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THE EFFECTS OF SUPPLIER SELECTION CONCEPT ON ORGANIZATIONAL PERFORMANCE: THE CASE OF TELONE PUBLIC (LTD) COMPANY.

BY

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DEDICATI0N

I would like to dedicate this dissertation to my mother (Agnes Makombote), my father (James Makombote), my sister (Rumbidzai Nyatsanza) and the Nyatsanza's. Without their unwavering support,this journey would have been impossible. Their encouragement, guidance, and belief in me have been the driving force behind my success. To my friends, thank you for being my sounding board, for sharing your knowledge and for inspiring me to be the best version of myself. To my mentor, Mr Chikabwi, thank you for your guidance, expertise, and patience throughout this process. Your invaluable feedback and support helped me improve the quality of my work and challenged me to reach new heights. Above all, I say thank you LORD.

ABSTRACT

This study examined the effects of supplier selection concept on Telone Public Limited performance. The study applied a case explanatory research design. Data was collected using both descriptive and inferential methods, a sample of 53 questionnaires was issued. Quantitative data was analyzed through Statistical Package for Social Sciences (SPSS) version 20.0. The findings revealed that, supplier selection concept, as indicated by its indicators namely financial capacity, competency, and quality commitment positively affect Telone profitability. The study therefore recommends Zimbabwean telecommunication companies to concentrate on improving their supplier competency assessment techniques to enhance their profitability. This can be accomplished by evaluating factors such as workforce capacity, technical proficiency, and staff competence to ensure that suppliers have the necessary skills to provide high-quality performance. The study further recommends Telone Public Limited procurement function to recognize and analyze supplier-related factors that influence procurement function performance.

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CHAPTER 1

1.0 INTRODUCTION

This study specifically examines the effects of supplier selection on Telone Public Limited performance. This chapter provides an overview of the research on the role that supplier selection plays at Telone Public Limited, including the topic background, problem statement, objectives of the investigation, relevance of research, study limitations, research questions, study delimitations, study assumptions, definition of terms, and conclusion. Each of these subsections is discussed in detail to provide a comprehensive introduction to the study.

1.1 Background of the study

Telone Public Limited is a state-owned company in Zimbabwe that was established in 2000 after the separation of Postal Telecommunications (PTC). The company provides a range of services such as fixed line telephony, internet services, and mobile data solutions. Telone operates in the telecommunication industry and offers broadband services such as ADSL and Fiber, Wi-Fi hotspots, and internet leased lines.

Between 2002 and 2009, the market experienced significantly low mobile services prices, high inventories, inconsistent quality of materials, elevated costs, and reduced productivity, according to the Confederation of Zimbabwe Industries. In response, Telone reduced volumes and focused on higher grades by upgrading their networking equipment, product development, and marketing strategies. Telone's efficiency is the result of using more effective equipment and suppliers, investing in human capital, establishing partnerships, reducing labor and transport costs, and outsourcing development. As a result, Telone continues to remain one of the industry’s most competitive cost bases until today.

The procurement process is a significant contributor to Telone's revenue, accounting for almost half of the organization's income. Thus, the company's success hinges largely on its relationship with suppliers. As a result, the role of procurement managers, who are responsible for selecting the suppliers, has become increasingly vital. These managers handle substantial sums of money, making their work crucial to the company's financial well-being. The research aims to examine the impact of supplier selection on Telone's performance in the telecommunications industry.

Supplier selection has developed into a vital global procedure that many firms have effectively used to choose their partners and suppliers. In most organizations, the organizational performance is becoming more and more significant. If supplier selection is not optimized, serious performance and operational implications may follow (Amin, 2016). Not only that, choosing the right suppliers is one of the key tactics for raising any organization's output quality and it directly affects the performance and competitiveness of the business (Aspire, 2015). Organizations are now continually choosing and evaluating strategic suppliers in order to reduce material, operational, and production costs (Amin, 2016).

According to CIPS (2017), the process of selecting suppliers involves identifying, evaluating, and contracting with them. The selection process has a significant impact on organizational performance, and organizations seek to contract with suppliers that offer high value in return. Kirande (2014) argued that global supplier selection includes evaluation of potential supplier's ability to shape a buyer's supply chains inorder to an economic advantage in the long-run.

Tracey in 2016 dentified the common steps in the selection process, including identifying suppliers, gathering information from them, negotiating contract terms, and evaluating their performance. Zerbini (2012) asserted that expertise in supplier selection and performance capacity is a key factor in determining the effectiveness performance of the supplier and the buying firm. Meanwhile, (Zou, 2018) argued that the strategy has an influence on the firm's performance.

Organizations should carefully evaluate potential suppliers before making any decisions on which supplier to choose , (CIPS, 2017). This is because suppliers can have a significant impact on the procurement process, which in turn can affect an organization's efficacy, productivity, and financial stability. Based on Aspire's (2015) research, it is common for institutions to face various issues such as late deliveries, defective products or services, incomplete records, and legal actions due to delayed payments. Regardless of an organization's size or reputation, supplier selection is a crucial and sensitive process, as demonstrated by Tracey's (2016) research.

Zerbini (2012) argues that in modern supply chains, which are characterized by rapid development and an increase in suppliers with varying performances, external risks from suppliers are inevitable. According to Aspuro's (2015) findings, certain suppliers place more importance on exploiting organizations by providing substandard goods and services without any consideration for their quality. This has led to increased attention from both industry professionals and researchers towards supplier selection. Furthermore, contemporary supply chains are no longer straightforward chains or procedures, but instead intricate networks that are susceptible to disruption at any given point (Kirande, 2014).

1.2 Statement of the problem

Telone Public Limited has struggled with declining organizational performance, as evidenced by a decrease in retained profits over the past twenty-years. Although they use suppliers' in the register and selection criteria in place, the company continues to award contracts to the same old suppliers, results in inadequate fufilment of contracts, failure to provide goods and services, late deliverie and low-quality products and services. This has led to poor annual turnovers for the company. In light of these issues, the study aims to address this issue based on the background information provide to investigate the matter of supplier selection on Telone Public Limited's organizational performance.

1.3 Objectives of the study

The main objective of this study is to examine the effects of supplier selection on Telone Public Limited performance. Specifically, the study seeks to:

i To establish the role of supplier selection in organizational performance at Telone Public Limited

ii To examine the effects of supplier selection on profitability of Telone Public Limited.

1.4 Research Questions:

i. What is the role of supplier selection in organizational performance at Telone Public Limited?

ii. What are the effects of supplier selection on organizational profitability at Telone Public Limited?

1.5 Assumptions of the study:

This research assumes that;

- Research environment remains constant and the responses will be truthful.
- The data gathered would be true and accurate, allowing the researcher to draw accurate conclusions.
- Respondents would complete the questionnaires truthfully and timely.

1.6 Significance of the Study

Findings from this study are very important to the following stakeholders:

To Telone Public Limited

The study results can help Telone procurement department to adopt supplier selection concept which will positively affect overall organizational performance.

To the researcher:

This research project is very crucial because it provides an opportunity to explore area of interest, developing new ideas and the researcher is in a better position to gain new knowledge and experience in conducting research, analyzing data and presenting their findings

To the University:

Firstly, the result findings will help in advancing knowledge in various fields since through research, new ideas are generated and innovative solutions to societal problems are developed which will serve as a basis for future research by other students.

1.7 Study Delimitations:

This study only emphasized on the effects of supplier selection on the organization of Telone performance, using the dimensions of suppliers' quality commitment, supplier performance, and supplier proficiency as variables for analysis.

1.8 Study Limitations:

There were time limitations in the collection of data from respondents, and respondents may have misinterpreted the study's intentions, becoming apprehensive about disclosing vital information. To mitigate such constraints, the researcher emphasized the privacy and confidentiality of participants, disclosing a legal agreement not to disclose any information.

1.9 Definition of terms

Profitability – it is the difference between the revenue generated by a business and the expenses it incurs to generate that revenue and it is evidenced by a company that is earning more revenue than it spends on its expenses.

