

TITTLE PAGE
BINDURA UNIVERSITY OF SCIENCE EDUCATION



DEPARTMENT OF ECONOMICS

FACULTY OF COMMERCE

**THE IMPACT OF BUYER- SUPPLIER RELATIONSHIPS ON ORGANISATIONAL
PERFORMANCE. CASE STUDY OF SHAMVA DISTRICT HOSPITAL.**

BY

KUDZAISHE RUTSINGA

STUDENT I.D B1851458

SUPERVISED BY DR S MUKOKA

**A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS
FOR THE BACHELOR OF COMMERCE HONOURS DEGREE IN PURCHASING AND
SUPPLY OF BINDURA UNIVERSITY OF SCIENCE EDUCATION. FACULTY OF
COMMERCE.**

MAY 2022

RELEASE FORM

Name of Author: Kudzaishe Rutsinga

Title of Project: The impact of buyer-supplier relationship on organisational performance: Case study of Shamva District Hospital (2020-2022).

Degree Programme: Bachelor of Commerce Honours degree in Purchasing and supply.

Year submitted: 2022

Permission is hereby granted to Bindura University of Science Education to reproduce copies of this project and to lend or sell such copies private, educational or scientific purposes only. The author reserves other publication rights; and neither the project nor extensive extracts from it may be printed or otherwise produced without the author's permission.

Address: Stand Number 14 Village 16
Two Tree Resettlements
Chinhoyi

Signed..... Date.....

DECLARATION

I, Kudzaishe Rutsinga do hereby declare that this entire project is an original copy of my own work and has not been published before or submitted to any other university or institution and has not been copied or lifted from any source without the acknowledgement of the source.

APPROVAL FORM

The undersigned certify that they have read and recommended to Bindura University for acceptance, a project entitled **“The impact of buyer-supplier relationship on organisational performance: A case study of Shamva District Hospital, (2020-2022)”** in partial fulfilment of the requirements of Commerce Honours degree in Purchasing and Supply.

Supervisor.....

Date.....

Chairperson.....

Date.....

DEDICATION

I dedicate this dissertation to my parents Mr. F. and Mrs. R. Rutsinga for believing so greatly in me and in the potential that I have to achieve greatness. I want to continue making you proud.

ABSTRACT

The major thrust of the research was on assessing the impact of buyer-supplier relationship on organisational performance in the service industry. A case study of Shamva District Hospital was used covering the period 2020 to 2021. The researcher was motivated to carry out the research due to poor service delivery, late deliveries and also wrong products deliveries at Shamva District Hospital. These situations indicated poor relationships with suppliers and prompted the researcher to carry out the study. Relevant literature was reviewed in chapter 2. The instrumental case study research design was used to carry out the research. Data was gathered from sample of 20 employees selected using the purposive and judgemental sampling methods. The respondents were from seven departments namely procurement, accounting, human resources, pharmacy, nutrition and stores. After data collection, it was recorded using pie charts, graphs. Findings indicated that there was a low level of trust and commitment between the buying and the supplying organisation, there are no mutual goals between the trading organisations, communication was poor, there was a very low rate of response to one another's needs and finally the organisations were not cooperating well. The researcher concluded that supplier relationship management had a great impact on the performance of an organisation. The student researcher also that Shamva District Hospital had adopted supplier relationship management practice to a very low extent and lack of trust, lack of cooperation, lack of mutual goals and poor communication were the challenges hindering effective supplier relationship management at the hospital. In light of the above conclusions, the researcher recommended that the company should communicate regularly and effectively with suppliers, behave ethically and honestly and finally utilise the use of purchasing software.

ACKNOWLEDGEMENTS

First and foremost, I would like to stretch my heart-felt gratitude to Dr. S. Mukoka project supervisor for his constant, incisive guidance which enable me to come up with this delightful piece of work. His professional expertise, enthusiasm and commitment to supervising my work was excellent. I also extend my gratitude to Shamva District Hospital with special thanks to Mr Chirima and Mr Chipangura for their commitment during my data collection phase.

Special thanks goes to my parents, Mr F and Mrs R Rutsinga and also my uncle and aunt, Mr S and Mrs S Rutsinga for the unwavering support, you are a jewel and a pillar of strength in my life as you provided me with resources that I believe made this project a success. Many thanks goes to my friends Diana Chomba and Tanaka Chigwida for standing by my side in difficult times, it was not easy to complete all my academic undertakings but you constantly reminds me about my expectations at the university. Last but not least, had it not been for the blessings from Jehovah all these efforts could have been fruitless. THANK YoU JEHoVAH

TABLE OF CONTENTS

| | |
|--|------|
| Contents | |
| TITTLE PAGE..... | i |
| RELEASE FORM..... | ii |
| ABSTRACT..... | vi |
| ACKNOWLEDGEMENTS..... | vii |
| Contents..... | viii |
| LIST OF TABLE..... | xi |
| LIST OF FIGURES..... | xii |
| LIST OF APPENDICES..... | xiii |
| CHAPTER I..... | 1 |
| INTRODUCTION..... | 1 |
| 1.0 Introduction..... | 1 |
| 1.1 Background of the study..... | 1 |
| 1.2 Statement of the problem..... | 2 |
| 1.3 Purpose of the study..... | 3 |
| 1.4 Objectives of the study..... | 3 |
| 1.5 Research questions..... | 3 |
| 1.6 Significance of the study..... | 3 |
| 1.6.1 To Shamva District Hospital (SDH)..... | 4 |
| 1.6.2 To BUSE..... | 4 |
| 1.6.3 To the researcher..... | 4 |
| 1.6.4 To the suppliers..... | 4 |
| 1.7 Assumptions..... | 4 |
| 1.8 Delimitations..... | 4 |
| 1.9 Limitations..... | 5 |
| 1.10 Definition of terms..... | 5 |

| | |
|---|----|
| 1.11 Structure of the research..... | 5 |
| 1.12 Chapter summary..... | 6 |
| CHAPTER TWO..... | 7 |
| LITERATURE REVIEW..... | 7 |
| 2.0 Introduction..... | 7 |
| 2.1 The conceptual framework..... | 7 |
| 2.2 Theoretical framework..... | 8 |
| 2.2.1 Agency theory..... | 8 |
| 2.2.2 Resource dependency theory..... | 9 |
| 2.2.3 Transaction Cost Theory..... | 9 |
| 2.3 Impact of buyer-supplier relationships on organisational performance..... | 11 |
| 2.4 Win lose relationship..... | 12 |
| 2.5 Win-win relationship..... | 12 |
| 2.6 Buyer-supplier relationships on adaptation..... | 13 |
| 2.7 Challenges on implementation of the buyer-supplier relationship..... | 14 |
| 2.7.1 Lack of advanced technology..... | 14 |
| 2.7.2 Maintaining buyer-supplier relationship..... | 15 |
| 2.7.3 Lack of trust..... | 15 |
| 2.7.4 Lack of capacity and funds..... | 15 |
| 2.7.5 Lack of knowledge and skill..... | 16 |
| 2.7.6 Unclear defined goals..... | 16 |
| 2.8 Empirical evidence..... | 17 |
| 2.9 Gap analysis..... | 23 |
| 2.10 Chapter Summary..... | 23 |
| 3.0 Introduction..... | 24 |
| 3.1 Research Design..... | 24 |
| 3.2 Target Population..... | 25 |
| 3.3 Sampling..... | 25 |
| 3.4 Sampling technique..... | 26 |
| 3.4.1 Convenience sampling technique..... | 26 |
| 3.4.2 Justification of the convenience sampling technique..... | 26 |
| 3.4.3 Judgemental or purposive technique..... | 26 |
| 3.4.4 Justification of judgemental or purposive sampling method..... | 27 |
| 3.5 Research instruments..... | 27 |

| | |
|---|-----------|
| 3.5.1 Questionnaire..... | 27 |
| 3.5.2 Justification of Questionnaire..... | 28 |
| 3.5.3 Interviews..... | 28 |
| 3.6 Data collection procedures..... | 30 |
| 3.7 Validity and reliability..... | 30 |
| 3.8 Data presentation and analysis procedures..... | 30 |
| 3.9 Ethical considerations..... | 31 |
| 3.10 Chapter summary..... | 31 |
| CHAPTER 4..... | 32 |
| DATA PRESENTATION, ANALYSIS AND DISCUSSION..... | 32 |
| 4.0 Introduction..... | 32 |
| 4.1 Response Rate from research instruments..... | 32 |
| 4.1.1 Questionnaires Response rate..... | 32 |
| 4.1.2 Interview Response..... | 33 |
| 4.2 Personal attributes..... | 34 |
| 4.2.1 Demographic characteristics of participants..... | 34 |
| 4.2.2 Age..... | 35 |
| 4.3 Distribution of respondents by academic qualification..... | 36 |
| 4.4 Distribution of respondents according to occupation..... | 37 |
| 4.5 Employment experience..... | 38 |
| 4.6 Supplier Relationship Management in the context of Shamva District Hospital..... | 39 |
| 4.7 How buyer-supplier relationship management level at Shamva District Hospital has affected organisational performance..... | 40 |
| 4.8 Supplier relationship management variables and their effect on SDH performance..... | 41 |
| 4.9 The existence of mutual goals between buyer and supplier organisation and organisational performance..... | 41 |
| 4.10 The level of commitment between buyer and supplier organisations..... | 42 |
| 4.11. Impact of trust on Buyer-Supplier relationships and organisational performance..... | 43 |
| 4.12 Impact of co-operation on buyer-supplier relationships and organisational performance..... | 44 |
| 4.13 Impact of communication on buyer-supplier relationship and organisational performance..... | 45 |
| 4.14 Measuring the extent to which SDH has embraced Buyer – Supplier Relationship Management..... | 45 |
| 4.14.1. Whether Supplier Relationship Management form part of respondent’s responsibilities..... | 46 |

| | |
|---|----|
| 4.14.2: The proportion of employee’s time spent on Supplier Relationship Management | 46 |
| 4.14.3. Who leads Supplier Relationship Management (SRM) in the organisation? | 47 |
| 4.15. Challenges facing Buyer - Supplier Relationship Management | 48 |
| 4.16 Strategies which the company should put in place to improve the nature of buyer-supplier relationship management | 49 |
| 4.17 Chapter summary | 50 |
| CHAPTER 5 | 51 |
| SUMMARY, CONCLUSIONS AND RECOMMENDATIONS | 51 |
| 5.0 Introduction | 51 |
| 5.1 Summary of findings | 51 |
| 5.2 Conclusions | 52 |
| 5.3 Recommendations | 53 |
| 5.3.1 Communicate regularly and effectively with suppliers | 53 |
| 5.3.2 Develop trust with suppliers | 53 |
| 5.3.3 Avoid excessive demand with the suppliers | 53 |
| 5.4 Suggestions for Further Research | 54 |

LIST OF TABLE

| | |
|---|----|
| Table 4.1 Questionnaire Responses..... | 33 |
| Table 4.2 Interview Response..... | 33 |
| Table 4.3 Occupations..... | 38 |
| Table 4.4: Challenges facing buyer -supplier relationships..... | 48 |

LIST OF FIGURES

| | |
|---|----|
| Figure 4. 1 Gender of respondents..... | 34 |
| Figure 4.2 Age range of respondents..... | 35 |
| Figure 4.3 Academic qualifications..... | 37 |
| Figure 4.4 Employment experience..... | 38 |
| Figure 4.5: Impact of poor SRM on SDH performance..... | 40 |
| Figure 4.6: Existence of mutual goals between buyer and supplier organisation and organisational performance..... | 42 |
| Figure 4.7: The level of commitment between buyer and supplier organisations..... | 42 |
| Figure 4.8: Impact of trust on Buyer-Supplier relationships and organisational performance..... | 43 |
| Figure 4.9: Impact of co-operation on buyer-supplier relationships and organisational performance..... | 44 |
| Figure 4.10: Impact of communication on buyer-supplier relationship and organisational performance..... | 45 |
| Figure 4.11: Whether Supplier Relationship Management form part of respondent's responsibilities..... | 46 |
| Figure 4.12: The proportion of employee's time spent on Supplier Relationship Management..... | 47 |
| Figure 4.13: Strategies which the hospital should put in place to improve the nature of buyer-supplier relationship management..... | 50 |

LIST OF APPENDICES

Appendix A Questionnaire responses.....

Appendix B Interview guide.....

CHAPTER I

INTRODUCTION

1.0 Introduction

The impact of buyer-supplier relationship on organizational performance is discussed in this chapter. It includes information on the study's history, problem statement, purpose, research objectives, research questions, and importance, as well as assumptions, delimitations, and constraints, study organization, and definitions of important words.

1.1 Background of the study

Suppliers are an important part of the supply chain and may have a big influence on company success. One of the key duties of the buying department is to establish partnerships between buyers and suppliers, especially in this digital age. If a company wants to control costs and maintain a healthy supply chain, good supplier relationships are essential. In today's world, businesses battle for market share and position with other businesses in their fields. Because the relationship between buyers and suppliers is perceived as a win-lose scenario in such competitive situations, buyers frequently treat suppliers as adversaries. Many suppliers are thrown out of business because they couldn't make ends meet under the terms established by the firms who were buying their goods and services. Extending payment terms by the purchasing organization, for example, would provide a corporation more cash on hand at the price of having its suppliers wait to get paid. As a result, supplier relationships may be viewed as a focus point for the organization's overall performance.

Buyer-supplier relationship management is not a new idea that can be applied to

many organizations, and it has lately become the most essential worry in various organizations. According to Burt et al. (2003), supplier relationship management is a major problem since it is a major factor in the success or failure of most businesses. As a result, most businesses are looking for the best ways to preserve and manage their relationships. Most service industries concentrate more on their core activities, as a result leading to increase in number of suppliers to supply non-core activities. As a result, a new strategy or approach focusing on supplier relationships is required. Buyer-supplier connections are not a quick-win solution that can be completely implemented and successful in a short amount of time, but rather a slow-win solution that takes time to execute since all relationships require trust, which takes time. It's something that can be introduced without a major shift in procurement, the organization it serves, or the suppliers involved. According to William (2000), good suppliers are a critical link in the supply chain. Late deliveries of components of materials or faulty goods wreak havoc on service providers' workflows, upsetting manufacturing schedules, driving up inventory costs, and causing end-product delivery delays. Most businesses attempt to implement initiatives that foster deeper ties in order to cut product costs, shorten time to market, enhance quality, implement innovative technology, or improve service or delivery.

Buyers must regard their suppliers as partners, and when they do, they can share strategic information with them, improve lead times, expand operating flexibility, and develop long-term cost savings, all of which may assist these companies improve value for the end customer. According to Chin-Chun (2008), the benefits of collaborative connections come in the form of a company's capacity to engage in mutually beneficial value exchanges with its suppliers.

1.2 Statement of the problem

Shamva District Hospital's (SDH) performance has deteriorated in recent years, owing to more easily disrupted supply chains involving dozens, if not hundreds, of vendors. Before the procurement department was established at SDH in 2019, all the buying of goods was done by the administration and the pharmacy departments. Relationships were not created and the buying of goods were not done properly. Not only that, but Covid-19 also contributed to the hospital's poor performance because

of the lockdown, in which numerous borders were blocked and most pharmaceuticals were imported from outside the country, making importation extremely difficult. This has resulted in a rise in medical and non-medical supply shortages, as well as longer lead times and delivery delays. The problem is exacerbated by the globalisation of medical and non-medical markets, as well as increased outsourcing of services, which has resulted in supply chains with weak links, obstructing the free flow of necessary medical and non-medical products. Because of the aforementioned issues, the hospital must form strategic agreements with suppliers in order to secure a continuous supply of medications, especially in this Covid age. At Shamva District Hospital, however, no research has yet been conducted to assess the impact of supplier relationships on organizational performance. As a result, the researcher decided to investigate the influence of supplier relationships on hospital performance.

