

## Role of Supplier Relationship Management on Supply Chain Performance in Devolved System of Government in Kenya

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### Abstract

*the study proposes to assess the role of supplier relationship management on supply chain performance in Kenya with reference to the devolved system of Government as a case of Kajiado County Government. The research used descriptive research method. The population comprised 620 employees of Kajiado County Government. The research used a sample size of 86 employees drawn from the various departments; operations, procurement, inventory and ICT. Data were collected and analyzed using both quantitative and qualitative data analysis approaches. Data from closed and open-ended questions in the questionnaire were coded and entered into the computer using statistical package for social science (SPSS) version 20. The study used ANOVA to test the level of significance of the variables on the dependent variable at 95% level of significance. The findings have shown that supplier development does not have a significant effect on supply chain performance,  $\beta_1 = 0.147$ ,  $p = 0.188$ , enhancing trust-based relationship has an enhancing effect on supply chain performance,  $\beta_2 = 0.206$ ,  $p = 0.017$ , There is need to enhance the aspect of supplier development, enhance the cultivation of long-term relationships in order to build a niche of suppliers who can effectively deliver on the needs of the County governments, encourage cooperation, communication and overall functionality among suppliers as they serve the County government*

**Keywords;** *Supply Chain Performance, Devolved System, Government, Trust-Based Relationship, Supplier Development*

### Introduction

Modern organizations work with a wide range of suppliers, and supply chain management (SCM) are growing increasingly complicated (Johnston, 2004). In order to maintain profitability and drive efficiencies, companies are turning to supplier relationship management (SRM) as a controlled and systematic approach to sourcing the goods and materials they need (Togar, 2002). There are several benefits associated with supplier relationship management, and they all culminate in a healthier bottom line; reduced costs, increased efficiency, minimize price volatility, consolidation of the supply chain, certain outsourcing activities and continual improvement of operations (Spekman, 2006).

Williams (2006) argued that delivering a high-quality product and having a reliable customer base is crucial to gain a competitive edge in business. Any kind of errors in the system may result in undesirable results. The source of error could be anything but to understand and rectify the same is very important. Buyer-supplier relationship management (SRM) is the most neglected term.

In today's business Son (2005) established that suppliers play a crucial role in any company's success and a healthy relationship with the suppliers can help the organization in the long run. Christopher (2000) noted that buyer-supplier relationship management challenges include; lack of understanding supplier's track record, training suppliers, nurturing suppliers and culture, Lack of communication, non-transparency of processes, stressed supplier, damaged delivery, disloyalty and contract conflicts.

Spekman (2006) found that SRM entails determining how company buyers interact with suppliers. It is a mirror image of customer relationship management. Just as a company needs to develop relationships with its customers, it needs to foster relationships with its suppliers to ensure quality goods and services, timely and assured deliveries and information flow to assist both organizations in planning (Spekman, 2006). The main objective of Supplier Relationship Management (SRM) is to establish two-way, mutually beneficial relationships between an organization and its suppliers (Saleemi, 2002).

Foster (2005) stated that there are a number of benefits that companies derive from successfully managing SRM. This includes: reduced costs and increased efficiency beyond traditional sourcing and category management efforts by setting up long-term relationships and establishing communication processes; managing supplier risk and compliance by strengthening global transparency and visibility on key relationships through policies and processes, metrics and tools; driving supplier performance in a transparent and sustainable manner with strategic suppliers and collaboration partners; enabling continuous improvement of operations through long-term relationships with suppliers, allowing for the creation of a more effective and efficient supply chain; fostering business development and innovation by jointly identifying and implementing innovation and new market opportunities, sharing vision and strategy through joint planning early on to improve go-to market time (Duffy (2004).

Emiliani (2003) established that despite the various benefits of SRM, establishing strategic collaboration with key suppliers can be highly challenging. Five key steps help organizations to overcome these challenges in order to successfully build strategic relationships with their suppliers. Selecting the right partners; clear business alignment with business stakeholders; establishing mutually beneficial relationships; selecting meaningful key performance indicators (KPIs) and sharing information and finally, commitment to recognize that entering any strategic supplier relationship will result in changes within each partner organization and that mutual commitment to ongoing, incremental changes will be required (Maloni, 2000).

