

BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF ECONOMICS



**THE IMPACT OF SUPPLIER PERFORMANCE MANAGEMENT ON SERVICE
DELIVERY IN ZIMBABWEAN HOTELS. A CASE STUDY OF CHINHOYI
UNIVERSITY OF TECHNOLOGY HOTEL.**

BY

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B200593B

**A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE BACHELOR OF COMMERCE (HONOURS) DEGREE IN
PURCHASING AND SUPPLY OF BINDURA UNIVERSITY OF SCIENCE
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DEDICATION

The project is dedicated to my parents, who made it possible for me to reach this level of study by their persistence and dedication to my studies, and my grandmother, who gave me hope, blessings, and the strength to pursue my degree

ABSTRACT

21st century has enhanced the continuous and repeated interaction between suppliers and the procuring entities which therefore has necessitated the need to monitor and manage the supplier's performance. Mainly managing supplier performance has become a critical component as it ensures that suppliers always adhere to set expectations. As such, for an organisation to be flourishing in the market an efficient supply chain management is one of crucial requirement. Supplier performance management makes a difference especially on service delivery efforts for the hotel sector. The study identified roles, methods to be adopted as well as the parameters of supplier performance programs in hotels. Besides an extensive literature review being conducted the researcher combined and employed a descriptive survey as an approach to gather data. The accredited authors and sources of data reviewed that supplier performance management is essential in the success of service delivery efforts of hotel as it identifies and removes hidden cost drivers, enhances quality decision making, measuring suppliers improves their performance amongst other aspects. In order to increase performance of suppliers it is appropriate to implement new supplier performance management software in hotels, conduct regular training and development of hotel purchasing officials amongst other inevitable principled strategies. The author found out that it is necessary to conduct supplier performance management program in order to a better vision on supplier performance and to provide adequate funding were some of inevitable strategies that could be employed to secure more benefits from supply performance management programs. Recommendations were done to train the hotel procurement personnel and for the tourism and hospitality sector to have vibrant research and development programs and as well as recruiting competitively.

Key words: Purchasing officials, Quality service, Service delivery, Supplier performance management

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May the lord bless you in abundance

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LIST OF ACRONYMS

KPI	Key performance indicators
KSI	Key success indicators
SPM	Supplier performance management
SRM	Supplier relationship management

CHAPTER ONE

INTRODUCTION

1.1 Introduction

This study examines how supplier performance management affects the supply chain, pricing, and quality of services provided at the hotel at Chinhoyi University of Technology. Long-term useful knowledge and insight on best practices in supplier performance management may be obtained via the documenting of efficient procedures and standards that can be applied to the implementation of a supplier performance management scheme. This chapter will focus on the research overview, which includes the background information, problem statement, introduction, and study purpose. The chapter will also emphasize the goals, research questions, importance, and constraints of the study. It will also concentrate on the study's boundaries and underlying presumptions.

1. 2 Background of the study

There is a rising awareness amongst organisations which necessitate the optimisation of effective operational and the organisations' decision making. At the epicentre of optimising effectiveness of operations is supplier performance management (Evans, 2015). In Africa there has been an average growth of 5.7% in the tourism sector from 2016-2017 according to the World Tourism Organisation. Despite the increase in Africa, Zimbabwe has experienced a decrease of about 47% in the year 2017 compared to growth trends experienced in the previous year's (World Travel and Tourism Council 2017). As such, there has been a downfall of hotel occupancies in Zimbabwe with foreign arrivals declining tremendously by 2% since 2015. The major decline in the foreign arrival most prominently in Zimbabwe has been necessitated due to poor service delivery among the other important factors such as nature of economic and political stability.

Poor service delivery has been propelled through poor supplier performance management that has attributed to increased waste, hidden costs drivers which ultimately has impacted negatively towards service delivery in the hospitality industry. Henceforth evaluating and appreciating supplier performance is of paramount importance to guarantee a well running procurement.

Lack of clearly effective supplier performance management systems in hotels to manage supplier performance encouraged the researcher to conduct in depth research as a guide and familiarisation package to encourage the adoption of cautiously structured **supplier performance management**

systems in Zimbabwe's hotels. Due to this, the researcher had to look into how supplier performance management affected the hotel at Chinhoyi University of Technology in terms of supply chain, quality, and cost.

1.3 Statement of the problem

As per the Zimbabwe Tourism Authority Standards (2016), insufficient supplier performance management poses a threat to the hotel industry in Zimbabwe. The bulk of Zimbabwean hotels have seen a sharp decline in visitor volume since 2012. As reported in the 2015 report of the Chinhoyi University of Technology hotel, of the rare occurrences, tourist occupancy levels have been falling since 2015. This decline has coincided with a rise in complaints about poor service. By failing to assess its supplier base, the Chinhoyi University of Technology hotel has exposed itself to pervasive quality problems, service shortcomings, and unnecessary charges that have eaten into its bottom line revenues and damaged its competitive posture. The adage "you cannot improve what you cannot measure" is particularly relevant to hotel operators at Chinhoyi University of Technology (Frazelle, 2009). The inability to precisely analyse, assess, and control suppliers' performance has raised hotel prices, harmed the quality of their goods and services, and reduced their ability to compete in the market, according to the Aberdeen Group (2002). Customers, staff, and hotel managers are the persons who are impacted by this issue. The ideal result would be better service at the hotel at Chinhoyi University of Technology, which would raise client happiness and loyalty. Additionally, this would boost the hotel industry's reputation, which would draw more guests and money. In light of supply chain, quality, and pricing, the study aims to investigate how supplier performance management affects service delivery at the hotel at Chinhoyi University of Technology.

1.4 Purpose of the study

The goal of the project is to determine how supplier performance management affects supply chain, quality, and cost at the hotel at Chinhoyi University of Technology.

1.5 Research objectives

1. To determine the role of supplier performance management in service delivery at Chinhoyi University of Technology hotel.

2. To establish effective methods that can be used to carry out a supplier performance management scheme at Chinhoyi University of Technology hotel.
3. To identify effective standards that can be used to carry out a supplier performance management program at Chinhoyi University of Technology hotel.
4. To examine the challenges and barriers to effective supplier performance management at Chinhoyi University of Technology hotel.

1.6 Research questions

1. What is the role of supplier performance management towards the success of service delivery at Chinhoyi University of Technology hotel?
2. Which approaches can be used to implement a supplier performance management programme be implemented at the Chinhoyi University of Technology hotel?
3. What effective standards can be used to carry out a supplier performance management program at Chinhoyi University of Technology hotel?
4. What are the challenges and barriers to implementing effective supplier performance management at Chinhoyi University of Technology hotel?

1.7 Significance of study

The study is set to benefit the following stakeholders:

1.7.1 Hotel employees (Procurement Officials)

This paper aims to discover information so that the involved partners in the hotel industry appreciate the contribution of effective supplier performance management on service delivery. An awareness of the impact of ineffective supplier performance management hotel purchasing officials created by this study will absolutely bring to light ways of carrying out vibrant supplier evaluation schemes. This study will therefore help in advancing the standards in the hotel industry and the whole economy as well.

1.7.2 Tourism and hospitality sector

No economic turnaround can be achieved without a sound and reliable hotel industry. A reliable hotel industry is one that gives guests “a home experience away from home.” Such an experience can only be a result and ensured through efficient supplier performance management schemes as

the starting point. Supplier performance management impacts hotels' capability to sustain delivery and cost expectations of their consumers, as well as their capacity to retain and harvest fresh opportunities.

1.7.3 The researcher

The researcher shall be exposed to the reality in the hotel industry and will have a better understanding of facts about the hotel industry in Zimbabwe. In addition, this paper is in partial fulfilment of the researcher's degree program.

1.7.4 The University

Apart from partially fulfilling the requirements of Honours degree in purchasing and supply at Bindura University of Science Education, this research shall also be put in the archives of the University for the use of the in future. This research shall be utilised as preliminary point for literature review for anybody who indents to conduct more studies or any other research related to the topic in question.

1.7.5 The government

The government is also set to benefit from this study. A country with a good reputation of its hotel industry is a safe and stable nation thus attracting more tourists hence more revenue for the government.

1.8 Assumptions of the study

1. The participants would completely cooperate and give accurate information to the best of their knowledge.
2. The researcher would have access to the necessary data at the study institution.
3. In order to provide accurate and legitimate information, the participants were expected to understand the necessity of this study and participate without reservations.

1.9 Delimitation of the study

The study was confined to Chinhoyi University of Technology hotel in Chinhoyi for convenience and quick information gathering. More so the researcher will centre on the

- role, importance and effects of supplier performance management

- measures that can be used to carry out supplier performance management
- Methods used for supplier performance management.

The researcher strongly feels that the above delimitation will bring out an in depth assessment of how supplier performance management has a bearing on the success of Chinhoyi University of Technology hotel operations.

1.10 Limitations of the study

The limitations that contradicted the authenticity, reliability, and validity of the study are as follows: Since the study is a case study, it's possible that the conclusions don't accurately represent all hotels in Zimbabwe or the entire globe. Following the timetable was challenging because some activities would carry over into the following activity session. However, by taking initiative and being punctual, this was reduced. The Chinhoyi responders also favoured this initiative. Time and convenience were the driving forces behind this action. Due to restricted internet access, the researcher was forced to perform manual data analysis processes, which are inherently flawed.

