

**KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY, KUMASI**

**COLLEGE OF HUMANITIES AND SOCIAL SCIENCES**

**SCHOOL OF BUSINESS**

**TOPIC**

**HOW SUPPLIER RELATIONSHIP MANAGEMENT PRACTISES AFFECTS THE  
PERFORMANCE OF ORGANIZATIONS. A CASE OF GHANA COCOA BOARD  
WITHIN BRONG-AHAFO REGION**

**By**

**RICHMOND ABEDI BIATEY**

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**MASTER OF SCIENCE IN**

**(LOGISTICS AND SUPPLY CHAIN MANAGEMENT OPTION)**

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## DECLARATION

I, hereby declare that this submission is my own work towards the Master of Science and that to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any degree of the University, except where due acknowledgement has been made in the text.

**Richmond Abedi Biatey**

.....

.....

**Signature**

**Date**

**Student's Name**

**(PG 20856132) Certified  
By:**

**Prof. David Asamoah**

.....

.....

**Signature**

**Date**

**(Supervisor)**

**Certified By:**

**Prof. David Asamoah**

.....

.....

**Signature**

**Date**

**(Head of Department)**

## ABSTRACT

Supplier Relationship Management (SRM) is a critical component of organizational success, particularly in the context of supply chain management. Cocoa Board Ghana Limited, as a key player in the cocoa industry, relies on effective SRM practices to ensure a consistent supply of

cocoa beans. Understanding how these practices influence the organization's performance is vital for sustainable growth and competitiveness. This study investigated the impact of SRM practices on the performance of Cocoa Board Ghana Limited, with a focus on key constructs within SRM.. Data was collected through survey from a sample of 41 respondents made up of senior, middle, and support staff; and analysed using various statistical techniques, including Factor Analysis, Correlation Analysis, and Multiple Regression. Strong positive relationship was observed between certain SRM constructs, such as Information Sharing, and Organizational Performance. The regression analysis reveals that " Information Sharing" has a highly significant and strong positive relationship with Organizational Performance. " On the other hand, "Supplier Collaboration" also appear to have a significant impact on Organizational Performance in this analysis. To enhance performance, Cocoa Board Ghana Limited should focus on improving Information Sharing, address SRM Challenges, and implement a culture of continuous improvement within its SRM practices. Cross-functional collaboration, supplier training, and robust performance metrics are also recommended to strengthen supplier relationships and drive organizational success.

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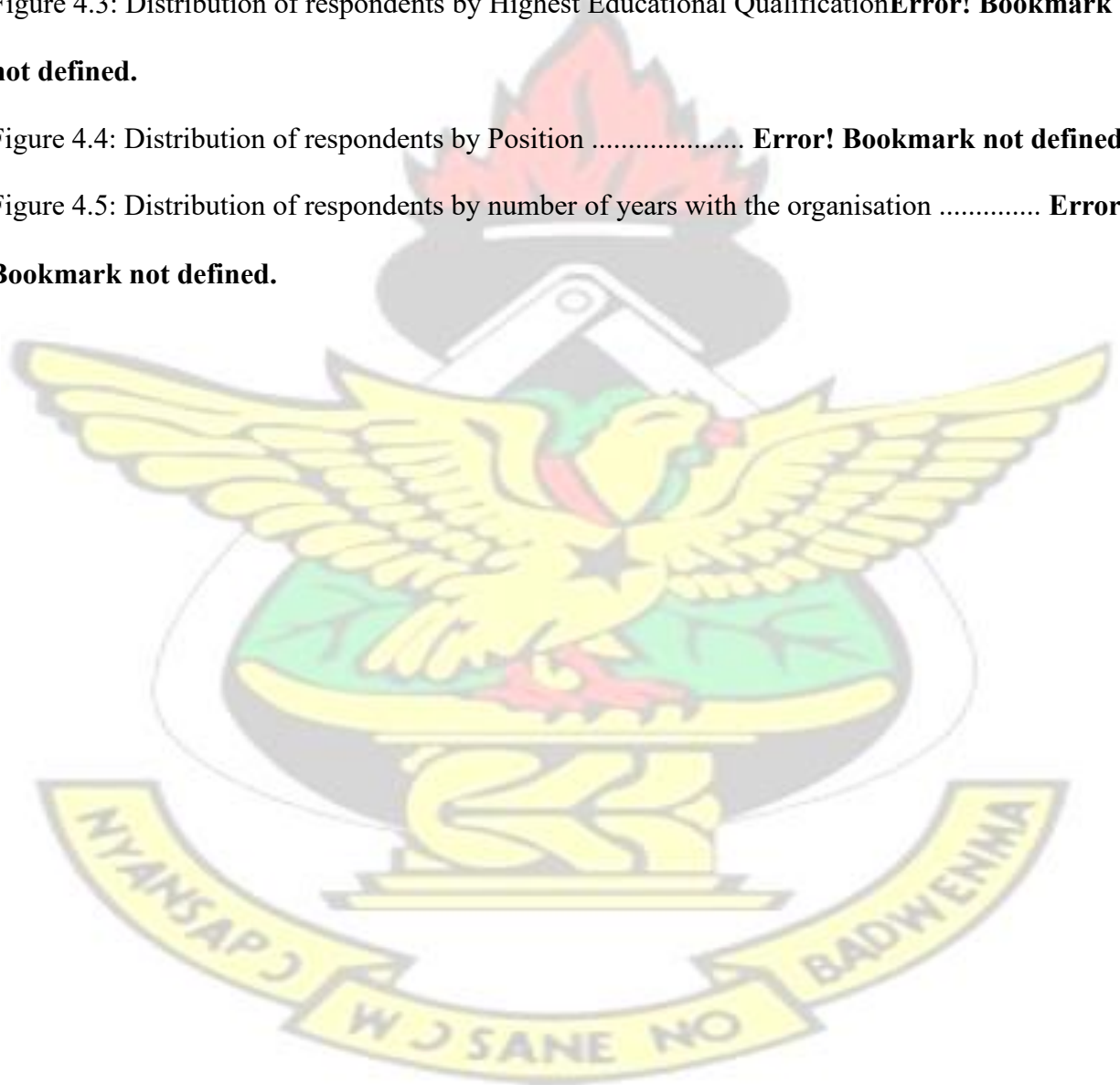


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## **LIST OF ABBREVIATION**

**SRM** = SUPPLIER RELATIONSHIP MANAGEMENT

**SCM** = SUPPLY CHAIN MANAGEMENT

**SPSS** = STATISTICAL PACKAGE FOR THE SOCIAL SCIENCE

**SET** = SOCIAL EXCHANGE THEORY

**SPD** = SEED PRODUCTION DIVISON

**CRIG** = COCOA RESEARCH INSTITUTE OF GHANA

**CHED** = COCOA HEALTH EXTENSION DIVISION

**QCC**= QUALITY CONTROL COMPANY LIMITED

**CMC** = COCOA MARKETING COMPANY

**CIPS** = CHARTERED INSTITUTE OF PURCHASING AND SUPPLY

**TOC** = THEORY OF CONSTRAINTS

**KPIs** = KEY PERFORMANCE INDICATOR

**ICT** = INFORMATION AND COMMUNICATION TECHNOLOGY

**IFMIS** = INTEGRATED FINANCIAL MANAGEMENT SYSTEM

**SRMP** = SUPPLIER RELATIONSHIP MANAGEMENT AND PERFORMANCE **KMO** = KAISER-MEYER-OLKIN

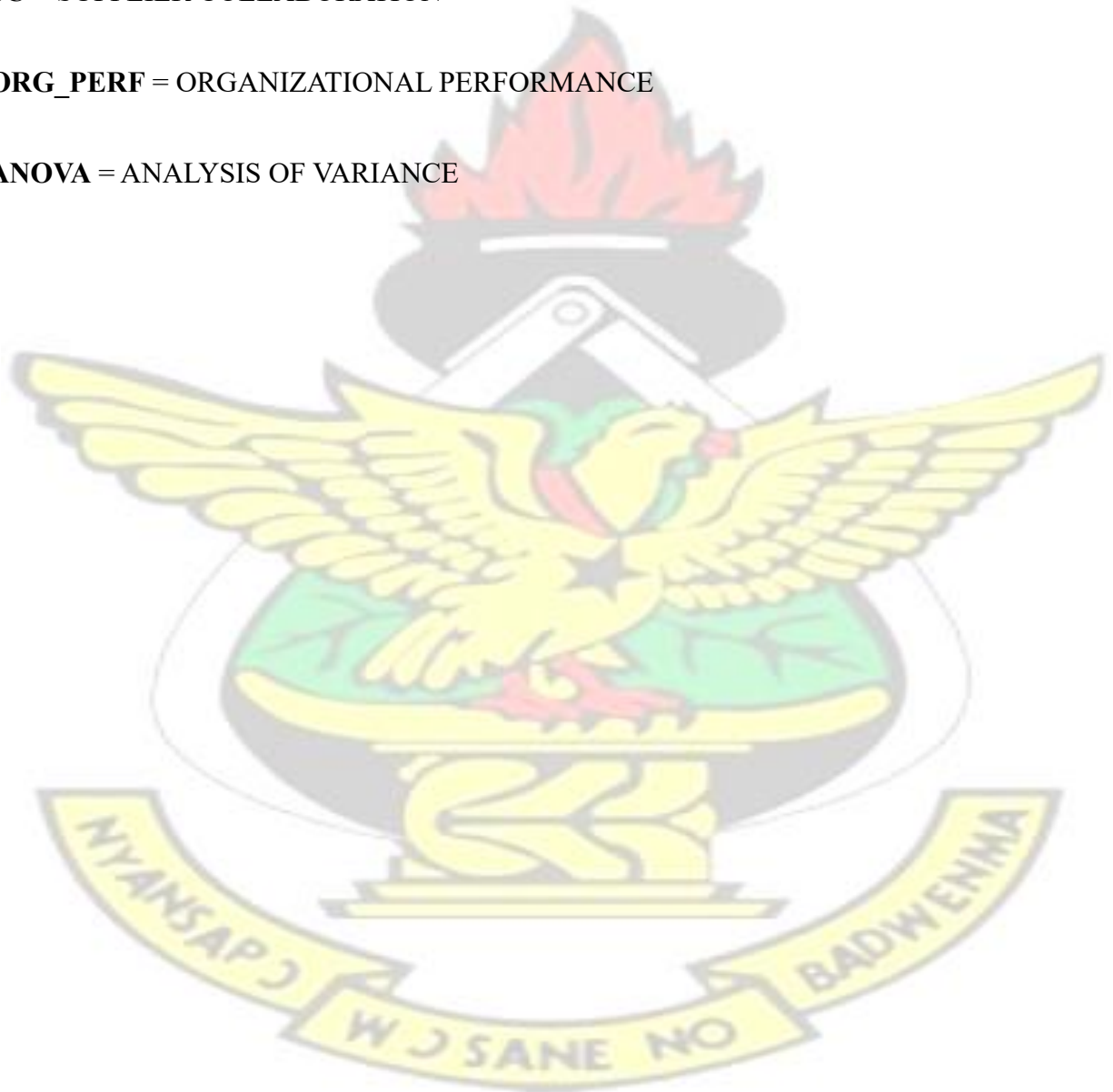
**VM** = VALUE MEASUREMENT

**TIS** = TECHNOLOGY INFORMATION SHARING

**SC** = SUPPLIER COLLABORATION

**ORG\_PERF** = ORGANIZATIONAL PERFORMANCE

**ANOVA** = ANALYSIS OF VARIANCE



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I hereby acknowledge the support of people who have contributed to the success of this work.