In today's economies, many organizations acquire a bulk of their merchandise value from their supply chain. According to Cox (2004), procured supplies account for 60% of the total cost of merchandises sold. There is anticipation the tendency to endure as corporations have recognized the need for guiding their relationships with suppliers to gain competitive advantage. Companies are bound to reduce costs and enhance customer responsiveness as well as optimize resource utilization in such relationships. Many organizations will depend on deeply securing the right supply base and preserving strategic relationships with suppliers. In the procurement of strategic materials, it is critical that few trusted vendors supply them (Duffy, 2004).

According to the Economic survey report highlights (2014), the value added to the economy by the service sector has declined from 10.9% of gross domestic product (GDP) in 2013 to 7.1% in 2014, signaling the continued increase of production inputs. The world economy is estimated to grow by 3.5 percent in 2015. Kenya is the most industrially developed country in East Africa, but it has not yet produced results to match its potential according to United Nations Industrial Development Organization, 2004 (UNIDO). The expected growth will mainly be driven by the high expansion of global supply chains and fast-tracking cost aimed at reducing the cost of production.

Strategic partnerships are at the top of the corporate agenda of many global organizations, and supplier relationship management is seen as one of the few remaining areas that can still make a significant difference (Krause and Handfield, 2007). But many organizations encounter difficulties in initiating, developing and managing partnerships. In particular, leadership and soft skills are mentioned as primary reasons for failure, alongside technical & functional competencies (Christopher, 2000).

The service sector's contribution to Gross Domestic Product (GDP) remained at about 10 the percent year 2014. The low growth was partly due to increasing input costs. The service sector contribution to GDP dropped by 3.8 percent from 10.9 the year 2014. Its share contribution to driving the economy dropped by 2.2 percent from 5.6 in the year 2014. Share to GDP contribution also dropped by 0.7 percent from 10.7 percent the year 2014. Statistics also indicate that Kenya's share of service exports in her total merchandise exports is low (only 35%) compared to aspirator countries such as South Africa (47%), Malaysia (67%) and Singapore (73%).

Togar (2002) pointed that establishing strategic collaboration with key suppliers can be highly challenging. In the normal course of events, SRM is exposed to stress and strain so that mutual expectations might not be met unless both parties are thoroughly committed to success. Spekman (2006) empirically found out that as a result of such challenges, a mismatch between the effect of supplier relationship management and supply chain performance is eminent. Thus the study assessed the role of supplier relationship management on supply chain performance in Kenya with reference to Kajiado County Government. This entails the general objectives and specific objectives.

- i. To assess the effect of supplier development on supply chain performance at Kajiado County Government.
- ii. To find out the influence of trust-based relationship with suppliers on supply chain performance at Kajiado county Government.

### **Theoretical Review**

The paper was anchored on The Commitment-Trust Theory. The commitment-trust theory of relationship management says that two fundamental factors, trust, and commitment, must exist for a relationship to be successful (Christopher, 2004). Relationship management involves forming bonds with suppliers by meeting their needs and honoring commitments. Handfield (2002) suggested that rather than chasing short-term profits, businesses following the principles of relationship marketing forge long-lasting bonds with their suppliers. As a result, suppliers trust these businesses, and the mutual loyalty helps both parties fulfill their needs.

Heikkila (2002) defined trust as the confidence both parties in the relationship have that the other party won't do something harmful or risky. Businesses develop trust by standing behind their promises. Commitment involves a long-term desire to maintain a valued partnership. Williams (2006) concluded that desire causes the business to invest in developing and maintaining relationships with its customers continually. Through a series of relationship-building activities, the business shows its commitment to the suppliers.

According to Martin (2003), the results of a relationship based on commitment and trust are cooperative behaviors that allow both parties to fulfill their needs. Buyers not only get the product or service they're paying for, but they also feel valued. Foster (2005) concluded that few businesses have the resources to develop long-term relationships with every supplier, and that's why it's important to identify the suppliers who are most valuable to their business and focus their efforts on them by identifying and developing relationships with the right suppliers who mean the most to their business's overall strategy.

The commitment-trust theory of relationship management says that two fundamental factors, trust, and commitment, must exist for a relationship to be successful. Relationship marketing involves forming bonds with customers by meeting their needs and honoring commitments. Rather than chasing short-term profits, businesses following the principles of relationship marketing forge long-lasting bonds with their customers. As a result, customers trust these businesses, and the mutual loyalty helps both parties fulfill their needs.

