

**PROCUREMENT MANAGEMENT PRACTICE AND PERFORMANCE OF
SELECTED SUPERMARKETS IN NAIROBI CITY COUNTY, KENYA**

GRACE KAIRO LETIMORIT SIGORE

D53/OL/CTY/20635/2020

**A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS,
ECONOMICS AND TOURISM IN PARTIAL FULFILLMENT OF THE
REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTER OF
BUSINESS ADMINISTRATION (PROCUREMENT AND SUPPLY CHAIN
OPTION) OF KENYATTA UNIVERSITY**

AUGUST, 2024

DECLARATION

This survey constitutes my unique scholarly contribution and has not fulfilled the requirements for any previous academic award. Unauthorized reproduction, in whole or in part, is strictly prohibited and necessitates express consent from both myself and Kenyatta University.

Signature.....

Date.....

Grace Kairo Letimorit Sigore

D53/OL/CTY/20635/2020

Declaration by the Supervisor

I attest to the candidate's authorship of this research project, meticulously crafted under my supervision.

Signature.....

Date.....

Dr. Perris Chege,

Department of Management Science,

School of Business, Economics and Tourism

Kenyatta University

DEDICATION

I dedicate this project to my Loving Husband Arnold Mutisya, and my sons Brian Mutisya, Brayden Nzia for their support, encouragement and inspiration.

ACKNOWLEDGEMENT

With a heart overflowing with thankfulness, I acknowledge the invaluable contributions of those who illuminated my path and fortified my resolve in this research endeavor particularly, my loving husband, Arnold Mutisya, my sons Brian Mutisya and Brayden Nzia for their support, encouragement and inspiration. My appreciation goes out to my supervisor Dr. Perris Wambui Chege who offered me the required guidance and ensured that the final report meets the required standards of the school thesis. I also appreciate my classmates Margaret Gathoni and Ruth Keseko who guided me in gathering previous information about the research. I am thankful to Kenyatta University Management for the opportunity they offered me to study my postgraduate and the assistance offered by library facilities which made information access easier for the study. I further acknowledged my Lecturers who through hard work and dedication have impacted me with knowledge on how to carry out this research.

TABLE OF CONTENTS

DECLARATION.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENT.....	iv
TABLE OF CONTENTS	v
LIST OF FIGURES	ix
LIST OF TABLES	x
ABBREVIATIONS AND ACRONYMS.....	xi
OPERATIONAL DEFINITION OF TERMS.....	xii
ABSTRACT.....	xiv
CHAPTER ONE:INTRODUCTION	1
1.1.1 Organizational Performance	4
1.1.2 Procurement Practices.....	5
1.1.3 Supermarkets in Nairobi County	9
1.2 Statement of the Problem.....	11
1.3 Objectives of the Study	13
1.3.1 General Objective	13
1.3.2 Specific Objectives	14
1.4 Research Questions	14
1.5 Significance of the Study	15
1.6 Scope of the Study	16
1.7 Limitations of the Study.....	16
1.8 Organization of the Study	17
CHAPTER TWO: LITERATURE REVIEW.....	18
2.1 Introduction.....	18
2.2 Theoretical Review	18
2.2.1 Stakeholders Theory	18
2.2.3 System Theory	22
2.3 Empirical Review.....	24
2.3.1 Supplier Relationship Management Practices and Organizational Performance	24

2.3.2 Inventory Management Practices and Organizational Performance.....	27
2.3.3 Contract Management Practices and Organizational Performance	30
2.3.4 E-Procurement Adoption and Organizational Performance	32
2.4 Summary of Literature Reviews and Research Gaps	35
2.5 Conceptual Framework.....	40
CHAPTER THREE: RESEARCH METHODOLOGY	41
3.1 Introduction.....	41
3.2 Research Design.....	41
3.3 Target Population.....	41
3.4 Sampling Design.....	42
3.5 Data Collection Instrument	42
3.6 Pilot Test	43
3.6.1 Validity of Research Instrument	43
3.6.2 Reliability of Research Instrument	43
3.7 Data Collection Instrument.....	44
3.8 Data Collection Procedure	44
3.9 Diagnostic Tests.....	45
3.9.1 Normality Test	45
3.9.2 Multicollinearity Test.....	45
3.9.3 Heteroscedasticity Test	46
3.9.4 Autocorrelation Test	46
3.10 Data Analysis and Presentation	47
3.11 Ethical Considerations	48
CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSIONS	49
4.1 Introduction.....	49
4.1.1 Response Rate.....	49
4.1.2 Reliability Analysis Results.....	50
4.2 Descriptive Analysis Findings	51
4.2.1 Respondents' Job Position	52
4.2.2 Gender of the Respondents	53

4.2.3 Age of the Respondents	54
4.2.4 Educational Qualification	55
4.2.5 Duration of Work Experience	56
4.2.6 Familiarity of the Respondents	57
4.2.7 Supplier Relationship Management Practices	58
4.2.8 Inventory Management Practices.....	61
4.2.9 Contract Management Practices	63
4.2.10 E-Procurement Adoption Management	65
4.2.11 Performance of Supermarkets.....	67
4.3 Diagnostic Tests.....	69
4.3.1 Normality Test	69
4.3.2 Multicollinearity Test.....	70
4.3.3 Heteroscedasticity Test	71
4.3.4 Autocorrelation Test	72
4.4. Inferential Analysis.....	72
4.4.1. Correlation Analysis	72
4.4.2 Regression Results	73
4.4.3. Analysis of Variance (ANOVA).....	74
4.4.4. Multiple Regression Analysis	75
4.5 Interpretation of Findings	76
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS	79
5.1 Introduction.....	79
5.2 Summary of the Study	79
5.2.1 Supplier Relationship Management Practices and Supermarket Performance	79
5.2.2 Inventory Management Practices and Supermarket Performance	80
5.2.3 Contract Management Practices and Supermarket Performance.....	80
5.2.4 E-procurement Adoption and Supermarket Performance.....	81
5.3 Conclusion	81
5.4 Policy Recommendations.....	82
5.5 Contribution to Knowledge.....	83

5.6 Suggestions for Future Research	83
REFERENCES.....	85
APPENDICES	89
Appendix 1: Letter of Introduction	89
Appendix II: Questionnaire.....	90
Appendix III: Registered Supermarket in Nairobi County	96
Appendix IV: Research Approval.....	100
Appendix V: Research Authorization Letter	101
Appendix VI: NACOSTI Permit	102

LIST OF FIGURES

Figure 2.1: Conceptual Framework	40
Figure 4.1: Distribution of the Respondents' Job Position.....	52
Figure 4.2: Gender Distribution of the Respondents	53
Figure 4.3: Age Distribution of the Respondents	54
Figure 4.4: Educational Qualification of the Respondents	55
Figure 4.5: Duration of the Respondents' Work.....	56
Figure 4.6: RespondentsFamiliarity with Procurement Practices	57

LIST OF TABLES

Table 2.1: Summary of Literature Review and Research Gaps.....	35
Table 3:1: Target Population	42
Table 4.1: Response Rate.....	49
Table 4.2: Reliability Analysis	50
Table 4.3: Descriptive Statistics for Supplier Relationship Management Practices....	59
Table 4.4: Descriptive Statistics on Inventory Management Practices.....	62
Table 4.5: Descriptive Statistics on Contract Management Practices	64
Table 4.6: Descriptive Statistics on E-Procurement Adoption	66
Table 4.7: Descriptive Statistics on Performance	68
Table 4.9 Shapiro-Wilk Test for Normality.....	69
Table 4.10 Tests for Multicollinearity	70
Table 4.11 Breusch-Pagan/Cook-Weisberg Test for Heteroskedasticity	71
Table 4.12 Autocorrelation Results	72
Table 4.13 Correlation Results	73
Table 4.14: Model Summary	74
Table 4.15 ANOVA.....	75
Table 4.16: Regression Results.....	75

ABBREVIATIONS AND ACRONYMS

GOK	Government of Kenya
NACOSTI	National Council for Science and Technology
OLS	Ordinary Least Squares
PPADA	Public Procurement and Asset Disposal Act
RBV	Resource-based View
SPSS	Statistical Packages for Social Sciences
SRM	Supplier Relationship Management

OPERATIONAL DEFINITION OF TERMS

Contract Management Practices	Contract management refers to the administration of contracts by supermarkets related to procurement or purchasing as part of legal documentation shared with their partners, suppliers, or even customers.
E-Procurement Adoption	This is the application of information technology by supermarkets to create environmentally friendly for customers' buying procedures.
Inventory Management Practices	Inventory management is the operation of placing an order, stashing, utilizing, as well as selling a collection for a supermarket. This involves commodities, components, and finished operations, along with storage of goods and handling of such products.
Performance	Performance refers to a supermarket's actual output or results as compared to its intended outputs. It was measured in terms of sales revenue, market share, profitability and efficiency.
Procurement Practices	Procurement practices are established to track the progress of supermarket

procurement departments and also properly manage them. The procurement practices, supplier relationship management, inventory management, contract management and e-procurement adoption.

Supplier Relationship Management

It involves intentionally and strategically building sustainable relationships with suppliers of the supermarkets. This involves terms of supplier collaboration, information sharing and supplier segmentation

ABSTRACT

Kenya is the 2nd biggest emerging economy in Sub-Saharan Africa after South Africa. Supermarkets compete fiercely in retail markets in the quest to meet their goals and objectives, such as profit maximization and increasing market share. Supermarkets in Nairobi have placed good strategies for competitive advantage, and invested to satisfy customers. However, supermarkets in Nairobi City County, Kenya have encountered low sales, a decline in profitability, and customer dissatisfaction; this has led to the closure and merger of supermarkets like Uchumi, Tuskys, and Nakurmatta. Studies have been carried out on procurement practices in various sectors of the country but limited studies have been carried out on the trade sector, especially the supermarkets. As a result, the research ascertained how procurement practices, specifically supplier relationship management, inventory management, contract management, and e-procurement adoption, affected Nairobi City County's supermarket performances in Kenya. The variables selected were supported by stakeholder, resource-based views, and system theories. A descriptive design was deployed during the investigation. The population targeted comprised 94 registered large and medium supermarkets in Nairobi County. The participants included procurement managers and officers at all 94 selected supermarkets in Nairobi City County composed of 282 participants. The survey employed all 282 participants utilizing the census technique as the size of the sample. Utilizing structured questionnaires, primary data was acquired. Validity and reliability tests were conducted on the instrument for data collection using Naivas and Joyland supermarkets in Kiambu County. Data collected was presented utilizing tables and charts as well as analyzed on the SPSS built-in platform in which descriptive and regression analysis was performed. The outputs were offered in charts and tables with the ethics of respect, confidentiality, and fairness upheld. Descriptively all procurement management performs significantly on the selected supermarkets' performance in Kenya's Nairobi City County. Outcomes of the investigation displayed that Supplier Relationship Management practices significantly in a positive manner ($\beta = 0.202$) affect selected supermarkets' performance in Nairobi City County, Kenya; inventory management practice positively ($\beta = 0.185$) affects the performance of the supermarkets; contract management practice positively ($\beta = 0.135$) but affected the performance insignificantly of the supermarkets; while e-procurement adoption significantly affected supermarkets performance in a positive ($\beta = 0.299$) manner. The survey recommends that the management of supermarkets should enhance their supplier management to boost the selected supermarkets' performance. This would allow for the building of a stronger relationship with the suppliers thus cutting down cost as a result of discounting fees. Further investigation is recommended to explore the reasons behind the insignificant effect of contract management practice.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Globalization has led to increased competition, resource scarcity, a heightened demand for effectiveness and efficiency, a growing emphasis on environmental sustainability, and shifts in consumer preferences and tastes (Ulucak, Koçak, Erdoğan & Kassouri, 2020). Consequently, supermarkets, benefiting from economies of scale and global sourcing, are able to offer a broader selection of products at lower prices compared to smaller retailers and, in some instances, wholesalers (Nair & Chisoro, 2015). Additionally, supermarkets are better equipped to provide customers with a variety of services, including the convenience of a one-stop shopping experience, the ability to purchase bundled items simultaneously, and delivering enhanced value for money (Odour, 2019).

Selected supermarkets have experienced significant growth and transformation globally. The expansion strategies of multinational retailers such as Wal-Mart, Carrefour, Metro, and Tesco have intensified competition in the supermarket format (Wu, Chen, Hu & Xu, 2022). This growth is not confined to countries that are developed but also include developing countries, where a food system transformation is occurring with the rapid growth of selected supermarkets (Reardon, Echeverria, Berdegué, Minten, Liverpool-Tasie, Tschirley & Zilberman, 2019). The biggest region in terms of the global market for selected supermarkets in 2020 was North America, which accounted for 30% of the market. The second-largest region was Western Europe, whose market share for selected supermarkets and hypermarkets worldwide was 26% and was the smallest in the Middle East on the world market ranking (Van Dam, Wood & Sacks, 2021). The distribution of the selected supermarkets across the different

regions of the world is a reflection of the performance and the effectiveness of their procurement management which offers greater value to their customers.

Africa has also witnessed a tremendous spread of selected supermarkets with varying degrees of dispersion. The mid-1990s witnessed supermarkets rise in Africa with its consequences on agrifood systems and the rural poor (Barrett, Reardon, Swinnen & Zilberman, 2019). While selected supermarkets offer opportunities for farmers to access new markets and increase their income, there are concerns about the consolidation of power in the retail sector and its impact on small-scale retailers and farmers (Mwangi, 2019). Market concentration and market power are important factors to consider when analyzing the performance of supermarkets (Deconinck, 2021). Some countries, such as Tanzania, Burkina Faso, Malawi, and Ethiopia, have limited growth with very few supermarkets located in urban areas (Kussaga, Jacxsens, Tiisekwa & Luning, 2014).

Shopping in Sub-Saharan Africa combines formal and informal retail trade, modern and traditional, and a dynamic industry. In the first decade of the 1990s, formal retail trade was first introduced to the majority of Sub-Saharan Africa. The Sub-Saharan prospects viewed by retail chains commenced with new eyes as economies in the majority of countries liberalized to embrace market-based policies. Sub-Saharan Africa was referred to as "the next Asia" as its economies grew. With the rise of shopping malls, some nations are still establishing their formal retail industries, but others that had bright prospects for formalized retail a few years ago now have encouraging futures (Hugo, 2016). The South African consumer market is increasing quickly, and there has not been a commensurate infrastructural development, which has created the perfect environment for a creative and digitally-based retail sector (Das Nair & Dube, 2017). In the past two decades, there has been a notable surge in supermarket numbers in

Tanzania that are owned by South African retailers (Mohamed, 2019). Aside from that, Tanzania's contemporary shops are raising their rates and setting up shop in pricey malls. Accordingly, it's likely that the rise of contemporary stores in Tanzania is not motivated by affordable rates or the need to cater to low-income customers (Makori, 2020).

Due to growing customer information and new players entering the market, Kenya's retail sector is characterized by fierce and ongoing rivalry (Njoki, Kamau & Mbithi, 2019). The dynamic forces of a continually shifting competitive environment must be managed by the sector's businesses as a result of these challenges. Ochieng, Veetil, and Qaim (2017) established that Uchumi, Nakumatt, Ukwala, Naivas, and Tuskys are the most widespread Kenya supermarket chains all Kenyan-owned have significantly been affected by the risk of rejection and cost of delivery. Procurement practices advancement has resulted in significant growth in many Kenyan firms in terms of goods and service delivery to customers (Arachi, 2013).

The performance of procurement is critical to supermarket competitiveness. Because fair operations in supermarkets were limited in Kenya, the selected supermarkets in Nairobi City County, Kenya have not implemented fully the practice of procurement. Kariuki (2013) contends that performance relates to the degree by which the organization achieve their set goals and objectives. It pertains to the predetermined objectives or aims that make up the work parameters. The performance of procurement in Kenya is highly dependent on the efficiency and efficacy of procedures involved in tendering (Kazi, 2012). Consequently, the primary achievement standard for any business is the generation of value, as defined by the resource supplier (Khang, Arumugam, Chong & Chan, 2010). The choice of practices of procurement is

dependent on the firms' nature, their complexity, policies as well as the value of the procurements (Makabira & Waiganjo, 2014).

1.1.1 Organizational Performance

The performance of an organization is described as the discrepancy between a company's actual and anticipated outputs (Singh, Burgess, Heap, Almatrooshi, & Farouk, 2016). Financial performance, product market performance, and shareholder returns are three separate areas of business outcomes that Richard, McMillan, Chadwick, and Dwyer (2017) define as organizational performance (Kiragu, 2015). Performance is defined by Bakoti (2016) as the agreement between the firm's actual accomplishments and its projected objectives. According to Katou (2015), objective performance is a global issue that the majority of organizations face in areas of racial discrimination and gender inequality.

The regional organizational performance and national problem of supermarkets are dependent on community strategies, and measurement entails assessing a firm's performance that contradicts its predetermined goals. The performance of a company is important to a number of stakeholders, including leaders, strategists, finances, and litigation. Organizational success, according to Omayio (2017), involves returns on investors and product performances in the market. The market performance of a product is measured by its sale volume and market share, whereas returns on equity and capital profits of shareholders are utilized to calculate the returns to shareholders.

Financial and non-financial success measurements are the two main fundamental determinants of firm success. According to Muchhal (2014), non-financial performance measurements involve conceptual subjective indicators, and scorecards provide a missing or incorrect picture of a firm's existing customers. Non-financial performance

metrics include customer satisfaction, business unit connection, and employee satisfaction. In recent years, businesses have begun to embrace the measuring performance technique of performance analysis. Financial profitability, excellent customer service, internal company processes, and skill advancement are all domains where equitable overall scores are used to evaluate an enterprise's performance (Ben, 2021). According to Hladchenko (2015), performance measurement is a business assessment measure that management uses to evaluate the implementation of the company's operations while also controlling and monitoring the effects of these operations. The organization's performance is intended to assist businesses in putting the implementation of broad strategies (Martello, Watson, & Fischer, 2016). The success of the companies was evaluated in this study based on their total earnings, customer growth, and sales growth. Organizational performance as it pertains to this survey was measured in terms of sales revenue, market share, profitability, and efficiency.

1.1.2 Procurement Practices

Procurement is the process involved in employing actions, negotiation, payment, and purchase of needed resources (Weele, 2010). Procurement practices are established to track the progress of procurement departments and also properly manage them. To effectively enforce the functionality of these procurement practices, organizations hire professionals (Hacket Group, 2014). The concept of procurement practices is concerned with how organizations can effectively channel their assets and resources to create value consistently over a long period of time in accordance with their organizational goals and vision (Sollish & Semanik, 2018).

Several academics have a variety of approaches to implementing procurement procedures. As an illustration, Uttam and Roos (2015) divided procurement practices into three categories: open practices, limited practices, and competitive bargained processes. Onyango and Muturi (2016) operationalized procurement practices in terms of tendering methods, supply regulatory procedures, ethical procedures, and operational practices. Kuloba (2016) examined procurement practices by supplier evaluation, material control, and tendering procedures, although the European Union (EU) suggested that member nations' procurement procedures should be accessible and controlled. Amann and Essig (2015), on the other hand, observed that regular methods of procurements are constantly specified with regard to expenditure stages, purchase requisition ethical values, standard contracts, value for funds, tendering, electronic procurement, and ad hoc purchase. This study adopted supplier relationships, inventory management, contract management, and e-procurement adoption. This is because the management of procurement entails an effective and efficient customer relation that optimizes the profit potentials of the supermarkets.