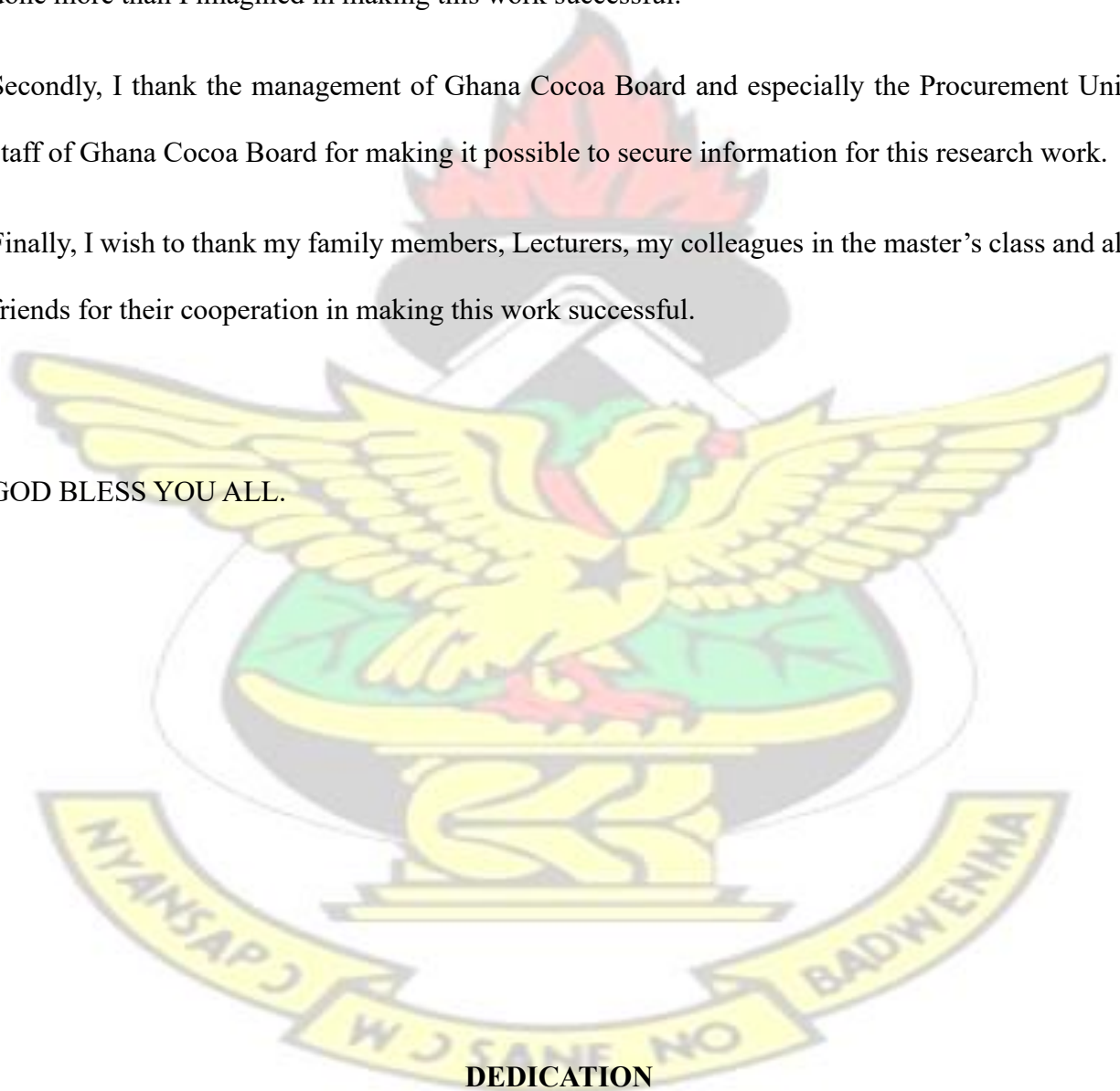
I thank the Almighty God, almighty for giving me everything I needed to finish this piece of work.

Firstly, My Heartfelt gratitude goes to my honourable Supervisor, Prof David Asamoah who has done more than I imagined in making this work successful.

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GOD BLESS YOU ALL.



## **DEDICATION**

This project work is dedicated to God Almighty, who through His mercy and guidance saw me



through this work and to my family for their immense support financially.

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## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the Study

Over the last decade, there have been numerous improvement innovations in the management of organizations at all levels aimed at improving performance and efficiency. According to (Terpend, 28-55), Supplier relationship management (SRM) refers to the process of managing interactions with suppliers and vendors to maximize the value that an organization derives from its partnerships with these external entities. Good SRM can have several benefits for an organization. Improved quality, which can be achieved by collaborating closely with vendors and suppliers to guarantee that businesses receive high-quality goods and services that satisfy their needs, is just one of these advantages. In addition, SRM can help organizations negotiate better prices for the goods and services they purchase, leading to reduced costs. Also, by streamlining the procurement process and minimizing the number of suppliers an organization works with, SRM can help organizations increase efficiency and reduce waste. Furthermore, through fostering close relationships with suppliers and vendors, organizations can encourage collaboration and tap into the knowledge and expertise of these external partners, leading to improved innovation. Overall, effective SRM can have a positive impact on an organization's performance by helping it to reduce costs, increase efficiency, improve quality, and foster innovation. SRM has become the focal point for achieving sustainable competitive advantage and consequently, overall performance of organizations (Oduro et al., 2020). The effectiveness with which a company achieves both its financial and market-oriented goals is referred to as organizational performance (Stanley, 2001). The main focus of SRM's short-term goals is to increase productivity, reduce inventory, and shorten cycle times.

In the long-term, the aim is to enhance market share and earnings for all members of the supply chain. By implementing supply relations management and other organizational initiatives, the overall performance of the organization is expected to improve (KiIpatrick, 2000). Various financial and market measures, including return on investment (ROI), market share, profit margin on sales, growth of ROI, sales, market share, and overall competitive position, have been used in prior studies to assess the success of firms (Harps, 2000).

Businesses are looking for innovative strategies to boost competitive advantage in a market that is becoming more competitive (Ihiga, 2004). These days, purchasing is evolving into a strategic role and a crucial component of competitive positioning. In the future, supplier relationships will be even more crucial due to industry consolidation of businesses. Johnson (2009) found that businesses can improve their capacity to adapt to new environments by collaborating to cut costs and focus on core operations. The process that guides how a business works with its suppliers is known as supplier relationship management. This is a mirror copy of customer relationship management (CRM), as the name implies. A business has to adapt connections with its suppliers in the same way that it must do so with its consumers. According to Supply Chain Management Institute, (2008, July), the ideal outcome is a connection where both parties benefit. "SRM refers to the strategic and operational procurement processes, as well as supplier management configuration," according to Appelfeller & Buchholz (2005, p. 124). The integration of an organization's internal processes with its suppliers and customers forms the basis of the SCM concept.

To cut costs and improve performance in industrial organizations, supplier relationship management (SRM) is crucial (Caeldries F. & Dierdonck, 2008). Supplier relationship management involves a thorough strategy for managing the interactions between an organization

and its product and service suppliers. This includes implementing a supplier management system and developing both strategic and operational sourcing procedures, according to Kleinbaum (2008). Supplier relationships are a part of supply chain relationships (Lemke, 2002). Minimum two parties are involved in a relationship, to produce mutual benefits (Walter et al., 2001). Therefore, developing a strong relationship between the buyer and the provider is essential. Both the buyer and the supplier must cooperate as a team to win and keep the business. Making sure that suppliers have the necessary skills and resources to meet demands should be done with care. In order for a relationship to be successful, there must be mutual sharing of risks and rewards, a clear understanding of each other's roles and responsibilities, a high level of commitment and trust, long-term orientation, mutual information sharing, a sincere desire to succeed, and responsiveness to each other's and the end customer's needs (Lemke, 2002).

From the standpoint of the buyer, greater product or service quality, lower costs, and shorter lead times or service completion times are listed as advantages of close relationships with suppliers at the operational level. Benefits are derived at the strategic level in the form of increased market share, increased competitiveness, and innovation. Academics have long understood the value of supplier management, and numerous studies have demonstrated the benefits that supplier alliances can provide (Spina and Zotteri, 2000). According to (Terpend, 28-55), the effects of several customer, supplier, market, and product attributes, as well as other factors, haven't been fully examined, and our knowledge of the nature of the connections in a supply chain needs to be expanded.

The socioeconomic development of Ghana depends significantly on the cocoa industry. Cocoa has been described as Ghana's economic backbone (Osei, 2007). Lundstedt and Pärssinen (2009) stated that "Cocoa is Ghana." Ghana is cocoa. According to Asamoah (2012), cocoa is a vital commodity,



and some of the economic advantages of the industry include its potential to employ (It contributes significantly to Ghana's GDP, offers one million jobs for Ghanaians with six million dependents, and plays a vital role in the nation's economy, government's primary source of foreign exchange income, the majority of which is used for development projects.

## **1.2 Problem Statement**

Rand (2013) asserts that the commercial and academic worlds are becoming more and more interested in supplier relationship management. Companies put a lot of effort into forging deeper links with other companies to get a competitive edge and strengthen their market position. According to Bart et al. (2009), there hasn't been much study done on the processes that influence the development of collaborative partnerships or the presence and dynamics of supplier relationships at different levels within business interactions. It is necessary to put in place procedures that will ensure that businesses keep a competitive advantage due to the fierce competition and other businesses reinventing themselves. The corporate and academic worlds are becoming more and more interested in supplier relationships. Companies put a lot of effort into forging deeper ties with other organizations (their suppliers) to get a competitive edge and strengthen their market placement. According to a detailed review of earlier studies on supplier relationships and organizational performance, Ling & Ling (2012), there hasn't been much research done on how supplier relationships affect an organization's performance. Lysons and Farrington's (2015) research focused exclusively on the buyer-supplier interaction. Van Weele (2017) did another study on performance evaluation in tactical buyer-supplier partnerships.

In the evolving landscape of global business, supplier relationship management (SRM) has emerged as a critical area of interest both in commercial and academic spheres. Rand (2013) highlights the increasing emphasis companies place on cultivating deeper relationships with their



suppliers as a strategy to gain a competitive advantage and solidify their market standing. Despite this growing importance, there remains a notable gap in research, particularly in understanding the mechanisms that drive the formation of collaborative partnerships and the nuances of supplier relationships at various levels of business interactions, as pointed out by Bart et al. (2009). While the connection between supplier relationships and organizational success is intuitively acknowledged, empirical research in this area is limited. Ling & Ling (2012) conducted a comprehensive review of existing literature on supplier relationships and organizational performance but found a dearth of studies directly addressing the impact of SRM. Similarly, the works of Lysons and Farrington (2015), and Van Weele (2017) focused on buyer-supplier interactions and performance evaluation in tactical partnerships, respectively, but stopped short of establishing a clear linkage between SRM practices and overall organizational performance. Given this context, this study aims to bridge this knowledge gap by specifically investigating how SRM practices influence the performance of organizations, with a focus on the Ghana Cocoa Board in the Brong-Ahafo region. This research is particularly pertinent given the critical role of the Ghana Cocoa Board in the national economy and the potential implications of SRM on its operational efficiency and market success. By delving into this underexplored area, the study seeks to provide valuable insights for both academic understanding and practical application in the realm of supplier relationship management.

### **1.3 Research Objectives**

The research aims to analyze how supplier relationship management **practices** affects organizational performance, with a specific focus on the Ghana Cocoa Board.

#### **1.3.1 Specific Objectives**

The specific objectives are;

1. To establish the relationship between information sharing and performance.
2. To determine the relationship between supplier collaboration and performance

#### **1.4 Research Questions**

1. What is the connection between sharing information, and the performance of the Ghana Cocoa Board?
2. What is the relationship between supplier collaboration and the performance of the Ghana Cocoa Board?

#### **1.5 Significance of the Study**

Determination of the optimum supplier relationship management capability of a firm more importantly Ghana cocoa board, is one of the most fundamental pivots to ascertain the performance. The study adds to existing literature to verify the claim of traditional philosophy of supplier relationship management on firms' performance and extend various extraneous variables such as SR Initiation Capability, SR Development Capability & SR Ending Capability and macroeconomics variables researchers have fused in numerous regression models to include strategic delivery of procured inputs (timing delivery).

It will also help Ghana cocoa board to reassess the appropriate supplier management capabilities mix to employ. This study serves as a guide to new entrance and government in the formulating policies to grow and sustain the supply management value chain industry in Ghana with emphasis on Ghana cocoa board. The study was carried out over the course of eight months. The study duration is thought to be long enough to allow for data collecting, findings presenting, and information gathering for academic and decision-making purposes. To both institutional investors,

corporate buyers and individual investors, the studies present investment opportunities. This study examines the impact of supplier relationship management on the performance of Ghana Cocoa Board from multiple perspectives.

Furthermore, Government and policy makers would be able to target optimal supplier relationship mix thereby improving discipline and efficiency hence focal performance. Also, both institutional and individual players along the supply value chain within the cocoa sub sector in Ghana would have a detailed understanding in hand of supply relation management in Ghana. Moreover, empirical research works in this regard are typically conducted in the mature capital markets and there are a few research in the cocoa value chain, especially in Africa and most importantly Ghana to facilitate the creation and promotion of efficient SRM practices, policymakers and the government.