1.3 Purpose of the study

The project was inspired by the issues of uneven drug supply at Shamva District Hospital, and it intends to assess the impact of supplier relationships on the hospital's overall performance.

1.4 Objectives of the study

The research aimed to accomplish the following goals:

- i. To assess the impact of the buyer-supplier relationship on business performance.
- ii. Determine to what extent the hospital has established buyer-supplier partnerships.
- iii. To learn about the challenges which were encountered in forming connections between buyer and supplier organizations.

1.5 Research questions

The goal of the research was to address the following questions:

- i. How do buyer-supplier interactions affect organizational performance?

- ii. Has Shamva District Hospital developed a supplier relationship to any extent?
- iii. What are the challenges that organizations face while establishing supplier relationships?

1.6 Significance of the study

The following groups found the study extremely useful:

1.6.1 To Shamva District Hospital (SDH)

The research educated SDH management about the influence of supplier relationships and how to establish them, as well as the relevance of establishing strategic partnerships with suppliers on the organization's success. The study will also help to boost the image of Shamva District Hospital by allowing them to form ties with suppliers.

1.6.2 To BUSE

The research will result in a realistic collection of investigated documents. It will also assist BUSE in expanding secondary data that can be used as a standard for other students and as a source of reference.

1.6.3 To the researcher

The study will help the researcher increase her knowledge and gain confidence and appreciation for the field of study. As the research continues, the study will also assist the researcher with practical application and data presentation.

1.6.4 To the suppliers

Drug companies, surgical equipment companies, laboratory and theatre equipment companies, and stationery companies are among the hospital's suppliers. Organizations will successfully assure suppliers business through collaborative relationships. This will only increase a sense of belonging among those chosen providers, resulting in long-term connections.

1.7 Assumptions

The researcher assumed:

- i. The researcher will have access to pertinent data.
- ii. The respondents will work with the researcher to provide correct information.
- iv. The organization's low performance was attributable to strained ties with its suppliers.

1.8 Delimitations

The research was limited to the Shamva District Hospital. The study's respondents were Shamva District Hospital employees, and it covered the time period from 2020 to 2021 while the student was employed there. The study looked at how supplier ties affected Shamva Hospital's performance.

1.9 Limitations

The researcher also predicted that there will be bias in data gathering responses. Because this is a case study on one company, drawing one conclusion that applies to other companies may be insufficient. Because part of the data will be secret, the researcher expects that the data will be limited. Due to the limited time available to complete the investigation, time constraints proved to be a key limitation that required careful management. Humans are unpredictable because their attitudes and behaviours are influenced by a variety of factors. Regardless, the researcher was able to predict with confidence that the replies provided were accurate. By analysing the emotion trends of the responses, the student researcher was able to extract useful information and make educated decisions.

1.10 Definition of terms

Buyer-supplier relationship- refers to the connection and link between supply side and buyer's side which allow commercial movements and transaction between entities for the supply chain movement (Morgan, 2004)

Organisational performance- refers to the ability of a firm to meet its goals and mission statements which will be through quality management mostly hence achieve

better results as stated by Manyuru, (2004).

Purchasing- according to Weele, (2002) it is acquiring from both external and internal sources all, skills, resources and knowledge which assists the day to day running of the firm in a favourable manner.

1.11 Structure of the research

The relevance of Chapter 1 is that it develops the background of the entire research as well as crucial facts of the study in order to explain why the researcher undertook a study on this issue. The exact objectives, delimitations, and assumptions are all examined in this chapter. The main goal of chapter 2 is to analyse and explain the literature in light of the research problem and theoretical framework, which allows the researcher to assess ideas that explain the topic under investigation. The chapter also looks at empirical data, in which the researcher examines observed results from other researchers on the issue and compares new and current studies to determine the gap. The researcher's technique of gathering information, research design, target population, data collecting method, and sample size are all discussed in Chapter 3 of the study. The findings are discussed, interpreted, and analyzed in Chapter 4, and the research's conclusions, summary, and suggestions are presented in Chapter 5.

1.12 Chapter summary

Based on a case study at Shamva District Hospital, the chapter examines the influence of buyer-supplier relationships on organizational performance. This chapter dealt with the introductions, problem identification, background, and research limits. The literature review will be covered in the next chapter.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter looks at the work of numerous authors who are linked to the subject at hand. Prior to doing the research study, Anastas (1999) defined literature review as the critical assessment of extracted and even contextualised linked relevant facts published by other researchers through summary and comparison. According to Webster (2012), a literature review saves a number of crucial variables, including facts on whether the issue has been examined previously or whether mothering has yet to be done. This can even aid in deciding whether or not to pursue a certain path of inquiry. This chapter covers related literature on the impact of buyer-supplier relationships on business success.

2.1 The conceptual framework

According to Camp (2001), a conceptual framework is a structure that the

researcher feels best describes the natural course of the topic under investigation. The researcher's description of how the research problem will be investigated. The two factors to be clarified in this study are the buyer-supplier relationship and organizational performance. In order for a company to succeed, it must improve its connections with its suppliers. If there is trust between the buyer and the supplier, strong communication between the buyer and the supplier, collaboration between the buyer and the supplier, a common purpose, and top management backing, an organization may function successfully. Strategic items, for example, necessitate collaborative ties with suppliers. If these goods are missing, there will be no manufacturing and the company will be unable to function. Long-term partnerships with suppliers provide advantages such as economies of scale, supply chain consolidation, reduced pricing volatility, and continuous operation improvement.

2.2 Theoretical framework

The following theories underpin the study:

2.2.1 Agency theory

When one or more principals (owners) hire another individual to act as their agent (or steward) to perform a service on their behalf, they create an agency relationship (Institute of Chartered Accountants, 2005). As a result of providing this service, the agent is given some decision-making authority. The principal's delegation of responsibility and the resultant division of labor aid in the promotion of an efficient and productive economy. The Principal-Agent model's core notion is that the Principal is too busy or lacks the knowledge to execute a particular task, therefore the Agent is hired. However, being too busy also implies that the Principal cannot oversee the Agent correctly (Hancox and Hackey, 2000). A simple agency model suggests that principals lack reasons to trust their agents as a result of information asymmetries and self-interest, and will seek to address these concerns by putting in place mechanisms to align agents' interests with principals and reduce the scope for information asymmetries and opportunistic behavior.

The Principle can try to motivate the Agent in a variety of ways, one of which is through incentive contracts. However, such delegating requires the principal to invest faith in an agent to work in the principal's best interests (Hancox and Hackey,

2000). The buyer-supplier connection is treated as a principal-agent relationship in this scenario, with the buyer as the principal and the supplier as the agent. Information systems, uncertainty of outcomes, conflicting aims, relationship duration, adverse selection, and moral hazard are all factors that impact the buyer-supplier relationship model (Zsidisin and Ellram, 2003). Depending on how these features are integrated, different buyer-supplier relationship models will emerge. Gibbons (1992) uses the principal-agent paradigm to investigate the buyer-supplier interaction, in which the two parties are interdependent and may pursue distinct interests.

In the case study, Shamva District Hospital (SDH) is the Principal who is interested with establishing a long-term connection with suppliers who then become the agent and must commence a contract. As mentioned in the agency theory, information should flow easily between the two parties, and trust must exist between them. In a principal-agent relationship, both parties must fulfill their obligations, which include the principal's obligation to pay the agent for the work performed, as well as the principal's obligation to provide the agent with all necessary information for the agent to carry out his duties. In a buyer-supplier relationship, the buyer must specify exactly what he wants without ambiguity. There are many different sorts of suppliers on SDH, such as medication, surgical, bedding & linen, and hospital bed vendors. These vendors execute various tasks, and if the supplier does not get adequate requirements, the contract may be canceled.

2.2.2 Resource dependency theory

A resource dependence theory (RDT) outlines how an organization's performance is influenced by its external resources (Hillman et al, 2009). According to Pfeffer and Salancik (1978), businesses can gain competitive advantages by obtaining uncommon, precious, non-substitutable materials from the outside world. The key premise of the RDT regarding organizations is that organizations exist by acquiring and maintaining resources from their environment, and that firm performance will fail if the required resources are not obtained. Organizations gain control over resource providers by forming alliances with other agencies, according to Hillman et al, (2009).

Pfeffer and Salancik (1978) proposed that organizations cannot function in isolation, and that they must build relationships with external resources such as suppliers to receive essential resources in order to improve organizational performance and fulfill their goals. As a result, as demonstrated in the RDT, buyer-supplier relationships are vital to organizations because they allow them get uncommon, valuable, and non-substitutable resources from their key suppliers.

2.2.3 Transaction Cost Theory

It analyzes the many mechanisms that may be used to structure exchange interactions, identifying the circumstances in which one mechanism is more suited than another. Given this, Williamson (1985) stated that every problem may be studied using this theory if it can be described as a contract, either directly or indirectly. As a result, we may say that Transaction Cost Theory can be used to study inter-company vertical interactions, such as the buyer-supplier relationship. When a company buys components instead of making them, one or both sides may behave in their own best interests to boost their short-term position at the detriment of the other. When the supply market is competitive and assets aren't highly specialized, the customer can rapidly end the connection with the provider if it fails to satisfy its obligations or if its resources are no longer required (John, 1984).

In this situation, we uncover autonomous processes that clearly distinguish the parties based on the fact that one of them is in a position of power (Heide, 1994). Firms, on the other hand, may seek to reduce opportunistic conduct by recognizing the benefits of working for mutual benefit and putting in place consensual measures (Williamson, 1985). These techniques strengthen the relationship between the parties and, as a result, protect the assets that have been invested in. Depending on the nature of the assets, the level of uncertainty, and the parties' willingness to take on risk, this sort of mechanism can be utilized (Walker and Poppo, 1991). While these processes include investment costs that are not present in other forms of relationships, it is important to remember that these costs are primarily incurred at the start of the connection, when changes must be made or communication must be encouraged. The rise in investment costs will be offset by a reduction in other

expenses since the connection entails a high degree of specificity and significant exchange volumes (recurring transaction) and enhances the relationship between the parties (González-Benito et al., 2000).

According to Transaction Cost Theory, there are expenses associated with conducting transactions through the market; these costs can be lowered using means other than markets (Coase, 1937; Williamson 1985). There are expenses associated with "drafting, negotiating, and preserving each exchange or transaction," which function as "friction" in the transaction (Williamson, 1985: 20). TCT asserts that transaction costs are as essential as, if not more important than, production costs in driving economic organization. While production costs are easier to calculate than transaction costs, transaction costs are a significant component of an organization's overall expenses. The ex-ante expenses of discovering and gathering information, creating and negotiating an agreement, and preserving the agreement are all included in transaction costs. The expenses of assessing the input, measuring the outcome, and monitoring and enforcement are all ex-post costs (Williamson, 1985).

The transaction cost theory (Coase, 1937; Williamson, 1975) sheds light on institutional frameworks for interorganizational economic connections. The focus of transaction cost theory is on the circumstances in which a transaction is likely to be carried out either inside (hierarchical organization) or outside (market) (in the market). In order to save money on transaction costs, buyers and sellers must adopt a coordination mechanism that takes into account characteristics such as asset specificity, uniqueness, uncertainty, and complexity of the exchange, as well as opportunistic behavior. According to Williamson (1975), when transaction costs are high, companies choose vertical integration to better regulate the transaction process through tighter monitoring. When it comes to simple, non-repetitive transactions with no transaction-specific investments, markets organized by pricing mechanisms are the best option. Organizations, on the other hand, may use electronic technologies like Electronic Data Interchange and Vendor Managed Inventory to minimize transaction costs and enhance information flows, allowing for better planning and coordinated actions to reduce uncertainty. The ability to create a sustained competitive advantage requires trust, a desire to collaborate, and an

efficient flow of information.

2.3 Impact of buyer-supplier relationships on organisational performance

To stay competitive, many companies strive for goods, technologies, and procedures that boost the value of connections by creating ties and other means such as mergers. The benefits are the most important aspect of relationship maintenance and choosing. Partner businesses will be more devoted to developing, building, and keeping relationships with those organizations who produce distinctive goods (Hunt and Morgan, 1994). Those companies who do not add value to the alliance risk losing their partner's strength. As a result, failure to offer value may lead to supplier development in order to improve the other partner's performance.

Tangus (2015) defines supplier development as the process of improving the performance and capabilities of suppliers in order to satisfy the demands of buyers. When the purchasing organization considers other aspects such as the supplier's capabilities, geographical location, and consistency in increasing performance, the buyer-supplier connections have an impact. According to Li-Ling Yea (2006), most government-owned businesses now recognize the importance of both sides' performance and are working hard to establish long-term relationships. On the other hand, Moncka (2000) suggested that supplier development can improve the overall performance of the organization.

The influence on performance is measured differently depending on the type of organization: marketing organizations measure it by sales volume, manufacturing organizations evaluate it by cost savings, and service providers assess it by the number of clients serviced. All of these metrics can't be very useful because every organization will be looking to maximize all of the factors that contribute to overall success. In this example, buyers and suppliers develop a win-win partnership that will be measured to determine if the connection has an influence on performance.

2.4 Win lose relationship

The parties that join into such a partnership have a common theme: resources are finite, thus each party must take their fair portion. Both sides may seek for more than

the other can deliver. According to Wynn (2005), this sort of connection can undermine confidence and hinder quality performance. According to Shamva Hospital, this link results in higher expenses and longer lead times, which has an impact on the hospital's overall performance in terms of service delivery. Despite these disadvantages, some scholars believe that this connection is critical to the organization's effectiveness. According to Rubin, this connection is critical, and organizations should not discard it. Purchasing corporations must participate in both win-win and win-lose interactions..

2.5 Win-win relationship

This type of partnership is also known as a collaborative or shared connection. It's unique in that it focuses on the future of both organizations and those who use this partnership to consider what they want from their organization and how to get there. This partnership is built on trust, dedication, and a shared commitment to long-term success. This partnership does not desire any compromise, including the loss of a prized asset, but it does want both sides to discuss ideas that benefit all companies and improve performance. The relationship's impact on performance comes into play when the traits of flexibility and adaptability are incorporated into the relationship; if the industry changes, the relationship will allow for the transition owing to the characteristics (Sako, 2000). Shamva Hospital was able to see the impact on performance when user departments declined to utilize the things that were purchased due to inadequate buying services (poor Wi-Fi services). However, because the win-win relationship is time consuming and involves many participants, the factors employed to support it are ineffective, giving the impression that discussions have become self-centred.

According to the study, performance might be significantly impacted when a company lacks experienced individuals and top management assistance in trying to align and adapt to the relationship. It is also not always assured that the partnership will have a beneficial influence on performance, as adjusting corporate cultures toward a shared aim is always challenging due to difficulties.

2.6 Buyer-supplier relationships on adaptation

The term adaptation refers to an organization's attempt to fulfil all of the standards of an exchange partner (Francis and Mukherj, 2008 and Hallen, 1991). This is consistent with what Ford (1998) defined as a strategy by which a company demonstrates its ability to be trusted by responding to the needs of its partners. Sousa and Bradley (2008) describe adaptation in terms of disruption, marketing, product, and pricing, arguing that buyer-supplier relationship adaptation decisions varies from business to firm since each collaborative group has unique demands. Product, pricing, distribution, and promotion adaptation are defined by Theodosious and Leonidou (2003) as the degree to which a product meets collaborative relationship requirements, the level to which pricing methods, such as retail and wholesale pricing, meet collaborative initiatives, adjustments of promotions to meet the needs of the other party, and even adjusting terms and conditions to a relationship specific'

In order to properly deploy tactical tactics in buyer-supplier interactions, efficient and productive partnerships require constant adaptability. Annda and John (2008) examined a model of elements influencing buyer-supplier organization adaptability, including collaborative activities, reliance, and trust. They got to the conclusion that both dimensions (economic and social) have an influence on the organization, but not in the same way. The variable they utilized revealed that trust between theories had a negative influence on supplier adaptability, whereas cooperation activities and supplier dependency had a good impact. Annda and John (2008) proposed that the poor test result was due to deeper issues such as supplier culture, which he recommended needed to be addressed.