Supplier selection – is a critical process in procurement that involves evaluating and choosing the most qualified and suitable supplier from a pool of potential suppliers and it includes assessing various factors such as supplier competence, financial stability, quality and delivery performance

Organizational performance –refers to the effectiveness of an organization in achieving its goals and objectives. It also encompasses various aspects of an organizations operations such as productivity, efficiency, quality and customer satisfaction

1.10 Summary

This chapter centered on introducing the study's context, stating the research problem, outlining the research objectives and questions, presenting the research assumptions, emphasizing the significance of the study, and defining the key terms. In addition, the study's delimitations and limitations were addressed. The subsequent chapter will concentrate on examining previous relevant research conducted by other scholars, i.e., the Literature Review. The objective is to explore how supplier selection influences organizational performance.

CHAPTER II

LITERATURE REVIEW

2.0 INTRODUCTION

The prior section of this investigation provided an overview on the research context, problem statement, the study purposes, study questions, underlying assumptions, relevance, definition of terms, and research limitations. The current chapter focuses on the theoretical and conceptual framework of the study, empirical data, and gap analysis that influenced the study. A critical literature review is conducted to examine and evaluate previous research related to the current study. As noted by Saunders et al. (2009, p. 98), critically evaluating the literature is crucial to fully comprehend and acquire insight on the prior investigation that is relevant to the study's research questions and aims.

2.1 Theoretical framework

Several theories and models are relevant to the topic being studied. As Aspuro (2015) defines it, a theory is a coherent representation, explanation, and depiction of observed phenomena. The theoretical review in this chapter describes and introduces theories that help explain why the research problem exists. This chapter offers a thorough explanation of the concepts and theories that support the research. The study explores theories such as the Grey System Theory, Lean Supplier Competence Model, Stakeholder theory, Kaizen theory, and Partner Selection Theory.

2.1.1 Grey System Theory

Grey System Theory asserts that, supplier selection typically occurs in a real-world corporate context where there isn't always complete information available, Deng (1980). As per result, choices made regarding supplier selection are not entirely certain. It's critical to provide quantitative or qualitative indications or criteria that the supplier can be evaluated against before being chosen in such a setting. The seven-step grey correlation analysis model was created using this notion (Aspuro, 2015).

The application of grey system theory in supplier selection and organizational performance can help to reduce uncertainity and improve decion making by analyzingthe limited data available, organizations can identify key factors that critical to the suppier selection and organizational performance, Mungai (2014). They consist of the grey generation, which strives to collect information on the grey regions, grey simulation, which develops a set of grey modification formulas and grey differentiation equations, grey estimation, which aims to make a qualitative prediction, grey choices, grey structural analysis, and grey control (Zerbini, 2012).

When determining the best supplier, this theory takes the following into account on selecting the ideal supplier: Strategic aspects that are significant to the buyer's decision-making, the numbers of factors are limited and countable and can be directly attributed to the potential suppliers, and in dependability of factors and factor expandability, the best supplier is selected by choosing a goal and weighting the values of all evaluation factors based on the characteristics of materials to be sourced and on demand patterns, Zou (2008).

More so, Grey system theory is a very valuable tool in supplier selection since it focused on addressing uncertainty and incompleteness in decision making situations. In addition, in supplier selection environment this theory can be applied in the evaluation of critical performance areas by the procuring organizations. However, these factors are restricted in number, countable, and directly attributable to possible providers, Mungai (2014). Not only that, there are limitations to the Grey system theory since it assumes that all data is equally relevant and this assumption, may not be valid in supplier selection where some factors are more important for example delivery, time and cost is more important than the supplier’s location. Failure to consider delivery, cost and time will reduce the organizational performance since there will be high cost of production as well as increased lead times.

2.1.2 Lean Supplier Competence

Marks (2007) developed the Lean Supplier Competency Model in 2007. A gap analysis can be mapped out using the model, and an action plan can be created to eliminate the discrepancy inside the firm's organizational structure. It assesses the provider based on the 5 criteria that upkeep the Kaizen methodologies (continuous improvement) which includes improved supply chain efficiency, increased quality, better communication and collaborations. These principles can help to reduce waste, increase quality, and streamline processes, ultimately resulting in better overall organizational performance.

Not only that, given that it promotes collaboration, this theory is pertinent to the selection of suppliers as it is crucial for a company to cultivate long-term supplier relationships and to develop strategic partnerships with suppliers (Mungai, 2014). Strategic partnership enables the organization to develop suppliers as well as involve them in their decision making. Through this, product quality is enhanced therefore helps the organization to maintain its position in the market.

The supply chain has become more efficient. Companies can use Lean concepts to identify and reduce waste in their supply chain activities, resulting in a more efficient and streamlined process. According to Zerbini (2012), this can result in reduced prices, faster delivery times, and more productivity. In addition, by concentrating on continuous improvement and defect prevention, Lean Supplier Competence can assist businesses in producing higher-quality products and services. This can help to improve customer satisfaction, reduce returns and complaints, and increase brand loyalty.

Overall, Lean Supplier Competence can assist businesses in enhancing organizational performance by improving supply chain efficiency, raising quality, encouraging collaboration and communication, and increasing rigidity and adaptation.

2.1.3 Stakeholder Theory

Stakeholder theory, as described by Freeman (1984), is a managerial concept that explains how organizations should prioritize and manage the interests of different individuals or groups (i.e., stakeholders) that are affected by or can affect the organization's actions. Stakeholders can include customers, employees, shareholders, suppliers, competitors, communities, and regulatory bodies.

The stakeholder view suggests that organizations should operate with a broader perspective that goes beyond maximizing profits for shareholders. Instead, they should strive to balance the interests of stakeholders and ensure that their actions align with the social, environmental, and ethical values of society. This approach leads to a more comprehensive evaluation of organizational performance and can lead to better decision-making, increased stakeholder engagement, and the creation of shared value for all stakeholders, Gesteland (2005).

Suppliers are critical to the success of any organization, according to stakeholder theory, because raw materials or inputs affect the quality of finished products and, ultimately, the price. The firm becomes the supplier's customer and thus critical to the supplier's survival and success. According to Freeman's (1984) stakeholder theory, any organization or business must exist in an environment that includes other stakeholders in order to thrive. As a result, an organization requires stakeholders or investors to fund its operations, suppliers to supply raw materials for processing into finished products, employees to provide manpower, customers to purchase finished products and services, and a community in which to thrive.

Freeman's (1984) postulates that, the theory is very important in selecting suppliers as it proposes that an organization recognize that suppliers have a stake in the organization. Suppliers are considered as a source of input to the organization in the form of raw materials, works, and services and should be treated as part of the firm's stakeholder network. As a result, the firm is obligated to select suppliers who will offer goods, works, and services in the long run through the process of supplier selection criteria.

2.1.4 Kaizen Theory

Kaizen theory is a management philosophy that focuses on continuous improvement in processes and activities, Imai (1986). It originated in Japan and is popularly used in manufacturing industries to increase efficiency, productivity, and quality.In terms of supplier selection, a Kaizen approach means that a company continuously seeks to improve its supply chain operations by identifying and collaborating with suppliers that provide high-quality products and services. Kaizen involves a process of supplier selection, where the company identifies suppliers that have a strong track record of delivering quality goods and services, Imai (1986). As such, suppliers that are chosen based on Kaizen principles are likely to be reliable and have a commitment to continuous improvement.

However, Saffu and Mamman (2000) asserts that, the success of Kaizen techniques depends on proper interpretation and implementation. Adding Kaizen methods to an existing failing structure without addressing the underlying philosophy can render them counter-productive. It is essential to have commitment from higher-ups to encourage and support Kaizen initiatives and ensure that improvements lead to better productivity, profits, recognition, rewards, and other positive benefits. In the context of supply chain management, Kaizen encourages everyone to work towards continuous and gradual improvement in every process, maintain and attain higher standards, and strive for long-term growth through collaborative efforts. The theory is also applicable to organizational performance, as it focuses on the involvement of employees in driving the initiative to change and improve processes and requires less investment than other management approaches.

Improper use of Kaizen methods can reduce their effectiveness or even lead to counter productivity. It is important to address the underlying structure and philosophy before implementing Kaizen techniques in a failing structure. Incorporating Kaizen methods works well when employees feel empowered by them and see the methods as a practical way of improving performance, quality, and ultimately, job satisfaction and rewards.

