

# Enhancing Organisational Performance in the Dairy Industry: Supply Chain Management Approach

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## Abstract

**Purpose:** The purpose of this paper is to explore the effects of supply chain management practices on the organizational performance underpinned on resource-based view theory (RBV).

**Methodology:** The study adopts descriptive and explanatory research design with purposive sampling and quantitative methods to collect primary data through crossed ended questionnaires from 109 dairy co-operatives in Kenya. Data collected was organized and cleaned using both excel and statistical package for social scientist (SPSS). Additionally, partial least squares structural equation modelling (PLS-SEM) techniques were used to analyze data in SmartPLS version 3.2 software, and the results for both descriptive and inferential were presented in tables.

**Results:** The result revealed that SCMPs has a positive and significant impact on Market performance ( $\beta=0.558$ ), operational performance ( $\beta=0.371$ ) and customer satisfaction ( $\beta=0.543$ ). These results reveal that SCM practices are associated with high levels of organizational performance. Thus, SCM practices explain and predict the organizational performance of the dairy industry in Kenya.

**Unique contribution to theory, practice and policy:** The study provides evidence of the building blocks of supply chain management practices and a framework of their implementation for performance improvement to the managers in the dairy industry. Theoretically, the study contributes to the development and advancement of the theory of supply chain management (SCM) as well as validation of the Resource-based View (RBV). Policy-wise, the study provides directions for coming up with policies geared towards performance improvements in the dairy industry.

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