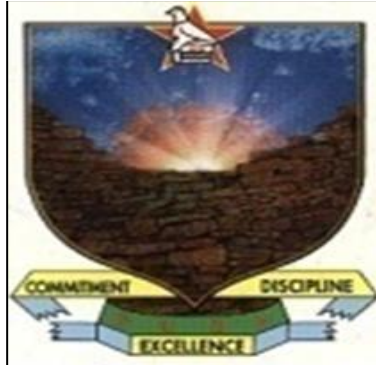**BINDURA UNIVERSITY OF SCIENCE EDUCATION**

FACULTY OF COMMERCE

DEPARTMENT OF ECONOMICS

AN ANALYSIS ON THE IMPACT OF STRATEGIC SOURCING ON PERFORMANCE OF THE

PROCUREMENT MANAGEMENT FUNCTION A CASE OF ZINWA

BY

TINOTENDA TENDENGUWO

A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE BACHELOR OF COMMERCE HONOURS DEGREE IN PURCHASING AND SUPPLY DEGREE

OF BINDURA UNIVERSITY OF SCIENCE EDUCATION

MAY 2023

APPROVAL FORM

I certify that this research project was presented in line with the guide of the faculty and guidelines for typing undergrad project. A study entitled "An alternative framework for taxation of informal businesses in Zimbabwe" suitable to be submitted to the Faculty of Commerce, Bindura University of Science Education.

Student`s Signature: _____   Date: _____/_____/_____

Supervisor`s Signature: _____   Date: _____/_____/_____

Chairperson`s Signature: _____   Date: _____/_____/_____

RELEASE FORM

STUDENT NAME: TINOTENDA TENDENGUWO

DISSERTATION TITLE: AN ANALYSIS ON THE IMPACTS OF STRATEGIC SOURCING IN THE PERFORMANCE OF   PROCUREMENT MANAGEMENT FUCTION A CASE OF ZINWA

DEGREE PROGRAM: PURCHASING AND SUPPLY

YEAR GRANTED: 2023

Bindura University of Science Education Library is granted permission to produce single copy of this research project and to sell or lend such copies for scholarly or private purposes only. No extracts from this project will be printed without the permission of author because author reserves publication rights.

Signed _____

Address: 9 Murungu Mufakose Harare

Telephone: 0775849601

Email   : tinotendatendenguwo@gmail.com

Date   : ....

DEDICATION

I stand your shoulders Mom and Dad, I appreciate your support and love, I dedicate this research project to you my parents, and also my siblings Precious and Tanatswa.

ACKNOWLEDGEMENTS

ABSTRACT

This study investigated the impact of strategic sourcing on the procurement management function of state-owned enterprises, specifically the Zimbabwe National Water Authority (ZINWA). Using a mixed-methods approach, the study collects data from surveys and interviews with ZINWA employees. The findings reveal that inward bound sourcing and market linkages are the most commonly used strategies for strategic sourcing in state-owned enterprises in Zimbabwe. Effective communication, compliance with regulations, and risk management are crucial for successful strategic sourcing outcomes. Implementing strategic sourcing positively affects various performance aspects, including delivery turnaround time, supplier relations, and staff competence, although there is room for improvement in product/service quality. The study identified challenges like procurement laws, bureaucracy, human resource competence, technology risks, and currency systems that impact strategic sourcing effectiveness. Strategies for enhancing strategic sourcing include staff capacity building, a resource-based view approach, integration of public policy, adherence to procurement laws, and prioritization of institutional mandates. Staff capacity building is considered the most effective strategy. The study recommends implementing a supplier development program, increasing staff capacity building, adopting a resource-based view approach, aligning public policy, improving compliance with procurement laws, and prioritizing institutional mandates.

TABLE OF CONTENTS

List of Tables

List of Figures

CHAPTER ONE: INTRODUCTION

1.1 Introduction

This study focuses on the impact of strategic sourcing on the performance of the procurement management function in state-owned enterprises in Zimbabwe, specifically examining the case of ZINWA under the Ministry of Agriculture, Land Fisheries Water, and Climate. The chapter presents the problem statement, research questions, objectives, significance, delimitations, limitations, and definitions of key terms to provide a comprehensive understanding of the study's context.

1.2 Background to the Study

The evolution of the purchasing function from a separate administrative activity to a managerial function that considers the interplay of variables and aligns with organizational goals is highlighted (Hugo, Badenhorst-Weiss & Van Rooyen, 2002). Tactical buying and inventory management were incorporated into purchasing during the 1960s and 1970s, with automation used to maintain production lines (Mbanje & Lunga, 2015). However, purchasing still faced challenges related to cost and quality issues (Burt et al., 2003). As managerial philosophies advanced, training and education were emphasized to meet the challenges of globalization, technology advancements, and outsourcing (Burt et al., 2003; Chandra & Kumar, 2012).

The concept of strategic sourcing emerged, considering supply as a strategic weapon in the global marketplace and involving cross-functional processes to manage supplier capabilities (Dlamini, 2016). Supply chain management also developed in conjunction with the transformation of purchasing into strategic sourcing, integrating various organizational functions (Ambe, 2012). Strategic sourcing became a proactive approach that aimed to achieve cost reduction, improve supplier performance, and optimize procurement processes (Monczka et al., 2002; Ambe, 2012).

Strategic sourcing was recognized as a vital component of integrated supply chain management, with cross-functional teams involved in finding, developing, managing, and

integrating suppliers (Cyanka, 2022; Mundai, 2021). Successful strategic sourcing was found to lead to cost savings and informed decision-making in government expenditure (National Treasury, 2021). It involved planning, analyzing services and goods, and assessing supply marketplaces (Chartered Institute of Procurement and Supply [CIPS], 2016). Sourcing strategies guided decisions on the number of suppliers, contract negotiation, and sourcing locations (Van Weele, 2020).

Different interpretations of strategic sourcing exist, and its components and operations vary (Ghosh, 2022; Cayanka, 2022). The sourcing approach depends on an organization's stage of strategic sourcing maturity (Roberts, 2002). It encompasses a systematic process that aligns with business goals and integrates suppliers into the long-term business process (Chiapinelli, 2017; Vellapi, 2020). In Africa, strategic sourcing has been implemented through best practices, involving cross-functional teams, cost-saving measures, and enhancing product technology and design (Anthony, 2019; Mbanje & Lunga, 2015).

The procurement system in Zimbabwe has undergone reforms to promote transparency, accountability, and efficiency (Tsabora, 2014). The establishment of the Procurement Regulatory Authority of Zimbabwe (PRAZ) in 2018 and the enactment of the Public Procurement and Disposal of Public Assets Act aimed to align public procurement with good governance standards (Chiappinelli, 2017). These changes have had a significant impact on the responsible financial management of Zimbabwe's public sector (Musanzikwa, 2013). In this context, the study examines the impact of strategic sourcing on the performance of the Zimbabwe National Water Authority (ZINWA), a state-owned enterprise under the Ministry of Agriculture, Water, Fisheries, Climate, and Rural Development

1.3   Statement of the Problem

This study's primary issue statement asks whether strategic sourcing in public sector procurement, notably in ZINWA, could bolster procurement management efficiency, procedures, and adherence to legal and policy requirements. For many years, purchasing and supply chain management (P&SCM) played a supporting role in most businesses, whether state-owned and private. While acknowledgment of this crucial role was minimal in both sectors, according to Vries and Huijsman (2011), it was more obvious in service sectors. P&SCM has just recently developed to be acknowledged as a strategic role, and a variety of

events or circumstances made that realization necessary. Zimbabwe's hyper inflationary economic environment, use of multi-currency systems and policy inconsistencies have forced business organizations to adapt or die. This is more problematic when it comes to state owned enterprises, who have to navigate and adapt to the fluid and dynamic business environment. This study examines the impact strategic sourcing on the performance Zimbabwe National Water Authority (ZINWA), a state owned enterprise

1.4   Objectives of the Study

1. To identify approaches are used for strategic sourcing by state owned enterprises
2. To assess the performance advantages derived from implementing strategic sourcing by state owned enterprises
3. To establish the challenges faced in implementing strategic sourcing by state owned enterprises
4. To suggest the P&SCM strategies to enhance strategic sourcing by state owned enterprises

1.5   Research Questions

1. What approaches are used for strategic sourcing by state owned enterprises?
2. Which performance advantages are derived from implementing strategic sourcing by state owned enterprises?
3. What are the challenges faced in implementing strategic sourcing by state owned enterprises?
4. How can the P&SCM be improved to enhance strategic sourcing by state   owned enterprises?

1.6   Significance of the Study

The study holds significant benefits for various stakeholders. The government of Zimbabwe stands to gain from the study as it can inform the modification and realignment of procurement policies and practices in the public procurement sector.

The Zimbabwe National Water Authority (ZINWA) and its parent ministry will benefit from the practical insights and examination of current strategic initiatives and organizational practices. Additionally, the study will serve as a foundation for future research on public procurement procedures and challenges.

The water management sector, which has received limited attention in previous studies, will particularly benefit from the focus on Zimbabwe's unique operational environment, strategic sourcing procedures, personnel challenges, and state-owned enterprise reforms.

1.7 Assumptions

- ZINWA is involved in strategic sourcing activities
- Respondents will provide honest and factual response to interview questions
- ZINWA has in place official policies to avail business strategies in the public interest

1.8 Delimitations of the Study

This study examines the impact of strategic sourcing on the performance of the procurement management function in state-owned enterprises in Zimbabwe, with a specific focus on the Zimbabwe National Water Authority (ZINWA). The study is conducted within the geographical scope of Zimbabwe and utilizes qualitative methodology with an interpretivist philosophy, employing a case study approach. The research period spans from January 2022 to December 2022.

1.9 Limitations

The researcher acknowledges potential limitations in the study regarding the sensitive nature of sourcing strategies employed by ZINWA. However, they address these challenges by emphasizing the public ownership of ZINWA, indicating that its documents should be publicly accessible. To ensure consent and permission, the researcher will seek approval through the ZINWA Public Relations Office, assuring participants of privacy protection and confidentiality..

1.10 Definition of Terms

Public procurement refers to the acquisition of goods, services, and works by governments and state-owned enterprises. It involves a series of steps, including need assessments, awards, contract management, and final payment.

Strategic sourcing- is a comprehensive procurement approach that integrates data gathering, spend analysis, market research, negotiation, and contracting. It aims to create supply channels

that consider the entire procurement cycle and optimize overall costs rather than focusing solely on the lowest purchase price.

State-owned enterprises (SOEs) are legal entities established by governments to engage in business operations on their behalf. SOEs play a crucial role in fulfilling the government's economic responsibilities.

The **procurement management unit** (PMU) is the division or department within a public institution responsible for carrying out the legal procurement tasks. The PMU works collaboratively with all stakeholders to ensure successful and efficient procurement, maximizing value for money. In the case of ZINWA, the PMU operates under the provisions of the Public Procurement and Disposal of Public Assets Act [Chapter 22:23].

1.11 Chapter Summary

The chapter discussed the strategic sourcing aspect and its transformation from purchasing, to procurement and the later integration of strategy to supporting core business objectives. The chapter also outlined the transformation of public procurement in Zimbabwe. The chapter discussed the research statement of the problem, research objective, research questions and the significance of the study. The chapter also laid out the hypothesis, assumption delimitation and limitation of the study. Five key terms were defined and contextualized to the study. The next chapter is a review of related literature.

CHAPTER TWO: LITERATURE REVIEW

2.1   Introduction

The chapter is a review of literature related to the study. The chapter contains a section on theoretical literature review and then an empirical literature review. This is done to locate gaps in research which can be filled by this study, thus making it unique. Literature us reviewed thematically.

2.2   Theoretical literature review

The theoretical framework plays a crucial role in guiding the research process and connecting theoretical and practical components. It provides the intellectual foundation for the study and incorporates theories which are lenses for the study. The theoretical framework has implications for various stages of the research, particularly within the context of public sector procurement and its relationship to public financial management and service delivery.

2.2.1   Institutional theory

The analysis of public sector procurement has traditionally relied on institutional theory, as outlined by Luhmann (2010). According to Scott (2004), institutions consist of three pillars: regulatory, normative, and cultural cognition. The regulatory pillar emphasizes the use of laws and regulations for enforcement. These institutions, along with their associated activities and resources, provide purpose and structure to organizations. Transaction cost economics (TCE) was initially developed to assess the effectiveness and efficiency of private sector governance arrangements (Patrick, 2010). Strategic sourcing, characterized by planned and continuous activity, is considered a corporate-level strategy that impacts all aspects of an organization's operations, including its core functions. In procurement, the highest-scoring bidder is rewarded based on the quality of goods and services offered.

Cronbach (2010) highlights the challenges of contracting solutions in the public utility sector. While competitive bidding is effective for determining the lowest-cost supplier when price is the sole concern, it becomes less suitable for complex goods and services where quality and reliability are important. Public utility provision requires substantial long-term investments in infrastructure tailored to specific markets, making long-term contracts necessary to mitigate risks associated with ongoing negotiations. However, due to uncertainties in cost and demand,

as well as the increasing complexity of public utility services, long-term contracts are inherently imperfect.

2.2.2 The Institutional Theory

The Institutional Theory focuses on the regulatory framework governing public sector procurement, while the Systems Theory emphasizes cost reduction and efficiency through reforms such as digitalization and precise requirements development.
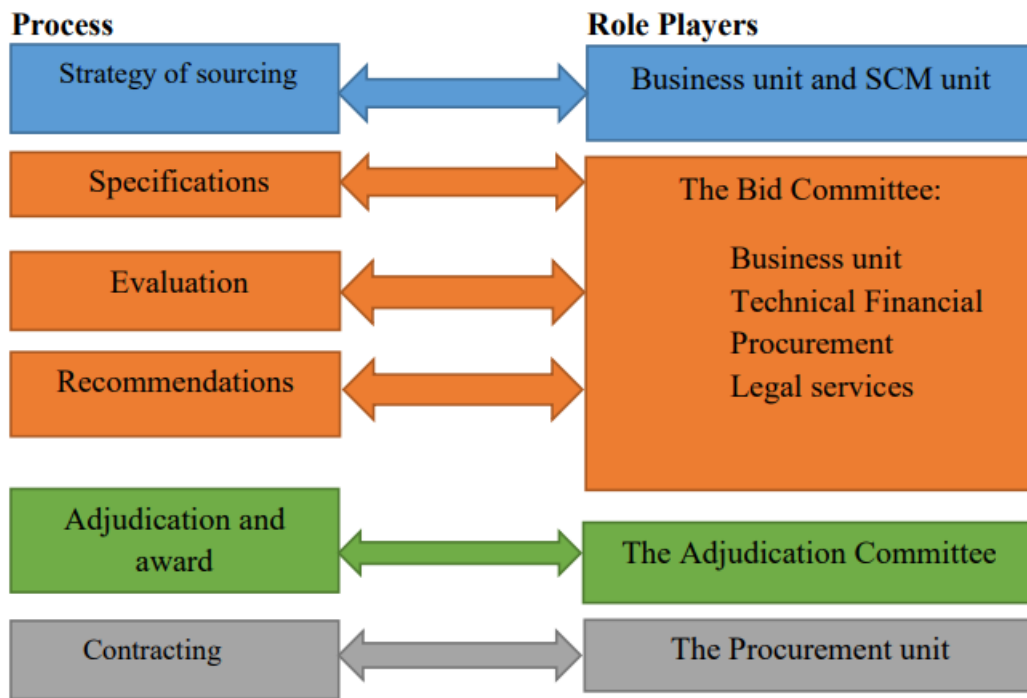
Figure 2.1: Institutional Theory

The acquisition process is used to determine the end-demands, user's analyse those needs effectively and efficiently, discover service providers that can meet those needs, reach agreements with suppliers, streamline the purchasing process, and guarantee on-time payment. The management must make sure the end users are satisfied with the process and the outcome for each phase in the process (Monczka et al., 2011).

2.2.3 Strategic Choice theory

Strategic choice theory, initially developed by Child (1972) and supported by Miles et al. (1978), examines the relationship between top management decisions, organizational performance, and the interaction between organizations and their environment. It challenges deterministic views of organizations by emphasizing the importance of managerial decision-making. The strategic choice-resource dependence model, proposed by Campling and

Michelson (1998), further highlights the interdependence of organizations and their environment in terms of strategic choices, actions, and overall performance.

According to strategic choice theory, organizational behaviour is influenced by both environmental conditions and the choices made by top managers (Miles et al., 1978). Strategic choices involve long-term goals, resource allocation, and action plans, and they have implications for various organizational aspects such as operational contexts, performance standards, and structure (Child, 1972). The process of strategic choice involves interactions and decision-making among key stakeholders within the organization.

Strategic choice theory considers factors such as the dominant coalition's power, cultural differences, and social structures in organizational decision-making (Bluedorn et al., 2014; Child, 1997; Song et al., 2002; Zimmermann, 2011). It emphasizes the need to balance supplier dependencies with desired returns and advocates for early supplier integration to optimize diversification opportunities. By reducing dependence on suppliers and maintaining control over organizational activities, strategic choice theory helps managers navigate uncertainty and make informed decisions.

2.3   Empirical literature review

The empirical literature is based on actual studies carried out around the topic and was guided by experiences in Europe and America, Africa and studies in Zimbabwe.

2.3.1   Public procurement, Strategic sourcing and public enterprises

Strategic sourcing is a collaborative and organized analysis of an organization's spending aimed at making informed business decisions about the efficient acquisition of goods and services (Du PlooyCilliers et al., 2014). It has gained prominence in both the public and private sectors, with the goal of optimizing procurement systems and ensuring the responsible use of taxpayer funds (Mbanje and Lunga, 2015; Vellapi, 2020). By integrating the skills and competencies of the company and suppliers, strategic sourcing can yield measurable and intangible benefits (Kausik and Mahadevan, 2011). It requires a knowledgeable procurement team that can adapt to market dynamics and understand the impact of purchasing decisions on society (Williams, 2020).

Strategic sourcing in the public sector involves utilizing tax funds and maximizing organizational profit by reducing material prices (Mbanje and Lunga, 2015). Its implementation can lead to a better understanding of government spending, optimize planning and budgeting processes, and enable well-informed decision-making (Du PlooyCilliers et al., 2014). The strategic sourcing approach varies across organizations but is aimed at transforming procurement from a mere purchasing function (Du PlooyCilliers et al., 2014). Overall, strategic sourcing is a valuable practice that enhances procurement efficiency and contributes to organizational success in both public and private sectors..

2.3.2   Strategic sourcing and the Public sector procurement

Procurement refers to the process of collecting resources from external service providers, and its importance applies to all organizational units. In the public sector, procurement differs from private procurement as it relies on tax funding and aims to maximize organizational profit by reducing material prices (Mbanje and Lunga, 2015). Public procurement plays a strategic role in enhancing state performance and service quality, making it crucial for the provision of public goods and services (Vellapi, 2010). However, recent attention has been drawn to procurement issues in Zimbabwe's public sector, including financial law violations and mismanagement (Mbanje and Lunga, 2015).

To address concerns and promote the responsible use of public funds, measures have been taken to improve uniformity and combat financial mismanagement (Mbanje and Lunga, 2015). Adherence to procurement guidelines and policies is essential for achieving government goals, emphasizing accountability, ethics, and transparency to reduce waste and fraud (Mbanje and Lunga, 2015). Inadequate planning and demand, along with insufficient enforcement of governance and compliance rules, contribute to issues such as fraud and price variations (Mbanje and Lunga, 2015).

Challenges in procurement include irregularities in bid committee meetings, lack of SCM expertise among supply chain management practitioners, poor contract and supplier management, and inadequate training in supply chain management (Mbanje and Lunga, 2015). The absence of effective systems for contract management and performance assessment further exacerbates these problems. Ad hoc procurement practices without strategic sourcing contribute to the overall inefficiencies (Mbanje and Lunga, 2015).

2.3.3 Functions of strategic sourcing

Market uncertainty has increased due to factors such as resource depletion, political unrest, government intervention, increased competitiveness, and rapid technological advancements (Kraljic, 2023). Transaction cost theory predicts that as company-to-company transactions rise, vertical integration becomes more favourable to lower transactional expenses (Williamson, 2019). Long-term relationships between buyers and suppliers result in lower transaction costs and a more favourable connection, facilitated by information sharing and face-to-face interactions (Pint and Baldwin, 2017).

Supplier selection processes consider factors such as finances, consistency, connection traits, flexibility, technological aptitude, customer service, reliability, and price (Choi and Hartley, 2016). Choosing suppliers based on product quality, delivery reliability, and performance positively impacts supplier performance, company performance, and customer satisfaction (Tracey and Tan, 2020). Evaluating partnerships involves both soft metrics (competitive technology, supply chain integration) and hard metrics (cost, quality, cycle time) (Monzcka et al., 2018). Long-term collaborations reduce costs, accelerate development processes, and minimize resource investment (Pagel, 2019).