According to Turnbull and Brennan (1995), adaptability is a significant issue, but only because a meaningful connection is always based on a match between buyer-supplier processes. Adaptation can be as formal as being aligned with day-to-day operations and it will be spelled out in the contract between the customer and the supplier. However, other adaptations are more informal and are agreed upon. According to Johnson and Zineldin, this is done as a precaution to avoid any issues in the relationship (2008). Adaptation has a behaviour that changes throughout the course of a relationship; in the beginning, it is a primary method of learning to trust each other, and later on, it is about solidifying and expanding the partnership. When

all aspects of adaptability are mastered, it strengthens both parties' bonds and even creates obstacles to entrance for rival providers (Wilson and Han, 1993).

Adaptation is a critical component of a win-win partnership, which aims to improve the efficacy and efficiency of trade acts by aligning the operations of the parties involved (Easton and Exelsson, 1992). While Swart and Kinnie (2003) defined adaptation as "making alterations to an entity's day-to-day operation process in order to accommodate the demands of the selected supplier," Hallen (1991) believes that adaptation occurs symbolically in win-win interactions. Other writers merely demand the supplier to adapt to the buyer's needs and the customer to adapt to the supplier's capabilities. While such modifications would normally be driven by consumers, adaptation may not be one-sided in the sense that the other party may also need to adjust its active systems at the same time.

The researcher believes that adaptation relationships differ from one organization to the next, making it difficult to produce a standard literature because the variables used by authors can differ and produce different results, as shown under this heading, so adaptation and relationships go hand in hand.

2.7 Challenges on implementation of the buyer-supplier relationship

2.7.1 Lack of advanced technology

Lack of sophisticated technology, according to Choy (2001), is a difficulty in supplier partnerships. Many organizations develop buyer-supplier partnerships through the use of current technology, such as integration, which is employed by organizations to function as a link between suppliers and the organization. When two organizations use different technologies, it can be difficult to form supplier partnerships since the supply chain network may be disrupted owing to incompatibility between them, making it difficult to operate (Michael, 2008). According to Johnson (1999), technology plays an important role in buyer-supplier relationships. Because it is easier to determine when an organization is out of stock by integrating systems, companies with similar technology can form buyer-supplier connections. The supply firm receives an alarm system that reminds him to deliver goods and services to its clients, which helps to shorten cycle times (Kim, 1999).

2.7.2 Maintaining buyer-supplier relationship

According to Waithaka (2010), an organization faces a problem in maintaining an efficient buyer-supplier relationship, which results in customer dissatisfaction owing to inefficiency and extended lead time. Inefficiency in goods procurement and tendering is evident in an organization that biases parts of its bidding procedures, resulting in the selection of unqualified bidders that distribute sub-standard goods and services. As a result, the company will pay more expenditure. The majority of the employees in the company are underpaid, which demotivates them from working toward the organization's goals. Lack of knowledge regarding market demand, consumer preferences, or trends raises the buyer's/level suppliers of uncertainty in their purchase/supply decision. (Johnston 2006) believe that in higher-risk purchasing circumstances, buyer-supplier connections become increasingly crucial, and that developing a relationship with a dependable supplier may assist minimize perceived ambiguity and risk. When the two parties engaged are on opposing terms or one side enters the partnership out of necessity, implementing the buyer-supplier connection becomes problematic (Dwyer, Schurr and oh, 2007).

2.7.3 Lack of trust

According to Choy and Michael (2008), another obstacle to the creation of buyer-supplier relationships is a lack of confidence. Most organizations are cautious to develop supplier agreements because their suppliers lack confidence. Supplier relationships develop as a consequence of timely delivery of goods and services, resulting in increased productivity. According to Flynn, communication is especially important for companies who want to maintain good relationships with their suppliers (2002). To sustain a successful buyer-supplier relationship, a firm needs consistently develop excellent communication amongst its supply chain partners.

2.7.4 Lack of capacity and funds

Lack of finances is affecting Shamva Hospital's ability to complete projects such as kitchen renovations. This barrier to implementation exists because the DMO will not support connections based on the fact that most projects are left unfinished owing to a lack of finances. This is because the majority of the projects are supported by

the government and also rely on contributions. Because of Zimbabwe's present economic state, most suppliers and even customers lack the capacity and funding to make the partnership work, which is an impediment.

2.7.5 Lack of knowledge and skill

According to Ackerman (2002), a lack of knowledge and expertise on the part of either the supplier or the buyer is a significant barrier for the partnership since it impedes some aspects of implementation and hence has an impact on organizational performance. Bolton, (2006), Thai, (2005), and Miller, (2006) discovered that relationship objectives and goals are weak and not consistently followed, resulting in poor performance. Even though the Zimbabwean CIPS board usually advises purchasers about connections, some are nevertheless trapped in the bad side of failing to meet criteria. The other issue is failing to conform to organizational culture to suit the connection, which has an impact on performance since it leads buying committee resistance to shift, according to Junchenhu et al (2012).

2.7.6 Unclear defined goals

Marry, Anny, Judith, and Jerry (2012) identified a variety of obstacles that businesses face when attempting to assist one another via partnerships and supplier cost and performance improvements for mutual benefit. A number of organizations fail to define their objectives and responsibilities clearly (Mary et al, 2012). At Shamva District Hospital, the purchasing function is overseen by the District Medical Officer (DMO), who has ultimate control over whatever the purchasing department undertakes. Because the function does not have the last word, it is difficult to come up with clear objectives and aims. As a result, implementation is hampered. The person who has the ultimate say lacks procurement knowledge. Most senior executives and business owners in most companies are unaware of their involvement in the implementation of buyer-supplier interactions in their jobs. Mary et al. (2012) also noted that resources may be insufficient because this work necessitates a large number of people to deal with connections. Furthermore, ambiguous goals have an impact on implementation since the function may assign

inexperienced people to carry out a task, but buyer-supplier interactions necessitate workers of high quality and expertise to carry out the initiatives. Because they are the ones with the keys to aligning the purchasing aim with that of the entire company, senior management must step in to help the purchasing function to make implementation easier. As indicated by Mary et al., this will be one solution to address this difficulty (2012).

In conclusion, environmental elements such as legal, commercial, political, and largely socio-economic concerns influence the application of these linkages (Mathew, 2005). The challenge will be how to overcome them now without jeopardizing the development of a global community function.

2.8 Empirical evidence

Several studies have been conducted on the influence of supplier relationships on organizational performance, with varying outcomes that will be presented in this topic.

Madzorera, (2016) used Almin Metals as a case study in Zimbabwe to investigate how buyer-supplier interactions influence procurement. The main goals of this study were to look into the factors that were taken into account in the relationship between Alutech Investments (the buyer) and Almin Metals (the supplier) in order to improve procurement function performance, to see if early supplier involvement would improve product quality, and to look into the challenges that come with establishing and maintaining that relationship. The descriptive research and explorative research designs were employed in this investigation. According to the findings, having a tight relationship with a supplier boosts procurement performance. In order to enhance procurement function performance, Alutech should supply precise product specifications and pay on time, while Almin should shorten lead times and make timely deliveries. It was discovered that the majority of Alutech personnel oppose early supplier engagement in product quality decision-making. The conclusion was reached that the buyer-supplier relationship does definitely increase procurement function performance, but only via hard work and effort. The buyer should weigh available alternatives and consider other suppliers, as well as be technically equipped with relevant skills for the aluminium industry and, if possible, adopt e-

procurement and international purchasing, according to the researcher.

Madondo (2016) performed study in Zimbabwe on buyer-supplier interactions and how they affect organizational performance. The goal of this study was to see how buyer-supplier interactions affected organizational performance in the Kariba Municipality. The goals of this study were to assess the impact of buyer-supplier connections on organizational performance, the obstacles that buyers and suppliers confront, and whether or not buyer-supplier interactions improved the Municipality's corporate image. The study was conducted using a descriptive research approach. According to the findings, the independent buyer-supplier relationship factors of mutual objectives, commitment, trust, satisfaction, and long-term partnerships, as well as communication and cooperation, boost organizational performance. Non-commitment, a lack of common goals, a lack of cooperation, and poor performance are all severe difficulties in Kariba Municipality buyer-supplier interactions, according to the report. Improved buyer-supplier partnerships also boost an organization's overall image. The study indicated that a key constraint and influence of buyer-supplier interactions organizational performance was a lack of characteristics such as communication, trust, and collaboration in the organization. The researcher advises the organization to maintain excellent relationships with its suppliers since this allows the suppliers to do their jobs successfully while also allowing the Municipality of Kariba to achieve its objectives and improve its corporate image.

In Pakistan, Azeem (2015) studied the impact of buyer-supplier interactions on organizational performance in the beverage business. The goal was to determine how widely the concept of buyer-supplier relationships has been adopted by beverage manufacturing industries, the challenges that have been encountered in implementing the relationships, and the effects of buyer-supplier relationships on beverage manufacturing companies' performance. The researcher employed a quantitative study design and analysed all of the data with SPSS software. The study's findings revealed that these manufacturing enterprises in Islam have embraced buyer-supplier relationship characteristics to a modest level by the beverage manufacturing firms. Buyer-supplier connections were shown to have a favourable influence on organizational performance. It was suggested that all manufacturing companies and other organizations implement the buyer-supplier relationship model in order to fulfil their objectives and improve their overall

performance.

In Kenya, Serem and Jones (2015) studied the impact of buyer-supplier interactions on buying firm competitiveness in medium and large size hotels and restaurants in the Nakuru Municipality. The major goal of this study was to look at the impact of buyer-supplier interactions on commitment and trust in medium and big hotels. The research was guided by the resource-based approach, which promotes organizations to share resources and develop long-term partnerships between buyers and suppliers in order to gain a competitive edge for both sides. The researcher utilized an explanatory study design to examine the cause-and-effect connection, and descriptive and inferential statistics to analyse the data. The study's findings revealed that in buyer-supplier interactions, both commitment and trust have favorable benefits on a firm's competitiveness. They came to the conclusion that the purchasing firm's connection with its key suppliers and its competitive position in its client market are inextricably linked. It was suggested that a purchasing organization build and maintain strong ties with its key supplier.

Mutio (2015) investigated the buyer-supplier relationship and the performance of Kenyan pharmaceutical manufacturing enterprises. According to the findings, the majority of pharmaceutical manufacturing businesses in Kenya have been using buyer-supplier partnerships for more than 10 years. These pharmaceutical manufacturing companies have improved their performance thanks to buyer-supplier interactions. This is backed up by the findings of the regression analysis, which show a significant link between buyer-supplier relationships and organizational success.

In a research done in Kenya by Loice (2015), the influence of buyer-supplier relationships on procurement performance in Kenya supermarkets was investigated. The study's goal was to see how buyer-supplier relationships affected procurement performance. The researchers were well-versed in social exchange theory. The study used an explanatory research approach and descriptive statistics to analyse the data. The findings revealed that procurement performance is influenced by dedication, trust, cooperation, and communication. It was established that high levels of trust, commitment, and cooperation improve procurement performance and provide a sustained competitive advantage. The study concludes that long-term connections

between buyers and suppliers are essential, and that organizations should focus their efforts on maintaining and improving supplier relationships in order to preserve and improve competitive advantage, which will improve procurement performance.

In Kenya, Wachira (2013) studied supplier relationship management and supply chain performance in the alcoholic beverage business. The study's particular goals were to evaluate the degree of SRM in the alcoholic beverage business, the influence of SRM on supply chain performance in the alcoholic beverage industry in Kenya, and the obstacles of adopting SRM in the alcoholic beverage industry in Kenya. To explain the influence of SRM on organizational performance, the study used a descriptive research approach. Regression analysis was performed to investigate the associations between the variables. The target demographic and sample was procurement professionals from the alcoholic beverage industries. According to the findings, alcoholic beverage companies are forming collaborative connections with their suppliers in order to improve supply chain performance. As a result, SRM is heavily reliant on four primary factors. The previous study concentrated on the beverage business, but the present study concentrated on the service industry. Furthermore, Wachira (2013) only collected data from procurement staff, which limits the study's reach in terms of confirming results. However, the current study included data from representatives from throughout the organization, allowing the researchers to generalize the findings to the full population.

John (2013) conducted research into the difficulties of implementing supplier relationship management in financial institutions. From a total of 23, the researcher used 15 replies from the user department, sourcing employees, and some favoured suppliers. According to the survey, problems for supplier relationship management include a lack of professional staff, poor teamwork, a tiny SRM base, a lack of top-level support, and a high risk level of services. The study was successful in presenting the challenges that SRM faces, but it did not illustrate how SRM may improve an organization's performance, and the researcher used a limited sample of respondents, which could lead to inaccurate conclusions for the research problem.

Mwasamila (2013) conducted research into the challenges of managing buyer-supplier relationships in small enterprises. The researcher used a sample of 40 respondents from CRDB BANK PLC's total of 56 employees. The study came to a

conclusion by describing the issues and challenges of BSR as described by the respondents. The lack of win-win principles between suppliers and customers is one of the issues (bank). Late payments to vendors, as well as unfavourable pricing imposed by suppliers without consideration for the quality of the products and services they provide to their clients, were a concern for BSR throughout the procurement process. In addition, the researcher was able to propose answers to the challenges that were presented. Fare rates charged, quality goods and services delivered, early payments, promotion of the 7R'S, and win-win principles would all help to boost business in the procurement process. The study focused on financial institutions and failed to demonstrate how BSR may boost company performance.

In Nairobi, Kenya, Kamau (2013) conducted research on buyer-supplier relationships and organizational performance among large manufacturing firms. The study identified five factors that contribute to successful buyer-supplier relationships. Trust, commitment, mutual goals, cooperation, and communication were the variables. According to the findings, the development of buyer-supplier relationships has resulted in improved organizational performance in Kenya, and buyer-supplier relationships have been in use for more than ten years. According to Kumau (2013), there is a strong link between the buyer-supplier relationship and organizational success. Other than industrial companies, the study was unable to demonstrate the impact of this link on their performance. As a result, the research solely looks at manufacturing companies and ignores others such as service and construction companies.

Inayatullar et al. (2012) conducted research in India on buyer-provider interactions and confidence in hierarchical execution. According to their findings, an effective relationship is one in which there is a shared risk and reward, a clear understanding of each other's parts and responsibilities, an abnormal state of responsibility and trust, long-term introduction, data sharing, genuine desire to win, and responsiveness to each other and end client's needs. They assumed that close and personal correspondence with providers and reasonable treatment of providers by purchasers is emphatically linked to increased trust and influences provider status to devote resources to the specific needs of purchasers, that a strong relationship between purchaser and provider decisively influences provider execution, and that provider is emphatically linked to hierarchical execution. Interviews were conducted,

conceptions and models were established, and a social theory was applied to the buyer-supplier interaction.