## **1.6 Brief Methodology**

Descriptive statistical tools particularly regression, correlation and chi square analytical tools were employed. The population of the study primarily focused on Ghana cocoa primarily, within the Brong Ahafo region. The population of the study encompasses all the administrators and cocoa farmers within the region. The research used two sampling techniques to select a total sample size of 60 respondents. These techniques included simple random sampling and purposive. To aid in the presentation, measures of dispersion, central tendency, and frequency will be utilized.. SPSS software was employed to aid the data analysis. Questionnaire was also administered (comprised both closed-ended and open-ended questions).

### **1.7 Scope of the Study**

The study explored, supplier relationship management capability of a firm more importantly Ghana cocoa board, various SRM measures and their degree of association to performance chiefly supply agility and focal performance, were scrutinized to aid comparison and to arrive at a more reliable conclusion. The study explored heavily on secondary data particularly the annual reports of the Ghana cocoa board. The scope of the study is limited to the cocoa board of Ghana in Sunyani. The focus of the study is on how supplier relationship management practices affect organizational performance. The study will further narrow down to supplier relationship management practices on organizational (Cocoa Board Sunyani Branch) performance.

### **1.8 Limitations of the Study**

The study could have been extended to cover all the various branches in Ghana; however, due to time constraints and proximity this was not possible. The time frame for this study covers from January to May 2023. Furthermore, financially the researcher faced some difficulties. Since, the researcher solely depended on his own limited resources to carry out the study. The intended respondents' lack of participation posed a significant challenge in collecting sensitive data. The study also had other flaws. The researcher ensured respondents understood the study's importance, leading to full cooperation.

### **1.9 Organization of the Study**

The first chapter of the study includes the problem statement, research objectives and questions, significance of the study, scope, and research methods. Along with the first chapter, the remaining portions of the thesis were structured as follows: The literature on both theoretical and empirical investigations will be reviewed in chapter two. The third chapter will cover research



methodologies and methodology. The fourth chapter will present and analyze the data while the fifth chapter will outline the study's conclusions and recommendations.

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## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

In regard to the topic and the study aims, this chapter analyses and compares the pragmatic viewpoints and findings of other authors. It also compares and contrasts the theories and results of



research on similar issues with the subject under study. To aid in the arrangement of the supplied paper, these are grouped into subtitles.

## **2.2 Conceptual Review**

### **2.2.1 Supplier Relationship Management Practices (SRMP)**

Supply chain management has long-term objectives and short-term objectives. The long-term objectives would include: creating value to customers, increase profits, improve efficiency of production operations, and increase market share (Williams, 2006). On the other hand, short-term objectives would generally include: improve productivity, reduce cycle time, and reduce inventory (Wisner & Tan, 2000). Firms willing to receive frequent deliveries have the incentive to assist and develop their suppliers and to establish close relationships with them (Scannell et al., 2000).

Generally, the strong relationships with suppliers have been regarded as one major factor for the Japanese industrial competitiveness (Sako, 1992). MacDuffie and Helper (1997) indicated that suppliers in lean production setting are expected to have the ability of meeting quality, delivery, and responsiveness requirements. They further pointed out the difficulty for customers to meet these requirements unless suppliers themselves have adopted lean practices. This pointed to one key problem in just-in-time (JIT) environment associated with moving the inventories from the buyer's firm to its suppliers. Such a situation will reduce inventory and related costs in the buying firm while increase inventories and costs in the supplier firm (Romero, 1991). Handfield et al. (1999) argued that the effective incorporation of suppliers into the supply is a major factor for plants to maintain their competitiveness. In addition, Performance improvement and competitive advantage can be achieved by cooperative relations with suppliers, which include: trust, supporting suppliers to improve their processes, information sharing, supplier involvement in new products development, and long-term relationships (Langfield-Smith & Greenwood, 1998). Supplier

relationship management practices have been categorized in this study as information sharing and supplier collaboration

#### **2.2.1.1 Supplier Collaboration**

SRM expands the scope of interactions with major suppliers beyond traditional buy-sell agreements, encompassing other collaborative activities that require a shift in perspective and management of relationships. These activities may or may not entail significant investment. These strategies include combining research and development, implementing more structured and organized information exchange, and jointly forecasting demand and re-engineering processes (Ling & Ling, 2012). Operational cooperation comprises sharing operational planning data, creating forecasts, exchanging them, linking order management systems, and working together on capacity management systems. The development of combined market entrance strategies, shared production engineering, shared basic technologies, and joint capital expenditures are all examples of strategic collaboration (Tate et al., 2009). According to Kwon (2004), commitment is the idea that a business partner has a continuous relationship with the other, making it crucial to guarantee high commitment to a long-term partnership with minimal assistance. According to Stock (2010), this results in improved procurement performance within companies.

In their study, Michel et al. (2008) make the case that commitment has grown to be a significant issue in supply chain integration since good planning depends on partners sharing information, which is a crucial component of successful integration and high procurement performance. When information is shared at times, disclosing confidential financial details and those of potential competitors may be required. The assumption is that supply chain partners won't misuse personal information. According to Mwirigi & Fred (2011), a firm's procurement performance can be enhanced through committed buyer-seller relationships and adherence to fundamental principles

in a variety of business dealings. A firm's procurement performance can be improved by requiring the parties involved in transactions to commit to and act in support of the transactions in order to establish a lasting relationship. If such a responsibility is for mutual interest income, organizations should create and maintain long-term connections. According to McCue & Johnson (2010), in order for supply chain partners to successfully complete any commercial transactions, there must be a maintained commitment on both sides. It is widely acknowledged that common goals, dedication, communication, and trust are essential components of successful supplier partnerships. The performance of organizations is improved by these factors. By working together with suppliers, they not only increase efficiency and cut costs, but they also strengthen the supplier's participation in the organization's overall strategy. (2011) Mwirigi & Fred. According to Martinez's (2009) hypothesis, depending on the channel circumstances, the communication dimensions would work in a certain combination. In relational structures, welcoming environments, and symmetrical power, they came up with the term "collaborative communication strategy" to describe a method that is more likely to happen. In line with Giannakis (2007), collaborative communication is described in this study as a communication effort that conjointly prioritizes feedback, formality, and indirect impact approach.

#### **2.2.1.2 Information Sharing**

The capacity to simultaneously communicate current information with clients and suppliers is known as information sharing (Green et al., 2007; Zelbst et al., 2010). The ability to openly and promptly communicate information with clients and suppliers is discussed by Green et al. (2007). Every participant in the supply chain has immediate access to the information as needed. In general, Green et al. (2007) and Zelbst et al. (2010) agree that established ERP systems provide



access to this kind of information. The ability to openly and promptly communicate information with suppliers and customers is defined as information sharing in this study.

Information has possibly garnered the most attention out of all the resources a company maintains because it is crucial to the execution of its planned SC response. A corporation must "be aware of new information generated in its environment and implement structures that facilitate fast decision making... and practices that prevent information overload" in order to effectively respond to rapid change (Mendelson, 2000, p. 515; Tushman and Nadler, 1978). Because of this, businesses are making significant investments in information technologies to improve their capacity to handle information and knowledge throughout the supply chain (Ofek and Sarvary, 2001)

This study measures information sharing with suppliers and consumers in accordance with Barut et al. (2002). Two information flows make up information sharing with suppliers: information a company receives from its suppliers and information a company gives to its suppliers. Similar to this, information sharing with consumers involves two flows: information provided to customers and information received from customers.

### **2.2.2 Strategic Material Sourcing (SMS)**

A formal procurement procedure that regularly reviews and enhances a company's purchasing operations, Nichiguchi (1994) stated that SMS includes the following processes: Analyze the present spending of the business (what is purchased and where). evaluation of the supply market (who provides what? whole cost analysis (costs associated with delivering such goods or services), selection of appropriate vendors, the creation of a sourcing strategy (where to acquire what taking the supply and demand situation into consideration, while reducing risk and costs), product, service

level, and pricing negotiations with suppliers; regional coverage New supply structure implementation, tracking of results, and restarting of assessment (continuous cycle). Initiated by General Motors in the 1980s, strategic material sourcing later became a practice that other large, blue-chip businesses adopted with the help of consulting firms like A.T. Kearney, Price Waterhouse Coopers, KPMG, and many more. This approach became commonplace for procurement organizations and is now regarded as a typical operating procedure Nichiguchi, 1994.

### **2.2.3 Tailored Vendor Relationship**

Customized vendor partnerships are meant to provide high-quality products and/or services where they are needed, according to Taylor (2004). Major suppliers are establishing personnel on-site at their clients' companies more frequently to obtain better forecast data. To ensure quick product delivery, they also schedule purchases, monitor their inventory levels, deal with any issues relating to expediting, and do much more. In soft goods retail outlets, suppliers often handle inventory as well as floor displays and product promotion. One of the competing businesses has developed an automated process that makes use of specialized racks outfitted with electronic servers. The inventory levels of items at the customer's facility are automatically tracked by the rack system. When the reorder point is reached, an order is automatically generated Berkowitz (2004) suggests that having customized relationships with vendors can prevent the accumulation of multiple suppliers and transfer inventory, inventory management, transportation, and labor costs from the government to private companies. These tailored plans utilize the expertise of commercial vendors who prioritize profit and therefore strive for efficient inventory management and punctual deliveries. They make it possible to realize large annual savings and totally alter the processes of retail customer support. A firm mutual commitment is required for this type of relationship, and setting up the appropriate technologies is quite expensive.



#### **2.2.4 Performance Based Logistics (PBL)**

Under this method, a supplier is compensated based on their performance and system capabilities instead of payment for goods and services. The supplier frequently must guarantee the performance for less money while exercising greater control over all logistics-related factors. In performance-based agreements and contracts, this performance is typically stated (Hughes, 2004). As stated by the Army in 2002, the emphasis is moving away from buying and contracting for resources and toward buying and contracting for results, or readiness levels. With contractual incentives and penalty provisions in place to provide the necessary financial motivation, there is a shift from instructing contractors on what to do and how to do it to informing them what to accomplish while relying on their experience and skills to do so. Each form has demonstrated limitations and shortcomings as well as being suitable in specific situations. The ability of the purchasing companies to assist, cultivate, and form a close relationship with their suppliers will determine their ability to obtain raw materials in the right quantity, right quality, and at the right time to fulfill their clients successfully. Planning, executing, developing, and overseeing a company's connection with a present or potential supplier is known as supplier relationship management (Akamp & Muller, 2013). This includes identifying suppliers who are essential to the operation of the business, pressuring supplying companies to act in a way that organizational demands are satisfied and providing advice on how to interact with different types of suppliers (Schuh et al., 2014). Supplier Relationship Management (SRM) is a comprehensive method of managing a company's connection with suppliers to benefit both parties. This approach enhances the effectiveness of material processing, inventory management, and procurement of goods and services. (SAP, 2003). The buying and supplying organizations use various techniques to achieve their intended outcome. Long-term relationships, information sharing, participation of suppliers in

the development of new products, and trust are some examples of these practices (Langfield-Smith & Greenwood, 1998); Supplier segmentation, supplier relationship management governance, supplier performance management, and supplier development are important aspects of supply chain management (Zimmermann et al., 2015; Lysons and Farrington, 2006).

### 2.2.6 Supplier Relationship Management Practices

Managing supplier relationships can provide a competitive advantage (O'Brien, 2014). The need for SRM as a tool for pushing an organization ahead of its competitors has been met by the ongoing search for strategies to gain a competitive edge. As a performance metric, competitive advantage regularly results in better performance. When SRM is correctly implemented using a range of techniques, a company will perform better (Emmett & Crocker, 2009). A company needs to manage its suppliers more skilfully than its competitors if it wants to succeed. The internet's interconnectivity means businesses must offer customers unique value to benefit themselves (Lambert, 2008; David et al., 2016). Performance is also evaluated in terms of how much value is generated for the company's shareholders. Organizational value is not produced in a vacuum; rather, it results from the development of essential competencies while avoiding supplier relationship management. Organizations have the idea that strategic supplier management offers the essential advantages when suppliers are encouraged to be creative, which in turn translates to value benefits for a business (Tarafdar & Qrunfleh, 2013).