Supplier relationship management is an essential concept of supply chain and procurement management practices, it involves intentionally and strategically building sustainable relationships with suppliers. A strategic and effective Supplier Relationship Management (SRM) not only helps to increase sales, ranking, and performance but also helps to reduce costs of purchase (Lagat, 2017). SRM aims to create flexibility, cut operating costs, improve customer satisfaction, leverage competition, and increase organizational performance (Mumelo, Selfano & Onditi, 2017). The four most common types of supplier relationship management are appraisal, involvement, development, and collaboration. Confidence, dedication, business atmosphere, exchange of

knowledge, and a desire to fulfill responsibilities among the chain's participants fuel these practices. However, the chain faces challenges that jeopardize the smooth operation of supply chain management (Kaire, 2017). Supplier appraisal, supplier involvement, supplier development, and supplier collaboration.

Inventories are known as raw materials, or finished products purchased by an organization to aid production (Agu, Ozioma & Nnate, 2016). Inventory management is essential for both large organizations, medium and small-scale organizations. Inventory management is a procurement management practice that helps to increase organizational performance. Inventory management entails the control of all inventories to enhance productivity and performance. Inventory management involves coordinating the process of inventory procurement, usage, and output (Njoku & Simon, 2018). An organization must put in place a reliable system to maintain the ideal quantity of inventory that ensures accurate tracking of inventory levels within the organization, adequate management of supply chain players, and control of internal stock processes. For firms to adopt an inventory management system, the organization must understand inventory maximization, inventory accuracy, and inventory availability (Muhayimana, 2015). This was measured with cost control, inventory maximization, inventory

Contract management according to World Bank (2017) opined that a contract is said to be effectively managed if it respects the contractual agreement and fulfills all obligations concerning cost, time, quality, and value. According to Mambwe, Mwanaumo, Phiri, and Chabota (2020), contract management involves effective record-keeping, management of risk, and change management. The management contract concept is a procurement management practice that is directly associated with the performance of an organization (Muhammad, Saoula, Issa & Ahmed, 2019). The main objectives of contract management are to make sure that all parties to the

agreement abide by the terms and conditions of the agreement and to document and approve any necessary modifications to the agreement before its execution (Nyaga & Mwangangi, 2019). Considering that contract management is a process, it includes tasks that need to be completed to reap the benefits. Contract duration, contract improvement, contract administration, and dispute resolution are the most important contract management activities (Eriksson & Westerberg, 2017).

E-procurement is defined as the application of technological innovations to the creation of ecologically friendly procurement procedures. E-procurement, according to Abdullahi, Oyewobi, Ganiyu, and Shittu (2021), is the use of internet-based systems and technologies during any or all stages of the procurement process. These tools could be utilized for looking for products, ordering them, negotiating prices, and reviewing purchases once they have been made. Mwangi (2020) asserts that electronic procurement is quicker than manual sourcing, delivery to the post office, and traditional archives when it comes to transmitting, organizing, and categorizing financial data. Due to how simple it is to update inaccurate information; the majority of organizations prefer the traceability and monitoring nature of electronic procurement. To be more competitive and to provide better products and services, businesses have adopted e-procurement strategies (Shale, 2015). The use of e-procurement facilitates the provision of products and services by assuring suitable bidding and the formation of more effective pricing (Wagana & Kabare, 2015). Additionally, it has been embraced as a method of reducing corruption and enhancing institutional building capacity processes. (Internet-connected activities like e-tendering, e-payment, and e-sourcing have all utilized e-procurement techniques.

1.1.3 Supermarkets in Nairobi County

Supermarkets are regarded as large shops and stores that provide grocery supplies, provisions, foodstuff, and other basic amenities under the same facility thereby serving their customers. Kenya started playing a crucial role in the growth of supermarkets in East Africa. Supermarkets in Kenya have evolved from a small section at the turn of the millennium to 40% of the megacities marketplace in 2010. In terms of supermarket recognition, Kenya is the 2nd biggest emerging economy in Sub-Saharan Africa after South Africa.

Kenya has approximately 406 supermarkets and 20 hypermarkets, according to the 2010 Economic Survey. Retail stores, such as local stores and the overall market, have lost a significant portion of their market share to supermarkets in the previous ten years, as traditional meals and essentials retailing has undergone significant transformation. In recent years, Kenya's grocery industry has faced several challenges ranging from intense competition, poor infrastructure, unreliable transportation, limited access to quality suppliers, pricing pressure, and consumer preferences and behaviors (Dannenber, Fuchs, Riedler & Wiedemann, 2020). This has resulted in the number of locations being decreased from 314 to 189 between 2018 and 2020 with major retailers such as Nakumatt, Tuskys, and Uchumi among the major casualties (Sande, 2021).

Many supermarkets operating in Nairobi City County utilize supplier relationships and collaboration to drive sales such as Tuskys, Naivas supermarket, and Uchumi supermarkets (Wanjiru, 2018). Since its independence, Nairobi, Kenya's national capital, has attracted both domestic and international commercial investment. Supermarkets are categorized as attractions of a lot of business investment (Maiywa, 2013). The first supermarket to be established in Nairobi County, Kenya was

Westland's General Store in 1960, later on; Abrahams Self Service Store was established in 1970 while Uchumi supermarket was established in 1975. Uchumi dominated the modern supermarket retail business in Kenya for a long time until the family-owned Nakumatt Supermarket entered the market in 1987. Both Uchumi and Nakumatt dominated the supermarket industry until the mid-2000s when both began experiencing cash-flow issues that forced the closure of the majority of their branches. This has allowed Tuskys and Naivas, two local family-owned supermarkets, to take the lead, followed by other chain supermarkets such as Chandarana and Eastmatt. Carrefour, Quickmatt, Shoprite, and Choppies are among the international supermarket chains that have entered the market to share the spoils left by Uchumi and Nakumatt (Hajir, 2021).

The retail sector performed poorly in the 2020 period due to a difficult operating environment as the economy declined. Retailers including Shoprite, Deacons, and Tuskys the former of which is currently having financial difficulties have shown this (Cytomn, 2021). The economy's struggles owing to the consequences of the Coronavirus pandemic in 2020 were to blame for the retail sector's mediocre performance (Kenya Retail Sector Report, 2020). This was demonstrated by the closing of stores by merchants like Tuskys, who are now having financial difficulties. The Kenya Retail Sector Report also reveals that the retail industry saw the arrival of foreign merchants like Carrefour, which became operational at a location in Nairobi alongside the Uhuru Highway and disclosed that it would be expanding to Mombasa, Naivas, which launched places at Mountain View Shopping Mall, as well as the Waterfront shopping centers in tandem Mombasa Road between additional locations, and Quickmart, which paved an array of spots comprising Nanyuki Branch in Nanyuki Mall, CBD across Tom Mboya Street, Buruburu branch and in Kilimani within other

locations. By occupying premium retail sites left vacant by their struggling peers, certain merchants' entry and expansion have softened the industry's performance.

1.2 Statement of the Problem

The significance of supermarkets in the retail subsector cannot be overstated, however, recent poor performance is a concerning issue that needs attention (Aseyo *et al.*, 2018). To thrive in the face of dynamic environments of business, globalization, systematic risks, and surging local competition and foreign entrants, Kenyan supermarkets must develop their networks to offer diverse products that require substantial capital investment (Yang *et al.*, 2022). While diversifying their portfolios can minimize unsystematic risks, systematic risks cannot be managed through simple diversification, necessitating a deeper understanding of their impact on performance (Demmleret *al.*, 2017). Consequently, some supermarkets have sought finance through equity financing, yet even with this funding, they have struggled and faced branch closures (Aseyo *et al.*, 2018).

The difficulties encountered by the Kenya grocery industry extend beyond financial concerns. Supply chain management poses a significant hurdle due to inadequate infrastructure, unreliable transportation, and limited access to quality suppliers (Mogire *et al.*, 2022). Additionally, consumer preferences and behavior play a crucial role, with changing trends and demands requiring supermarkets to adapt their offerings (Assis *et al.*, 2018). Furthermore, the last-mile delivery problem presents obstacles such as a system of good national address that is lacking, concerns about traffic, issues of security, delivery high costs, and unreliable postal services (Mogire *et al.*, 2022).

Leading Kenyan supermarkets have been facing challenges and poor performance experience, which has led to the shutting down of businesses or a fall in branch numbers

(Muturi, Omwenga & Owino, 2017). The large-sized selected supermarkets' return on assets has been decreasing over the years which fell between 2016 and 2017, from 0.1418 to 0.1390, and between 2018 and 2019 from 0.1473 to 0.1446 indicating a decline in financial performance (Mwaura, 2019). The number of branches closed down by big supermarkets increased by 39.8 percent from 314 to 189 (Mboya, 2020). Similarly, medium-sized supermarkets have also experienced fluctuating returns on assets (Lyu & Chen, 2022). Medium-sized supermarkets had a return on assets of 0.0810 in 2015; this figure rose to 0.0837 in 2016 and 0.920 in 2017. But in 2018 and 2019, this number dropped to 0.0893 and 0.0865, respectively. Even though other retail companies have profited from this, in 2020 there were only 13 new stores created and 125 branches closed. Additionally, international supermarket chains like Shoprite have closed their branches in Kenya due to underperformance (Lyu & Chen, 2022). The factors attributed to the poor performance of these supermarkets have been linked to a lack of appropriate procurement technique management thus leading to non-satisfaction of customers in Nairobi City County, Kenya. The most affected supermarkets are Nakumatt, Tuskys, Uchumi, Naivas, and Quickmart.

Several studies examining the connection between procurement management practice and performance have been undertaken. Amoako-Gyampah (2018) established a significant effect of supplier relationship management and firm performance in emerging economies. Simon and Chukwuemeziem (2018) also uncovered a significantly positive effect of inventory management on organizational performance. Muhammed, Saoula, Issa, and Ahmed (2019) demonstrated a substantial relationship between variables such as contract management and performance characteristics in Indonesia. Furthermore, Chepng'etich, Waiganjo, and Ismael (2020) unravel the

significance of strategic supplier relationships and the effectiveness of Kenya's decentralized government systems.

Although there exists a nexus between procurement management practice and performance, studies such as Chepng'etich, Waiganjo, and Ismael (2020); Sunmola and Shehu (2021); and Amahalu, Egolum, Ezechukwu, and Obi (2018) have conducted their researches in different contexts like government and food, thus providing a contextual gap for this study to fill. Additionally, Hajir (2021) examined how e-procurement procedures affected the operational effectiveness of Kenya's Nairobi City County Retail Selected supermarkets' study focused on e-procurement, providing a conceptual gap. In addition, it is also noted that few studies have focused on supermarkets in Nairobi City County. Therefore, with these gaps, most studies focused on other sectors providing a foundation for this study as it sought to determine how procurement management practices affect the performances of Kenyan large and medium supermarkets in the City of Nairobi County.

1.3 Objectives of the Study

1.3.1 General Objective

The core objective of the survey was to evaluate procurement management practices' effect on selected supermarkets' performance in Kenya with particular reference to the City of Nairobi County.

1.3.2 Specific Objectives

Specifically, the objectives were:

- i) To determine the influence of supplier relationship management practices on the organizational performance of selected Supermarkets in Nairobi City County, Kenya.
- ii) To assess the influence of inventory management practice on the organizational performance of selected Supermarkets in Nairobi City County, Kenya.
- iii) To determine the influence of contract management practice on the organizational performance of selected Supermarkets in Nairobi City County, Kenya.
- iv) To evaluate the influence of e-procurement adoption management on the organizational performance of selected Supermarkets in Nairobi City County, Kenya.

1.4 Research Questions

The research sought to answer these research questions:

- i) What is the influence of supplier relationship management practices on the organizational performance of selected Supermarkets in Nairobi City County, Kenya?
- ii) What is the influence of inventory management practice on the organizational performance of selected Supermarkets in Nairobi City County, Kenya?
- iii) What is the influence of contract management practice on the organizational performance of selected Supermarkets in Nairobi City County, Kenya?

- iv) What is the influence of e-procurement adoption management on the organizational performance of selected Supermarkets in Nairobi City County, Kenya?

1.5 Significance of the Study

The investigation was essentially for policymakers and governing bodies of the wholesale and trade business sector towards the successful attainment of 2030 Kenya's vision as the findings from the investigation would offer adequate depth on procurement management practices' effects on selected supermarkets' performances. The study's findings would be crucial for policymakers in Kenya by providing them with relevant insight into the factors militating against the growth and performance of the supermarkets. This would allow for an urgent need to be recommended to enhance the chain of suppliers by providing infrastructures that would improve the Kenyan performance of the supermarkets.

The inquiry was also useful for the management of the supermarkets in Nairobi, Kenya in making procurement decisions that can improve their sales and performance. The results of these studies would be useful to supermarket management because they would shed light on the relationships between organizational performance and procurement practices. These would aid in the creation and application of policy for executing supermarket procurement procedures correctly. It would also enable them to map out strategies regarding the effective implementation of procurement management practices.

Lastly, when used as a reference, the work would be important to scholars in academia and researchers for further studies. It would be very important to academics and researchers because it would expand our understanding of the connection between

procurement methods and organizational success. As a result, the investigation's findings would be crucial sources of information and highlight any research gaps for academics and other researchers. Therefore, additional study would be done on the concepts to increase our understanding of procurement processes.

1.6 Scope of the Study

The survey determined the effects of procurement management practices on selected supermarket performances in Nairobi County, Kenya. The registered supermarkets are provided in Appendix III. These supermarkets were selected due to their high concentration within the city of Nairobi portraying significant demand alongside higher population compared to other counties. This creates a larger and more concentrated pool of potential customers with higher purchasing power, making it more attractive for supermarkets to establish outlets. The explanatory factors were supplier relationship management, inventory practice, and contract practice while the dependent variable was performance. Stakeholders theory, Resource Based View, and System Theory are going to act as secondary study foundations. The study adopted a descriptive research design due to its unique capability when dealing with primary data which was used by the survey while the data instrument for collection was a questionnaire.

1.7 Limitations of the Study

The survey was confronted with difficulties while gathering data from the respondents as this was characterized by non-compliance by many participants. However, this challenge was addressed by promising the participants that the survey was primarily for academic purposes and was treated with utmost confidentiality. Furthermore, the distance between the different supermarkets constituted delays in the collection of information making it difficult for the data to be gathered within the shortest possible

period. Nevertheless, this challenge encountered was addressed using researcher assistants to ensure that the data was gathered within a short period of time.

1.8 Organization of the Study

The investigation was splitted into five chapters. The first chapter contained background information on the connections between the variables that are independent and dependent, an overview of the problem, research objectives, questions to be investigated, significance, scope, and limitations, as well as the structure of the investigation. A description of the review of literature along with the Research Gaps conceptual structure, and both theoretical and empirical reviews pertinent to the study, was included in chapter two. Further details about the methodology of research, comprising research design, population being studied, sample design, data collection process, analysis of data, and ethical considerations, were covered in the third chapter. While interpretation was provided in the fourth chapter, findings summary, conclusion, and recommendation were reported in the fifth chapter.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The theoretical foundations relating to the survey consisted of the stakeholders', resource-based view, and system theories were considered in this chapter. Also, a study establishing the relationship between suppliers' relationship management, contract management, inventory management, and performance was discussed and the gaps for this survey were identified.

2.2 Theoretical Review

The theoretical underpinning considered in this section provided a link that was described between the variables in the survey pertaining to supermarkets in the study area. Stakeholders', resource-based views and system theories were explained and supported with the survey factors.

2.2.1 Stakeholders Theory

Freeman (1984) advanced the stakeholders' theoretical course. Stakeholders' theory can be best described as a view, variety of ideas, metaphors, and expressions relating to the stakeholders' value objectives. The theory originated from four lines of organizational research management which include organizational theory, systems theory, strategic organizational planning, and corporate social responsibility (Strand & Freeman, 2015). Managers should establish a model centered on the stakeholders' concept, according to Freeman (1984). The vocabulary was created by Freeman and other academics from around the globe in such a way that it discusses the issues of generating value and trade, the moral principles of capitalism, and the administrative accountability market

throughout the 1980s and the 1990s. The stakeholder's theory further opined that the adoption of an analysis unit concerning relationships between businesses and people can be affected by the above-listed problems.

The management of the relationship between a stakeholder and the people involved in the business should be done by the executive (Freeman, 1984). When conflicts arise between a group of stakeholders, the conflict should be settled by the executives by finding a way to address the problems (Harrison, Bosse & Philips, 2010). Efficient management of the relationship that exists between stakeholders helps businesses to survive the test of time in most capitalist systems (Phillips, 2003). The stakeholder view has been globally utilized in a great number of disciplines in such areas as government administration, legislation, policies regarding the environment, medical care, and morality (Freeman *et al.*, 2010). Stakeholder theory comprises a variety of theories that involve a compilation of various normative values.

The stakeholder theory of management has received criticism from various perspectives. One criticism is that the theory lacks a clear definition of who qualifies as a stakeholder and how their interests should be prioritized as well as it fails to provide clear guidance on how to balance conflicting stakeholder interests (Donaldson & Preston, 1995; Pedrini & Ferri, 2019). This ambiguity can make it difficult for managers to effectively implement stakeholder management strategies (Reynolds *et al.*, 2006). Additionally, some argue that the theory places too much emphasis on the stakeholders' interests to the detriment of shareholder value maximization (Wallace, 2003). This criticism suggests that stakeholder theory may not align with the traditional goal of financial management (Tian & Zhang, 2016).

The stakeholder theory underpins organizational performance by emphasizing the importance of considering the interests of all stakeholders and managing these relationships effectively. By adopting a stakeholder-oriented approach, organizations can enhance their reputation, gain a competitive advantage, and achieve sustainable success. This theory recognizes that stakeholders perform a crucial role in determining an organization's performance and highlights the need for organizations to engage with and respond to their stakeholders' needs and expectations.

2.2.2 Resource-Based View Theory

The proposition was put forward by Barney (1991). RBV proposes that creative value propositions, exceeding customer expectations for the price paid, are key drivers of competitive advantage. The dominant research trend explores corporate resource identification and deployment strategies for achieving and sustaining this edge (Barney, 1991). Through the viability of local partnerships in emerging economies, or affiliates of their parent companies, global company strategists additionally clarify the accomplishments and failings of corporations across borders. To truly understand local value creation, tapping into the expert insights of an affiliate or forging a local partnership becomes a resource worth its weight in gold (Barney & Griffin, 1992). The Resource-Based View posits that companies possess unique and invaluable bundles of skills and assets, acting as potent weapons in the battle for long-term competitive advantage.

As per the resource-based approach, a firm's competitive edge helps to increase organizational productivity and performance (Barney & Clark, 2007). It stated that organizational unique financial resources, human capital, skills, and technology provide a competitive edge for your company over rivals in achieving improved performance.

