Strategic Sourcing and Performance of Lake Region Economic Bloc, Kenya.

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ABSTRACT

The devolved governments in Kenya undertake projects that make up over 50% of government spending and are important to the economy. To improve the performance of projects and efficiency in service delivery, Kenyan county governments commonly award bids using strategic sourcing. However, despite the adoption of strategic sourcing, the performance of devolved systems of government remains poor. The general objective of this study was to determine the effect of strategic sourcing on performance of devolved systems of government in the Lake Region Economic Bloc, Kenya. The specific objectives were to establish the effect of supplier relationship management, market research, analytics, and multiple sourcing on the performance of devolved systems of government in the Lake Region Economic Bloc, Kenya. The study is significant to the administration of County governments in the Lake Region Economic Bloc, the policy makers as well as other researchers and academicians. The study adopted a cross-sectional research design. The target population of the study was all the 47 county governments in Kenya, which are categorized into 6 regional blocs. The target population of the study was all the 47 county governments in Kenya, which are categorized into 6 regional blocs. The respondents included heads of departments in finance, procurement, public relations and information and communication technology as well as their assistants in 14 Counties in the Lake Region Economic Bloc (LREB). A semi-structure questionnaire was used in the collection of data. Data was analyzed using qualitative data and quantitative methods. Qualitative data was analyzed using content analysis and the results were presented in a narrative form. Descriptive and inferential statistics were used in analyzing quantitative data with the help of the Statistical Package for Social Sciences (SPSS version 25) statistical software. Quantitative results were presented in the form of tables and figures. The study found that supplier relationship management has a positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. The study also established that market research has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. The study further revealed that analytics has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. Also, the study found that multiple sourcing has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. The study recommends that County government should develop training programs and workshops for government procurement officers and suppliers to enhance their understanding of procurement processes, compliance requirements, and best practices. County governments should regularly update market information related to various goods and services required by the government. In addition, County governments should create a dedicated analytics department or unit within the government structure to focus on data collection, analysis, and interpretation. In addition, County governments should monitor supplier performance regularly and use data-driven insights to make decisions about contract renewals or terminations.

Keywords: Strategic Sourcing, Supplier Relationship Management, Market Research, Analytics, Multiple Sourcing, Performance Of Lake Region Economic Bloc, Kenya

APA CITATION;


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1.0 INTRODUCTION

1.1 Background of the Study
Businesses increasingly adopt strategic sourcing to optimize procurement spending amidst budget constraints and cost-cutting pressures. Since purchased goods and materials can constitute 50-70% of an organization's costs, strategic sourcing can deliver substantial value without major restructuring (Mulekye, 2018). It involves long-term supplier selection and development, influencing factors like supplier numbers, relationships, and contract conditions (Williem et al., 2019; Kenneth & Brian, 2017). This approach evaluates suppliers to align with organizational goals, primarily aiming to reduce costs by leveraging market pricing, informed supplier choices, and supply aggregation (Ellram, 2019; Lester & Digman, 2017). Components such as supplier relationship management, multiple sourcing, and analytics enhance these benefits (Yamoah, 2019; Karanja & Wagoki, 2021). Effective strategic sourcing can result in 5-20% savings on commodities and further reduce administrative costs through automated processes (Chopra & Meindl, 2017). This efficiency is crucial in today’s competitive market, helping companies meet procurement performance goals (Illmer, 2017; Lyson, 2018).

1.1.1 Global Perspective on Strategic Sourcing and Performance of Devolved Systems of Government
Organizations globally aim to enhance competitiveness by streamlining operations and reducing costs. In Asia, 80% of businesses prioritize customer service improvements through sourcing, while in North America, this figure is 70%, and in Europe, over two-thirds focus on lowering purchasing costs (Hasan, Bellenstedt & Islam, 2023). Given the frequent economic and political disruptions, organizations utilize strategic sourcing to maintain a competitive edge and manage procurement processes effectively (Burt, Petcavage & Pinkerton, 2020). Standard practice in many developed countries, strategic sourcing involves evaluating and selecting suppliers for long-term value (Kim, Suresh & Canan, 2018). In Jordan, it considers the entire supply chain, including cultural and regional differences, aiding in cost savings and sustainability (Jum’a, 2021). In China, it enhances supply chain agility by fostering collaborative supplier relationships (Chiang, Kocabasoglu-Hillmer & Suresh, 2020).

