Any changes, anticipated or otherwise that may increase the risks or affect the safety or welfare of study participants and others or affect the integrity of the research must be reported to **Mount Kenya University** within 72 hours
- v. Clearance for export of biological specimens must be obtained from relevant institutions
- vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal
- vii. Submission of an executive summary report within 90 days upon completion of the study to **Mount Kenya University**

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) <https://research-portal.nacosti.go.ke> and also obtain other clearances needed.

Yours sincerely,



Dr. Alfred Owino, PhD
Chairman, Mount Kenya University ISERC



APPENDIX IV; INTRODUCTION LETTER



DIRECTORATE OF GRADUATE STUDIES

MPSM/2023/54002

31st July, 2024

*National Commission for Science Technology & Innovation (NACOSTI)
Off Waiyaki Way, Upper Kabete,
P.O Box 30623- 00100
NAIROBI, KENYA*

Dear Sir/Madam,


RE: JANE WANGARI MAGIRI- REGISTRATION NO. MPSM/2023/54002

The purpose of this letter is to introduce the above named student who is pursuing **Master of Science in Procurement and Supplies Management** in the **Department of Management** in the school of **Business and Economics**

The title of the research is **“Effect of Supplier Relationship Management Practices on Organizational Performance of Supermarkets in Kenya: A Case of Naivas Supermarkets in Nakuru County.** It has been cleared by the University’s Ethics Review Committee (Certificate attached) and now has to proceed to the field to collect data between **August, 2024 and October, 2024.**


Any assistance accorded to the student will be highly appreciated.


Thank you.


Dr. Samuel M. Kareaga, Ph.D
Director, Graduate Studies
Enc.

Main Campus, General Kago Road, P.O. Box 342-01000 Thika.
Cell: +254 709 153 000 | +254 709 153 200
Email: info@mku.ac.ke, Web: www.mku.ac.ke
Chartered and ISO 9001 : 2015 Certified Institution.
Unlocking Infinite Possibilities

APPENDIX V; NACOSTI RESEARCH LISCENCE



REPUBLIC OF KENYA
NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION
 Ref No: **915612** Date of Issue: **30/August/2024**
RESEARCH LICENSE



This is to Certify that Ms.. JANE WANGARI MAGIRI of Mount Kenya University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in on the topic: EFFECT OF SUPPLIER RELATIONSHIP MANAGEMENT PRACTICES ON ORGANIZATIONAL PERFORMANCE OF SUPERMARKETS IN KENYA: A CASE OF NAIVAS SUPERMARKETS IN NAKURU COUNTY for the period ending : 30/August/2025.

License No: **NACOSTI/P/24/39478**

Applicant Identification Number: **915612**
 Director General
NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION

Verification QR Code


NOTE: This is a computer generated License. To verify the authenticity of this document, Scan the QR Code using QR scanner application.
See overleaf for conditions

APPENDIX VI; TURNIT IN REPORT



Jane Wangari MAGIRI

EFFECT OF SUPPLIER RELATIONSHIP MANAGEMENT PRACTICES ON ORGANIZATIONAL PERFORMANCE OF SUPER...

- Assignment title
- postgraduate
- Mount Kenya University

Document Details

Submission ID

trn:oid::1:3055619414

Submission Date

Oct 26, 2024, 11:18 AM GMT+3

Download Date

Oct 26, 2024, 2:21 PM GMT+3

File Name

JANE_WANGARI_MAGIRI_PROJECT_REPORT_PDF_1.docx

File Size

547.2 KB

88 Pages

18,830 Words

112,109 Characters



20% Overall Similarity

The combined total of all matches, including overlapping sources, for each database.

Exclusions

- ▶ 1 Excluded Source

Match Groups

- 289** Not Cited or Quoted 18%
Matches with neither in-text citation nor quotation marks
- 23** Missing Quotations 1%
Matches that are still very similar to source material
- 2** Missing Citation 0%
Matches that have quotation marks, but no in-text citation
- 2** Cited and Quoted 0%
Matches with in-text citation present, but no quotation marks

Top Sources

- 17% Internet sources
- 7% Publications
- 10% Submitted works (Student Papers)

Integrity Flags

0 Integrity Flags for Review

No suspicious text manipulations found.

Our system's algorithms look deeply at a document for any inconsistencies that would set it apart from a normal submission. If we notice something strange, we flag it for you to review.

A Flag is not necessarily an indicator of a problem. However, we'd recommend you focus your attention there for further review.