This theory is applicable to supply chain management because it promotes the idea of continuous and gradual improvement in all processes, with the management ensuring that a new standard is maintained and higher standards are achieved, Maurer Robert (2012). It emphasizes long-term growth through collaborative efforts and focuses on processes, thereby encouraging every member of the organization to continually improve. Additionally, since the approach involves current staff, it requires less investment than other management approaches, while still maintaining high internal efforts. The theory is aimed at improving organizational performance and relies on employee involvement to drive change and improvement.

2.1.5 Partner selection theory

The partner selection theory provides structured guidelines for selecting suppliers through a step-by-step process. However, some experts like Saffu and Mamman (2000) believe that the theory has limitations, as it mainly focuses on the criteria used to select partners, rather than the actual procedure of making the selection. Additionally, the theory assumes that the decision-making process is logical and based on specific selection criteria.

In selecting a suitable partner or supplier, factors to consider such as partner characteristics largely depend on the ultimate goal of the agreement. A selection criterion is developed to guide the selection process, which prioritizes significant partner characteristics. This criterion ultimately determines the suppliers or partners that are chosen. Angeles and Nath (2000) gathered data on the trading partner selection criteria of various organizations, revealing that strategic commitment and trading partner flexibility are crucial factors in trading partner selection. Industries in rising economies from Mexico, Poland, and Romania prioritize factors such as economic assets, technical capabilities, intangible assets, and willingness to share knowledge when selecting partners.

According to Saffu and Mamman (2000), developed economy organizations in Canada, France, and the United States have selected partners based on their competencies, local market knowledge, and accessibility. The partner selection theory suggests a structured approach to supplier selection, with a focus on identifying suppliers that possess specific characteristics to conform the needs of the procuring firm, such as value for money, quality products, supplier quality commitment, as well as supplier competence.

2.2 Conceptual framework

Creswell in 2003 defines the conceptual framework as the investigator's overview of the literature on a certain phenomenon. It is a visual representation of the study's variables and outlines the necessary steps to be taken throughout the research process. The framework is based on the researcher's own observations with prior knowledge of other scholars' perspectives on the research topic.

Figure1. Conceptual framework encompassed from (Chemoiywo, 2014)

Figure 1 in the conceptual framework shows that organizational profitability is the independent variable, while the dependent variable is supplier selection with its dimensions of supplier quality commitment, supplier financial capacity, and supplier competence which have a positive impact on the performance of the organizationan (profit) as well as have a causal effect on it.

2.3 Influence of suppliers' quality commitment on organizational performance

Aspuro (2015) suggests that a crucial factor in maintaining a competitive position in the market and improving organizational performance involves minimizing production and material costs. In order to achieve this, developing a streamlined and effective process for evaluating and selecting suppliers is desirable, as argued by Amin (2016). Inorder to have an economical advantage globally as well as to enhance income creation, organizations have increased the responsibility of the supplier quality evaluation function, according to CIPS (2017), as noted by Chemoiywo (2014).

Tracey (2016) also identifies supplier quality review as the crucial considered resource for achieving high levels of quality, quick distribution, and cost effectiveness that can lead to increased performance and productivity to the organization, for instance, companies like Quest Motors and Netone have successfully improved their competitive positions by better managing their purchasing activities, including identifying suppliers' commitment to quality, leading to improved organizational performance and profitability, as noted by Kirande (2014).

Mwikali and Kavalla (2012) suggest that there are several common methods for the seller’s quality management, including benchmarking of suppliers, auditing supplier, developing suppliers, and integrations. Implementing these methods can benefit organizations in numerous ways such as reduced lead times, improved customer responsiveness, increased customer loyalty, increased profitability, and effective communication with suppliers and customers.

Zerbini (2012) advises companies to incorporate quality control procedures and regular inspections into their systems to avoid disappointing customers, and suppliers should maintain accurate records to prevent visibility and traceability issues. Chemoiywo (2014) also argues that it has an optimistic correlation amid the performance of the organization, particularly in terms of profitability ratios, and supplier performance

It is also suggested that a business’s capability in maintaining reliable quality, competitiveness is significantly influenced by their ability to procure high-quality goods and services through assessing supplier’s commitment to quality (Driedonks, Gevers, and Weele, 2009). In highly competitive and global marketplaces, it's especially important for businesses to continually adapt to changes and identify strategic supplier selection processes that reduce material and production costs, and improve their performance through the evaluation of suppliers' quality commitment (Erridge and Henningan, 2017).

The choice of suppliers and partners can potentially determine the success of a firm. Evenett and Hoekman (2015) note that subpar procurement performance is often due to a lack of suppliers' commitment to quality, leading to increased procurement costs, inefficiencies, and loss of competitiveness. Reduced effectiveness in the performance of the procurement also contributes to a decline in the income earned and efficient purchasing in the Public sector.. Thus, it is important to assess supplier's commitment to quality to avoid delivery delays, subpar goods and services, and an increase in defects that hinder organizational growth.

The dedication of suppliers to quality is becoming an increasingly vital consideration for companies such as Telone in the telecommunications industry, with severe financial and operational repercussions if it is ignored. Selecting the right suppliers is an essential aspect of raising the productivity standards of any organization, directly affecting competitiveness and reputation (Mwikali and Kavale, 2015). Therefore, buyers need to be meticulous about choosing and regularly reviewing their suppliers to keep a sufficient supply of quality sources (Zheng, Knight and Harland, 2017).

A buyer-supplier relationship must be established on sound supplier selection and partnership standards for it to be effective (Gituro and Awino, 2009). Strong buyer-supplier relationships can produce greater quality, lower costs, or a combination of both at the operational level, and can promote ongoing product improvement, innovation, competitive advantage, and increased market share at the strategic level.

2.4 The effects of supplier financial capacity on organizational performance

Aseka (2014) suggest that, financial aspect is crucial when selecting a supplier. To prioritize supplier options, Chen (2015) recommends choosing suppliers with a strong financial foundation. Therefore, it is essential that the company use a financial evaluation mechanism that incorporates key financial parameters like monetary answerability, credit worthiness, investment base, assessment of internal financial audit capability and record keeping management as prostulated by Krause and Handfield (2017), to determine if the supplier is capable of delivering the agreed goods and services without encountering any financial difficulties that might impact the company's profits (Araz and Ozkarahan, 2017).

It is crucial to assess the financial conditions of the supplier early in the supplier selection process. This view is based on the idea that a supplier must demonstrate that they are capable of meeting the buyer's requirements before they can be considered for a more in-depth evaluation, Svensson (2017). The financial aspect is crucial as suppliers with poor financial conditions can pose significant risks to buyers, directly impacting organizational profit and may limit supplier to have the much needed resources in plant investing required for improving performance in the long run, Vonderembse and Tracey (2011). The risk of a supplier not being able to meet their obligations is a crucial concern as it negatively affect revenue realization for the buyer.

Dobos and Vörösmarty (2012) argue that a financially unstable supplier can cause several nightmares for the buyer, including cutting costs to meet quality demands, inability to meet claims due to lack of working capital, and inability to deliver requested goods in a timely manner, which can impact the buyer's profitability and organizational performance. These hinderances can lead to increase lead in times, decreased customer responsiveness, disappointments of customers, lessened retained profit, Ni, Xu, and Deng (2017).

According to Wanyonyi and Muturi (2015), suppliers who are financially stable pose less business risk compared to their weaker counterparts. Sonmez (2016) also suggests that supplier's financial ability has a significant effect on procurement performance in the telecommunication industry and it directlty impacts its capability to produce the needs of the organization, affecting the buyers' profit, (Kakwezi and Nyeko, 2010).

Assessing risk is a crucial part of investment decisions, including selecting suppliers thus in accordance to Chen (2015). Suppliers can be considered as silent partners to organizations, and their financial stability can directly impact an organization's profitability$, making supplier selection an important investment decision (Erridge and Henningan, 2017). The financial health of a potential supplier is a crucial indicator of the length of the business partnership. Creditworthiness is one parameter that can demonstrate a supplier's ability to fulfill their credit obligations (Kirande, 2014).