1.1.2 Regional Perspective on Strategic Sourcing and Performance of Devolved Systems of Government
In Africa, implementing strategic sourcing faces challenges due to diverse cultural, political, and economic landscapes (Idoro, 2011). Despite increasing online procurement, risks like incorrect supplier selection can affect business performance (Min & Zhou, 2017; Daniel, 2018). Infrastructure limitations and a shortage of skilled workers further complicate sourcing efforts (Frederico, Kumar, & Garza-Reyes, 2021). Additionally, the lack of legal standardization and prevalent corruption pose significant challenges (Faremi, Adenuga, & Ameh, 2017). However, strategic sourcing can still be beneficial by leveraging local partnerships and the low labor costs in many African countries to enhance competitiveness.

1.1.3 Local Perspective on Strategic Sourcing and Performance of Devolved Systems of Government
In Kenya, strategic sourcing is underutilized despite reforms in public procurement since the 1960s (Kariuki, 2020). Ineffective procurement procedures have led to major scandals, highlighting the need for strategic policies (Pearce et al., 2008). Challenges include non-compliance with legislation, tender irregularities, and corruption. Procurement officers also face issues with cost implications, lack of technical expertise, and inadequate procurement planning (Mamiro, 2010). Measuring procurement performance is often neglected, leading to biased decisions with costly consequences (Kakwezi & Nyeko, 2010). This study aims to explore the impact of strategic...
sourcing on procurement performance in Kenyan public institutions, addressing gaps in existing literature.

1.2 Statement of the Problem
Kenya’s devolved governments, which account for over 50% of government spending, play a crucial economic role (GoK, 2018). These governments have adopted strategic sourcing to optimize procurement and maximize the value of acquired goods, services, and resources. Strategic sourcing involves a systematic approach to managing supplier relationships and meeting organizational objectives. Despite this, Kenyan county governments face performance challenges. Inefficient sourcing reportedly costs them up to 40% of capital spending on projects (World Bank, 2018). Issues like financial irregularities, inefficient service delivery, and low revenue collection persist (Njeri, Elegwa & Anthony, 2018; Muthoka & Waswa, 2021). Moreover, over 70% of county contracts remain unfilled (Muchira, 2020).

Strategic sourcing is known to enhance public sector procurement performance (Kasisi, Benjamin & Mwangi, 2018). County governments, consuming 20% of GDP and up to 60% of the annual budget, are vital for economic growth and development towards Kenya’s Vision 2030 (Nzai & Chitere, 2020; ACEPD, 2019). However, the poor procurement performance of county governments requires further investigation. Previous studies in Kenya have examined strategic sourcing in various sectors but not specifically in county governments, nor did they explore the effects of supplier relationship management, market research, analytics, and multiple sourcing on these entities (Munanu, 2017; Mutua, 2018; Kimetto & Ayoo, 2019; King’ori & Lambaino, 2023; Chepng’etich, Waiganjo & Karani, 2019; Angila, 2017). This study aims to fill this gap by focusing on the Lake Region Economic Bloc’s devolved systems.

1.3 Objectives of the Study
The general objective of this study was to determine the effect of strategic sourcing on performance of Lake Region Economic Bloc, Kenya.

1.3.2 Specific Objectives of the Study
i. To establish the effect of supplier relationship management on performance of Lake Region Economic Bloc, Kenya.
ii. To determine the effect of market research on performance of Lake Region Economic Bloc, Kenya.
iii. To establish the effect of analytics on performance of Lake Region Economic Bloc, Kenya.
iv. To assess the effect of multiple sourcing on the performance of Lake Region Economic Bloc, Kenya.

1.4 Research Questions of the Study
i. To what extent does supplier relationship management affect performance of Lake Region Economic Bloc, Kenya?
ii. How does market research affect performance of Lake Region Economic Bloc, Kenya?
iii. To what extent does analytics affect performance of Lake Region Economic Bloc, Kenya?
iv. How does multiple sourcing affect performance of Lake Region Economic Bloc, Kenya?