1.11 Definition of terms

1.11.1 Key Performance Indicators

Key Performance Indicators, also known as KPI or Key Success Indicators (KSI) are proven dimensions, agreed to beforehand, that reveal the crucial success factors of an institution that assist an organization identify and measure growth toward executive goals.

1.11.2 Performance measurement

The practice of evaluating how well individuals or organizations have achieved their goals is known as performance measurement.

1.11.3 Supplier performance measurement

The process of identifying, evaluating, and managing supplier performance in order to save expenses, minimize risk, and promote long-term enhancements to operations and value is known as supplier performance measurement.

1.11.4 Service delivery

Service delivery refers to level of fulfilment of customer needs at the smallest possible total cost

of procuring, possession, and utilising. It is attained when demands are met fully, reliably, and cost effectively.

1.12 Summary

The key concepts that characterize the entire study were stated in this chapter. In addition, it provides insight into supplier performance management, background, research questions, assumptions, and objectives; it also includes a problem description, definitions of key terminology, and restrictions that prevented the research process from proceeding normally and as intended. The next chapter will be focused solely to reviews of the literature and well-known authors' theories on the subject.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The chapter will focus on the related literature. The aims of this chapter are to discuss the impact of supplier performance on service delivery in general and to Zimbabwe's hotels in particular, procedures that can be employed to measure it as well as the methods to be used while running a structured supplier performance management scheme. This chapter shall also disclose the theories of unlike researchers and authorities about the related study problem. The existing developments in the concept under review will be discussed.

2.2 Historical background of supplier performance in hotels

Supplier performance management entails proper and adequate scrutiny of the behaviour of suppliers from time to time so as reduce the likelihood of inconsistent, unreliable and detrimental impacts on service delivery (Peter Baily et al 2008). The quality of purchased products influence a organisation's downstream manufacturing procedure and the final quality of its finished products and its status with customers (Mascarenhas, Baveja, & Jamil, 2008; Womack et al., 2010).

The hotel industry has been for all time linked with the quality of the service (Presbury, Fitzgerald & Chapman, 2005). Although, controlling the quality of service in the hotel industry is predominantly complicated and difficult as it comprises of both products and services. Whereas it is most difficult to measure a service since it involves activities of intangible nature and does not result in ownership of anything. Lockwood (2005) indicated that "the hotel industry doesn't only face the challenge of offering a high class accommodation and food but it is also in charge for sustaining the service deliveries through the high level of communication between staff members and customers". It is important for the hospitality industry thus to accept the point that quality is actually about pleasing the requirements and desires of the guests (Kandampully & Suhartanto, 2010).

Many researchers dispute (Plaschka & Dev, 2005; Manaktola & Jauhari, 2007) that hotels are usually evaluated by their capacity to offer and satisfy the several needs of customers including

cost, accommodation and services, food, customer relationships and most importantly the quality of the services delivered. The significance of service delivery features has been noted as the most important issue in attaining the guests' satisfaction, faithfulness and intentions to re-visit (Manaktola & Jauhari, 2007; Othman, MohdZahari & MohdRadzi (2009). Similar to this, the practices that lead to quality of service deliveries are becoming a key elements of hotel industry (Mei, Dean & White, 2019) and a crucial method utilised to attain a competitive advantage (Douglas & Connor, 2013). It is possible to say that the hotel's method for evaluating and choosing its suppliers. As such, the procurement approach is influenced by the hotel's strategy (Eshtehardian, Ghodousi, & Bejanpour, 2013). Depending on the service or product offered, hotels have different organizational structures, administrative methods, and priority requirements. As such, while selecting a supplier, various businesses and sectors have varied needs (Deng, Hu, Deng, & Mahadevan, 2014). The organization's goals and expectations can be used to assess the performance of potential suppliers and select one to be a strategic partner.

2.3 The role of supplier performance management

Every supplier assessment method has a varied level of significance, and each organization's unique set of evaluation criteria must be chosen with consideration for the operational requirements and industry objectives of the firm in mind. When choosing a supplier in this situation, expert judgment is needed to consider intangible qualities. The reliability and accuracy of the results are determined by the expert's knowledge (Chan et al., 2007). A well-executed supplier performance management procedure ought to facilitate the achievement of business goals. This can be achieved by proactively classifying trends and potentially problematic areas so that appropriate action can be taken in a timely manner, preparing performance reports to evaluate supplier performance and identify new opportunities to improve supplier relations and performance, and defining benchmark procedures for resolving issues with suppliers. Suppliers can be informed about the process by which their performance will be assessed.

Lack of supplier performance management affects an organisation's capability to offer high quality services and boosts workload for the procurement department (Cachon & Lariviere, 2009). In addition, (Walker & Alber, 2009) are of the view that performance management process allows the organisations and suppliers to mutually commit to fresh and constant enhancement

opportunities. Sherry R. Gordon, (Annual International Supply Management Conference, May 2016) came up with the perception that an enterprise must evaluate the performance of their suppliers as it raises visibility of its operations among other factors as follows:

2.3.1 Increase performance visibility.

Supplier management have a tendency to base on guesses when organisations do not understand the details about how the suppliers are performing. In addition, a straightforward act of measuring performance can be capable of assisting the organisation in improving its performance.

2.3.2 Uncover and remove hidden waste and cost drivers in the supply chain.

Efficiency problems abound in procurement departments. Inefficient company practices can be partially resolved by suppliers and customers having good communication. The organisations lower uneconomical costs, normally caused by inconveniences from suppliers, such as: supplementary assessments, overtime, security stocks, out-dated inventory, purchasing from various sources (which lessen cost leveraging).

2.3.3 Leverage the supply base.

By leveraging the supply base, a company can set a threshold for its suppliers that can result in a higher-quality product. Based on a superior understanding of suppliers' capabilities and performance, organizations can more effectively present new products and services. Gratitude-driven suppliers can help assess whether they can cut expenses sufficiently to beat out other providers.

2.3.4 Align customer and supplier business practices.

If possible, suppliers should manage their industry in alliance with their clients, contribute to similar business principles, look forward to same standards of excellence, and demonstrate loyalty to constant improvement. A supplier who is not used to following constant improvement may be not capable of keeping up with the clients' increasing needs for enhanced, cheaper, quicker goods and services.

2.3.5 Mitigate risk.

Organizational processes and supplier performance both help to lower company risk, especially in light of the growing dependence of businesses on their major suppliers.

2.3.6 Improve supplier performance.

Enhancing the performance of suppliers must be the aim of supplier assessment. While performance evaluations alone might be motivating, supplier assessments can be highly effective if they lead to on-going training initiatives and genuine improvements in supplier performance. The standard quantitative metrics like quality, delivery, and cost control must be addressed in tandem with the fundamental qualitative concerns in supplier evaluation processes.

Michael Porter once argued that a firm's strengths ultimately fall into one of two headings: **cost advantage and differentiation**. The following diagram on the next page illustrates Porter's generic strategies:

	Advantage	
	Low Cost	Product Uniqueness
Broad (Industry Wide)	Cost Leadership Strategy	Differentiation Strategy
Narrow (Market Segment)	Focus Strategy (low cost)	Focus Strategy (differentiation)

Figure 1
Source:
Porter, 1985

2.4 Methods/approaches used in supplier performance management

Various approaches crafted for supplier performance management exist and these have been illustrated by different accredited authors. This study will focus on the approaches of a few authors in order to emphasis on them as they are deemed to be tried and tested.

2.4.1 Survey method

A survey method is an approach in which before procuring a service, an organisation gets in touch with a number of other clients and acquire their views on the performance of the suppliers. Research organizations often give updates, and it is easy to use. Conversely, surveys are expensive, the quality of the data collected may be poor and dependent upon the source of the information, and the evaluation is centred on the experiences of other organizations.

2.4.2 Comparative method

Supplier are assessed separately by evaluators on approved guidelines, such as price, quality, delivery etc. individual ratings are then tabulated and a final rating awarded by the value team. The comparative method can be utilised to quickly assess a supplier on a small term basis. On the other hand, the method does not consider relative significance of a variety of rating factors. The comparative method is also not appropriate to lengthy assessments of supplier performance.

2.4.3 Weighted point

The method is an exceptional tool for suggestion and enables assessors to think about all factors whilst it proffers the facility to highlight the significance of one factor over another. Although the above approaches/methods have different drawbacks and advantages an exchange exists between the method's straightforwardness and correctness. According to the Institute of Supply Management team and Weber study of 1991 they also highlighted the importance of categorical method used when evaluating a supplier.

2.4.4 The categorical method (Timmerman 1986)

The ability and knowledge of a particular buyer are taken into account while using the category technique. The performance of the supplier is evaluated by those in charge of manufacturing, purchasing, sales, and quality, and their opinions are based on standard criteria that are important to them. Each of the chosen attributes for each competing supplier is given a rating by the departments. Once department members have discussed the rating, the buyers determine the supplier's total score. It is regarded as being extremely straightforward, and its primary benefit is that it aids in providing a clear and organised framework for the evaluation process. The primary

disadvantage is that certain characteristics are given equal weight, which results in a judgement that is largely subjective (Timmerman, 1986; cited in Ellram, 1990).