It further noted that resources can be categorized as tangible and intangible and can either be owned by the organization or jointly owned and controlled by two or more organizations (Amabile, 1996). RBV theory is noted with its approach in examining the importance of competitive strategies in improving performances in that unique resources are the sure bet of organizations in enhancing performance (Lado & Wilson 1994).

The criticisms of the resource-based view theory revolve around several key points. One criticism is that the theory lacks clear guidelines for identifying and evaluating resources and capabilities that can lead to a sustainable competitive advantage (Grant, 1996). This ambiguity can make it challenging for managers to effectively apply the theory in practice and make strategic decisions. The hypothesis paints a detailed portrait of the internal machinery driving firm performance, yet overlooks the broader canvas of external forces (market dynamics and industry conditions) that can significantly influence its trajectory (Furr & Eisenhardt, 2021). Despite these criticisms, the theory has been praised for its emphasis on the role of resources and capabilities in creating and sustaining competitive advantage (Hart, 1995). It offers a framework for understanding the leveraging of firms on their unique resources and capabilities to achieve superior performance.

The adoption of the proposition to this survey as it connotes a strategic management concept that suggests that a competitive sustainable advantage is attained when a firm has unique, valuable, rare resources and capabilities that are hard to mimic or substitute. In the context of the inventory management practice of supermarkets, the theory can be applied to recognize the resources and capabilities that can offer a competitive advantage in the market.

Supermarkets can turn their existing tools and talents into gold by revamping how they manage their inventory, giving them a serious leg up on the competition. For instance, supermarkets can use their advanced inventory management systems to track inventory levels, monitor sales trends, and forecast demand. This can assist in optimizing inventory levels, reducing stockouts, and minimizing waste. Additionally, supermarkets can leverage their relationships with suppliers to negotiate better prices, improve delivery times, and ensure the availability of high-quality products. The relevance of this theory to supermarkets entails that these businesses can leverage their expertise in logistics and supply chain management to optimize their inventory management practices. They can also leverage their brand reputation and customer loyalty to differentiate themselves from competitors and attract more customers.

2.2.3 System Theory

The system theory was put forward by von Bertalanffy (1950). This theoretical framework is predicated on the basis that an organization is whole, interdependent, hierarchy, openness, and equifinality. The theory assumes that an organization is an organized whole, comprised of interrelated and interdependent components. This means that the system as a whole possesses properties that are not present in its parts. Systems theory concentrates more on three (3) basic stages of observation which include the surroundings, the human members inside the corporation, and the social structure as a whole (Poole, 2014). This theory explains the interconnection with the organizational structures where no part of the organization operates in isolation thus leading to the organizational goals achievement.

Systems theory is a discipline that encompasses all natural, environmental, and scientific systems (Capra, 1997). Von Bertalanffy (1956) contrasted this definition by

defining a system as a complex entity made up of interconnected parts. Systems theory aims to illuminate the dynamic interactions and interdependencies that exist among the different parts of the system. For an extended period, researchers in organizational studies were quick to embrace systems theory after realizing that traditional models were inadequate to explain intricate corporate actions. As awareness of the multifaceted nature of the work setting has grown, the systems theory's adoption has been possible (Ashmos & Huber, 1987).

The theoretical course is criticized on the foundation that it provides a closed framework of application in management which cannot be applied in a dynamic world. The argument put forward does not provide room for human creativity, and obstacles to effective management. These criticisms suggest that the system theory of management may have limitations in its ability to fully explain and address the complexities and challenges of organizational management. Despite these weaknesses, the proposition remains vital as it provides the ground to which supermarkets adopt e-procurement towards enhancing the performance of the supermarkets in Kenya's City of Nairobi County. This signifies that the supermarket's procurement function constantly interacts with the external environment, including suppliers, market trends, and regulatory changes. E-procurement systems act as interfaces, facilitating smooth information exchange and resource flow between the organization and its environment. By automating and streamlining processes, e-procurement can enhance the organization's adaptability and responsiveness to external factors that form part of the supermarket service delivery.

2.3 Empirical Review

Studies were reviewed to establish the relationships between supplier relationship management, inventory management, contract management, and performance.

2.3.1 Supplier Relationship Management Practices and Organizational Performance

Amoako-Gyampah (2018) examined relationship management with suppliers and business performances in emerging nations. Data was gathered from firms in Ghana with the aid of a questionnaire. The questionnaire respondents happened to work at senior levels for the companies. The study population comprised senior managers from different companies in the Greater Accra Tema Metropolis Area and Sekondi-Takorandi area in Ghana. Two hundred and fifty (250) questionnaires were returned of which only one hundred and forty-nine (149) were found useful. A three-factor measurement approach was used to assess the data's validity and dependability. At the conclusion of the study, it was determined that SRM had positively substantial impacts on the firms' performances. The earlier investigation was performed in Ghana thus providing a contextual gap as Kenya was where the conduct of the current study took place.

Amedofu, Asamoah, and Owusu (2019) examined the effects of supplier relationship methods on Ghanaian start-up performances and customer development. Data for the research project was gathered from Ghanaian startups. The questionnaire respondents include the founder of the start-up, CEOs sales executives, and operational managers. Three hundred (300) start-up respondents filled out the questionnaire of which only seventy-two (72) were selected as useful for the study. SEM was applied to analyze the research models. Results showed relationships between supply chain management and

startup performances that are favorably significant. In the prior study, supply chain management and its impacts on customer development and startup performances were given more weight. This study concentrated on supplier relationship management and how it affects the performances of supermarkets thus providing a conceptual gap that this study filled.

Oduro, Nyarku, and Gbadeyan (2020) carried out a study on healthcare efficiency and supplier relationship management in Ghana's expanding economy. Six thousand eight hundred and fifteen (6815) healthcare institutions in Ghana were used to collect the population for the research. These facilities included teaching medical facilities community-based wellness programs and services, hospitals, district medical centers, healthcare facilities midwives/maternity centers, and polyclinics. The cross-sectional design was deployed through the means of an explanatory survey. The study test models were conducted using quantitative research. Two hundred and thirty (230) hospitals were later selected with the utilization of simple random and convenience sampling techniques. A structural questionnaire was utilized in data garnering for the study with CEOs, purchasing managers, managers of marketing, and logistics supervisors as the questionnaire respondents. At the end of the study, the findings revealed supplier relationship management dimensions. The performances of private hospitals in Ghana are profoundly affected beneficially by factors including interaction, collaboration, trust, environment, and adaptability. Also, cooperation, adaptation, and atmosphere have a positively insignificant effect on public hospitals while communication and trust have a positively significant effect on public hospitals. The prior investigation, nevertheless, was limited to Ghanaian hospitals hence offering a contextual gap as supermarkets in Kenya were the subject of this study.

Chepng'etich, Waiganjo, and Ismael (2020) investigated the performances of Kenya's decentralized forms of government on strategic supplier relationships. Through the application of both quantitative and qualitative models, the adoption of a cross-sectional survey approach was done. All personnel in the departments of finances and procurements make up the study population in Ten (10) Kenyan Counties which includes Garissa, Kisii, Nyamira, Narok, Kiambu, Muranga, Homabay, Marsabit, and Bonnet. A stratified random selection method was used to get 166 responders out of a total of 186. Techniques like mean, median, standard deviation, SPSS, factor, and correlation analysis, the information obtained was examined. The study's conclusions showed that there is an advantageous correlation between strategic supplier relationships and the effectiveness of Kenya's devolved forms of government. Cross-sectional survey methodology was adopted in the prior inquiry as methodological gaps were exposed while descriptive design was utilized for the current survey.

In Nairobi's flower businesses, Onyango and Litunya (2021) examined the impacts of supplier management on organizational performance. The audience for the research consisted of flower shops in Nairobi, and three participants from the nine enterprises that were chosen were employed. The investigation investigated the impact of supplier management's component of creating suppliers on the performance of organizations. Descriptive survey methodology was used in the study. Ten flower growers from Nairobi made up the study's population of samples. Top executives and managers in the procurement department were among the intended demographic. The target population of 10 floral companies yielded a sample of thirty participants. Utilization of questionnaires allowed for garnering primary data for the research. Pie graphs, illustrations, as well as tables of frequencies were used to display the research's findings. SPSS version 21.0 was utilized in evaluating quantitative data utilizing

descriptive statistics to ascertain the relationship between parameters, it employed Pearson's product-moment correlation. The outputs uncovered that supplier development has considerable suitable impacts on Nairobi's flower enterprises' performances. The investigation's primary goal on flower businesses in Nairobi City County exposing the contextual gap as this survey was based on large and medium supermarkets in Nairobi City County.

2.3.2 Inventory Management Practices and Organizational Performance

Simon and Chukwuemeziem (2018) sought to examine the organizational effectiveness and inventory control at Dansa Food Limited in Lagos, Nigeria. To evaluate inventory management, the research used a descriptive survey. The Dansa group of companies in Ikeja, Lagos state, made up the research population. A purposeful non-probability sampling strategy was deployed to obtain a total of two hundred and twenty (220) from the sample size, which was chosen at random. One sample T-test served as an assessment of the validity of the research hypothesis, while research questions, descriptive statistics, and easy percentage approaches were employed to examine the information gathered from respondents. To gather information, an established questionnaire was used. At the conclusion of the investigation, it was discovered that inventory control significantly improves the organization's performance metrics. The previous study utilized a purposive non-probability sampling technique while this survey utilized a stratified random sampling technique. Despite the conduct of the survey, a contextual gap was exposed as the former was in Lagos with this having been carried out in Nairobi City County.

Akinlabi, Asikhla, and Obamiro (2018) researched how Nigerian flour milling firms' operational performance is affected by their inventory management techniques. All of the flour milling companies in Nigeria served as the research's core population, and all

of the flour milling companies that are publicly traded on NSE served as its secondary population. Yet, the research's intended demographic consists of the 2,337 personnel who are in charge of overseeing the policy and management of inventory at the flour mills. The chosen companies received structured questionnaires. Using pilot research and exploratory factor analysis, reliability and validity tests took place. Data was descriptively and inferentially analyzed. The research's conclusions showed inventory shrinkage has inverse significant influences on customer satisfaction and inventory control and cost effectiveness have positive important effects. Only Nigerian flour milling enterprises were the subject of the study offering a contextual gap with the emphasis of the current investigation on supermarkets in Kenya.

Amahalu, Egolum, Ezechukwu, and Obi (2018) investigated financial results and inventory control of breweries listed between 2010 and 2016 at the Nigerian Stock Exchange. The survey used historical information that was gleaned from annual statements of finances and reports of companies listed on the NSE. Ex-post facto design methodology was utilized. Seven (7) brewery firms listed made up the survey. The coefficients of correlation and ordinary least squares regression were utilized in data evaluation. The survey's conclusions showed significantly positive relationships between returns on assets with inventory conversion periods. In contrast to the previous study, which used historical data rather than more recent data, the current study used more recent data. Furthermore, the investigation disclosed contextual gaps as the former was in Nigeria with this conducted in Kenya.

Agu, Obi-Anike, and Eke (2018) unraveled the effects of inventory management on the organizational performances of manufacturing selected firms. The survey population size amounts to nine hundred and ninety-six (996). A sample size of two hundred and eighty-five (285) was obtained out of the nine hundred and ninety-six (996) study

population size. Data obtained was with the use of a primary questionnaire and the conduction of an interview. Two hundred and eighty-five (285) questionnaires were issued and distributed to various respondents of which only two hundred and seventy (270) copies were returned. A design based on descriptive survey research was used for the investigation. Utilizing correlation coefficient as well as simple linear regressions statistical techniques, the hypothesis was tested. The study's conclusions showed that there exists a positive relationship between inventory control and with productivity of chosen enterprises. The study however was conducted on manufacturing firms in Nigeria unraveling the contextual gap in which this present survey was conducted using supermarkets in Kenya.

Olanipon, Akinola, and Oladele (2022) analyzed the variables influencing the implementation of inventories/stock management methods in the tertiary medical centers in south-west Nigeria. They concentrated on each of the kinds of inventory management processes utilized there. To acquire data, a questionnaire was given to a sample of staff members from the pharmacies, department/supply, stock/inventory, as well as general department divisions. Considering these individuals are responsible for the colleges' entire inventory management procedures, these departments were specifically chosen. The gathered information was examined using descriptive and inferential statistics. According to the study, tertiary medical centers of Southwest Nigeria are aware of inventory management strategies investigated, including EOQ, JIT, CR, and ABC analysis. It was further determined that the implementation of inventory management strategies by tertiary health care providers of Southwest Nigeria was substantially affected by product categories, demand for products, as well as delivery time. This survey was performed in Nigeria where its procurement procedures are different from Kenya hence exposing a contextual gap.

2.3.3 Contract Management Practices and Organizational Performance

Brian (2018) examined the effectiveness of contract management on contractors' performances in Uganda. The researcher employed a descriptive method of design. The population of the study involved forty (40) people which includes the procurement department members, user department, previous contract management members, human resource and administration, and other employees working in the Ministry of Trade, Industry and Cooperatives. The sample size consisted of thirty (30) respondents in total. The guide for interviews and questionnaires were the tools for collecting data. The survey found that actions and processes involved in contract management have favorable, significant impacts on contractors' performances. But Uganda was the location of the earlier investigation. As a result, Kenya was the location of the current investigation demonstrating a contextual gap.

Muhammed, Saoula, Issa, and Ahmed (2019) investigated contract management and performance characteristics in Indonesia. Through the adoption of qualitative approaches and structured questionnaires which were issued out and distributed, the target respondents were people from various public and private contracts. One hundred (100) questionnaires were distributed and only eighty-three (83) were recovered back. Out of the eighty-three (83) questionnaires that were gotten back, seventy (70) out of them were finally selected. The analysis was carried out with descriptive analysis while empirical association was carried out utilizing regression analysis techniques. At the end of the survey, it was noticed that cost and benefit analysis have significant effects on contract length while project delivery and quality have negative significant impacts on contract length. This study was carried out using qualitative data while quantitative data was used by this current study. More so, the context of the survey was in Indonesia with this having particular reference to Kenya.

By conducting empirical investigations into the impacts of contract management on Kiambu County's performance, Nyaga and Mwangangi (2019) aimed to close the gap. The following study goals served as a guide for the investigation: to ascertain the impact of contract connection management and contract cost management on the performances of Kiambu County. Quantitative approaches and descriptive survey design were utilized. 96 respondents were chosen as a sample for this investigation. The compelling evidence of this study underscores the significant performance gains associated with effective contract relationship management and diligent cost management. Kiambu County's path forward undoubtedly lies in prioritizing improved contract relationship practices. The survey targeted employees in Kiambu County, this study targeted procurement managers and supervisors in supermarkets in Nairobi City County. Although these investigations were performed in Kenya, they were contextually different from each other.

Matto, Ame, and Nsimbila (2021) investigated the influences of contract management on Tanzania's cost-effectiveness procurement. In the study's data sourcing and analysis, a quantitative technique was employed. For the study, a cross-sectional survey method was also implemented. The survey's data came from public sources in Tanzania's Dar es Salaam, Dodoma, and Arusha areas. The study data was gathered from one hundred and sixty-four (164) procurement entities and was analyzed via inferential and statistical data that is descriptive. Findings indicated that contract creation and quality control are crucial elements that improve the financial value of Tanzanian public procurements. The aforementioned study only focuses on public money procurement in Tanzania while the recent study aimed majorly at supermarkets in Nairobi, Kenya providing both conceptual and contextual gaps.

Cherono and Chekwony (2021) addressed contract management's practices effect on the performances of road contractors in Nandi County, Kenya. The research implemented the usage of design which is descriptive. The survey's population entails two hundred (200) employees of the road construction projects, six (6) contractor's managers, thirty (30) ward administrators, thirty (30) members of the county assembly, one hundred and twenty (120) community members, two (2) staff of finance ministry and four (4) staff of the ministry of public work. The research also made use of three (3) sampling techniques for the respondents' selection which include the stratified, sampling, and purposive sampling techniques. The sample size consisted of one hundred and ninety-nine (199) respondents. Inference and descriptive techniques were utilized for data evaluation. The result of the research revealed that contract monitoring, contract administration, contract relationship management, and conflict management have effective effects on road contractor's performance. The former concentrated on road contractors as this survey focused on supermarkets in Nairobi City County, Kenya.

2.3.4 E-Procurement Adoption and Organizational Performance

To determine the motivators and barriers to implementation, Jayawardhena and Jayaratne (2019) looked into the adoption and performance of e-procurement in Sri Lanka's garment supply chain. Data were analyzed using exploratory, confirmatory factor analysis, and SEM. Results proved extensive effects on lowering costs, especially concerning decreasing paperwork and associated mistakes and enhancing the dependability and openness of the procurement process. Additionally, e-procurement led to a decrease in customer complaints, a decrease in reverse logistics expenses, a rise in fill rate, and a reduction in lead times. All stakeholders, notably clients, staff, and suppliers, were more satisfied as a result of the reduced workload. The effectiveness of e-procurement processes has been impeded by incompatibility, improperly established

security systems, and lack of uniform technology across organizations. The study failed to look at the connection between supermarket performances and e-procurement adoptions thus providing conceptual difference.

Features of e-tendering systems' performances were examined from the users' point of view in a case study by Sunmola and Shehu (2021). From the e-tendering literature, the design components were taken. Data from a survey using Kano questions were analyzed using a Kano model. It was found that the e-tendering platform's multiple-user, multi-language, limitless auction time frame, free trial auctions, safety, real-time first interfaces, review capacity, and feedback indicated improved client satisfaction and absorption. Also, encouraging company engagement were elements like leadership oversight, honesty, conformity, and secrecy. A positive correlation between using e-tendering technology and improved business performance by keeping a customer-centered emphasis was discovered. This study employed multilinear regression models to analyze the study, which was conducted using the Kano model as this investigation was on the OLS estimation model indicating the methodological gap.

The procedures of e-procurement effect on the operational effectiveness of Nairobi City County Retail Supermarkets in Kenya were examined by Hajir (2021). The study explored whether e-sourcing, e-tendering, and e-payments affected the operational efficiency of Nairobi City County's retail supermarkets. The Technology Acceptance Model 2 served as a foundation for the study. It was supported by the positivist philosophy, which demanded the use of quantitative methods. It took the form of a case study of Retail Supermarkets as a company or enterprise in Nairobi City County, Kenya. These methods involved interviewing the procurement managers at the store in Nairobi County and gathering primary data using provided questionnaires and interview guides. Regression analyses, descriptive statistics, and Spearman rank

correlations were all used to assess the quantitative data that was gathered. The efficiency of operations of Nairobi City County's retail supermarkets was positively and statistically significantly impacted by e-procurement procedures, according to regression analysis. The report suggests that management make sure that implemented innovations are suitable with existing systems and resources to assure flexibility and usefulness. This study focused on not just e-procurement but also supplier relationships, inventory, and contract management in addition to the study's previous focus on e-procurement practices tendering a conceptual gap filled by this survey.