1.4 Scope of the Study
The research focused on Lake Region Economic Bloc, which is one of the six regions established by the Ministry of Devolution in Kenya. The Lake Region Economic Bloc has 14 Counties, which include Bomet, Bungoma, Busia, Homabay, Kakamega, Kericho, Kisii, Kisumu, Migori, Nandi, Nyamira, Siaya, Transnzoia and Vihiga. The aim will be to investigate the effect of strategic
sourcing on procurement performance of devolved systems of government in Lake Region Economic Bloc. The study will focus on four components of strategic sourcing, which include supplier relationship management, market research, analytics and multiple sourcing. This study was anchored on the resource-based view theory, market orientation theory, data-driven decision-making theory, and transaction cost economics theory. The target population of the study was all the 47 county governments in Kenya, which are categorized into 6 regional blocks. The regional blocks include Lake Region Economic Bloc (LREB), North Rift Economic Bloc (NOREB), Frontier Counties Development Council (FCDC), Jumuia Ya Kaunti Za Pwani, South Eastern Kenya Economic Bloc as well as Mt Kenya and Aberdares Region Economic Bloc. The geographical scope was all the Counties around the Lake Victoria in the western part of Kenya. The Lake Region Economic Bloc (LREB) was used in this study because it has the highest number of Counties among other the 6 region blocs (The National Treasury, 2022). The respondents in this study were the heads of departments in finance, procurement, public relations and information and communication technology as well as their assistants in 14 Counties in the Lake Region Economic Bloc (LREB). The study looked at performance of devolved systems of government since 2013 when the devolved systems of government began operation.

2.0 LITERATURE REVIEW

2.1 Theoretical Framework

A theory comprises interconnected constructs, definitions, and propositions that systematically explain and predict phenomena (Devi, 2017; Creswell & Creswell, 2017). This study employs multiple theories: resource dependence theory, market orientation theory, data-driven decision-making (DDDM) theory, and resource-based view (RBV) theory.

Resource Dependence Theory posits that organizational survival hinges on acquiring and maintaining resources, leading firms to form interdependent relationships with suppliers (Pfeffer & Salancik, 1978; Medcof, 2001). Effective supplier relationship management is crucial, involving clear communication, favorable contracts, and performance monitoring to ensure high-quality resources, improving devolved government performance (Freeman, Dmytriiev, & Phillips, 2021; Greve, 2021; Sukaatmadja et al., 2021).

Market Orientation Theory asserts that organizations should focus on customer needs. For devolved governments, this means prioritizing citizen needs in service provision. Market research, involving surveys and focus groups, helps understand these needs, informing decisions and improving service quality (Hult, 2011; Wilburn Green et al., 2015; Naidoo, 2010).

Data-Driven Decision-Making Theory advocates using data and analytics to inform decisions, enhancing efficiency and service delivery in government operations. Analytics identify inefficiencies, understand citizen needs, and evaluate service impact, thus guiding resource allocation and improving performance (Ashrafi, Ravasan & Afshari, 2019; Hallikas, Immonen & Brax, 2021; Oncioiu et al., 2019).

Resource-Based View (RBV) Theory emphasizes that a firm's competitive advantage stems from unique internal resources that are valuable, rare, inimitable, and non-substitutable (VRIN). Devolved systems should leverage these resources through multiple sourcing strategies, enhancing performance and maintaining a competitive edge (Ntaramirwa, 2020; Mulekye, 2018; Hasan, Bellenstedt & Islam, 2023).

2.3 Conceptual Framework

A conceptual framework is a presentation model in which a researcher conceptualizes or reflects the linkages between variables in a study and graphically or diagrammatically illustrates the relationship between the variables (Devi, 2017). According to Cristiane (2020), the components of strategic sourcing include market research, contract management, multiple sourcing, and analytics. This is supported by Alvenir (2022) observation that strategic sourcing encompasses of cost
Therefore, this study investigated how supplier relationship management, market research, analytics, and multiple sourcing affect performance of devolved systems of government in Kenya.

2.4 Review of Variables

This section presents a conceptual review of the study variables including supplier relationship management, market research, analytics, and multiple sourcing.