Prior (2012) conducted a research in Australia that focused on the implications of buyer-supplier interactions on a company's competitiveness. The study investigates the impact of the identified buyer-supplier relationship on four variables of buyer firm relative competitive advantage. The conclusions in this article were based on information acquired from 216 key informants in the Australian manufacturing industry. The relationship between the buying business and its major supplier was discovered to be a source of competitive advantage in this study, resulting in improved customer satisfaction, innovation, market efficiency, and effectiveness for the buyer firm. The findings show that different aspects of the connection have varying implications on the buyer businesses' competitive components. Through asset utilization, information sharing between the company and its major supplier leads in higher relative financial returns.

Mwirigi (2011) investigated the importance of supply chain links in the success of small businesses in Kenya. The study studied numerous interactions in order to understand the role performed by respondent organizations in the supply chain, with a target demographic of FAULU loan consumers in Kenya. The research revealed that the rate of financial growth and rise in transaction is determined by a firm's strong, long-term relationships with its clients and suppliers. The study indicated that the process of forming supply chain relationships should be done more carefully in order to improve its impact in small business growth.

Mugarura (2010) investigated the collaboration, adaption, trust, and relationship continuity of selected private manufacturing enterprises in Kampala. The study employed a sample of 268 private manufacturing enterprises from a total population of 877. The findings of the study on buyer-supplier collaboration dimensions of incentive alignment, joint decision making, and information sharing in relation to adoption, commitment, trust, and relationship continuity show that information sharing appears to be the best predictor of relationship continuity over joint decision making and incentive alignment. The study, however, did not address whether business continuity resulting from buyer-supplier collaboration had an influence on overall organizational performance.

Paiva et al. (2008) did another study in Unisinos on the buyer-supplier relationship and service performance utilizing exporting organizations. The study's major goal was to look at the factors that influenced the buyer-supplier relationship in the execution of such services using operational methods. Transparency, trust, communication, and cooperation, they stated, are required for the connection to operate well (Paiva, 2008). Hsia (2012) supported the factors that ensure relationship success, such as trust and communication, and that performance is dependent on the buyer-supplier connection. They stated that if the other party fails to fulfil its obligations, performance may be jeopardized. This performance, according to Fynes and Voss (2002), is based on a clear effectiveness business-oriented connection with interdependence among the actors involved.

Doran and Thomas (2005) conducted another study at Kingston Business School in the United Kingdom. They looked at buyer-supplier connections in the service industry. The goal of this research was to look at buyer-supplier connections in the service industry. They employed both quantitative and qualitative methods, including a questionnaire sent to a select set of buyers and suppliers, as well as semi-structured interviews with buyers and suppliers across each expenditure category. The findings of the study suggest that there are considerable gaps between buyer and supplier expectations about how relationships should proceed, and that issues of trust and authority will need to be thoroughly investigated if relationships are to be improved. The research findings were based on a buyer's viewpoint evaluation across each of the four spend categories, followed by a supplier's perspective assessment across each spend category.

Anderson and Narus (2000) did research on a model of distributor and manufacturing company collaboration. They agreed that the amount to which each business recognizes and understands that the success of the other firm is dependent on the success of the other firm, with each firm then adopting activities to deliver a coordinated effort focused on jointly meeting the customer, market place needs. They started with a social exchange theory and built and tested interviews, constructs, and a model that could be used to both the provider and the customer. Despite the fact that their model required being re-specified, they discovered that the amount of comparison of alternatives, relative dependency, and communication were crucial in describing working relationships between manufacturers and

distributors. Understanding marketing practice and expectations for partners was a key outcome of their research.

2.9 Gap analysis

The impact of the buyer-supplier relationship on business performance is crucial to understand. A lot of studies on manufacturing, pharmaceuticals, and small businesses have been done. Most research has only focused on buyer-supplier relationships, but little has been done on the effect of these buyer-supplier relationships on organizational performance. In this study, the researcher seeks to bridge the gap by researching the effect of buyer-supplier relationships on organizational performance. Furthermore, no previous study on the influence of buyer-supplier interactions on organizational performance has been conducted on Shamva District Hospital, and the researcher hopes to fill that gap.

2.10 Chapter Summary

The chapter discussed the numerous perspectives that exist in the business world addressing buyer-supplier interactions. Buyer-supplier connections and the various characteristics that create strong and durable buyer-supplier partnerships have been developed by several research and theories. The next chapter examines the research technique as well as the methodologies that will be employed to conduct the investigation

CHAPTER 3

RESEARCH METHODOLOGY

3.0 Introduction

This chapter focused on a general review of research methodologies. As a result, the chapter concentrated on the research instruments used to gather data and their reasons, the data categories used, and the methodology used for data presentation and analysis operations. At the end of the chapter, there is a summary of the chapter.

3.1 Research Design

According to Saunders (2009), research design is the specification of the methods and procedures for obtaining the information needed to structure or solve problems, and it is generally the overall operational pattern or framework of the project that specifies what information is to be collected from which sources and how.

The researcher utilized a case study research strategy since it required a thorough examination of the phenomenon, which in this case was SDH. Dul (2008) describes a case study as an empirical investigation into a phenomenon in its natural setting. The student researcher choose case study research over other research methodologies such as surveys and field tests to acquire a more complete understanding of the influence of buyer-supplier relationships on organizational performance at Shamva District Hospital. Questionnaires and interviews, on the other hand, were utilized to supplement the case study research approach.

Because case study research focused on understanding the dynamics occurring within specific settings, it made data gathering and comprehending the subject under investigation easier for the researcher. In simple terms, it allowed the researcher to conduct a thorough examination of the subject under investigation, reducing the danger of generalization from the study's findings. The student researcher choose case study research over other research methodologies such as surveys and field tests to acquire a more complete understanding of the influence of buyer-supplier relationships on organizational performance at Shamva District Hospital. Questionnaires and interviews, on the other hand, were utilized to supplement the case study research approach.

Because case study research focused on understanding the dynamics occurring

within specific settings, it made data gathering and comprehending the subject under investigation easier for the researcher. In simple terms, it allowed the researcher to conduct a thorough examination of the subject under investigation, reducing the danger of generalization from the study's findings.

3.2 Target Population

Employees from SDH were chosen as the target population by the researcher. SDH has fifty-five employees, however a sample of twelve was chosen based on the department to which the person belongs. Everyone in the procurement and stores departments is included in the population mix since they are the ones who work directly with suppliers on a regular basis. Individuals from the accounts department, pharmacy, and administrative department are among the others.

3.3 Sampling

Sampling is the act of picking a few individuals from a larger group to serve as the foundation for predicting the result for the entire group. As a result, Line (1982) defines a sample as a small number of items from which generalizations about the full number may be established. According to Alreck and Settle (1985), only a tiny percentage of the population can give sufficient representation of the group as a whole and enough accuracy to make confident choices based on the results. According to Pattern (2004), the sample quality is influenced by the research generalizations' quality. According to Nesbary (2000), the larger the sample size, the more likely the sample will reflect the broader population and reflect the genuine image.

As previously stated, the study employed a sample size of twelve people. The whole buying department was employed in the sample since they deal with suppliers on a daily basis, as were others from the stores department who also manage supplier deliveries and others from the administrative department. Clerks, purchasers, and staff from the accounts department who make payments to suppliers were among the responses. The validity and trustworthiness of the acquired data are largely assured by sampling.

3.4 Sampling technique

The researcher used the purposive sampling approach to collect data, and the justification for doing so was presented and explained. According to Kumar (2005), the sample methodology is a method of selecting a subset of the population that might react.

3.4.1 Convenience sampling technique

The researcher used this strategy of choosing respondents based on the proximity of the sampling factors to the issue under investigation. The researcher used seventy employees from the hospital, out of which only twenty were sampled. As a result, convenience sampling was used to pick the employees to represent the sample size.

3.4.2 Justification of the convenience sampling technique

The main advantage of this strategy is that it is less expensive in terms of travel, resources, and time because the study variables are known and easily available (Tukuta, 2010). The second greatest reason was that all of the responders were on one website, making it easier for the researcher. Tukuta (2010), on the other hand, stated that employing this convenience technique, there is a risk of the population being misrepresented and biased. This is because the convenience approach will most likely be the determining elements in unit selection. Because it is not uncommon for acquired outcomes to diverge from those predicted by theories, results might be skewed, compromising integrity (Tukuta, 2010). This flaw inspired the student researcher to combine convenience sample with judgmental or purposive sampling.

3.4.3 Judgemental or purposive technique

This strategy assists the researcher in determining the significance of data acquired using the convenience methodology. In a circumstance where the population consisted of inseparable aspects of suiting and non-suiting nature, the respondents were picked using the researchers own judgment on the essence of given elements

(Tukuta, 2010). This aided in the recruitment of lively and engaged healthcare employees.

3.4.4 Justification of judgemental or purposive sampling method

This judgmental approach offers the benefit of allowing the research study to select respondents who fulfil the study's needs; in this situation, the researcher selected active staff members while excluding inactive employees. The workers were chosen from a vast pool by the researcher, and only current employees participating in buying functions were included in the sample. Tukuta (2010) argues that this was permissible and carried out in order to assure high information or data integrity, which is why inactive employees were excluded.

3.5 Research instruments

A research instrument is a tool for gathering data that will be utilized to support a finding or discovery. Questionnaires and interviews were used as data gathering tools by the researcher. The questionnaire saved time because most of the questions were answered in my presence. The presumption was that workers had sufficient expertise to comprehend the questionnaire's language and substance. The preliminary questionnaire was designed with both open and closed questions, and it was given to the supervisor for review and approval before being pre-tested. The primary goal of pre-testing was to identify and correct any offensive, ambiguous, or awkward questions. A list of closed questions was prepared and presented to the supervisor for review and approval, after which it was pre-tested to identify and correct any ambiguous, awkward, or offensive questions. All of the questions were based on the study's research goals.

3.5.1 Questionnaire

One of the devices employed by the researcher to collect data from the selected sample size was a questionnaire. The questionnaire was divided into three portions, each of which was created in accordance with the study objectives and research questions. The first category contains questions that examine the buyer-supplier interaction in the context of adaptation at Shamva District Hospital. The second set

of questions examines the implications of buyer-supplier connections on hospital performance, and the questionnaire concludes by identifying the problems of the buyer-supplier relationship.

The study was conducted using both structured and unstructured questions from the paper. The parts were introduced to work toward a certain goal. All of the questions asked made it extremely simple to acquire information, analyse cost savings, and even make efficient use of time. To obtain a fair picture of each respondent's views and the research questions asked, all respondents were given equal time to react to the questioner. Some of the questions were not designed in such a manner that the full sample chose their own words and points of view to answer. One of the most important things the student researcher did was ask the District Medical Officer for permission to collect data, with the goal of ensuring that production was not harmed and that sensitive information was protected.

3.5.2 Justification of Questionnaire

The strategy ensures respondent confidentiality, increasing the likelihood of receiving data from the sample that is free of bias. Questionnaires were a reasonably inexpensive and quick technique to collect data for the study (Eiselen, 2005). He goes on to say that providing responders ample time to react to the questions is important.

3.5.3 Interviews

The researcher connected with the DMO, who has ultimate responsibility at SDH, and he instructed all people who had been chosen to be questioned to comply and assist with replies during the interviews. Two members of the procurement department, three members of the accounts department, two members of the shops department, two members of the administration department, and one member of the pharmacy department were chosen for interviews. There were a total of ten people that were interviewed. Following that, the researcher set up meetings over the phone and verified dates and times. Interviews with these members were conducted after previous agreements were made, although at different times due to their mobility

and hectic schedules. The interviews were conducted in several professional locations because the researcher had to work around these people's schedules and adhere to their preferences; some of the locations were the storeroom, offices, and pharmacy. The respondents were chosen strategically in accordance with the study's goal and objectives. As a result, the researcher selected employees with experience in medical, public relations, and procurement.

There were no interruptions in the rooms during the interview procedure. Interviews were being conducted, according to a notice on the door. The researcher thanked the informants for their time and willingness to participate in the study before beginning the interview. The researcher reiterated that informants should speak freely but give each other time to speak, that there were no right or incorrect responses, and that all information would be accepted as is with no adjustments made. Face-to-face interviews were chosen over other sorts of interviews because the researcher could study the respondents' body language. The interviews were semi-structured and included open-ended inquiries. This implies that the dialogue might be directed toward the respondent's expertise and interests, encouraging them to thoroughly describe how they comprehended issues, events, and behaviours of consumers and suppliers, as well as how their connection influenced the organization's performance.

In addition, this form of interview allowed researchers to track study topics and objectives. During the interviews, the researcher advised the participants not to spend too much time on topics that were unrelated to the topic. To make the interview process go well, the researcher utilized straightforward English and avoided theoretical jargon. She also avoided asking leading questions. The researcher listened intently to the respondents' thoughts and meticulously recorded them; when the answers were unclear, the researcher probed extra questions to follow up on ideas. The researcher would make careful not to interrupt the respondents in order to make them feel at ease.

The researcher utilized an interview guide to ask respondents about the effects of having or not having a close buyer-supplier connection, as well as the implications for the entire organization. The researcher would delve deeper into what prompted the company to form a tight relationship with its buyer or supplier. The interview went well as the researcher sought clarity on whether the buyer-supplier relationship

had any impact on the organization's performance, whether bad or positive, and whether its objectives were met. The researcher thanked the respondents for their time and urged them to provide any further information about the issue under investigation at the end of the interview. Direct interviews let the researcher get first-hand knowledge in order to collect meaningful and trustworthy data. The researcher received a greater response rate and cleared areas of uncertainty through interviews. After collecting the raw data, it was read and processed for analysis.

A personal interview, according to Nachmias and Nachmias (1991), is a face-to-face or telephone interview in which an interviewer asks respondents questions in order to elicit responses relevant to the study hypothesis. It's a two-way interaction. Direct interviews were also employed to gather data by the researcher. This entails asking relevant employees about their feelings on the issues surrounding the research challenge. Direct interviews help get firsthand knowledge..

3.6 Data collection procedures

The researcher's regular actions in applying tools and acquiring information from the supplied sample of respondents are known as data collection procedures (Brown, 2006). The researcher called the store controller and requested authorization to gather and use healthcare data. Only ten questionnaires were handed in person to the members who were answering, and the researcher had the responsibility of first notifying each responder of the study's purpose. The respondents were given one week to complete the survey.

3.7 Validity and reliability

Since a pilot testing was done with the purpose of overcoming difficulties of confusing questions in the entire research instrument employed, data gathering approaches were dependable. The measurement of consistency acquired from the information gathering process is referred to as reliability. When repeating the same study at different times, research instruments are considered to be dependable, and in order to attain dependability, the identical questions were posed to all sampled respondents. Validity, according to Flagg (1990), is the capacity of data to represent

the underlying attribute of interest. The content and structural validity of research instruments were tested by verifying that the questions were generated from the study's objectives and that the questions were clear enough for the responder to understand what was intended.

3.8 Data presentation and analysis procedures

Data analysis is described as the act of analysing, cleansing, manipulating, and modelling data with the objective of uncovering usable information, providing recommendations, and assisting in decision-making. Because the data collecting technique yielded a large amount of qualitative data, it was required to extract, code, collate, and quantify data into percentages for analysis and interpretation after respondents completed the questionnaires and interviews. Coding was required to make finding patterns and themes in data easier (Patton, 1990). The data was analysed and presented using tables, graphs, and pie charts in order to classify data based on similarities or correlations between components under investigation. This attempted to clearly describe the study's conclusion and findings.

3.9 Ethical considerations

To guarantee that nothing bad happened to the hospital, all of the information gathered was kept private. The respondents provided voluntary responses, and the surveys were constructed in such a way that no sensitive questions were posed to either the individual or the institution. The research is intended for academic reasons, according to the first leaf of the questionnaire.