In the manufacturing industry, performance is evaluated through various metrics, including schedule performance. Manufacturing facilities and service delivery can use the same measurement methods to assess performance (Cheng, 2009). The establishment of systems enables the organization to monitor the development of its operations. It's important to have a clear understanding of how different aspects of a business are functioning. In order to achieve this, it is

important to establish a proper method of measurement. For the manufacturing industry, it is necessary to use quantitative factors that are directly linked to indicators of success such as operational and financial performance, value creation, competitive advantage, and synergy in order to measure performance accurately. Muller (2010) asserts that performance evaluations in the manufacturing industry go beyond merely financial factors. The major areas that drive corporate performance must be identified as the first stage in measuring performance in the manufacturing sector. The next step is to establish performance targets, which will help everyone understand the goals. Middle level managers' impressions of the link between supply chain quality management methods and organizational performance were the focus of Kuei, Madu, and Lin's (2001) study. The study uses statistical tests to demonstrate that enhancements in supply chain quality management procedures are related to perceived gains in organizational performance. There is a significant statistical association between supplier quality management, customer interactions, and supplier selection and the quality groups. Strategic supplier partnerships, customer relationships, level of information sharing, quality of information sharing, and postponement are the five dimensions of SCM practice that Li, Ragu-Nathan, Ragu-Nathan, and Rao (2006) conceptualize and develop. They test the connections between SCM practices, competitive advantage, and organizational performance. The results demonstrate that expanding SCM practice can improve organizational performance and competitive advantage. Additionally, a company's performance may be immediately and favourably impacted by its competitive advantage.

From an integrative perspective, the article discusses SRM and proposes a framework for an integrative SRM system. The article features a case study that combines analytical hierarchy process with a field survey. The results of the study predict that the suggested framework, which uses an integrative concept, can significantly contribute to improving the efficiency and



effectiveness of SRM because the functions of SRM are so closely related. Additionally, a case study is used to confirm the framework's applicability.

Studies have found that strong partner relationships rely on trust, commitment, information sharing, and fulfilling duties. To be more precise, a study on the variables causing ineffective partnerships conducted by Ellram (2001) revealed that dedication came in second and trust in the list of 19 characteristics was rated third. In fact, research on relationship management examines how business relationships grow sequentially across businesses depending on the many stages they go through. The level of trust and commitment in a relationship allows partners to focus on its long-term benefits. Overall, the stage-by-stage development is reliant on the maturation of a few traits, one of which is confidence in the interaction between them.

### **2.2.5 Effect of Supplier Development on Financial Performance of Organizations**

Supplier development is when a buying firm improves a supplier's performance and capabilities to meet their own supply demands (Krause, Handfield, & Tyler, 2007). Supplier development refers to any effort made by a purchasing organization, such as a manufacturer and its supplier, to improve the supplier's performance and/or capabilities and, as a result, meet the manufacturer's supply requirements and specifications (Ochieng, 2014). The process of working one-on-one with suppliers to enhance their performance and offer high-quality products that greatly benefit the purchasing organization is known as supplier development. According to CIPS, supplier development values regular input on the supplier's effectiveness as well as any customer complaints. CIPS also recommended that suppliers cater to the requirements of the purchasing organization. Additionally, it was mentioned that supplier development might make use of supplier expertise and technology to minimize costs and lower risk. Four crucial strategic sourcing elements



are described by Kocabasoglu and Suresh (2006) as aiding firms in maintaining sustainable material levels. Effective internal collaboration between the purchasing function and other departments is advised. Effective information sharing between partners is also necessary. Companies that have neglected their supplier development initiatives without incorporating them into their strategy, according to Arumugam (2012), risk missing out on chances that are abundant in material activities. Working closely with suppliers to ensure that the workforce obtains at least the required minimum legal wage and is adequately compensated for overtime hours is a basic responsibility. Supporting suppliers in enhancing their output and quality can directly impact compliance improvement without raising the price of the finished product.

Timely and reliable information are essential for decision-making, and ultimately for performance, in highly developed supplier development methods. Disclosing top-secret information to suppliers is believed to improve overall business performance. Suppliers are given the opportunity to collaborate with buyers to identify areas that may be completed most efficiently and effectively, boosting purchasing performance, by including them in the product design course. Additionally, it has been demonstrated that educating suppliers enhances supplier performance. Since suppliers' performance and/or capabilities are expected to improve as a result of the adoption of highly developed supplier development, the buyer's purchasing performance should also advance (Sahay, 2013). In plainer terms, supplier development involves giving regular and ongoing feedback on the performance of the supplier as determined by the buyer's organization, together with any client complaints. This feedback frequently serves as a major incentive for suppliers to review and improve their performance, particularly in areas like lead times and delivery consistency (Frahm, 2013). This tactic can be strengthened even further by utilizing the purchasing organization's experience to increase the supplier's capacities and, as a result, raise the overall added quality of

both the products and services. Additionally, purchasing and supply management needs to be open to the possibility of utilizing supplier expertise and matching it to the demands and business objectives of the buyer (Chan, 2012). One benefit of using the supplier development strategy is that it allows for targeted improvements in areas that meet the specific needs of the buying organization. This alignment ensures that any gains made directly benefit the quality of the buyers' products and services, making them more competitive in their respective markets. According to Wheele (2012), well-known companies such as Shell and Coca-Cola have successfully implemented this strategy to continuously improve their suppliers.

#### **2.2.6 Effect of Supplier Segmentation on Financial Performance Organizations**

Supplier segmentation can be an effective marketing strategy for managing supplier sustainability. To clearly comprehend a buyer's supply base and its key components, all suppliers are first categorized according to a specific set of criteria. Based on this understanding, resource allocations are then adjusted in response to the findings (O'Brien, 2014). Buyers can categorize providers into groups and concentrate resources on relevant ones, gaining a clearer view (Pornchaiwisesk, 2012). According to Tobias & Rohner (2009), supplier segmentation enables a business to divide its suppliers into various categories with various needs, traits, or behaviors. A crucial aspect of supply relationship management strategies is supplier stratification. This involves distinguishing between suppliers, forming teams for this purpose, comparing supplier segments, identifying opportunities, improving commodity and service agreements, making contracts, measuring performance outcomes, and generating data on supplier and expenditure profitability. Stratifying an organization's supplier base into smaller groups makes it more manageable and enables collaborative relationships. In line with the concept of strategic supplier alliances, the buyer can determine which suppliers to collaborate with, which suppliers are necessary for the organization's

operations, and which suppliers can be avoided (Fram, 2015). Additionally, it gives the buyer the power to choose the type of relationship to forge with various suppliers, giving them the capacity to come to an agreement on the relationship management structure to include. As a result, grouping suppliers into different segments, categories, or groups makes it simpler for the company to manage each provider according to their value or requirements.

A company can discover and manage suppliers more efficiently with the aid of supplier segmentation. Depending on how important the given item is, it can be a useful tool for identifying suppliers and deciding whether to pursue a long-term collaboration with them. Supplier stratification helps businesses to create a framework that is supported by a variety of approaches that may be adopted to manage various suppliers effectively. It is important for developing a supplier relationship management framework. Internal managerial silos, internal conflicts, and the ensuing low performance are some of the major obstacles to successful performance (Maboudi, Hoseinpour, & Rastar, 2011). Although risk management is important, evaluating suppliers can lead to more advantageous outcomes. Evaluations can aid in creating better coordination between the buyer and the provider. As a result, the supplier can learn how the buyer functions and any minor issues that could be resolved to increase efficiency (Arsan, 2011) and the buyer can alert the supplier when more Supplies may be required before the scheduled date. This alignment also puts the provider in a strong position to help the buyer achieve their business goals. The assessment method thus encourages suppliers and buyers to cooperate and work in harmony rather than acting individually. Both the supplier and the customer will learn how to coordinate and ultimately combine procedures, actions, and dealings to make it easier for their respective operations to be even more integrated.



### 2.2.7 Performance of Organization

The Oxford English Dictionary defines performance as the accomplishment, execution, carrying out, and working out of whatever is directed or undertaken. Additionally, it makes the case that performance involves both the job completed and the results attained. This refers to outputs and outcomes (accomplishment). According to Knowton (1980), an organization's performance is measured by how quickly, effectively, and timely it delivers its goals. He also connects performance to profitability and production. Druker (1995) defined performance as achieving maximum output with minimal effort by balancing production factors. He continues by saying that there are several ways to evaluate it, including profitability, which is used to assess a company's performance by determining how well it is employing its production-related inputs and output volume. According to Agu (1988), organizational performance is the capacity to provide consumers with prompt, correct, and timely service while abiding by industry standards and laws and supported by a solid asset base, an expert management group, and knowledgeable employees. Meyer and Braithwaite developed a supply chain score card in 1994 and 2007 to evaluate an organization's performance. The first step in improving supplier performance measurement is to carefully consider the many applications of the metrics as a component of a comprehensive supplier relationship management system and to specify the core goals of all supplier metrics.

According to Appley (1999), evaluating organizational performance also entails assessing the effectiveness of the resources employed to accomplish organizational objectives. According to Pandey (1995), a number of variables, including organizational controls, effective internal and external communication, and the company's resource availability, affect organizational success. The structure for developing supplier scorecards is shown in the diagram below. Contributions to supply continuity, brand equity, supplier continuity risk reduction, and innovation/improvement



objectives are all examples of strategic value. Contributions to market expansion and corporate social responsibility goals are also included.

## **2.3 Theoretical Review**

### **2.3.1 The Transaction Cost Theory**

The transactional cost theory as developed by Commons (1931) served as the study's main framework. According to this idea, the asset specificity, or the level of investment in a transaction, predicts how a relationship would be governed. From a different angle, the stronger or more delicate the relationship, the larger the transaction (Emmett & Crocker, 2009). The environmental and behavioral uncertainty around the transaction, and as a result, the degree of opportunism, are additional predictive factors. The idea holds that reducing uncertainty and relationship-specific investment is the cornerstone to every successful connection from which both parties can gain. For instance, if one party makes a relationship-specific investment, the other party must do the same in order for the investment to be made, or else contractual guarantees will be made. The relevant elements of the transaction cost theory for this study are adaptation and uncertainty (Tarafdar & Qrunfleh, 2013). The study is guided by this hypothesis, which holds that the number of transactions between two parties affects how suppliers are managed. The uncertainty and adaptation around the relationships, however, have an impact on this. The book Teams, Market,

and Systems analysis by Reen (2013) makes a substantial addition to this discussion. The book then addresses how alternate approaches of enforcing the various transactional mechanisms of teams, markets, and hierarchies can be developed. The complexity and breadth of this contribution's investigation of various transactional processes, along with its representation of the suggested solutions in terms of SRM-driven evolution, are what distinguish it as novel. In addition, a framework is suggested to help in decision-making when evaluating the costs and advantages of these potential choices. Kotole (2011) analyzed the effect on the market and hierarchy, claiming that SRM supports information flow and management throughout the many phases of transactions, facilitating the transactional process. According to one theory, market structures are supported by the employment of SRM in situations where a hierarchical solution would otherwise be needed. In a similar vein, Tim (2011) claimed that the use increases the circumstances in which the market mechanism is an effective allocative structure by reducing information asymmetry.

The administration of the SRM system is getting attention because, as noted above, supplier relationship management is important (Stevens, 2011). and up until recently, studies on the relationship and networking aspect have been scarce. Specialized subjects including purchasing strategy, supplier selection, collaboration, and development have received the majority of the attention. Recently, there has been a focus on the role of manufacturing companies within their supply networks. It is important to consider the company's operations as part of a network, as the value of their product is rooted in the suppliers upstream. (Stevens, 2011). Managing supplier relationships is a challenge for many businesses in Africa. Their lack of a clear structure and consistent supplier management policies is the primary cause. The connection between various company departments and its suppliers can be categorized as tactical and operational in traditional supplier partnerships. Relationships are therefore deficient in openness, both from an external

viewpoint and in terms of internal governance and relationship ownership. Since most businesses on the African continent operate with an arm's length connection, efficient supplier relationship management is not yet widely adopted in the African nations. The advancement of technology, aggressive globalization, innovation, and the implementation of deregulation policies have facilitated the development of the relationship paradigm. This paradigm aims to establish ways of creating long-term relationships between suppliers and customers, as noted by Muller (2010). In order for organizations to reach their full potential in managing themselves, there is a gap in supplier relationship management in Somalia due to chaotic events (Mwirigi, 2011).