Supplier Relationship Management (SRM) involves evaluating suppliers’ strengths, performance, and capabilities to align with business strategy, determining engagement activities, and managing interactions to maximize value (Al-Abdallah et al., 2014). Supplier collaboration, a strategic partnership to enhance supply chain performance, involves sharing information, resources, and best practices (Rajiv, Bryan & Phillip, 2023). Supplier education improves supplier understanding and capabilities, addressing sustainability and risk issues (Gyampah, Boakye & Famiyeh, 2019). Supplier segmentation groups suppliers by performance and value, optimizing engagement and resource allocation (Mwangi & Muli, 2022; Kimwaki, Ngugi & Odhiambo, 2022). Supplier performance evaluation assesses suppliers to reduce risk and maximize value (Kosgei & Gitau, 2016).

Market research involves systematically collecting data to improve decision-making, crucial for strategic sourcing by providing insights into market dynamics, supplier landscape, and competitive
Analytics involves systematic data analysis to discover, interpret, and communicate meaningful patterns, aiding effective decision-making (Hallikas, Immonen & Brax, 2021). It is crucial in strategic sourcing, providing data-driven insights for informed decisions. Analytics supports demand and supply planning by forecasting future demand through historical data, market trends, and customer behavior (Oncioiu, Bunget & Hint, 2019). Techniques like time series analysis and predictive modeling enhance forecast accuracy. Spend analysis helps identify cost-saving opportunities and optimize sourcing strategies. Evaluating supplier performance through key performance indicators (KPIs) and scorecards improves supplier selection and management (Nderu, 2014). Predictive analytics aids in market intelligence and proactive sourcing strategies. Multiple sourcing, or multi-sourcing, diversifies procurement across multiple suppliers, mitigating risks and enhancing flexibility (O'Connor, 2022). It reduces reliance on a single source, minimizing disruptions from issues like production delays or price hikes (Ntaramirwa, 2020). This strategy enhances business continuity, enabling quick adaptation to market changes and scaling production (Kimetto & Ayoo, 2019). By fostering competition, multiple sourcing improves negotiation leverage and encourages suppliers to offer competitive pricing (Kim, Suresh & Canan, 2018). It also promotes quality improvement through supplier competition and comparative analysis (Yamoah & Yornu, 2019). Engaging multiple suppliers allows organizations to access a wider pool of expertise and establish quality benchmarks (Nkrumah, Appiah & Awuah, 2019).

Organizational performance evaluates how effectively an organization achieves its strategic objectives and goals by utilizing its resources, executing strategies, and delivering outcomes (Ketema, 2017). Effectiveness measures if an institution's programs, policies, and services positively impact society, assessed through key performance targets and stakeholder feedback (Zerihun & Wondemalem, 2022). Efficiency assesses resource optimization and waste minimization by analyzing cost-effectiveness, productivity, and resource utilization (Ketema, 2017). Accountability involves being transparent and answerable for actions, decisions, and resource use, evaluated through governance, compliance, and audit mechanisms (Ndlovu, 2019). Transparency ensures accessible information sharing to foster trust and enable informed decision-making, evaluated through public reports and participation (Munanu, 2017).
SRM on organizational performance. Additionally, research by Mwangi and Muli (2022) highlights the significance of elements like supplier segmentation and collaboration in influencing the performance of food and beverage manufacturing firms. These findings collectively underscore the crucial role of SRM in improving organizational performance.

2.4.2 Market Research and Performance

Didonet and Fearne (2022) found that effective use of market information significantly impacts both individual and organizational performance in the UK food industry. Similarly, Ayuba and Kazeem (2015) demonstrated the positive relationship between marketing research and business performance in Nigeria. In Uganda, Amuko, Kalule, and Odongo (2023) showed that information quality directly influences innovation behavior among smallholder honey producers. Muriuki (2019) further supported these findings, revealing that market research, particularly regarding customer needs and purchasing patterns, positively affects organizational performance among commercial banks in Kenya. However, Hasan, Bellenstedt, and Islam's (2023) study in Belgium and Germany found no significant impact of supply chain disruptions on firm productivity. These findings collectively emphasize the importance of market research in enhancing organizational performance across different industries and regions.