Studies were conducted by Masudin, Aprilia, Nugraha, and Restuputri (2021) to address how the adoption of e-procurement has altered the productivity of Indonesian manufacturing businesses. The four elements in this study are management support, information accuracy, e-procurement deployment, and business performance. Pilot testing surveys were used to see if participants understood the researcher's questions completely. Participants received the final survey after the initial assessment was finished. To determine the correlations between the factors, software such as SPSS version 21 and SmartPLS v3.0 were used to assess the results of pilot tests and final surveys. The results of the investigation allow for the acceptance of three hypotheses. The results demonstrate that top management supports have important effects on the deployment of e-procurement. The introduction of e-procurement is greatly affected by the quality of the information, and the business's success is considerably affected by the e-procurement adoption. The results of the investigation allow for the acceptance of three hypotheses. The results demonstrate that top management support has a major impact on deployments of e-procurement. The commencement of e-procurement has been significantly determined by the standard of the information, and the firm's performance is heavily impacted by the adoption of e-

procurement, according to other research. This study focused on procurement management practices, including supplier relationships, contract management, inventory management practices, and adoption of e-procurements, as opposed to the previous study's primary focus on e-procurement offering a conceptual gap.

2.4 Summary of Literature Reviews and Research Gaps

Table 2.1: Summary of Literature Review and Research Gaps

Researcher/ Year	Purpose of the Study	Key Findings	Research Gaps	Addressing Research Gaps
Amoako-Gyampah (2018)	Examined supplier relationships management and firm performances in developing economies	Supplier relationship management positively affects firm performances	The earlier investigation was conducted in Ghana thus providing a contextual gap	Kenya was where the conduct of the current study took place
Brian (2018)	Examined the effectiveness of contract management on contractors' performances in Uganda.	The study found that actions and processes involved in contract management have favorable, significant impacts on contractors' performances	But Uganda was the location of the earlier investigation as it provided a contextual gap	Kenya was the location of the current investigation utilizing supermarkets in Nairobi City County
Amahalu, Egolum, Ezechukwu and Obi (2018)	Investigated financial results and inventory control of breweries that were listed on the Nigerian	The study's conclusions showed substantial positive relationships between returns on assets and inventory conversion periods	The investigation disclosed contextual gap as the former was in Nigeria	The conduct of this survey was in Kenya
Akinlabi, Asikhla and Obamiro (2018)	Researched how Nigerian flour milling firms'	The research's conclusions showed inventory	Only Nigerian flour milling enterprises were the	The emphasis of the current investigation was on supermarkets

	operational performance is affected by their inventory management techniques	shrinkage has negative significant influences on customer satisfaction and inventory control and cost effectiveness have positive important effects.	subject of the study offering a contextual gap	in Nairobi City County, Kenya
Aguet <i>et al.</i> (2018).	Effects of Inventory Management on Organizational Performances of Selected Manufacturing Firms	Revealed inventory managements have significant effects on organizational performances	The study however was conducted on manufacturing firms in Nigeria unraveling the contextual gap	The present study's target population was supermarkets in Kenya.
Simon <i>et al.</i> (2018).	The study aimed to examine the inventory management and organizational performance of Dansa Food Limited in Lagos, Nigeria	Inventory management significantly affected organizational performances	Despite the conduct of the survey, a contextual gap was exposed as the former was in Lagos	The current study was carried out in Nairobi City County supermarkets
Nyaga and Mwangangi (2019)	Investigations into impacts of contract management on Kiambu County's performances	The study's conclusions showed that managing contract relationships and managing costs considerably and favorably impacts performance	The study targeted employees in Kiambu County which is contextually different	This study targeted procurement managers and supervisors in supermarkets in Nairobi City County
Muhammed <i>et al.</i> (2019).	Investigated contract management	There exists a positive effect of contract	The study adopted the use of qualitative	The present study adopted the use of quantitative data.

	and performance characteristics in Indonesia	management on performance	data presenting Methodological gap. The context of the survey was Indonesia	This study was of particular reference to Kenya
Jayawardhena and Jayaratne (2019).	Investigated the adoption and performance of e-procurement in Sri Lanka's apparel supply chain to identify the drivers and impediments to implementation	The findings revealed a significant impact on cost reduction, particularly on eliminating paperwork and associated errors, thus improving the procurement process's reliability and transparency	The study failed to look at the connection between supermarket performances and e-procurement adoptions thus providing conceptual difference.	This study investigated the relationship between e-procurement and supermarket performance
Oduro <i>et al.</i> (2020).	Explained supplier relationships management and organizational performances of hospitals in Ghana	Significant relationships between supplier relationships management and organizational performances were found	The prior investigation, nevertheless, was limited to Ghanaian hospitals hence offering a contextual gap	Supermarkets in Nairobi City County in Kenya were the subject of this study
Chepng'etic <i>et al.</i> (2020).	Investigated the strategic supplier relationship on the performance of devolved systems of government in Kenya	A significant positive effect of supplier relationship management and performance	Cross-sectional survey methodology was used in the prior study as methodological gaps were exposed	Descriptive research design was used in the current study
Onyango and Litunya (2021)	Examined impacts of supplier management on organizational performance of Nairobi's	The study's findings showed that supplier development has considerable suitable impacts on	The investigation's primary goal on flower businesses in Nairobi City County is to expose the contextual gap	This study was based on large and medium supermarkets in Nairobi City County

	flower businesses	Nairobi's flower enterprises' performances		
Matto, Ame and Nsimbila (2021)	Investigated the influences of contract management on Tanzania's cost-effectiveness procurement	Findings indicated that contract creation and quality control are crucial elements that improve the financial value of Tanzanian public procurements	The aforementioned study only focuses on public money procurement in Tanzania providing both conceptual and contextual gaps	The recent study aimed majorly at supermarkets in Nairobi, Kenya
Cherono and Chekwony (2021)	The study explained the effects of contract management practices on the performance of road contractors in Nandi County, Kenya.	A significant effect of contract management on performance	The former concentrated on road contractors in Nandi County, Kenya offering contextual gap	The present study utilized only a stratified random sampling technique Methodological gap
Sunmola and Shehu (2021)	Conducted a case study to evaluate performance characteristics of e-tendering systems from the users' perspective	According to the study, adopting technologies with a focus on customer needs is positively associated with increased business performance.	This study employed the Kano model providing a methodology gap	This study used a multilinear regression model to examine the study.
Hajir (2021).	investigated the impact of procurement practices on the operational performance of Nairobi City County Retail	Regression analysis revealed that e-procurement practices had a positive and statistically significant impact on the operational	The study's previous focus on e-procurement practices tendered a conceptual gap filled by this survey.	This study focused on not just e-procurement but also supplier relationships, inventory, and contract management in addition to e-

	Supermarkets in Kenya	performance of retail supermarkets in Nairobi City County.		procurement practices
--	--------------------------	--	--	--------------------------

Source: Researcher (2023)

2.5 Conceptual Framework

It is a diagram that visually establishes relationships between procurement management practice, inventory management, contract management, and performance.

Independent Variables

Procurement Management Practices

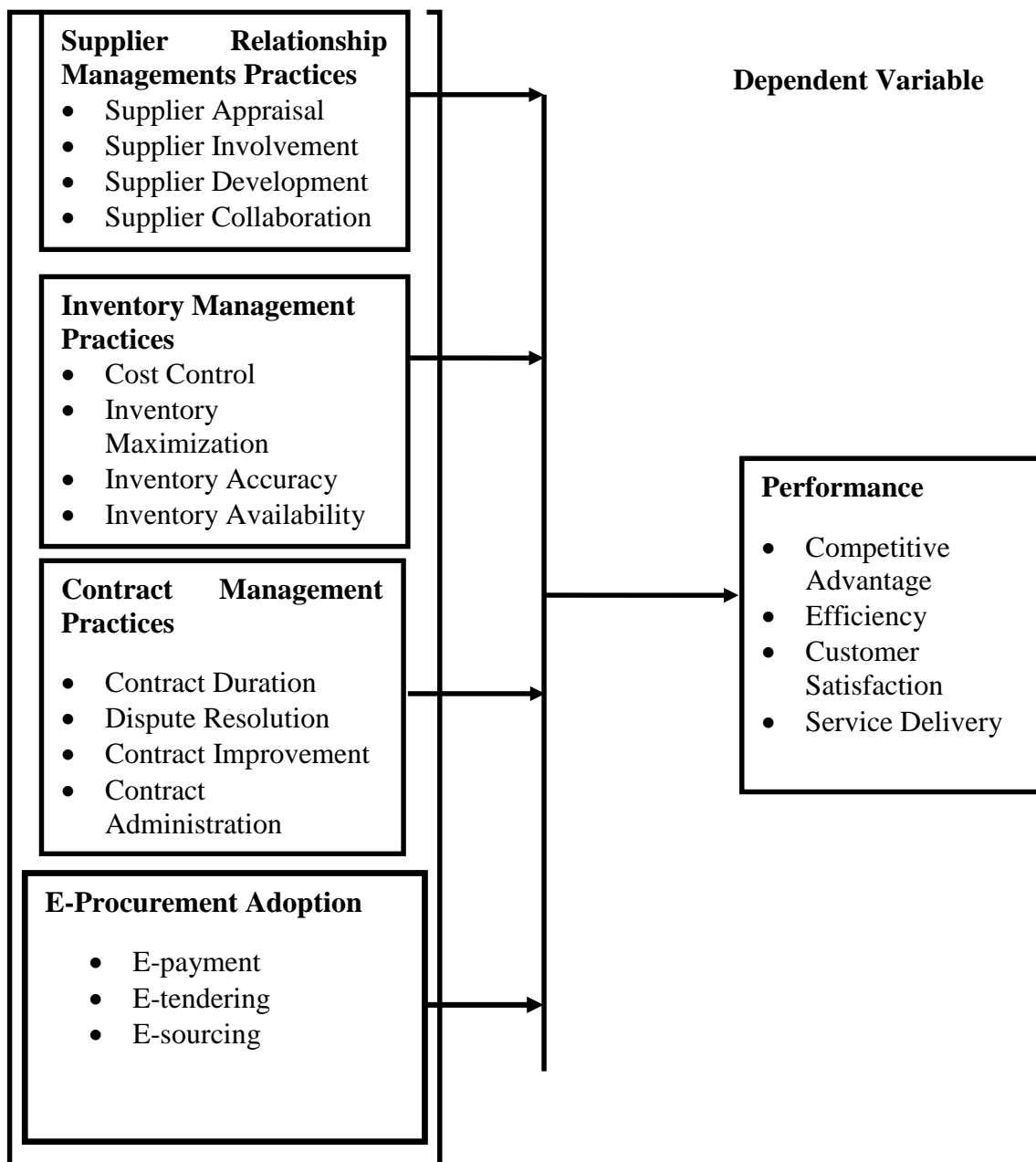


Figure 2.1: Conceptual Framework

Source: Researcher, 2023

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The chapter presents the design for the survey, the unit of observation and analysis, the design for sampling, the collection of instrument data, the validity and reliability test on the collection of data instruments, data procedure collection, data analysis and presentation, and ethical considerations.

3.2 Research Design

As observed by Saunders and Lewis (2014), research design describes processes of population selection, data collection, and data collection in providing answers to a research question. Kothari (2010) describes research design as a map and guideline that illustrates the process involved in providing the solution to a research objective. Nelson (2014) posits that descriptive research design gives a clear description and solution to a research problem using charts and graphs. Therefore, the study adopted a descriptive research design due to its unique capability when dealing with primary data (Creswell, 2014) to determine the effects of procurement management practices on the performances of Nairobi County's supermarkets in Kenya.

3.3 Target Population

The population targeted is a collection of components, incidents, people, or families in which a researcher is interested in studying to extrapolate application (Kerlinger & Lee, 2007). The study targeted all of Nairobi City County's registered supermarkets. There are 94 retail supermarkets (See Appendix III) that are officially licensed and functioning (Retail Trade Association of Kenya, 2020). Each one of the supermarket's

procurement managers and officers was the survey focus. The selection of the procurement managers was contingent upon their influences over supermarket procurement policies and their familiarity with the store operations.

Table 3:1: Target Population

Respondents Categories	Target Population	Percentage (%)
Procurement Managers	94	33%
Procurement Officers	188	67%
Total	282	100

Source: Researcher, 2023

3.4 Sampling Design

Sampling design is the mechanism through which samples are gathered for a study (Creswell, 2014). This is a subset of a target population that was employed for a survey (Mugenda & Mugenda, 2013). This study conducted a census where the respondent was drawn from all the supermarkets within the target population. Baffour, Chandra, and Martinez (2019) noted that the application of census increases precision in the conclusion of an investigation.

3.5 Data Collection Instrument

Data collection instruments are essential tools used in research to gather data from participants. These instruments can take various forms, such as questionnaires, surveys, tests, or scales. The design and selection of a data collection instrument are crucial to ensure the data collected validity and reliability (Ganesha & Aithal, 2022). The tool for data gathering was a questionnaire. Questionnaires allow researchers to gather data from a large number of participants efficiently and cost-effectively (Gelder *et al.*, 2010). By using a standardized set of questions, data can be collected consistently from a diverse sample, which enhances the generalizability of the findings. Drawing from this

a structured questionnaire was adopted where the participants were conditioned to specify the strength of agreement or disagreement with certain statements.

3.6 Pilot Test

Mugenda and Mugenda (2003) recommend that uncovering the validity and reliability of data collection devices would have significant impacts on the precision of the data obtained. Therefore, a pilot survey was performed using Naivas and Joyland supermarkets in Kiambu County where five participants were drawn from each. The questionnaire and the final analysis were done to ascertain the best outcome for the main research.

3.6.1 Validity of Research Instrument

The validity of the research instrument was attained through the validity of content and construct. Content validity was done by face validity in which research specialists were provided with the questionnaire and supervisor to check for structure and wording alignment and also to check for grammatical blunders and spellings. The questionnaire was validated constructively by conducting a pretest on the five participants drawn from Naivas and Joyland supermarkets.

3.6.2 Reliability of Research Instrument

The instrument reliability was assessed via Cronbach-Alpha internal consistency testing to determine the validity of the instruments. It is commonly used in research to determine the magnitude to which the items in a scale or questionnaire are measuring the same underlying construct (Tavakol & Dennick, 2011). Ten procurement managers and officers from Kiambu County supermarkets were utilized for the pilot survey to ascertain the reliability of the questionnaire for the collection of information. This is

done to ascertain the reliability and precision of the measurements of the questionnaire. The study additionally employed a Cronbach-Alpha internal consistency p- p-value of 0.70 to assess the questionnaire reliability. Affirming this, Tavakol and Dennick, (2011) poignantly noted that a Cronbach's alpha value of 0.7 or higher is normally well thought-out and acceptable for surveys.

3.7 Data Collection Instrument

The data instrument utilized for collection is a tool and method researchers use to gather information for their studies. Choosing the right instrument is central to ensuring the validity and reliability of your research outcomes (Creswell, 2018). This survey adopted a structured questionnaire for the respondents' data collection. The adoption of the questionnaire is due to the several advantages, including the ability to reach a large number of respondents, generate standardized, quantifiable, empirical data, produce qualitative information via open-ended questions, and be confidential and even anonymous (Babbie, 2016). They can also be used to stand for a larger population that allows for case comparisons.

3.8 Data Collection Procedure

This entails the processes through which the data was gathered from the participants using the questionnaire. In cross-cultural surveys of international business, for instance, invariance in sample frames, data procedures collection, and sampling methods are vital for achieving construct and measurement equivalence (Chidlow & Ghauri, 2011). Furthermore, researchers need to adopt and report data collection procedures adequately to ensure the reliability and validity of their outcomes (Hult *et al.*, 2008). The researcher acquired a recommendation letter from NACOSTI and Kenyatta Graduate School. Prior to the data collection date, the researcher went to the

supermarkets and collected approval before distributing questionnaires to the respondents. Drop-and-pick method was utilized for collecting the questionnaire after self-administration. During the questionnaire administration, instructions and explanations were conveyed to the respondents patiently and respectfully for comprehension.

3.9 Diagnostic Tests

3.9.1 Normality Test

Normal data distribution was assessed using the Shapiro-Wilk test. This test is used to assess the presence or absence of normality in a dataset. The test is on the comparison of the observed data with the expected values under the assumption of normal distribution. One side of the statistical coin (the null hypothesis) flips heads for normality, while the other (the alternative hypothesis) tails towards the possibility of a non-normal distribution. To interpret the outcomes of the Shapiro-Wilk test, the computed p-values are compared to a predetermined level of significance, typically set at 0.05. If the p-values are greater than this threshold, it indicates that there is insufficient proof to invalidate the null hypothesis.

3.9.2 Multicollinearity Test

Multicollinearity refers to the presence of redundant relationships among independent variables in a regression model. These relationships can be either positive or negative, regarding the direction of the association. However, multicollinearity becomes problematic in regression models when there is a high degree of collinearity. While it is not possible to eliminate this issue in a regression model, it is generally accepted that low collinearity is acceptable. Therefore, a variance inflation factor of 10 was utilized as the threshold for determining the severity of the collinearity. A VIF value of 1

indicates no relationship among the independent variables, while values between 1 and 5 suggest a moderate link between the variables. A VIF range of 5 to 10 indicates a high degree of collinearity between variables. If the VIF exceeds 10, the estimated coefficients are only tentatively calculated due to the presence of multicollinearity (Kim, 2019; Gómez *et al.*, 2020).

3.9.3 Heteroscedasticity Test

The presence of heteroscedasticity in a regressed estimation model indicates that the error terms of the predictors exhibit varying variances across the observed data. Heteroscedasticity can arise due to several factors, including omitted variables, outliers in the data, or an inadequately specified model expression. To determine whether heteroscedasticity exists in the model, the Breusch-Pagan-Godfrey test can be employed. The null hypothesis of the test assumes the presence of homoscedasticity, while the alternative hypothesis suggests the presence of heteroscedasticity when the computed p-value from the test is above 0.05.

3.9.4 Autocorrelation Test

In the process of estimation, it is expected that the prediction error of an event should not be correlated with the error that occurred prior to the prediction. Autocorrelation refers to the situation where the error made in the current period is associated with the error made in a future period. The presence of autocorrelation can have significant implications for the outcomes of a regression model, leading to unjustified conclusions. To determine whether autocorrelation exists in the model, the Breusch-Godfrey test was utilized. This statistical duel pits the null hypothesis, championing the independence of observations, against the alternative, which whispers of hidden dependencies lurking within the data, revealed by a p-value crossing the critical

threshold of 0.05. If the computed p-value is above 0.05, it shows that the evidence is not enough to reject the null hypothesis.

3.10 Data Analysis and Presentation

The data evaluation was descriptively and inferentially performed. Descriptive statistics which include mean, frequency, and percentage are used to perform basic analysis of the data gathered. Multiple regression analyses were utilized during inferential analysis to ascertain the effect of e-procurement adoptions, inventory management practices, contract management practices, and supplier relationship management practices on the performances of supermarkets in Nairobi County, Kenya. The result of the analysis was presented in charts and tables.