### **2.3.2 Theory of Constraints**

In his book *Goal*, published in 1984, Eliyahu Goldratt introduced the theory of constraints (TOC), a management philosophy that helps businesses achieve their objectives consistently. Goldratt used the idea to project management in his 1997 book *Critical Chain*. Any manageable system is restrained in achieving more of its objectives by a relatively small number of limits, claims the theory of constraints (TOC), which serves as a management paradigm. The rest of the organization is then restructured around the restriction after it has been identified utilizing the ToC's focusing process. Always, there is at least one restriction. According to TOC, a chain is only as strong as its weakest link. Every process, organization, etc., can be harmed or destroyed by the weakest person or component, or at the very least have a detrimental effect on the output, affecting the intended goals and objectives (Athanasopoulou, 2009). The theory of constraints is founded on the notion that changes in throughput, operational expense, and inventory may be used to evaluate and manage organizations. Inventory refers to the total amount spent by the system on goods for sale. Operational costs, on the other hand, cover the expenses incurred in converting inventory to throughput, which is the system's revenue generation speed from transactions. However, certain conditions must be met before achieving the goal. These frequently include legal requirements,



safety, and quality (Buffington et al., 2007). To improve availability and get rid of wastes like surpluses that have a detrimental effect on organizational performance, supply chains must flow. The TOC distribution solution works well when used to handle a single supply chain link and even more so when applied to the entire system, even when the system consists of numerous enterprises. A supply chain's flaws can be found using TOC, which can also be used to find remedies to those problems because a chain is only as strong as its weakest link. A crucial component of finishing the supply chain is relationship management, especially when it comes to supplier relationships. In order to prevent the supply chain from having a weak link due to bad relationships, it is crucial to ensure that relationships are adequately managed (Chang, Chiang, & Pai, 2012).

## **2.4 Empirical Review**

Performance is the result of actions taken by an organization over a period, frequently with reference to cost effectiveness from the past or the future, managerial responsibility or accountability, or something similar. According to Mahapatro (2010), performance refers to a company's capacity to carry out its objective through effective management, solid governance, and a persistent commitment to attaining results. Since there are currently no universally accepted performance measures, this study used firm survival (FS), firm efficiency (FE), and competitive advantage (CA) through cost reduction as performance indicators.

Improvements to the entire supply chain will be made using the information offered by supplier performance. The goal of an effective performance evaluation system is to provide clear, easily The focus of SRM is on creating measurable metrics that add value to both the buyer and the supplier (Mwirigi & Fred, 2011). By utilizing the skills and ideas of important supply partners, SRM creates a competitive advantage that converts these resources into goods and services for end users, according to Brown, Tate, and Ellram (2009). The supply chain as a whole will be improved using the information offered by supplier performance. The goal of an effective performance



evaluation system is to provide clear, easily measurable metrics focused on adding value for both the buyer and supplier (Mwirigi & Fred, 2011). Utilizing the skills and ideas of important supply partners, SRM creates competitive advantages by incorporating these into offerings of goods and services to end users. Tate, Ellram, and Brown, 2009. Leading companies track precise SRM savings produced at the level of each individual supplier and the overall SRM program level using the current methods for measuring procurement benefits.. The fact that SRM can affect financial performance in a variety of ways makes it difficult to quantify its financial impact. There are several benefits that can be achieved through cooperation between suppliers and buyers, such as cost savings through efficient design, manufacturing, and service delivery, and receiving the most favorable pricing. Such partnerships offer opportunities for early access to innovative technology, and allow for cooperative efforts to develop new products, features, and packaging. This approach can prevent stock shortages by using cooperative demand forecasting and enhancing risk management (Stock, 2010). Reduced supply bases, open communication, and long-term partnerships are frequently used to evaluate supplier relationships. The goal of supplier relationship management (SRM), a branch of supply chain management, is to identify your most crucial suppliers and determine how to concentrate your efforts on developing and sustaining more fruitful strategic relationships with them Michel, Philippart, Verstraete, and Wynen (2008).

Al-Abdallah, Abdallah, and Hamdan (2014) studied the impact of supplier relationship management on the competitiveness of manufacturing companies. To capture competitive performance, In the study, supplier relationship management was viewed as including supplier quality improvement, relationships built on trust with suppliers, a reduction in lead times, supplier participation in new product development, and supplier partnership/development. The study's results show that shorter lead times for suppliers and supplier partnerships/development have a positive and significant effect on the competitive performance of the buying organizations.

Nyamasege and Biraori (2015) studied the efficiency of supply chain management in the Kenyan public sector, utilizing the Ministry of Finance as a case study. As elements of SRM, the poll covered supplier cooperation, supplier development, high-quality products, and customer service. Both quantitative and qualitative data could be collected because to the descriptive study design that was adopted. The whole population consisted of 120 management staff members, and a random sample of 60 respondents was selected to reflect the study sample size. According to the study's findings, supplier cooperation, supplier expansion, product and service quality, and customer service all had a big impact on how effectively the supply chain operated. In 2017, Mumelo, Selfano, and Onditi looked into how supplier relationship management (SRM) impacted the performance of small enterprises in Bungoma Town, Kenya. By examining information exchange, lead time, and relationship length, the study identified SRM. The study's participants included 1011 SSE owners in Bungoma Town, Kenya. 287 respondents were chosen by the stratified random sampling technique, and information was gathered from both secondary and primary sources. According to the study's conclusions, there is a strong, positive association between small businesses' organizational performance in Bungoma Town, Kenya, and information sharing, lead time, relationship longevity, and those variables.

The effectiveness of a supply chain relies heavily on the sharing of information among its participants. Ling & Ling (2012) describe this process as "frequent updates of information amongst members of the chain to facilitate effective supply chain management." The ability of an organization to acquire the appropriate information at the appropriate time holds the key to survival and longevity in this dynamic and unpredictable world (Martinez, 2009).

The literature consistently demonstrates that successful supplier relationships depend on effective two-way communication for the creation of rich knowledge Hughes & Wadd (2012). Giannakis (2007) underlined the significance of information sharing since "operational connectivity" of an

activity requires the supply chain partners to have access to the firm's data. Strategic firm partners need to share diverse data, such as inventory levels, sales forecasts, production runs, marketing plans, feedback to suppliers, and sales promotion strategies, to decrease uncertainty and effectively plan for their business needs. This information exchange is highlighted by (Flynn et al. 2010). SRM includes a wide range of functionalities that make it easier for a business and its trading partners to collaborate, source, carry out transactions, and monitor performance. SRM utilizes the latest technology to enhance supplier-oriented supply chain processes such as design-to-source, source-to-contract, and procure-to-pay. To manage operations more effectively and efficiently, SRM requires improving the communication and processes between the buyer and the supplier and employing software applications (Enz & Lambert, 2012). The features that different SRM software suppliers offer differ. Automation, Integration, Visibility, Collaboration, and Optimization are the five main pillars of SRM systems. Automation of the business-to-business transactions between a company and its suppliers, integration that offers a cross-departmental perspective of the supply chain, and procedures and software programs for internal and external partners are just a few examples of the processes and software. Visibility of the information and business operations inside and outside of businesses. Views are pooled through a single portal and are tailored by the role. Collaboration: through exchanging information and allowing suppliers to immediately input data into a company's supply chain information system. enhancing analytical tools, such as warehousing and analytical processing, to optimize decision-making processes (Eyaa & Ntayi, 2010).

Automation of the business-to-business transactions between a company and its suppliers, integration that offers a cross-departmental perspective of the supply chain, and procedures and software programs for internal and external partners are just a few examples of the processes and software. Visibility of the information and business operations inside and outside of businesses.

Views are pooled through a single portal and are tailored by the role. Collaboration: through exchanging information and allowing suppliers to immediately input data into a company's supply chain information system. enhancing analytical tools, such as warehousing and analytical processing, to optimize decision-making processes (Eyaa & Ntayi, 2010). The delayed uptake of web-enabled purchasing systems can be attributed to a number of factors, including limited laws, poor infrastructure, a lack of support from senior management, integration with current systems or solutions, a lack of technological standards, a lack of supplier collaboration, and the costs of implementation (Diageo, 2011).

## 2.5 Conceptual Framework and Hypotheses Development

The conceptual framework demonstrates the relationships between the study's variables which includes information sharing, supplier collaboration and organizational performance.

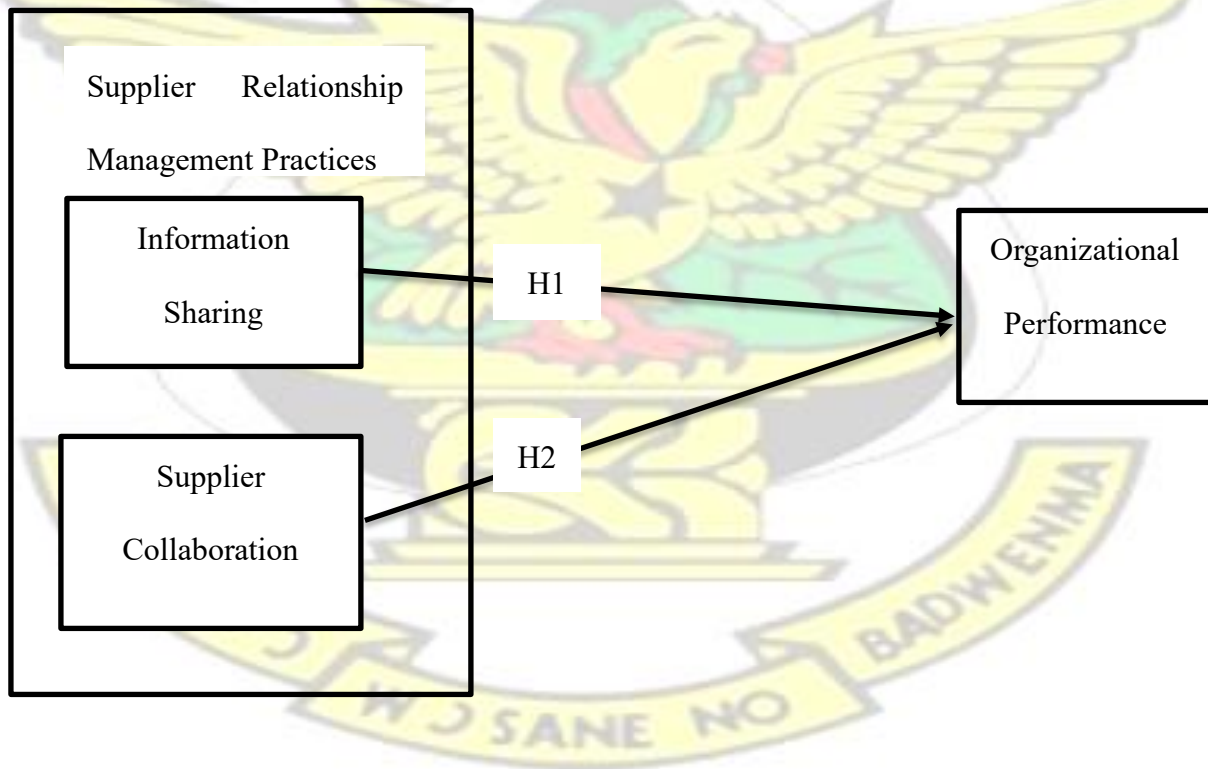


Figure 2.1: Conceptual framework



### **2.5.1 Relationship between Information Sharing and Performance.**

It has been extensively researched how technology and information exchange affect organizational performance. A thorough study by Smith et al. (2019) demonstrated the considerable positive link between the use of cutting-edge technology and efficient information-sharing procedures and improved performance outcomes. It is important to understand how technology and information exchange affect performance in particular situations, like the Ghana Cocoa Board, where this relationship has real significance. Organizations can better plan their strategies for utilizing the advantages of technology and information exchange for enhanced performance by looking at this relationship (Brown & Mensah, 2021). Organizations will see enhanced performance outcomes if they successfully use technology and encourage efficient information sharing. In comparison to organizations with limited technological integration and information silos, we hypothesize that organizations that use cutting-edge technologies, such as data analytics, automation, and communication tools, along with a culture of effective information sharing, will achieve higher levels of productivity, innovation, and decision-making quality.

*H1: Information Sharing has a positive influence on organizational Performance.*

### **2.5.2 Relationship between Supplier Collaboration and Performance.**

Research into the relationship between value measurement and performance has been conducted in a variety of business settings. Effective value-measuring procedures are strongly associated with improved performance results, notably in terms of cost reduction and operational efficiency, according to Anderson and Lee's (2020) investigation into this relationship. Organizations like the Ghana Cocoa Board have conducted investigations into this connection. Organizations can learn important lessons about how improving value assessment methodologies can result in improved overall performance by researching this link (Smith et al., 2022). Strong supplier collaboration

leads to better performance outcomes for organizations. We specifically hypothesize that organizations that encourage strategic partnerships and collaboration with suppliers will experience higher levels of supply chain efficiency, product quality, innovation, and risk mitigation compared to organizations with limited supplier collaboration initiatives.