Approach	Barriers/challenges
Questionnaires	• Needs understanding of what to measure • Difficult to build reliable surveying equipment • Challenging to implement • Issues with supplier compliance
Score cards	• Accuracy of data • Fail to determine root cause • Not clearly actionable
Site visits	• Resource-intensive • Needs staff with training • Hard to scale the process • Site visit instruments and expertise
Third party standards certification such as ISO 9001:2000, ISO/TS 16949:2002, QS 9001	• Best practices are not guaranteed • Focus on documenting procedures • Not specific to customer requirements
Supplier evaluation software	• Involves funds outlay • Resistance to change

Table 1Source: Gordon, 2006

Scorecards are an essential in supplier performance management. Scorecards have to describe types or groups of key indicators of performance which suppliers shall be evaluated, such as, cost of low quality and delivery costs

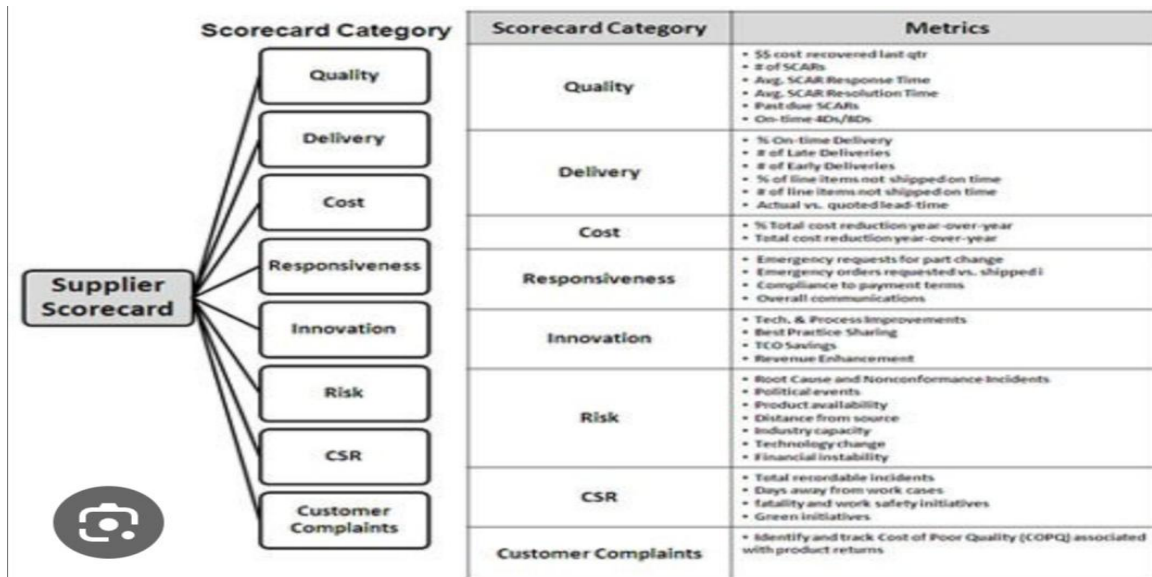


Figure 2 Source: Kaplan and Norton, 1992

Although the above approaches/methods have different drawbacks and advantages a trade-off exists between the method's simplicity and accuracy.

2.5 Standards that can be used for supplier performance management

Hotels work hand in glove with many suppliers who supply several kinds of essential materials required for the best service delivery. Though they would wish to evaluate every one of their suppliers, it does not really occur due to sheer amount and size of the effort involved (Kulkarni and Ashok 2014).

2.5.1 Some of the standards used for supplier performance evaluation include the following factors:

Product and delivery assessment: including evaluations of quality level, on-time delivery, correct quantity, service level and price/cost of product.

Capacity assessment: including evaluations of willingness to change product/services to meet changing needs of customers requires flexible capacity and communication skills/systems.

Information assessment: includes evaluations of willingness to share sensitive information and to participate in new product development and value analyses.

Nature of product input: this depicts the criticality of the product, that is how vital the product is for the hotels and what affect its non-availability or some other problems will have on the services offered by the hotel.

According to a report by Aberdeen Group in their Supplier Performance Measurement Benchmark Report (2005) the parameters for choice of supplier to measure are best shown

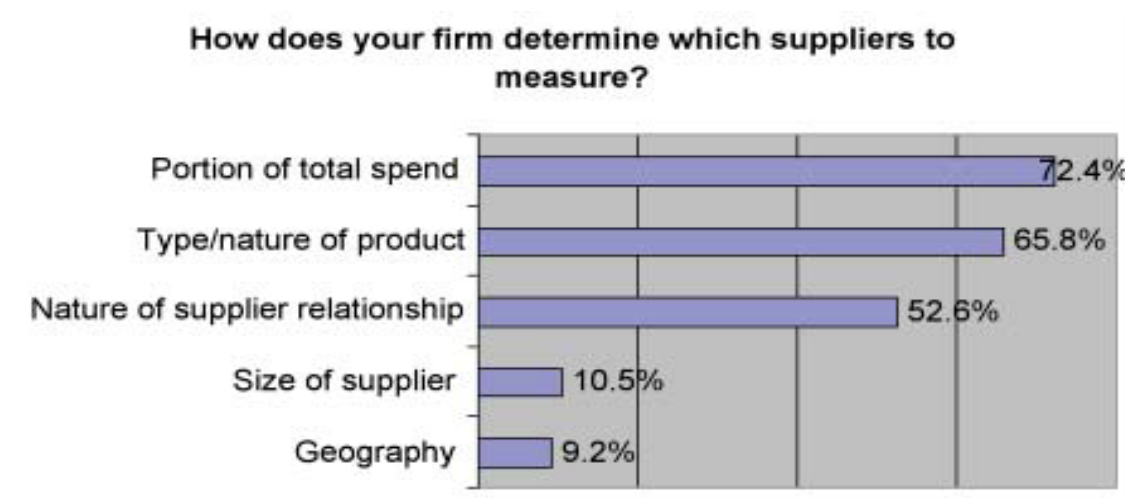


Figure 3 Source: Aberdeen, 2005

Procurement management abilities are parallel to association management abilities, in that organisation shall be more flourishing if they are conscious of how they manage suppliers and set aside resources to this activity (Kale & Dyer, 2012).

2.6 The challenges and barriers to effective supplier performance management

2.6.1 Supplier Performance management strategy

Hotels have to implement a supplier performance management approach rather than to work in a reactive mode. A poor strategy can lead to inconsistent results or worse. Organisational management should first establish which business outcomes are most significant, said Steven Jeffery (2016). After that they can come to a decision which vendors are strategic in that regard and which fall into other categories.

2.6.2 Priority alignment

Strategic aims to enhance associations with suppliers and may clash with traditional goals, such as a focus on cost effectiveness. Most of the lower-ranking decision-makers centre merely on attainment of the finest price rather than reinforcement of supplier relations or enhancing quality. According to Wiborg (2012), a lot of procurement individuals are taught to get the finest supplier of a service for the lowest price. Sometimes an organisation's fixed aims and its implicit goals should be different. In that case, organisations may study its fixed aims and the private ones to maintain (Brown, 2016).

2.6.3 Lack of Supplier Performance Management clarity

If an organisation is having problems answering questions around strategic supplier's tolerable risk, appreciating customer relations management data could be key. Concentrating on the client can explain many choices, (Brown, 2016). This can assist in aligning company thinking around data gathering and analytics, governance, and other measurements.

2.6.4 Buyer-seller communication

Supply chain leadership and representatives need to encourage supplier representatives to openly share feedback and communication, and then prove their willingness to listen. According to Jeffery (2014) buyers have become too opaque in the amount of information we share with suppliers. This has led to vast mistrust between buyers and sellers. Buyers can improve this by being more transparent and collaborative. Communication is essential for various project aspects. However, as buyers, a lot of firms have become considerably cryptic when it comes to contribution of the amount with suppliers. This challenge can be caused by a number of factors, including language barriers, cultural differences, and a lack of understanding of the other party's expectations. When this challenge is present, it can lead to misunderstandings, missed deadlines, and a lack of trust between the buyer and seller.

2.6.5 Inventory management

Organisations focusing on Supplier Performance management can sometimes overbuy or under buy. Wiborg (2012) asserts that the key is to link supply chain management and production goals,

not to focus on luxury goods. Hotels must continuously analyse the data they receive from inventory tracking and attach supplier performance management operations to it. Once a company and a supplier get along well, the supplier could alert the company about stock out risks or assist in getting rid of out-dated inventory.

2.6.6 Mitigating Supplier-related Risks

Mitigating supplier-related risks is another important challenge in supplier performance management. These risks can come in many forms. When a supplier faces a risk, it can have a significant impact on the buyer's business. For example, a supply chain disruption can lead to delays, lost revenue, and even customer dissatisfaction. In order to mitigate supplier-related risks, companies can take steps such as diversifying their supplier base, conducting risk assessments, and developing contingency plans.

2.6.7 Ticking Regulatory Checkboxes

Ticking regulatory checkboxes refers to the need for companies to comply with various regulations when managing their suppliers. This can include laws and regulations related to labour standards, environmental protection, and health and safety. Complying with these regulations can be a time-consuming and expensive process.

2.6.8 Contract Conflicts

Contract conflicts can be a major challenge when it comes to supplier performance management. Contracts are often complex and can include many different terms and conditions, which can be difficult to understand and enforce. Additionally, contract terms can change over time, which can create ambiguity and confusion. One common type of conflict is related to price. For example, the contract may specify a fixed price for the goods or services, but the supplier may experience cost increases that make it difficult to honour the original contract price. This can lead to disagreements about how to handle the price increase.