Trust is the confidence both parties in the relationship have that the other party won't do something harmful or risky, according to the book "Relationship Marketing and Customer Relationship Management," by Annekie Brink and Adele Berndt (2008). Businesses develop trust by standing behind their promises. Commitment involves a long-term desire to maintain a valued partnership, according to Brink and Berndt. That desire causes the business to invest in developing and maintaining relationships with its customers continually. For example, a business might follow up after purchase to ensure a customer was satisfied with her experience. If not, the business might refund the customer or offer a discount on her next purchase. Further, the business could incorporate the feedback to ensure that other customers don't have the same bad experience. In other words, through a series of relationship-building activities, the business shows its commitment to the customer.

The results of a relationship based on commitment and trust are cooperative behaviors that allow both parties to fulfill their needs. Customers not only get the product or service they're paying for, but they also feel valued. Your business receives customer loyalty in return, which is valuable because you won't have to waste resources acquiring new customers. In other words, investing money in excellent customer service actually can save you money, because you won't have to invest in, for example, numerous supplier management campaigns to obtain new customers.

Few businesses have the resources to develop long-term relationships with every customer. That's why it's important to identify the customers who are most valuable to your business and focus your efforts on them. Identifying and developing relationships with the right customers allows you to devote your resources to the customers who mean the most to your business's overall strategy, according to Brink and Berndt. Hence, the theory forms the basis of explaining how the trust-based relationship with suppliers affect supply chain performance

## **Literature review**

### **Supplier Development**

Supplier development involves cooperative efforts to improve supplier capabilities with respect to technology, quality, delivery, and cost. It also encourages continuous improvements (Chandra and Grabis 2004). The main dimensions that characterize successful supplier development would include, but not limited to integrating and improving activities and processes, continuous cooperation and long-term relationships, mutual benefits as a result of any improvement efforts, and apparent structure for both companies with regard to cost, price, and profit (Nassimbeni, 2000).

Moreover, successful relationships in service setting are attributed to supplier development, cost savings, and technology sharing (Echtelt, 2008). Handfield and Bechtel (2002) indicated that buying firms should treat their suppliers as partners and further argued that investments in supplier relationships will reduce risk; by involving in activities that are usually regarded in the area of the other firm. Martin (2003) indicated that supplier partnership enables both parties to improve decision-making process, enhance knowledge sharing, advanced communication, and improve the overall performance of both parties. Williams (2006) argued that the buying firm will gain from efforts done to improve the supplier performance, as both will share the productivity benefits.

Supplier development results in reduced costs, improved communication, risk sharing, and improved problem solving (Quayle, 2000). Williams (2006) empirically found that supplier partnership is associated with higher competitive performance in terms of cost, quality, innovation, and flexibility performance. Also, partnership

relations between the buyer and suppliers have been proved to positively affect the financial performance of the buyer firm (Martine and Grbac, 2003).

### **Trust-Based Relationship with Suppliers**

Krause and Handfield (2007) discussed three main types of trust; Competence trust: where supplier believes that the buying firm is able to perform what promised to perform. Contractual trust: a belief that the buying firm will continue its contracts. And Goodwill trust: a belief that the buying firm will avoid taking unfair advantage, and will always act on a mutual benefit basis. Moreover, Heikkila (2002) pointed to two types of trust that are very close to the above; Trust in partner's reliability: the trust that the other firm is reliable to do what it said. And Trust in the partner's benevolence: a belief that the other firm is interested in the partner's firm benefit and will not take actions that may unfavorably influence it.

Trust between the buying firm and its suppliers would improve cooperation, enhance satisfaction, reduce conflicts, facilitate information exchange, and lead to long-term relationships (Martin, 2003). Trust was considered one major factor for the superior performance of Japanese firms compared to British firms Williams (2006).

Trust building should not be the concern of the buying firm only, Saleemi (2002) concluded that trust is also essential and advantageous to the supplier firm, which has to make efforts to establish, extend, and retain the buying firm trust, especially when such trust can lead to more benefits for the supplier. Although trust building is a costly, difficult, and time-consuming procedure, it leads to strong, successful, and long-term buyer-seller relationships.

### **Empirical Review**

In the study of the impact of SRM on the performance of service firms in Japan Shahin (2012) empirically examined the relationship between improved problem solving, information flow and trust-based relationship with suppliers as independent variables and supply chain performance as the dependent variable. The findings of the study indicated a positive relationship between independent variables and dependent variables.