*H3: Supplier Collaboration has a positive influence on organizational performance.*

The logo of KNUST (Kenya National University of Science and Technology) is a large, faint watermark in the background. It features a central shield with a red flame-like shape at the top, a yellow bird with spread wings in the middle, and a green base. The shield is surrounded by a yellow banner with text in Swahili. Above the shield, the word 'KNUST' is written in large, grey, capital letters.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

The methodology and conceptual framework that were used to perform this study are described in depth in this chapter. The design of the survey is a vital aspect of the conceptual framework. The outcome of the conceptual framework of this research, which is initially formed by studying various works on the subject, can change depending on the conclusions from analysed field data. As a result, the ultimate conceptual framework, which is the focus of this study, can only be established following the conclusion and review of the field research. The final conceptual framework will be evaluated in comparison to the preliminary results from the theories after the data analysis is complete. Taking the methodology of Abor (2007) were factors such as firm size and assets growth can affect performance, the study widening the control variables by including the location of retail outlets and macroeconomic variables (inflation) in the model.

### **3.2 Research Design**

According to Creswell (2009), research design as the detailed plan utilized in obtaining the information required to provide suitable answers towards the achievement of the research objectives. Additionally, it shows the process of data collection and analysis. The selection of a suitable research design carves out the study and provides a consistent process in fulfilling the research objectives and questions (Marczak et al., 2005). According to Yin (2009), the choice of an adequate and relevant data collecting and analysis tool is influenced by the research design. Four (4) different research designs were noted by Fellows and Liu (2008). Explanatory, exploratory, descriptive, and predictive research designs were among them. The explanatory research design involves the development of a causal explanations which hinges on the fact that, one phenomenon is affected by various other factors (Zikmund et al., 2012). However, the descriptive research design usually provides an accurate profile of persons, events, or situations. This involves a stepwise and accurate description of facts and features of a given population or area of interest. The predictive and exploratory research designs are all a subset of explanatory and descriptive research design. Therefore, the explanatory research design is more suitable for this study as the research seeks to identify and quantify the factors that affect organizational performance and was accordingly adopted. The ideal approach in determining the relationship between variables is explanatory and non-experimental research design according to Zikmund et al., (2012). This study therefore adopted an explanatory non-experimental research design to analyse the effect SRM on performance of the cocoa sector in Ghana. Explanatory research seeks to establish causal relationship between variables.

### **3.3 Research Approach**

The research methodology, as defined by Naoum (2007), is the method used to examine or accomplish the research objectives. The approach, however, is affected by the study's objectives



as well as the kind and accessibility of the material required for it (Biggam, 2008). In general, there are three (3) different sorts of research approaches. These include the mixed, qualitative, and quantitative research approaches. As it expands upon preexisting theories, the quantitative research approach is particularly specific in its surveying and experimenting (Leedy and Ormod, 2011). Carrie said in her article that, the qualitative research approach also involves discovery in 2007. Whiles (1994) claimed that the qualitative research approach typically takes place in the natural setting, allowing the researcher to conduct a thorough study from the perspective of the participants. The mixed research method combines quantitative and qualitative data collection and analysis in one study (Creswell, 2003; Tashakkori & Teddlie, 2003). The quantitative and qualitative research methodologies will still be useful in the field of research, therefore the mixed method is seen as an addition rather than a replacement (Johnson and Onwuegbuzie, 2004). The sort of data needed to answer the research question determines the research methodology that will be used. Research data might be numerical, textual, or a combination of both. While qualitative research uses textual data, quantitative research mostly uses numerical data (Carrie, 2007). The use of numerical data in fulfilling the goals of this study led to the conclusion that a quantitative research approach would be more suited.

### **3.4 Research Population**

Population according to Creswell, (2013) is the entirety of objects, subjects or members that adhere to the specification set. The target population according to Saunders et al. (2009) is the complete collection of cases (people, organizations, or things) out of which a sample is drawn.

The population for this study comprises all firms in the cocoa industry within the Brong-Ahafo region. These firms are involved in activities ranging from; cocoa farming, cocoa processing, and distributors. These firms are targeted as the population of the study for each of these firms operate



within a supply chain and with a supply chain strategy. Also, these firms are known for utilizing information technology in their operations.

### **3.5 Sample Size and Sampling Technique**

The researcher determined the approximate number of respondents in each group using a procedure called purposeful selection for sampling. Workers were selected on the basis availability, experience and ready to provide information necessary for conducting this study. Simple random sampling and purposeful sampling were the two sample approaches used in this investigation. Without replacement, rotational simple random sampling was used to collect the required number of responses. To ensure that respondents were chosen without bias, the operations employees were listed and sampled from the study population using simple random sampling, while field officers and cocoa producers were chosen using purposive sampling. Simple random sampling is a foundational statistical method that ensures each member of the population has an equal chance of being selected. This technique is crucial in eliminating selection bias, thereby enhancing the representativeness of the sample. In the context of your study, using simple random sampling for selecting operations employees ensures that the sample is representative of the entire population of employees, providing a more generalized view of the impact of SRM practices. This method allows for the use of probability theory to estimate sampling error, providing a way to measure the accuracy and reliability of the sample results. This is particularly important in academic research where statistical validity is a key concern. Purposive sampling is ideal for selecting individuals who have specific expertise or experience relevant to the study. In your case, selecting field officers and cocoa producers through purposive sampling ensures that the respondents have direct, relevant experience and knowledge about the SRM practices at the Ghana Cocoa Board. his method allows for a more in-depth exploration of the perspectives of key informants. It is particularly useful in qualitative research where the goal is to gain detailed insights rather than to generalize findings to

the entire population. Consequently, a sample of 60 respondents comprising staff from various administrative levels in the regional and district offices of Ghana cocoa board within the Brong Ahafo Region were selected.

### **3.6 Data Sources**

To estimate the effects of SRM and firm performance aside the theoretical concepts employed, the study used two other types of data set: primary data and secondary data. The primary data was ascertained from the administered questionnaires. The secondary data concerns past data from annual reports of the Ghana cocoa board.

### **3.7 Data Collection Methods**

Because of the questionnaire's versatility, time and cost efficiency, as well as its ability to get the job done, It has been noted that the questionnaire has earned the right to be a steadfast favorite and a common choice of researchers when comparing the numerous study options for methodically acquiring information. Here, self-administered questionnaires with closed-ended questions were used. A systematic questionnaire was created based on the study's objectives and literature analysis to help achieve its goal. In a structured questionnaire, the respondents are only permitted to choose one response from several other replies offered by the researcher, according to Saunders et al. The questionnaire design included some items that were taken from earlier research on organizational performance and communication. Two (2) sections made up the questionnaire. Basically, the first component organizes the respondents' backgrounds' information. The study's goals were mostly the focus of the second segment.

### **3.8 Questionnaire Design**

In order to help the study accomplish its goal, a structured questionnaire was created based on the objectives and the studied literature. In a structured questionnaire, the respondents are only permitted to choose one response from a number of other replies offered by the researcher,

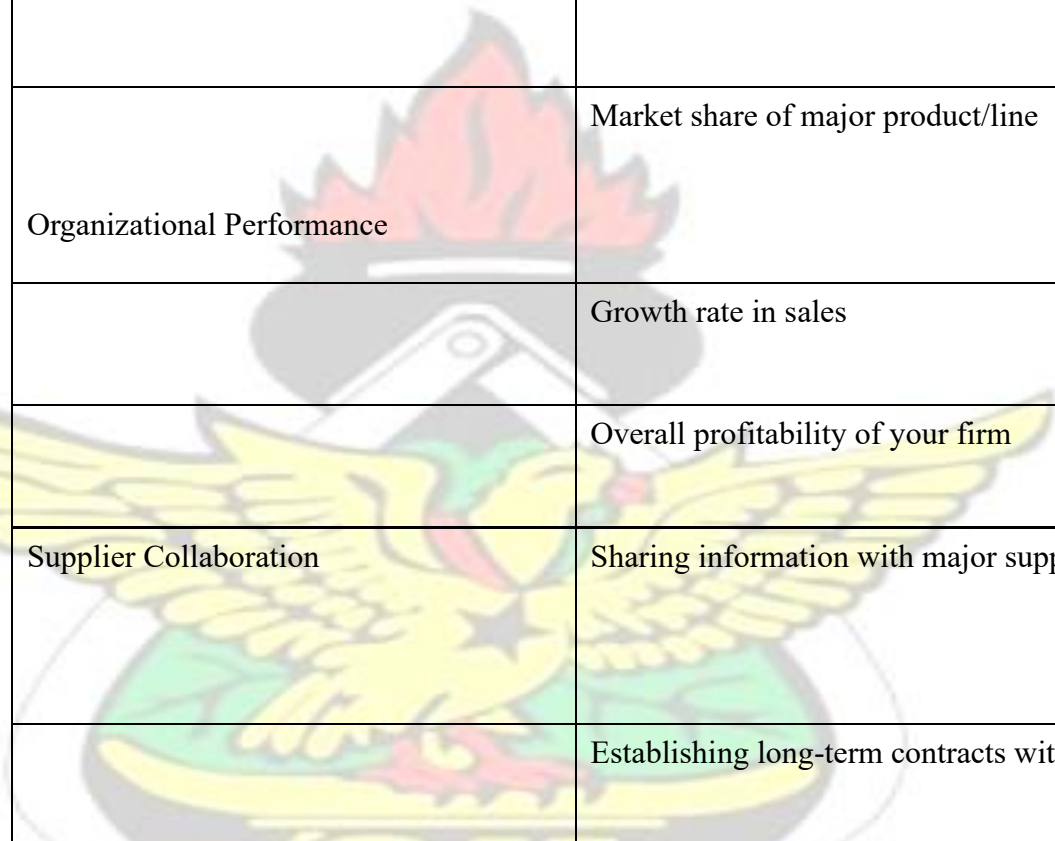
according to Saunders et al. From earlier studies on SRMP and organizational performance, several of the questions utilized in the questionnaire design were taken. Two (2) sections made up the questionnaire. Basically, the first component organizes the respondents' backgrounds' information. The study's goals were mostly the focus of the second segment. The respondents used a five-point Likert scale to rate the items. The Likert-type scale is a psychometric scale that is frequently used in the creation of surveys, according to Wuensch (2005). According to Burns and Burns (2008), while answering to a Likert questionnaire item, respondents express their thoughts on the given topics by indicating how much they agree or disagree on a symmetric scale. Researchers working with numbers have both ordinal and interval scales. Interval scales, on the other hand, offer the widest range of answers and are better suited to statistical analysis. **Table**

### **3.1 Sources of Measurement Items**



Variable	Questionnaire Items	Sources/References
Information Sharing	We are able to more quickly respond to customer needs by sharing information with our suppliers	Adapted from Meacham et al., (2013)
	Information flows seamlessly between the suppliers, manufacturers and customers in our supply chain	
	We openly share information with our suppliers and customers	
	Our suppliers and customers openly share information with us	
	The information shared by participants (suppliers, manufacturers and customers) in our supply chain is available on a real-time basis	





	Pursuing joint investments with suppliers	
Organizational Performance	Market share of major product/line	Adapted from Amoako-Gyampah et al. (2018)
	Growth rate in sales	
	Overall profitability of your firm	
Supplier Collaboration	Sharing information with major suppliers	Adapted from Amoako-Gyampah et al. (2018)
	Establishing long-term contracts with suppliers	

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### **3.8.1 Questionnaire Piloting**

The questionnaire when prepared and organized, a pilot trial of the questionnaire was done on researcher's colleagues to verify the accuracy, uniformity and importance of the questions asked. After that, the necessary alterations were made to streamline final version in accordance with the objectives of the study.

### **3.8.2 Data Analysis Methods**

The questions were coded, and the primary data was handled by modifying it first to catch any potential mistakes. Data was analyzed using quantitative methods to reveal the link between the dependent and independent variables. The study used a thorough methodology to analyze the data gathered in the section on data analysis techniques. The study started by looking at the demographics of the respondents, and then tested the validity and reliability of the variables. The study used a variety of statistical methods to accomplish its goals, including mean scores, onsample t-tests, correlation analysis, and regression analysis. Frequencies, percentages, and graphic charts were used to analyze the demographic data.

The study used Exploratory Factor Analysis for validity testing and Cronbach's Alpha for reliability assessment to confirm the validity and reliability of Supplier Relationship Management conceptions. It was confirmed that the components inside each construct accurately measured the notion when the Cronbach's Alpha was greater than 0.60. The study also used the Bartlett's Test of Sphericity and the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy to determine whether the data were appropriate for factor analysis. Bartlett's Test examined the importance of correlations between variables for factor analysis, while the KMO measure assessed sample adequacy.