2.6.9 Over-reliance on one supplier

Over reliance on one supplier is another challenge that can impact supplier performance management. When a company relies too heavily on one supplier, it can put itself at risk if that

supplier experiences a problem. For example, if the supplier experiences a production delay or goes out of business, the company may have difficulty finding a replacement supplier and could experience disruptions in its operations. Additionally, over reliance on one supplier can lead to a lack of competitive pressure and innovation.

2.6.10 Focusing only on cost efficiency

Focusing only on cost efficiency is another common challenge that companies face when managing suppliers. Many companies focus on negotiating the lowest possible prices from their suppliers, without considering other factors such as quality, reliability, and innovation. Focusing only on cost can lead to other problems, such as poor quality and disruptions in the supply chain. Additionally, it can prevent the company from taking advantage of other opportunities, such as improved quality and innovation.

2.7 Theoretical Framework

2.7.1 Kraljic Matrix

The Kraljic Matrix assists an organisation to develop a procurement plan for the services and products it consumes. The model aims to get rid of supply weakness as much as possible and maximize the organisation's impending buying influence. The Kraljic Matrix enables the purchasing organisation to operate in an intelligent manner with the already available suppliers. The model assists the purchasing organisations decide the type of suppliers it should associate with.

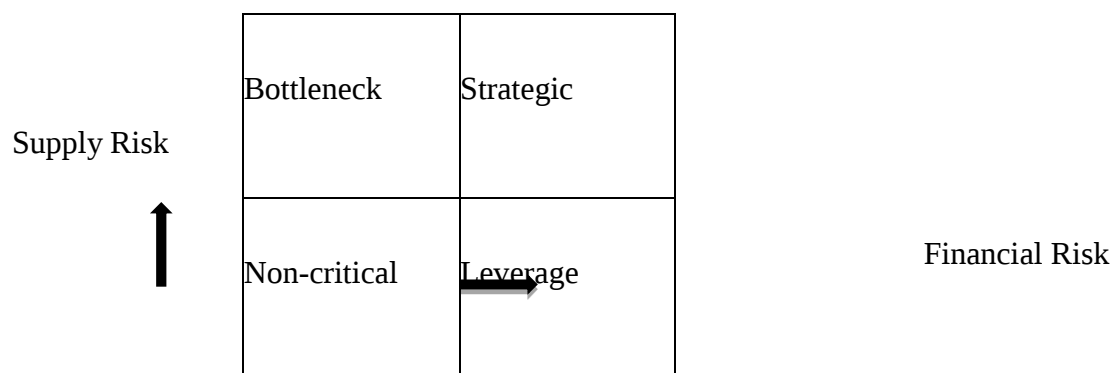


Figure 4 Shows the Kraljic Matrix

2.7.1.1 Strategic items

The buying corporation suffers a significant financial loss due to these items. This could indicate that the things are either highly expensive for the organization or closely related to our company's profit and differentiation. There is a shortage of these things as well. The procurement strategies that would be normally utilised for these types of objects comprise of corporations and strategic collaborations.

2.7.1.2Leverage items

Leverage items have a great financial effect on the organization; but, the item is in plentiful supply. The items are crucial for the organisation. The purchasing strategies that would be normally used for these types of items include tendering and competitive bidding.

2.7.1.3 Bottleneck items

Bottlenecks are items which have a little effect on financial management of the firm, though, the supply risk is high. One perfect case may be when there is a new supplier providing a fresh technology. The procurement plan normally utilised for these types of objects is double. Initially, it is required to guarantee stability of supply.

2.7.1.4 Non-critical items

Non critical items are objects that have a little financial impact on the purchasing firm and are also in plentiful supply, such as workplace supplies. The cost of handling the things frequently outweighs the price of the commodity itself, which makes them desirable nonetheless.

2.8 Conceptual Framework

2.8.1 Supplier relationship management model

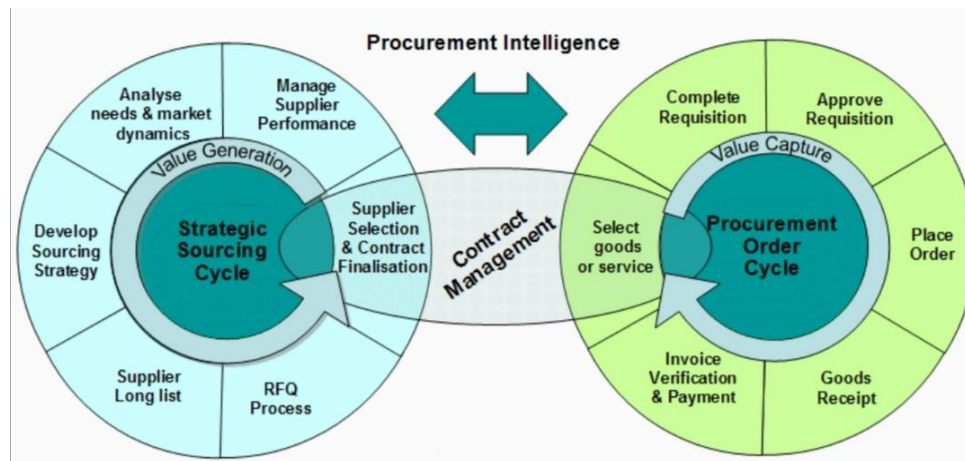


Figure 5 Source: Researcher, 2024

The major purpose of SRM is to set up a two-way, equally useful connection amid a firm and its suppliers. The SRM comprise of collaborative and connection-building actions targeted at the most planned and vital procurement colleagues that deliver huge added worth to the organisation. Supplier relationship management activities are supplementary and complementary to supplier performance and contract management activities which are targeted at the mainstream of suppliers.

2.8.2 Supplier segmentation

The process of classifying suppliers according to a predetermined set of criteria in order to identify the primary (strategic) suppliers that should be maintained in a supplier relationship management program is known as supplier segmentation. The choosing process is important since different providers require different levels of attention. As a result, businesses should be mindful of how they allocate their resources and focus their efforts and time on a select group of reliable strategic suppliers.

2.8.3 Supplier relationship management governance

A way to ascertain good governance is the means to release supplier relationship management price, particularly for highly favoured suppliers. A precondition to this is the association within the firm, the company of interior authority processes and visibly allocated ownerships of supplier

relations. It is vital to involve the appropriate corporate stakeholders in the process since the bond may not be owned by the purchasing company.

2.8.4 Performance management

An essential component of successful supplier relationship management is performance management. It entails establishing and maintaining on-going operational measures that are mutually agreed upon with suppliers who are given priority. It also allows for a common set of established metrics to be used to monitor supplier performance globally and should be cascaded down the organization to the local, regional, and global levels. The supplier scorecard must be constantly evaluated after it is put into place, and regular review meetings with strategic suppliers are necessary. As soon as there is a departure from the minimal performance standards that have been agreed upon, the underlying cause should be found and corrective action should be taken.

2.8.5 Supplier development

The core elements of supplier relationship management include governance, performance management, and segmentation. The additional activities that can be obtained from supplier relationship management include joint business growth between an organization and its priority suppliers. Sharing strategies and outlining long-term initiatives, such market expansion, mergers, acquisitions, joint ventures, or strategic alliances, are typical steps in this process.

2.9 Empirical evidence

2.9.1 Lindsay (2012): Effects of supplier performance management on Las Vegas hotels' performance in service delivery

At the Four Queens and Venetian /Palazzo properties in Las Vegas, the hotels have made it a point to assess their suppliers implicated in the purchasing of beverages and food. Lindsay (2012), purported that at Venetian/Palazzo, the logistics administration policy involves the rapport between procurement as well as vendors. They are responsible for evaluating the vendor's performance, keeping track of the proportion of suppliers that place orders in accordance with specifications, and complying with requirements regarding pack size clarification, order consolidation in the event of large drops, and accurate pricing on bid-matching invoices.

2.9.2 Liberman, Yu and Radtke (2014): Improving new product development through supplier performance management in developed countries

The research was done in year 2014 in the United States specifically at the Ford Motor company in Dearborn, Michigan. The study was conducted in 2014, primarily at the Ford Motor Company in Dearborn, Michigan, in the United States. Examining how supplier performance management can enhance new product development, comprehending the benefits and drawbacks of doing so, identifying the critical success factors for supplier performance management, proposing best practices for businesses wishing to apply supplier performance management, and disseminating insights gained from Ford Motor Company's implementation of supplier performance management were the research goals of the case study. The research findings indicated that supplier performance management can be an effective tool for improving new product development. They also found that there are several challenges associated with implementing supplier performance management, including a lack of alignment between internal processes and the supplier performance management system, resistance to change, and a lack of supplier collaboration. However, they also found that there are several benefits of supplier performance management, including improved communication and collaboration, reduced cycle time, and increased efficiency.