In the study of the impact of SRM on competitive performance of US automotive and electronics industries, Krause (2007) empirically examined the relationship between supplier collaboration, shared goals and values with suppliers and the involvement in supplier development initiatives as independent variables and supply chain performance as the dependent variable. The findings of the study indicated a positive relationship between independent variables and dependent variables.

In the study of the effects of SRM approaches on supply chain performance for Toyota service firms in Australia, Langfield (1998) empirically examined the relationship between ICT integration, the involvement of workers in the buying firm's programs and similarities in technologies as independent variables and supply chain performance as the dependent variable. The findings of the study indicated a positive relationship between independent variables and dependent variables.

In the study of factors affecting SRM adopting on supply chain performance of 176 automotive firms in the US, Shin (2000) empirically examined the relationship between improvement communication, long-term relationships with suppliers, supplier participation in new product development and a limited number of suppliers as independent variables and supply chain performance as the dependent variable. The findings of the study indicated a positive relationship between independent variables and dependent variables.

Recent empirical research shows that information sharing in a relationship increases procurement performance (Deeter-Schmelz et al., 2001). And that collaboration with external supply chain entities increases internal collaboration which in turn improves procurement performance (Emiliani and Stec, 2005). It is now commonplace for companies to dedicate engineers to key suppliers to learn about their systems, procedures, and processes in order to improve communication, reduce errors, and enhance capabilities (Emiliani and Stec, 2005). Despite or because of these developments, here is an increasing feeling that collaborative buyer-supplier relationships can be 'too close for comfort,' particularly with powerful parties (Macdonald Maleyeff, 2003).

In the study of the impact of SRM on the performance of service firms, this is closely related with the present study with a slight difference in variables; Handfield (2000) empirically examined the relationship between supplier development and performance of service firms in Japan and found a positive relationship between the two variables. The findings could be different in Kenya given there is a difference in GDP performance in the two countries and difference in the industries in which they are operating.

In the study of the impact of SRM on competitive performance of US automotive and electronics industries, which is closely related with the present study with a slight difference in variables, Krause (2000) empirically examined the relationship between supplier collaboration and supply chain performance. The findings could be true in Kenya even though the GDP performance is different in the two countries and the fact that they are categorized in the same industry.

Globally and locally, studies have been done on Supplier Relationship Management and procurement performance. Cannon & Homburg (2001) explained how supplier management affects the firm's effectiveness and efficiency. Lenny, Demirbag, Bayraktar, Tatoglu & Zaim (2007) argued that Supplier relationship management promote competitive advantage by working closely with a restricted number of vendors.

From the empirical literature Krause (2007) empirically examined the relationship between supplier development and performance of service firms in Japan, failing to capture other important independent variables such as supplier collaboration, trust-based relationship, and ICT integration. Similarly, Krause (2007) empirically examined the relationship between supplier collaboration and service operations performance failing to capture other important independent variables such as supplier development, trust-based supplier relationship, and ICT integration. Langfield (1998) also empirically examined the relationship between ICT integration and supply chain performance failing to capture other important independent variables such as supplier development, supplier collaborations, and trust-based supplier relationship. In addition, Shim (2000) empirically examined the relationship between trust-based supplier relationship and supply chain performance failing to capture other important independent variables such ICT integration, supplier development and supplier collaboration Some studies argue that the key factors for widespread usage of SRM practices are improve working relationships with suppliers generally and extracting more value from those relationships (Johnston, 2004). To this extent therefore, continued research in this particular area is important to gain a better understanding of the typical challenges involved and to determine how supplier capabilities drive competitive advantage since strategic partnerships are at the top of the corporate agenda of much global organisation and SRM is seen as one of the few remaining procurement topics that can still make a significant difference.

## Material And Methods

The study adopted a descriptive survey design. The target population was distributed 620 Operations, procurement, inventory and ICT departments. The study sample was 620 respondents Structured questionnaire containing both open-ended, and close-ended questionnaires were used to collect primary data Reliability was ensured by pre-testing the questionnaire with a selected sample from some respondents from Kajiado County

limited who were not included in the final analysis. Reliability of the instruments was provided through a Cronbach alpha. The study used ANOVA to test the level of significance of the variables on the dependent variable at 95% level of significance. The study also used correlation to establish the relationship between the variables. The study used regression analysis, as it enabled to relate dependent variable with multiple variables as shown in the equation below. ( $y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$ ), Where:-  $y$ = Dependent variable (Supply chain performance),  $X_1$ =Independent variable (supplier development),  $X_2$ = Independent variable (trust-based relationship)  $\beta_1 - \beta_4$  = Regression coefficient for each independent variable  $\varepsilon$  –Random or stochastic term.