Strategic sourcing plays a crucial role in profitability, leading some buyers to focus on managing and developing existing suppliers for direct commodities while utilizing procurement personnel for other acquisitions (Monzcka et al., 2018). As the strategic importance of procurement is recognized, procurement specialists need a broader range of skills to effectively collaborate with suppliers and navigate the evolving procurement landscape (Monzcka et al., 2018). Negotiation and management skills become increasingly important as the procurement function shifts towards a more strategic approach.

2.3.4 Impact of strategic sourcing on performance

Strategic sourcing enables organizations to be competitive and go beyond simple purchase agreements by selecting strategic service providers. The goals of strategic sourcing are primarily cost savings while maintaining or improving the quality of goods, services, and customer satisfaction. Following public procurement guidelines and considering factors like quality, dependability, and long-term costs are essential in government procurement (Mbanje and Lunga, 2015).

Strengthening accountability, ethics, and transparency is crucial to reduce waste and fraud (Mbanje and Lunga, 2015). Inadequate enforcement of governance and compliance rules can lead to fraudulent practices such as fronting and registering businesses. Key principles of strategic sourcing include value for money, open competition, and ethical and legal adherence. Ethical procurement has been a concern, with inconsistencies in tender awards and misconduct by awarding panels. Accountability is achieved when individuals and organizations can honestly explain their goals, actions, and outcomes. Transparency in administration promotes sound financial management practices and improved performance.
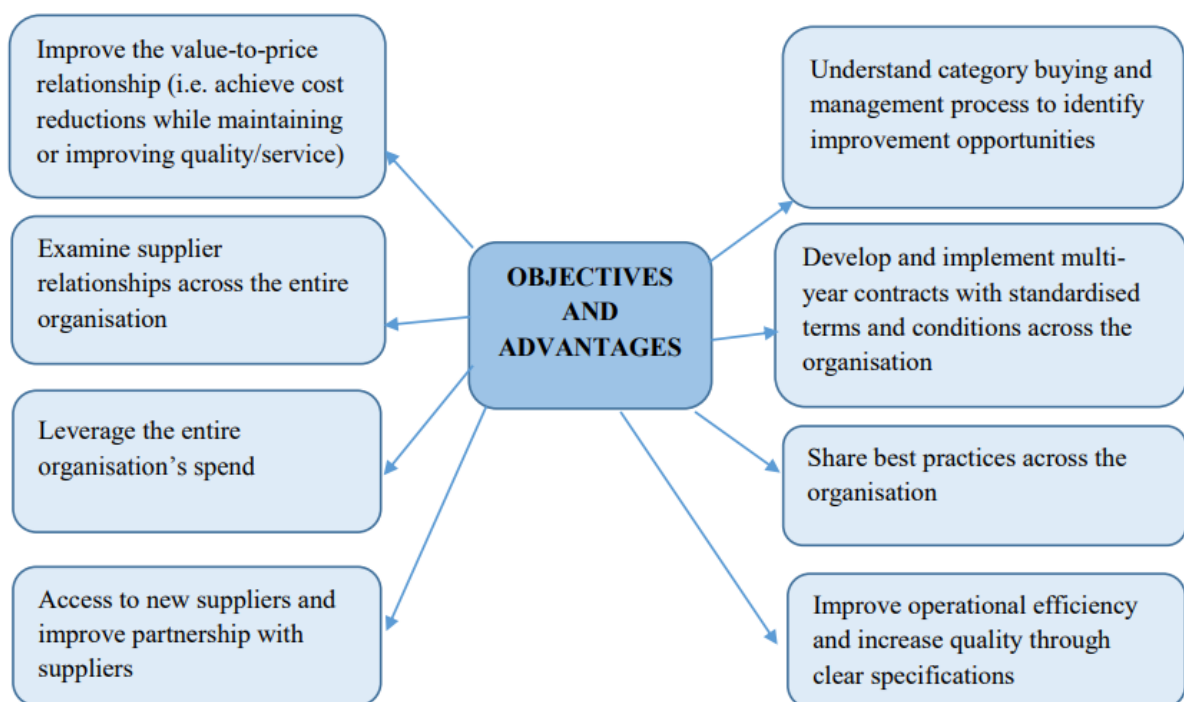
Figure 2.2: Strategic Sourcing and Performance

Strategic purchasing decisions, applicable to all buying categories and organizations, are based on functional objectives (De Villiers et al., 2015). Kraljic introduced a systematic approach to procurement planning in 1989, aiming to maximize buying power and minimize supply risk. The approach considers the strategic relevance of procurement, supply market complexity, and the price-to-value ratio (De Villiers et al., 2015). Strategic sourcing involves various key elements, including managing supplier partnerships, analyzing expenditures, identifying improvement opportunities, establishing multiyear agreements, accessing new vendors, and enhancing operational effectiveness (De Villiers et al., 2015).

Proper implementation of strategic sourcing allows companies to continuously evaluate business strategy, market conditions, supplier performance, internal needs, and upcoming changes, enabling necessary adjustments (De Villiers et al., 2015). Strategic sourcing goes beyond simple sourcing and requires effectively managing crucial success factors throughout the process (De Villiers et al., 2015).

2.3.5 Impacts of strategic sourcing on the PMU

The impact of strategic sourcing on businesses has been studied by scholars, focusing on key pillars including information availability, organizational commitment, cultural continuity, and diverse role playing (Kairen, 2023; Ndlovu, 2017). Strategic sourcing enables companies to continuously assess business strategy, market conditions, supplier performance, and internal needs, facilitating necessary adjustments (Kairen, 2023). Organizational commitment is crucial, as executives need to support strategic sourcing and ensure the flow of information from business strategy objectives to the procurement organization (Kairen, 2023). Allocation of resources and management support are required to achieve sourcing goals and implement strategic sourcing effectively (Kairen, 2023).

Diversity role playing involves separating the sourcing function from procurement to focus on higher-value tasks such as supplier management and market research, requiring role changes and support from internal customers (Kairen, 2023). Cultural continuity and continuous improvement are vital for sustaining results and driving behavioral changes, necessitating change management, organizational commitment, role modifications, and measurements (Kairen, 2023). Strategic sourcing differs from conventional sourcing in terms of its focus on important success factors and the need for adaptability (Kairen, 2023).

Eyholzer and Hunziker (2020) highlight the strategic nature of procurement, including sourcing, negotiation, and collaboration with research and development. The establishment of government electronic Information Bulletin Boards in Australia aimed to enhance accountability and openness in government procurement, leading to a shift in focus towards compliance improvement and strategic sourcing through data warehousing capabilities (Eyholzer and Hunziker, 2020).

Businesses are increasingly using strategic sourcing and procurement as a means to cut costs and increase profits. This approach, compared to internal cost-cutting measures, allows companies to scrutinize and reduce out-of-pocket expenses without the drawbacks of employee reductions or disruption (Koppius, 2019). When designing a procurement organization, the decision between centralized and decentralized structures depends on the goals and requirements of tactical versus strategic procurement activities (Koppius, 2019).

Procurement encompasses more than just purchasing and includes strategic operations such as supplier negotiations, R&D collaboration, and sourcing (Eyholzer and Hunziker, 2020). E-procurement has been extensively studied, and it offers both operational benefits, such as lowering procurement prices and improving transaction audits, and strategic benefits, such as increased control over spending (Croom, 2020).

Effective strategic sourcing ensures reliable contracts for E-procurement, leading to benefits such as quality improvements, shortened cycle times, technological capabilities, and value chain analysis (Mookherjee, 2008). Companies should not be compelled to invest in unnecessary ERP systems for E-procurement if they can achieve efficiency without them. Implementing world-class procurement methods provides advantages like enhanced control, cost savings, support for green initiatives, and corporate responsibility (Mookherjee, 2008).

The goal of strategic sourcing is to enhance the buyer's competitive priorities, including cost, quality, and delivery. Building a relationship of mutual trust between buyers and suppliers is crucial for achieving this, as it enables information sharing, understanding, and effective communication (Rossetti and Choi, 2005). Long-term buyer-supplier partnerships can lead to increased efficiency and lower costs over time, as opposed to short-term price reductions that strain the customer-supplier relationship (Rossetti and Choi, 2005).

2.3.6 Ways to improve strategic sourcing

Various studies have focused on improving strategic sourcing in businesses, proposing different approaches such as the Resource-Based View (Chiappinelli, 2017). To streamline procurement processes and reduce bureaucracy, the Public Finance Management Act suggests including the yearly purchase return in the external audit report, enabling external auditors to assess procurement practices (Anthony, 2019).

In terms of commodities, strategic commodities are essential items with complex requirements and limited qualified suppliers. The strategy for these commodities involves establishing long-term partnerships through discussions, market analysis, and risk management (De Villiers et al., 2015). On the other hand, leverage commodities are high-value items sensitive to price and market competition. The focus for these commodities is on maximizing purchasing power through competitive bidding and supplier development (De Villiers et al., 2015).

Bottleneck commodities refer to fundamental services with limited alternative sources of supply. Managing supply risk for these commodities involves securing continuous supply through contracts and contingency planning (De Villiers et al., 2015). Routine commodities, such as office supplies and maintenance goods, require streamlining the procurement process and automation to reduce transaction management (De Villiers et al., 2015).

Strategic sourcing is a cross-functional process aiming to enhance service provider competencies and gain a competitive advantage (Monczka et al., 2011). Factors considered in a sourcing strategy include the number of suppliers, type of association, contract length, and sourcing locality (Van Weele, 2010). The process of selecting a service provider involves steps such as subcontracting supplier selection, creating bidder lists, issuing requests for quotes, evaluating bids, and choosing the supplier.
Implementing electronic procurement and improving infrastructure and connectivity are suggested to facilitate efficient procurement practices (Anthony, 2019). Building employees' capacity to adopt and utilize information management technologies is important (Anthony, 2019).

Categorizing commodities and applying appropriate procurement strategies have implications for organization and negotiation processes (De Villiers et al., 2015). The categorization of materials may change over time due to shifts in supply and demand, necessitating regular updates (De Villiers et al., 2015).

2.4   Chapter Summary

An overview of the literature on the subject of public procurement has been given in this chapter. It looked at the fundamental principles of public procurement as well as its components, rules, and legal frameworks. To understand what ZINWA could accomplish, the literature analysis also examined strategic sourcing techniques, benefits, and goals. The study's research methodology is described in the chapter that follows.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter focuses on the research approach and methods employed in the study. It discusses the tools and techniques used for data collection, as well as considerations regarding the study's population and sampling. Various research designs are categorized under the umbrella of marketing research technique, each serving different objectives that may overlap. The choice of data collection technique is based on the study's goals and how the variables being investigated contribute to answering the research questions.

3.2 Research methodology

The study relied on mixed methods research

3.2.1 Mixed methods research

A deliberate blending of approaches was required in the data collecting, data analysis, and interpretation phases of mixed methods research. The key term in this approach was "mixed," as data integration or linking at the proper point in the research process was a crucial component (Bowers et al., 2013). Purposeful data integration allowed researchers to seek a more comprehensive understanding of their research terrain by examining events from various angles and through different research lenses.

The first step in selecting the best research methodology was finding the research topic and study objectives. Myers (2008) argued that a mixed methods approach was appropriate for study topics that could not be resolved solely through quantitative or qualitative methods. The use of mixed methods helped researchers better understand the relationships or discrepancies between qualitative and quantitative data, provided participants with the opportunity to share their experiences, and facilitated multiple lines of inquiry to deepen knowledge and address research questions (Leedy and Omrod, 2010). As multiple viewpoints shed light on the topics under investigation, mixed methods fostered scholarly interaction and enriched the experiences of researchers.

3.3 Research Design

The research used a case study design.

3.3.1 Case study

The case study focused on ZINWA, a single organization. Case studies were used as a method to organize social data and gain a comprehensive view of reality, according to Best and Kahn (2014). The unit of analysis in this case study was the organization itself, with the goal of understanding its life cycle or a significant portion of it. Case studies aimed to bring together a wide range of issues related to the defined case and present them as a cohesive whole. Descriptive research was employed in case studies, seeking in-depth descriptions of the connections between specific behaviors, beliefs, and attitudes. Case study research was qualitative and observatory in nature, utilizing predetermined research questions (Yin, 2014).

Case studies provided a means to accurately depict the complexity and depth of organizational behavior (Galliers, 2012). They were particularly suitable for studying current occurrences and allowed for exploration of research topics. Furthermore, Silverman (2005) concluded that case study research in the information management field was valuable because it provided an understanding of existing conditions in a natural setting, facilitated gaining new insights in rapidly changing information management contexts, and enabled comprehension of process substance and complexity.

3.4 Target population

The target population will be the 950 employees at ZINWA. A population is a collection of people who share one or more traits that the researcher finds interesting (Best and Khan, 2014).

3.5 Sample Size

According to Saunders, Lewis, and Thornhill et al. (2000), sampling is the process of choosing a sufficient number of components from a particular population. To obtain representative and unbiased facts and information about a population, a sample will be chosen from the population. The sample size will be made up of 100 officials who work in the procurement, finance, Human resources, sales departments of ZINWA.

3.5.1   Sampling method

The study utilized cluster sampling as its sampling method. Cluster sampling is similar to systematic sampling, as it involves dividing the population into distinct groups (Creswell, 2009). Any naturally occurring group can serve as a cluster. In this case, the entire cluster of ZINWA office staff who interacted with the procurement unit was chosen. Simple random sampling was used to select the clusters, and data was collected randomly from each case within the selected clusters. Cluster sampling is particularly useful in situations where a list of population components is unavailable, but obtaining a list of clusters is simple, and when the cost of acquiring observations increases with the distance between elements.

The sampling procedure is referred to as two-stage sampling when only a sample of elements is taken from each selected cluster. The clusters are formed to ensure heterogeneity both within and across clusters (Saunders et al., 2009). Unlike the design of strata in a stratified sample, the sampling units within and across clusters are heterogeneous due to the cluster construction. Cluster sampling has been further modified by multi-stage sampling, often applied to geographically dispersed populations. This method involves taking multiple cluster samples, each containing a small amount of random sampling.

Data for the study was collected through surveys, utilizing individual interviews and structured questionnaires. The Head Office was considered a cluster, representing mutually exclusive subgroups. The study aimed to incorporate components from both the Head Office and Branches units, or population segments, to ensure sufficient data for analyzing various subpopulations.
.

3.6   Research instruments

3.6.1   Interviews

Interviews were utilized as a significant tool for gathering in-depth data in the study (Lincoln, Lynham, and Guba, 2017). Interviews can be conducted face-to-face, over the phone, in a one-on-one setting, or in a group, with the primary purpose of collecting qualitative data (Creswell and Creswell, 2020). Interviews involve personal interaction between the interviewer and the respondent, allowing for further exploration and the opportunity to ask additional questions. However, this approach is often time-consuming and resource-intensive.

In this study, the researcher had a list of topics and issues to be addressed during the interviews but no specific study questions. Depending on the nature, objectives, and research focus, some questions may be excluded or included during the interview process (Leedy and Omrod, 2010). Interviews are characterized by their informal nature, where questions are asked in a face-to-face, interpersonal setting, similar to questionnaires. However, interviews allow for more in-depth responses, including feelings, experiences, and emotions, making them suitable for capturing rich qualitative data.

Semi-structured and in-depth interviews are particularly useful in providing explanations and allowing respondents to address a range of issues beyond statistical data (Leedy and Omrod, 2010). The flexible and adaptable nature of interviews enables detailed responses tailored to each respondent's position and allows for building rapport and a trustworthy relationship, leading to more open and honest responses.

During the interviews, permission was obtained to record the sessions, ensuring accurate data transcription. Notes were taken to capture key points. The interview approach allowed for prompt responses, probing, and clarification, enhancing reliability and accuracy of the information.

3.6.2 Questionnaire

In conducting the study, data was gathered using questionnaires (Manheim, 2017). Structured questionnaires were employed, and the online platform SurveyMonkey.com was utilized for questionnaire administration. The questionnaires began by collecting participants' personal information and then proceeded to collect research data using Likert scale ratings and predetermined response options. The use of questionnaires proved to be a resource-efficient method as the structured format facilitated data analysis of the majority of the gathered information.

For the pilot study, participants were randomly selected from the study population to complete a questionnaire. The questionnaire design aimed to collect subjective and objective data from a significant portion of the research population, ensuring statistically significant results. Privacy of participants was protected, and the accuracy of the information relied on the honesty of respondents. Questionnaires are well-suited for gathering quantitative data, although they

can also capture qualitative information. Ensuring clarity and understanding for all respondents was a key consideration, requiring a pre-test to address any confusion.

Before administration, the questionnaire underwent peer review, and any grammatical or diction errors were corrected to minimize confusion. The researcher coordinated with ZINWA's human resources department to schedule the completion of the questionnaires. Participants were given a 60-minute time frame to complete the questionnaire, and the surveys were distributed and collected by the researcher on the same day.

Questionnaires offer advantages such as affordability, attracting appropriate respondents, providing comfort and confidence in answering, and allowing for confidential information. .

3.7   Data collection procedure

This case study employed a mixed methods approach, combining quantitative and qualitative methodologies. Data gathering techniques included participant and structured observations, semi-structured and in-depth interviews, and questionnaires. Questionnaires were used to collect data based on predetermined questions, while interviews provided a deeper understanding of ZINWA's procurement procedures. The structured nature of questionnaires facilitated data analysis, and personal interviews complemented the questionnaire data.

3.8   Data analysis and presentation methods

Quantitative data in this research was analysed using descriptive and inferential analysis with SPSS Version 26 graphs and table were used for presentation. Qualitative content analysis was employed to analyse the interview data. Thematic outcomes were derived from the main points that emerged during the examination of the recorded material. The collected data was organized into a structured and meaningful format, allowing for a better understanding of the research problem through the allocation of data to dominant ideas.

3.9   Reliability and validity

To enhance the credibility of data collection and findings, the research instruments in this study were tested for validity and reliability. Prior to the actual data collection process, a pilot study was conducted with a restricted sample of respondents to ensure the effectiveness of the

research instruments. The pilot study involved interviewing five individuals similar to the target audience, and their feedback was used to refine the questionnaire in collaboration with colleagues and the academic supervisor. Adjustments to the interview questions and questionnaire were made based on the pilot study, preparing them for the main study.

3.10 Ethical considerations

Each individual was entitled to privacy and confidentiality, both on ethical grounds and for the protection of their personal and sensitive data. It was their right to decide when, to what extent, and under what circumstances they would withhold or share information. To protect their mental or psychological integrity, privacy and confidentiality forms were signed as necessary. Adhering to modern research ethics, a favourable balance between harms and benefits was ensured, where the anticipated benefits outweighed the foreseeable harms.

3.11 Chapter Summary

The research methodology outlined the step undertaken in the study. This includes a justification of methodology, the population, sample and data collection tools. The next chapter addresses the research findings, through presentation and discussion.

CHAPTER 4: DATA PRESENTATION, PRESENTATION AND DISCUSSION

4.1   Introduction

The aim of this chapter was to present a comprehensive analysis and interpretation of findings, addressing the research questions set in the first chapter. The primary objective was to evaluate the impact of strategic sourcing on the performance of procurement management function in state-owned enterprises in Zimbabwe, using both quantitative and qualitative approaches. The chapter started by reporting the survey response rate and providing a descriptive evaluation of the demographic data to understand the sample characteristics. Statistical analysis, including descriptive and inferential analysis, was conducted on the data. In addition, qualitative data underwent thematic analysis to support the quantitative findings. The analysis was guided by the study's objectives, which provided subtopics for analysis.

4.2   Response Rate

The response rate refers to the proportion of individuals who participated in a research instrument, such as a questionnaire or interview, out of the total number of individuals who received the instrument. A high response rate is desirable as it ensures representative findings and minimizes bias. In the given example, the questionnaire had a response rate of 96% (96 out of 100 individuals), and the interview had a response rate of 80% (12 out of 15 individuals)..

Table 4.1: Response Rate

Instrument	Administered	Response	Percentage
Questionnaire	100	96	96%
Interview	15	12	80%

A response rate of 96% is considered credible and capable of generalizing the results to the larger population, as noted by Malone et al. (2016). The high response rate may be attributed to the study's relevance to the respondents' actual lives.

4.3   DEMOGRAPHIC DATA ANALYSIS.

The following section centres on examining the demographic data of the survey respondents. Specifically, the data pertains to the age, gender, qualifications, experience, and current position of each respondent.