2.9.3 Schuh and Gruenwald (2014): Improving supplier performance with supplier performance management.

The study was carried out by Schuh and Gruenwald (2014) using surveys, supplier score cards, supplier development programs and case studies. The case study took place at BMW's headquarters in Munich, Germany. The company has suppliers located all over the world, but the focus of this case study was on suppliers in Germany and other European countries. The study aimed to assess the efficacy of supplier performance management in enhancing the suppliers' performance for the organization. The case study also aimed to identify best practices and lessons learned from the implementation of supplier performance management at Bayerische Motoren Werke (BMW) which is a German name for Bavarian motor works. The study's conclusions showed that supplier performance significantly improved when supplier performance management was put into place. On average, suppliers who participated in the supplier performance management program saw their quality scores improve by 15% and their delivery performance

improve by 10%. In addition, the supplier performance management program helped to reduce overall costs by an average of 5%. The case study also found that supplier performance management led to improvements in communication between BMW and its suppliers, and strengthened relationships between the two parties.

2.9.4 Ribezzo and Ghazali (2019): Enhancing service delivery performance at a Five Star hotel

The study was carried out in year 2019 at a five-star hotel in Sydney Australia. The case study's goal was to examine the hotel's problems with service delivery and offer suggestions for improvement. The researchers took into account suppliers' roles in providing services. The research findings were that the hotel had not considered the role of suppliers in its service delivery processes, which was a missed opportunity. The researchers suggested that the hotel could improve its service delivery by establishing a supplier management system, which would include monitoring and evaluating supplier performance, as well as setting clear standards for supplier behaviour. They also suggested that the hotel could use supplier feedback to improve its service delivery, as well as to develop relationships with its suppliers.

2.10 Effects of an ineffective supplier performance management program

“According to Aberdeen group (2012), the failure to precisely measure, assess and manage the performance can lead to poor service delivery. It increases hotel’s costs, damages its product quality and hinders its competitiveness in the market place. Poor supplier performance management program is best summarized as, inconsistent and unreliable supplier delivery schedule, low quality product and increase in operational costs.”

2.11 Research gap analysis

“From empirical evidence above, most of the studies were done in countries located in Central and South Pacific, Northern American and Western Europe countries. The countries’ names were Germany, United States of America and Australia. This paper will be focused in Africa and particular in the nation of Zimbabwe. Furthermore, it can also be noted that a lot of researches done focused their studies on developed countries such as the United States of America hence to the paramount of the researcher’s understanding no paper has been done on developing countries.

In addition to that, most of the empirical evidence obtained was focusing on the improving supplier performance and enhancing service delivery whereas, this paper is going to centre its attention on the impact of supplier performance management on service delivery at Chinhoyi University of Technology hotel.”

2.12 Summary

The literature on how supplier performance management affects service delivery was covered in this part. It included every significant theory pertaining to the evaluation, process, and management of supplier performance. The opinions contained the theories and data of reputable researchers, which let the researcher to carefully assess the situation at hand and arrange the study in a manner that was appropriate. The research methods will be covered in the upcoming chapter.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the methods that will be used to collect and analyse primary data so that the researcher may provide pertinent justifications for the study's findings. It describes how the research design was applied in the study. This chapter will cover the research methodology, the population under study, data collection techniques, and the primary data analysis process. The study was carried out in a qualitative manner so as to allow the researcher to come up with convincing results and interpretations from the respondents selected at Chinhoyi University of Technology hotel employees.

3.2 Research design

A research method is a road map for gathering and utilising data in order to attend and find solutions to the research questions. For the purposes of this paper, the researcher chose a descriptive approach and adopted a case study. This approach involves selecting participants from the targeted population as well as distribution of questionnaires before analysing the data gathered. The design was the best choice because it includes monitoring and unfolding of the actions of the participants exclusive of influencing or altering it by any means hence it's beneficial for accepting a fresh experience in an in-depth approach. The importance of this design is that does not focus on the attributes of individuals only but also the attributes of the whole sample. According to Kothari (2004), a descriptive research design makes it possible to carry out a survey and different types of fact-finding studies. According to a study by Cresswell (2012), rather than experimenting with an anticipated rapport between variables, a descriptive research method is used to fairly illustrate variables. The descriptive research strategy was chosen by the researcher because it has many benefits, can gather accurate data, and can provide a clear picture of the variables being studied (Kothari, 2004).

3.2.1 Qualitative Research

According to a study by Cheek (2008), the goal of a qualitative research approach is to get participants to freely discuss the subject at hand and to get as much information as possible. The

approach allows the researcher to gather data on opinions, experiences and insights of the participants through a known language. For this research it was significant to set up the participants' views on the impact of supplier performance management on service delivery at Chinhoyi University of Technology hotel.

3.3 Population

For the purposes of this paper, the targeted population was thirty (30), which consist of participants from Chinhoyi University of Technology hotel employees. Shuttleworth (2008) highlighted that knowledgeable persons produce the uppermost quality answers when responding to questionnaires within their area of proficiency, thus the respondents from the procurement department were generally appropriate for this research.

3.3.1 Summary of targeted population

	Chinhoyi University of Technology hotel employees	Total
Number of respondents	30	30

Table 2 Source: Researcher, 2024

3.4 Sample and sampling procedure

3.4.1 Sample size

The researcher utilised the sample size of 9 participants which encompassed 3 procurement officers from the supply chain management department, 2 marketing officers, 2 foods and beverage manager, 1 accounting manager and 1 top manager. The population was made up of individuals who were selected from different areas of speciality that is procurement professionals from the supply chain department, marketing experts, food and beverage experts, accounting experts and top management. The selected respondents were the workers that had information which was of great importance on supplier performance management on service delivery at Chinhoyi University of Technology hotel.

3.4.2 Sampling Techniques

Using purposive sampling, the researcher selected subjects among the CUT hotel staff. Using sampling techniques enables the researcher to create a plausible population representation. To increase the study's accuracy, the researcher devised a sample that would decrease the number of participants.

3.4.2.1 Purposive Sampling

According to Bernard (2002), purposive sampling is the process by which a researcher chooses specific participants from a certain population for a given study endeavour. The researcher will have to incorporate individuals of great significance in relation to supplier performance management on service delivery and these were procurement experts, marketing experts, food and beverage experts and accounting experts. For the purposes of this paper, the researcher shall also utilise purposive sampling to choose the top management. The researcher discovered that the top managements' experience and administrative insights are very crucial to this research. The researcher shall exclude the staff members who did not fit well with the purpose of this study. Receptionists, human resources management, maintenance workers and cleaners were excluded.

3.5 Research Instruments

Refers of the instruments used to collect information and find solutions to research issues. Assessing the effect of supplier performance management on service delivery at Chinhoyi University of Technology was the goal of the descriptive design. Questionnaires were used by the researcher in this specific investigation.

3.5.1 Questionnaire

The researcher made use of a questionnaire which she used to cover the necessary parts of supplier performance management for her to address the research objectives. More so, closed ended questions were adopted by the researcher. Closed ended questions present options to pick answers for the participants, for this paper questions had options of agree, disagree and strongly agree. Close ended questions are easy to answer, to compare the responses of participants, to analyse the data and also save time. Questionnaires are the quickest survey technique because the participants can respond concurrently in spite of the number of participants (Neuman, 2012).

3.6 Data collection procedure

To begin with, the researcher needs authorization from the hotel administration to gather data at the Chinhoyi University of Technology Hotel. Since the researcher chose to use a questionnaire as her research tool in her study, she had to schedule a time to contact consent via phone or email. She also had to send copies of the questionnaire via email to all staff members, including the upper management, at the Chinhoyi University of Technology Hotel. Both senior managers and staff members agreed to participate in this study when it was asked of them.

3.7 Validity and reliability of data

The researcher used a pilot study and the appropriate research instruments to ensure validity and reliability. A pre-test of the survey was carried out by handing out the three questions to participants at the Hotel of Chinhoyi University of Technology. This was carried out to ascertain the practicality of the questions. Furthermore, a pilot study verifies the research's viability. The major return of conducting a pilot study was to make sure that every question is understood by each participant. Furthermore, she used the various methodologies to enhance reliability and validity. The idea of using various research methodologies is there so as to double verify the outcomes of the study so that an individual can be self-assured with the outcome if diverse methods produce a similar outcome.”

3.8 Data presentation and analysis

A logical series of steps was followed in order to analyse and report the data. In this study, the data were shown using tables, figures, and graphs. The researcher utilized tables because they are simple to read and understand. Furthermore, the researcher also employed bar graphs and pie charts to display the data. Furthermore, the investigator generated graphical representations to elucidate the correlations among variables for enhanced comprehension. Microsoft Excel was used by the researcher to display the data.

3.9 Summary

The chapter covered the research designs, target population, sampling techniques, and research instruments and data collection procedures. The following chapter will present the major findings of the research and their interpretations.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter focuses on the presentation, interpretation, analysis and discussion of data gathered on the impact of supplier performance management on service delivery at Chinhoyi University of Technology hotel considering supply chain, quality and price. This chapter highlights and discusses research findings. The results obtained from the respondents are presented on graphs and charts for illustrations followed by a discussion of the implications of the subject matter.

4.2 Response rate

The questionnaires were administered to the managers and the staff at Chinhoyi University of Technology Hotel.