3.10 Chapter summary

This chapter primarily focused on the rationale and explanation of a variety of research techniques that were employed and followed. Validity and reliability issues were also well described, as were the instruments' analyses and descriptions. All of the data gathering procedures were described, with a focus on data dissemination and collection. The findings from the tools in Chapter 3 will be presented and analysed in Chapter 4.

CHAPTER 4

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.0 Introduction

The student researcher now discusses and analyses the findings of the research on the influence of buyer-supplier relationships on organizational performance after discussing the research's foundation, literature review, and methodology. The researcher explained all of the data collection procedures in Chapter 3. As a consequence, this chapter presents the research study's findings as well as an analysis of the data. Some of the results are displayed as charts and graphs, while others are summarized in tables. The replies are analysed question by question, and the results are described here.

4.1 Response Rate from research instruments

The response rate is defined by Rubin and Babbie (2009) as the number of persons who participate in a study divided by the number of people who are requested to reply, expressed as a percentage. The less response bias there is, the greater the

response rate. The response rate influences the results' dependability and is a measure of how much trust may be placed in the study findings.

4.1.1 Questionnaires Response rate

The distribution and responses from self-administered questionnaires provided to research participants are shown in the table below

Table 4.1 Questionnaire Responses

N=15

| Questionnaires | Frequency | Percentage of total |
|----------------|-----------|---------------------|
| Returned | 12 | 80 |
| Unreturned | 3 | 20 |
| Total | 15 | 100% |

Source: Primary data

Table 4.0 shows that 15 questionnaires were issued, 12 of which were successfully completed and returned, and three of which were not, resulting in an 80 per cent response rate. As a result, the researcher relied on the results of the surveys, as the vast majority were completed and returned. Despite the fact that the researcher delivered 15 questionnaires, three of them were not returned, this had no influence on the results because the bulk of the respondents completed and returned the surveys satisfactorily. Due to their hectic schedules, two of the respondents were unable to finish the questionnaire, which was allowed because it is the nature of their professions. The other had damaged the paper and had thrown it away. This revealed to the researcher that some employees have a negative attitude toward communication before taking action. This provided an opportunity to explain and demonstrate to those individuals how effective communication among co-workers improves productivity and creates a positive working environment. She also urged staff to work together as a team.

4.1.2 Interview Response

The table displays the number of interviews that were planned and the number that were actually conducted.

Table 4.2 Interview Response

N=10

| Class(department) | Targeted interviews | Actual interviews | Response rate % |
|--------------------------|----------------------------|--------------------------|------------------------|
| Procurement | 2 | 2 | 100% |
| Accounting | 3 | 3 | 100% |
| Stores | 2 | 1 | 50% |
| Administration | 2 | 1 | 50% |
| Pharmacy | 1 | 1 | 100% |
| Total | 10 | 8 | 80% |

Source: Primary Data

According to the data in table 4.1, 8 interviews were conducted instead of the intended interviews, resulting in an 80% response rate. The researcher had planned to conduct 10 interviews, some of which included respondents who had already completed the questionnaire, but owing to time restrictions, the student researcher was only able to do 8. This was intended by the researcher in order to maximize the likelihood of accurate and trustworthy results. The two respondents who did not engage in interviews had gone to a workshop, and the researcher was unable to complete the interview due to time constraints.

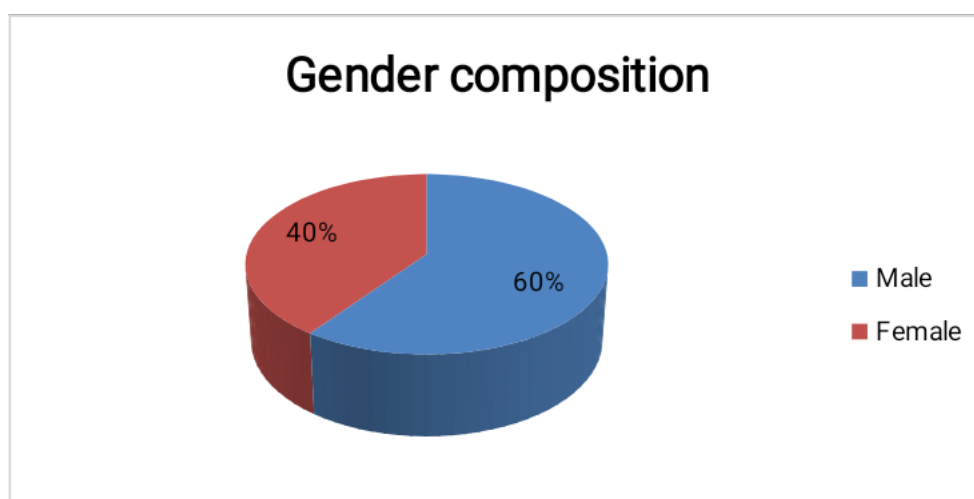
4.2 Personal attributes

It was critical to determine the respondents' personal characteristics since knowing their gender, age, educational qualifications, job experience, and occupation helped to build their background information.

4.2.1 Demographic characteristics of participants

The study discovered male dominance. Five of the eight responders to the questionnaire were males and three were females, whereas seven were males and five were females. There were 12 males and 8 females that participated in both the interview and the questionnaire. As a result, the findings in this survey primarily reflected the thoughts and opinions of men, with 60% of male respondents and 40% of female respondents. This indicated that there were more males than females that took part in the study.

Figure 4. 1 Gender of respondents



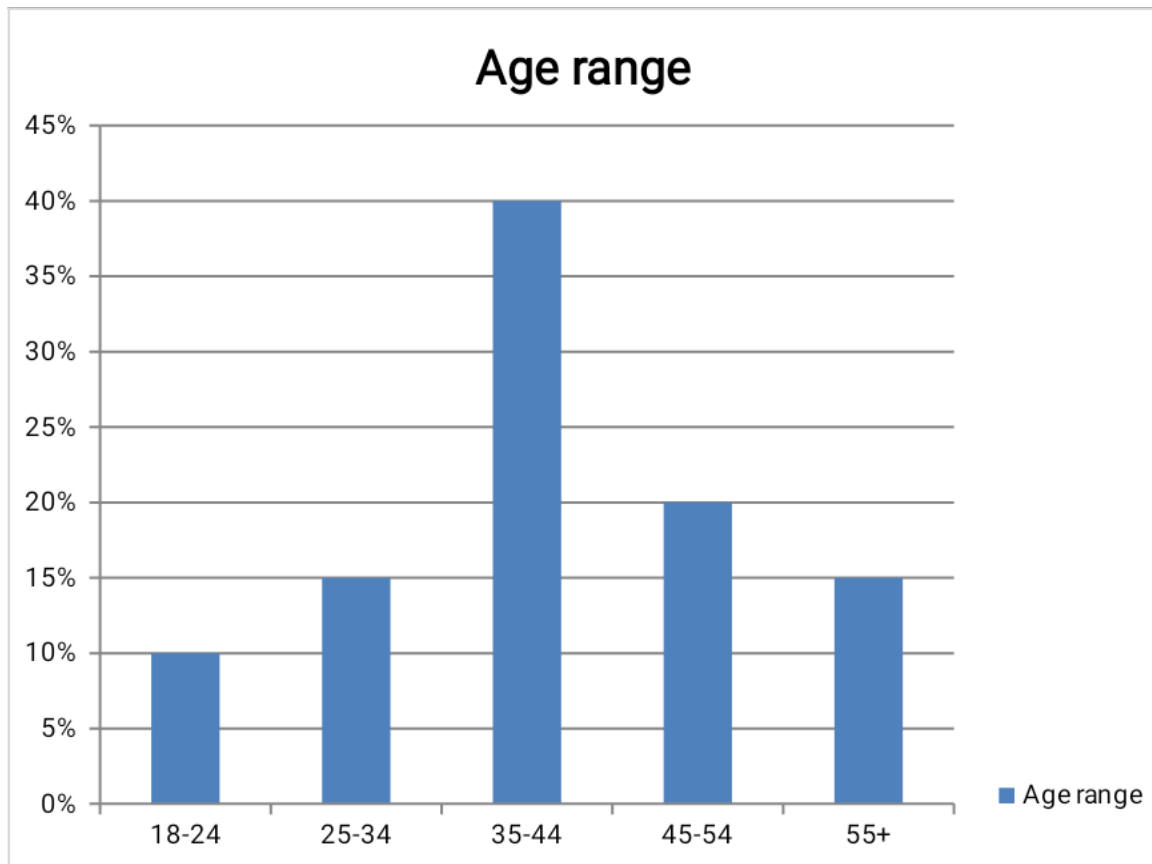
Source: Primary Data

According to the graphic above, 60% of the responders were males and 40% were females. The student researcher discovered that in Shamva District Hospital, there were more men than girls.

4.2.2 Age

The student researcher took notes on the participants' ages during the interview and on the questionnaire. The ages were categorized in ascending order, starting at 18 years and ending at 25 years, resulting in ranges, such as 18-25 years, which were recorded as a percentage of the total responses. The findings of the respondents' ages as a percentage are shown in the graph below.

Figure 4.2 Age range of respondents



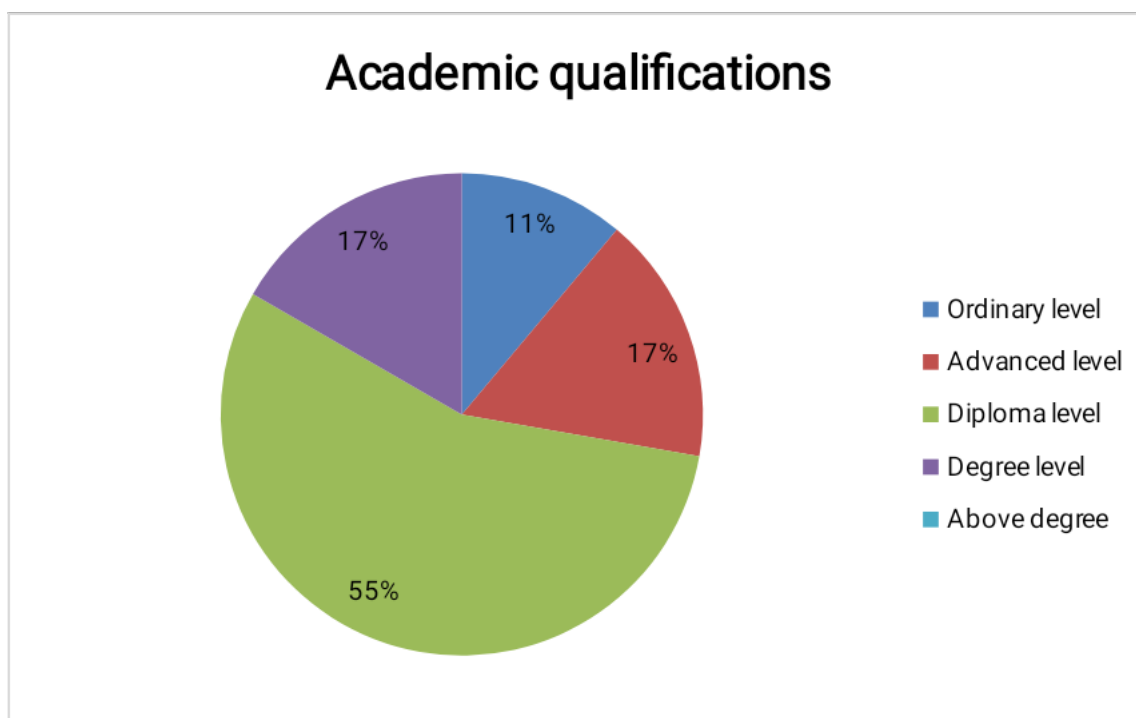
Source: Raw data

According to the above graphic, the age group 35-44 years accounts for 40% of the population, while 45-54 years accounts for 20%. The 18-24 year olds accounted for 10%, the 25-34 year olds for 15%, and those aged 55 and older accounted for 15%. The inference was that most persons between the ages of 35 and 44 were physically fit and muscular. The other group, ranging in age from 18 to 24, was made up of college students on attachment in various areas. The group of 55 and up were

people who had been hired because of their experience, but these companies were now looking for credentials rather than experience, which this group lacked. As a result, they constituted up a tiny fraction of the middle-aged group. People between the ages of 35 and 44 are mature in both mind and experience, which affects how they handle buyer-supplier relationships because they can handle problems with patience, impartiality, and professionalism. This is confirmed by Macmillan (1997), who claims that a human being passes through three stages in life: being a baby, becoming an adult, and then returning to being a baby. And he believes that a human is an adult and mature between the ages of 35 and 44.

4.3 Distribution of respondents by academic qualification

Figure 4.3 Academic qualifications



Source: Primary data

The pie chart reveals that the bigger group, which accounts for 50% of the overall sample, had a diploma as their highest qualification, followed by those with Advanced level and degree level qualifications, each accounting for 15%, and those with ordinary level qualifications accounting for 10%. The majority of the employees had a diploma as their highest qualification, which was owing to the nation's

economic troubles (the 2008-2014 timeframe), which caused most of the employees to abandon their studies and job search. The percentage of people with advanced and ordinary levels was low, at around 15% and 10%, respectively, due to the fact that the requirement for hiring workers possessed a relevant qualification, and so there were relatively few employees without those credentials. Dealing with educated personnel is simpler than dealing with uneducated ones. The educated have a greater aptitude for reasoning and comprehending than those who are not. According to the statistics, the majority of the employees have earned a diploma, which provides them with both professional and academic advantages. As a result, Shamva District Hospital has a team of trained staff that can efficiently manage the hospital's connection with its suppliers.

4.4 Distribution of respondents according to occupation

Table 4.3 Occupations

Occupation=20

| Department | Number of respondents | Percentage of total sample |
|-----------------|-----------------------|----------------------------|
| Procurement | 2 | 10% |
| Stores | 2 | 10% |
| Accounting | 4 | 20% |
| Administration | 5 | 25% |
| Pharmacy | 3 | 15% |
| Human Resources | 3 | 15% |
| Nutrition | 1 | 5% |
| Total | 20 | 100% |

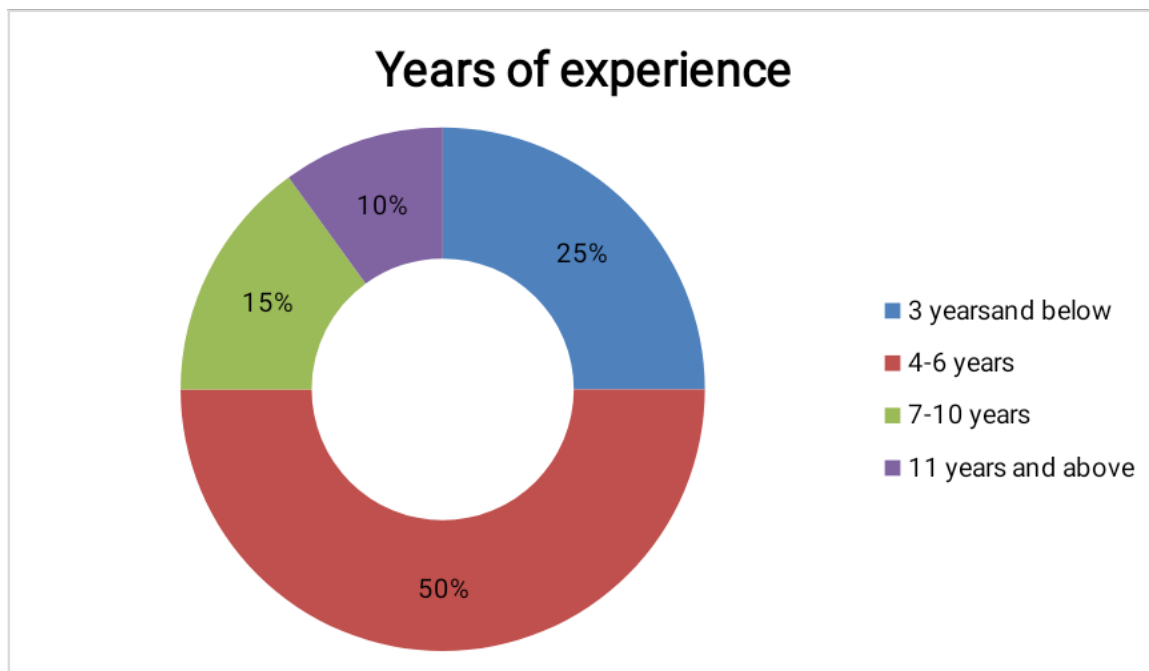
Source: Primary data

The procurement and stores departments each accounted for 10% of the overall sample, with administration accounting for 25% of the total sample, pharmacy and human resources departments each accounting for 15%, and nutrition accounting for 5%. This indicates that the administrative department had the most participants of all the departments used by the researcher. The procurement department has only two employees, a procurement officer and procurement assistant, and the researcher employed both of them to participate in the questionnaire and the interview. Because there was a balance of responders from all departments in the table above, the researcher was able to get impartial results because all of the critical information came from all of the case study's key departments, resulting in a trustworthy conclusion.