4.3.1   Gender
The data below is an analysis of the gender distribution
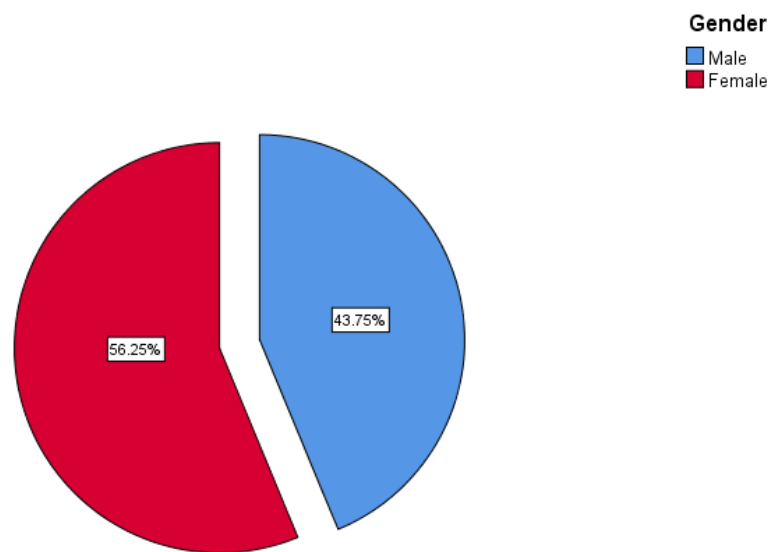
Figure 4.1: Gender Distribution

The data represents the gender distribution of the survey respondents. Out of the 96 respondents, 42 (43.8%) were male, and 54 (56.2%) were female. The majority of the respondents were female, accounting for 56.2% of the total sample. This finding may suggest that women are more involved in procurement management functions in state-owned enterprises in Zimbabwe than men.

4.3.2   Age
The figure below summarises the age distribution of the respondents.
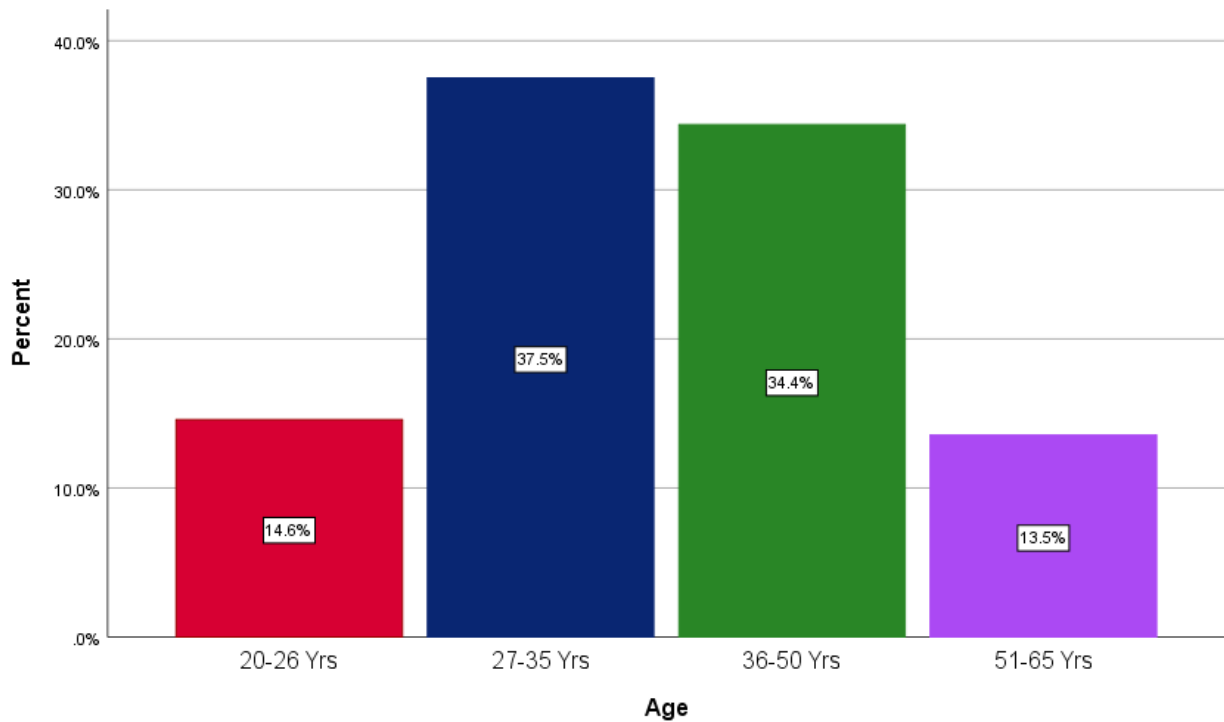
Figure 4.2: Age Distribution

The survey data reveals the age distribution of respondents in four categories: 20-26 years, 27-35 years, 36-50 years, and 51-65 years. The largest group was in the 27-35 age range, indicating a higher involvement in procurement functions in Zimbabwean state-owned enterprises. The second largest group was in the 36-50 age range, while the percentage decreased with older age categories. This distribution aligns with employment patterns in state-owned enterprises or the population from which the sample was drawn.

4.3.3 Qualification
The table below is a summary of the qualification levels of the respondents
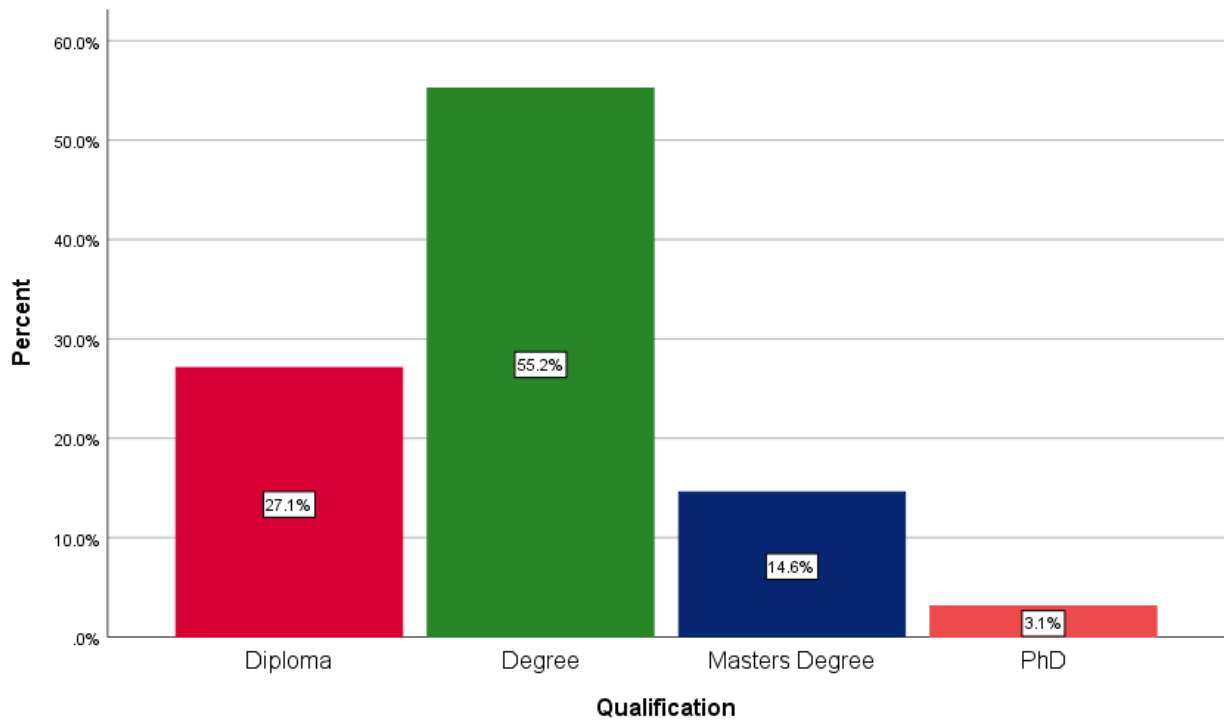
Figure 4.3: Qualifications

The data presented shows the distribution of educational qualifications among survey respondents, categorized into diploma, degree, master's degree, and PhD. The majority of respondents held a degree, indicating its importance in procurement management roles in Zimbabwean state-owned enterprises. The second largest group held a diploma, while smaller proportions held a master's degree or PhD. The overall high level of qualification aligns with Zimbabwe's high literacy levels. The high level of qualification is in line with the high literacy levels in Zimbabwe.

4.3.4 Position
The data in the figure below summarises the positions held by the respondents.
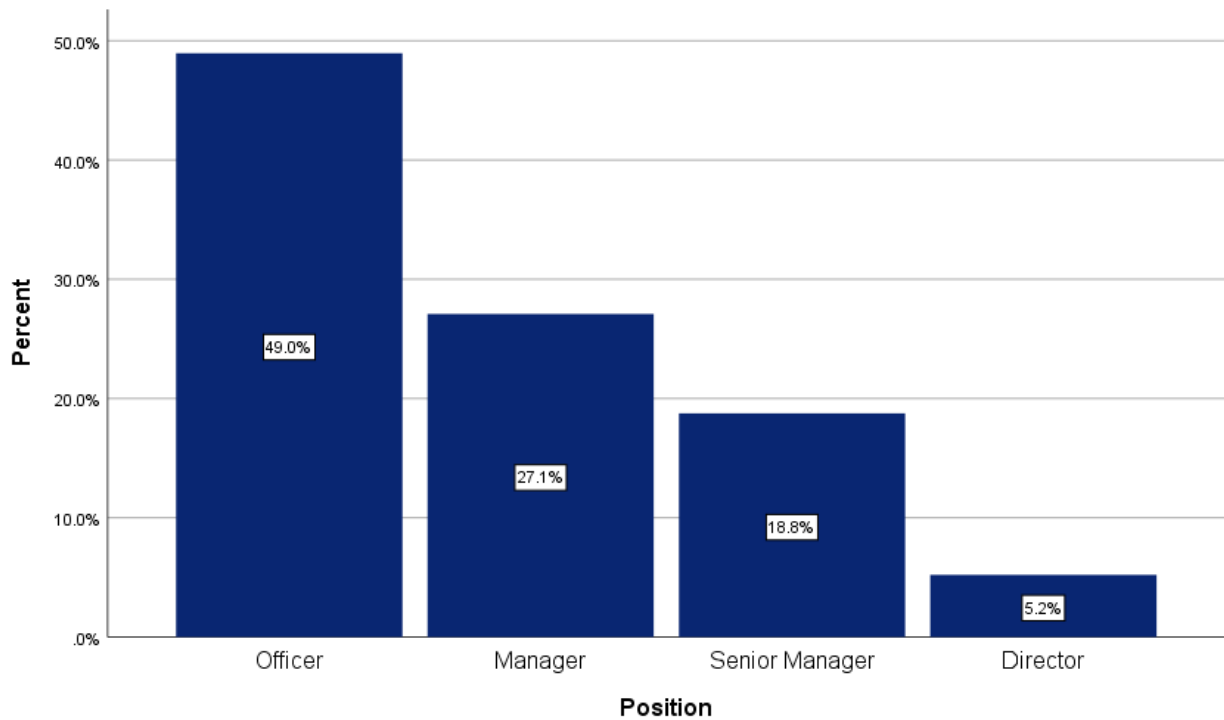
Figure 4.4: Position Held

The data reveals the distribution of respondents' positions in the survey, categorized as officer, manager, senior manager, and director. The majority of respondents held the position of officer, followed by managers. Senior managers constituted a smaller group, while directors were the least common. This distribution highlights the hierarchical structure within the surveyed organizations.

4.3.5   Tenure

The table below is a summary of the work experience of the respondents.

Table 4.2: Tenure

Tenure

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-5 Years	35	36.5	36.5	36.5
	6-10 Years	20	20.8	20.8	57.3
	11-15 Years	15	15.6	15.6	72.9
	16 + Years	26	27.1	27.1	100.0
	Total	96	100.0	100.0	

The table presents data on the tenure of individuals within a specific group or organization. The data indicates that a substantial portion of the surveyed individuals (36.5%) have been with the organization for 1-5 years, while 27.1% have been there for 16 or more years. This suggests a mix of both relatively new and experienced employees, providing valuable insights into the organization's workforce stability and experience level.

4.4 Descriptive Analysis Measures

In this study, descriptive analysis techniques were employed, taking into account the central limit theorem. Measures of central tendency, such as the mean, and measures of dispersion, such as the standard deviation, were used. A mean value greater than 3 indicated general agreement among respondents regarding the construct presented in the questionnaire. The standard deviation provided insights into the variation or dispersion of opinions. Skewness was used to assess the symmetry of the data distribution, while kurtosis indicated whether the data had heavy or light tails compared to a normal distribution.

4.5 Approaches used for strategic sourcing by state owned enterprises

This section focuses on analysing the various approaches employed by state-owned enterprises in Zimbabwe for strategic sourcing.

In the table below is a summary of the respondents views on the were asked , " Can you please state the preference for the following approaches?"

Table 4.3: Analysis of the approaches used for strategic sourcing by state owned enterprises

Code	Construct	Mean	Std. Dev	Skew	Kurt
APPR01	Legally drive sourcing	3.18	1.223	0.488	0.884
APPR02	Inward bound sourcing	3.63	0.837	0.296	0.697
APPR03	External bound sourcing	3.35	1.046	0.195	0.685
APPR04	Market linkages	3.5	0.918	0.417	0.35
APPR05	Do the approaches have an input of all relevant staff members?	3.5	1.105	0.382	0.239

The table presents descriptive statistics for different approaches used in strategic sourcing by state-owned enterprises in Zimbabwe. Mean values indicate the average agreement with each approach, with inward bound sourcing receiving the highest score of 3.63, followed by market linkages at 3.50, external bound sourcing at 3.35, and legally-driven sourcing at 3.18. Standard deviations range from 0.837 to 1.223, indicating moderate dispersion. The data shows a left-skewed distribution based on negative skewness values, while kurtosis values range from negative to positive. The findings suggest that state-owned enterprises in Zimbabwe prioritize inward bound sourcing and market linkages over legally-driven and external bound sourcing...

The qualitative data from interviews support the quantitative findings. Participant 2's emphasis on market linkages aligns with the quantitative result, indicating a prioritization of this approach. Additionally, their mention of prioritizing local suppliers reflects the socioeconomic context and potential focus on national development goals.

Participant 3 highlights the importance of legally-driven sourcing and the challenges associated with external bound sourcing, underscoring the significance of compliance and risk management in the sourcing process for state-owned enterprises.

Furthermore, Participant 5 emphasized that

> *"It is important to involve all relevant staff members in the sourcing process to ensure their buy-in and commitment to the final decision.'*

The finding underscores the importance of effective communication and collaboration within the enterprise to ensure successful strategic sourcing outcomes. Notably, the qualitative data provide additional nuance and detail to the quantitative findings, highlighting the specific contextual factors and challenges faced by state-owned enterprises in their strategic sourcing practices.

4.6   Assessing the performance advantages of implementing strategic sourcing.

The section analyses the performance advantages of implementing strategic sourcing in ZINWA, utilizing both quantitative and qualitative data from surveys and interviews. The findings shed light on the second objective of the study.

Table 4.4: Assessing the performance advantages of implementing strategic sourcing.

Construct	Mean	Std. Dev	Skew	Kurt
Strategic sourcing influences performance in a positive way	3.53	1.095	0.057	-0.92
Sourcing- product/service delivery turnaround time is minimal with strategic sourcing	3.64	0.93	0.406	0.653
Strategic sourcing has improved ZINWA supplier relations	3.6	0.761	0.508	1.562
Strategic sourcing has improved product/service quality	3.02	0.995	0.108	-0.5
Staff competence has improved with strategic sourcing?	3.29	0.928	0.296	0.185

The table displays descriptive statistics for performance aspects that benefit from strategic sourcing in state-owned enterprises. Mean scores range from 3.02 to 3.64, indicating a positive impact of strategic sourcing on performance. The aspect with the highest mean score (3.64) is sourcing-product/service delivery turnaround time, suggesting that it benefits the most from strategic sourcing. Standard deviations range from 0.761 to 1.095, indicating moderate dispersion. Skewness values range from -0.057 to 0.508, suggesting a relatively normal distribution, except for strategic sourcing's impact on product/service quality, which has a slight positive skewness. Kurtosis values range from -0.92 to 1.562, indicating platykurtic to leptokurtic distributions.

The findings indicate that strategic sourcing positively affects various performance aspects, such as minimal turnaround time, improved supplier relations, and staff competence. However, the lower mean score for improved product/service quality suggests the need for additional efforts in that area..

The analysis of performance benefits resulting from strategic sourcing reveals moderate to high levels of benefit across various areas. Financial and production aspects show moderate benefits, while audit compliance and reputation exhibit a greater impact. The data analysis indicates a

right-skewed distribution with moderate dispersion. Overall, the findings suggest that strategic sourcing has a positive effect on performance, particularly in terms of audit compliance and reputation

Participant 6 supports the quantitative findings, highlighting the improved efficiency, cost savings, and customer satisfaction resulting from strategic sourcing in their organization.

. Participant 8 in support of the findings stated that

> *"I think building long-term relationships with suppliers is very important. Strategic sourcing enables us to work closely with suppliers and fosters better communication and collaboration. This has led to improvements in product/service delivery turnaround time and product/service quality. Additionally, strategic sourcing has helped us to better manage supply chain risks and enhance supply chain resilience."*

Participant 11 emphasized the role of strategic sourcing in promoting innovation and quality improvement, stating that they have been able to work with suppliers to develop new and better products.

4.7 Analysing challenges faced in implementing strategic sourcing

In this section, the researcher analyses some of the challenges that organizations face in implementing strategic sourcing. This analysis is in line with the third objective of the study.

Table 4.5: Challenges faced in implementing strategic sourcing

Code	Construct	Mean	Std. Dev	Skew	Kurt
CHAL01	Currency systems in Zimbabwe affect strategic sourcing	3.58	1.130	0.547	0.249
CHAL02	Procurement laws influence negatively influence strategic sourcing	3.22	0.976	0.100	1.150
CHAL03	Bureaucracy negatively impacts strategic sourcing	3.34	0.927	0.339	1.150
CHAL04	Huma resource competence is a challenge in strategic sourcing	3.46	0.972	0.155	0.937
CHAL05	Technology presents a risk when undertaking strategic sourcing	3.01	1.091	0.170	0.768

The table presents descriptive statistics for the challenges encountered in implementing strategic sourcing. Mean scores range from 3.01 to 3.58, indicating that all listed challenges have an impact on strategic sourcing. The challenge with the highest mean score is the effect of currency systems in Zimbabwe on strategic sourcing. Standard deviations range from 0.927 to 1.130, suggesting moderate dispersion. Skewness values indicate a relatively normal distribution, except for the challenge related to currency systems. Kurtosis values range from -0.768 to 1.150, indicating platykurtic to moderately leptokurtic distributions. The findings suggest that challenges in implementing strategic sourcing arise from factors such as currency systems, procurement laws, bureaucracy, human resource competence, and technology risks.

Qualitative data from the interviews supports the quantitative findings. Participant 1 emphasizes the challenge of lacking understanding and support from top management, underscoring the importance of leadership support for successful implementation. Participant 5 highlights the challenge of inadequate supplier capacity and capability, suggesting the need for supplier development programs. Participant 7 mentions political and economic factors as challenges, emphasizing the importance of considering the external environment. These qualitative insights align with the quantitative findings, emphasizing the significance of organizational support, supplier development, and external factors in strategic sourcing implementation.

4.8 Strategies to enhance strategic sourcing by state owned enterprises

In this section, the study analysed P&SCM strategies that can enhance strategic sourcing by state-owned enterprises. This analysis is in line with objective four of the study.

Table 4.6: Strategies to enhance strategic sourcing by state owned enterprises

Code	Construct	Mean	Std. Dev	Skew	Kurt
STRG01	Staff capacity building improve strategic sourcing implementations	3.50	0.962	0.072	0.928
STRG02	A resource based view approach strengthens strategic sourcing	3.39	0.910	0.164	0.119
STRG03	Prioritization of institutional mandate improves strategic sourcing	3.21	1.004	0.560	0.328
STRG04	Adherence to public procurement laws is ideal for strategic sourcing	3.23	1.128	0.242	0.377
STRG05	Integrating public policy and strategic sourcing is ideal?	3.42	0.790	0.019	0.290

The table displays descriptive statistics for suggested strategies to enhance strategic sourcing by state-owned enterprises. Mean scores range from 3.21 to 3.50, indicating moderate to high agreement among respondents. Staff capacity building receives the highest mean score, suggesting it is perceived as the most effective strategy. Standard deviations range from 0.590 to 0.828, indicating moderate to low dispersion. Skewness values indicate a relatively normal distribution, except for the strategy of prioritizing institutional mandate, which has moderate positive skewness. Kurtosis values suggest a mesokurtic to moderately leptokurtic distribution. The findings indicate that staff capacity building, a resource-based view approach, integrating public policy, adherence to procurement laws, and prioritizing institutional mandate are perceived as important strategies to enhance strategic sourcing by state-owned enterprises.