N = 9

Study Participants	Sample Total	Returned Questionnaires	% Return Rate
Employees and managers	9	9	100

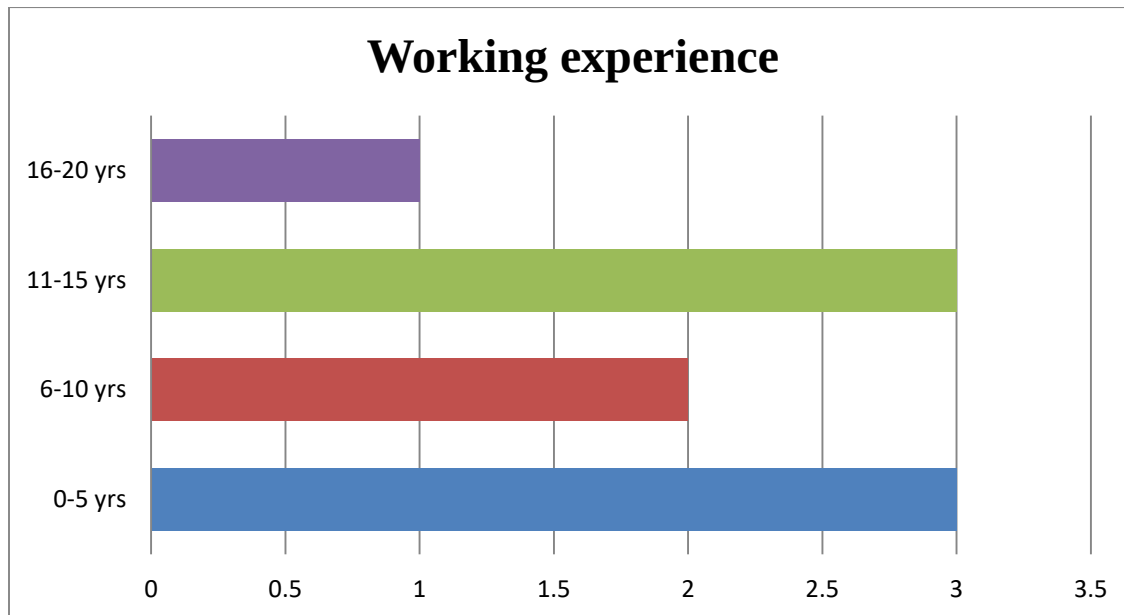
Table 3 Source: Primary data, 2024

The sample size was 9 respondents and all the employees managed to answer the questionnaire. Having a 100% response rate validates the response rate to data analysis and results.

4.2.1 Working experience in years

This question was aimed at determining how long respondents have served the organization. The working experience of the employees who answered the questionnaire is shown statistically in

Figure 6 Working experience



Source: Primary data, 2024

From Fig 6 it can be noted that 6 of the participants which is 77% have accumulated reasonable working experience that ranges from six years and above. This indicates that they have sufficient knowledge in hotel operations in general and supplier performance management in particular. It is believed that, the more the working experience the more the skills acquired and sufficient knowledge gained by the hotel employees who will in turn be of importance in evaluating the suppliers involved.

Awareness of supplier performance program

The aim was to determine the level of awareness for the meaning of supplier performance management among the respondents.

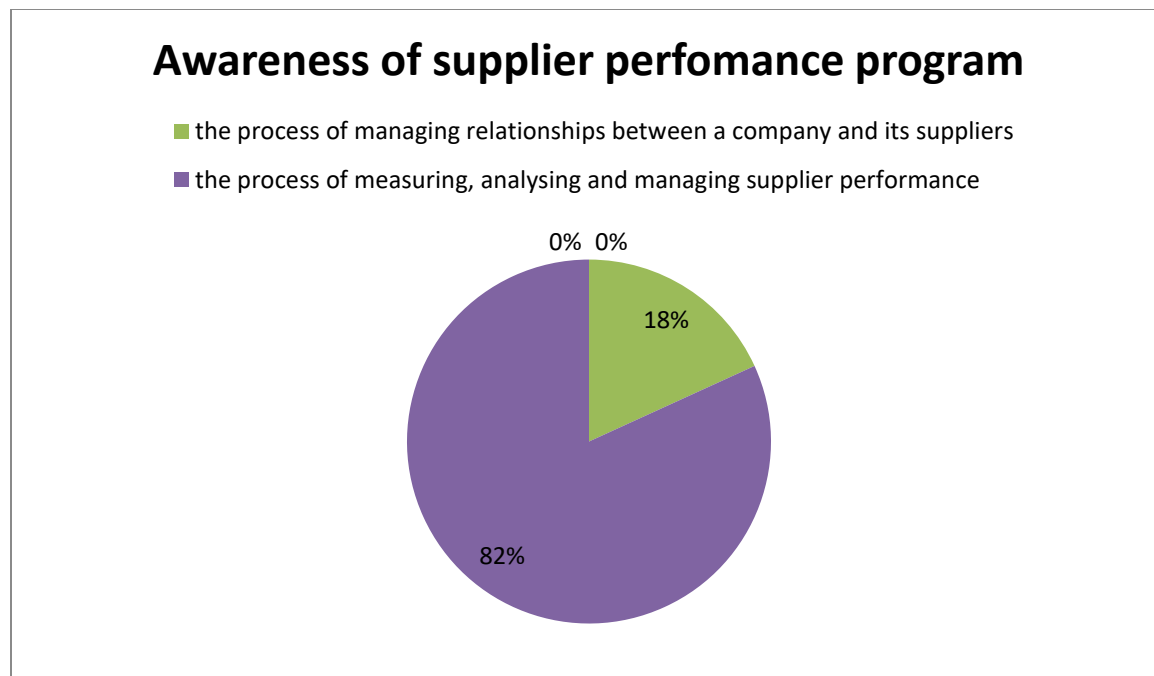


Figure 7 Awareness of supplier performance

Source: Primary data, 2024

Fig 7 shows that 82% of the employees were aware of the meaning of supplier performance management. They indicated that SPM is the process of measuring, analysing and managing supplier performance. Ideally results from the research indicated that the concept of supplier performance management is part and parcel of systems and procedures of Chinhoyi University of Technology. According to Aberdeen group (2002) supplier performance management was defined as the process of measuring, analysing and managing supplier performance for purpose of reducing costs, mitigating risk and driving continuous improvement.

4.1 Importance of supplier performance management

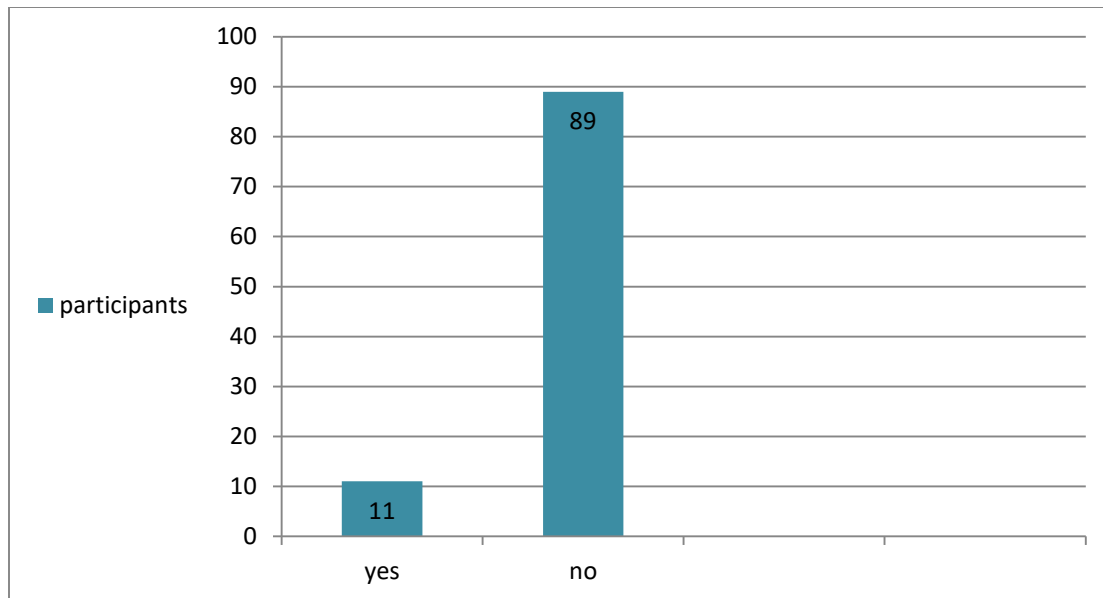


Figure 8 Importance of carrying out SPM

Source: Primary data, 2024

Fig 8 shows that 89% of the respondents who were aware of supplier performance management agreed that supplier performance program is of paramount importance whereas 11% found it being of no importance.

4.1.1 Why do you think it is vital to carry out a supplier performance management program?

This question aimed to establish respondent's opinions as to why they were a necessity in carrying out supplier performance management in the hotels. In essence the question's aim was to find out whether the program was value adding or unworthy.

From the research responses it was found out that the reasons for carrying out supplier performance management from time to time were enveloped in the benefits of the program. It creates, promotes and maintains a state of balance among the five rights of purchasing of the **Right price, quality, quantity, place and product**. It also promotes a culture of research and development in suppliers and hence suppliers will add value to hotel operations.

Gordon (2006) came up with the view that an enterprise should measure the performance of their suppliers as it boost performance noticeability, reveal and take away concealed desecrate and price drivers in procurement, control the supply base, side with customer and business practices, risk management and improved supplier performance

4.2 How many times in a year should SPM be conducted?

The purpose of this question was to establish the intervals or periods in a year that supplier performance management could be undertaken as they ought to be specific time frames set that needed to be consistently adhered to.