4.5 Employment experience

Figure 4.4 Employment experience

n=20



Source: Primary data

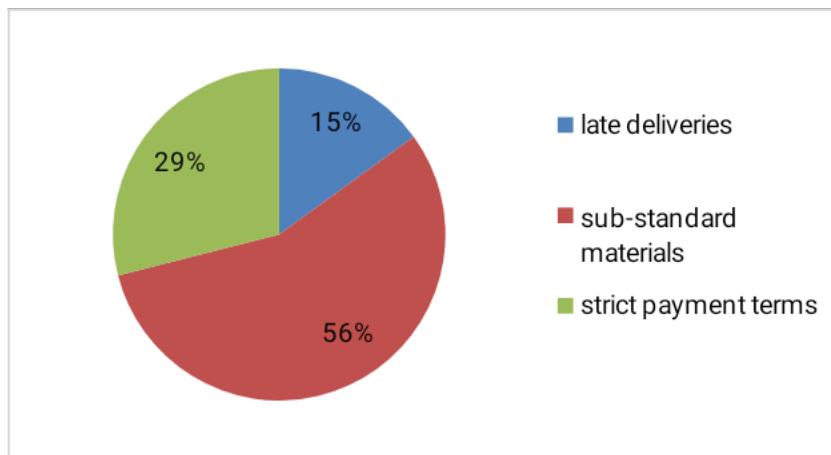
The graph above illustrates that the organizations are reasonably evenly distributed, with three major groups ranging from 20% to 50%. Those with 4 to 6 years of experience are the most numerous. Those with 11 years or more are uncommon, accounting for only 10% of the whole sample. Looking at the data above, the researcher can safely conclude that the groups are balanced and that the researcher can derive reliable information from them because they offer different perspectives based on years of experience and thus make reasonable conclusions because the researcher will be using data generated from all angles and the outcome may give a true picture of the total population in the hospital. According to the researcher's observations, having a mix of diverse respondents with different working experience gives a better image of the activities done between a supplier and a customer, which is consistent with the findings of the questionnaire and interviews. The importance of the buyer-supplier connection is growing as individuals with more experience have a better grasp of why such a relationship is important. Their argument is that when there were few buyers in the market, it did not have a significant impact on their organization because suppliers were used as and when needed, and lead times were shorter because there was no intense competition among buyers for the few major suppliers, but as the hospital grew, it became increasingly important to have a close buyer-supplier relationship because it would help the organization become more competitive than other organizations and it would also help the organization grow. Those with little job experience, on the other hand, have a different perspective, believing that there is too much reliance on the supplier, which limits opportunities for innovation via exposure because buyers are locked into one provider.

4.6 Supplier Relationship Management in the context of Shamva District Hospital

The respondents were asked to demonstrate their understanding of what a supplier relationship comprises as defined by their organization, and 67 per cent said it entailed the development of long-term relationships with suppliers that benefit both parties involved. Only 33% of respondents went on to say that supplier relationship management is a process, not a one-time event, and that it requires the dedication, confidence, and collaboration of all parties involved in it to be effective. The company's concept and knowledge of supplier relationship management, according to the researcher, was in line with Kleinbaum's (2008) definition of supplier

relationship management as an all-encompassing approach of managing relationships with suppliers of goods and services.

4.7 How buyer-supplier relationship management level at Shamva District Hospital has affected organisational performance



Source: Research findings 2021

Figure 4.5: Impact of poor SRM on SDH performance

Figure 4.4 shows that 56% of respondents said vendors had given sub-standard items at exorbitant rates on multiple occasions, particularly theatre equipment and laboratory instruments, compromising service delivery. Suppliers were being tough with their business conditions, requiring fast payments on delivery, which the hospital found difficult to comply with because it is a government institution, according to the remaining 29%. The last 15% stated that suppliers were delivering items late, causing the hospital to be unable to adequately perform services, leaving some patients unattended.

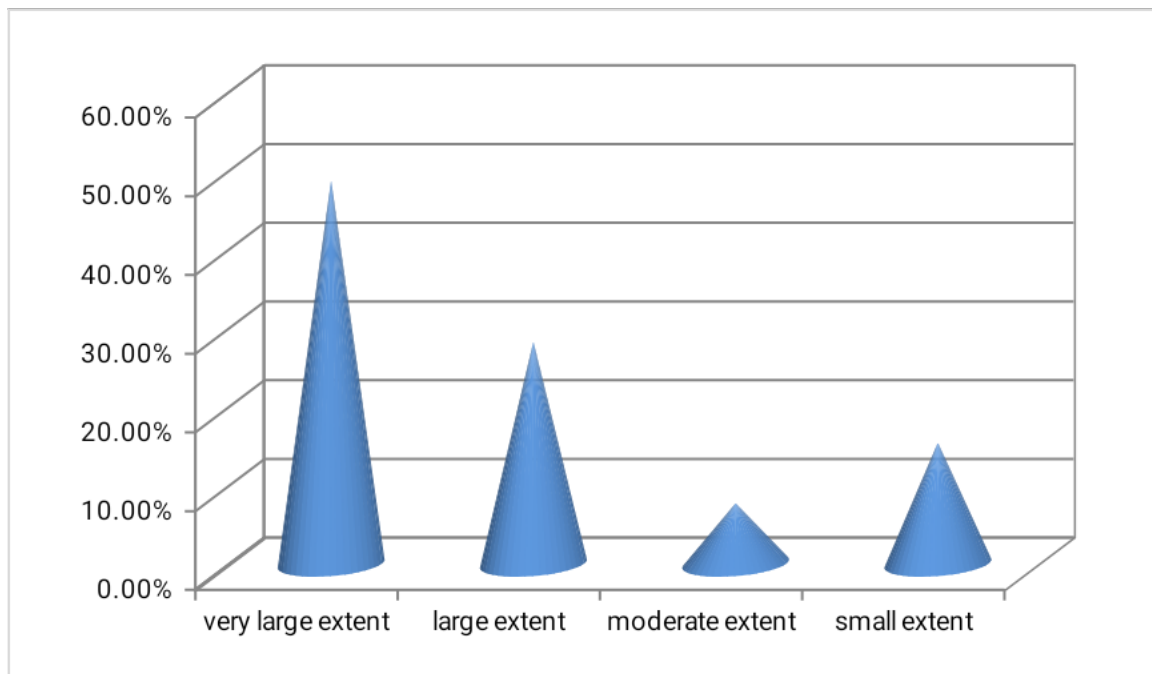
According to the respondents' findings, the hospital has had a negative impact, which is a real representation of SDH's unsatisfactory connection with its suppliers. As a result, the hospital has missed out on the benefits of a good buyer-supplier relationship, as demonstrated by Johnston et al. (2004), who list financial, lead time performance, improved responsiveness, customer loyalty, innovation, quality products, inventory reduction, and improvements in product or process design, delivery performance, flexibility, product availability, and customer satisfaction as

benefits of a good buyer-supplier relationship.

4.8 Supplier relationship management variables and their effect on SDH performance

The student researcher wanted to see how different buyer-supplier relationship management factors affected SDH effectiveness. The findings revealed the company's inadequate supplier relationship management.

4.9 The existence of mutual goals between buyer and supplier organisation and organisational performance



SOURCE: Research findings 2021

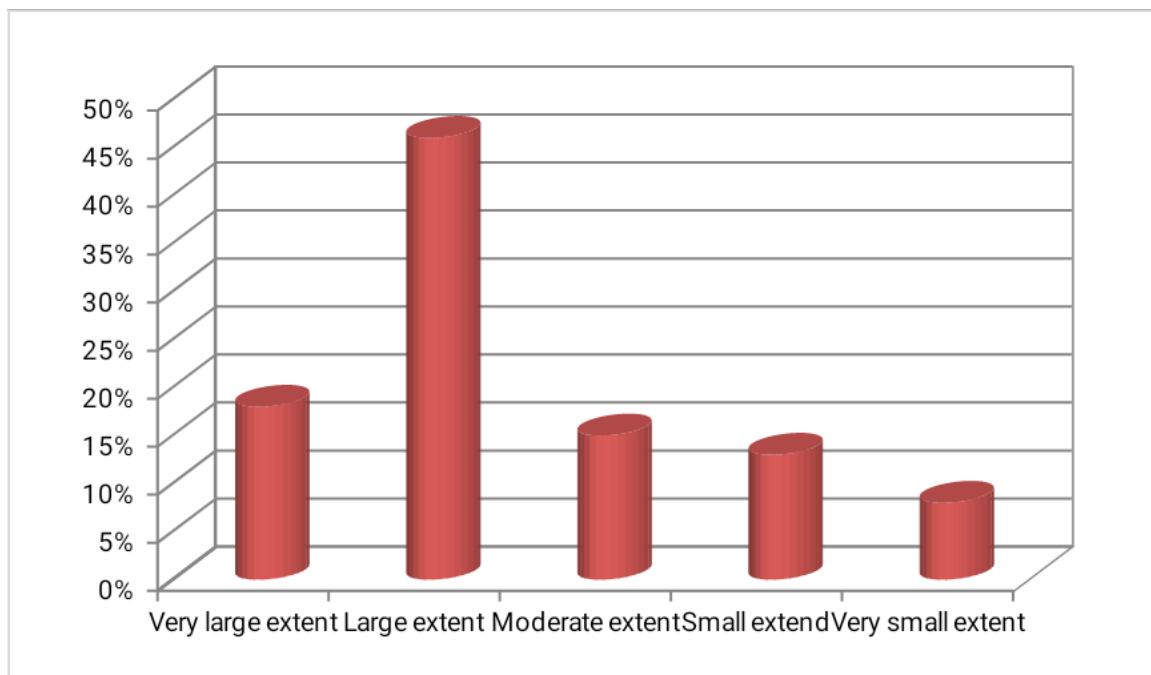
Figure 4.6: Existence of mutual goals between buyer and supplier organisation and organisational performance

When asked if having common goals in buyer-supplier interactions helps their organization's success, 48.7% said yes to a very large amount, 28.2% said yes to a considerable extent, and 7.7% said yes to a moderate extent. The remaining 15.4 per cent thought it made a minor difference.

The overarching impression was that having a shared vision between buyers and

suppliers improves organizational effectiveness. Zsidisin and Ellram (2001) agreed, stating that a good partnership is defined by risk sharing between the buyer and the provider. Wilson, Soni, and O'Keefe (1994) go on to say that the availability of common goals between purchasing and providing organizations has a big impact on performance satisfaction.

4.10 The level of commitment between buyer and supplier organisations.



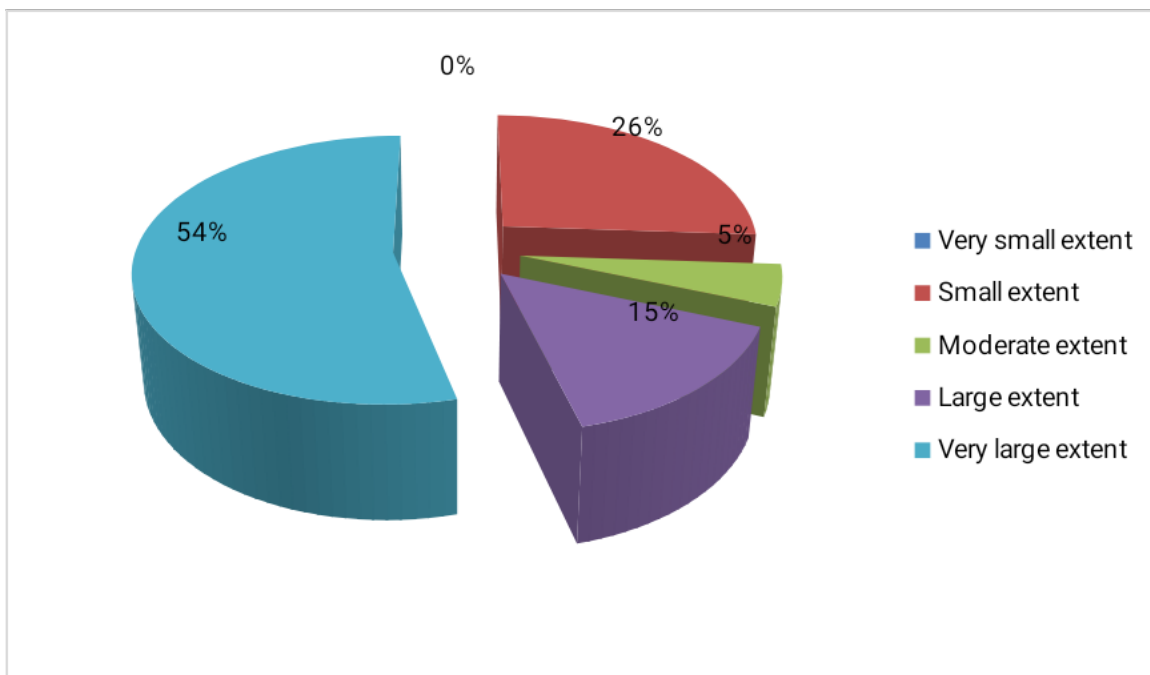
Source: Research findings 2021

Figure 4.7: The level of commitment between buyer and supplier organisations.

Respondents also agreed that commitment in buyer-supplier relationships leads to improved organizational performance, with 10.3 percent agreeing to a very big level and the remaining 53.8 percent agreeing to a considerable amount. However, 15.4 percent of respondents believed that the influence of both buyer and supplier

commitment on organizational performance was moderate, 17.9 percent believed that commitment has little effect on organizational performance, and 2.6 percent believed that commitment has a very small impact on organizational performance. The overall conclusion was that effective supplier relationship management required both buyer and supplier commitment. Morgan and Hunt (1994) backed up this conclusion by stating that commitment was an important factor in determining the future existence of a relationship as well as the performance of both organizations, and that an enduring desire to maintain the relationship reflects a committed partner who wants the relationship to last indefinitely and is willing to put in the effort to do so.