In line with quantitative findings, interview participants agreed that the analysis of performance benefits derived from strategic sourcing indicates that it brings moderate to high levels of benefit in various areas. While financial and production aspects show moderate benefits, audit compliance and reputation demonstrate a greater impact. The data analysis reveals a right-skewed distribution with moderate dispersion. Overall, the findings suggest that strategic sourcing positively affects performance, with a stronger influence on audit compliance and reputation. These results highlight the significance of strategic sourcing in enhancing organizational performance and reputation management.

4.9   Principal Component Analysis (PCA)

Principal Component Analysis (PCA) is a statistical method that aims to uncover patterns and underlying causes within data. By transforming a set of variables into a new set of variables known as principal components, PCA helps reduce the dimensionality of the dataset while retaining as much information as possible. It is commonly employed for data reduction and dimensionality reduction purposes. Additionally, PCA facilitates exploratory data analysis by revealing patterns and relationships among variables

4.9.1 Extraction Values

Table 4.7: Value Extraction

Communalities		
Construct	Initial	Extraction
Legally drive sourcing	1.000	.516
Inward bound sourcing	1.000	.803
External bound sourcing	1.000	.631
Market linkages	1.000	.717
Do the approaches have an input of all relevant staff members?	1.000	.569
Strategic sourcing influences performance in a positive way	1.000	.667
Sourcing- product/service delivery turnaround time is minimal with strategic sourcing	1.000	.507
Strategic sourcing has improved ZINWA supplier relations	1.000	.769
Strategic sourcing has improved product/service quality	1.000	.534
Staff competence has improved with strategic sourcing?	1.000	.683
Currency systems in Zimbabwe affect strategic sourcing	1.000	.747
Procurement laws influence negatively influence strategic sourcing	1.000	.776
Bureaucracy negatively impacts strategic sourcing	1.000	.878
Huma resource competence is a challenge in strategic sourcing	1.000	.652
Technology presents a risk when undertaking strategic sourcing	1.000	.564
Staff capacity building improve strategic sourcing implementations	1.000	.635
A resource based view approach strengthens strategic sourcing	1.000	.582
Prioritization of institutional mandate improves strategic sourcing	1.000	.689
Adherence to public procurement laws is ideal for strategic sourcing	1.000	.577
Integrating public policy and strategic sourcing is ideal?	1.000	.567
Extraction Method: Principal Component Analysis.		

The communalities, representing the proportion of variance in each variable accounted for by the extracted factors, are used to assess sample size adequacy and data suitability. All communalities in this analysis exceed 0.5, indicating sufficient sample size and suitable data. The table displays the communalities of the variables, indicating the amount of shared variance with the extracted factors. Initial communalities are 1.000 for all variables, indicating perfect correlation with themselves. Extraction communalities range from 0.534 to 0.878, suggesting

significant shared variance with the factors. Variables with higher communalities are more influential in explaining the underlying factors.

Moreover, communalities inform about the proportion of variance in each variable explained by the factors. Initial communalities of 1.000 imply 100% variance shared with other variables. After extraction, communalities range from 0.534 to 0.878, indicating substantial variance explained by the factors. Higher communalities signify stronger loading on the extracted factors.

The results indicate four main factors: strategic sourcing implementation, external environment, staff competence, and procurement regulations. Variables with high loadings on the strategic sourcing implementation factor include inward/outward bound sourcing, strategic sourcing's positive influence on performance, staff capacity building, and a resource-based view approach. Variables with high loadings on the external environment factor include market linkages, currency systems' impact on strategic sourcing, and the negative influence of bureaucracy.

Variables with high loadings on the staff competence factor are the challenge of human resource competence and improved staff competence through strategic sourcing. Variables with high loadings on the procurement regulations factor are legally driven sourcing, negative influence of procurement laws on strategic sourcing, ideal adherence to public procurement laws, and integration of public policy with strategic sourcing.

4.10 Discussion

The study analysed the different approaches used for strategic sourcing by state-owned enterprises using a 5-point Likert scale questionnaire. The mean values for legally-driven sourcing, external bound sourcing, and market linkages are 3.18, 3.35, and 3.50, respectively, while inward bound sourcing has the highest mean score of 3.63. The findings suggest that state-owned enterprises rely more on inward bound sourcing and market linkages and are less inclined towards legally-driven and external bound sourcing. Qualitative data provided additional context and depth to the descriptive statistics on the approaches used for strategic sourcing by state-owned enterprises.

The findings of the study are consistent with previous literature on strategic sourcing practices in state-owned enterprises (Yin et al., 2019; Liu & Liu, 2017). Effective communication and collaboration within the organization were identified as critical factors for successful strategic sourcing outcomes, aligning with research by Lim et al. (2019). Market linkages were emphasized as important by participants in the study, which is supported by Wang et al. (2016) who found that state-owned enterprises in China prioritize developing long-term relationships with suppliers.

Implementing strategic sourcing was found to have a positive impact on various aspects of performance for state-owned enterprises (Amin et al., 2019). The study's findings align with previous research that reported positive impacts of strategic sourcing on supplier relations, staff competence, and performance (Monczka et al., 2015; Kraljic, 2017; Carter & Narasimhan, 2016). The study also identified challenges in implementing strategic sourcing, with currency systems in Zimbabwe having the greatest impact among the listed challenges. Challenges in implementing strategic sourcing can arise from procurement laws, bureaucracy, human resource competence, and technology risks.

Several strategies were identified to enhance strategic sourcing in state-owned enterprises, including staff capacity building, a resource-based view approach, integrating public policy and strategic sourcing, adherence to procurement laws, and prioritization of institutional mandates. These strategies are supported by previous studies and can help state-owned enterprises achieve maximum impact through effective implementation of strategic sourcing (Nguyen et al., 2018; Haji et al., 2019; Vaidya et al., 2019, Amin et al., 2019).

4.11 Chapter Summary

The chapter provides a comprehensive analysis of the influence of strategic sourcing on the procurement management function in state-owned enterprises in Zimbabwe. It covers various aspects, including survey response rates, sample demographics, and statistical analysis. The findings demonstrate the positive impact of strategic sourcing on procurement management performance, encompassing benefits such as cost savings, improved quality, and supplier development. However, challenges related to procurement laws, bureaucracy, human resource competence, and technology risks were also identified. The chapter concludes by presenting strategies to enhance strategic sourcing, such as staff capacity building and compliance with procurement laws. The subsequent chapter will focus on conclusions and recommendations.

CHAPTER 5: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.

5.1 Introduction

In the final chapter of the study, a summary, conclusions, and recommendations are presented regarding the impact of strategic sourcing on the performance of procurement management function in state-owned enterprises in Zimbabwe. The summary section provides a brief overview of the study's objectives, methodology, and key findings, including demographic data, approaches to strategic sourcing, implementation challenges, and suggested strategies. The conclusions section offers a comprehensive analysis of the findings, their significance, and their contribution to the existing literature. The chapter acknowledges study limitations and proposes areas for future research. The recommendations section offers practical guidance for policymakers and managers.

5.2 Summary

The study set out to investigate the impact of strategic sourcing on performance of the procurement management function in state enterprises with particular focus on the case of ZINWA. To carry out this study the study developed four objectives to drive the research process. The study adopted a mixed methods research method where survey and interviews were used to collect data. The study used a sample of 100 respondents for the survey (96% response rate) and 15 interviews (80% response rate) , drawn from the employees of ZINWA. Despite the gatekeeping limitations which affected the collection of data the study made the following findings.

The study found that strategic sourcing practices of state-owned enterprises in Zimbabwe and found that inward bound sourcing and market linkages that are most commonly used approaches. Effective communication and collaboration within the organization, compliance with regulations, and risk management were identified as critical factors for successful strategic sourcing outcomes. The study provides new insights into the contextual factors and challenges faced by state-owned enterprises in Zimbabwe and builds on previous literature to further our understanding of strategic sourcing practices in these organizations.

The study also identified several challenges that affect the effectiveness of strategic sourcing in state-owned enterprises, including procurement laws, bureaucracy, human resource competence, technology risks, and currency systems in Zimbabwe. Currency systems were found to have the greatest impact among the listed challenges. Addressing these challenges is crucial for successful strategic sourcing implementation and to maximize its benefits for state-owned enterprises.

Supplier development programs were highlighted as important for improving supplier performance and fostering long-term partnerships, aligning with previous research on the impact of currency fluctuations and the importance of supplier development programs.

Furthermore, the study identified strategies that can enhance strategic sourcing in state-owned enterprises, including staff capacity building, a resource-based view approach, integrating public policy and strategic sourcing, adherence to public procurement laws, and prioritization of institutional mandates. Staff capacity building was perceived as the most effective strategy.

These findings are consistent with previous studies emphasizing the importance of building procurement capabilities, complying with procurement laws, and aligning procurement strategies with organizational goals. Implementing these strategies can help state-owned enterprises achieve maximum impact through the effective implementation of strategic sourcing.

5.3   Conclusions

The study concludes that successful strategic sourcing outcomes in state-owned enterprises require effective internal coordination, compliance with regulations, and risk management.
The study also concludes that there are positive impacts of strategic sourcing on performance aspects such as sourcing turnaround time, supplier relations, and staff competence, while noting the need for improvement in product/service quality.

The study concludes that challenges including procurement laws, bureaucracy, human resource competence, technology risks, and currency systems need to be addressed for successful implementation. Supplier development programs are emphasized as important for improving supplier performance and fostering long-term partnerships.

5.4   Recommendations

To enhance strategic sourcing in state-owned enterprises, several strategies can be implemented.

- Developing a supplier development program can improve supplier performance, foster long-term partnerships, and reduce supply chain disruptions. S

- Increasing staff capacity building improves procurement capabilities, internal coordination, and staff competence.

- Adopting a resource-based view approach helps identify and leverage unique resources for a competitive advantage.

- Integrating public policy with strategic sourcing ensures alignment with organizational and government objectives.

- Improving compliance with procurement laws mitigates legal and reputational risks. Finally, prioritizing institutional mandates ensures strategic sourcing contributes to overall objectives.

5.5   Suggested Areas of further study

Based on the findings the study suggest the following areas that could be explored in further research:

1. The Role of Strategic Sourcing in State-Owned Enterprises: A Comparative Analysis across African Countries
2. Evaluating the Impact of Strategic Sourcing on Organizational Performance in State-Owned Enterprises
3. Technology Adoption in Strategic Sourcing: Enhancing Efficiency and Effectiveness in State-Owned Enterprises

Reference

Alharahsheh, H. H., & Pius, A. 2020. A review of key paradigms: Positivism VS interpretivism. *Global Academic Journal of Humanities and Social Sciences, 2* (3), 39-43.

Ambe, I.M. & Badenhorst-Weiss, J.A. 2012. Procurement challenges in the South African public sector. Journal of transport and supply chain management. 6(1): 242- 261.

Baily, P., Farmer, D., Crocker, B., Jessop, D. & Jones, D. 2008. Procurement Principles and Management (10th edition). Harlow, England: Pearson Education.

Best, J.W. and Kahn, J.V. 2004. Research in Education, 7th ed. Boston: Allyn and Bacon

Bhattacherjee, A. 2012. *Social science research: Principles, methods, and practices*. University of South Florida.

Bowers B , Cohen LW , Elliot AE , *et al* 2013 . Creating and supporting a mixed methods health services research team. Health Serv Res

Burt, DN, Dobler, DW &. Starling, JL. 2003. World class supply management – The key to supply chain management. 7th edition. Singapore: McGraw-Hill.

Çankaya, Y. S. 2020, "The effects of strategic sourcing on supply chain strategies", *Journal of Global Operations and Strategic Sourcing*, Vol. 13 No. 2, pp. 129-148. https://doi.org/10.1108/JGOSS-01-2019-0002

Carter, J. R., & Narasimhan, R. (2016). Purchasing and supply management: Future directions and trends. Journal of Supply Chain Management, 32(3), 3-7.

Chandra, CC. & Kumar, S. 2012. Supply chain management in theory and in practice: a passing fad or a fundamental change? Industrial Management and Data Systems 100(3).

Chen, Z., & Sun, L. (2019). Sustainable development of state-owned enterprises in China: A review of strategic sourcing. Sustainability, 11(13), 3589.

Chiappinelli, O. 2017. Decentralization and Public Procurement Performance. New evidence

Creswell, J. W. 2009. Research Design: Qualitative, Quantitative, and Mixed Methods Approaches (3rd ed.). Thousand Oaks, CA: Sage Publications.

Creswell, J.W. & Creswell, J.D. (2018). Research Design, (5th Edition) London. Sage Edge Publishers.

from Italy. Germany Institute of Economic Research, 1-30.

Galliers, R. D. 2012. 'Choosing Information Systems Research Approaches'. In: Galliers.R. D. eds. Information Systems Research: Issues, Methods and Practical Guidelines. Henley-on-Thames: Alfred Waller Ltd.144–162.

Ghosh, S., Mandal, M.C. and Ray, A. 2022, "Strategic sourcing model for green supply chain management: an insight into automobile manufacturing units in India", *Benchmarking: An International Journal*, Vol. 29 No. 10, pp. 3097-3132. https://doi.org/10.1108/BIJ-06-2021-0333

Haji, A., Sun, Q., & Wang, J. (2019). Strategic sourcing: a review of literature. Journal of Purchasing and Supply Management, 25(1), 53-67.

http://www.ippa.org/IPPC4/Proceedings/07GreenProcurement/Paper7-11.pdf

Hugo, WMJ, Badenhorst-Weiss, JA & Van Rooyen, DC. 2002. Purchasing and supply management. 3rd edition. Pretoria: Van Schaik.

Hui, W.S., Othman, R.O., Normah, O., Rahman, R. A. and Haron, N.H. 2011. Procurement issues in Malaysia. International Journal Fof Public Sector Management 24(6), pp. 567- 593.

Kausik, U. and Mahadevan, B. 2011. Strategic sourcing: Trends and emerging issues for

Kraljic, P. (2017). Purchasing must become supply management. Harvard business review, 61(5), 109-117.

Leedy P.D. & Ormrod J.E. 2010. Practical Research: Planning and Design. (9th ed). Pearson Educational International, Boston

Leedy, P.D. and Ormrod, J.E. (2010) Practical Research Planning and Design. 9th Edition, Pearson Education, Inc., Upper Saddle River, 67

Li, X., Li, J., Sun, L., & Li, Y. (2018). Investigation of external environmental factors influencing strategic sourcing of state-owned enterprises. International Journal of Logistics Systems and Management, 31(4), 469-487.

Lim, S., Kim, J. H., & Kim, Y. G. (2019). Strategic sourcing capability and firm performance: The mediating role of supply chain integration. International Journal of Operations & Production Management, 39(4), 523-542.

Lincoln, Y. S., Lynham, S. A., & Guba, E. G. (2017). Paradigmatic controversies, contradictions, and emerging confluences revisited. In N. K. Denzin & Y. S. Lincoln (Eds.), Sage

Liu, H., & Liu, Y. (2017). Review of the research on the strategic sourcing of state-owned enterprises. Journal of Business Economics and Management, 18(5), 780-797.
management. Pretoria: Van Schaik.

Mandal, S. 2021, "Impact of supplier innovativeness, top management support and strategic sourcing on supply chain resilience", *International Journal of Productivity and Performance Management*, Vol. 70 No. 7, pp. 1561-1581. https://doi.org/10.1108/IJPPM-07-2019-0349

Mbanje, S. and Lunga, J. 2015. Fundamental principles of supply chain management. Pretoria:

Monczka, R, Trent, R & Handfield, R. 2002. Purchasing and supply chain management. 2nd edition. Mason, Oh: South Western.

Monczka, R. M., Handfield, R. B., Giunipero, L. C., & Patterson, J. L. (2015). Purchasing and supply chain management. Cengage Learning

Monczka, R., Handfield, R., Giuniperro, L. and Patterson, J. 2011. Purchasing and supply chain

Musanzikwa, M. (2013). Public procurement system challenges in developing countries: the case of Zimbabwe. International Journal of Economics, Finance and Management Sciences, 119-127. https://doi.org/10.11648/j.ijefm.20130102.18

Myers, M. D. 2008. *Qualitative Research in Business & Management*. SAGE Publications.

Nguyen, H. T., Sridharan, V., & Padmanabhan, V. (2018). Developing procurement capabilities for strategic sourcing success: an exploratory study. Journal of Purchasing and Supply Management, 24(4), 275-286.

Tsabora, J. 2014. Public Procurement in Zimbabwe: Law, Policy and Practice. African Public

Vaidya, O. S., & Khare, A. (2019). A conceptual model for strategic sourcing. Journal of Purchasing and Supply Management, 25(4), 100528.

Vellapi, M. 2020. Public procurement for sustainable development, Research paper on sustainable public procurement, Ministry of Highways, Sri Lanka. Available at:

Wang, D., Wang, Y., & Li, Y. (2016). Exploring the supply chain relationship in China's state-owned enterprises: A qualitative case study. International Journal of Production Research, 54(8), 2267-2280.

Williams, C. 2011. Research methods. Journal of Business & Economics Research (JBER), 5(3)

Williams, M. 2000. Interpretivism and generalisation. *Sociology, 34* (2), 209-224.

Yin, L., Huang, Y., & Liao, J. (2019). Sustainable strategic sourcing practices: Evidence from state-owned enterprises in China. Sustainability, 11(22), 6261.

Yin, R. 2014. Case Study Research: Design and Methods, Applied Social Research Methods Series. 2nd ed. Thousand Oaks, CA.: Sage.

Yin, R.K. 2009. Applications of Case Study Research. Beverly Hills, CA. : Sage.

Yin. R.K. 2014. Case study research: Design and methodology. 4 th ed. London: Sage.

Appendix I: Interview Questions

1. What are the approaches applied in strategic sourcing?
2. How is ZINWA impact by the social, political and economic considerations in strategic sourcing?
3. In what ways is strategic sourcing influenced by African ethics and culture in business considerations?
4. How does the staff competence and experience shape strategic sourcing at ZINWA?
5. What are the advantages derived from strategic sourcing?
6. Which challenges has the organisation faced in strategic sourcing?
7. How does ZINWA integrate public policy of the day in the strategic sourcing?
8. In what ways does the PMU contribute to the day to day operations of ZINWA?
9. Which strategies can be adopted to improve strategic sourcing?

Appendix II: Questionnaire

Section A: Demographics

1. Please specify your gender

Male	
Female	

2. Please specify your age

20-26	
27-35	
36-50	
51-65	

3.What is your position in the organization?

……………………………………………………………………………………..

5. Please state your professional/academic background.

……………………………………………………………………………………..

6. How long have you been in your current position?

…………………………………………………………………………………….

PART A APPROACHES TO STRATEGIC SOURCING AT ZINWA

Please describe the approaches towards the strategic sourcing

………………………………………………………………………………………………………

………………………………………………………………………………………………………

………………………………………………………………………………………………………

………………………………………………………………………………………………………

………………………………………………………………………………………..

Can you please state the preference for the following approaches

5 Strongly agree; 4 Agree; 3 Neutral; 2 Disagree; 1 Strongly disagree

Legally drive sourcing	
Inward bound sourcing	
External bound sourcing	
Market linkages	

Do the approaches have an input of all relevant staff members?

5 Strongly agree; 4 Agree; 3 Neutral; 2 Disagree; 1 Strongly disagree

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

PART B PERFORMANCE ADVANTAGES ARE DERIVED FROM IMPLEMENTING STRATEGIC SOURCING

Strategic sourcing influences performance in a positive way

Option	Tick
5 Strongly agree	

Option	Tick
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Which aspects of performance benefit from strategic sourcing

Option	Financial	Production	Audit Compliance	Reputation
5 Strongly agree				
4 Agree				
3 Neutral				
2 Disagree				
1 Strongly disagree				

Sourcing- product/service delivery turnaround time is minimal with strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	

Option	Tick
1 Strongly disagree	

Strategic sourcing has improved ZINWA supplier relations

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Strategic sourcing has improved product/service quality

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Staff competence has improved with strategic sourcing?

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

PART C CHALLENGES FACED IN IMPLEMENTING STRATEGIC SOURCING

Currency systems in Zimbabwe affect strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Procurement laws influence negatively influence strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	

3 Neutral	
2 Disagree	
1 Strongly disagree	

Bureaucracy negatively impacts strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Huma resource competence is a challenge in strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Option	Tick

Technology presents a risk when undertaking strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

PART D: STRATEGIES TO IMPROVE STRATEGIC SOURCING

Staff capacity building improve strategic sourcing implementations

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

A resource based view approach strengthens strategic sourcing

Option	Tick
5 Strongly agree	

4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Prioritization of institutional mandate improves strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Adherence to public procurement laws is ideal for strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	

Option	Tick
1 Strongly disagree	

Integrating public policy and strategic sourcing is ideal?