2.4.3 Analytics and Performance

Hallikas, Immonen, and Brax (2021) explored the impact of data analytics on supply chain performance in Finland, focusing on digital procurement capabilities. Their study revealed positive and significant relationships between digital procurement capabilities, data analytics capabilities, and supply chain performance. They found that digital procurement capabilities mediate the positive relationship between external data analytics capabilities and supply chain performance. Similarly, Oncioiu, Bunget, and Hint (2019) in Europe investigated the effects of big data analytics on company performance in supply chain management, showing that massive data volumes positively affect real-time decision-making. In Iran, Ashrafi, Ravasan, and Afshari (2019) highlighted the role of business analytics (BA) capabilities in enhancing firms’ agility and performance, indicating that BA strongly impacts a firm’s agility through increased information quality and innovative capability. Additionally, Nderu (2014) conducted a study in Kenya, demonstrating the positive impact of business analytics on the performance of commercial banks, providing insights into the extent of application and driving factors for business analytics in the banking sector.

2.4.4 Multiple Sourcing and Performance


2.4.5 Performance of Devolved Systems of Government

Devolved systems of government in Africa face challenges including resource constraints, poor
governance, and limited capacity (O'Connor, 2022). Scarce resources hinder local governments' ability to fulfill their duties, exacerbated by a lack of skilled personnel. Governance issues like corruption and mismanagement impede service delivery and erode trust (King’ori & Lambaino, 2023; Didonet & Fearne, 2022). Despite these hurdles, effective devolved systems can enhance lives through capacity-building and improved governance, fostering collaboration with civil society (Ndlovu, 2019). Overcoming these challenges requires adept navigation and strong partnerships, offering opportunities for success in Africa's development journey.

2.5 Critique of the Existing Literature


2.6 Research Gaps

Various studies globally have explored strategic sourcing’s impact on firm performance, but they’re limited by geography, sectors, and institutions. For instance, Kim et al. (2018) focused on manufacturing firms in the U.S., Chiang et al. (2020) on supply chain agility in China, and Yamoah and Yornu (2019) on Goldfields Ghana Limited. In Kenya, studies like Munanu (2017), Mutua (2018), and Kimetto and Ayoo (2019) examined effects on specific entities. Yet, none tackled county governments. Furthermore, these studies overlook how supplier relationship management, market research, analytics, and multiple sourcing influence the performance of devolved systems of government (Chepng’etich et al., 2019; Angila, 2017).

3.0 RESEARCH METHODOLOGY

The research design outlined in the study is a descriptive cross-sectional design, aiming to understand the effect of strategic sourcing on the performance of devolved systems of government in Kenya. The target population encompasses the 47 county governments, categorized into six regional blocs. Purposive sampling was utilized to select the Lake Region Economic Bloc, representing 30% of the target population. Data collection involved semi-structured questionnaires with both structured and unstructured questions. A drop-off/pick-up method was employed for questionnaire administration. A pilot test was conducted to refine the questionnaire, ensuring reliability and validity. Data analysis included both qualitative thematic analysis and quantitative descriptive and inferential statistics using SPSS software. Since the independent variables in this study are four in numbers, the multi regression model was as follows.

\[ Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon \]

Whereby

- \( Y \) = Procurement Performance of devolved systems of governments
- \( X_1 \) = Supplier Relationship Management
- \( X_2 \) = Market Research
- \( X_3 \) = Analytics
\[ X_4 = \text{Multiple sourcing}; \]
\[ \beta_0 = \text{Constant}; \]
\[ \beta_1 - \beta_4 = \text{Intercepts for the independent variables}. \]

\[ \varepsilon = \text{Error term} \]

### 4.0 RESEARCH FINDINGS AND DISCUSSIONS

#### 4.1 Response Rate

The sample size of the study was 112 heads of finance, procurement, public relations and information and communication technology departments in the 14 Counties in the Lake Region Economic Bloc, which included Bomet, Bungoma, Busia, Homabay, Kakamega, Kericho, Kisii, Kisumu, Migori, Nandi, Nyamira, Siaya, Transnzoia and Vihiga. A total of 112 questionnaires were distributed. The responses rate was as shown in Table 4.1.

<table>
<thead>
<tr>
<th>Departments</th>
<th>Sample Size</th>
<th>Responses</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>27</td>
<td>28</td>
<td>96.43</td>
</tr>
<tr>
<td>Procurement</td>
<td>26</td>
<td>28</td>
<td>92.86</td>
</tr>
<tr>
<td>Public Relations</td>
<td>27</td>
<td>28</td>
<td>96.43</td>
</tr>
<tr>
<td>Information And Communication Technology</td>
<td>26</td>
<td>28</td>
<td>92.86</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>106</strong></td>
<td><strong>112</strong></td>
<td><strong>94.64</strong></td>
</tr>
</tbody>
</table>

Out of 112 questionnaires that were distributed, 106 responses were obtained, which gives a 94.64% response rate. According to Babbie (2017), a response rate of 50% is sufficient for effective analysis and reporting, a response rate of 60% is good while a response rate of 70% is regarded as excellent. This implies that the response rate (94.64%) in this study was within acceptable limit for drawing conclusion and making recom.