4.11. Impact of trust on Buyer-Supplier relationships and organisational performance



Source: Research findings 2021

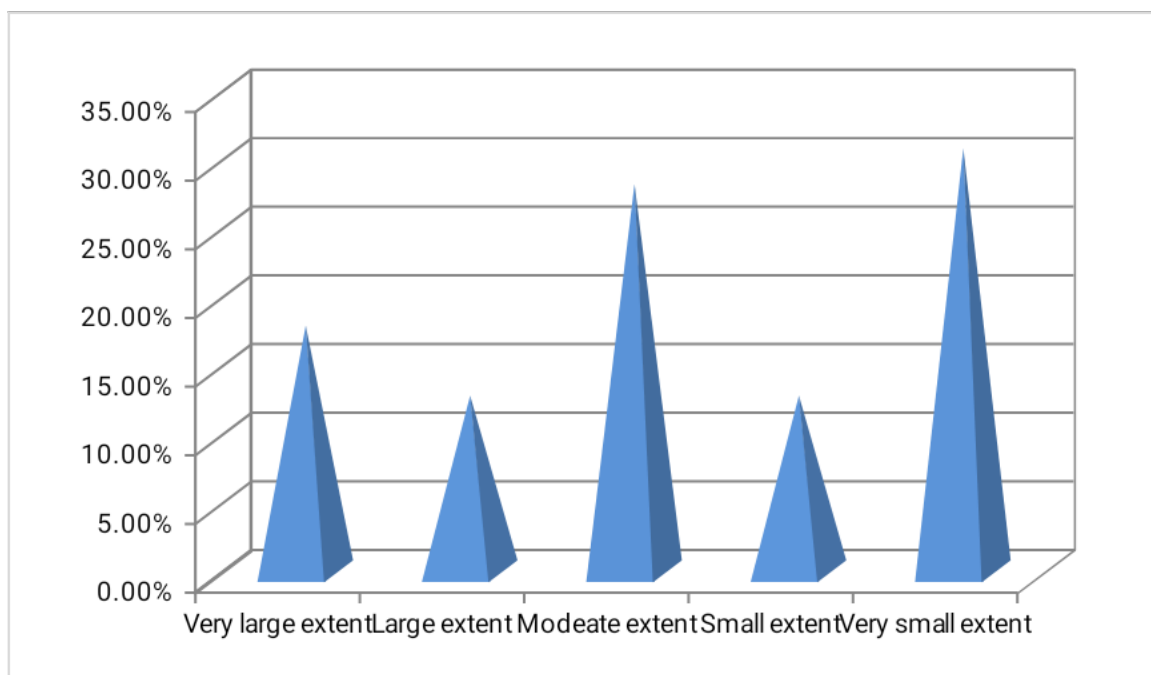
Figure 4.8: Impact of trust on Buyer-Supplier relationships and organisational performance

To a very significant and substantial extent, respectively, 53.8 percent and 15.4

percent of the tested respondents agreed that trust in buyer-supplier interactions leads in better organizational performance for their organization. A total of 25.6 percent said the impact was little, while the remaining 5.1 percent said it was moderate.

This meant that building and maintaining effective and advantageous strategic relationships between buyers and sellers required a high level of trust. This finding is consistent with Dyer and Chu (2000), who found that trust, is highly correlated with stable and consistent buyer processes or routines that represent credible commitments to long-term interactions; thus, a high degree of organizational personnel stability on both sides could be a determinant of trust.

4.12 Impact of co-operation on buyer-supplier relationships and organisational performance



Source: Research findings 2021

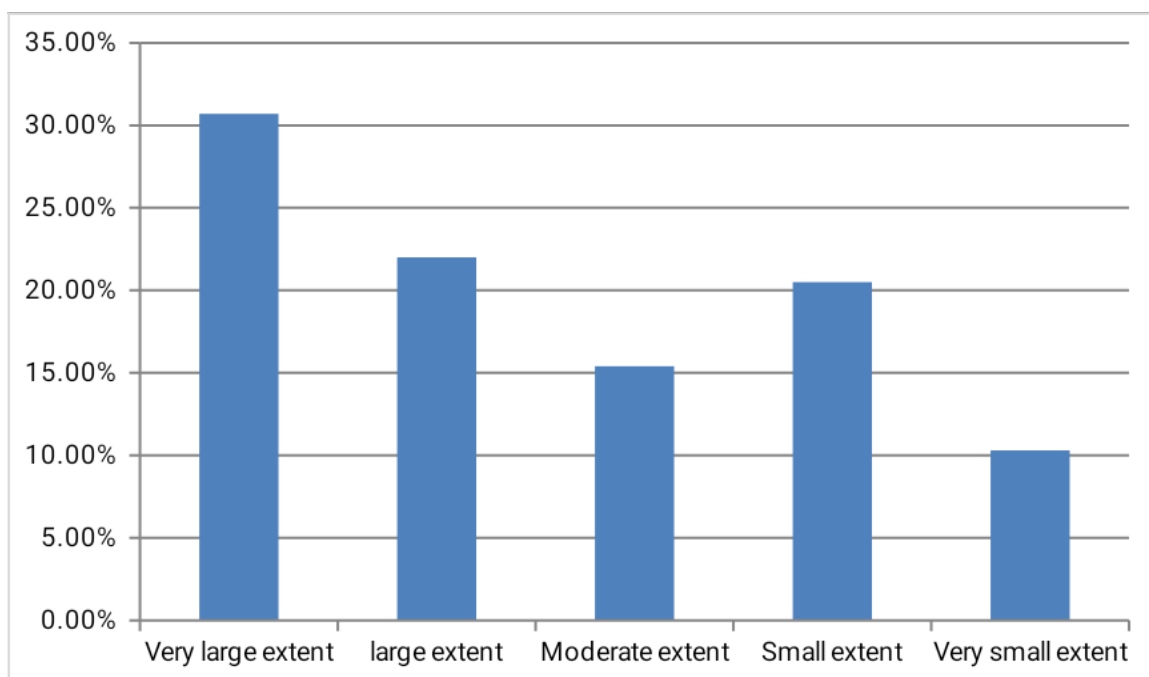
Figure 4.9: Impact of co-operation on buyer-supplier relationships and organisational performance

17.9% agreed to a very large extent, 12.8% agreed to a considerable extent, 28.2% agreed to a moderate amount, 12.8% agreed to a minor extent, and 30.8 percent

agreed to a very small extent, according to the study.

The study's findings show that collaboration was critical to the effective formation and development of strategic relationships between buyers and suppliers. The findings support Lee et al., (1997), who stated that in order to earn and keep business, buyers and suppliers must work together, and that a deeper and stronger connection helps channel members to increase quality through improved links between buyer and supplier organizations.

4.13 Impact of communication on buyer-supplier relationship and organisational performance



Source: Research findings 2021

Figure 4.10: Impact of communication on buyer-supplier relationship and organisational performance

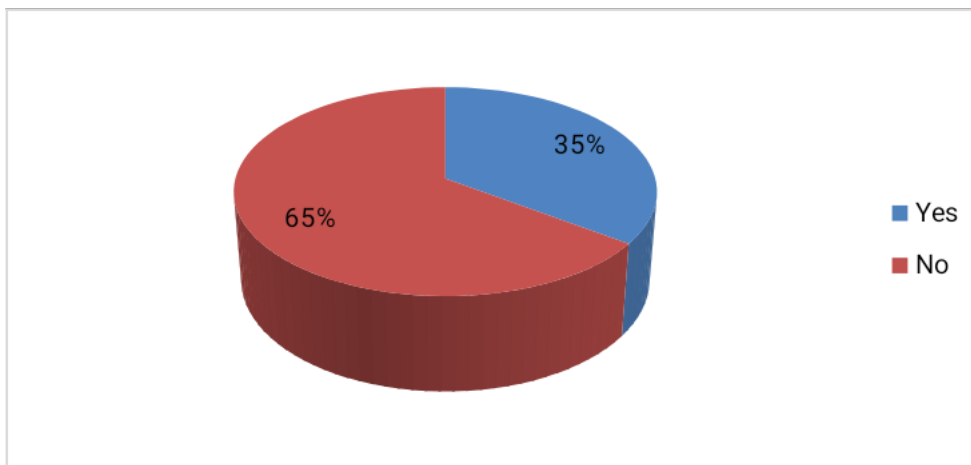
30.7 percent of respondents believed that communication in buyer-supplier interactions was extremely important in improving organizational performance, while 23 percent agreed to a substantial extent. 15.4 percent agreed to a smaller extent, 20.5 percent agreed to a very small amount, and 11.3 percent agreed to a substantial extent. Communication has shown to be crucial in the formation and maintenance of

strategic partnerships, and it is the foundation upon which mutual understanding of duties and responsibilities is built. Communication processes, according to Mohr and Nevin (1990), underpin most elements of organizational behaviour and are crucial to organizational success.

4.14 Measuring the extent to which SDH has embraced Buyer – Supplier Relationship Management

The goal of the study was to see how far SDH had adopted buyer-supplier relationship management, therefore respondents were asked to say how far their company had implemented supplier relationship management methods. The results were analysed and are provided in percentage formats as well as narratives below.

4.14.1. Whether Supplier Relationship Management form part of respondent’s responsibilities



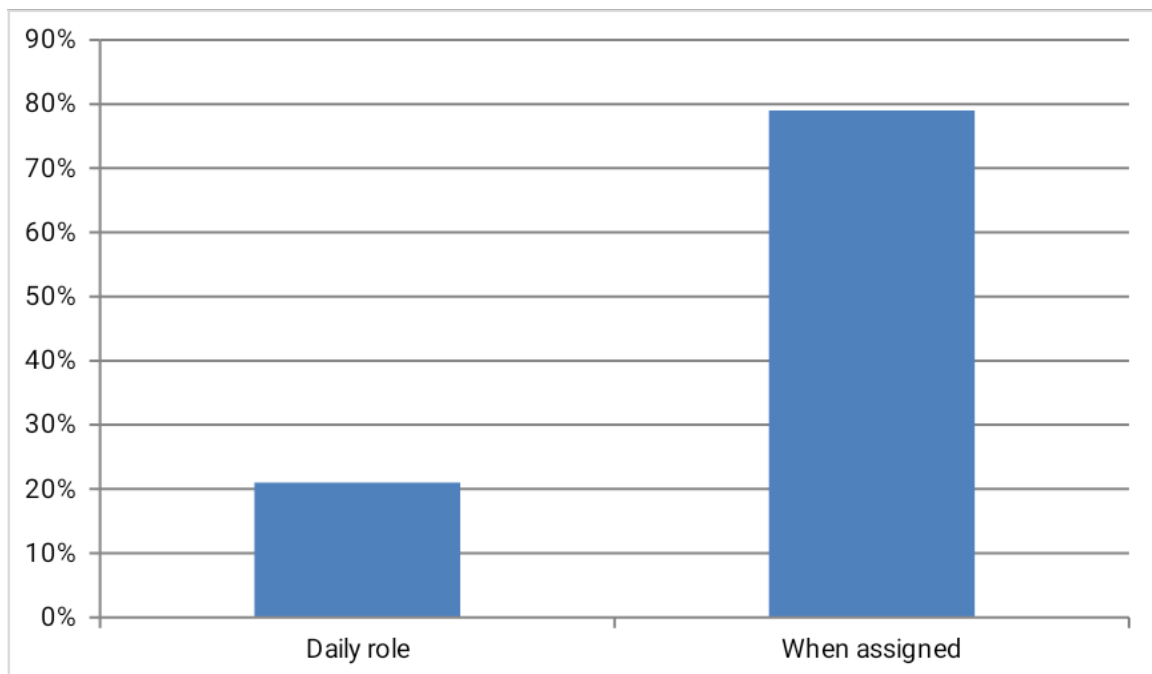
Source: Research findings 2021

Figure 4.11: Whether Supplier Relationship Management form part of respondent’s responsibilities

Supplier relationship management was not part of the majority of respondents' obligations (65%), whereas supplier relationship management was part of their responsibilities for 35%. The main finding was that supplier relationship management was not a high priority at the organization due to the limited amount of

supply chain workers who were assigned the task to manage supplier relationships (yes, 35 percent, no, 65 percent). The negative consequences of such a shift include that the majority of employees will be unconcerned with how suppliers are treated since they do not understand or respect the relevance of suppliers in their organization's performance. Alliances are increasingly an important part of present operations as well as future planning for businesses.

4.14.2: The proportion of employee's time spent on Supplier Relationship Management



Source: Research findings 2021

Figure 4.12: The proportion of employee's time spent on Supplier Relationship Management

Figure 4.12 shows that 79 percent of respondents only participate in supplier relationship activities when they are allocated, whereas 21 percent participates on a daily basis. The findings show that the firm does not empower its workers to manage supplier relationships; as a result, the majority of respondents are unconcerned and ignorant about managing supplier relationships. This method of managing supplier relationships is not beneficial to the company since the majority of supply chain staff will lose interest in the activity, causing suppliers to be neglected.

4.14.3. Who leads Supplier Relationship Management (SRM) in the organisation?

All of the respondents stated that the procurement department was in charge of supplier relationship management, which at times delegated the responsibility to administration, particularly works and services, in whom the organization had great faith because they are in charge of all hospital assets. According to Jonathan (2010), a formal Supplier Relationship Management team or office should be established at the corporate level to facilitate and coordinate SRM operations across organizational roles and divisions. This, however, is consistent with what SDH has been attempting to achieve, such as delegating SRM responsibilities to corporate workers.

4.15. Challenges facing Buyer - Supplier Relationship Management

Table 4.4: Challenges facing buyer -supplier relationships

| | Strongly agree | Agree | Undecided | Disagree | Strongly disagree |
|--|----------------|-------|-----------|----------|-------------------|
| Lack of communication leads to poor buyer - supplier relationships | 44.2% | 20.9% | 11.6% | 14% | 9.3% |
| Lack of commitment causes failure of buyer- supplier relationships | 16.3% | 48.8% | 7% | 20.9% | 7% |
| Lack of trust between buyers | 72.1% | 9.3% | 14% | 4.7% | — |

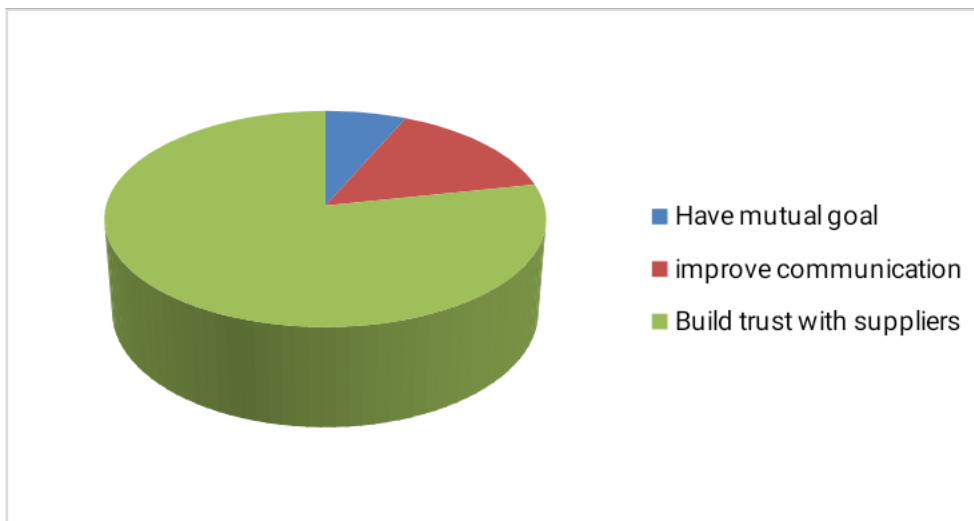
| | | | | | |
|--|-------|-------|----|-------|-------|
| and suppliers leads to failure of buyer – supplier relationships | | | | | |
| Lack of mutual goals between the supplier and the buyer leads to failure of buyer supplier relationships | 25.6% | 58.1% | 7% | 9.3% | – |
| Lack of co-operation between buyers and suppliers leads to failure of buyer- supplier relationships | 27.9% | 44.2% | – | 11.6% | 16.3% |

Source: Research findings 2021

The findings on the challenges that impede effective supplier relationship management are presented in Table 4.3, and respondents agreed that lack of communication, commitment, trust, mutual goals and cooperation, as well as poor supplier performance, all negatively impact buyer-supplier relationships. Lack of communication leads to a poor buyer-supplier relationship, according to 65.1 percent of respondents, indicating that much work needs to be done to improve communication between the buying organization and its suppliers, as this is the foundation for the creation of mutual goals and cooperation. The majority of respondents (81.4 percent) thought that the hospital and its suppliers had low confidence in each other. Supplier relationship management becomes tough when there is no trust, because the connection is a fiduciary one in which trust is essential to its success. Furthermore, 83.7 percent of respondents felt that bad relationships between buying and providing organizations are caused by a lack of common aims. This is because effective supplier relationship management requires organizations to share the same goals and vision in order to pull in the same direction and follow courses of action that result in win-win outcomes. An additional 72.1 percent of respondents said that buyer-supplier interactions fail due to a lack of cooperation between the buying and providing organizations. Organizations that share shared aims and trust one other are more inclined to cooperate.