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

An analysis on the impacts is strategic sourcing performance on the procurement management function a case of ZINWA

by Tinotenda Tendenguwo

BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF ECONOMICS

AN ANALYSIS ON THE IMPACT OF STRATEGIC SOURCING ON PERFORMANCE OF THE PROCUREMENT MANAGEMENT FUNCTION A CASE OF ZINWA

BY

TINOTENDA TENDENGUWO

A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE BACHELOR OF COMMERCE HONOURS DEGREE IN PURCHASING AND SUPPLY DEGREE

OF BINDURA UNIVERSITY OF SCIENCE EDUCATION

MAY 2023

APPROVAL FORM

I certify that this research project was presented in line with the guide of the faculty and guidelines for typing undergrad project. A study entitled "An alternative framework for taxation of informal businesses in Zimbabwe" suitable to be submitted to the Faculty of Commerce, Bindura University of Science Education.

Student`s Signature: _____   Date: _____/_____/_____

Supervisor`s Signature: _____   Date: _____/_____/_____

Chairperson`s Signature: _____   Date: _____/_____/_____

i

RELEASE FORM

STUDENT NAME: TINOTENDA TENDENGUWO

DISSERTATION TITLE: AN ANALYSIS ON THE IMPACTS OF STRATEGIC SOURCING IN THE PERFORMANCE OF PROCUREMENT MANAGEMENT FUCTION A CASE OF ZINWA

DEGREE PROGRAM: PURCHASING AND SUPPLY

YEAR GRANTED: 2023

Bindura University of Science Education Library is granted permission to produce single copy of this research project and to sell or lend such copies for scholarly or private purposes only. No extracts from this project will be printed without the permission of author because author reserves publication rights.

Signed _____

Address: 9 Murungu Mufakose Harare

Telephone: 0775849601

Email   : tinotendatendenguwo@gmail.com

Date   : ....

DEDICATION

I stand your shoulders Mom and Dad, I appreciate your support and love, I dedicate this research project to you my parents, and also my siblings Precious and Tanatswa.

ACKNOWLEDGEMENTS

ABSTRACT

This study investigated the impact of strategic sourcing on the procurement management function of state-owned enterprises, specifically the Zimbabwe National Water Authority (ZINWA). Using a mixed-methods approach, the study collects data from surveys and interviews with ZINWA employees. The findings reveal that inward bound sourcing and market linkages are the most commonly used strategies for strategic sourcing in state-owned enterprises in Zimbabwe. Effective communication, compliance with regulations, and risk management are crucial for successful strategic sourcing outcomes. Implementing strategic sourcing positively affects various performance aspects, including delivery turnaround time, supplier relations, and staff competence, although there is room for improvement in product/service quality. The study identified challenges like procurement laws, bureaucracy, human resource competence, technology risks, and currency systems that impact strategic sourcing effectiveness. Strategies for enhancing strategic sourcing include staff capacity building, a resource-based view approach, integration of public policy, adherence to procurement laws, and prioritization of institutional mandates. Staff capacity building is considered the most effective strategy. The study recommends implementing a supplier development program, increasing staff capacity building, adopting a resource-based view approach, aligning public policy, improving compliance with procurement laws, and prioritizing institutional mandates.

TABLE OF CONTENTS

List of Tables

List of Figures

CHAPTER ONE: INTRODUCTION

1.1 Introduction

This study focuses on the impact of strategic sourcing on the performance of the procurement management function in state-owned enterprises in Zimbabwe, specifically examining the case of ZINWA under the Ministry of Agriculture, Land Fisheries Water, and Climate. The chapter presents the problem statement, research questions, objectives, significance, delimitations, limitations, and definitions of key terms to provide a comprehensive understanding of the study's context.

1.2 Background to the Study

The evolution of the purchasing function from a separate administrative activity to a managerial function that considers the interplay of variables and aligns with organizational goals is highlighted (Hugo, Badenhorst-Weiss & Van Rooyen, 2002). Tactical buying and inventory management were incorporated into purchasing during the 1960s and 1970s, with automation used to maintain production lines (Mbanje & Lunga, 2015). However, purchasing still faced challenges related to cost and quality issues (Burt et al., 2003). As managerial philosophies advanced, training and education were emphasized to meet the challenges of globalization, technology advancements, and outsourcing (Burt et al., 2003; Chandra & Kumar, 2012).

The concept of strategic sourcing emerged, considering supply as a strategic weapon in the global marketplace and involving cross-functional processes to manage supplier capabilities (Dlamini, 2016). Supply chain management also developed in conjunction with the transformation of purchasing into strategic sourcing, integrating various organizational functions (Ambe, 2012). Strategic sourcing became a proactive approach that aimed to achieve cost reduction, improve supplier performance, and optimize procurement processes (Monczka et al., 2002; Ambe, 2012).

Strategic sourcing was recognized as a vital component of integrated supply chain management, with cross-functional teams involved in finding, developing, managing, and

integrating suppliers (Cyanka, 2022; Mundai, 2021). Successful strategic sourcing was found to lead to cost savings and informed decision-making in government expenditure (National Treasury, 2021). It involved planning, analyzing services and goods, and assessing supply marketplaces (Chartered Institute of Procurement and Supply [CIPS], 2016). Sourcing strategies guided decisions on the number of suppliers, contract negotiation, and sourcing locations (Van Weele, 2020).

Different interpretations of strategic sourcing exist, and its components and operations vary (Ghosh, 2022; Cayanka, 2022). The sourcing approach depends on an organization's stage of strategic sourcing maturity (Roberts, 2002). It encompasses a systematic process that aligns with business goals and integrates suppliers into the long-term business process (Chiapinelli, 2017; Vellapi, 2020). In Africa, strategic sourcing has been implemented through best practices, involving cross-functional teams, cost-saving measures, and enhancing product technology and design (Anthony, 2019; Mbanje & Lunga, 2015).

The procurement system in Zimbabwe has undergone reforms to promote transparency, accountability, and efficiency (Tsabora, 2014). The establishment of the Procurement Regulatory Authority of Zimbabwe (PRAZ) in 2018 and the enactment of the Public Procurement and Disposal of Public Assets Act aimed to align public procurement with good governance standards (Chiappinelli, 2017). These changes have had a significant impact on the responsible financial management of Zimbabwe's public sector (Musanzikwa, 2013). In this context, the study examines the impact of strategic sourcing on the performance of the Zimbabwe National Water Authority (ZINWA), a state-owned enterprise under the Ministry of Agriculture, Water, Fisheries, Climate, and Rural Development

1.3   Statement of the Problem

This study's primary issue statement asks whether strategic sourcing in public sector procurement, notably in ZINWA, could bolster procurement management efficiency, procedures, and adherence to legal and policy requirements. For many years, purchasing and supply chain management (P&SCM) played a supporting role in most businesses, whether state-owned and private. While acknowledgment of this crucial role was minimal in both sectors, according to Vries and Huijsman (2011), it was more obvious in service sectors. P&SCM has just recently developed to be acknowledged as a strategic role, and a variety of

2

events or circumstances made that realization necessary. Zimbabwe's hyper inflationary economic environment, use of multi-currency systems and policy inconsistencies have forced business organizations to adapt or die. This is more problematic when it comes to state owned enterprises, who have to navigate and adapt to the fluid and dynamic business environment. This study examines the impact strategic sourcing on the performance Zimbabwe National Water Authority (ZINWA), a state owned enterprise

1.4 Objectives of the Study

1. To identify approaches are used for strategic sourcing by state owned enterprises
2. To assess the performance advantages derived from implementing strategic sourcing by state owned enterprises
3. To establish the challenges faced in implementing strategic sourcing by state owned enterprises
4. To suggest the P&SCM strategies to enhance strategic sourcing by state owned enterprises

1.5 Research Questions

1. What approaches are used for strategic sourcing by state owned enterprises?
2. Which performance advantages are derived from implementing strategic sourcing by state owned enterprises?
3. What are the challenges faced in implementing strategic sourcing by state owned enterprises?

4. How can the P&SCM be improved to enhance strategic sourcing by state   owned enterprises?

1.6 Significance of the Study

The study holds significant benefits for various stakeholders. The government of Zimbabwe stands to gain from the study as it can inform the modification and realignment of procurement policies and practices in the public procurement sector.

The Zimbabwe National Water Authority (ZINWA) and its parent ministry will benefit from the practical insights and examination of current strategic initiatives and organizational practices. Additionally, the study will serve as a foundation for future research on public procurement procedures and challenges.

The water management sector, which has received limited attention in previous studies, will particularly benefit from the focus on Zimbabwe's unique operational environment, strategic sourcing procedures, personnel challenges, and state-owned enterprise reforms.

1.7   Assumptions

- ZINWA is involved in strategic sourcing activities
- Respondents will provide honest and factual response to interview questions
- ZINWA has in place official policies to avail business strategies in the public interest

1.8   Delimitations of the Study

This study examines the impact of strategic sourcing on the performance of the procurement management function in state-owned enterprises in Zimbabwe, with a specific focus on the Zimbabwe National Water Authority (ZINWA). The study is conducted within the geographical scope of Zimbabwe and utilizes qualitative methodology with an interpretivist philosophy, employing a case study approach. The research period spans from January 2022 to December 2022.

1.9   Limitations

The researcher acknowledges potential limitations in the study regarding the sensitive nature of sourcing strategies employed by ZINWA. However, they address these challenges by emphasizing the public ownership of ZINWA, indicating that its documents should be publicly accessible. To ensure consent and permission, the researcher will seek approval through the ZINWA Public Relations Office, assuring participants of privacy protection and confidentiality..

1.10 Definition of Terms

Public procurement refers to the acquisition of goods, services, and works by governments and state-owned enterprises. It involves a series of steps, including need assessments, awards, contract management, and final payment.

Strategic sourcing- is a comprehensive procurement approach that integrates data gathering, spend analysis, market research, negotiation, and contracting. It aims to create supply channels

4

that consider the entire procurement cycle and optimize overall costs rather than focusing solely on the lowest purchase price.

State-owned enterprises (SOEs) are legal entities established by governments to engage in business operations on their behalf. SOEs play a crucial role in fulfilling the government's economic responsibilities.

The **procurement management unit** (PMU) is the division or department within a public institution responsible for carrying out the legal procurement tasks. The PMU works collaboratively with all stakeholders to ensure successful and efficient procurement, maximizing value for money. In the case of ZINWA, the PMU operates under the provisions of the Public Procurement and Disposal of Public Assets Act [Chapter 22:23].

1.11 Chapter Summary

The chapter discussed the strategic sourcing aspect and its transformation from purchasing, to procurement and the later integration of strategy to supporting core business objectives. The chapter also outlined the transformation of public procurement in Zimbabwe. The chapter discussed the research statement of the problem, research objective, research questions and the significance of the study. The chapter also laid out the hypothesis, assumption delimitation and limitation of the study. Five key terms were defined and contextualized to the study. The next chapter is a review of related literature.

CHAPTER TWO: LITERATURE REVIEW

1.12 Introduction

The chapter is a review of literature related to the study. The chapter contains a section on theoretical literature review and then an empirical literature review. This is done to locate gaps in research which can be filled by this study, thus making it unique. Literature us reviewed thematically.

5

1.13 Theoretical literature review

The theoretical framework plays a crucial role in guiding the research process and connecting theoretical and practical components. It provides the intellectual foundation for the study and incorporates theories which are lenses for the study. The theoretical framework has implications for various stages of the research, particularly within the context of public sector procurement and its relationship to public financial management and service delivery.

1.13.1 Institutional theory

The analysis of public sector procurement has traditionally relied on institutional theory, as outlined by Luhmann (2010). According to Scott (2004), institutions consist of three pillars: regulatory, normative, and cultural cognition. The regulatory pillar emphasizes the use of laws and regulations for enforcement. These institutions, along with their associated activities and resources, provide purpose and structure to organizations. Transaction cost economics (TCE) was initially developed to assess the effectiveness and efficiency of private sector governance arrangements (Patrick, 2010). Strategic sourcing, characterized by planned and continuous activity, is considered a corporate-level strategy that impacts all aspects of an organization's operations, including its core functions. In procurement, the highest-scoring bidder is rewarded based on the quality of goods and services offered.

Cronbach (2010) highlights the challenges of contracting solutions in the public utility sector. While competitive bidding is effective for determining the lowest-cost supplier when price is the sole concern, it becomes less suitable for complex goods and services where quality and reliability are important. Public utility provision requires substantial long-term investments in infrastructure tailored to specific markets, making long-term contracts necessary to mitigate risks associated with ongoing negotiations. However, due to uncertainties in cost and demand, as well as the increasing complexity of public utility services, long-term contracts are inherently imperfect.

1.13.2 The Institutional Theory

The Institutional Theory focuses on the regulatory framework governing public sector procurement, while the Systems Theory emphasizes cost reduction and efficiency through

6

reforms such as digitalization and precise requirements development.
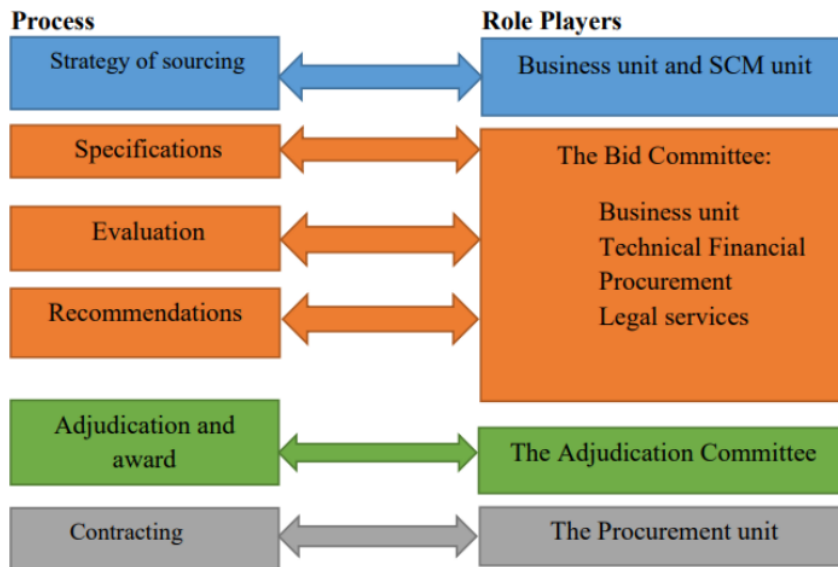
Figure 0.1: Institutional Theory

The acquisition process is used to determine the end-demands, user's analyse those needs effectively and efficiently, discover service providers that can meet those needs, reach agreements with suppliers, streamline the purchasing process, and guarantee on-time payment. The management must make sure the end users are satisfied with the process and the outcome for each phase in the process (Monczka et al., 2011).

1.13.3 Strategic Choice theory

Strategic choice theory, initially developed by Child (1972) and supported by Miles et al. (1978), examines the relationship between top management decisions, organizational performance, and the interaction between organizations and their environment. It challenges deterministic views of organizations by emphasizing the importance of managerial decision-making. The strategic choice-resource dependence model, proposed by Campling and Michelson (1998), further highlights the interdependence of organizations and their environment in terms of strategic choices, actions, and overall performance.

According to strategic choice theory, organizational behaviour is influenced by both environmental conditions and the choices made by top managers (Miles et al., 1978). Strategic choices involve long-term goals, resource allocation, and action plans, and they have

7

implications for various organizational aspects such as operational contexts, performance standards, and structure (Child, 1972). The process of strategic choice involves interactions and decision-making among key stakeholders within the organization.

Strategic choice theory considers factors such as the dominant coalition's power, cultural differences, and social structures in organizational decision-making (Bluedorn et al., 2014; Child, 1997; Song et al., 2002; Zimmermann, 2011). It emphasizes the need to balance supplier dependencies with desired returns and advocates for early supplier integration to optimize diversification opportunities. By reducing dependence on suppliers and maintaining control over organizational activities, strategic choice theory helps managers navigate uncertainty and make informed decisions.

1.14 Empirical literature review

The empirical literature is based on actual studies carried out around the topic and was guided by experiences in Europe and America, Africa and studies in Zimbabwe.

1.14.1 Public procurement, Strategic sourcing and public enterprises

Strategic sourcing is a collaborative and organized analysis of an organization's spending aimed at making informed business decisions about the efficient acquisition of goods and services (Du PlooyCilliers et al., 2014). It has gained prominence in both the public and private sectors, with the goal of optimizing procurement systems and ensuring the responsible use of taxpayer funds (Mbanje and Lunga, 2015; Vellapi, 2020). By integrating the skills and competencies of the company and suppliers, strategic sourcing can yield measurable and intangible benefits (Kausik and Mahadevan, 2011). It requires a knowledgeable procurement team that can adapt to market dynamics and understand the impact of purchasing decisions on society (Williams, 2020).

Strategic sourcing in the public sector involves utilizing tax funds and maximizing organizational profit by reducing material prices (Mbanje and Lunga, 2015). Its implementation can lead to a better understanding of government spending, optimize planning and budgeting processes, and enable well-informed decision-making (Du PlooyCilliers et al., 2014). The strategic sourcing approach varies across organizations but is aimed at transforming procurement from a mere purchasing function (Du PlooyCilliers et al., 2014). Overall, strategic

sourcing is a valuable practice that enhances procurement efficiency and contributes to organizational success in both public and private sectors..

1.14.2 Strategic sourcing and the Public sector procurement

Procurement refers to the process of collecting resources from external service providers, and its importance applies to all organizational units. In the public sector, procurement differs from private procurement as it relies on tax funding and aims to maximize organizational profit by reducing material prices (Mbanje and Lunga, 2015). Public procurement plays a strategic role in enhancing state performance and service quality, making it crucial for the provision of public goods and services (Vellapi, 2010). However, recent attention has been drawn to procurement issues in Zimbabwe's public sector, including financial law violations and mismanagement (Mbanje and Lunga, 2015).

To address concerns and promote the responsible use of public funds, measures have been taken to improve uniformity and combat financial mismanagement (Mbanje and Lunga, 2015). Adherence to procurement guidelines and policies is essential for achieving government goals, emphasizing accountability, ethics, and transparency to reduce waste and fraud (Mbanje and Lunga, 2015). Inadequate planning and demand, along with insufficient enforcement of governance and compliance rules, contribute to issues such as fraud and price variations (Mbanje and Lunga, 2015).

Challenges in procurement include irregularities in bid committee meetings, lack of SCM expertise among supply chain management practitioners, poor contract and supplier management, and inadequate training in supply chain management (Mbanje and Lunga, 2015). The absence of effective systems for contract management and performance assessment further exacerbates these problems. Ad hoc procurement practices without strategic sourcing contribute to the overall inefficiencies (Mbanje and Lunga, 2015).

1.14.3 Functions of strategic sourcing

Market uncertainty has increased due to factors such as resource depletion, political unrest, government intervention, increased competitiveness, and rapid technological advancements (Kraljic, 2023). Transaction cost theory predicts that as company-to-company transactions rise, vertical integration becomes more favourable to lower transactional expenses (Williamson, 2019). Long-term relationships between buyers and suppliers result in lower transaction costs

9

and a more favourable connection, facilitated by information sharing and face-to-face interactions (Pint and Baldwin, 2017).

Supplier selection processes consider factors such as finances, consistency, connection traits, flexibility, technological aptitude, customer service, reliability, and price (Choi and Hartley, 2016). Choosing suppliers based on product quality, delivery reliability, and performance positively impacts supplier performance, company performance, and customer satisfaction (Tracey and Tan, 2020). Evaluating partnerships involves both soft metrics (competitive technology, supply chain integration) and hard metrics (cost, quality, cycle time) (Monzcka et al., 2018). Long-term collaborations reduce costs, accelerate development processes, and minimize resource investment (Pagel, 2019).

Strategic sourcing plays a crucial role in profitability, leading some buyers to focus on managing and developing existing suppliers for direct commodities while utilizing procurement personnel for other acquisitions (Monzcka et al., 2018). As the strategic importance of procurement is recognized, procurement specialists need a broader range of skills to effectively collaborate with suppliers and navigate the evolving procurement landscape (Monzcka et al., 2018). Negotiation and management skills become increasingly important as the procurement function shifts towards a more strategic approach.

1.14.4 Impact of strategic sourcing on performance

Strategic sourcing enables organizations to be competitive and go beyond simple purchase agreements by selecting strategic service providers. The goals of strategic sourcing are primarily cost savings while maintaining or improving the quality of goods, services, and customer satisfaction. Following public procurement guidelines and considering factors like quality, dependability, and long-term costs are essential in government procurement (Mbanje and Lunga, 2015).