If there is no clear credit information, it can expose the organization to many operational uncertainties during the partnership period. This includes a supplier cutting costs by manipulating the input supplies, which ultimately affects the quality of their product (Chemoiywo, 2014). Telecommunication industries consider supplier financial capacity expertise as a key factor in evaluating and selecting suppliers. Kakwezi and Nyeko (2010) asserts that a supplier's financial capacity is a crucial determinant of the supplier's and procurement performance. The report revealed a strong correlation between supplier financial capacity and the supplier's ability to deliver, ultimately enhancing the profit performance of an organizational, Završnik (2018).

2.5 Impact of supplier proficiency on organizational profitability

The research by Zerbin in 2012 asserts that, there is a positive correlation between supplier competence and organizational profitability. The primary objective of procurement is to identify the best suppliers while improving existing ones, as noted by Wanyonyi and Muturi (2015). To add on, to avoid hindering profitability, organizations choose suppliers who can deliver. Chemoiywo (2014) suggests that by considering supplier competence, both the buyer and supplier organizations' future behavior can be influenced.

Linking procurement goals to supplier competences can improve performance of the supplier resulting in better procurement performance leading to increased profitof the organization, Mwikali and Kavale, (2012). After prequalifying the competence of suppliers, associations assume more from their sellers. Despite filtering their suppliers efficiently, they remain uncertain about the quality of the items, timely delivery, commitment to quality, technology leverage, and overall performance of suppliers (Chemoiywo, 2014).

CIPS (2013) emphasizes that monitoring of supplier competency strategically is crucial in managing performance operations and the relationship between the supplier and the buyer. To develop appropriate performance criteria, procurement and supply professionals need the necessary skills to determine supplier relationship competence (Aspuro, 2015).

Organizations aim to use inadequate resources in an effective way to achieve their goals at minimal cost, highlighting the importance of supplier competence (Araz and Ozkarahan, 2017).

According to CIPS (2017), the competence of a supplier is vital in understanding and satisfying the needs of buyers, leading to the fulfillment of those needs. Therefore, it is crucial for supply professionals to possess the skills required for managing supplier relationships and negotiating effectively to provide the best value to buyers, as stated by Kirande (2014). If the process of selecting suppliers is not conducted efficiently, the capabilities of the suppliers, which are integral resources in developing operational capabilities and performance, could be adversely affected. This could, in turn, hinder the achievement of product quality, which is critical in portraying the organization positively to its clients and users.

2.6 Empirical Evidence

Numerous investigations have examined the effects of supplier selection on a firm's performance. Wanyonyi and Muturi (2015) conducted research to assess how selecting a supplier affects the profitability of public institutions, using public institutions located in Kisi County, Kenya, as a case study. Their research employed a descriptive research design and utilized multiple regression analysis as well as content analysis to evaluate the data. The findings of the study suggest that a favorable correlation exists between selecting a supplier and improving organizational performance, as measured by cost-effectiveness.

However, the study by Wanyonyi and Muturi focused exclusively on public institutions in Kenya and did not explore the effects of the concept, supplier selection on organizational performance in Zimbabwe. Given the paucity of research on this topic, there is an opportunity for researchers to investigate the effectiveness of supplier selection in businesses in Zimbabwe.

Krause and Handfield conducted a study in 2017 which examined the influence of the concept supplier selection on the performance of manufacturing American companies. Specifically, they investigated the impact of supplier selection criteria on items to be used in products that are already in production. The study found that soft, non-quantifiable selection criteria, such as a supplier's strategic commitment to a buyer, have a greater impact on organizational performance than hard, more quantifiable criteria, such as supplier capability. This is despite the fact that soft criteria are generally considered to be less important. The researchers also discovered that assessing a supplier's willingness and ability to share information can significantly affect the buying firm's performance.

However, Krause and Handfield's research only concentrated on the impact of the concept supplier selection performance for industrial businesses in America regarding objects already in production. Therefore, this study will provide an in-depth analysis of the effectiveness of supplier selection on organizational performance in Zimbabwe's telecommunication industry.

Not only had that, Ni, Xu, and Deng conducted a study in China in 2017, which revealed that extensive supplier audits have a significant impact on a company's cost reduction level. Results showed a positive correlation between financial level and cost- effectiveness results.

Although their workstudy examined how supplier audits can notably impact a firm's performance, it did not specifically explore the influence of concept, supplier selection on organizational profit performance in telecommunication companies in Zimbabwe. Thus, this study aims to investigate the relationship between supplier selection and organizational performance in these companies.

Završnik (2018) conducted research in Berlin and found that the competence of suppliers has a significant impact on procurement performance in commercial banks. This competence was defined as including several attributes such as setting clear goals with measurable objectives, developing plans and policies, implementing relationship managing plan, creating a measurement plan, executing a category management plan as well as implementing a spend analysis plan.

Završnik's research focused on commercial banks in Berlin as a case study and did not account for industries such as telecommunications. Therefore, this study aims to examine the impact of supplier selection on organizations in the Zimbabwean telecommunications industry, using Telone as a case study.

In 2016, Vachon and Klassen conducted a study in Nairobi focusing on large food and beverage manufacturing firms that examined the correlation between supplier selection and profitability. The results showed that profitability and supplier selection have a positive relationship. The study emphasized the importance of organizations taking into account several factors including the supplier's environmental friendliness, employee capabilities, and price in order to improve procurement performance.

However, their study concentrated on examining the correlation between evaluation of suppliers and performance specifically in manufacturing firms located in Nairobi. This study, in contrast, aims to examine the impact of supplier selection on organizational performance in the telecommunication industry in Zimbabwe.

In 2017, Zheng, Knight and Harland conducted a study to identify the factors that influence supplier selection and impact organizational performance. The study found that financial stability, quality issues, and supplier attributes such as organizational culture, production capacity, and preference and reservation did not significantly affect performance. The study concluded that cost, technical capability, quality assessment, organizational profile, service levels, supplier profile and risk factors were the major factors that determine supplier selection. The key factor found to affect supplier selection was cost, which has a direct effect on the profit margins. Additionally, technical capability, quality of materials, and the profile of the supplier were also found to be important considerations in the selection process.

Nevertherless, Sheng, Knight, and Harland found that factors such as financial stability, quality issues, and supplier organizational culture had no significant impact on performance. However, in this study, the production capacity of suppliers and their competencies were shown to have a significant positive effect on organizational performance.

2.7 Research gap

Several studies have explored the impact of supplier selection on organizational performance in both developed and developing nations (Završnik, 2018; Krause and Handfield, 2017; Ni, Xu, and Deng, 2017; Zheng, Knight, and Harland, 2017). Nevertheless, there is a lack of research, such as by Wanyonyi and Muturi (2015) and Chemoiywo (2014), on developing countries such as Zimbabwe, where the effects of supplier selection on organizational performance are underrepresented in studies. Furthermore, studies conducted in developing nations have mainly focused on the effects of supplier selection on organizational performance, as seen in Mungai (2014) and Gituro and Awino (2009). Therefore, this study aims to examine the impact of supplier selection on organizational performance at Telone Public Limited in Zimbabwe

2.8 Chapter summary

This section discussed the topic introduction, theoretical framework, purpose of the study, and empirical evidence. The theoretical literature reviewed various theories related to supplier selection and organizational performance, including stakeholder theory, partner selection theory, grey system theory, and Kaizen theory. In the following chapter, the research methodology will be outlined, including the research paradigm, research design, sampling methods, sample size, data collection, and data analysis.

CHAPTER III

RESEARCH DESIGN AND METHODOLOGY

3.0 INTRODUCTION

The topic introduction, the theoretical framework, the analysis of the study's aims, and empirical evidence were all covered in the previous section. Theoretical literature has been reviewed regarding supplier selection and organizational performance, encompassing stakeholder theory, partner selection theory, grey system theory, and the Kaizen theory. As per Kothari (2004), a research technique is a methodical approach to conducting research. The research methodology includes the study paradigm, sampling techniques, research design, size of the sample, data gathering, and analysis.