The links between Value Measurement (VM), Technology and Information Sharing (TIS), Supplier Collaboration (SC), and Organizational Performance (ORG\_PERF) were investigated using correlation analysis. Mean scores and one-sample t-tests were used to measure respondent agreement levels and the perceived influence of challenges on SRM while evaluating difficulties. The impact of difficulties on the connections between value measurement, technology and information sharing, supplier collaboration, and organizational performance was further investigated by stepwise regression analysis. The model summary compared the capacity for explanation of various organizational performance models.

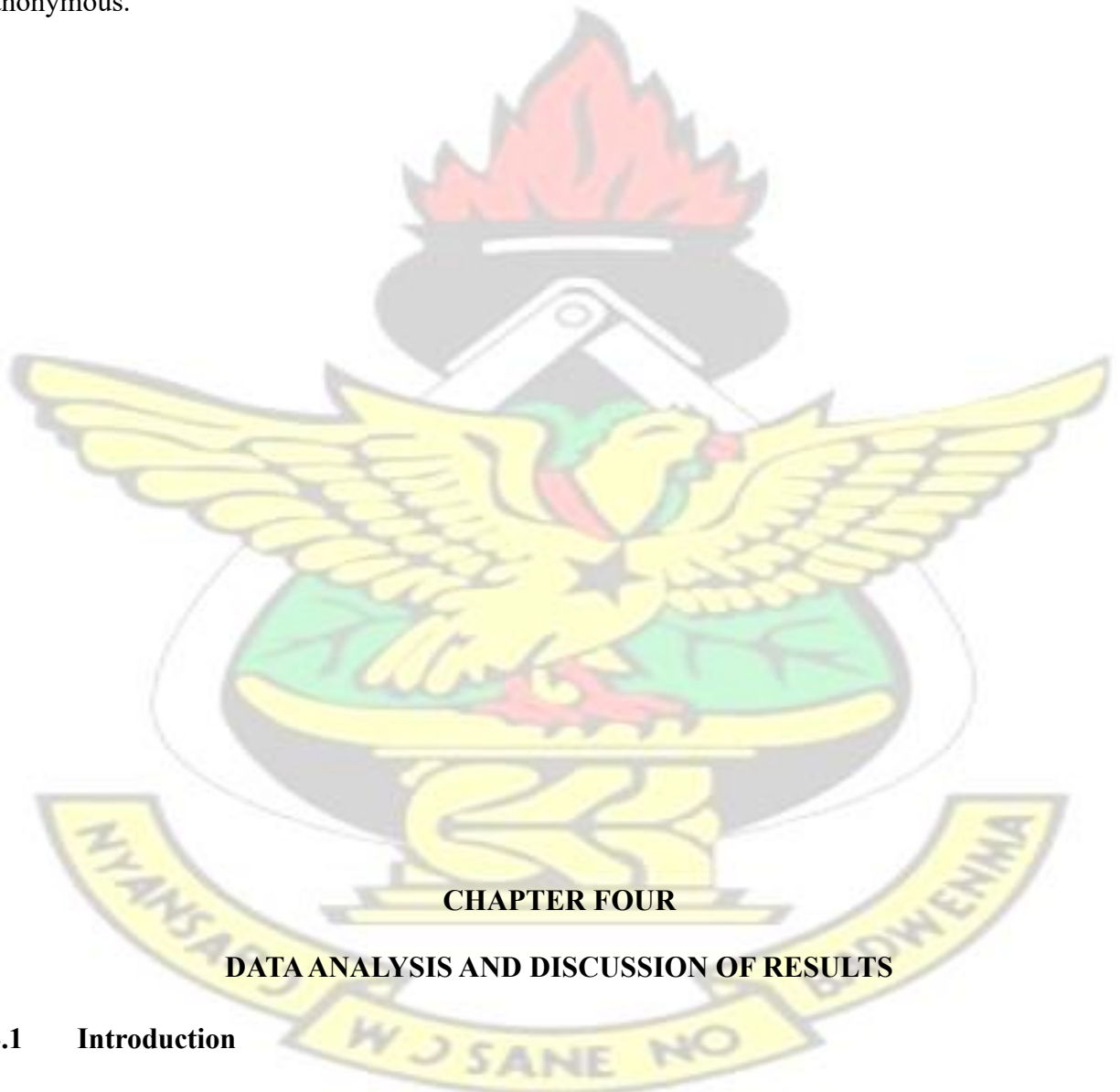
### **3.9 Reliability and Validity**

Jackson (2009) asserts that validity is a sign of the soundness of your study. More specifically, validity covers both the research's method and design. Utilizing the construct validity approach, the questionnaire's validity was assessed. The degree to which a test measures an intended hypothetical construct is known as its construct validity. Several questions were posed in order to determine validity, and the researcher frequently looked to the work of others for the answers. Reliable measurement is necessary for research. (Nunnally) Measurements are reliable insofar as they can be repeated, and any arbitrary factor that tends to cause measurements to vary from one situation to another or one set of circumstances to another is a source of measurement error. (Gay) The consistency with which a test measures the subject matter is referred to as reliability. Measurement mistakes that influence validity are systematic or consistent errors, whereas measurement errors that affect reliability are random errors. The correlation was calculated using test-retest (Cronbach, 1990).



### **3.10 Ethical Consideration**

Before beginning the study, the researcher obtained consent from the designated supervisors and the administrative head of the Brong-Ahafo Regional Head office of the Ghana Cocoa Board to carry out the objectives. Employees felt free to be open and honest about their responses because they weren't under any obligation to participate in the survey and their answers were kept anonymous.



## **CHAPTER FOUR**

### **DATA ANALYSIS AND DISCUSSION OF RESULTS**

#### **4.1 Introduction**

In this chapter, the data collected from a survey will be analyzed. The analysis first delves into the demographics of the respondents, conducts reliability and validity tests on the variables, and then

analysis to achieve the objectives of the study. This involves application of statistical techniques such as mean scores, one-sample t-test, correlation and regression.

#### 4.2 Analysis Of Respondents' Profile

In the survey conducted, a diverse group of respondents from various demographic backgrounds participated. The following is an overview of the demographics of the respondents, shedding light on their gender, age, education, position, and years of experience.

**Table 4.1: Demographic of Respondents**

	Responses	Frequency	Percentage
Gender	Male	25	61.0
	Female	16	39.0
How long have you been with the company?	1 to 5 years	21	51.2
	6 to 10 years	15	36.6
	11 to 15 years	4	9.8
	Above 15 years	1	2.4
Position Held	Procurement manager	6	14.6
	Procurement Officer	13	31.7
	Supply Officer	8	19.5
	Store Officer	6	14.6
	Customer Service Officer	8	19.5
Age	Below 30 years	14	34.1
	31-40years	24	58.5
	Above 40years	3	7.3
Education	Undergraduate	21	51.2
	Masters	16	39.0

	PhD	3	7.3
	Other	1	2.4

**Source: Field Data, 2021**

The gender distribution of respondents indicates a slight majority of males, comprising 61% of the sample, while females make up 39%. In terms of age, the largest proportion of respondents, 58.5%, falls within the age range of 30 to 40 years. A significant portion, 34.1%, are below 30 years old, while a smaller segment, 7.3%, are above 40 years. Regarding educational qualifications, the majority of respondents hold a Bachelor's Degree (51.2%), followed by those with a Master's Degree (39.0%). A smaller percentage, 7.3%, have a PhD, and a very small fraction, 2.4%, fall under the "Other" category. In terms of job positions, the respondents are distributed across various roles within the field of procurement and supply chain management. The most common position is that of a Procurement Officer (31.7%), followed closely by Supply Officers and Customer Service Officers, each accounting for 19.5% of the total. Procurement Managers make up 14.6% of the sample, and Store Officers also represent 14.6%. When it comes to professional experience, the majority of respondents, 51.2%, have 1 to 5 years of experience in the field. A substantial portion, 36.6%, have 6 to 10 years of experience. A smaller group, 9.8%, falls within the 11 to 15 years' experience range, while only 2.4% have more than 15 years of experience. The analysis of the respondents' demographics shows that majority of the respondents were males aged over 30 years, hold at least Bachelor's degree, and have been with the organisation for at least one year.

### 4.3 Reliability And Validity Tests Of Constructs

To ensure that the constructs for the variables of the study are reliable and validity tests were conducted on the constructs for Supplier Relationship Management. The Cronbach's alpha was applied to determine reliability; and Exploratory Factor Analysis was conducted for validity.

#### 4.3.1 Reliability

The reliability statistics indicate the internal consistency reliability of the three constructs in the survey. These statistics are calculated using Cronbach's Alpha coefficient, which measures how closely related a set of items or questions are within each construct.

**Table 4.1 Below shows the Cronbach's Alpha results for the variables and their constructs.**

**Table 0.1: Reliability Statistics**

Variables	Cronbach's Alpha	N of Items
Information Sharing	0.790	5
Supplier Collaboration	0.831	3
Organizational Performance	0.853	3

Field Survey (2023)

Information sharing, which consists of 5 items, demonstrates a high level of internal consistency reliability with a Cronbach's Alpha of 0.790. Typically, a Cronbach's Alpha value above 0.70 is acceptable, indicating that the items within this construct are closely related and effectively measure the same underlying concept related to value measurement. Supplier collaboration, comprising 3 items, has a lower Cronbach's Alpha of 0.831. It still shows a reasonable level of internal consistency reliability as it is above 0.70 Threshold. Organizational performance, which also includes 3 items, has a Cronbach's Alpha of 0.853. This value falls in the range considered as



reasonably reliable. This Cronbach's alpha results therefore show that there is a reasonable level of consistency in the constructs for all three variables.

#### 4.3.2 Exploratory Factor Analysis For Validity Of Constructs

The Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy and Bartlett's Test of Sphericity are common statistics used in factor analysis to assess the suitability of data for this analysis. The KMO measure assesses the sampling adequacy of the data for conducting factor analysis. It evaluates whether the data are suitable for this type of analysis. Bartlett's Test of Sphericity determines if the correlation matrix deviates significantly from the identity matrix.. In other words, it checks if there are relationships (correlations) among the variables that can be extracted through factor analysis. A significant result ( $p\text{-value} < 0.05$ ) in Bartlett's Test indicates that the correlations between variables are not zero and that factor analysis is appropriate.

Table 4.2 below shows the KMO and Bartlett's test results.

**Table 0.1: KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.791
Bartlett's Test of Sphericity	Approx. Chi-Square	206.258
	df	34
	Sig.	.000

Field Survey (2023)

A KMO value between 0.5 and 1.0 is generally considered acceptable. In this case, the KMO value of 0.791 is above the 0.5 threshold, indicating that the data are reasonably suitable for factor

analysis. It suggests that there is a moderate to good amount of common variance among the variables, making factor analysis a reasonable approach.

The Bartlett's Test of Sphericity in this case, shows a p-value (Sig.) very close to zero (0.000), which is less than the significance level of 0.05. This suggests that there are significant correlations among the variables, supporting the appropriateness of factor analysis.

Table 4.3 below shows the factor loadings of all the constructs. The rotated component matrix represents the results of a factor analysis with three extracted components. Each component represents a set of variables that are related to each other.

#### 4.4 Correlation Analysis

The correlation analysis results illustrate the relationships between the constructs, including "Value Measurement" (VM), "Technology and Information Sharing" (TIS), "Supplier Collaboration" (SC), and "Organizational Performance" (ORG\_PERF). These correlations offer insights into how these constructs are interrelated and their potential impact on organizational performance.

**Table 0.1: Correlation results**

**Table 4.7: Descriptive Statistics and Correlation Results**

Variable	1	2	3
1. IS	1		
2. SC	.742**	1	
3. OP	.615**	.685**	1

As demonstrated in table 4.7, it is apparent that, all variables used for the correlation analysis intercorrelates significantly. Inferring from results of the correlation analysis, it is identified that; IR correlates significantly with: OP (Coefficient= .615; p-value<.05). Furthermore, SC was found to significantly correlate with: OP (Coefficient= .685; p-value<.05).

## 4.5 Regression Analysis

The regression analysis results aim to examine the relationship between the dependent variable "Organizational Performance" and two predictor variables: "Information Sharing," and "Supplier Collaboration." The results are presented in three tables- the model summary, the ANOVA, and the coefficients.

### 4.5.1 Model Summary

The Model Summary provides an overview of how well the predictors explain the variation in the dependent variable, Organizational Performance. The results are shown in Table 4.5 below.