#### 4.2 Descriptive Statistics

Descriptive statistics are a set of techniques used to summarize and describe essential features of a dataset or a population. Descriptive statistics in this study include mean, standard deviation, and percentages. Closed questions yielded quantitative data, as did items measured on a 5-point Likert scale, with 1 indicating strongly disagree, 2 indicating disagree, 3 indicating moderately agree, 4 indicating agree, 5 indicating strongly agree. Open ended questions yielded qualitative data.

##### 4.2.1 Supplier Relationship Management

The respondents were asked to indicate their level of agreement with various statements on the effect of supplier relationship management on performance of devolved systems of government in Kenya. The results were as presented in Table 4.1.

<table>
<thead>
<tr>
<th>Table 4.1: Aspects of Supplier Relationship Management</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our county government actively seeks input and ideas from suppliers in decision-making processes.</td>
<td>3.8</td>
<td>3.8</td>
<td>6.6</td>
<td>41.544.34.188 .986</td>
<td>suppliers</td>
<td>collaboration with our suppliers.</td>
<td>2.8</td>
</tr>
</tbody>
</table>
Our county government uses supplier performance data to make informed sourcing decisions.

The respondents agreed with a mean of 4.188 (Std. Deviation = 0.986) that their county governments actively seek input and ideas from suppliers in decision-making processes. The respondents also agreed with a mean of 4.056 (Std. Deviation = 0.629) that their county governments have established effective communication channels to foster collaboration with suppliers. Also, the respondents agreed with a mean of 4.292 (Std. Deviation = 0.646) that their county governments provide educational resources to suppliers to enhance their understanding of their needs. These findings are in line with Kosgei and Gitau (2016) argument that organizations offer educational resources to suppliers to enhance their skills and competence.

In addition, the respondents agreed with a mean of 4.103 (Std. Deviation = 0.925) that their county governments encourage continuous learning and improvement for both staff and suppliers. The respondents further agreed with a mean of 4.160 (Std. Deviation = 0.770) that their county governments categorize suppliers based on their strategic importance. The respondents agreed with a mean of 3.849 (Std. Deviation = 0.740) that their county governments regularly evaluate the performance of suppliers. These findings agree with Kimwaki et al. (2022) on the evaluation of the performance of suppliers. The respondents disagreed with a mean of 1.962 (Std. Deviation = 0.893) that their county governments use supplier performance data to make informed sourcing decisions.

### 4.2.2 Market Research

The respondents were asked to indicate their level of agreement with various statements regarding the effect of market research on performance of devolved systems of government in Kenya. The results were as shown in Table 4.3.

#### Table 4.3: Aspects of Market Research

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>We have established reliable sources of market data and information for our county's needs.</td>
<td>.9</td>
<td>9.4</td>
<td>54.7</td>
<td>34.0</td>
<td>4.198</td>
<td>.722</td>
<td></td>
</tr>
<tr>
<td>Market research data is readily available for decision-making in our county government.</td>
<td>0.0</td>
<td>0.0</td>
<td>46.2</td>
<td>52.8</td>
<td>4.500</td>
<td>.605</td>
<td></td>
</tr>
<tr>
<td>Our county government actively collects and analyzes demand and supply data to inform resource allocation.</td>
<td>.9</td>
<td>0.0</td>
<td>45.3</td>
<td>52.8</td>
<td>4.481</td>
<td>.650</td>
<td></td>
</tr>
<tr>
<td>Demand and supply trends play a vital role in shaping our county's service delivery strategies.</td>
<td>.9</td>
<td>44.3</td>
<td>53.8</td>
<td>4.490</td>
<td>.650</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our county government actively analyzes the volatility of market demand.</td>
<td>10.4</td>
<td>12.3</td>
<td>42.5</td>
<td>34.0</td>
<td>3.886</td>
<td>1.191</td>
<td></td>
</tr>
<tr>
<td>Our county government actively identifies and assesses the prevalence of various supply sources.</td>
<td>.9</td>
<td>4.7</td>
<td>60.4</td>
<td>33.0</td>
<td>4.235</td>
<td>.669</td>
<td></td>
</tr>
</tbody>
</table>