3.1 Research paradigm

Positivism was utilized as the methodology for the study. Paradigms, which are known as 'schools of thought' in research, refer to the methods that are accepted and ideas of generating knowledge about reality that are embraced by a group of influential intellectuals in a particular field (Mugenda and Mugenda, 2003). This concept has been practiced by philosophers such as Plato, Archimedes, and Socrates since ancient times. The essential foundation of paradigms is the perspective individuals have on reality (Lufumbi, 2008). Thus, the research methodology aimed to provide new perspectives on how Telone's supplier selection affects company effectiveness.

3.1.1 Positivism Research Paradigm

The study utilized a closed 5-point questionnaire on a Likert scale to gather information using positivist research paradigm. Positivism philosophy emphasizes on obtaining "factual" knowledge using observation and measurement as it is considered to be reliable (Kumar, 2012). In positivism studies, researchers have limited roles that it emphasis on objectivity in data collection, interpretation, and analysis. It employs a quantitative approach, and its research findings are usually measurable and observable. Desai and Potter (2011) assert that positivism relies on quantifiable observations that can be statistically analyzed.

The study employed the positivism paradigm, which is best suited for quantitative research. However, to complement the quantitative approach, a qualitative approach was also utilized. This method was chosen because it combines the objective reality of positivist frameworks with the particular experience of the pre-positivism, approach. This approach was preferred due to its explanation in Yeasmin and Rahman's (2012) research.

3.2 Research Design

In accordance with (Kumar, 2012), this comprises a set of methods, structures, techniques, employed to gather data for a study. Desai and Potter (2011) elaborated on this concept by suggesting that a research design is a methodology employed to answer research questions and problems.

The current study utilized the causal research design, which was specifically designed to develop a hypothesis about the research questions and address four crucial issues: queries to investigate, facts that are necessary, facts to gather, and evaluate possible outcomes. To address "why" questions and provide causal explanations, the researcher utilized explanatory research.

3.3 Explanatory research design

The study utilized an explanatory or causal research design to achieve its goals. An explanatory research design is a methodology that seeks to uncover the underlying reasons behind a particular reasons behind a particular phenomenon thus in accordance with Kumar (2012). It involves collecting data through structured experiments, surveys, inorder to identify casual relationship between variables.

In this study, conducted at Telone Zimbabwe, the goal was to investigate the effects of supplier selection on Telone's organizational performance. The research aimed to provide insights into the ways in which supplier selection can affect an organization. Causal studies offer the advantage of being replicable where necessary, and possess higher internal validity due to systematic selection, as described in Leedy's (2011) work.

3.4 Target Population

According to Kinnear and Taylor (2006), target population refers to the entire group of individuals, objects, that a researcher wants to draw conclusions about based on their research study. The target population for the study was the employees from the procurement, finance, and administration departments of Telone Zimbabwe, and the researcher selected a sample of 53 respondents from this group.

3.5 Census Procedure

The research employed a census, which is a process of systematically acquiring and recording information about the members of a given population, according to Bryman and Bell (2011). The decision of utilizing a census was made by the researcher due to the relatively small universe of only 53 participants. The primary advantage of the census is its reliability in providing an accurate measure of the population, making it free from sampling errors.

3.6 Sample size

As per Creswell (2014), Sample size is the number of observations or participants in a study or survey. Generally, larger sample sizes provide more precise estimates of population parameters, while smaller sample sizes are associated with higher levels of sampling error. In this study, the sample size was 53 participants.

Table 3.1: Sample background

	Population size	**Sample (census)**
ADMINISTRATION	17	17
FINANCE	15	15
PROCUREMENT	21	10
TOTAL	**53**	

SOURCE: *Field Data 2023*

3.7 Research instruments

According to Creswell (2003), research instruments are tools or techniques used to collect relevant information for solving the research problem. In this study, a selection instrument was used to gather data. The survey method was chosen as it is capable of providing a quantitative representation of the attitudes, opinions, and experiences of the sample population.

3.7.1 Questionnaires

The study employed designed questionnaires to collect primary data. Kumar (2010) defines questionnaire as a written set of questions that respondents are required to answer. The self-administered questionnaire method was employed due to its ability to gather data in a brief time frame. One of the key advantages of this method is its cost-effectiveness and the fact that respondents have sufficient time to provide well-considered answers, leading to less bias.

In addition, the method allows for collection of a large sample size. This tool was chosen for its ease of use and ability to collect large amounts of data in a short amount of time. The initial section of the questionnaire consisted of demographic questions to gather basic information about the respondents while the subsequent parts were divided based on each objective.

3.8 Pilot Study

According to Presser et al. (2004), pretesting in a pilot study refers to a process of testing a research instrument such as a survey questionnaire on a smaller group of participants before conducting the actual study. The purpose of pretesting is to identify and correct any issues with the instruments, such as unclear questions or confusing response options, inorder to improve the quality of the data collected during the actual study (Gleam and Gliem, 2013). The recommended pilot group for pretesting is between 5-10% of the final sample, as stated by Galloway (2007). In this study, the research questionnaires were pretested on four participants**.**

3.9 Validity and reliability of the instrument

Validity, according to Kumar (2012) refers to the appropriateness and accuracy of each step taken in determining what is being researched. Validity can be demonstrated when the provided data accurately reflects what was being studied. To establish the validity of the study, opinions from experts, particularly the research supervisor were sought to review and modify the research instruments.

On the other hand, reliability, according to Sherman et al. (2011) refers to the degree of consistency in measurement when using a particular instrument to measure an attribute. The higher the reliability of an instrument, the less likely measurement errors are. Therefore, the testretest method was used to determine the reliability of research instruments in this study, and the reliability of the questionnaire was analyzed using the Crocbach's Alpha value generated by SPSS.

3.10 Data analysis and presentation

The researcher verified that the questinnaires were complete then processed the data by cleaning, coding, and editing it. The researcher utilized SPSS version 20.0 to analyze the data. Descriptive analysis was used to determine the respondents' agreement or disagreement with the statements under each variable, while inferential statistics were used to examine the relationship between independent (supplier selection) and dependent variables (profitability) using Binomial Logistic Regression. The analysis results were presented using tables, bar graphs, and pie charts created with SPSS version 20.0. Tables were chosen as a data presentation tool because they enable easy classification of various types of data.

3.11 Ethical Considerations

Ethics, as defined by Bethlehem and Silvia (2012), are moral systems that prioritize the extent to which research methods conform to professional, legal, and societal obligations. The research adhered to the ethical principle of informed consent, which allowed participants to choose whether or not to participate after being provided with all relevant information on the possible risks. Permission was sought from both Telone Zimbabwe and the respondents before they could take part in the study.

Prior to the collection of data, a disclosure ethic was followed, whereby potential participants were informed about the study's purpose, potential benefits, and expected results, and were given the freedom to participate or withdraw. All participants were treated with dignity, fairness, and respect, and the researcher received approval from the university's ethics committee to conduct the study.

3.12 Chapter Summary

To summarize, this section provided an overview of the research design, population and sample size, sampling procedure, and data analysis techniques used in the study. The chapter also discussed the tools and methods employed to collect relevant data for the research. The following chapter will delve into the presentation, analysis, and interpretation of the study's findings.

CHAPTER IV

DATA PRESENTATION AND INTERPRETATION

4.0 Introduction

The preceding section examined research strategies, target populace and sample size, selection method, and procedures for presenting and analyzing data, along with the researcher's tactics and equipment for data collection for this study. In this chapter, the researcher employs quantitative data from surveys to attempt to answer the propositions put forth in this investigation.

Additionally, it examines the research results, data analysis, and discusses how supplier selection affects the profit of Telone. The survey data was coded and analyzed using descriptive and inferential statistical techniques in SPSS V20. The results were presented using tables and pie charts, with interpretation provided for each summarized dataset. These findings were then analyzed in the context of the relevant literature reviewed on the subject.