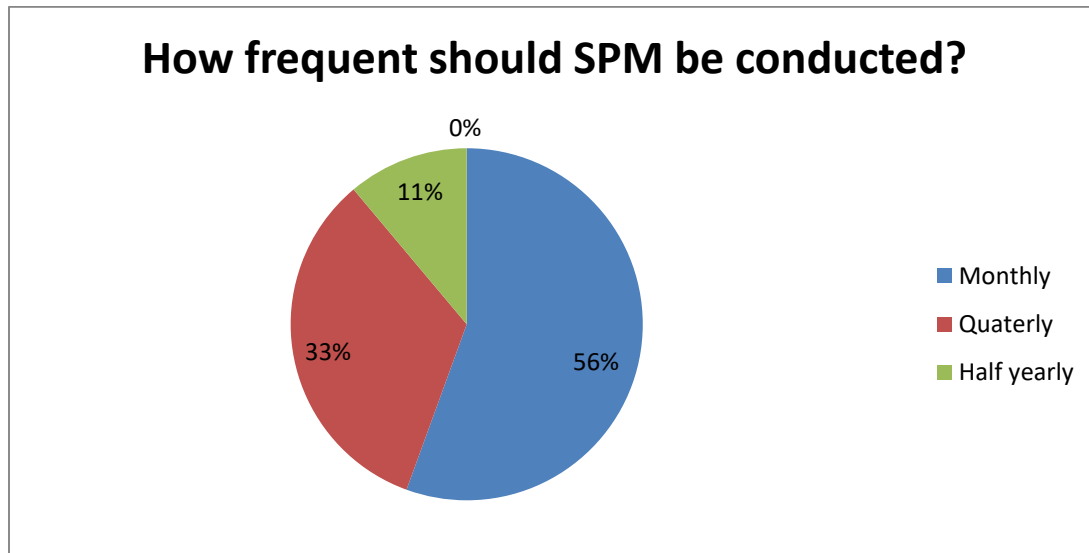


Figure 9 How frequent should SPM be conducted?

Source: Primary data, 2024

From fig 9 it can be observed that 56% of the respondents are of the opinion that supplier performance management should be carried out on a monthly basis, 11% think that twice a year is appropriate and 33% believe quarterly a year is adequate. In essence the responses indicate that SPM should not be a once off issue, rather it should be continuous and done consistently for it to add value in systems and procedures of Chinhoyi University of Technology hotel.

According to Lindsay (2012), at their hotel every month they ask for the best price and promotions on offer to help save costs through the lower prices. In their procurement process they try to stay within a 1 - 5% value as part of their product costs strategy, hence raising the need of evaluating suppliers' monthly in order to be aware of offers and discounts available and it also helps in quick discovery of any changes in the market.

4.3 Ratings of the current SPM program

Ideally this question aimed at establishing from the respondents' point of view how they rated the current supplier performance management program of their hotels thus whether the achievements of the program had served satisfactorily its existence and purpose as per expectations.

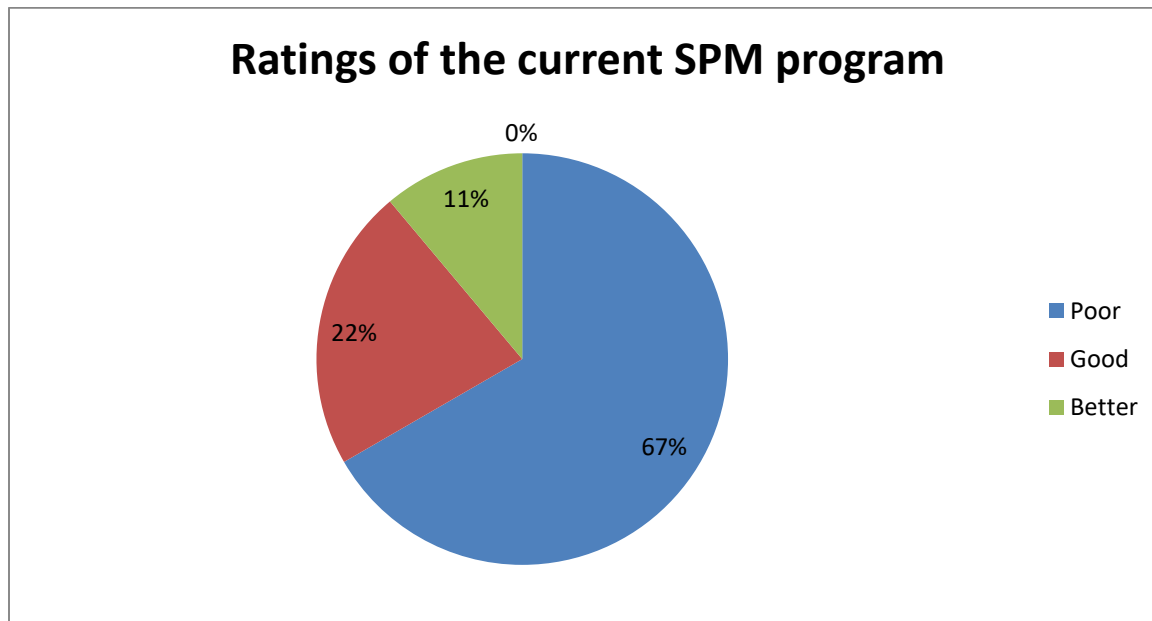


Figure 10 Ratings of the current SPM program

Source: Primary data, 2024

This question generated different opinions as Fig 10 shows 67% of the respondents were of the view that the current program in their hotel was poor, 22% were of the view that the program is better and 11% indicated good. The results from the research indicates that the current SPM programs at Chinhoyi University of Technology hotel is in a bad shape as the programs have failed to contribute significantly to ideal service delivery efforts this is due to the fact that management are of the view that you cannot improve what you cannot measure.

CIPS, (2007) highlighted that supplier ratings are done poorly since management regard the process as time consuming and a costly activity hence the process is overlooked or done selectively.

4.4 Effects of an ineffective supplier performance management program

The motive of this question was to establish the characteristics of an ineffective supplier performance management in hotel operations (service delivery). From the gathered data the effects

of a poor supplier performance management program are best summarized as, inconsistent and unreliable supplier delivery schedule, low quality product and increase in operational costs. Basically the responses indicate that poor supplier performance programs have visible negative impacts that affect good service delivery efforts.

4.5 The challenges in implementing effective supplier performance management

Most of the participants indicated that they strongly agreed that lack of buyer to seller communication was one of the major challenges in implementing supplier performance management at Chinhoyi University if Technology Hotel. According to Jeffery (2014) buyers have become too opaque in the amount of information they share with suppliers. This has led to vast mistrust between the hotel and suppliers. This can be improved by being more transparent. The respondents also strongly highlighted mitigation of supplier related risks is one of the major challenges in the implementation of supplier performance management. When a supplier faces a risk, it can have a significant impact on the buyer's business. In addition to that, they also highlighted over reliance to on supply, contact conflicts and lack of supplier performance management clarity as challenges in the implementation of supplier performance management.

4.6 Strategies that can be used to improve the current supplier performance programs

This question pursued to generate ideas from respondents on how the current supplier performance management scheme could be improved. Reasonable ideas can then be incorporated in improving the performance of the existing program to increase its usefulness and ensure that more value is added in hotel operations. From the research various recommendations were obtained. It was highlighted that involvement of the top management in reviewing supplier performance ensures transparency and ethical behaviour within the organisation. Also provision of sufficient funding enhances smooth flow of the process. Internal and external supplier performance management training with local and regional hotel operators adds value to hotel operations. Consultations of independent boards for example Dunn and Brad Street Publishing of results in the quarterly hotel magazines assists in the SPM. Hence this indicates the arising need for more research and development in order to evaluate supplier performance effectively.

4.7 Summary

The chapter highlighted how data was presented and analysed. The chapter presented results obtained from the study as per research questions as outlined on questionnaires. Data collected from questionnaires was presented systematically with the aid of graphs, charts and tables necessary. More so the data was analysed and interpreted as per the opinions of respondents.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

The chapter shall provide a summary of study results and the conclusions drawn from the findings. The researcher shall also discover recommendations of the study findings. It is a synthesis of chapters One to Four. The centre of attention of this chapter is to summarize the findings, conclusion and recommendation on the impact of supplier performance management on service delivery at Chinhoyi University of Technology hotel considering supply chain, quality and price.

5.1 Summary of findings

The most important aim of this research was to assess the impact of supplier performance management on service delivery at Chinhoyi University of Technology (CUT) hotel. The researcher also wanted to identify the approaches that can be used in implementing Supplier Performance Management (SPM) and the standards that can be used in carrying out Supplier Performance Management. In addition to that, the researcher wanted to examine the challenges and barriers to implementing effective supplier performance management at Chinhoyi University of Technology hotel. The researcher was successful and managed to extract that there is a higher awareness and appreciation of the meaning, relevance and application of Supplier Performance Management (SPM) programs among the at Chinhoyi University of Technology hotel.