From the findings, the respondents agreed with a mean of 4.198 (SD=0.722) that the County governments had established reliable sources of market data and information for our county's needs. They also agreed with a mean of 4.500 (SD=0.605) that market research data is readily available for decision-making in the county governments. These findings agree with Didonet and Fearne (2022) findings that market research data in an organization is made available through market research. With a mean of 4.481 (SD=0.650), the respondents indicated that the county governments actively collect and analyze demand and supply data to inform resource allocation. The respondents agreed with a mean of 4.490 (SD=0.650) that demand, and supply trends play a vital role in shaping the counties' service delivery strategies. These findings agree with Hasan et al. (2023) argument that demands and supply enhances service delivery strategies. Further, the respondents agreed with a mean of 3.886 (SD=1.197) that the county government actively analyzes demand, and supply trends play a vital role in shaping the counties' service delivery strategies.
the volatility market. Also, the respondents agreed with a mean 4.235 (SD=0.669) that the county governments actively identify and assess the prevalence of various supply sources.

4.2.3 Analytics

The respondents were asked to indicate their level of agreement in regard to various statements on the effect of analytics on performance of devolved systems of government in Kenya. The results were as shown in Table 4.4.

Table 4.4: Aspects of Analytics

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our county government actively uses analytics for demand forecasting to inform resource allocation.</td>
<td>0.010</td>
<td>0.417</td>
<td>0.944</td>
<td>0.327</td>
<td>0.438</td>
<td>866.929</td>
</tr>
<tr>
<td>We prioritize the use of analytics for demand forecasting when planning for resource allocation and procurement.</td>
<td>0.0</td>
<td>0.9</td>
<td>17.9</td>
<td>71.4</td>
<td>3.896</td>
<td>550</td>
</tr>
<tr>
<td>Our county government actively uses historical spend data analysis to inform procurement decisions.</td>
<td>0.0</td>
<td>0.9</td>
<td>27.4</td>
<td>62.3</td>
<td>3.801</td>
<td>608</td>
</tr>
<tr>
<td>Our county government actively seeks feedback from citizens to enhance the accuracy of historical spend data analysis.</td>
<td>0.0</td>
<td>0.9</td>
<td>18.9</td>
<td>33.0</td>
<td>3.264</td>
<td>7.96</td>
</tr>
<tr>
<td>Our county government actively uses supplier performance analytics to evaluate and improve supplier relationships.</td>
<td>0.0</td>
<td>0.9</td>
<td>19.8</td>
<td>39.6</td>
<td>3.981</td>
<td>7.75</td>
</tr>
<tr>
<td>We prioritize the use of supplier performance analytics to ensure accountability and transparency in our procurement processes.</td>
<td>0.0</td>
<td>0.0</td>
<td>10.4</td>
<td>45.3</td>
<td>3.396</td>
<td>7.87</td>
</tr>
<tr>
<td>Market intelligence is actively used by our county government to stay informed about market trends and opportunities.</td>
<td>0.0</td>
<td>0.0</td>
<td>26.4</td>
<td>34.9</td>
<td>3.801</td>
<td>812.8</td>
</tr>
</tbody>
</table>

From the results, the respondents agreed that county governments actively use analytics for demand forecasting to inform resource allocation as shown by a mean of 3.886 (SD=0.929). They also agreed with a mean of 3.896 (SD=0.550) that the County governments prioritize the use of analytics for demand forecasting when planning for resource allocation and procurement. With a mean of 3.801 (SD=0.608), the respondents agreed that the county governments actively use historical spend data analysis to inform procurement decisions. These findings are in line Oncioiu et al. (2019) observation that historical trends are important in informing decisions related to procurement. The respondents further agreed with a mean of 4.264 (0.796) that county governments actively seek feedback from citizens to enhance the accuracy of historical spend data analysis.