The regression model used is shown below;

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$$

Where,

Y =Organizational performance

B₀ = Constant

B₁, β₂, β₃= Coefficients of determination

X₁ = Supplier relationship management practices

X₂ = Inventory management practices

X₃ =Contract management practices

X₄= E-procurement adoption management

ε = Error term

3.11 Ethical Considerations

The examination of behaviors deemed morally acceptable or unacceptable is known as ethics (Morahan, 2015). Prior to commencing the research, relevant authorities were consulted to ensure adherence to ethical protocols. After submitting a research authorization letter from Kenyatta University's Graduate School, clearance was obtained from the National Commission for Science, Technology and Innovation (NACOSTI). In addition, during the data collection and analysis phase of the study, ethics of confidentiality, respect, and fairness were upheld.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

Output obtained from the survey was reported in this chapter. The examination of the investigation included the response and non-response rates of the survey respondents. The findings presented in this section of the survey were based on a thorough examination of the collected data and were supported by established research methods and techniques. The researchers also referenced relevant literature and studies to provide a comprehensive overview of the topic under investigation.

4.1.1 Response Rate

The researcher utilized the data from Table 4.1, which included both responses and non-responses, to estimate the response rate of the survey participants. By examining the number of responses received concerning the total number of individuals contacted, the researchers were able to calculate the proportion of individuals who responded.

Table 4.1: Response Rate

Rates	Frequency	Percent
Response	214	75.9%
Non-Response	64	24.1%
Total	282	100

Source: Field Survey (2023)

The survey findings indicated that although not all participants' responses were obtained, the retrieved responses were deemed acceptable. It was observed that 24.1% of the survey participants chose not to respond, while 75.9% provided their input. Cooper and Schindler (2009) noted that the large number of recovered questionnaires offered adequate data for the survey analysis, which is sufficient for any investigation's analysis. This suggests that there was a partial non-response from the participants.

However, Goodman and Pedersen (2022) argue that despite this limitation, the findings of the survey are still considered suitable and sufficient to justify further research into the responses.

4.1.2 Reliability Analysis Results

To evaluate the reliability of the questionnaire used in the survey, the researchers employed the Alpha Cronbach technique. This technique provides a coefficient that ranges from 0 to 1.00, with higher values indicating greater reliability. The estimation of the survey's reliability coefficient was conducted, and the results were presented in Table 4.2.

Table 4.2: Reliability Analysis

Variables	Reliability Cronbach's Alpha
Performance	.760
Supplier Relationship Management Practices	.832
Inventory Management Practice	.709
Contract Management Practice	.894
E-procurement Adoption	.858

Source: Field Survey (2023)

Each component of the economic environment factor in the investigation exhibited an Alpha value exceeding 0.7, indicating high reliability. The specific values for the relevant components, including performance, supplier relationship management practices, inventory management practices, contract management practices, and e-procurement adoption, were presented in Table 4.2. These findings demonstrate that the factors examined in the investigation are reliable, as they accurately reflect the strength of the instrument's measurement. The Alpha value, which is a measure of internal consistency, provides evidence that the survey instrument consistently captures the intended constructs. A threshold of 0.7 or higher is generally considered acceptable

for establishing reliability in survey research. Therefore, the high Alpha values obtained for each element indicate that the measurement instrument used in the investigation is reliable and can be trusted to accurately assess the various components of the procurement practice (Gola & Machi, 2011).

4.2 Descriptive Analysis Findings

The validation process, supported by the findings of descriptive statistics, relied on the representation of a range of possibilities from "strongly disagree" to "strongly agree," derived from the 5-point Likert scale responses of participants from supermarkets in Nairobi City County. The values of 2, 3, and 4 were respectively interpreted as indicating disagreement, indifference, and agreement. The percentage of responses aligning with the survey's 5-point rating scale was utilized to evaluate the achievement of the survey objective. Additionally, the mean and standard deviation were employed to make informed judgments regarding the attainment of the goal. The composite mean, which represents the average of all survey items collectively, played a pivotal role in the decision-making process. These approaches, supported by established research methods and techniques, allowed for a comprehensive assessment of the survey's objectives and provided a solid foundation for drawing conclusions. The utilization of descriptive statistics and the 5-point Likert scale responses enabled a nuanced understanding of the participants' perspectives and facilitated the evaluation of the survey's success in meeting its intended goals.

To assess the accuracy of the researcher's data evaluation, the personal information of employees working at the supermarkets in Nairobi City County, Kenya, was collected. This data collection process aimed to gather information about the respondents' job position, gender, age, level of education, duration of work, and familiarity with procurement practices. By obtaining this information, the researchers sought to ensure

that the evaluation of the data provided by the respondents was based on accurate and reliable information.

4.2.1 Respondents' Job Position

Data was gathered regarding the job positions of respondents working in supermarkets located in Nairobi City County. The findings of the study, specifically related to the participants' job positions, are presented in Table 4.3. These tables provide a comprehensive overview of the outcomes of the study, specifically focusing on the participants' understanding and awareness of their respective job roles within the supermarket setting. The presentation of this information in Table 4.3 allows for a clear and organized representation of the data, facilitating a deeper analysis and interpretation of the findings.

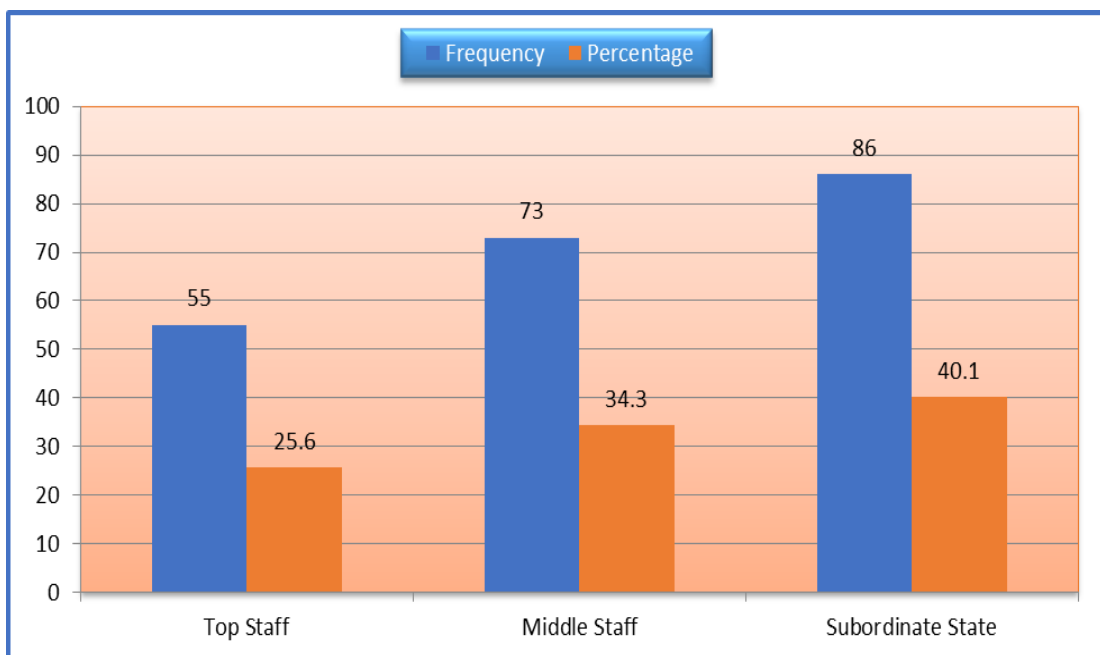


Figure 4.1: Distribution of the Respondents' Job Position

Source: Field Survey (2023)

Based on the information presented in Figure 4.1, it is documented that among the respondents included in the study, 55 individuals (25.6%) held managerial positions in

the selected supermarkets' procurement department, while 73 individuals (34.3%) occupied mid-level positions in the selected supermarkets' procurement department of Nairobi City County. Furthermore, a significant portion of the participants consisted of subordinate staff members of the procurement departments, accounting for 40.1% of the surveyed participants, totaling 86 respondents. It is worth noting that the majority of the respondents were subordinate staff members who directly interacted with the selected supermarkets' customers. This makes them well-suited to provide insights and evaluations regarding the selected supermarkets' performance. The distribution of respondents across different levels of staff positions provides a comprehensive representation of the perspectives and experiences of individuals at various levels within the supermarkets.

4.2.2 Gender of the Respondents

The survey included a collection of data on the gender of the respondents to determine the proportion of males to females. The findings regarding the gender distribution of the respondents are presented in Figure 4.2. This figure provides a visual representation of the outcomes related to the gender of the participants.

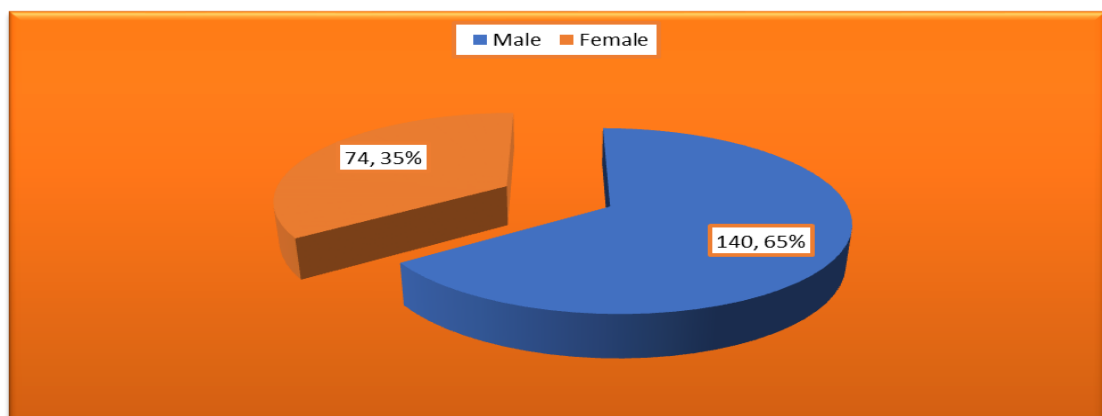


Figure 4.2: Gender Distribution of the Respondents

Source: Field Survey (2023)

The gender distribution of the respondents, as depicted in Figure 4.2, revealed that both male and female participants were included in the sample. The male respondents accounted for 140 individuals, representing 65% of the sample, while the female respondents accounted for 74 individuals, representing 35%. The study demonstrated that although the supermarkets had employees from both genders, the male respondents were the dominant group in the survey. This could be attributed to the operational hours of the supermarkets, as the longer working hours of the supermarkets may have influenced the higher representation of male employees in the study.

4.2.3 Age of the Respondents

The age information of the respondents concerning the performance of supermarkets in Nairobi City County was collected from the field participants. This data collection process aimed to gather insights into the age demographics of the survey participants. The collected information was then processed and the results are visually presented in Figure 4.3. This figure provides a graphical representation of the outcomes related to the age distribution of the respondents.

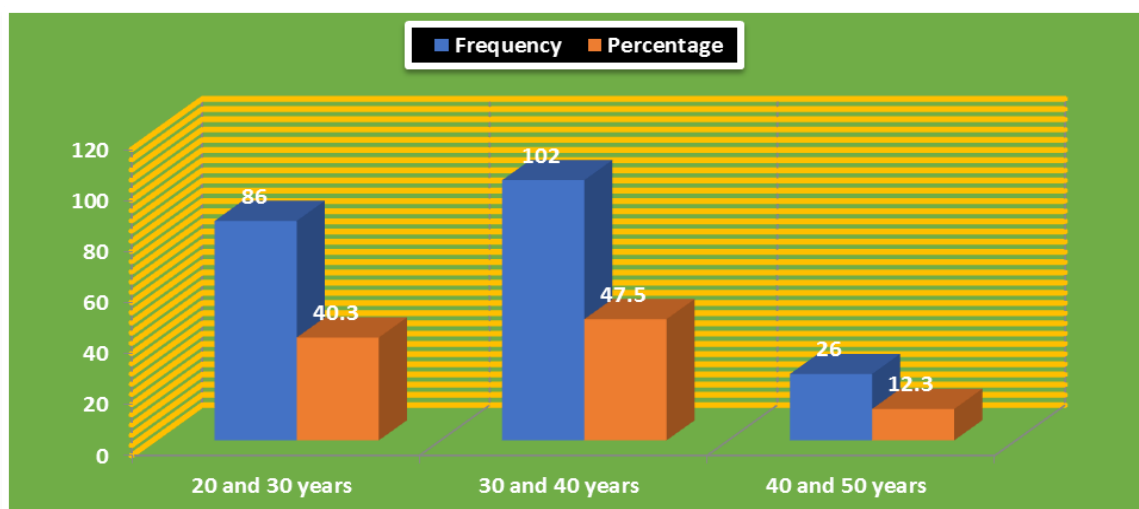


Figure 4.3: Age Distribution of the Respondents

Source: Field Survey (2023)

The results of the study provided insights into the distribution of respondents by age. It was found that 86 individuals, accounting for 40.3% of the total respondents, fell within the age range of 20 to 30 years. The majority of the participants, representing 47.5% of the respondents, were between the ages of 30 and 40 years. Additionally, 26 participants, or 12.3% of the respondents, were within the age range of 40 to 50 years. These findings suggest that a significant proportion of the participants, falling within the age range of 30 to 40 years, constitute the majority of the sample. This age group is considered to be within the active working age range, and their presence in the study indicates their potential influence on the performance of the supermarkets.

4.2.4 Educational Qualification

Education plays a crucial role in generating knowledge, and knowledge, in turn, catalyzes innovation. Supermarkets strategically employ educated individuals to gain a competitive advantage over their rivals in the market. The findings of this particular aspect of the investigation, which focused on determining the educational backgrounds of the employees, are presented in Figure 4.4.

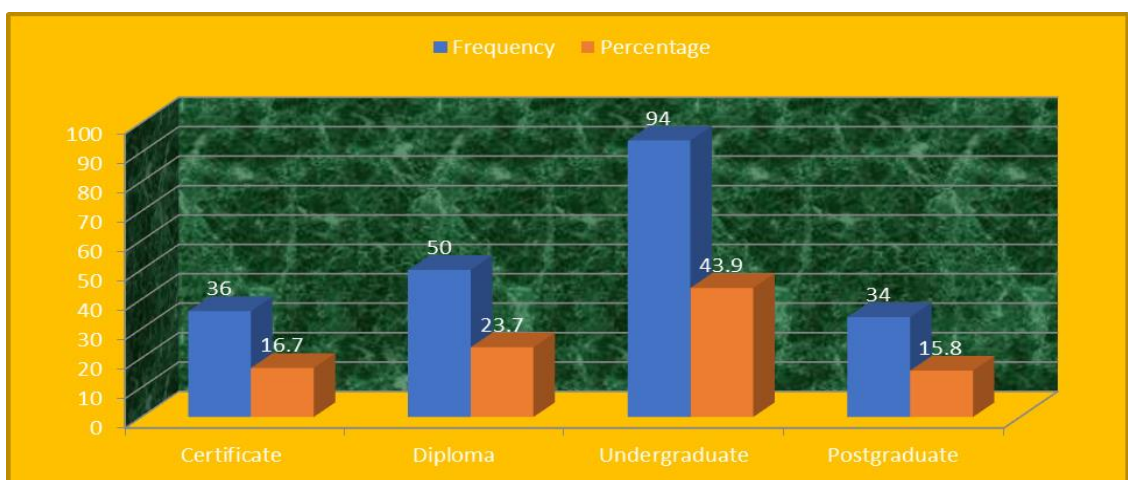


Figure 4.4: Educational Qualification of the Respondents

Source: Field Survey (2023)

The distribution of the respondents' educational qualifications is presented in Figure 4.4. The findings revealed that 36 participants, accounting for 16.7% of the sample, held certificates, while 50 participants (23.7%) possessed diplomas. The survey also identified that 94 respondents (43.9%) had undergraduate degrees. Additionally, 34 participants (15.8%) had postgraduate qualifications. These results indicate that the majority of the respondents held undergraduate degrees, suggesting that the researcher relied on data from individuals with this level of education to draw reliable conclusions about the performance of supermarkets in Nairobi City County, Kenya.

4.2.5 Duration of Work Experience

The investigation delved into the workers' experience to explore whether the growth and success of supermarkets in Nairobi City County were influenced by varying levels of experience. The findings regarding the years of experience among the participants are visually depicted in the captivating Figure 4.5.

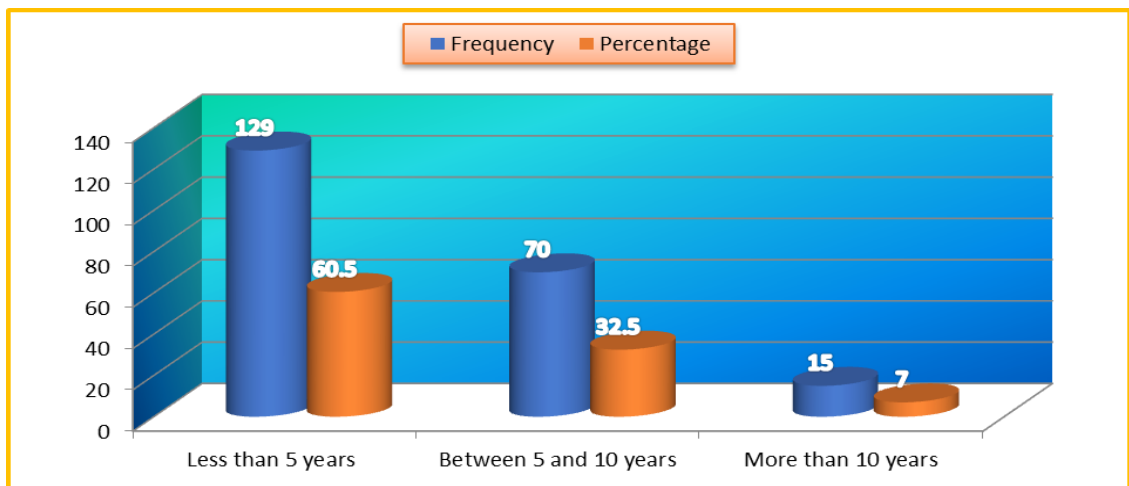


Figure 4.5: Duration of the Respondents' Work

Source: Field Survey (2023)

The investigation sought to determine the duration of the respondents' employment with the supermarkets, unveiling intriguing insights into the workforce's tenure. The findings

revealed that a significant majority of the participants, comprising 129 individuals (60.5%), had accumulated work experience of less than five years. Additionally, 70 employees (32.5%) had contributed their expertise to the supermarkets for a period ranging from five to ten years. Interestingly, a smaller group of 15 employees (7%) boasted an extensive work history of over ten years within the supermarkets of Nairobi City County. These results underscore the dominance of participants with less than five years of work experience, indicating their level of familiarity and knowledge regarding the performance of the supermarkets in Nairobi City County, Kenya. The outcome suggests that the majority of respondents in the region have relatively limited work experience, potentially influencing their perspectives and insights on the selected supermarkets' operations.

