

**FACTORS INFLUENCING PROCUMENT PERFORMANCE IN THE PRIVATE
SECTOR: A CASE OF BATA SHOES COMPANY LIMITED, KENYA.**

NKOYO PARSEEN EDMOND

BBM/113/00301

**A PROJECT REPORT SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE AWARD OF A DEGREE IN BUSINESS
MANAGEMENT OF MOUNT KENYA UNIVERSITY.**

APRIL 2015

ABSTRACT

The study highlights the factors influencing procurement performance in a private organization. The study is to be conducted at Bata shoes Company. The research seeks to expose the factors influencing procurement performance in private organizations. The research will be based on the following objectives; to determine the effect of items availability on procurement performance at Bata Shoes Company. to establish the influence of profitability on procurement performance at Bata shoes company. to determine the influence of cost on procurement performance at Bata shoes Company. to establish the influence of customer satisfaction on procurement performance at Bata shoes company. I will use a case study design. The study will employ simple random sampling which will be used to select employees from various departments. The target population is 60 employees from various departments of Bata shoes Company and sample size of 40% of target population. the data will be collected using questionnaires, coded , analyzed and presented in form of frequency tables, charts and graphs . The findings of the study found out that the major effect of the availability of items on procurement performance was ensuring that there is increased confidence and reliability of the procurement function. Profitability affects procurement performance because it makes the procurement staff focus too much on cost reduction and may forget or overlook other factors like quality which may compromising customer satisfaction, hence customer lose and reduced sales. Customer satisfaction requires that an organization provide quality products to customers which meet or exceeds customer demand hence its helps in improving customer loyalty and increased demand for a variety of products. Based on the findings and conclusion of this study, I felt that the following recommendations are necessary for efficiency of procurement performance. Bata shoes Company should train the procurement staff for the better performance and efficiency. The procurement staff should ensure that they select the suppliers based on the financial stability, time delivery, quality products, production capacity and fair costs so that it can help to reduce costs and improve profitability

The organization should also monitor customers demand so as to be in a position to match with their demand. By stocking the required items frequently hence avoiding stock outs.