## Findings

Factor analysis for acquiring capacity was conducted to ensure that all the constructs used are valid and reliable before proceeding for further analysis. The study requested that all loading less than 0.5 be suppressed in the output, hence providing blank spaces for many of the loadings. All factors were retained for further data analysis. Additionally, the first factor accounted for 26.004% of the total variance, the second factor 49.978% of the total variance and the third factor 66.971% of the total variance. Sampling adequacy was tested using the Kaiser- Meyer- Olkin Measure (KMO measure) of sampling adequacy. As evidenced in table 4.9, KMO was greater than 0.5, and Bartlett's Test was significant.

**Table 1: Factor Analysis for Study Variables**

	X1	X2
<b>Supplier Development</b>	1	
We support our in product development	0.811	
We help our supplier in employees training	0.579	
We share some of the risks with our suppliers	0.889	
We ensure our supplier have continuous improvement	0.755	
The county and our suppliers we have improved Problem Solving	0.594	
<b>Trust-based relationship</b>		
There is a high level of trust between the county and that of suppliers.		0.519
There is mutual information sharing between the county and suppliers		0.886
There is a high level of commitment between the county and that of suppliers		0.604
We maintain long-term relationships between the county and suppliers		0.789
There is good communication between the county and that of suppliers		0.807
There exists clear understanding of each other's roles and responsibilities between the county and suppliers		0.67
There is responsiveness towards each other's and needs between the county and suppliers		0.828
There exist mutual goals between the county and suppliers		0.839
Total	2.08	1.918
% of Variance	26.004	23.974
Cumulative %	26.004	49.978
KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.55
Bartlett's Test of Sphericity	Approx. Chi-Square	779.578

## Correlation

the study sought to establish the nature of the relationships existing between the independent variables and the dependent variable by examining the correlation coefficients. Consequently, a correlation analysis of the independent factors and the dependent factor (competitive advantage) was conducted and the findings were summarized and presented in Table 2.

**Table 2** Correlation

		Supply chain performance	Supplier Development	Trust-based relationship
Supplier Development	$\rho$	.712**	1	
	p-value	0.000		
Trust based relationship	$\rho$	.621**	.609**	1
	p-value	0.000	0.000	

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

$\rho$  is the Pearson's Product Moment Correlation Coefficient

The findings in Table 2 show that supplier development has a positive and significant relationship with supply chain performance,  $\rho = 0.712$ ,  $p < 0.001$ . This means that there is a probability of 0.712 that supply chain performance would increase given an increase in supplier development. Furthermore, the findings show that trust-based relationship has a positive and significant relationship with supply chain performance,  $\rho = 0.621$ ,  $p < 0.001$  meaning that there is a 0.621 probability that supply chain performance will increase with an increase in the trust-based relationship between the suppliers and the County government of Kajiado. There are also significant inter-factor relationships that point to the fact that they are mutually dependent. These findings show that the various supply chain elements complement each other for the benefit of increasing the level of supply chain performance in the County government of Kajiado.

### Regression model

The regression analysis, in this case, is used to assess the effect of the independent factors on the dependent factor (supply chain performance) and answer the underlying research questions. First, the model summary and the analysis of variance which is used in assessing model fit were assessed, and findings were presented in Table 3 and Table 4. The regression analysis findings are used in answering the research questions for the study.

**Table 3:** Model Summary

R	R Square	Adjusted R Square	Std. The error of the Estimate
0.826a	0.682	0.664	0.458

a Predictors: (Constant), IT integration, Trust-based relationship, Supplier Development, Supplier Collaboration  
The findings in Table 4.3 on the model summary show that all the predictors explain 68.2% of the variation in supply chain performance ( $R = 0.826$ ,  $R\text{-squared} = 0.682$ ,  $\text{Adjusted } R\text{-squared} = 0.664$ ). The coefficient of determination explains the extent to which changes in the response variable can be explained by the change in the explanatory variables or the percentage of variation in the dependent variable that is explained by all the independent variable.