4.2.6 Familiarity of the Respondents

Information on the familiarity with the procurement practices of the supermarkets was determined in the survey. This is to ascertain the type of services that the supermarkets offer to the customers in the quest to satisfy the needs of the customers in Nairobi City County, Kenya. The outcome relating to the aforementioned is reported in Figure 4.5

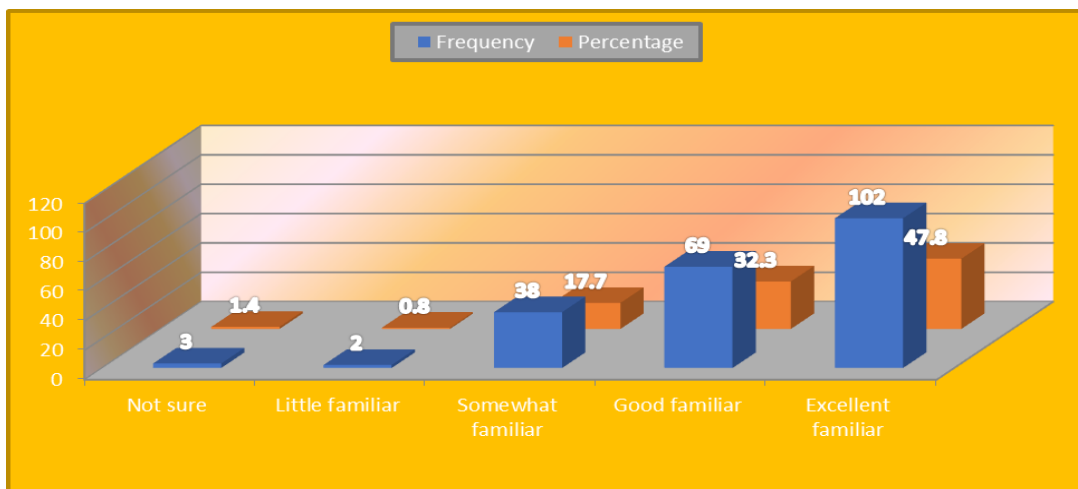


Figure 4.6: Respondents Familiarity with Procurement Practices

Source: Field Survey (2023)

The records of the survey as it relates to the familiarity of the participants with procurement practices reported that only 3 (1.4%) of the participants were not sure of their familiarity with the selected supermarkets' procurement practices, 2 which is 0.8% of the participants noted little familiarity with the procurement practices of the participants. The investigation revealed that 38 (17.7%) of the participants noted that they were somewhat familiar with the selected supermarkets' procurement practices, 69 (32.3%) of the respondents had good familiarity with the selected supermarkets' procurement practices while it was observed by the survey that many of the participants 47.8% (102) had excellent familiarity with the selected supermarkets' procurement practices. On this ground, the survey concluded that the majority of the participants have full knowledge of the selected supermarkets' procurement practices thus serving as reliable informants for the investigation's settings.

4.2.7 Supplier Relationship Management Practices

The effective management of supplier relationships plays a pivotal role in meeting the diverse needs of customers, thereby enhancing the overall performance of supermarkets. To gauge the participants' level of agreement or disagreement with the statement on the impact of supplier relationship management practices on supermarket performance, their responses were collected. The collected data, aligned with the objectives of the inquiry, were analyzed to derive the mean, percentage, and standard deviation. These statistical measures, presented in Table 4.3, provided valuable insights into the participants' perspectives and allowed for a comprehensive evaluation of the relationship between supplier management practices and supermarket performance.

Table 4.3: Descriptive Statistics for Supplier Relationship Management Practices**Source: Field Survey (2023)**

Statement	Percentage					Mean	Std. Deviation
	1	2	3	4	5		
Supplier appraisal enhances supplier relationship management	3.7	0.9	10.7	48.6	36.0	3.8785	.91118
Supplier relationship management can be improved through supplier involvement	2.8	3.7	9.8	50.9	32.7	3.9299	.90887
Supplier development aids supplier relationship management	2.3	4.2	13.1	50.5	29.9	3.9860	.90112
Supplier collaboration is an important aspect of supplier relationship management	5.6	3.7	14.5	45.8	30.4	4.0841	1.04923
Supplier relationship management can be improved through the introduction of supplier appraisal, supplier involvement, supplier development and supplier collaboration	1.9	4.2	14.0	55.6	24.3	4.0374	.84947

N=214 Av. Mean = 3.9831 Std. Dev. = 0.9239

Effective application of supplier relationship management practices crucial to the performance of supermarkets in Nairobi City County. Upon careful examination of the respondents' feedback, it became evident that a significant number of survey participants expressed agreement with the notion that supplier appraisal plays a vital

role in enhancing supplier relationship management. This agreement was substantiated by a mean score of 3.8785 and a standard deviation of 0.91118, indicating a consensus among the participants. Furthermore, the participants affirmed that supplier relationship management can be strengthened through supplier involvement, as evidenced by a mean score of 3.9299 and a standard deviation of 0.90887, signifying a collective agreement. The participants also acknowledged the importance of supplier development in fostering effective supplier relationship management, as reflected by a mean score of 3.9860 and a standard deviation of 0.90112, further supporting their agreement. Additionally, the survey highlighted the significance of supplier collaboration as a crucial aspect of supplier relationship management to enhance the performance of supermarkets. The validation of the participants' responses regarding this statement was reinforced by a mean score of 4.0841, accompanied by a standard deviation of 1.04923, indicating a strong agreement among the participants. These findings, supported by established research methods and techniques, contribute to a comprehensive understanding of the participants' perspectives on the role of supplier appraisal, involvement, development, and collaboration in supplier relationship management.

The survey put forth the claim that the introduction of supplier appraisal, supplier involvement, supplier development, and supplier collaboration can enhance supplier relationship management. The affirmation of this statement is reflected in a mean score of 4.0374, with a deviation from the mean of 0.84947. The cumulative mean average of 3.9831, coupled with a standard deviation value of 0.9239, demonstrates the significant impact of supplier relationship management practices on the performance of supermarkets in Nairobi City County, Kenya. These findings, supported by established research methods and techniques, provide compelling evidence of the influence of

effective supplier relationship management on the overall success and performance of supermarkets. Supplier relationship management practices have been found to enhance organizational performance and competitive advantage in large manufacturing companies (Yehuala, 2023). Furthermore, conflict with suppliers can have an influence on retailers' private label performance, with differences observed based on price-oriented and differentiation-oriented private labels (Takashima & Kim, 2020).

4.2.8 Inventory Management Practices

The effective management of inventory is crucial in meeting the immediate needs of customers, ensuring that their demands can be promptly fulfilled. This is of utmost importance as it enables the availability of products and services that customers require on-demand. The findings from the survey, as presented in Table 4.4, further support this notion by providing the recorded percentages and standard variances derived from the mean scores of various items on the survey tool.

Table 4.4: Descriptive Statistics on Inventory Management Practices

Statement	Percentage					Mean	Std. Deviation
	1	2	3	4	5		
Cost control is an important concept in inventory management	3.3	6.5	16.8	48.1	25.2	4.1449	.97987
Inventory maximization improves inventory management	3.3	3.7	21.5	40.7	30.8	4.0794	.98259
Inventory accuracy enhances inventory management	2.8	7.0	25.2	50.0	15.0	4.3271	.91185
Inventory availability improves inventory management	1.9	6.5	15.9	51.9	23.8	4.1075	.90520
Cost control, inventory maximization, inventory accuracy, and inventory availability are important concepts of inventory management	0.9	4.7	11.2	61.7	21.5	4.0187	.77498
Average Score	N=214 Av. Mean = 4.1355 Std. Dev. = 0.9108						

Source: Field Survey (2023)

The satisfaction of customers is heavily influenced by effective inventory management practices. Building upon this assertion, the survey emphasized the significance of cost control as a crucial concept in inventory management, which was widely acknowledged by the majority of participants. This claim was supported by a mean score of 4.1449 and a notable standard deviation of 0.97987, highlighting the agreement among the participants. Furthermore, the survey confirmed the observation that inventory maximization contributes to improved inventory management, as evidenced by a concurring mean score of 4.0794 and a standard deviation of 0.98259. The participants also affirmed the importance of inventory accuracy in enhancing inventory management, with a mean score of 4.3271 and a matching standard deviation value of 0.91185. Additionally, the participants recognized that inventory availability plays a crucial role in effective inventory management, as indicated by a mean score of 4.1075

and a standard deviation of 0.90520. The participants agreed that cost control, inventory maximization, inventory accuracy, and inventory availability are all important concepts in inventory management, with a confirmatory mean score of 4.0187 and a deviation from the standard mean of 0.77498. The affirmation of these claims, along with an average mean score of 4.1355 and a deviation from the mean standard of 0.9108, further validated the significant impact of inventory management practices on the performance of supermarkets in Nairobi City County, Kenya. These findings, supported by established research methods and techniques, underscore the importance of effective inventory management in driving supermarket performance. The findings aligned with Montororing and Widyantoro (2022) that effective inventory planning ensures sufficient inventory levels, anticipates price increases, minimizes storage costs, and maintains consistent capital investment in inventory, all of which contribute to improved supermarket performance. Arasa and Achuora (2020) concluded that strategic inventory management practices significantly improve supermarket performance, highlighting the importance of effective inventory management in achieving better outcomes.

4.2.9 Contract Management Practices

The efficient management of contracts is crucial for the seamless operation of businesses within any economy. This is because it establishes a legally binding framework that helps prevent disputes arising from the operational functions of supermarkets. To investigate the impact of contract management practices on supermarket performance, the survey collected responses from participants. The findings were then analyzed using percentages, means, and standard deviations, as presented in the insightful Table 4.5.

Table 4.5: Descriptive Statistics on Contract Management Practices

Statement	Percentage					Mean	Std. Deviation
	1	2	3	4	5		
Contract duration is an important aspect of contract management	2.8	4.7	14.5	59.3	18.7	4.1355	.86960
Dispute resolution improves contract management	4.2	7.9	15.4	48.6	23.8	4.2009	1.02632
Contract improvement helps to improve contract management	4.7	5.6	12.6	49.5	27.6	4.1028	1.02031
Contract administration aids contract management	4.2	6.5	18.7	47.2	23.4	4.2103	1.01060
Contract duration, dispute resolution, contract improvement, and contract administration are important aspects of contract management	8.4	10.7	17.8	37.9	25.2	4.3925	1.21228
Average Score	N=214 Av. Mean = 4.2084 Std. Dev. = 1.0278						

Source: Field Survey (2023)

The participants of the supermarkets expressed a strong agreement, as indicated by a mean score of 4.1355 and a standard deviation of 0.86960, highlighting the importance of contract duration and ineffective contract management. The respondents also acknowledged that dispute resolution plays a significant role in improving contract management, with a mean score of 4.2009 and a standard deviation of 1.02632. Furthermore, the participants recognized that contract improvement contributes to enhanced contract management, as reflected by a mean score of 4.1028 and a standard deviation of 1.02031. The survey asserted that contract administration aids contract management among supermarkets in Nairobi City County, a claim supported by a mean score of 4.2103 and a deviation from the standard mean of 1.21228. The survey further emphasized that contract duration, dispute resolution, contract improvement, and

contract administration are all important aspects of effective contract management. The participants strongly agreed with this assertion, as evidenced by a mean score of 4.3925 and a deviation from the standard mean of 1.21228. The cumulative average mean composite of these statements yielded a mean score of 4.2084 and a deviation from the standard mean of 1.0278, underscoring the significant role of contract management practices in determining the performance of supermarkets in Nairobi City County, Kenya. The outcome is in agreement with Distelhorst *et al.* (2017) who discovered contract management is important in ensuring labor standards and social performance. Additionally, Campos *et al.* (2019) emphasize the importance of legal aspects involved in contracts and their impact on the performance of supermarkets.

4.2.10 E-Procurement Adoption Management

The survey collected information on the adoption of e-procurement practices to assess its impact on the performance of supermarkets in Nairobi County. This is why Table 4.6 provides a concise summary of the mean scores, percentages, and standard deviations of the survey items related to e-procurement adoption.

Table 4.6: Descriptive Statistics on E-Procurement Adoption

Statement	Percentage					Mean	Std. Deviation
	1	2	3	4	5		
The supermarket adopts e-mobile payment structures for ease in the supply process	5.6	10.3	21.0	10.3	21.0	4.3411	1.12191
The supermarket uses e-banking, e-checking, and electronic cards for the purchase process to enhance the speed of procurement processes	1.9	1.4	10.7	43.5	42.5	3.7664	.84007
E-notices and e-selection are used with suppliers on new tender offers and participation	0.9	0	9.3	47.2	42.5	3.6963	.71620
e-bidding structures are used to select the most effective procurement partners and examine how suitable they are as regards supply purchase	4.7	4.7	9.8	50.9	29.9	4.0654	1.16901
E-tracking is also used to monitor supply movement in the supermarket	4.2	1.4	12.1	46.7	35.5	3.9206	.95350
Average Score	N=214 Av. Mean = 3.9579 Std. Dev. = 0.9601						

Source: Field Survey (2023)

The findings presented in Table 4.7 provide an overview of the respondents' feedback regarding e-procurement adoption in supermarkets. The mean score of 4.3411 and standard deviation of 1.12191 indicate the participants' agreement that supermarkets adopt e-mobile payment structures to facilitate the supply process. The survey revealed that supermarkets utilize e-banking, e-checking, and electronic cards to streamline the purchasing process and enhance procurement efficiency, as confirmed by a mean score of 3.7664 and a deviation from the mean score of 0.84007. The participants also agreed that e-notices and e-selection are employed to communicate with suppliers regarding new tender offers and participation, as supported by a mean score of 3.6963 and a

standard deviation of 0.71620. The survey further highlighted the use of e-bidding structures to select the most suitable procurement partners and assess their suitability in terms of supply purchases. The participants agreed with this assertion, as indicated by a mean score of 4.0654 and a standard deviation of 1.16901. Additionally, e-tracking is utilized to monitor the movement of supplies within the supermarket, as affirmed by a mean score of 3.9206 and a deviation from the standard mean of 0.95350. The aggregated average mean score of 3.9579 and standard deviation score of 0.9601 demonstrate the significant role of e-procurement adoption in enhancing the performance of supermarkets in Nairobi City County, Kenya. Lu and Reardon (2018) found the growing importance of e-commerce and its potential link to supermarkets, indicating the impact of e-procurement adoption on supermarket performance. Salifu et al. (2022) emphasize the positive impact of e-procurement adoption on reducing costs, streamlining procurement processes, promoting compliance, and standardizing procurement practices.

4.2.11 Performance of Supermarkets

The effectiveness of supermarkets in achieving their set goals can be measured by their performance, which reflects how efficiently resources are utilized. To assess the respondents' perspectives on supermarket performance, a descriptive analysis was conducted, and the results were reported in Table 4.7. This analysis involved examining the mean scores, percentages, and standard deviations to evaluate the participants' responses.

Table 4.7: Descriptive Statistics on Performance

Statement	Percentage					Mean	Std. Deviation
	1	2	3	4	5		
Performance is determined by competitive advantage	5.6	7.0	12.6	58.4	16.4	3.8224	.84823
For measuring performance, efficiency is a crucial metric	2.8	5.1	13.6	45.8	32.7	4.1355	.86418
Customers' satisfaction affects how well they perform.	3.3	4.2	13.1	41.6	37.9	3.9346	.98602
Service delivery assesses performance	2.3	4.2	18.2	55.1	20.1	3.9953	.96170
Sales growth, efficiency gains, quality improvements, and customer happiness are important performance indicators	2.8	0.9	8.9	50.5	36.9	4.2710	1.00300
Average Score	N=214 Av. Mean = 4.0317 Std. Dev. = 0.9326						

Source: Field Survey (2023)

The findings of the study regarding the performance of supermarkets in Nairobi County are presented in Table 4.8. The participants expressed agreement that competitive advantage significantly influences supermarket performance, as indicated by a mean score of 3.8224 and a deviation from the mean score of 0.84823. Efficiency was identified as a crucial metric for measuring performance, with a mean score of 4.1355 and a standard deviation of 0.86418, aligning with the participants' views. The respondents also acknowledged that customer satisfaction has a significant impact on supermarket performance, as supported by a mean score of 3.9346 and a standard deviation of 0.98602. Service delivery was recognized as another important factor affecting supermarket performance, with a mean score of 3.9953 and a standard deviation of 0.96170. The majority of the interviewees agreed that sales growth, efficiency gains, quality improvements, and customer happiness are essential indicators

of performance. This affirmation was reflected in a mean score of 4.2710 and a standard deviation of 1.00300, validating the authenticity of the responses. Considering the means of the scores, a composite mean of 4.0317 was observed, further supported by a standard deviation value of 0.9326. These findings provide insights into the factors influencing supermarket performance in Nairobi City County, Kenya.

4.3 Diagnostic Tests

4.3.1 Normality Test

The decision to utilize the Shapiro-Wilk test was based on the characteristics of the probability density function and cumulative distribution function of the standard normal random variable, which follows a skew-normal distribution (González-Estrada & Cosmes, 2019). When the p-value is greater than 0.05, the data is considered to be normally distributed. Similarly, a p-value of $z > 0.05$ indicates that the residuals conform to normality. The normalcy test results are presented in Table 4.9.

Table 4.9 Shapiro-Wilk Test for Normality

Variable	Obs	W	V	Z	Prob > Z
Performance	214	0.9024	16.380	6.593	0.0001
Supplier Relationship Management	214	0.8865	25.757	7.539	0.0000
Inventory Management	214	0.8918	35.424	8.383	0.0000
Contract Management	214	0.8223	34.812	8.269	0.0000
E-Procurement Management	214	0.9750	8.880	5.069	0.0000

Source: Field Survey (2023)

The Shapiro-Wilk test outcome suggests that the null hypothesis was not rejected, indicating a significant deviation of the residuals from a normal distribution. The study findings demonstrate that all variables' p-values were below the predetermined threshold of 0.05, supporting the assumption of normal distribution in regression. According to Akims (2016), the observation in this study exceeds 30, implying that the issue of normality can be disregarded due to the large sample size, aligning with the

central limiting theorem, which states that a sample size of 30 or more is assumed to have a normally distributed population.

4.3.2 Multicollinearity Test

The study conducted a multicollinearity test using the Variance Inflation Factor (VIF) as recommended by Besley (Kim, 2019). The VIF is a commonly used method to detect multicollinearity in regression analysis (Kaushik *et al.*, 2022). A VIF value less than 10 indicates weak multicollinearity, which is acceptable for obtaining effective parameter estimates, while a VIF value greater than 10 suggests severe multicollinearity among the explanatory factors (Kim, 2019). The study's VIF results are displayed in Table 4.10.

Table 4.10 Tests for Multicollinearity

Variable	VIF	1/VIF
Supplier Relationship Management	1.32	0.816172
Inventory Management	1.02	0.835498
Contract Management	1.40	0.967325
E-Procurement Management	1.10	0.999331
Mean VIF	1.21	

Source: Field Survey (2023)

The VIF values for all the variables included in the study were below the threshold of 10, as indicated by the VIF results presented in Table 4.10. This implies that there is no significant issue of multicollinearity among the explanatory factors. Therefore, the estimation of the study parameters using the regression analysis approach is not affected by multicollinearity.