The researcher also established that carrying out Supplier Performance Management (SPM) programs is essential as a research and development culture would be implanted in suppliers to improve their products performance, it imparts the procurement officers with the knowledge in evaluating which suppliers are performing well or bad and ensures that suppliers consistently conform to set expectations. Supplier Performance Management (SPM) programs should be conducted preferably monthly in order to have better visibility on supplier's performance. Inconsistent and late supplier delivery, low quality products and increase in operational costs were among the most disastrous signs and symptoms of poor Supplier Performance Management (SPM) programs. The involvement of head of departments and provision of adequate funding were some

of inevitable strategies that could be employed to secure more benefits from SPM programs. Scorecards, survey methods and comparative schedules were tried and tested strategies that can be used to carry out SPM programs.

5.2 Conclusions

Conclusions were drawn from the objectives of the research.

5.2.1 Objective 1: To establish the role of supplier performance management towards the service delivery of Chinhoyi University of Technology (CUT) hotel operations.

By measuring and monitoring supplier performance on regular basis, Chinhoyi University of Technology (CUT) hotel can take in some major profit. First, the hotel can stay away from costly and potentially overwhelming supply disturbance; that is the supplier performance management can help in decisions concerning how to dispense the use for an item among numerous suppliers to improved management of risk. In addition, hotels that employ flourishing supplier performance management practices shall find it easier to identify inconveniences early and start to implement remedial activities before the challenge reaches extremes. Results from supplier performance management programs can be used in making informed business decisions that impact the hotels. More so quality service provision to the guest is guaranteed as the quality of inputs determines the quality of outputs. (“**Garbage in garbage out principle**”)

5.2.2 Objective 2: Methods that can be used to carry out supplier performance management scheme

Various methods can be used for a supplier performance management program. Such methods include but are not limited to

5.2.2.1 Survey method

These are carried out by third party supplier performance management firms. The firms act independently and produce highly reliable data. Using their organisational resources they contact customers either by sending in questionnaires, carrying out interviews and site visits amongst other techniques to gather relevant data. However, it is expensive and at times quality of data collected may be poor and depends on the source from which information is collected

5.2.2.2 Weighted point

A weighting factor is established for each of the areas that indicate the supplier's performance and a score will be allocated which will then be multiplied by the weight and then averaged. It allows evaluators to take into account all factors. However less useful for long term evaluation as evaluators may lose interest

5.2.2.3 Score card

Score cards are ratings presented systematically providing objective measurements of performance and indicate the supplier's conformance to requirements. Scores for each performance indicator are then aggregated to give an overall grade that provides feedback which is then used to act as an incentive to improvement.

5.2.3 Objective 3: Effective standards that can be used for supplier performance management

Based on the results, the study came to the conclusion that the standards followed at Cut Hotel are those related to product and delivery assessment, capacity assessment, information assessment, and nature of product input.

5.2.4 Objective 4: The challenges and barriers to effective supplier performance management

Various challenges and barriers can be associated with effective supplier performance. Such challenges include:

5.2.4.1 Contract Conflicts

Contracting an unfair deal that is not in line with the requirements of both buyers and suppliers can lead to avoidable matters. Supplier relationship management in supply chain has a tendency to profit all the concerned parties. On the other hand, inadequate association between organizations and suppliers can be disturbing if the purchasing firm needs to team up with suppliers working to take advantage of customers

5.2.4.2 Priority alignment

Strategic aims to enhance relationships with suppliers could diverge with traditional goals, such as a focus on cost management.

5.2.4.3 Buyer-seller communication

Procurement management and representatives must encourage supplier representatives to communicate and offer recommendations in an open and sincere manner, and then demonstrate their willingness to pay attention.

5.2.4.4 Supplier Performance Management strategy

A lack of strategy can lead to inconsistent results, if not worse. Instead of operating in a reactive manner, hotels should employ a supplier performance management technique.

5.2.4.5 Over-reliance on One Supplier

Suppliers can collaborate with multiple businesses at once. Because of the unavailability of the requested goods or services, they may exceed the delivery deadline. Another issue that may affect supplier performance management is an excessive dependence on one provider.

5.3 Recommendations

5.3.1 To the hotel

5.3.1.1 Regular training and development for hotel procurement personnel

This involves arranging workshops and seminars intended to impart knowledge to hotel procurement officers from time to time. Knowledge is power thus professionalism is natured in the best interest of the hotel. Training can be conducted quarterly because the supply chain is dynamic and thus the knowledge gap is reduced. In addition, hotels can make use of local and regional meetings of various hotels so as to provide unique platforms to exchange ideas and information from the participants. For instance, African Sun and Rainbow Tourism Group officials can meet with the agenda to share and learn from each other essential aspects that characterize supplier performance management programs of their organisations. More so such training and development programs can be done in the guidance and stewardship of reputable third party consulting firms like Standards Association of Zimbabwe and Consumer Council of Zimbabwe.

5.3.1.2 Provision of adequate funding and top management commitment and support

Finance is the lifeblood of any organisational program and the supplier performance management scheme in particular. Adequate funds enhance the success of each stage in the supplier performance management program. Unavailability of funds increase the risks of biased results as relevant stages might be skipped.

In addition, the success of a well-structured supplier performance management program lies within the commitment and support of top level hotel management. Their contribution before, during and after the supplier performance management program have a bearing on the outcome. Adequate funding goes a long way in ensuring that adoption of SPM software is relatively easier and quicker. Funding supports all research and development as well as training and development programs

5.3.1.3 Implementation of Supplier Performance Management Software

Manually conducting supplier performance management has in all regards proved to be time and finance consuming amongst other aspects. The introduction of supplier performance management software in hotel systems breathes in a bundle of rewards. One such reliable, efficient and user friendly tool is the **Contiki Supplier Performance Management Software**.

5.3.2 Tourism and hospitality sector

5.3.2.1 Vibrant research and development programs

The supply chain environment is ever changing hence arising the need to carry out continuous research and development programs from time to time. When carried out objectively research and development uncovers all drawbacks and attempts that can be made to rectify all grey areas. Research and development unlocks all weak areas, systems as well as procedures that need improvement. Supplier performance management is diverse thus research breathes in better ways and techniques to carry out the program to ensure and promote that hotel operations are world class.

5.3.2.2 Competitive Recruitment

Recruitment and selection of employees in general and purchasing personnel in particular should be on merit basis. Qualified, skilled, experienced and crime-free record personnel need to be accepted in hotel operations, systems and procedures so that they can contribute significantly in

the attainment of hotel short, medium and long term objectives as well as improving the tourism standards of the country. More so racism and nepotism should at all times never exist in the recruitment systems of hotels.

5.4 Suggestions for further research

This paper of research does not drain all aspects on the research topic in question. It only focused on the supplier performance management thus future research can study the buyer-supplier relationship and quality management techniques. Future studies can also be done on other industries that proffer tangible services such as manufacturing firms since this study was limited to hotels which offer intangible services.

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APPENDIX 1

QUESTIONNAIRE

SECTION A: INTRODUCTION

My name is Maenzanise Prudence a student at Bindura University of Science Education who is carrying a research on the assessment of the impact of supplier performance management on service delivery at Chinhoyi University of Technology Hotel. May you kindly complete the Questionnaire by ticking in the appropriate boxes. For aspects that need elaboration, you fill-in the given blank spaces. Confidentiality and due diligence will be exercised to responses of the questionnaire as it will be used for academic purposes.

Instructions

- (a) Please tick or fill where necessary
- (b) Do not identify yourself in any way in your responses
- (c) Please be honest in your responses

SECTION B

1. Position: Manager ☐ Employee ☐
2. Department: Procurement ☐ Marketing ☐ Accounting ☐ Food and Beverage ☐
3. Working Experience (years)
- | | | | | |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| ☐ | ☐ | ☐ | ☐ | ☐ |
| Less than 5 | 6-10 | 11-15 | 16- 20 | 20 and above |

Section C

4. Do you know the meaning of supplier performance management?
- a) Supplier performance management is the process of measuring, analysing and managing supplier performance. ☐
 - b) Supplier performance management is the process of managing relationships between a company and its suppliers. ☐
5. (a) Do you think it is important to carry out a supplier performance management program?
- Yes ☐ No ☐
6. How many times in a year should supply performance management program be conducted?
- Monthly ☐ Quarterly ☐ Half yearly ☐ Yearly ☐

7. How do you rate the current supplier performance management program of your CUT hotel?

Poor ☐ Good ☐ Better ☐ Best ☐

8. What are the effects of an ineffective supplier performance management program?

On the scale of 1 (strongly disagree) to 5 (strongly agree), please indicate to what extent you agree with the following statements

Increases costs					
Damages the product or service quality					
Hinder competitiveness					

9. What recommendations do you have that can be used to improve the current supplier performance programs?

On the scale of 1 (strongly disagree) to 5 (strongly agree), please indicate to what extent you agree with the following statements

Align customer and supplier business practices.					
Leveraging the supply base.					
Uncovering and removing hidden waste and cost drivers in the supply chain.					
Increasing performance visibility					
Mitigating risks.					

10. What are the challenges and barriers in implementing effective supplier performance?

On the scale of 1 (strongly disagree) to 5 (strongly agree), please indicate to what extent you agree with the following statements

Supplier Performance management strategy					
Priority alignment					
Lack of Supplier Performance Management clarity					
Buyer-seller communication					
Mitigating Supplier-related Risks					
Ticking Regulatory Checkboxes					
Contract Conflicts					
Over Reliance on One Supplier					
Focusing only on Cost Efficiency					
Ticking Regulatory Checkboxes					

The End

Thank You for Your Cooperation