Strengthening accountability, ethics, and transparency is crucial to reduce waste and fraud (Mbanje and Lunga, 2015). Inadequate enforcement of governance and compliance rules can lead to fraudulent practices such as fronting and registering businesses. Key principles of strategic sourcing include value for money, open competition, and ethical and legal adherence. Ethical procurement has been a concern, with inconsistencies in tender awards and misconduct

10

by awarding panels. Accountability is achieved when individuals and organizations can honestly explain their goals, actions, and outcomes. Transparency in administration promotes sound financial management practices and improved performance.

Figure 0.2: Strategic Sourcing and Performance

Strategic purchasing decisions, applicable to all buying categories and organizations, are based on functional objectives (De Villiers et al., 2015). Kraljic introduced a systematic approach to procurement planning in 1989, aiming to maximize buying power and minimize supply risk. The approach considers the strategic relevance of procurement, supply market complexity, and the price-to-value ratio (De Villiers et al., 2015). Strategic sourcing involves various key elements, including managing supplier partnerships, analyzing expenditures, identifying improvement opportunities, establishing multiyear agreements, accessing new vendors, and enhancing operational effectiveness (De Villiers et al., 2015).

Proper implementation of strategic sourcing allows companies to continuously evaluate business strategy, market conditions, supplier performance, internal needs, and upcoming changes, enabling necessary adjustments (De Villiers et al., 2015). Strategic sourcing goes beyond simple sourcing and requires effectively managing crucial success factors throughout the process (De Villiers et al., 2015).

1.14.5 Impacts of strategic sourcing on the PMU

The impact of strategic sourcing on businesses has been studied by scholars, focusing on key pillars including information availability, organizational commitment, cultural continuity, and diverse role playing (Kairen, 2023; Ndlovu, 2017). Strategic sourcing enables companies to continuously assess business strategy, market conditions, supplier performance, and internal needs, facilitating necessary adjustments (Kairen, 2023). Organizational commitment is crucial, as executives need to support strategic sourcing and ensure the flow of information from business strategy objectives to the procurement organization (Kairen, 2023). Allocation of resources and management support are required to achieve sourcing goals and implement strategic sourcing effectively (Kairen, 2023).

Diversity role playing involves separating the sourcing function from procurement to focus on higher-value tasks such as supplier management and market research, requiring role changes and support from internal customers (Kairen, 2023). Cultural continuity and continuous improvement are vital for sustaining results and driving behavioral changes, necessitating change management, organizational commitment, role modifications, and measurements (Kairen, 2023). Strategic sourcing differs from conventional sourcing in terms of its focus on important success factors and the need for adaptability (Kairen, 2023).

Eyholzer and Hunziker (2020) highlight the strategic nature of procurement, including sourcing, negotiation, and collaboration with research and development. The establishment of government electronic Information Bulletin Boards in Australia aimed to enhance accountability and openness in government procurement, leading to a shift in focus towards compliance improvement and strategic sourcing through data warehousing capabilities (Eyholzer and Hunziker, 2020).

Businesses are increasingly using strategic sourcing and procurement as a means to cut costs and increase profits. This approach, compared to internal cost-cutting measures, allows companies to scrutinize and reduce out-of-pocket expenses without the drawbacks of employee reductions or disruption (Koppius, 2019). When designing a procurement organization, the decision between centralized and decentralized structures depends on the goals and requirements of tactical versus strategic procurement activities (Koppius, 2019).

Procurement encompasses more than just purchasing and includes strategic operations such as supplier negotiations, R&D collaboration, and sourcing (Eyholzer and Hunziker, 2020). E-procurement has been extensively studied, and it offers both operational benefits, such as lowering procurement prices and improving transaction audits, and strategic benefits, such as increased control over spending (Croom, 2020).

Effective strategic sourcing ensures reliable contracts for E-procurement, leading to benefits such as quality improvements, shortened cycle times, technological capabilities, and value chain analysis (Mookherjee, 2008). Companies should not be compelled to invest in unnecessary ERP systems for E-procurement if they can achieve efficiency without them. Implementing world-class procurement methods provides advantages like enhanced control, cost savings, support for green initiatives, and corporate responsibility (Mookherjee, 2008).

The goal of strategic sourcing is to enhance the buyer's competitive priorities, including cost, quality, and delivery. Building a relationship of mutual trust between buyers and suppliers is crucial for achieving this, as it enables information sharing, understanding, and effective communication (Rossetti and Choi, 2005). Long-term buyer-supplier partnerships can lead to increased efficiency and lower costs over time, as opposed to short-term price reductions that strain the customer-supplier relationship (Rossetti and Choi, 2005).

1.14.6 Ways to improve strategic sourcing

Various studies have focused on improving strategic sourcing in businesses, proposing different approaches such as the Resource-Based View (Chiappinelli, 2017). To streamline procurement processes and reduce bureaucracy, the Public Finance Management Act suggests including the yearly purchase return in the external audit report, enabling external auditors to assess procurement practices (Anthony, 2019).

In terms of commodities, strategic commodities are essential items with complex requirements and limited qualified suppliers. The strategy for these commodities involves establishing long-term partnerships through discussions, market analysis, and risk management (De Villiers et al., 2015). On the other hand, leverage commodities are high-value items sensitive to price and market competition. The focus for these commodities is on maximizing purchasing power through competitive bidding and supplier development (De Villiers et al., 2015).

Bottleneck commodities refer to fundamental services with limited alternative sources of supply. Managing supply risk for these commodities involves securing continuous supply through contracts and contingency planning (De Villiers et al., 2015). Routine commodities, such as office supplies and maintenance goods, require streamlining the procurement process and automation to reduce transaction management (De Villiers et al., 2015).

Strategic sourcing is a cross-functional process aiming to enhance service provider competencies and gain a competitive advantage (Monczka et al., 2011). Factors considered in a sourcing strategy include the number of suppliers, type of association, contract length, and sourcing locality (Van Weele, 2010). The process of selecting a service provider involves steps such as subcontracting supplier selection, creating bidder lists, issuing requests for quotes, evaluating bids, and choosing the supplier.

Implementing electronic procurement and improving infrastructure and connectivity are suggested to facilitate efficient procurement practices (Anthony, 2019). Building employees' capacity to adopt and utilize information management technologies is important (Anthony, 2019).

Categorizing commodities and applying appropriate procurement strategies have implications for organization and negotiation processes (De Villiers et al., 2015). The categorization of materials may change over time due to shifts in supply and demand, necessitating regular updates (De Villiers et al., 2015).

1.15 Chapter Summary

An overview of the literature on the subject of public procurement has been given in this chapter. It looked at the fundamental principles of public procurement as well as its components, rules, and legal frameworks. To understand what ZINWA could accomplish, the literature analysis also examined strategic sourcing techniques, benefits, and goals. The study's research methodology is described in the chapter that follows.

14

CHAPTER THREE: RESEARCH METHODOLOGY

1.16 Introduction

This chapter focuses on the research approach and methods employed in the study. It discusses the tools and techniques used for data collection, as well as considerations regarding the study's population and sampling. Various research designs are categorized under the umbrella of marketing research technique, each serving different objectives that may overlap. The choice of data collection technique is based on the study's goals and how the variables being investigated contribute to answering the research questions.

1.17 Research methodology

The study relied on mixed methods research

1.17.1 Mixed methods research

A deliberate blending of approaches was required in the data collecting, data analysis, and interpretation phases of mixed methods research. The key term in this approach was "mixed," as data integration or linking at the proper point in the research process was a crucial component (Bowers et al., 2013). Purposeful data integration allowed researchers to seek a more comprehensive understanding of their research terrain by examining events from various angles and through different research lenses.

The first step in selecting the best research methodology was finding the research topic and study objectives. Myers (2008) argued that a mixed methods approach was appropriate for study topics that could not be resolved solely through quantitative or qualitative methods. The use of mixed methods helped researchers better understand the relationships or discrepancies between qualitative and quantitative data, provided participants with the opportunity to share their experiences, and facilitated multiple lines of inquiry to deepen knowledge and address research questions (Leedy and Omrod, 2010). As multiple viewpoints shed light on the topics under investigation, mixed methods fostered scholarly interaction and enriched the experiences of researchers.

1.18 Research Design
The research used a case study design.

1.18.1 Case study
The case study focused on ZINWA, a single organization. Case studies were used as a method to organize social data and gain a comprehensive view of reality, according to Best and Kahn (2014). The unit of analysis in this case study was the organization itself, with the goal of understanding its life cycle or a significant portion of it. Case studies aimed to bring together a wide range of issues related to the defined case and present them as a cohesive whole. Descriptive research was employed in case studies, seeking in-depth descriptions of the connections between specific behaviors, beliefs, and attitudes. Case study research was qualitative and observatory in nature, utilizing predetermined research questions (Yin, 2014).

Case studies provided a means to accurately depict the complexity and depth of organizational behavior (Galliers, 2012). They were particularly suitable for studying current occurrences and

allowed for exploration of research topics. Furthermore, Silverman (2005) concluded that case study research in the information management field was valuable because it provided an understanding of existing conditions in a natural setting, facilitated gaining new insights in rapidly changing information management contexts, and enabled comprehension of process substance and complexity.

1.19 Target population

The target population will be the 950 employees at ZINWA. A population is a collection of people who share one or more traits that the researcher finds interesting (Best and Khan, 2014).

1.20 Sample Size

According to Saunders, Lewis, and Thornhill et al. (2000), sampling is the process of choosing a sufficient number of components from a particular population. To obtain representative and unbiased facts and information about a population, a sample will be chosen from the population. The sample size will be made up of 100 officials who work in the procurement, finance, Human resources, sales departments of ZINWA.

1.20.1 Sampling method

The study utilized cluster sampling as its sampling method. Cluster sampling is similar to systematic sampling, as it involves dividing the population into distinct groups (Creswell, 2009). Any naturally occurring group can serve as a cluster. In this case, the entire cluster of ZINWA office staff who interacted with the procurement unit was chosen. Simple random sampling was used to select the clusters, and data was collected randomly from each case within the selected clusters. Cluster sampling is particularly useful in situations where a list of population components is unavailable, but obtaining a list of clusters is simple, and when the cost of acquiring observations increases with the distance between elements.

The sampling procedure is referred to as two-stage sampling when only a sample of elements is taken from each selected cluster. The clusters are formed to ensure heterogeneity both within and across clusters (Saunders et al., 2009). Unlike the design of strata in a stratified sample, the sampling units within and across clusters are heterogeneous due to the cluster construction. Cluster sampling has been further modified by multi-stage sampling, often applied to

17

geographically dispersed populations. This method involves taking multiple cluster samples, each containing a small amount of random sampling.

Data for the study was collected through surveys, utilizing individual interviews and structured questionnaires. The Head Office was considered a cluster, representing mutually exclusive subgroups. The study aimed to incorporate components from both the Head Office and Branches units, or population segments, to ensure sufficient data for analyzing various subpopulations.
.

1.21 Research instruments

1.21.1 Interviews

Interviews were utilized as a significant tool for gathering in-depth data in the study (Lincoln, Lynham, and Guba, 2017). Interviews can be conducted face-to-face, over the phone, in a one-on-one setting, or in a group, with the primary purpose of collecting qualitative data (Creswell and Creswell, 2020). Interviews involve personal interaction between the interviewer and the respondent, allowing for further exploration and the opportunity to ask additional questions. However, this approach is often time-consuming and resource-intensive.

In this study, the researcher had a list of topics and issues to be addressed during the interviews but no specific study questions. Depending on the nature, objectives, and research focus, some questions may be excluded or included during the interview process (Leedy and Omrod, 2010). Interviews are characterized by their informal nature, where questions are asked in a face-to-face, interpersonal setting, similar to questionnaires. However, interviews allow for more in-depth responses, including feelings, experiences, and emotions, making them suitable for capturing rich qualitative data.

Semi-structured and in-depth interviews are particularly useful in providing explanations and allowing respondents to address a range of issues beyond statistical data (Leedy and Omrod, 2010). The flexible and adaptable nature of interviews enables detailed responses tailored to each respondent's position and allows for building rapport and a trustworthy relationship, leading to more open and honest responses.

During the interviews, permission was obtained to record the sessions, ensuring accurate data transcription. Notes were taken to capture key points. The interview approach allowed for prompt responses, probing, and clarification, enhancing reliability and accuracy of the information.

1.21.2 Questionnaire

In conducting the study, data was gathered using questionnaires (Manheim, 2017). Structured questionnaires were employed, and the online platform SurveyMonkey.com was utilized for questionnaire administration. The questionnaires began by collecting participants' personal information and then proceeded to collect research data using Likert scale ratings and predetermined response options. The use of questionnaires proved to be a resource-efficient method as the structured format facilitated data analysis of the majority of the gathered information.

For the pilot study, participants were randomly selected from the study population to complete a questionnaire. The questionnaire design aimed to collect subjective and objective data from a significant portion of the research population, ensuring statistically significant results. Privacy of participants was protected, and the accuracy of the information relied on the honesty of respondents. Questionnaires are well-suited for gathering quantitative data, although they can also capture qualitative information. Ensuring clarity and understanding for all respondents was a key consideration, requiring a pre-test to address any confusion.

Before administration, the questionnaire underwent peer review, and any grammatical or diction errors were corrected to minimize confusion. The researcher coordinated with ZINWA's human resources department to schedule the completion of the questionnaires. Participants were given a 60-minute time frame to complete the questionnaire, and the surveys were distributed and collected by the researcher on the same day.

Questionnaires offer advantages such as affordability, attracting appropriate respondents, providing comfort and confidence in answering, and allowing for confidential information.
.

1.22 Data collection procedure

This case study employed a mixed methods approach, combining quantitative and qualitative methodologies. Data gathering techniques included participant and structured observations,

semi-structured and in-depth interviews, and questionnaires. Questionnaires were used to collect data based on predetermined questions, while interviews provided a deeper understanding of ZINWA's procurement procedures. The structured nature of questionnaires facilitated data analysis, and personal interviews complemented the questionnaire data.

1.23 Data analysis and presentation methods

Quantitative data in this research was analysed using descriptive and inferential analysis with SPSS Version 26 graphs and table were used for presentation. Qualitative content analysis was employed to analyse the interview data. Thematic outcomes were derived from the main points that emerged during the examination of the recorded material. The collected data was organized into a structured and meaningful format, allowing for a better understanding of the research problem through the allocation of data to dominant ideas.

1.24 Reliability and validity

To enhance the credibility of data collection and findings, the research instruments in this study were tested for validity and reliability. Prior to the actual data collection process, a pilot study was conducted with a restricted sample of respondents to ensure the effectiveness of the research instruments. The pilot study involved interviewing five individuals similar to the target audience, and their feedback was used to refine the questionnaire in collaboration with colleagues and the academic supervisor. Adjustments to the interview questions and questionnaire were made based on the pilot study, preparing them for the main study.

1.25 Ethical considerations

Each individual was entitled to privacy and confidentiality, both on ethical grounds and for the protection of their personal and sensitive data. It was their right to decide when, to what extent, and under what circumstances they would withhold or share information. To protect their mental or psychological integrity, privacy and confidentiality forms were signed as necessary. Adhering to modern research ethics, a favourable balance between harms and benefits was ensured, where the anticipated benefits outweighed the foreseeable harms.

1.26 Chapter Summary

The research methodology outlined the step undertaken in the study. This includes a justification of methodology, the population, sample and data collection tools. The next chapter addresses the research findings, through presentation and discussion.

CHAPTER 4: DATA PRESENTATION, PRESENTATION AND DISCUSSION

1.27 Introduction

The aim of this chapter was to present a comprehensive analysis and interpretation of findings, addressing the research questions set in the first chapter. The primary objective was to evaluate the impact of strategic sourcing on the performance of procurement management function in state-owned enterprises in Zimbabwe, using both quantitative and qualitative approaches. The chapter started by reporting the survey response rate and providing a descriptive evaluation of the demographic data to understand the sample characteristics. Statistical analysis, including descriptive and inferential analysis, was conducted on the data. In addition, qualitative data underwent thematic analysis to support the quantitative findings. The analysis was guided by the study's objectives, which provided subtopics for analysis.

1.28 Response Rate

The response rate refers to the proportion of individuals who participated in a research instrument, such as a questionnaire or interview, out of the total number of individuals who received the instrument. A high response rate is desirable as it ensures representative findings and minimizes bias. In the given example, the questionnaire had a response rate of 96% (96 out of 100 individuals), and the interview had a response rate of 80% (12 out of 15 individuals)..

Table 0.1: Response Rate

Instrument	Administered	Response	Percentage
Questionnaire	100	96	96%
Interview	15	12	80%

A response rate of 96% is considered credible and capable of generalizing the results to the larger population, as noted by Malone et al. (2016). The high response rate may be attributed to the study's relevance to the respondents' actual lives.

1.29 DEMOGRAPHIC DATA ANALYSIS.

The following section centres on examining the demographic data of the survey respondents. Specifically, the data pertains to the age, gender, qualifications, experience, and current position of each respondent.

1.29.1 Gender
The data below is an analysis of the gender distribution
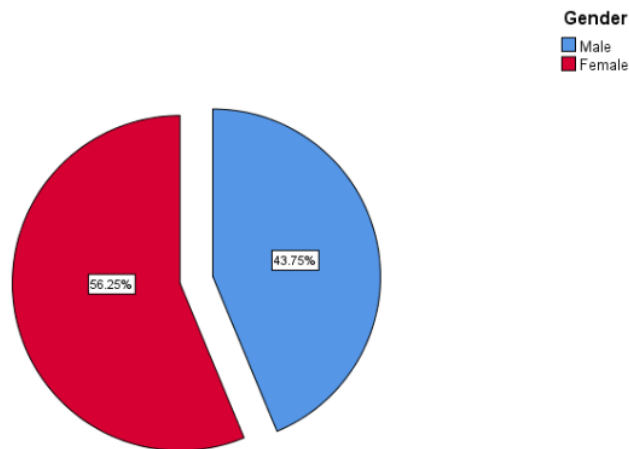
Figure 0.1: Gender Distribution

The data represents the gender distribution of the survey respondents. Out of the 96 respondents, 42 (43.8%) were male, and 54 (56.2%) were female. The majority of the respondents were female, accounting for 56.2% of the total sample. This finding may suggest that women are more involved in procurement management functions in state-owned enterprises in Zimbabwe than men.

1.29.2 Age
The figure below summarises the age distribution of the respondents.

22
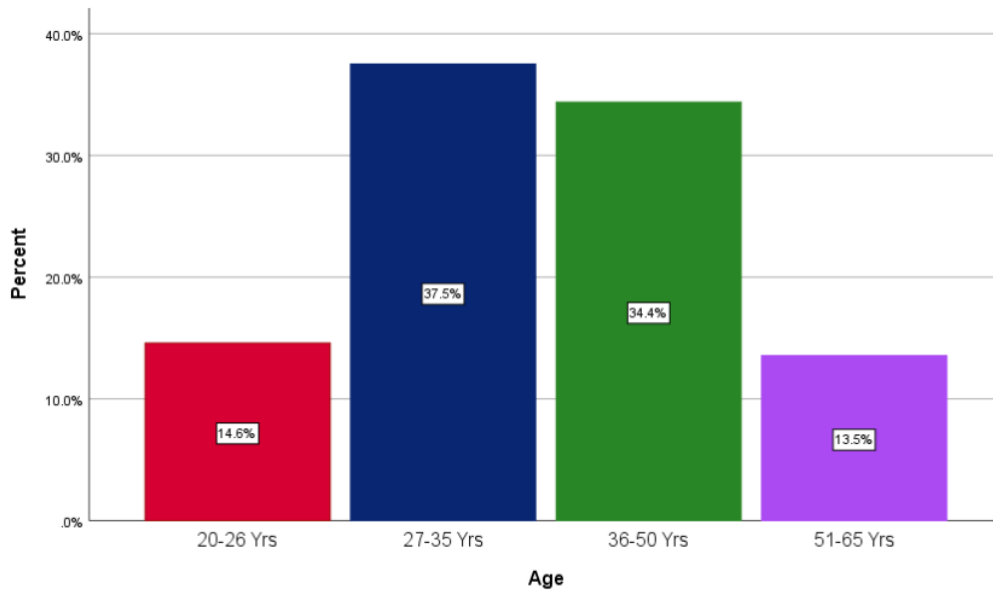
Figure 0.2: Age Distribution

The survey data reveals the age distribution of respondents in four categories: 20-26 years, 27-35 years, 36-50 years, and 51-65 years. The largest group was in the 27-35 age range, indicating a higher involvement in procurement functions in Zimbabwean state-owned enterprises. The second largest group was in the 36-50 age range, while the percentage decreased with older age categories. This distribution aligns with employment patterns in state-owned enterprises or the population from which the sample was drawn.