According to the data, 100% of the respondents agreed that bad supplier performance leads to poor buyer-supplier interactions. Whipple and Frankel, (2000) agreed with the previous results, stating that it is critical for suppliers to understand their consumers' vision and aspirations in order to satisfy them and build mutually beneficial partnerships with them. Coordination, collaboration, dedication, communication, trust, adaptability, and dependability are all considered more vital in the formation and management of strategic partnerships. The establishment of mutually beneficial connections will be limited if these characteristics are lacking.

4.16 Strategies which the company should put in place to improve the nature of buyer- supplier relationship management



Source: Research findings 2021

Figure 4.13: Strategies which the hospital should put in place to improve the nature of buyer-supplier relationship management

The researcher concluded by asking respondents about strategies that they believe their company should implement to improve effective buyer-supplier relationships, and respondents indicated a number of initiatives, the most prominent of which was the development of trust and commitment between the hospital and its suppliers, which was cited by 61 percent of respondents. Other respondents (27%) suggested that the organization enhance its communication with its suppliers to ensure that the buyer and supplier have a clear grasp of each other's roles and duties, as well as

reciprocal information sharing and increased responsiveness. Only 12% of respondents said their organization needed to set joint goals with suppliers and maintain relationships with them to guarantee that both parties in the relationship were pulling in the same direction.

The importance of trust, communication, and dedication in establishing mutually beneficial relationships with suppliers was emphasized in the responses. This idea was in line with Christopher's (2004) commitment-trust theory of relationship, which states that a successful relationship requires two essential factors: trust and commitment. Communication processes, according to Mohr and Nevin (1990), underpin most elements of organizational behaviour and are crucial to organizational success.

4.17 Chapter summary

The presentation and analysis of the study findings based on the data obtained was covered in Chapter 4. The conclusions of this research study corroborated the findings of the relevant literature analysis, which stated that supplier relationship management was critical in assuring the organization's enhanced performance. It was established that trust, commitment, common objectives, cooperation, and communication were critical aspects in the creation and implementation of strategic partnerships with suppliers, and that the absence of these elements hampered both employee and organization effectiveness. The following chapter is all about summary, conclusions and offering suggestions.

CHAPTER 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This was the research's last chapter, which offered a summary of the findings from chapter one through chapter four. This chapter contains the chapter's conclusions as well as the study's suggestions based on the results or outcomes provided and analyzed in the preceding chapter.

5.1 Summary of findings

The goal of the research was to find out how well SDH in Zimbabwe managed buyer-supplier relationships. According to the demographic profile of the respondents, females are employed at a lower rate than their male counterparts, and the disparity is considerable. All departments were represented, with the administrative department having the most staff. The majority of employees had an ordinary level of education or above and found it difficult to grasp the notion of Supplier relationship management. In terms of job experience, the bulk of the respondents had been with the organization for 4 to 6 years.

The study indicated that inadequate management of connections between buyer and supplier organizations had a negative impact on the company's supplier relationship management procedures. Employees at SDH pointed out that their organisation and its suppliers had no joint aims. Employees also stated that there was very little commitment between buyers and suppliers at their company, and that the nature of the connection between the hospital and its suppliers had a detrimental impact on the company's performance. Respondents also emphasized that while collaboration between the customer and the supplier had minimal impact, communication was critical in buyer-supplier partnerships.

When asked about the extent of adoption of buyer-supplier relationships at SDH, the majority of respondents said that Supplier relationship management activities are not part of their everyday tasks and responsibilities and that they only participate when their superiors assign them. Supplier relations were to be managed by managers and directors. Respondents' responses to indicators of supplier relationship management revealed a lack of mutual goals, a lack of understanding of

roles and responsibilities between buyer and supplier organizations, low commitment, short-term relationships between buying and supplying organizations, low trust, no mutual information sharing, and poor communication. Poor communication, lack of trust, lack of commitment and collaboration, as well as a lack of mutual understanding between SDH and its suppliers are among the problems preventing efficient management of relationships between SDH and its suppliers, according to respondents.

5.2 Conclusions

The researcher found that SDH and its suppliers had a bad working relationship based on the findings of the research study. This is due to the lack of commitment and mutual understanding between SDH and its suppliers, indicating that supplier relationship management is not a top concern for the company.

SDH has also suffered as a result of its main suppliers' lack of strategic relationships. The corporation has not received special treatment from its suppliers and is not meeting quality criteria.

Mutual goals, buyer and supplier commitment, confidence between purchasing and providing organizations, cooperation, and frequent and efficient communication are all critical in establishing and maintaining strategic partnerships with suppliers.

SDH and its suppliers have no common goals or a clear knowledge of their roles and responsibilities. Furthermore, the SDH and its suppliers have no long-term connection.

Between SDH and its suppliers, trust was low and communication was weak. Furthermore, the organizations were not particularly receptive to one other's needs and concerns.

The hospital was falling behind in terms of adopting and implementing strategic supplier relationships. Managers are in charge of managing supplier relationships, whereas lower-level staff merely participates in tasks as and when they are allocated.

To enhance its strategic partnerships with suppliers, the organization should increase communication and information exchange with them, learn to trust them,

and commit to the building and management of mutual relationships with them.

5.3 Recommendations

The researcher suggested the following to form the greatest supplier partnerships:

5.3.1 Communicate regularly and effectively with suppliers

Communication is the essential to every effective relationship, and this is especially important to remember while dealing with suppliers. Because suppliers deal with a large number of clients who must be satisfied at the same time, the first step SDH should take in developing mutual relationships with suppliers is to communicate with them on a regular basis. Face-to-face meetings with suppliers are an important part of effective communication. SDH should also have the appropriate technologies in place to allow internal and external teams to interact and share papers and other information. Effective communication would foster common understanding and openness on both sides of the channel, allowing for a more open, even-handed discourse.

5.3.2 Develop trust with suppliers

A positive buyer-supplier relationship requires trust, and the greatest way to generate trust is via openness. SDH shall guarantee that its personnel carry out their responsibilities and obligations in an ethical and honest manner. Professional codes of conduct should be written to govern workers' behaviour when doing their tasks in order to ensure ethical dealings with suppliers. Purchasing software also improves purchasing efficiency and makes it easier for suppliers to cooperate with the purchasing department.

5.3.3 Avoid excessive demand with the suppliers

Because suppliers deal with a large number of clients, SDH must give them the benefit of the doubt if the company's demands are not supplied immediately at all times. Without over communicating requests, the procurement department should assert priority to suppliers. This form of mutual understanding will build a natural relationship with suppliers and encourage them to spend more time working with the organization.

5.4 Suggestions for Further Research

The researcher suggests that more study be done on the same problem in organizations other than the service business in the public sector. This will aid in determining if the same impacts will be observed when the research is conducted on various private sector organizations. This will help provide specific information from which valid conclusions may be drawn.

REFERENCES

- Manyuru, J.P., (2005). Corporate governance and organisational performance: the companies quoted at the Nairobi Stock Exchange.
- Li-Ling-yea. (2006). Learning at trade shows: Its antecedents and consequences, industrial marketing management
- Anastas, J.W.(1999) Research Design for Social Work and the Human Service. Second Edition .Columbia University Press, New York
- Inayatullah, Narain, and Singh, A., (2012). The role of buyer supplier relationship and trust in organisational performance. India. Delhi business review vol 13 No. 2.
- Morgan, R., (2000). <http://toolkit.smallbiz.nsw.gov.au/part/12/62/254:supply-management-strategies:buyer-and-seller-relations>. Retrieved 06/12/21
- Morgan, R.M., and Hunt, S. D., (1994). The commitment-trust theory of relationship marketing. Journal of marketing. Vol 55 No.3 pp 20-38.
- Kamau, F. (2013). "Buyer - supplier relationships and organisational performance among large manufacturing firms in Nairobi, Kenya."Unpublished MBA Project, University of Nairobi
- Johnston, D. A., McCutcheon, D. M., Stuart, F. I., and Kerwood, H. (2004). "Effects of supplier trust on performance of cooperative supplier relationships," Journal of Operations Management, Vol. 22, pp. 23-38.
- Weele, V., (2002). Purchasing and Supply Chain Management: Analysis, strategy, planning and practice 4th edition. Thomson London.
- Tukuta, M .(2010). An investigation into the effects of globalisation on the Zimbabwean Freight Forwarding Industry .Chinhoyi University of Technology.Zimbabwe.
- Mugarura, J.T., (2010). Buyer supplier collaboration, adaptation, trust, commitment and relationship continuity of selected private manufacturing firms in Kampala. Makerere university, Uganda.

Mayombwe, B., (2012). The impact of supplier relationship management on performance of the organisation. Tanzania.

Dyer, H.J. and Chu, W. (2000). The determinants of trust in supplier-automaker relationships in the U.S., Japan and Korea, *Journal of International Business Studies* 31(2):259-285.

Mohr, J. and Spekman, R. (2004). Characteristics of partnership success: Partnership attributes, communication behaviour and conflict resolution techniques, *Strategic Management Journal* 15(2):135-152.

Kumar, P. (2005). Research Methods and Sampling Technology: *Journal of Research* Volume 12 Number 4.

Hsiao, M.J., Purchase, S., and Rahman, S., (2012). The impact of buyer supplier relationship and purchasing process on the supply chain performance: a conceptual framework. Taiwan.

Inayatullah, Narain, and Singh, A., (2012). The role of buyer supplier relationship and trust in organisational performance. India. *Delhi business review* vol 13 No. 2.

Mary, E. Nancy, Y. Anny, G. Judith, D and Jerry, M. (2012), Best practices in supplier relationship management and their early implementation in the air force material command.

Mohr, J.E., and Nevin, J.R., (1990). Communication strategies in marketing channels: a theoretical perspective. *Journal of marketing* Vol 54 No 4. Pp. 36-51.

Mugarura, J.T., (2010). Buyer supplier collaboration, adaptation, trust, commitment and relationship continuity of selected private manufacturing firms in Kampala. Makerere university, Uganda.

Paiva, E.L., Phonlor, P., and D'Avila, L.C., (2008). Buyer supplier relationship and service performance: an operations perspective analysis. Unisinos. *Journal of international conference of the production and operations management society*. Vol 1 No. 2.

Sako, M (2000). Price, Quality and Trust-inter-firm relationships in Britain and Japan. Cambridge University Press, Cambridge UK.

Souse, C.M.P and Bradley, F. (2008). Antecedents of international pricing adaptation and export performance. Journal of World Business, Vol. 43 No.3, pp. 307-20

Wilson, D.T., (1995). An integrated model of buyer seller relationships. Journal 23(4), 335- 45.

APPENDIX A

QUESTIONNAIRE

My name is Kudzaishe Rutsinga, student number B1851458. I am a student at Bindura University pursuing Bachelor of Commerce (Honours) Degree in Purchasing and Supply. It is a requirement of the degree programme that I conduct a research study and as such I am carrying out a research project entitled "The impact of Buyer-Supplier relationship on organisational performance: A case study of Shamva District Hospital, (2020-2021). May you please assist by answering the following questions? All information you are going to give will be treated as confidential information and will be used for academic purposes only.

Section A: Demographic data

1. Gender: Male [] Female []
2. Age: Below 20yrs [] 20-40yrs [] 40-60yr [] Above 60yrs
3. For how long have you been working for Shamva District Hospital? Below 2yrs 2-5yrs [] 6 – 10yrs [] Above 10yrs []
4. What is your highest education level? Secondary level [] Certificate level [] Diploma level [] First Degree [] Post graduate level []

Section B: Measuring the effect of Buyer – Supplier Relationships and organisational Performance

5. What does Supplier Relationship Management comprise, in the way that your organisation defines it?

6. In what ways has your organisation's performance been affected by the nature of relationship that exists between it and its suppliers?

.....

7. Please indicate the extent to which you concur with the following statements concerning the listed variables and buyer – seller relationships. The scale below will be applicable: 1= Very large extent 2= Large extent 3= Moderate extent 4= Small extent 5=Very small extent.

| | Very large extent | Large extent | Moderate extent | Small extent | Very small extent |
|--|--------------------------|---------------------|------------------------|---------------------|--------------------------|
| Having Mutual goals in buyer – supplier relationships results in better organisational performance for our organisation | | | | | |
| Commitment in buyer – supplier relationships results in better organisational performance for our organisation. | | | | | |
| Trust in buyer – supplier relationships results in better organisational performance for our organisation | | | | | |
| Co-operation in buyer – supplier relationships results in better organisational performance for our organisation. | | | | | |
| Communication in buyer – supplier relationships results in better organisational performance for our organisation. | | | | | |

| | | | | | |
|---|--|--|--|--|--|
| In general, buyer-supplier relationships have helped improve performance in our organisation | | | | | |
|---|--|--|--|--|--|

Extent to which Shamva District Hospital has embraced Buyer – Supplier Relationship Management

8. Does Supplier Relationship Management form part of your responsibilities?

(i.) Yes () (ii.) No ()

9. What proportion of your time is spent on SRM? (i.) It is my daily role () (ii.) When assigned ()

10. Who leads Supplier Relationship Management (SRM) within your organisation?

11. How is the performance of the SRM team measured?

Challenges facing Buyer - Supplier Relationship Management

12. Please indicate the extent to which you concur with the following statements concerning challenges facing buyer supplier relationships. Use the scale of: 1= Strongly agree 2= Agree 3= Undecided 4= Disagree 5= Strongly disagree

| | Strongly agree | Agree | Undecided | Disagree | Strongly disagree |
|---|----------------|-------|-----------|----------|-------------------|
| Lack of communication leads to poor buyer - supplier relationships | | | | | |
| Lack of commitment causes failure of buyer- supplier relationships | | | | | |

| | | | | | |
|--|--|--|--|--|--|
| Lack of trust between buyers and suppliers leads to failure of buyer - supplier relationships | | | | | |
| Lack of mutual goals between the supplier and the buyer leads to failure of buyer supplier relationships | | | | | |
| Lack of co-operation between buyers and suppliers leads to failure of buyer- supplier relationships | | | | | |
| Poor performance of suppliers leads to poor buyer supplier relationships | | | | | |

APPENDIX B

INTERVIEW GUIDE

Questions

1. How would you define supplier relationship management in your organisational context? 2. In what ways has your organisation's performance been affected by the nature of relationship that exists between it and its suppliers?
3. To what extent has SDH has embraced Supplier Relationship Management?
4. Does Supplier Relationship Management form part of your responsibilities?
5. What proportion of your time is spent on Supplier Relationship Management?
6. Who leads Supplier Relationship Management (SRM) within your organisation?
7. In your own opinion, what do you think the company should do to improve the nature of buyer-supplier relationships?

Thank you very much for your time