4.1 Response ratio

Table 4.1- The Response Ratio of Questionnaires

	FREQUENCY	RATE
Dispersed questionnaires	53	100%
Reverted questionnaires	50	94%

The study involved the participation of 53 individuals from various departments including procurement department with 21, finance department with 15, administration department with 17. 53 questionnaires were issued as a sample to the respondents and 50 questionnaires were filled out completely and returned with 94% response rate. Research topic was of great interest to the respondents and has received significant attention in the field of supplier selection. Despite the sensitivity of the study, the respondents were promised confidentiality and anonymity, which contributed to the high response rate.

According to Fowler (2004), the response rate is calculated by dividing the number of completed and reverted questionnaires by the aggregate size of individuals in the sample, and those that did not participate and those not available. Mugenda & Mugenda (2003) suggest that the ratio of response rate which is more than 50% acceptable and adequate for the analysis, while Babbie (2004), recommends return rates of 50% for analysis and publication, 60% for good, and 70% for excellent. With a response rate of 94%, this study's response rate is considered satisfactory, as higher response rates increase the likelihood of obtaining accurate data. The study's findings can, therefore, be considered reliable.

4.2 Demographic information of Respondents

Participants were anticipated to furnish their personal information like age, gender, educational qualifications, and work experience as a part of the background information. The primary motive behind collecting this data was to gauge the respondent's reliability in providing the essential information for this study.

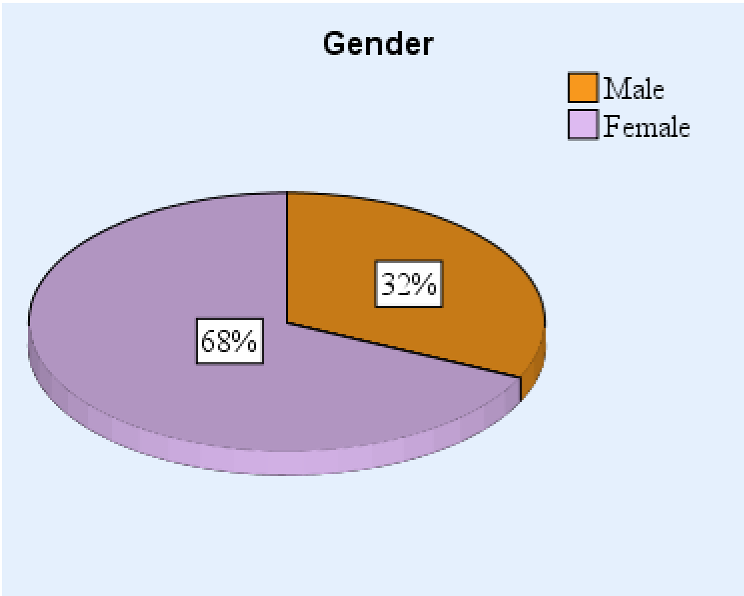
4.2.1 Gender

Table 4.2 Gender of respondents

In the survey, the aim was to identify the gender of the participants. The outcome of this is presented in table 4.2 and figure 1.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	16	32.0	32.0	32.0
	Female	34	68.0	68.0	100.0
	Total	50	100.0	100.0	

Figure 4.1 Gender of respondents



SOURCE: *field data 2023*

The study requested information regarding the gender of the respondents. The data presented in Figure 4.1 reveals that there were more women than men, with women accounting for 68% of the sample and men accounting for 32%. This highlights a gender disparity in the workplace, even though Zimbabwe's constitution guarantees equal opportunities for both gender,

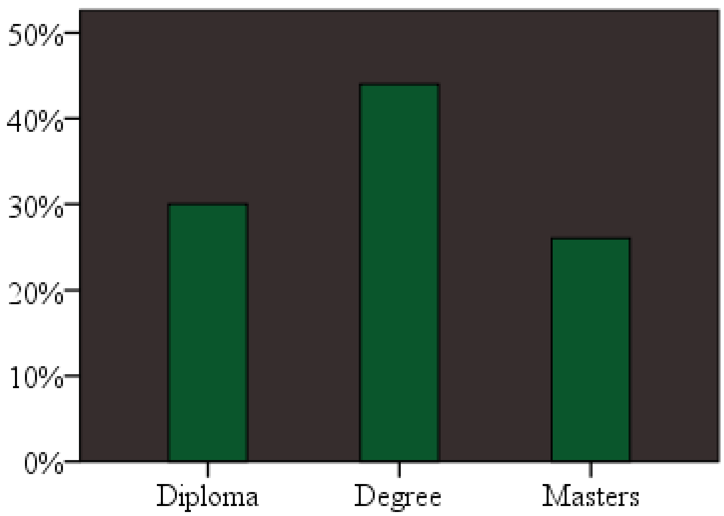
4.2.2 Level of education

Table 4.3 Level of respondents education

In the survey, the aim was to identify the educational qualifications of the participants. The outcome of this is presented in table 4.3 and figure 2.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	15	30.0	30.0	30.0
	Degree	22	44.0	44.0	74.0
	Masters	13	26.0	26.0	100.0
	Total	50	100.0	100.0	

Figure 4.2 Level of respondents education



SOURCE: *field data 2023*

The table reveals that 44% of the participants possess a bachelor's degree, 26% have a masters' (postgraduate degree) , while 30% have attained a diploma. This indicates that there are highly qualified individuals occupying managerial positions in the organizations, thereby enhancing the credibility of the responses. The responses collected were evidently trustworthy, implying that the participants perfectly understood the questionnaire's contents and responded accordingly, thus boosting the credibility of the data obtained.

This study implies that respondents held advanced academic degrees, which presumably helped them attain high-ranking positions in addition to accountants and auditing professionals. To excel in top management roles, one's level of competence and ability is dependent on their academic qualifications according to Raymond (2008). It is not just education that determines career efficiency, but also a professional approach to business transactions.

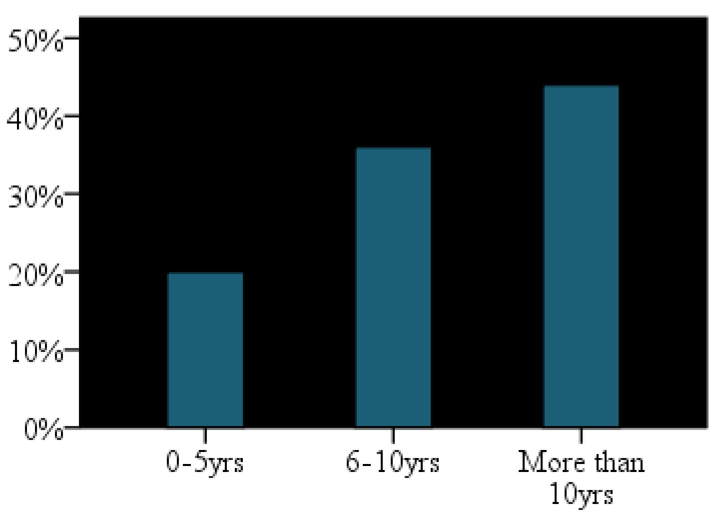
4.2.3 Period of service

Table 4.4 Period of service

In the survey, the aim was to identify period of service of the participants. The outcome of this is presented in table 4.4 and figure 3.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-5yrs	10	20.0	20.0	20.0
	6-10yrs	18	36.0	36.0	56.0
	More than 10yrs	22	44.0	44.0	100.0
	Total	50	100.0	100.0	

Figure 4.3 Period of service



SOURCE: *field data 2023*

To understand the supplier selection practices, the study considered the participants' tenure with the organization. Approximately 44% of the participants had worked for the organization for ten years or more, indicating a low staff turnover rate for such roles. Additionally, 36% had been employed for a period ranging from six to ten years, while 20% worked for not more than five years. These levels of skill were considered sufficient for the study to assess the participants' understanding of the supplier selection practices.Staff members who have remained with the organization for a prolonged duration are more likely to understand the research topic, thereby ensuring the provision of credible data.

4.3.1 Reliability Test

Table 4.5 Provides information on the reliability of the questionnaire used in the study.

Dimension	Reliability coefficients	Number of Item
Supplier quality commitments	0.85	4
Suppliers financial capability	0.91	5
Suppliers competences	0.83	3

Cronbach alpha values for supplier quality commitments, supplier financial capability, and suppliers competences were 0.85, 0.91, and 0.83, respectively, according to the reliability test conducted on the questionnaire.