4.3.3 Heteroscedasticity Test

One of the underlying assumptions of Ordinary Least Squares (OLS) regression is that the error term exhibits constant variance. However, if this assumption is violated in a specific case, it indicates the presence of heteroscedasticity, which necessitates conducting a test to detect it. In this study, the Breusch-Pagan test was employed to examine the presence of heteroscedasticity in the model. This test assumes that the error terms have equal variances across all observations in the dataset. The results of the Breusch-Pagan-Godfrey test are presented in Table 4.11, providing insights into the presence or absence of heteroscedasticity in the linear regression model.

Table 4.11 Breusch-Pagan/Cook-Weisberg Test for Heteroskedasticity

Breusch-Pagan / Cook-Weisberg test for heteroscedasticity	
Ho: Constant variance	
Variables: fitted values of Performance	
Chi2(1)	= 3.70
Prob > chi2	= 0.0543

Source: Field Survey (2023)

The results of the study indicated that the observed probability chi-square significance value of 0.0543 was not statistically significant. Therefore, the null hypothesis of homoscedasticity was not rejected, suggesting that there was no evidence of heteroskedasticity in the data. This finding aligns with the observations made by Huang *et al.*, (2019), who suggested that the data could be examined based on the result of heteroscedasticity and the computation of the co-relevance efficiency using standard errors.

4.3.4 Autocorrelation Test

Autocorrelation in the model was tested using the Breusch-Pagan test to determine the absence or presence of this problem. Given this, the outcome is presented in Table 4.12.

Table 4.12 Autocorrelation Results

Breusch-Godfrey test for serial correlation	
Chi2(1)	= 3.81
Prob > chi2	= 0.062

Source: Field Survey (2023)

The results obtained from the analysis of serial correlation, as presented in Table 4.12, indicate a p-value of 0.062, which exceeds the asymptotic threshold of 0.05. This finding suggests that there is no significant evidence of autocorrelation in the model, leading to the acceptance of the null hypothesis that there is no autocorrelation present.

4.4. Inferential Analysis

To analyze the survey data, two inferential analysis methods, namely correlation and regression, were employed. Multiple regression techniques were specifically utilized to investigate the impact of procurement management practices on supermarket performance in Nairobi City County. This approach allowed for the exploration of relationships between variables and facilitated the drawing of conclusions regarding the objectives of the survey. Additionally, correlation analysis was employed to assess the strength of associations between variables, providing insights into the interrelationships among the different factors under investigation.

4.4.1. Correlation Analysis

This section of the survey provides a concise summary of the results obtained from analyzing the relationships between the factors investigated. The survey findings are

presented in Table 4.13, offering a clear and organized overview of the outcomes. This table serves as a valuable reference point for understanding the associations and connections between the factors examined in the inquiry.

Table 4.13 Correlation Results

		PERF	SRMP	IMP	CMP	EPA
PERF	Pearson Correlation	1				
	Sig. (2-tailed)					
SRMP	Pearson Correlation	.410**	1			
	Sig. (2-tailed)	.000				
IMP	Pearson Correlation	.490**	.317**	1		
	Sig. (2-tailed)	.000	.000			
CMP	Pearson Correlation	.420**	.147*	.638**	1	
	Sig. (2-tailed)	.000	.031	.000		
EPA	Pearson Correlation	.544**	.434**	.518**	.459**	1
	Sig. (2-tailed)	.000	.000	.000	.000	

Source: Field Survey (2023)

The results of the correlation analysis, which examined the relationships between the variables in the experiment, were presented in Table 4.13. The findings revealed a significant and positive association between supermarket performance in Nairobi City County and procurement practices, including supplier relationship management, inventory practices, contract practices, and e-procurement adoption. Although the strength of the correlations varied, all of the variables showed weak connections with supermarket performance, except for e-procurement adoption, which exhibited a moderate level of association in Nairobi City County, Kenya.

4.4.2 Regression Results

The model's summary, including the Adjusted R square and R square values, is presented in Table 4.14. This table provides a concise overview of the model's

performance and the amount of variance explained by the predictors. The Adjusted R square and R square values serve as indicators of the model's goodness of fit and its ability to account for the variability in the dependent variable.

Table 4.14: Model Summary

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.679 ^a	.519	.506		.54220

Source: Field Survey (2023)

The performance of supermarkets in Nairobi City County, Kenya, exhibited a positive correlation with various procurement practices, including supplier relationship management, inventory practices, contract practices, and e-procurement adoption. This positive relationship was reflected in an R-value of 0.679. However, the adjusted R-square value of 0.506 indicated that only 50.6% of the variation in supermarket performance could be attributed to these procurement practices. This means that 50.6% of the changes in supermarket performance were collectively influenced by the aforementioned factors. It is important to note that the remaining 49.4% of the performance variation was not accounted for by the examined procurement practices. These findings highlight the significant impact of procurement practices on supermarket performance, while also indicating that other factors beyond the scope of the survey may contribute to the remaining performance variation.

4.4.3. Analysis of Variance (ANOVA)

The results of the statistical analysis of variance, aimed at determining the whole model's significance, are illustrated in Table 4.15. This table provides a comprehensive overview of the outputs obtained from the analysis.

Table 4.15 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	30.902	4	7.726	33.806	.000 ^b
	Residual	47.762	209	.229		
	Total	78.664	213			

Source: Field Survey (2023)

The outputs of the variance analysis are presented in Table 4.15, providing insights into the significance of the model. The F-value, which signified the extent to which the predictors have a significant impact, was utilized to assess the performance of supermarkets as the explained factor. A notable F value of 33.806 was observed, indicating a significant effect. The outcomes were further confirmed by a p-value of 0.000, surpassing the supposed significance level of 5%. This signifies that the joint impact of procurement practices significantly affects selected supermarkets' performance.

4.4.4. Multiple Regression Analysis

To assess the variables' effects such as supplier relationship management, inventory practices, contract practices, and e-procurement adoption on the performance of supermarkets, regression analysis was employed. The outputs linked to the effect of each factor on the discussed components are presented in Table 4.16, providing substantial evidence to support the outputs derived from the analysis.

Table 4.16: Regression Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.321	.153		2.096	.037
	SRMP	.204	.061	.202	3.319	.001
	IMP	.194	.079	.185	2.458	.015
	CMP	.116	.062	.135	1.865	.064
	EPA	.325	.075	.299	4.345	.000

Source: Field Survey (2023)

Considering the parameter estimates presented in Table 4.16, the regression equation can be expressed as follows;

$$\text{PERF} = 0.321 + 0.202\text{SRMP} + 0.185\text{IMP} + 0.135\text{CMP} + 0.299\text{EPA} + \varepsilon$$

Where: PERF = Performance; SRMP = supplier relationship management practice; IMP = Inventory management practice; CMP = Contract management practice; EPA = E-procurement adoption

4.5 Interpretation of Findings

The outcomes of the survey provided insights into the factors that contribute to Nairobi City County's performance of supermarkets. The standardized beta values indicated the relative importance of each factor in explaining supermarket performance. The regression intercept estimate yielded a positive value of 0.321, with a corresponding p-value of 0.037, which falls below the significance threshold of 0.05. This proposed that the intercept is statistically significant and contributes to the explanation of supermarket performance.

According to the survey's findings, supplier relationship management practices exhibited a significant positive (0.202), with a p-value of 0.001. This indicates that an improvement in supplier relationship management practices would lead to an enhancement in supermarket performance. The null assertion, which suggested that supplier relationship management practices have an insignificant effect on supermarket performance, was rejected based on these results. The result supports the conclusion of Amoako-Gyampah (2018) who concluded that SRM had positively substantial impacts on the performances of the firms. Amedofu, Asamoah, and Owusu (2019) also showed relationships between supply chain management and startup performances that are favorably significant. Chepng'etich, Waiganjo, and Ismael (2020) concluded that

there is an advantage of strategic supplier relationships with the effectiveness of Kenya's devolved forms of government. Onyango and Litunya (2021) unraveled that supplier development has considerable suitable impacts on Nairobi's flower enterprises' performances.

The survey findings revealed a significant positive coefficient effect (0.185) of inventory management practices on supermarket performance, surpassing the significance threshold of 0.05 percent. This indicates that enhancing inventory management practices in supermarkets would positively impact their performance in Nairobi City County. The null hypothesis, which assumes no significant effect of inventory management practices on supermarket performance, was rejected as per the non-difference hypothesis. Therefore, it can be concluded that inventory management practices significantly determined the selected supermarkets' performance. The outcome aligned with Simon and Chukwuemeziem (2018) discovered that inventory control significantly improves the organization's performance metrics. Amahalu, Egolum, Ezechukwu, and Obi (2018) obtained a significantly positive effect on returns on assets during inventory conversion periods. Agu, Obi-Anike, and Eke (2018) unfolded the existence of a positive link between inventory control and with productivity of chosen manufacturing enterprises.

The effect of contract management practice on supermarket performance was found to be positive, with a coefficient of 0.135. However, the survey outcomes supported the null claim, indicating that contract management practice has an insignificant effect on supermarket performance, as affirmed by a 0.064 p-value which exceeds the significance 0.05 threshold. This suggests that contract management practice has an insignificant impact on the performance of supermarkets in Nairobi City County, Kenya. This outcome aligned with Nyaga and Mwangangi (2019) uncovered a

significantly positive effect of managing contract relationships and managing costs on performance. Matto, Ame, and Nsimbila (2021) indicated that contract creation and quality control are crucial elements that improve the financial value of Tanzanian public procurements. Cheron and Chepwony (2021) revealed that contract monitoring, contract administration, contract relationship management, and conflict management have effective effects on road contractor's performance.

The adoption of e-procurement in Nairobi County positively influences the performance of supermarkets, as signified by an effect of 0.299 value. Contrary to the hypothesis suggesting that e-procurement adoption has an insignificant effect on supermarket performance in Nairobi County, the evidence gathered from the outcomes rejects the null argument. The p-value of 0.000, which is below the significance 0.05 threshold, demonstrates that contract management practices indeed have significantly affected supermarket performance. This finding aligns with Sunmola and Shehu (2021) unfolded a positive nexus of using e-tendering technology with improved business performance by keeping a customer-centered emphasis. Hajir (2021) discovered that the efficiency of operations of retail supermarkets was positively and statistically significantly impacted by e-procurement procedures. Masudin, Aprilia, Nugraha, and Restuputri (2021) found that the commencement of e-procurement has been significant by the standard of the information, and the firm's performance is heavily impacted by the adoption of e-procurement.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This section encompasses the comprehensive outcomes of the investigation, presenting a concise summary of the outputs, recommendations, and conclusions. It also provides valuable suggestions that add to the body of existing knowledge. The thorough examination conducted aligns with the specific investigational objectives, ensuring the accuracy and reliability of the findings.

5.2 Summary of the Study

The foundational premise of the investigation was to determine how procurement management practices influence Kenyan selected supermarkets' performance in Nairobi City County. The descriptive, correlation, and regression methodologies were adopted within an empirical framework to evaluate the effects of supplier relationship management practices, inventory management practices, contract management practices, and e-procurement adoption on supermarket performance. The survey was grounded in foundational ideas derived from stakeholder theory, resource-based view theory, and system theories. These theoretical frameworks provided a solid basis for analyzing and interpreting the survey results.

5.2.1 Supplier Relationship Management Practices and Supermarket

Performance

Descriptively, it was uncovered that supplier relationship management plays a significant role in the performance of supermarkets. The correlation analysis established a substantial and favorable correlation between supplier relationship management practices and the performance of supermarkets. Additionally, the

regression analysis verified that supplier relationship management practices exert a positive and noteworthy influence on the performance of supermarkets in Nairobi City County. This outcome underscores the criticality of adopting efficient supplier relationship management practices to enhance the operational efficiency and effectiveness of supermarkets.

5.2.2 Inventory Management Practices and Supermarket Performance

The survey also discovered that effective inventory management is crucial for maximizing the performance of supermarkets. Correlation analysis revealed a robust and positive connection between inventory management practices and supermarket performance. Furthermore, the regression analysis validated that inventory management practices have a significant and positive influence on the performance of supermarkets. These results underscore the significance of enhancing inventory management practices to improve the overall performance of supermarkets.

5.2.3 Contract Management Practices and Supermarket Performance

The descriptive evaluation displayed selected supermarkets' performance as it is affected by contract management practices. Based on the correlation, the survey outputs revealed a significantly positive nexus of performance with the implementation of contract management practices. However, the regression analysis indicated that while contract management practices had affected positively supermarket performance, this effect was not statistically significant in Nairobi City County, Kenya. This suggests that implementing contract management practices may lead to improved supermarket performance, but the impact is not substantial enough to be considered statistically significant.

5.2.4 E-procurement Adoption and Supermarket Performance

E-procurement adoption as described by the study showcased a substantial influence on the selected supermarkets' performance. Multiple pieces of evidence strongly indicated a positively significant correlation between the adoption of e-procurement with the performance of supermarkets. The outputs obtained from the regression analysis further confirmed that the selected supermarkets' performance was significantly and positively influenced by the adoption of e-procurement practices. These findings clearly demonstrate that embracing e-procurement adoption has the prospect of improving the selected supermarkets' performance, providing a valuable avenue for improvement.

5.3 Conclusion

The outcomes of the survey revealed that procurement management practices, including supplier relationship management, inventory management, contract management, and e-procurement adoption, had diverse impacts on the performance of supermarkets. The results specifically highlighted the significant and positive supplier relationship management practices' effect on Nairobi City County's supermarket performance. This underscores the importance of effective practices in driving the selected supermarkets' performance in the area. Based on this outcome, supplier relationship management practices significantly affect the Kenyan performance of supermarkets in Nairobi City County.

The survey's findings aligning with its objectives revealed a significant and positive inventory management practices effect on Kenyan selected supermarkets' performance in Nairobi City County, Kenya. Therefore effective management of inventory performs a vital role in evaluating the performance of supermarkets. The survey concludes that

the performance of supermarkets is significantly influenced by inventory management practices in Kenya's Nairobi City County.

The outputs pertaining to contract management practices indicate a positive but insignificant impact on Nairobi City County's supermarket performance in Kenya. As pertains to the survey's objectives, it is evident that contract management practices have minimal influence on how supermarket performance is evaluated. In conclusion, contract management practices do not significantly contribute to the performance of supermarkets in the area under investigation.

The survey findings provided compelling evidence that the adoption of e-procurement in supermarkets within Nairobi City County, Kenya, positively impacts their performance. These results strongly indicate that the influence of e-procurement adoption on supermarket performance is significant. Therefore, increasing the adoption of e-procurement practices has the potential to greatly enhance the selected supermarkets' performance.

5.4 Policy Recommendations

The survey recommends that the supplier relationship management practices should be enhanced to boost the performance of supermarkets. This would allow for the building of a stronger relationship with the suppliers thus cutting down costs as a result of discounting fees.

The management of the supermarket needs to ensure that inventories are effectively managed to improve the selected supermarkets' performance. This would allow for the availability of the needed products thus reducing the level of customers' disappointment in the face of lacking products available.

It is advised that the management of these supermarkets should carefully review the terms and conditions of their contracts to optimally achieve performance in Kenya.

The survey suggests that the management of these supermarkets needs to deploy all resources available to install e-procurement facilities that would create convenience for the customers thus satisfying their needs which in turn lead to optimal performance of the supermarkets.

5.5 Contribution to Knowledge

Survey outcomes clearly show that procurement management procedures have a significant effect on how well supermarkets perform. The factors all play a role in influencing supermarket performance, except for contract management practices, which showed an insignificant effect. These results highlight the importance of implementing effective procurement management practices to improve selected supermarkets' performance.

The study successfully examined several hypotheses that significantly determined the impact of supplier relationship management practices, inventory management practices, contract management practices, and e-procurement on the performance of supermarkets. This analysis was conducted using a robust empirical model that effectively demonstrated the significance, or lack thereof, of the connection of procurement management practices with Nairobi City County's supermarket performance.

5.6 Suggestions for Future Research

The survey outcomes emphasized the significant impact of procurement management practices on the Kenyan selected supermarkets' performance in Nairobi City County. Notably, supplier relationship management practices, inventory management practices,

contract management practices, and e-procurement adoption were identified as influential factors. However, further investigation is recommended to explore the reasons behind the insignificant effect of contract management practice. Additionally, extending the scope of the research to other businesses, such as SMEs, in Kenya needs to be explored.

REFERENCES

- Agu, A. O., Ozioma, O. H. & Nnate, E. C. (2016). Effect of Inventory Management on the Organizational Performance of the Selected Manufacturing Firms. *Singaporean Journal of Business Economics and Management Studies (SJBem)*, 5 (4).
- Agu, O. A., Obi-Anike, H. O., & Eke, C. N. (2018). Effect of Inventory Management on the Organizational Performance of the Selected Manufacturing Firms. *Singaporean Journal of Business Economics and Management Studies*. 5 (4).
- Akinlabi, B. H., Asikhla, O. U., & Obamiro, J. K. (2018). Effect of Inventory Management Practices on Operational Performance of Flour Milling Companies in Nigeria. *Babcock Journal of Management and Social Sciences*, 12. 1597-3948.
- Aladejebi, O. A., & Adedeji, A. O. (2015). Effect of procurement planning on the performance of selected agricultural firms in Ondo State, Nigeria. *Jorind* 13(2).
- Amahalu, N. N., Egolum, P. U., Ezechukwu, B. O., & Obi, J. C. (2018). Inventory Management and Financial Performance: Evidence from brewery Firms Listed on Nigeria Stock Exchange. *International Journal of Research in Business, Economics and Management* , 2 (3).
- Amedofu, M., Asamoah, D., & Owusu, A. (2019). Effect of Supply Chain management Practices on Customer development and Start-up Performance. *International Journal of Research*, Doi: 10.1108/BIJ-08-2018-0230
- Amoako-Gyampah, K., Boakye, K. G., Adaku, E., & Famiyeh, S. (2018). Supplier Relationship management and Firm Performance in Developing Economies: A Moderated mediation Analysis of Flexibility, Capability and Ownership Structure. *International Journal o Production economies*, 208, 160-170.
- Arasa, R. & Odoyo, A. J. (2018). Strategic Inventory Management Practices and the Performance of Supermarkets in Nairobi County, Kenya. *European Journal of Business Management and Research*, 5 (2).
- Ashmos, D. P., & Huber, G. P. (1987). The Systems Paradigm in Organizational Theory: Correcting the Record and Suggesting the Future. *Academy of Management Review*, 12 (4), 607-621. Doi: 10.5465/amr.1987.4306710.
- Boulding, K. E. (1956). General Systems Theory: The Skeleton of Science. *Journal of Management Science*, 2(3), 197-208.
- Brian, A. (2018). The Effectiveness of Contract Management on Contractor's Performance, Ministry of Trade, Industry and Cooperatives. Unpublished Msc Thesis. University of Kyambago.
- Capra, F. (1997). *The Web of Life*. New York. Doubleday- Anchor Book.
- Chepng'etich, C., Waiganjo, E., & Ismael, N. (2020). Strategic Supplier Relationship on Performance of Devolved Systems of Government in Kenya. *International Journal of Research in Business and Social science*, 9 (4), 437-443.