**Table 0.1: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.793 <sup>a</sup>	.629	.599	.37450

a. Predictors: (Constant), Supplier collaboration, and information sharing  
Field Survey (2023)

The R Square value of 0.629 indicates that approximately 62.9% of the variance in Organizational Performance is accounted for by the combination of the predictor variables (Information Sharing, and Supplier Collaboration). The Adjusted R Square adjusts for the number of predictors in the model and is 0.599, which is slightly lower but still suggests a reasonably good fit.

#### 4.5.2 Analysis of Variance (ANOVA)

The ANOVA table assesses whether the regression model as a whole is statistically significant in explaining the variance in Organizational Performance. The results are shown in Table 4.6 below.

**Table 0.1: ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.791	3	2.930	20.895	.000 <sup>b</sup>
	Residual	5.189	37	.140		
	Total	13.980	40			

a. Dependent Variable: Organisational Performance

b. Predictors: (Constant), Supplier collaboration, and information sharing

Field Survey (2023)

The F-statistic of 20.895 is highly significant ( $p < 0.001$ ), indicating that the model as a whole provides a good fit for explaining the variation in Organizational Performance.

#### 4.5.3 Coefficients

The coefficients table provides insights into the relationships between the predictor variables and the dependent variable in the regression model. The results are presented in Table 4.7 below.

**Table 0.1: Coefficients**

	Unstandardized Coefficients	Standardized Coefficients
--	-----------------------------	---------------------------



Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	.973	.410		2.376	.001
	Information sharing	.380	.430	.450	2.925	.002
	Supplier collaboration	.121	.444	.443	1.839	.000
a. Dependent Variable: Organisational Performance						
Field Survey (2023)						

**Table 4.8: Hypotheses Table**

Hypothesis	Paths	Path (B)	T-stats	P-V	Remarks
<b>H1</b>	IS → OP	.450	2.925	.000	.002
<b>H2</b>	SC → OP	.443	1.839	.000	.000

## 4.7 Discussion of results

### 4.7.1 Relationship between Information Sharing and Performance

Information Sharing exhibits a strong positive relationship with Performance. The unstandardized coefficient of 0.380 suggests that for each unit increase in this variable, Organizational Performance is estimated to increase by 0.380 units. The high standardized coefficient (Beta = 0.450) indicates a robust contribution to performance, and this relationship is highly significant ( $p < 0.05$ ). Information sharing is considered essential for effective supply chain management. Ling and Ling (2012) stress the importance of frequent information updating among supply chain members. Effective two-way communication and the sharing of critical data between partners are highlighted as key drivers of successful supplier relationships. Emerging information and communication technology (ICT) plays a pivotal role in enhancing supply chain processes. Integrated Financial Management Systems (IFMIS) are introduced to promote transparency and

efficiency in public finance management, although challenges such as limited legislation and infrastructure issues may slow down adoption (Diageo, 2011).

#### **4.7.2 Relationship between Supplier Collaboration and performance**

"Supplier Collaboration" shows a relatively weak relationship with Organizational Performance.

The unstandardized coefficient of 0.121 suggests that for each unit increase in this variable,

Organizational Performance is estimated to increase by 0.121 units. However, the standardized coefficient (Beta = 0.443) indicates a limited contribution to performance, and this relationship is statistically significant ( $p < 0.05$ ). SRM is integral to supply chain management, focusing on building effective strategic relationships with key suppliers. Michel et al. (2008) emphasize the significance of understanding who the most important suppliers are and nurturing these relationships. Supplier collaboration, development, and quality are key elements of SRM, contributing to supply chain effectiveness. Al-Abdallah et al. (2014) found that supplier partnership/development positively impacts competitive performance. Nyamasege and Biraori (2015) highlight how elements like supplier collaboration and customer care service affect supply chain effectiveness. These findings support the relevance of SRM and its potential impact on organizational performance.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

Chapter Five serves as the culmination of our study on Supplier Relationship Management (SRM) practices and their impact on Organisational Performance of Cocoa Board Ghana Limited. In this chapter, the author provides a comprehensive overview of the key findings, draw conclusions from the analysis, and offer practical recommendations for organisations seeking to enhance their SRM strategies.

#### **5.2 Summary of Findings**

The research, guided by three distinct objectives, has unveiled crucial insights into the intricate relationship between Supplier Relationship Management (SRM) practices and Organizational Performance within the context of Cocoa Board Ghana Limited. .

##### **5.2.1 The Relationship between Information Sharing and Organizational Performance**

In pursuit of the first objective, the study delved into the intricate connection between information sharing practices, and Organizational Performance. Our research unearthed a robust and affirmative relationship between the proficient use of cutting-edge technology, coupled with effective information-sharing procedures, and enhanced performance outcomes. These findings underscore the pivotal role of technology and information sharing in shaping performance. For organizations, including Cocoa Board Ghana Limited, these insights advocate for the strategic utilization of modern technologies and the cultivation of a culture that prioritizes seamless information sharing. Such endeavors are poised to propel organizations towards higher levels of productivity, innovation, and improved decision-making quality, aligning with contemporary best practices, as suggested by Smith et al. (2019).

### **5.2.2 The Relationship between Supplier Collaboration and Organizational Performance**

The second objective focused on examining the influence of supplier collaboration on Organizational Performance. Through comprehensive analysis, the study unearthed a compelling and affirmative link between robust supplier collaboration practices and improved performance outcomes. This revelation highlights the significant role played by supplier collaboration in enhancing various facets of organizational performance, including supply chain efficiency, product quality, innovation, and risk mitigation. Our findings resonate with the works of Anderson and Lee (2020) and accentuate the importance of fostering strategic partnerships and collaboration with suppliers. For Cocoa Board Ghana Limited and similar organizations, prioritizing supplier collaboration emerges as a potent strategy for achieving superior performance results.

### **5.3 Conclusions**

The culmination of this research journey into the relationship between Supplier Relationship Management (SRM) practices and Organizational Performance at Cocoa Board Ghana Limited offers valuable conclusions that can guide organizations operating in similar contexts. The study, driven by three distinct objectives, has yielded significant insights and implications that warrant consideration:

The pronounced positive relationship between technology adoption, information sharing, and Organizational Performance highlights their transformative potential. To thrive in the contemporary business landscape, organizations should leverage cutting-edge technologies while fostering a culture that promotes seamless information exchange. Doing so positions them to enhance productivity, drive innovation, and elevate the quality of decision-making.



The research unequivocally demonstrates that robust supplier collaboration practices significantly bolster Organizational Performance across multiple dimensions. Organizations, including Cocoa Board Ghana Limited, should prioritize the cultivation of strategic partnerships and collaborative efforts with suppliers. This approach can yield tangible benefits such as enhanced supply chain efficiency, improved product quality, increased innovation, and more effective risk mitigation.

The study systematically categorizes SRM constructs into three overarching categories—Value Measurement, Technology and Information Sharing, and Supplier Collaboration in Product Development. These constructs encapsulate the multifaceted dimensions of supplier relationships and their substantial influence on Organizational Performance. Organizations should recognize these constructs as critical drivers of success and integrate them strategically into their operations.

Although SRM Challenges were found to have a notable impact on SRM practices and Organizational Performance, our findings indicate a nuanced relationship that did not reach statistical significance. Organizations should acknowledge the existence of these challenges, encompassing mutual understanding, cost-centric approaches, and cultural disparities, and approach them as opportunities for improvement. Further research is warranted to delve deeper into the intricacies of these challenges.

In conclusion, Cocoa Board Ghana Limited and organizations alike can draw actionable insights from our research to refine their SRM practices. By addressing SRM Challenges, embracing key SRM constructs, and fostering collaborative supplier relationships, organizations can chart a trajectory towards improved Organizational Performance. These efforts not only enhance cost efficiency but also elevate productivity, innovation, and competitiveness in an ever-evolving business landscape. In an era where effective supplier management is a cornerstone of success, the lessons derived from this study stand as valuable strategic assets.

## **5.4 Recommendations**

Based on our conclusions, we offer the following recommendations for management at Cocoa Board Ghana Limited and similar organizations:

### **5.4.1 Recommendation for Management**

**Enhance Technology and Information Sharing:** Invest in advanced technology and robust systems that facilitate seamless information sharing with suppliers. This strategic move can significantly improve collaboration, leading to better performance outcomes and a competitive edge in the industry.

**Address SRM Challenges:** Proactively identify and address SRM Challenges within the organization. Develop comprehensive strategies to mitigate issues related to mutual understanding, cost-centric approaches, and cultural disparities. By fostering solutions to these challenges, organizations can create more harmonious and productive supplier relationships.

**Continuous Improvement Culture:** Instill a culture of continuous improvement within the organization's SRM practices. Regularly assess and refine SRM strategies to remain agile and adaptable in changing business environments. Encourage feedback and learning from experiences to evolve and stay competitive.

**Supplier Training and Development:** Invest in supplier training and development programs to enhance their commitment to the relationship. Encourage open communication and collaboration between your organization and suppliers to achieve shared goals and mutual success.

**Performance Metrics Alignment:** Establish comprehensive performance metrics that align closely with your organization's strategic objectives. Regularly evaluate supplier performance using a

combination of quantitative and qualitative measures. This approach ensures that suppliers are contributing effectively to your organization's goals.

**Cross-functional Collaboration:** Foster cross-functional collaboration between the procurement department and other relevant departments within the organization. Align business objectives with procurement strategies to ensure compatibility and a unified approach towards supplier relationship management.

#### **5.4.2 Recommendations for Future Research**

While the study provides valuable insights into the relationship between SRM practices and Organizational Performance, there remain avenues for further research. We recommend the following areas for future research.

**In-Depth SRM Challenge Analysis:** Conduct in-depth investigations into specific SRM challenges, such as cultural disparities and cost-focused approaches. Explore these challenges comprehensively to better understand their nuances and potential solutions.

**Industry-specific Studies:** Explore how SRM practices and their impact on performance vary across different industries and sectors. Tailor research to address the unique dynamics and challenges faced by organizations in specific sectors.

**Supplier Collaboration Models:** Investigate and compare various supplier collaboration models to identify the most effective strategies for enhancing performance. Evaluate the suitability of different collaboration approaches for different organizational contexts.

**Digitalization and SRM:** Investigate the role of digitalization and emerging technologies in transforming SRM practices and their subsequent impact on performance outcomes. Explore how organizations can harness digital tools for more efficient supplier relationships.

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## **APPENDIX 1: RESEARCH QUESTIONNAIRES**

This work is for the purpose of a research work carried out on ‘investigate the effects of supplier relationship management on organizational performance at the Ghana Cocoa Board within Ahafo Region.’ The questionnaires are completely anonymous. Confidentiality is assured. For the research to yield valid results, it is important that you answer all the questions as honestly and truthfully as possible by ticking (✓) or writing in the appropriate spaces provided. The answers must reflect your own opinion and perception. Please answer all the questions and statements.

### **PART A – PERSONAL INFORMATION**



Please indicate your answer by ticking where appropriate.

1. a) Gender: Male ☐ Female ☐  
 b) Age: Below 40years ☐ 40 – 49 ☐ above 50years ☐
2. Indicate your level of qualification/education.  
 PhD ☐ Masters ☐ bachelor's degree ☐ Other ☐
3. Please indicate your current position  
 Procurement officer ☐ Customer Service Officer ☐ Supply Officer ☐ Store Officer ☐
4. Years of experience 1-5 ☐ 6-10 ☐ 11-15 ☐ Above 16 ☐

### SUPPLIER COLLABORATION

On a scale of 1= strongly Disagree and 5= Strongly Agree rate the performance of your firm on the following

Items	1	2	3	4	5
Sharing information with major suppliers					
Establishing long-term contracts with suppliers					
Pursuing joint investments with suppliers					

### SECTION B: INFORMATION SHARING

On a scale of 1 (strongly disagree) to 5 (strongly agree), indicate to what extent you agree with the following statements with regard to your firm.

Code	Statement	1	2	3	4	5
IS1	We are able to more quickly respond to customer needs by sharing information with our suppliers					
IS2	Information flows seamlessly between the suppliers, manufacturers and customers in our supply chain					
IS3	We openly share information with our suppliers and customers					
IS4	Our suppliers and customers openly share information with us					

IS5	The information shared by participants (suppliers, manufacturers and customers) in our supply chain is available on a real-time basis					
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## ORGANIZATIONAL PERFORMANCE

On a scale of 1= strongly Disagree and 5= Strongly Agree rate the performance of your firm on the following

Items	1	2	3	4	5
Market share of major product/line					
Growth rate in sales					
Overall profitability of your firm					

*Thank you*