To ensure the usefulness of a questionnaire, researchers often assess its reliability, which refers to its stability and consistency in measuring a concept. Various scholars, such as (Bryman, 2008), (Cooper and Schindler, 2011), and (McMillan and Schumacher, 2010), have discussed the importance of reliability. This study used a reliability coefficient, of Cronbach Alpha to measure degree of association among the set's items. A score of at least 0.7 is recommended for reliability, as Sekara (2008) notes. Prior to the analysis, the test was conducted to ensure that the questionnaire items were independent of one another.

4.4 The effect of supplier financial capability on Telone Public Limited's organizational profitability.

Table 4.6 Supplier financial capacity

The study aimed to examine the impact of supplier quality commitment on the profitability of Telone Zimbabwe. The researchers used a 5-point Likert scale that ranged from "no extent" to "very great extent" to collect data and computed the results using mean values. Table 4.6 presents the mean values obtained from the survey.

	N	Minimum	Maximum	Mean	Std. Deviation
Before considering suppliers for pre-qualification, their creditworthiness is examined.	**50**	**1**	**5**	**4.36**	**1.005**
Before a supplier is considered for pre-qualification, their level of financial accountability is assessed.	**50**	**2**	**5**	**4.48**	**.707**
Before considering suppliers for pre-qualification, their capital turnover is assessed.	**50**	**1**	**5**	**4.48**	**.863**
Before considering a supplier for pre-qualification, their cash-flow is reviewed.	**50**	**1**	**5**	**4.72**	**.757**
Before considering a supplier for pre-qualification, the form of payment is assessed.	**50**	**1**	**5**	**4.50**	**.863**
Valid N (listwise)	**50**				

Based on the results presented in Table 4.6, it was discovered that the creditworthiness of suppliers is given significant consideration (mean=4.4; SD=1) before they are prequalified, which was rated as the top priority. The study found that Telone Zimbabwe places a high level of importance on financial accountability (mean=4.5; SD=0.7), capital turnover (mean=4.5; SD=0.9), and cash flow (mean=4.7; SD=0.8) when prequalifying suppliers. Additionally, the study revealed that methods of payment for suppliers are also carefully scrutinized prior to their prequalification (mean=4.5; SD=0.9). These findings suggest that the company prioritizes financial stability when selecting suppliers.

4.5 The impact of supplier competency on organizational profitability at Telone Public Limited.

Table 4.7 Supplier competence

The conclusions of the study, which looked at the impact of supplier competency on organizational profitability at Telone Zimbabwe, are displayed in table 4.7 below.

	N	Minimum	Maximum	Mean	Std. Deviation
Telone evaluates supplier performance based on information from past projects completed.	**50**	**1**	**5**	**4.64**	**.776**
To monitor and evaluate the supplier, Telone has strict monitoring and control systems in place	**50**	**1**	**5**	**4.42**	**.928**
Telone examines the quality service levels of suppliers before evaluating them for pre-qualification.	**50**	**2**	**5**	**4.44**	**.705**
To ensure effective procurement activities, Telone Zimbabwe ensures that all stakeholders are informed about performance management.	**50**	**1**	**5**	**4.48**	**.789**
Valid N (listwise)	**50**				

Based on the research results shown in Table 4.7, it was discovered that Telone Zimbabwe extensively evaluates the supplier's proficiency through previous completed works (mean=4.6; SD=0.8). In addition, Telone has put in place efficient monitoring and control methods to scrutinize and assess suppliers with a mean of (4.4) and standard deviation (0.9), and the quality of their service standards is evaluated before prequalification has a mean of (4.4), and a standard deviation of (0.7). The research also indicates that Telone Zimbabwe communicates performance management to all stakeholders involved in procurement activities to a large extent with a mean of (4.5) and a standard deviation of (0.8).

4.6 Influence of suppliers' quality commitment on Telone Public Limited's organizational profitability.

The research analyzed how supplier quality commitment affects Telone Zimbabwe's organizational profitability. The study presented the results with descriptive statistics as shown in the table below:

Table 4.8 supplier quality commitment

	N	Minimum	Maximum	Mean	Std. Deviation
Before evaluating suppliers for pre-qualification, their quality compliance is assessed.	**50**	**1**	**5**	**4.44**	**.787**
Before considering suppliers for pre-qualification, their quality and dependability are assessed.	**50**	**1**	**5**	**4.46**	**.788**
Before choosing suppliers for pre-qualification, their quality responsiveness is reviewed.	**50**	**1**	**5**	**4.46**	**.788**
Valid N (listwise)	**50**				

According to the research results, it was discovered that the supplier's quality compliance is given significant consideration (mean=4.4; SD=0.8) before they are prequalified. Additionally, before pre- or post-qualification of suppliers, their quality dependability was evaluated, (mean=4.5; SD=0.8). The research also showed the quality readiness and responsiveness of suppliers were given weight (mean=4.5; SD=0.8) before they were allowed to participate in the procurement process.

4.7 Analysis for Binomial Logistic Regression

Binomial logistic regression analysis was used to examine the association between supplier evaluation and organizational profitability.

Table 4.9 Classification of accuracy

Observed			Predicated		
			Profitability		% Accuracy
			No	Yes	
Step 0	Profitability	No	0	2	0
		Yes	0	48	100.0
	Overall Percentage				96.0

a. The cut value is .500

The goodness of fit test for the model was analyzed using accuracy categorization, as illustrated in Table 4.6. 48 (96%) participants out of the 50 participants, agreed that the dimensions of supplier selection enhance organizational profitability with two respondents (4%) disagreed. The model achieved a classification accuracy of 96%, indicating that it is adequate. Discriminant analysis is usually more precise in classifying data. Gay (2011) stated that an acceptable accuracy rate is 25%.

Table 4.10 Model summary

Step	-2 Log likelihood	Cox& Snell R Square	Nagelkerke R Square
1	85.120	0.163	0.200

The study utilized the Cox and Snell pseudo R-squared statistics to determine the extent to which managing contractor relationships, monitoring intensity, risk management, and evaluation methods affect operational performance. The results showed that these factors account for 16.3%

and 20% variability in operational performance. Additionally, the model's adequacy was evaluated using the (-2) Log likelihood, which produced a likelihood ratio value of 85.120. This result suggests an optimist association on the supplier selection elements examined with organizational profit.

Table 4.11 Binomial Logistics Regression Results

	B	S.E	Wald	DF	Sign	Exp(B)
Supplier quality commitment	2.542	0.385	9.120	1	0.007	3.067
Supplier financial capacity	1.170	0.008	2.167	1	0.010	1.210
Supplier competence	1.020	0.358	3.575	1	0.002	1.357
Constant	1.809	0.141	1.234	1	0.998	8.085

i. **Variables: quality commitment, financial capacity, supplier competence**.

The study used the Wald test to determine the statistical significance of each independent variable. Results showed that suppliers' quality commitment (p=0.007), financial capability (p=0.010), and competence (p=0.002) had a significant impact on the predictive model. The odds ratios [Exp (B)] also indicated that there was an expected change in odds for a one-unit increase in the contract management factor. Gay (2011) argued that, odds less than one indicate a decrease, odds greater than 1.0 indicate an increase, and odds equal to one indicate that unit changes in the independent variable have no effect on variables that are dependent.

4.9 Results Dscussions

Impact of supplier quality commitment on organizational profit at Telone Public Limited.

The research discovered that there is a significant and positive correlation between the level of suppliers' quality commitment and the organizational profitability on Telone Zimbabwe (p=0.007<0.05), which is consistent with the findings of Araz and Ozkarahan (2017). The research corroborated CIPS's (2017) assertion that supplier quality evaluation has become more critical for gaining a competitive edge in the global market and increasing revenue generation. The results align with Tracey's (2016) and Kirande's (2014) work, which indicate that supplier quality evaluation can lead to increased profitability for the company.

Additionally, Erridge and Henningan (2017) found a similar relationship between suppliers' quality commitment and the successful execution of outsourced projects in medium manufacturing companies in Kenya. Finally, study's results align with Vachon and Klassen's

(2016) assertion that supplier quality commitment is associated with several benefits, such as lowered costs, increased profitability, better quality, and competitive advantage.