1.29.3 Qualification
The table below is a summary of the qualification levels of the respondents
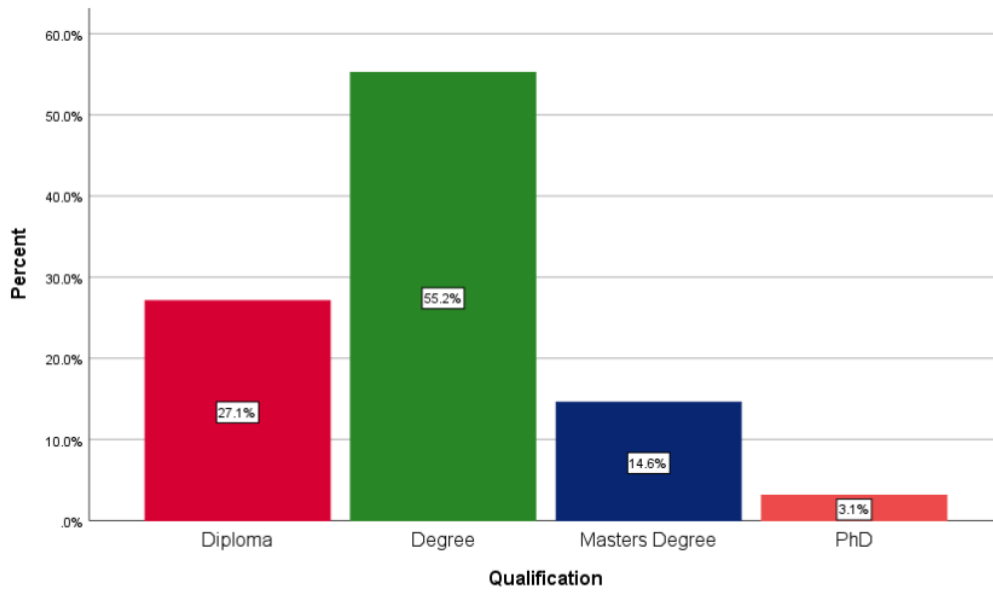
Figure 0.3: Qualifications

The data presented shows the distribution of educational qualifications among survey respondents, categorized into diploma, degree, master's degree, and PhD. The majority of respondents held a degree, indicating its importance in procurement management roles in Zimbabwean state-owned enterprises. The second largest group held a diploma, while smaller proportions held a master's degree or PhD. The overall high level of qualification aligns with Zimbabwe's high literacy levels. The high level of qualification is in line with the high literacy levels in Zimbabwe.

1.29.4 Position
The data in the figure below summarises the positions held by the respondents.

24
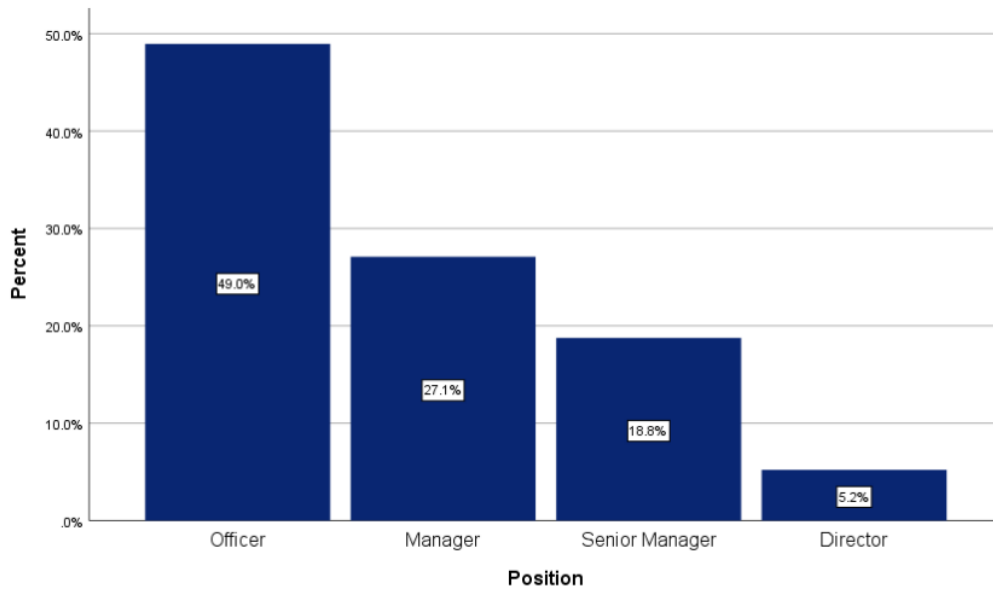
Figure 0.4: Position Held

The data reveals the distribution of respondents' positions in the survey, categorized as officer, manager, senior manager, and director. The majority of respondents held the position of officer, followed by managers. Senior managers constituted a smaller group, while directors were the least common. This distribution highlights the hierarchical structure within the surveyed organizations.

1.29.5 Tenure

The table below is a summary of the work experience of the respondents.

Table 0.2: Tenure

Tenure

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-5 Years	35	36.5	36.5	36.5
	6-10 Years	20	20.8	20.8	57.3
	11-15 Years	15	15.6	15.6	72.9
	16 + Years	26	27.1	27.1	100.0
	Total	96	100.0	100.0	

The table presents data on the tenure of individuals within a specific group or organization. The data indicates that a substantial portion of the surveyed individuals (36.5%) have been with the organization for 1-5 years, while 27.1% have been there for 16 or more years. This suggests a mix of both relatively new and experienced employees, providing valuable insights into the organization's workforce stability and experience level.

1.30 Descriptive Analysis Measures

In this study, descriptive analysis techniques were employed, taking into account the central limit theorem. Measures of central tendency, such as the mean, and measures of dispersion, such as the standard deviation, were used. A mean value greater than 3 indicated general agreement among respondents regarding the construct presented in the questionnaire. The standard deviation provided insights into the variation or dispersion of opinions. Skewness was used to assess the symmetry of the data distribution, while kurtosis indicated whether the data had heavy or light tails compared to a normal distribution.

1.31 Approaches used for strategic sourcing by state owned enterprises

This section focuses on analysing the various approaches employed by state-owned enterprises in Zimbabwe for strategic sourcing.

In the table below is a summary of the respondents views on the were asked , " Can you please state the preference for the following approaches?"

Table 0.3: Analysis of the approaches used for strategic sourcing by state owned enterprises

Code	Construct	Mean	Std. Dev	Skew	Kurt
APPR01	Legally drive sourcing	3.18	1.223	0.488	0.884
APPR02	Inward bound sourcing	3.63	0.837	0.296	0.697
APPR03	External bound sourcing	3.35	1.046	0.195	0.685
APPR04	Market linkages	3.5	0.918	0.417	0.35
APPR05	Do the approaches have an input of all relevant staff members?	3.5	1.105	0.382	0.239

The table presents descriptive statistics for different approaches used in strategic sourcing by state-owned enterprises in Zimbabwe. Mean values indicate the average agreement with each approach, with inward bound sourcing receiving the highest score of 3.63, followed by market linkages at 3.50, external bound sourcing at 3.35, and legally-driven sourcing at 3.18. Standard deviations range from 0.837 to 1.223, indicating moderate dispersion. The data shows a left-skewed distribution based on negative skewness values, while kurtosis values range from negative to positive. The findings suggest that state-owned enterprises in Zimbabwe prioritize inward bound sourcing and market linkages over legally-driven and external bound sourcing...

The qualitative data from interviews support the quantitative findings. Participant 2's emphasis on market linkages aligns with the quantitative result, indicating a prioritization of this approach. Additionally, their mention of prioritizing local suppliers reflects the socioeconomic context and potential focus on national development goals.

Participant 3 highlights the importance of legally-driven sourcing and the challenges associated with external bound sourcing, underscoring the significance of compliance and risk management in the sourcing process for state-owned enterprises.

Furthermore, Participant 5 emphasized that

> *"It is important to involve all relevant staff members in the sourcing process to ensure their buy-in and commitment to the final decision.'*

The finding underscores the importance of effective communication and collaboration within the enterprise to ensure successful strategic sourcing outcomes. Notably, the qualitative data provide additional nuance and detail to the quantitative findings, highlighting the specific contextual factors and challenges faced by state-owned enterprises in their strategic sourcing practices.

1.32 Assessing the performance advantages of implementing strategic sourcing.

The section analyses the performance advantages of implementing strategic sourcing in ZINWA, utilizing both quantitative and qualitative data from surveys and interviews. The findings shed light on the second objective of the study.

Table 0.4: Assessing the performance advantages of implementing strategic sourcing.

Construct	Mean	Std. Dev	Skew	Kurt
Strategic sourcing influences performance in a positive way	3.53	1.095	0.057	-0.92
Sourcing- product/service delivery turnaround time is minimal with strategic sourcing	3.64	0.93	0.406	0.653
Strategic sourcing has improved ZINWA supplier relations	3.6	0.761	0.508	1.562
Strategic sourcing has improved product/service quality	3.02	0.995	0.108	-0.5
Staff competence has improved with strategic sourcing?	3.29	0.928	0.296	0.185

The table displays descriptive statistics for performance aspects that benefit from strategic sourcing in state-owned enterprises. Mean scores range from 3.02 to 3.64, indicating a positive impact of strategic sourcing on performance. The aspect with the highest mean score (3.64) is sourcing-product/service delivery turnaround time, suggesting that it benefits the most from strategic sourcing. Standard deviations range from 0.761 to 1.095, indicating moderate dispersion. Skewness values range from -0.057 to 0.508, suggesting a relatively normal distribution, except for strategic sourcing's impact on product/service quality, which has a slight positive skewness. Kurtosis values range from -0.92 to 1.562, indicating platykurtic to leptokurtic distributions.

The findings indicate that strategic sourcing positively affects various performance aspects, such as minimal turnaround time, improved supplier relations, and staff competence. However, the lower mean score for improved product/service quality suggests the need for additional efforts in that area..

The analysis of performance benefits resulting from strategic sourcing reveals moderate to high levels of benefit across various areas. Financial and production aspects show moderate benefits, while audit compliance and reputation exhibit a greater impact. The data analysis indicates a

right-skewed distribution with moderate dispersion. Overall, the findings suggest that strategic sourcing has a positive effect on performance, particularly in terms of audit compliance and reputation

Participant 6 supports the quantitative findings, highlighting the improved efficiency, cost savings, and customer satisfaction resulting from strategic sourcing in their organization.

. Participant 8 in support of the findings stated that

> "*I think building long-term relationships with suppliers is very important. Strategic sourcing enables us to work closely with suppliers and fosters better communication and collaboration. This has led to improvements in product/service delivery turnaround time and product/service quality. Additionally, strategic sourcing has helped us to better manage supply chain risks and enhance supply chain resilience.*"

Participant 11 emphasized the role of strategic sourcing in promoting innovation and quality improvement, stating that they have been able to work with suppliers to develop new and better products.

1.33 Analysing challenges faced in implementing strategic sourcing

In this section, the researcher analyses some of the challenges that organizations face in implementing strategic sourcing. This analysis is in line with the third objective of the study.

Table 0.5: Challenges faced in implementing strategic sourcing

Code	Construct	Mean	Std. Dev	Skew	Kurt
CHAL01	Currency systems in Zimbabwe affect strategic sourcing	3.58	1.130	0.547	0.249
CHAL02	Procurement laws influence negatively influence strategic sourcing	3.22	0.976	0.100	1.150
CHAL03	Bureaucracy negatively impacts strategic sourcing	3.34	0.927	0.339	1.150
CHAL04	Huma resource competence is a challenge in strategic sourcing	3.46	0.972	0.155	0.937
CHAL05	Technology presents a risk when undertaking strategic sourcing	3.01	1.091	0.170	0.768

29

The table presents descriptive statistics for the challenges encountered in implementing strategic sourcing. Mean scores range from 3.01 to 3.58, indicating that all listed challenges have an impact on strategic sourcing. The challenge with the highest mean score is the effect of currency systems in Zimbabwe on strategic sourcing. Standard deviations range from 0.927 to 1.130, suggesting moderate dispersion. Skewness values indicate a relatively normal distribution, except for the challenge related to currency systems. Kurtosis values range from -0.768 to 1.150, indicating platykurtic to moderately leptokurtic distributions. The findings suggest that challenges in implementing strategic sourcing arise from factors such as currency systems, procurement laws, bureaucracy, human resource competence, and technology risks.

Qualitative data from the interviews supports the quantitative findings. Participant 1 emphasizes the challenge of lacking understanding and support from top management, underscoring the importance of leadership support for successful implementation. Participant 5 highlights the challenge of inadequate supplier capacity and capability, suggesting the need for supplier development programs. Participant 7 mentions political and economic factors as challenges, emphasizing the importance of considering the external environment. These qualitative insights align with the quantitative findings, emphasizing the significance of organizational support, supplier development, and external factors in strategic sourcing implementation.

1.34 Strategies to enhance strategic sourcing by state owned enterprises

In this section, the study analysed P&SCM strategies that can enhance strategic sourcing by state-owned enterprises. This analysis is in line with objective four of the study.

Table 0.6: Strategies to enhance strategic sourcing by state owned enterprises

Code	Construct	Mean	Std. Dev	Skew	Kurt
STRG01	Staff capacity building improve strategic sourcing implementations	3.50	0.962	0.072	0.928
STRG02	A resource based view approach strengthens strategic sourcing	3.39	0.910	0.164	0.119
STRG03	Prioritization of institutional mandate improves strategic sourcing	3.21	1.004	0.560	0.328
STRG04	Adherence to public procurement laws is ideal for strategic sourcing	3.23	1.128	0.242	0.377
STRG05	Integrating public policy and strategic sourcing is ideal?	3.42	0.790	0.019	0.290

The table displays descriptive statistics for suggested strategies to enhance strategic sourcing by state-owned enterprises. Mean scores range from 3.21 to 3.50, indicating moderate to high agreement among respondents. Staff capacity building receives the highest mean score, suggesting it is perceived as the most effective strategy. Standard deviations range from 0.590 to 0.828, indicating moderate to low dispersion. Skewness values indicate a relatively normal distribution, except for the strategy of prioritizing institutional mandate, which has moderate positive skewness. Kurtosis values suggest a mesokurtic to moderately leptokurtic distribution. The findings indicate that staff capacity building, a resource-based view approach, integrating public policy, adherence to procurement laws, and prioritizing institutional mandate are perceived as important strategies to enhance strategic sourcing by state-owned enterprises.

In line with quantitative findings, interview participants agreed that the analysis of performance benefits derived from strategic sourcing indicates that it brings moderate to high levels of benefit in various areas. While financial and production aspects show moderate benefits, audit compliance and reputation demonstrate a greater impact. The data analysis reveals a right-skewed distribution with moderate dispersion. Overall, the findings suggest that strategic sourcing positively affects performance, with a stronger influence on audit compliance and reputation. These results highlight the significance of strategic sourcing in enhancing organizational performance and reputation management.

1.35 Principal Component Analysis (PCA)

Principal Component Analysis (PCA) is a statistical method that aims to uncover patterns and underlying causes within data. By transforming a set of variables into a new set of variables known as principal components, PCA helps reduce the dimensionality of the dataset while retaining as much information as possible. It is commonly employed for data reduction and dimensionality reduction purposes. Additionally, PCA facilitates exploratory data analysis by revealing patterns and relationships among variables

1.35.1 Extraction Values

Table 0.7: Value Extraction

Communalities		
Construct	Initial	Extraction
Legally drive sourcing	1.000	.516
Inward bound sourcing	1.000	.803
External bound sourcing	1.000	.631
Market linkages	1.000	.717
Do the approaches have an input of all relevant staff members?	1.000	.569
Strategic sourcing influences performance in a positive way	1.000	.667
Sourcing- product/service delivery turnaround time is minimal with strategic sourcing	1.000	.507
Strategic sourcing has improved ZINWA supplier relations	1.000	.769
Strategic sourcing has improved product/service quality	1.000	.534
Staff competence has improved with strategic sourcing?	1.000	.683
Currency systems in Zimbabwe affect strategic sourcing	1.000	.747
Procurement laws influence negatively influence strategic sourcing	1.000	.776
Bureaucracy negatively impacts strategic sourcing	1.000	.878
Huma resource competence is a challenge in strategic sourcing	1.000	.652
Technology presents a risk when undertaking strategic sourcing	1.000	.564
Staff capacity building improve strategic sourcing implementations	1.000	.635
A resource based view approach strengthens strategic sourcing	1.000	.582
Prioritization of institutional mandate improves strategic sourcing	1.000	.689
Adherence to public procurement laws is ideal for strategic sourcing	1.000	.577
Integrating public policy and strategic sourcing is ideal?	1.000	.567
Extraction Method: Principal Component Analysis.		

The communalities, representing the proportion of variance in each variable accounted for by the extracted factors, are used to assess sample size adequacy and data suitability. All communalities in this analysis exceed 0.5, indicating sufficient sample size and suitable data. The table displays the communalities of the variables, indicating the amount of shared variance with the extracted factors. Initial communalities are 1.000 for all variables, indicating perfect correlation with themselves. Extraction communalities range from 0.534 to 0.878, suggesting

significant shared variance with the factors. Variables with higher communalities are more influential in explaining the underlying factors.

Moreover, communalities inform about the proportion of variance in each variable explained by the factors. Initial communalities of 1.000 imply 100% variance shared with other variables. After extraction, communalities range from 0.534 to 0.878, indicating substantial variance explained by the factors. Higher communalities signify stronger loading on the extracted factors.

The results indicate four main factors: strategic sourcing implementation, external environment, staff competence, and procurement regulations. Variables with high loadings on the strategic sourcing implementation factor include inward/outward bound sourcing, strategic sourcing's positive influence on performance, staff capacity building, and a resource-based view approach. Variables with high loadings on the external environment factor include market linkages, currency systems' impact on strategic sourcing, and the negative influence of bureaucracy.

Variables with high loadings on the staff competence factor are the challenge of human resource competence and improved staff competence through strategic sourcing. Variables with high loadings on the procurement regulations factor are legally driven sourcing, negative influence of procurement laws on strategic sourcing, ideal adherence to public procurement laws, and integration of public policy with strategic sourcing.

1.36 Discussion

The study analysed the different approaches used for strategic sourcing by state-owned enterprises using a 5-point Likert scale questionnaire. The mean values for legally-driven sourcing, external bound sourcing, and market linkages are 3.18, 3.35, and 3.50, respectively, while inward bound sourcing has the highest mean score of 3.63. The findings suggest that state-owned enterprises rely more on inward bound sourcing and market linkages and are less inclined towards legally-driven and external bound sourcing. Qualitative data provided additional context and depth to the descriptive statistics on the approaches used for strategic sourcing by state-owned enterprises.

The findings of the study are consistent with previous literature on strategic sourcing practices in state-owned enterprises (Yin et al., 2019; Liu & Liu, 2017). Effective communication and collaboration within the organization were identified as critical factors for successful strategic sourcing outcomes, aligning with research by Lim et al. (2019). Market linkages were emphasized as important by participants in the study, which is supported by Wang et al. (2016) who found that state-owned enterprises in China prioritize developing long-term relationships with suppliers.

Implementing strategic sourcing was found to have a positive impact on various aspects of performance for state-owned enterprises (Amin et al., 2019). The study's findings align with previous research that reported positive impacts of strategic sourcing on supplier relations, staff competence, and performance (Monczka et al., 2015; Kraljic, 2017; Carter & Narasimhan, 2016). The study also identified challenges in implementing strategic sourcing, with currency systems in Zimbabwe having the greatest impact among the listed challenges. Challenges in implementing strategic sourcing can arise from procurement laws, bureaucracy, human resource competence, and technology risks.

Several strategies were identified to enhance strategic sourcing in state-owned enterprises, including staff capacity building, a resource-based view approach, integrating public policy and strategic sourcing, adherence to procurement laws, and prioritization of institutional mandates. These strategies are supported by previous studies and can help state-owned enterprises achieve maximum impact through effective implementation of strategic sourcing (Nguyen et al., 2018; Haji et al., 2019; Vaidya et al., 2019, Amin et al., 2019).

1.37 Chapter Summary

The chapter provides a comprehensive analysis of the influence of strategic sourcing on the procurement management function in state-owned enterprises in Zimbabwe. It covers various aspects, including survey response rates, sample demographics, and statistical analysis. The findings demonstrate the positive impact of strategic sourcing on procurement management performance, encompassing benefits such as cost savings, improved quality, and supplier development. However, challenges related to procurement laws, bureaucracy, human resource competence, and technology risks were also identified. The chapter concludes by presenting strategies to enhance strategic sourcing, such as staff capacity building and compliance with procurement laws. The subsequent chapter will focus on conclusions and recommendations.