**Table 4:** Analysis of Variance (ANOVA)

	Sum of Squares	df	Mean Square	F	Sig.
Regression	33.2	4	8.3	39.607	0.000b
Residual	15.507	74	0.21		
Total	48.707	78			

a Dependent Variable: supply chain performance

b Predictors: (Constant), IT integration, Trust-based relationship, Supplier Development, Supplier Collaboration

ANOVA results in Table 4 show that the model fit was good as illustrated by overall test of significance with F (4, 74) value of 39.607 with  $p < 0.001$ . Thus, the model was fit to predict supply chain performance based on various supply relationship management factors.

### Effect of supplier development on supply chain performance

The specific objective of this study was to assess whether supplier development affects supply chain performance at Kajiado County Government. As such, the study sought to answer the following research question: what extent does supplier development affect supply chain performance at Kajiado County Government? The findings in Table 4.12 show that supplier development does not have a significant effect on supply chain performance,  $\beta_1 = 0.147$ ,  $p = 0.188$ . However, despite these findings, successful relationships in service setting are attributed to supplier development, cost savings, and technology sharing (Echtelt, 2008). Furthermore, Martin (2003) indicated that supplier partnership enables both parties to improve decision-making process, enhance knowledge sharing, advanced communication, and improve the overall performance of both parties. Supplier development results in reduced costs, improved communication, risk sharing, and improved problem solving (Quayle, 2000). In this case, the area that has lagged in terms of supplier development is the sharing of risks between the County government and the suppliers.

### Effect of trust-based relationship on supply chain performance

The second objective of this study was to find out if the trust-based relationship with suppliers affects supply chain performance at Kajiado county Government. The study aimed to answer the research question that: Does trust-based relationship with suppliers affects supply chain performance at Kajiado County Government? The findings in Table 4.12 show that trust-based relationship has a positive and significant effect on supply chain performance,  $\beta_2 = 0.206$ ,  $p = 0.017$ . This means that with each unit increase in a trust-based relationship, supply chain performance increases by 0.206 units. In line with these findings, trust between the buying firm and its suppliers would improve cooperation, enhance satisfaction, reduce conflicts, facilitate information exchange, and lead to long-term relationships (Martin, 2003). In addition, trust building should not be the concern of the buying firm only. Saleemi (2002) concluded that trust is also essential and advantageous to the supplier firm, which has to make efforts to establish, extend, and retain the buying firm trust, especially when such trust can lead to more benefits for the supplier.

**Table 4: Regression model**

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	0.639	0.263		2.430	0.018
Supplier Development	0.126	0.095	0.147	1.328	0.188
Trust-based relationship	0.191	0.078	0.206	2.436	0.017

a Dependent Variable: Supply Chain Performance

### Conclusion and Recommendations

The findings have shown that despite there being a significant relationship between supplier development and supply chain performance, the County government and their suppliers do not share some of the risks with their suppliers thus rendering supplier development to have no significant effect on supply chain performance. Furthermore, the trust-based relationship has an enhancing effect on supply chain performance, and this is mainly due to the high level of trust, mutual information sharing, high level of commitment and good

communication between the County and the suppliers. In addition, there exists clear understanding of each other's roles and responsibilities, there is high level responsiveness towards each other and needs and sharing of mutual goals between the County and suppliers. However, there seems to be a gap in terms of cultivation of long-term relationships since the existing relationships. Based on the findings of the study, the following recommendations are proposed: There is need to enhance the aspect of supplier development especially through holding of mutual discussions and agree on matters such as the sharing of risks between the County government of Kajiado and its suppliers. In addition, although the trust-based relationship has been identified as critical to supply chain performance, there is need to enhance the cultivation of long-term relationships in order to build a niche of suppliers who can effectively deliver on the needs of the County governments. One way of doing this is ensuring that the supply chain management unit under procurement is well established and has policies that safeguard its functions even in times of politics. This study focuses on the County government of Kajiado in Kenya only. However, there is need to increase the scope to cover other Counties in Kenya so as to confirm the findings of this study and also to add more knowledge. Furthermore, while there are County-inherent factors that determine the direction of supplier relationship management and how this influences supply chain performance; there are factors that are inherent from the external environment in terms of policies and operational procedures that might have an influence on the County's practices in supply chain management. Thus, there is need to have a deeper look into the role of the external environment more, in terms of practices and policies, so as to get an overview of the challenges With View Of Addressing Them From All Angles.

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