Influence of supplier's financial capacity on organizational profitability at Telone Public Limited.

In the study, a positive and significant relationship ($p=0.010<0.05$) was found between supplier financial capability and organizational profitability at Telone Public Limited. This aligns with the views of Krause and Handfield (2017) who suggest that supplier financial capacity is important for delivering quality products and services, timely delivery, and cost-effectiveness, which ultimately improves operational performance and increases profitability.

The study also supports the assertion of Simpson and Power (2015) that poor supplier financial conditions pose risks to purchasers that can adversely affect organizational profit. According to Vonderembse and Tracey (2011), suppliers with poor financial status do not have sufficient resources to invest in equipment, research, or plant, which can adversely impact the purchaser's revenue generation. This implies that supplier financial health is an essential factor to consider in purchasing decisions, as it can affect the buyer's profitability.

Effects of supplier competences on the profit of Telone organization.

The research findings indicate a strong relationship of, ($p=0.018<0.05$) between supplier competency and Telone's profit performance. These findings are consistent with other studies, such as Chemoiywo (2014) and Wanyonyi and Muturi (2015), which also demonstrated the impact of supplier competency on organizational profit.

Furthermore, the study aligns with Svensson (2017) in emphasizing the importance of considering supplier competence as a selection criterion and supplier development tool, as it can lead to increased efficiency, innovation, and value for the customer. Ultimately, supplier competence is critical in fulfilling buyer needs and improving procurement processes, which can positively impact organizational profitability.

4.10 Chapter summary

The research found that at Telone Zimbabwe, suppliers' quality commitment ($p=0.007<0.05$), suppliers'financial capability ($p=0.010<0.05$), and suppliers'competence ($p=0.018<0.05$), have a significant impact on the Telone's profit. The study's outcomes will be discussed in the following chapter, and recommendations will be provided based on the results.

CHAPTER V

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

The preceding section analyzed comprehensive results, which showed that Telone's organizational profitability is heavily impacted positively by suppliers quality commitment, financial capabilities, and competence. The purpose of the study was to examine how supplier selection impacts the profitability of Telone Public Limited. This chapter provides an overview of the research findings, conclusions, and recommendations. Additionally, it proposes potential directions for future research.

5.1 Summary of the study

The study investigated how Telone's organizational profitability is impacted by the selection of suppliers. The study aimed to achieve specific research objectives such as identifying the influence of supplier selection, including supplier financial capacity, supplier competence, and supplier quality commitment, on Telone's profitability and the role played by supplier selection in improving Telone's organizational performance. To collect data, the study used questionnaires with 53 individuals participated. This research utilized a case explanatory research design and employed both The descriptive and inferential methods to analyze the collected data.

5.2 Summary of Findings

research found that, there is a significant and positive correlation between the financial capacity ($p=0.010<0.05$), competency ($p=0.018<0.05$), and quality commitment ($p=0.007<0.05$) of suppliers with the overall profitability of Telone Public Limited. The results suggest that these factors are crucial in achieving organizational profitability.

5.3 Conclusions

The study's results indicate that supplier selection criteria, such as supplier quality commitment, financial capacity, and competence, have a significant and positive impact on Telone's organizational profitability. The quantitative analysis provides evidence that the supplier selection process outlined in the research framework can lead to increased efficiency and competitiveness, resulting in significant revenue returns for the company.

To achieve optimal performance, it is important to select high quality suppliers. The primary goal of evaluating suppliersis to maximize value for the buyer. Procurement teams should identify and analyze suppier-related factors that impact procurement performance.

5.4 Recommendations

The researcher suggest the following based on the observations and conversations:

- From the report, it is recommended that telecommunications companies in Zimbabwe should work on enhancing their supplier competency evaluation methods to improve their performance in terms of profitability. This can be achieved by assessing factors such as labor force capacity, technical expertise, and staff proficiency to ensure that suppliers have competent personnel to deliver quality production.
- From the report given,it is recommended that selection of suppliers, takes into account their commitment to quality, financial capacity, and level of competence, carries a significant impact on Telone's profit. The study's quantitative results indicate that the selection criteria outlined in the research framework affect the company's profitability. By selecting suppliers who offer high-quality products and capabilities, companies can increase efficiency and competitiveness, which can result in significant revenue returns.
- The supplier selection process plays a crucial role in achieving quality performance, by reducing risks and increasing value to the buyer. Procurement functions must identify and analyze supplier-related factors that affect their performance. A well-executed supplier evaluation process can help companies achieve their goals of maximizing profits and ensuring high-quality products and services.

5.5 Areas of further researches

- Similar research study could be conducted to examine effects of supplier selection concepts and its dimensions on the profit of organizations.
- Future investigations on the areas addressed in this study may involve replicating the current research.
- Gathering data from diverse sources could be of relevance and more practical, especially to telecommunication industry. More case studies, interviews, and secondary data analysis could supplement and enhance the existing data.
- Longitudinal studies may be employed in further research to provide a more accurate evaluation of how the variables under scrutiny evolve over time.

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APPENDIX 1-INTRODUCTORY LETTER

I am Candy Tendai Makombote, a student pursuing a BCom in Purchasing and Supply Management at Bindura University of Science Education. As part of the degree requirements, I am conducting a research project on "The Effects of Supplier Selection on Organizational Performance at Telone Public Limited." I kindly request your assistance as respondents for this study by completing the questionnaire. Your responses will be treated with utmost confidentiality and will be used solely for academic purposes. Your cooperation would be greatly appreciated.

candytmakombote12@gmail.com

APPENDIX II –QUESTIONNAIRE

INSTRUCTIONS:

Please answer the following questions honestly by marking the appropriate boxes and filling in the corresponding spaces provided.

Your identity or name is not required.

SECTOR A: DEMOGRAPHIC INFORMATION

1.1. Gender

Male ☐ female ☐

1.2 Qualifications.

Diploma	
Undergraduate (Degree)	
Master's Degree	
Others	

1.3 Period of service

0-5 years	
6- 10 years	
More than 10 years	

SECTOR B: Role of supplier selection on organizational profitability.

Does supplier selection increase organizational profitability at Telone Public Limited.

YES	NO

SECTOR C: The effects of supplier financial capability on Telone Public Limited's organizational profitability.

Kindly express your level of agreement or disagreement regarding the effect of supplier financial capability on Telone Public Limited's profitability.

[1] No extent [2] little extent [3] neutral [4] great extent [5] very great extent.

		1	2	3	4	5
1	Before considering suppliers for pre-qualification, their creditworthiness is examined.					
2	Before a supplier is considered for pre-qualification, their level of financial accountability is assessed.					
3	Before considering suppliers for pre-qualification, their capital turnover is assessed.					
4	Before considering a supplier for pre-qualification, their cash-flow is reviewed.					
5	Before considering a supplier for pre-qualification, the form of payment is assessed.					

SECTOR D: Impact of suppliers competence on the profit of Telone Public Limited

Kindly express your level of agreement or disagreement regarding the impact of suppliers competence on Telone Public Limited's profitability.

1] No extent [2] little extent [3] neutral [4] great extent [5] very great extent.

		1	2	3	4	5
1	Telone evaluates supplier performance based on information from past projects completed.					
2	To monitor and evaluate the supplier, Telone has strict monitoring and control systems in place					
3	Telone examines the quality service levels of suppliers before evaluating them for pre-qualification.					
4	To ensure effective procurement activities, Telone Zimbabwe ensures that all stakeholders are informed about performance management.					

SECTOR E: Influence of supplier quality commitments on Telone public Limited's organizational profitability Telone Public Limited.

Kindly express your level of agreement or disagreement regarding the influence of supplier quality commitments on Telone Public Limited's profitability

1] No extent [2] little extent [3] neutral [4] great extent [5] very great extent.

		1	2	3	4	5
1	Before evaluating suppliers for pre-qualification, their quality compliance is assessed.					
2	Before considering suppliers for pre-qualification, their quality and dependability are assessed.					
3	Before choosing suppliers for pre-qualification, their quality responsiveness is reviewed.					

the effects of supplier selection on organizational performance

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