- Cherono, V., & Chepwony, J. K. (2021). Effect of Contract Management Practices on the Performance of Road Contractors in Nandi County, Kenya. *Journal of Procurement*, 8 (1).
- Creswell, J. W. (2014). *Research Design: Qualitative, Quantitative, and Mixed Method Approaches*. 4th Ed. Thousand Oaks, California, Sage Publication.
- Daniel, D. P. (2012). *The Effects of Buyer-Supplier Relationships on Buyer Competitiveness*, *Journal of Business and Industrial Marketing*, 27(2), 100 – 114.
- Fichtinger, J., Ries, J. M., Grosse, E. H., Baker, P., 2015. Assessing the environmental impact of integrated inventory and warehouse management. *International Journal of Production Economics*. 170, 717-729. Field, M. (2015). *Research Methods for Business*
- Freeman, R. E. (1984). *Strategic Management: A Stakeholder Approach*. Boston: Pitman Publishing Inc.
- Freeman, R. E., Harrison, J., Wicks, A., Parmer, B., & de Colle, S. (2010). *Stakeholder theory: The State of the Art*. Cambridge, UK: Cambridge University Press.
- Hacket Group (2014). Procurement Planning and Accountability of Local Government Procurement Systems in Developing Countries: Evidence from Uganda. *Journal of Public Procurement*, 8 (3), 379 - 406
- Harrison, J. S., Bosse, D. A., & Phillips, R. A. (2010). Managing for Stakeholder Utility Functions and Competitive Advantage. *Strategic Management Journal*, 58-74.
- Kalatya, B. & Moronge, M. (2017). Influence of Procurement Practices on Performance of Logistics Firms in Kenya. *The Strategic Journal of Business & Change Management*, 4 (4), 605 - 628
- Karanja, M. K., & Kiarie, D. (2015). Influence of procurement practices on organization performance in private sector in Kenya; A case study of Guaranty Trust Bank Kenya Ltd. *International Journal of Business & Law Research*, 3(2), 44-60.
- Kazi, S. K. (2012). *Supply chain management practices and performance at Kenya Medical Supplies Agency* (Doctoral dissertation, The University of Nairobi).
- Kepher, A. B., Shalle, I. N., & 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.
- Khang, T. S., Arumugam, V., Chong, A. Y.-L., & Chan, F. T. S. (2010). Relationship between supply chain management practices and organisation performance: a case study in the Malaysia service industry. *International Journal Modelling in Operations Management*, 1(1), 84-106.
- Kothari, C. (2010). *Research Methodology*. New Delhi: Sage Publications.

- Kothari, C. R. (2011). Collection of data through questionnaire. In C. R. Kothari, *Research methodology: Methods and techniques*. (pp. 113-114). New Delhi: New Age International.
- Lagat, C., Koech, J. & Kemboi, A. (2016). Supply Chain Management Practices, Customer Satisfaction and Customer Loyalty. *European Journal of Business and Management*, 8 (21).
- Lagat, V. C. (2017). *An Assessment of the Effect of Supplier Relationship Management Strategies on Procurement Performance. A Case Study of Almasi Beverages Limited*(Unpublished MBA Thesis, Kisii University)
- Makabira, D. K., & Waiganjo, E. (2014). Role of procurement practices on the performance of corporate organizations in Kenya: A Case Study of Kenya National Police Service. *International Journal of Academic Research in Business and Social Sciences*, 4(10), 369.
- Mambwe, M., Mwanaumo, E. M., Phiri, F. & Chabota, K. (2020). Construction Subcontracting Policy Framework for Developing Local Contractors Capacities in Zambia. *Journal of Construction Business and Management*, 4 (1), 60 - 70
- Maraka, K., Kibe, Y., & Iravo, M. (2015). Effects of supplier relationship management on the performance of organizations in selected sugar companies in Western Kenya. *IOSR Journal of Economics and Finance*, 6(3), 28-35
- Maroma, C. (2017). *An assessment of the Effect of Procurement Practices on Organizational Performance: A Case Study of Nyamache Tea Factory, Kisii County*(Unpublished MBA Thesis, Kisii University).
- Mithamo, M. K., Marwa, M., & Letting, N. (2015). An Analysis of Challenges Facing Major Supermarkets that Emanate from the Changing Environment: A Case Study of Kenyan Large Cities. *Journal of Business Management and Economics* 3: 4, April 2015
- Mugenda, A., & Mugenda, O. (2013). *Research methods: Quantitative and qualitative approaches*. Nairobi, Kenya: ACTS Press.
- Muhammad, K., Saoula, O., Issa, M. R. & Ahmed, U (2019). Contract Management and Performance Characteristics: An Empirical and Managerial Implication for Indonesia. *Management Science Letters*, 9 (5), 77-98.
- Muhammd, K., Saoula, O., Issa, M. r., & Ahmed, U. (2019). Contract Management and Performance Characteristics: An Empirical and Managerial Implication for Indonesia. *Management Science*. Doi: 10.5267/j.msl.2019.4.012.
- Mumelo, J., Selfano, O. F. & Onditi, A. L. (2017). Influence of Supplier Relationship on Performance of Small Scale Enterprises in Bungoma Town, Kenya. *International Journal of Business and Social Science*, 8 (3), 2017
- Neven, D. & Reardon, T. (2015). *Case Studies for Farmer Linking to Dynamic Markets in Southern Africa: The Fort Hare Farmers Group*. Michigan: East learning.
- Njoku, P. C. & Simon, P. (2018). Inventory Management and Organizational Performance: A study of Dansa Food Limited. Retrieved 23rd October, 2023, from DOI:10.13140/RG.2.2.11093.27364

- Nsimbila, P. M. (2021). Influence of Contract Management on Value for Money Procurement in Tanzania. *International Journal of Procurement Management* , 14 (6).
- Oduro, S., Nyarku, K. M., &Gbadeyan, R. A. (2020). Supplier Relationship and Organizational Performance of Hospitals in an Emerging Economy Context. *Journal of Modeling in Management* Doi: 10.1108/JM2-03-2019-0072.
- Ouma, D., Mwangi, T. &Oduk, P. M. (2013). Modeling Agility in Kenya, Supermarket Chain Expansion. *International Journal of business and Commerce*, 2 (8), 21 - 36
- Phillips, R. (2003). *Stakeholder Theory and Organizational Ethics*. San Francisco: Berrett-Koehler Publishers.
- Poole, M. S. (2014). *Systems Theory in L.L. Putnam & D. K. Mumby (Eds). The Sage Handbook of Organizational Communication. Advances in Theory, Research and Methods (pp 49-74)*. Thousand Oaks, C. A: Sage Publishers.
- Ngoima, R. K. & Ndeto, C. (2022). Influence of public procurement and asset disposal act, 2015 on performance of county governments in Kenya. *International Journal of Supply Chain and Logistics*, 6(1), 10–32. <https://doi.org/10.47941/ijscsl.879>
- Saunders, M. N., & Lewis, P. (2014). *Doing research in business and management: An essential guide to planning your project*. London: Pearson Higher Education.
- Simon, P., &Chukwuemeziem, N. P. (2018). Inventory Management and Organizational Performance. Doi: 10.1314o/RG.2.2.11093.27364.
- Sollish, F., & Semanik, J. (2011). *Strategic global sourcing best practices*. New Delhi: John Wiley & Sons.
- Strand, R., & Freeman, R. E. (2015). Scandinavian Cooperative Advantage: The Theory and Practice of Stakeholder Engagement in Scandinavia. *Journal of Business Ethics*, 27 (1), 65-87.
- Tangus, C., Oyugi, L. A., & Rambo, 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), 499-512
- Von Bertalanffy, L. (1951). General System Theory: A New Approach to Unity of Science. Problems of General Systems Theory. *Human Biology*, 23(4), 302-312.
- Wanja, N. I. &Odoyo, A. J. (2020). Sustainable Procurement Practices and Performance of Procurement in Food and Beverages Manufacturing Firms in Kenya. *Global Scientific Journal*, 8 (3), 2020
- Wanjiru, G. V. (2018). *Competitive Strategies and Performance of Supermarket in Nairobi Central Business District*(Unpublished MBA Thesis, University of Nairobi)
- Weele, A. (2010). *Purchasing and Supply Chain Management: Analysis, Strategy, Planning and Practice (5th ed.)*. Andove: Cengage Learning

APPENDICES

Appendix 1: Letter of Introduction

Kenyatta University,
P.O. Box 702 – 60100,
NAIROBI.

RE: Request to fill in the Questionnaire

Dear Respondent,

I am a student at Kenyatta University School of Business undertaking a Master's degree (Master of Business Administration (Procurement and Supply Chain)). As a requirement for Master of Business Administration degree, the university expects me to conduct research in the areas of finance or accounting. I am conducting a study on performances of supermarkets in Nairobi County, Kenya, and their procurements managements practices. Therefore, I write to ask that you complete the questionnaire that is included so that I can carry out the research. I commit to sharing the research's findings at its conclusion, which broadened the field of knowledge already known about studies pertaining to the caliber of financial reporting.

Please be aware that only scholarly purposes are intended for the data and was kept as private as is reasonably practicable.

I am grateful that you took time to complete the questionnaire.

Yours Faithfully.

GRACE KAIRO LETIMORIT SIGORE

D53/OL/CTY/20635/2020

Appendix II: Questionnaire

PART A: DEMOGRAPHIC INFORMATION

1. What is your job position?
 - a) Top procurement managers []
 - b) Mid-level procurement staff []
 - c) Subordinate procurement staff []
2. Please indicate your gender;
 - a) Male []
 - b) Female []
3. Please indicate your age bracket;
 - a) 20 and 30 years []
 - b) 30 and 40 years []
 - c) 40 and 50 years []
4. What is your highest level of education?
 - a) Certificate []
 - b) Diploma []
 - c) Undergraduate []
 - d) Postgraduate []
5. What duration have you have worked?
 - a) Less than 5 years []
 - b) Between 5 and 10 years []
 - c) More than 10 years []

6. How familiar are you with procurement practices and performance in this supermarket?

- a) Not sure []
- b) Little familiar []
- c) Somewhat familiar []
- d) Good familiar []
- e) Excellent familiar []

SECTION B

1. SUPPLIER RELATIONSHIP MANAGEMENT PRACTICES

Kindly select your preferred response using the following criteria: Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree.

No	Statement	(1) Strongly Agree	(2) Agree	(3) Indifferent	(4) Disagree	(5) Strongly Disagree
1	Supplier appraisal enhances supplier relationship management					
2	Supplier relationship management can be improved through supplier involvement					
3	Supplier development aids supplier relationship management					
4	Supplier collaboration is an important aspect of supplier					

	relationship management					
5	Supplier relationship management can be improved through the introduction of supplier appraisal, supplier involvement, supplier development and supplier collaboration					

2. INVENTORY MANAGEMENT PRACTICES

No	Statement	(1) Strongly Agree	(2) Agree	(3) Indifferent	(4) Disagree	(5) Strongly Disagree
1	Cost control is an important concept in inventory management					
2	Inventory maximization improves inventory management					
3	Inventory accuracy enhances inventory management					
4	Inventory availability improves inventory management					
5	Cost control, inventory maximization, inventory accuracy and inventory availability are important concept of inventory management					

3. CONTRACT MANAGEMENT PRACTICES

No	Statement	(1) Strongly Agree	(2) Agree	(3) Indifferent	(4) Disagree	(5) Strongly Disagree
1	Contract duration is an important aspect of contract management					
2	Dispute resolution improves contract management					
3	Contract improvement helps to improve contract management					
4	Contract administration aids contract management					
5	Contract duration, dispute resolution, contract improvement and contract administration are important aspects of contract management					

4. E-PROCUREMENT ADOPTION

No	Statement	(1) Strongly Agree	(2) Agree	(3) Indifferent	(4) Disagree	(5) Strongly Disagree
1	The supermarket adopts e-mobile payment structures for ease in supply process					
2	The supermarket uses e-banking, e-checking and electronic cards for the purchase process so as to enhance the speed of procurement processes					
3	E-notices and e-selection are used with suppliers on new tender offers and participation					
4	e-bidding structures are use to select the most effective procurement partners and examine how suitable they are as regards supply purchase					
5	E-tracking are also used to monitor supply movement in the supermarket					

PERFORMANCE

No	Statement	(1)	(2)	(3)	(4)	(5)
1	Performance is determined by competitive advantage					
2	For measuring performance, efficiency is a crucial metric					
3	Customers' satisfaction affects how well they perform.					
4	Service delivery assesses performance					
5	Sales growth, efficiency gains, quality improvements, and customer happiness are important performance indicators.					

Appendix III: Registered Supermarket in Nairobi County

1. Acacia Supermarket Ltd
2. Amazing Grace Supermarket
3. Bansi Supermarket
4. Barwako Supermarket
5. Bluemart supermarket, Nairobi
6. Blumart supermarket, Nairobi
7. Broadway Supermarket, Nairobi
8. Budget Supermarkets
9. Builders Supermarket
10. Carrefour Supermarket
11. Chanadrana Supermarket
12. Chandaria Foodplus Supermarket
13. Cleanshelf Supermarket
14. Cosby Supermarket, Nairobi
15. Day to day supermarket
16. DnD Supermarket
17. EastMatt Supermarket
18. Ebrahim & Co Ltd
19. Elipa Supermarket, Nairobi
20. Fairview supermarkets Ltd
21. Fairlane Supermarkets Ltd
22. Famcon Supermarket
23. Family Choice Supermarket
24. Fun & Shop Supermarket Kenya

25. Galmart Supermarket
26. Galnart Supermarkets
27. Game store
28. Genesis supermarkets Kenya
29. G-Marts supermarket
30. Grit Supermarket
31. Guestcare Supermarket
32. Homecare Enterprises Ltd, Nairobi
33. Horyal Supermarket, Nairobi
34. Jack & Jill Supermarket
35. Jazeer Supermarket Ltd, Nairobi
36. Jei Supermarket
37. K & A Self Selection Store Ltd
38. Karrymart Supermarket
39. Kaymart Supermarket
40. Kassmart Supermarket
41. Koolmart Supermarket
42. Khetia's Supermarkets
43. Maathaii Supermaket
44. Magunas Supermarket
45. Petmart Supermarket
46. Marketways supermarket, Nairobi
47. Mamakeys Supermarket
48. Maathai Supermarket Limited
49. MuindiMweusi Supermarket

50. Mulleys Supermarket
51. Mumtaz Supermarket
52. Naivas Supermarket
53. Nakumatt Supermarket
54. Neibas Supermarket
55. New Italycor Supermarket
56. New Westland Stores Ltd, Nairobi
57. Onn the Way Supermarket
58. Parklands Pricerite Ltd, Nairobi
59. Quickmart Supermarket
60. Raken Supermarket Ltd, Nairobi
61. Ranchoplus
62. Rikana supermarket
63. Rikna Supermarkets
64. Rodgers Supermarkets, Nairobi
65. Rosjam Supermarket, Nairobi
66. Safamart Supermarket Kenya
67. Safeway Hypermarkets Ltd
68. Safelife Supermarket Ltd, Nairobi
69. Satellite Supermarket Ltd, Nairobi
70. Savannah Selfridge Supermarket, Nairobi
71. Seraben Supermarket
72. Shop and Save Supermarket
73. Shoprite Supermarket
74. Shoprite Westgate Nairobi

75. Shuja mall
76. Skymart Supermarket
77. Souk Supermarket
78. Sunshine Supermarket, Nairobi
79. SweetBay Supermarket
80. Titanic Supermarket and Bakery
81. Transmart Supermarket
82. Trolleys and Baskets, Nairobi
83. Tumaini Supermarket
84. Tumani Supermarket
85. Take home Supermarket
86. Twiga Mart Supermarket
87. Unlimited Supermarkets
88. Un-matched Supermarket
89. Uthiru Wayside Supermarket, Nairobi
90. Vantage Supermarket Ltd, Nairobi
91. Village Supermarket
92. Vishal Kenya Limited
93. visual Mart Supermarket
94. Woolmatt Ltd

Appendix IV: Research Approval



KENYATTA UNIVERSITY
GRADUATE SCHOOL

E-mail: dean-graduate@ku.ac.ke

Website: www.ku.ac.ke

P.O. Box 43844, 00100
NAIROBI, KENYA
Tel. 810901 Ext. 4150

Internal Memo

FROM: Executive Dean, Graduate School

DATE: 29th September, 2023

TO: Grace Kairo Letimorit Sigore
C/o Management Science Dept.

REF: D53/OL/CTY/20635/2020

SUBJECT: APPROVAL OF RESEARCH PROJECT PROPOSAL


This is to inform you that Graduate School Board at its meeting of 13th September, 2023 approved your Research Project Proposal for the M.B.A Degree Entitled, **“Procurement Practices and Organizational Performance of Supermarkets in Nairobi City County, Kenya”**.

You may now proceed with your Data Collection, Subject to Clearance with Director General, National Commission for Science, Technology and Innovation.

As you embark on your data collection, please note that you will be required to submit to Graduate School completed Supervision Tracking and progress report Forms per semester. The Forms are available at the University's Website under Graduate School webpage downloads.

Also, please ensure that you publish article(s) from your project before submitting it to Graduate School for examination as per the Commission for University Education and Kenyatta University guidelines.

Thank you.


ANNBELL MWANIKI
FOR: EXECUTIVE DEAN, GRADUATE SCHOOL

c.c. Chairman, Management Science.

Appendix V: Research Authorization Letter



KENYATTA UNIVERSITY
GRADUATE SCHOOL

E-mail: dean-graduate@ku.ac.ke

Website: www.ku.ac.ke

P.O. Box 43844, 00100
NAIROBI, KENYA
Tel. 8710901 Ext. 57530

Our Ref: D53/OL/CTY/20635/2020

DATE: 29th September, 2023

Director General,
National Commission for Science, Technology
and Innovation
P.O. Box 30623-00100
NAIROBI

Dear Sir/Madam,

RE: RESEARCH AUTHORIZATION FOR GRACE KAIRO LETIMORIT SIGORE – REG. NO.
D53/OL/CTY/20635/2020.

I write to introduce Grace Kairo Letimorit Sigore who is a Postgraduate Student of this University. The student is registered for M.B.A degree programme in the Department of Management Science.

Grace intends to conduct research for a M.B.A Project Proposal entitled, "Procurement Practices and Organizational Performance of Supermarkets in Nairobi City County, Kenya".

Any assistance given will be highly appreciated.

Yours faithfully,


PROF. ELISHIBA KIMANI
EXECUTIVE DEAN, GRADUATE SCHOOL

AM/lin

Appendix VI: NACOSTI Permit



REPUBLIC OF KENYA
National Commission For Science, Technology and Innovation



**NATIONAL COMMISSION FOR
SCIENCE, TECHNOLOGY & INNOVATION**

Ref No: 682484

Date of Issue: 17/October/2023

RESEARCH LICENSE



This is to Certify that Ms. Grace Kairo Letimorit of Kenyatta University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: Procurement Practices and Organizational Performance of Supermarkets in Nairobi City County, Kenya for the period ending: 17/October/2024.

License No: NACOSTI/P/23/30473

Applicant Identification Number: 682484

Director General
Walter Mwangi

**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