CHAPTER 5: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.

2.1   Introduction

In the final chapter of the study, a summary, conclusions, and recommendations are presented regarding the impact of strategic sourcing on the performance of procurement management function in state-owned enterprises in Zimbabwe. The summary section provides a brief overview of the study's objectives, methodology, and key findings, including demographic data, approaches to strategic sourcing, implementation challenges, and suggested strategies. The conclusions section offers a comprehensive analysis of the findings, their significance, and their contribution to the existing literature. The chapter acknowledges study limitations and proposes areas for future research. The recommendations section offers practical guidance for policymakers and managers.

2.2   Summary

The study set out to investigate the impact of strategic sourcing on performance of the procurement management function in state enterprises with particular focus on the case of ZINWA. To carry out this study the study developed four objectives to drive the research process. The study adopted a mixed methods research method where survey and interviews were used to collect data. The study used a sample of 100 respondents for the survey (96% response rate) and 15 interviews (80% response rate) , drawn from the employees of ZINWA. Despite the gatekeeping limitations which affected the collection of data the study made the following findings.

The study found that strategic sourcing practices of state-owned enterprises in Zimbabwe and found that inward bound sourcing and market linkages that are most commonly used approaches. Effective communication and collaboration within the organization, compliance with regulations, and risk management were identified as critical factors for successful strategic sourcing outcomes. The study provides new insights into the contextual factors and challenges faced by state-owned enterprises in Zimbabwe and builds on previous literature to further our understanding of strategic sourcing practices in these organizations.

35

The study also identified several challenges that affect the effectiveness of strategic sourcing in state-owned enterprises, including procurement laws, bureaucracy, human resource competence, technology risks, and currency systems in Zimbabwe. Currency systems were found to have the greatest impact among the listed challenges. Addressing these challenges is crucial for successful strategic sourcing implementation and to maximize its benefits for state-owned enterprises.

Supplier development programs were highlighted as important for improving supplier performance and fostering long-term partnerships, aligning with previous research on the impact of currency fluctuations and the importance of supplier development programs.

Furthermore, the study identified strategies that can enhance strategic sourcing in state-owned enterprises, including staff capacity building, a resource-based view approach, integrating public policy and strategic sourcing, adherence to public procurement laws, and prioritization of institutional mandates. Staff capacity building was perceived as the most effective strategy.

These findings are consistent with previous studies emphasizing the importance of building procurement capabilities, complying with procurement laws, and aligning procurement strategies with organizational goals. Implementing these strategies can help state-owned enterprises achieve maximum impact through the effective implementation of strategic sourcing.

2.3   Conclusions

The study concludes that successful strategic sourcing outcomes in state-owned enterprises require effective internal coordination, compliance with regulations, and risk management. The study also concludes that there are positive impacts of strategic sourcing on performance aspects such as sourcing turnaround time, supplier relations, and staff competence, while noting the need for improvement in product/service quality.

The study concludes that challenges including procurement laws, bureaucracy, human resource competence, technology risks, and currency systems need to be addressed for successful implementation. Supplier development programs are emphasized as important for improving supplier performance and fostering long-term partnerships.

36

2.4   Recommendations

To enhance strategic sourcing in state-owned enterprises, several strategies can be implemented.

- Developing a supplier development program can improve supplier performance, foster long-term partnerships, and reduce supply chain disruptions. S
- Increasing staff capacity building improves procurement capabilities, internal coordination, and staff competence.
- Adopting a resource-based view approach helps identify and leverage unique resources for a competitive advantage.
- Integrating public policy with strategic sourcing ensures alignment with organizational and government objectives.
- Improving compliance with procurement laws mitigates legal and reputational risks. Finally, prioritizing institutional mandates ensures strategic sourcing contributes to overall objectives.

2.5   Suggested Areas of further study

Based on the findings the study suggest the following areas that could be explored in further research:

1. The Role of Strategic Sourcing in State-Owned Enterprises: A Comparative Analysis across African Countries
2. Evaluating the Impact of Strategic Sourcing on Organizational Performance in State-Owned Enterprises
3. Technology Adoption in Strategic Sourcing: Enhancing Efficiency and Effectiveness in State-Owned Enterprises

Reference

Alharahsheh, H. H., & Pius, A. 2020. A review of key paradigms: Positivism VS interpretivism. *Global Academic Journal of Humanities and Social Sciences, 2* (3), 39-43.

Ambe, I.M. & Badenhorst-Weiss, J.A. 2012. Procurement challenges in the South African public sector. Journal of transport and supply chain management. 6(1): 242- 261.

Baily, P., Farmer, D., Crocker, B., Jessop, D. & Jones, D. 2008. Procurement Principles and Management (10th edition). Harlow, England: Pearson Education.

Best, J.W. and Kahn, J.V. 2004. Research in Education, 7th ed. Boston: Allyn and Bacon

Bhattacherjee, A. 2012. *Social science research: Principles, methods, and practices*. University of South Florida.

Bowers B , Cohen LW , Elliot AE , *et al* 2013 . Creating and supporting a mixed methods health services research team. Health Serv Res

Burt, DN, Dobler, DW &. Starling, JL. 2003. World class supply management – The key to supply chain management. 7th edition. Singapore: McGraw-Hill.

Çankaya, Y. S. 2020, "The effects of strategic sourcing on supply chain strategies", *Journal of Global Operations and Strategic Sourcing*, Vol. 13 No. 2, pp. 129-148. https://doi.org/10.1108/JGOSS-01-2019-0002

Carter, J. R., & Narasimhan, R. (2016). Purchasing and supply management: Future directions and trends. Journal of Supply Chain Management, 32(3), 3-7.

Chandra, CC. & Kumar, S. 2012. Supply chain management in theory and in practice: a passing fad or a fundamental change? Industrial Management and Data Systems 100(3).

Chen, Z., & Sun, L. (2019). Sustainable development of state-owned enterprises in China: A review of strategic sourcing. Sustainability, 11(13), 3589.

Chiappinelli, O. 2017. Decentralization and Public Procurement Performance. New evidence

Creswell, J. W. 2009. Research Design: Qualitative, Quantitative, and Mixed Methods Approaches (3rd ed.). Thousand Oaks, CA: Sage Publications.

Creswell, J.W. & Creswell, J.D. (2018). Research Design, (5th Edition) London. Sage Edge Publishers.

from Italy. Germany Institute of Economic Research, 1-30.

Galliers, R. D. 2012. 'Choosing Information Systems Research Approaches'. In: Galliers.R. D. eds. Information Systems Research: Issues, Methods and Practical Guidelines. Henley-on-Thames: Alfred Waller Ltd.144–162.

Ghosh, S., Mandal, M.C. and Ray, A. 2022, "Strategic sourcing model for green supply chain management: an insight into automobile manufacturing units in India", *Benchmarking: An International Journal*, Vol. 29 No. 10, pp. 3097-3132. https://doi.org/10.1108/BIJ-06-2021-0333

Haji, A., Sun, Q., & Wang, J. (2019). Strategic sourcing: a review of literature. Journal of Purchasing and Supply Management, 25(1), 53-67.

http://www.ippa.org/IPPC4/Proceedings/07GreenProcurement/Paper7-11.pdf

Hugo, WMJ, Badenhorst-Weiss, JA & Van Rooyen, DC. 2002. Purchasing and supply management. 3rd edition. Pretoria: Van Schaik.

Hui, W.S., Othman, R.O., Normah, O., Rahman, R. A. and Haron, N.H. 2011. Procurement issues in Malaysia. International Journal Fof Public Sector Management 24(6), pp. 567- 593.

Kausik, U. and Mahadevan, B. 2011. Strategic sourcing: Trends and emerging issues for

Kraljic, P. (2017). Purchasing must become supply management. Harvard business review, 61(5), 109-117.

Leedy P.D. & Ormrod J.E. 2010. Practical Research: Planning and Design. (9th ed). Pearson Educational International, Boston

Leedy, P.D. and Ormrod, J.E. (2010) Practical Research Planning and Design. 9th Edition, Pearson Education, Inc., Upper Saddle River, 67

Li, X., Li, J., Sun, L., & Li, Y. (2018). Investigation of external environmental factors influencing strategic sourcing of state-owned enterprises. International Journal of Logistics Systems and Management, 31(4), 469-487.

Lim, S., Kim, J. H., & Kim, Y. G. (2019). Strategic sourcing capability and firm performance: The mediating role of supply chain integration. International Journal of Operations & Production Management, 39(4), 523-542.

Lincoln, Y. S., Lynham, S. A., & Guba, E. G. (2017). Paradigmatic controversies, contradictions, and emerging confluences revisited. In N. K. Denzin & Y. S. Lincoln (Eds.), Sage

Liu, H., & Liu, Y. (2017). Review of the research on the strategic sourcing of state-owned enterprises. Journal of Business Economics and Management, 18(5), 780-797. management. Pretoria: Van Schaik.

Mandal, S. 2021, "Impact of supplier innovativeness, top management support and strategic sourcing on supply chain resilience", *International Journal of Productivity and Performance Management*, Vol. 70 No. 7, pp. 1561-1581. https://doi.org/10.1108/IJPPM-07-2019-0349

Mbanje, S. and Lunga, J. 2015. Fundamental principles of supply chain management. Pretoria:

Monczka, R, Trent, R & Handfield, R. 2002. Purchasing and supply chain management. 2nd edition. Mason, Oh: South Western.

Monczka, R. M., Handfield, R. B., Giunipero, L. C., & Patterson, J. L. (2015). Purchasing and supply chain management. Cengage Learning

Monczka, R., Handfield, R., Giuniperro, L. and Patterson, J. 2011. Purchasing and supply chain

Musanzikwa, M. (2013). Public procurement system challenges in developing countries: the case of Zimbabwe. International Journal of Economics, Finance and Management Sciences, 119-127. https://doi.org/10.11648/j.ijefm.20130102.18

Myers, M. D. 2008. *Qualitative Research in Business & Management*. SAGE Publications.

Nguyen, H. T., Sridharan, V., & Padmanabhan, V. (2018). Developing procurement capabilities for strategic sourcing success: an exploratory study. Journal of Purchasing and Supply Management, 24(4), 275-286.

Tsabora, J. 2014. Public Procurement in Zimbabwe: Law, Policy and Practice. African Public

Vaidya, O. S., & Khare, A. (2019). A conceptual model for strategic sourcing. Journal of Purchasing and Supply Management, 25(4), 100528.

Vellapi, M. 2020. Public procurement for sustainable development, Research paper on sustainable public procurement, Ministry of Highways, Sri Lanka. Available at:

Wang, D., Wang, Y., & Li, Y. (2016). Exploring the supply chain relationship in China's state-owned enterprises: A qualitative case study. International Journal of Production Research, 54(8), 2267-2280.

Williams, C. 2011. Research methods. Journal of Business & Economics Research (JBER), 5(3)

Williams, M. 2000. Interpretivism and generalisation. *Sociology, 34* (2), 209-224.

Yin, L., Huang, Y., & Liao, J. (2019). Sustainable strategic sourcing practices: Evidence from state-owned enterprises in China. Sustainability, 11(22), 6261.

Yin, R. 2014. Case Study Research: Design and Methods, Applied Social Research Methods Series. 2nd ed. Thousand Oaks, CA.: Sage.

Yin, R.K. 2009. Applications of Case Study Research. Beverly Hills, CA. : Sage.

Yin. R.K. 2014. Case study research: Design and methodology. 4 th ed. London: Sage.

Appendix I: Interview Questions

1. What are the approaches applied in strategic sourcing?
2. How is ZINWA impact by the social, political and economic considerations in strategic sourcing?
3. In what ways is strategic sourcing influenced by African ethics and culture in business considerations?
4. How does the staff competence and experience shape strategic sourcing at ZINWA?
5. What are the advantages derived from strategic sourcing?
6. Which challenges has the organisation faced in strategic sourcing?
7. How does ZINWA integrate public policy of the day in the strategic sourcing?
8. In what ways does the PMU contribute to the day to day operations of ZINWA?
9. Which strategies can be adopted to improve strategic sourcing?

Appendix II: Questionnaire

Section A: Demographics

1. Please specify your gender

Male	
Female	

2. Please specify your age

20-26	
27-35	
36-50	
51-65	

3.What is your position in the organization?

…………………………………………………………………………………..

5. Please state your professional/academic background.

………………………………………………………………………………..

6. How long have you been in your current position?

……………………………………………………………………………….

PART A APPROACHES TO STRATEGIC SOURCING AT ZINWA

Please describe the approaches towards the strategic sourcing

………

………

………

………

…………………………………………………………………………………………..

Can you please state the preference for the following approaches

5 Strongly agree; 4 Agree; 3 Neutral; 2 Disagree; 1 Strongly disagree

Legally drive sourcing	
Inward bound sourcing	
External bound sourcing	
Market linkages	

Do the approaches have an input of all relevant staff members?

5 Strongly agree; 4 Agree; 3 Neutral; 2 Disagree; 1 Strongly disagree

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

PART B PERFORMANCE ADVANTAGES ARE DERIVED FROM IMPLEMENTING STRATEGIC SOURCING

Strategic sourcing influences performance in a positive way

Option	Tick
5 Strongly agree	

43

Option	Tick
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Which aspects of performance benefit from strategic sourcing

Option	Financial	Production	Audit Compliance	Reputation
5 Strongly agree				
4 Agree				
3 Neutral				
2 Disagree				
1 Strongly disagree				

Sourcing- product/service delivery turnaround time is minimal with strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	

44

Option	Tick
1 Strongly disagree	

Strategic sourcing has improved ZINWA supplier relations

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Strategic sourcing has improved product/service quality

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Staff competence has improved with strategic sourcing?

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

PART C CHALLENGES FACED IN IMPLEMENTING STRATEGIC SOURCING

Currency systems in Zimbabwe affect strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Procurement laws influence negatively influence strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	

3 Neutral	
2 Disagree	
1 Strongly disagree	

Bureaucracy negatively impacts strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Huma resource competence is a challenge in strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Technology presents a risk when undertaking strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

PART D: STRATEGIES TO IMPROVE STRATEGIC SOURCING

Staff capacity building improve strategic sourcing implementations

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

A resource based view approach strengthens strategic sourcing

Option	Tick
5 Strongly agree	

4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Prioritization of institutional mandate improves strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

Adherence to public procurement laws is ideal for strategic sourcing

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	

1 Strongly disagree	

Integrating public policy and strategic sourcing is ideal?

Option	Tick
5 Strongly agree	
4 Agree	
3 Neutral	
2 Disagree	
1 Strongly disagree	

An analysis on the impacts is strategic sourcing performance on the procurement management function a case of ZINWA

10 Submitted to Saint Paul University
Student Paper
<1%

11 library.kisiiuniversity.ac.ke:8080
Internet Source
<1%

12 elibrary.buse.ac.zw
Internet Source
<1%

13 etd.aau.edu.et
Internet Source
<1%

14 ujcontent.uj.ac.za
Internet Source
<1%

15 Submitted to Kenyatta University
Student Paper
<1%

16 Submitted to Bindura University of Science Education
Student Paper
<1%

17 pdfs.semanticscholar.org
Internet Source
<1%

18 awej.org
Internet Source
<1%

19 Submitted to National School of Business Management NSBM, Sri Lanka
Student Paper
<1%

20 Submitted to University of KwaZulu-Natal
Student Paper
<1%

33 www.mdpi.com
Internet Source
<1 %

34 Submitted to Mancosa
Student Paper
<1 %

35 Submitted to University of Johannsburg
Student Paper
<1 %

36 ftp.iza.org
Internet Source
<1 %

37 Guilherme F. Frederico, Vikas Kumar, Jose Arturo Garza-Reyes. "Impact of the strategic sourcing process on the supply chain response to the COVID-19 effects", Business Process Management Journal, 2021
Publication
<1 %

38 Roham Torabi, Álvaro Gomes, Fernando Morgado-Dias. "Electricity, Transportation, and Water Provision of 100% Renewable Energy for Remote Areas", Energies, 2023
Publication
<1 %

39 lib.iium.edu.my
Internet Source
<1 %

40 Peiqiang Yu, H. Block, Z. Niu, K. Doiron. "Rapid characterization of molecular chemistry, nutrient make-up and microlocation of internal seed tissue", Journal of Synchrotron Radiation, 2007
Publication
<1 %

| 41 | www.measureevaluation.org
Internet Source | <1% |
| 42 | Submitted to Liverpool John Moores University
Student Paper | <1% |
| 43 | Submitted to University of Nottingham
Student Paper | <1% |
| 44 | uwspace.uwaterloo.ca
Internet Source | <1% |
| 45 | www.whdl.org
Internet Source | <1% |
| 46 | cees.mak.ac.ug
Internet Source | <1% |
| 47 | ebin.pub
Internet Source | <1% |
| 48 | edissertations.nottingham.ac.uk
Internet Source | <1% |
| 49 | pure.coventry.ac.uk
Internet Source | <1% |
| 50 | ulspace.ul.ac.za
Internet Source | <1% |
| 51 | Submitted to Queen's University of Belfast
Student Paper | <1% |

eprints.usq.edu.au

52   Internet Source   <1 %

53   prr.hec.gov.pk
Internet Source   <1 %

54   publications.lib.chalmers.se
Internet Source   <1 %

55   researchbank.rmit.edu.au
Internet Source   <1 %

56   revistas.uclave.org
Internet Source   <1 %

57   vbn.aau.dk
Internet Source   <1 %

58   www.coursehero.com
Internet Source   <1 %

59   www.ipsera.com
Internet Source   <1 %

60   www.researchsquare.com
Internet Source   <1 %

61   François Constant, Richard Calvi, Thomas E. Johnsen. "Managing tensions between exploitative and exploratory innovation through purchasing function ambidexterity", Journal of Purchasing and Supply Management, 2020
Publication   <1 %

62 Submitted to Pathfinder Enterprises
Student Paper
<1%

63 Submitted to University of Portsmouth
Student Paper
<1%

64 Submitted to University of West London
Student Paper
<1%

65 dokumen.pub
Internet Source
<1%

66 dspace.bracu.ac.bd
Internet Source
<1%

67 eprints.qut.edu.au
Internet Source
<1%

68 ir-library.ku.ac.ke
Internet Source
<1%

69 ir.kiu.ac.ug
Internet Source
<1%

70 nrl.northumbria.ac.uk
Internet Source
<1%

71 scholar.mzumbe.ac.tz
Internet Source
<1%

72 www.researchgate.net
Internet Source
<1%

73 bora.uib.no
Internet Source
<1%

BINDURA UNIVERSITY OF SCIENCE EDUCATION
FACULTY OF COMMERCE
DEPARTMENT OF ECONOMICS

RESEARCH SUPERVISION PROGRESS REPORT

STUDENT□S NAME: TINOTENDA TENDENGUWO□.. REG.
NUMBER: B191526B

DISSERTATION SUPERVISOR: MS TAPFUMA□.. PROGRAMME:
PURCHASING AND SUPPLY

DISSERTATION TITLE: AN ANALYSIS ON THE IMPACTS OF
STRATEGIC SOURCING ON THE PERFORMANCE OF PROCUREMENT
MANAGEMENT FUNCTION A CASE OF ZINWA.

DATE	STAGE OF RESEARCH	SUPERVISORS□ COMMENTS AND INITIALS	STUDENTS□ SIGNATURE
23/02/23	Proposal	Move to chapter 1 due on Monday	T.T
01/03/23	Chapter 1	Change your heading from purpose of study to objectives of the study ,numb number your objectives numerically, use funnel approach on the background of study and move to chapter 2 due in one week.	T.T
22/03/23	Chapter 2	Add flesh on chapter 2 and move to chapter 3 due in one week	T.T
11/04/23	Chapter 3	When ,where did you collect data .your chapter is supposed to be in present tense but when it's final it is supposed to be in past tense	T.T
13/04/23	Chapter 3	Send your research instruments. Do not attach instruments on the dissertation send it separately . Go and collect data due in 2 weeks	T.T
19/04/23	Chapter 4	What did you use for data analysis? Add graphs use SPSS not excel	T.T
			T.T
8/05/23	Chapter 5	Checking plagiarism using turnitin and plagiarism to be 30% and below	T.T

OVERALL COMMENTS BY THE SUPERVISOR:

Student reflected an understanding of the area under study.□□□□□□□□□□□□□□
□□
□□
□□□
□□□
□□□□□□□□□□□□□□□□□□

STUDENT□S SIGNATURE: T.T□□□□□□□□□□□□□□..
DATE: 23/05/23□□□□□..

SUPERVISOR□S SIGNATURE: □□□□□□□□□□□..
DATE: □□□□□□..