In addition, the respondents agreed with a mean of 3.981 (SD=0.975) that county governments actively use supplier performance analytics to evaluate and improve supplier relationships. These findings are in concurrence with Ashrafi et al. (2019) argument that supplier performance analytics help in improving supplier relationships. Further, the respondents agreed with a mean of 4.179 (SD=0.870) that their county governments prioritize the use of supplier performance analytics to ensure accountability and transparency in their procurement processes. The results indicated with a mean of 4.122 (SD=0.801) that market intelligence is actively used by their county governments to stay informed about market trends and opportunities. The findings agree with Ashrafi, Ravasan and Afshari (2019) findings that market intelligence is important in obtaining insight about market trends and opportunities.

4.2.4 Multiple Sourcing

The respondents were requested to indicate their level of agreement in relation to the effect of multiple sourcing on the performance of devolved systems of government in Kenya. The results were as shown in Table 4.5.

Table 4.5: Aspects of Multiple Sourcing
Our county government engages in multiple sourcing strategies to diversify risks.

Our county government recognizes the importance of having alternative suppliers to manage risks effectively.

Multiple sourcing strategies contribute significantly to the business continuity of our county government.

We have contingency plans in place to address disruptions in the supply chain through multiple sourcing.

Our county government has successfully negotiated better pricing and terms due to multiple sourcing.

Our county government monitors and assesses the quality of products and services from multiple sources.

From the results, the respondents agreed with a mean of 4.000 (Std. Deviation = 0.966) that their county governments engage in multiple sourcing strategies to diversify risks. The respondents also agreed with a mean of 4.179 (Std. Deviation = 0.727) that their county governments recognize the importance of having alternative suppliers to manage risks effectively. In addition, they agreed with a mean of 4.273 (Std. Deviation = 0.878) that multiple sourcing strategies contribute significantly to the business continuity of their county governments. These findings agree with Ntaramirwa (2020) observation that multiple sourcing strategies contribute significantly to business continuity.

The respondents further agreed with a mean of 4.283 (Std. Deviation = 0.953) that their county governments have contingency plans in place to address disruptions in the supply chain through multiple sourcing. Also, the respondents agreed with a mean of 4.377 (Std. Deviation = 0.833) that their county governments have successfully negotiated better pricing and terms due to multiple sourcing. The findings also show that the respondents agreed with a mean of 4.056 (Std. Deviation = 0.802) that their county governments monitor and assess the quality of products and services from multiple sources. These findings are in line with Angila (2017) findings that organizations monitor the quality of products and services from multiple sources.

4.5.5 Performance

The dependent variable was performance of devolved systems of government in Kenya, which was measured in terms of efficiency in service delivery, procurement cost, effective utilization of resources and customer satisfaction index. The results were as shown in Table 4.6.

<table>
<thead>
<tr>
<th>Table 4. 6: Measures of Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Years</strong></td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>Efficiency</td>
</tr>
<tr>
<td>2018</td>
</tr>
<tr>
<td>2019</td>
</tr>
<tr>
<td>2020</td>
</tr>
<tr>
<td>2021</td>
</tr>
<tr>
<td>2022</td>
</tr>
<tr>
<td>Cost</td>
</tr>
<tr>
<td>2018</td>
</tr>
<tr>
<td>2019</td>
</tr>
<tr>
<td>2020</td>
</tr>
<tr>
<td>2021</td>
</tr>
<tr>
<td>2022</td>
</tr>
<tr>
<td>Effectiveness</td>
</tr>
<tr>
<td>2018</td>
</tr>
<tr>
<td>2019</td>
</tr>
</tbody>
</table>
In the year 2018, the average efficiency was 70.254, which increased in 2019 (72.735), had a significant jump in 2020 (83.028), decreased in 2021 (76.820), and then increased again in 2022 (80.009). This suggests that there were variations in the efficiency across these years, with a notable improvement in 2020. These findings are in line with Muthoka and Waswa (2021) observation that County governments in Kenya have been recording inefficient service delivery.

In the year 2018, the average cost was 68.405, which increased in 2019 (70.754), continued to rise in 2020 (72.301), further increased in 2021 (76.962), and then decreased slightly in 2022 (74.500). The trend suggests that costs have generally been increasing over these years, with some fluctuations. These findings agree with World Bank (2018) report that indicated that there exist inefficient sourcing costs the County Governments.

In 2018, the mean effectiveness was 89.273. This indicates that, on average, there was a high level of effective resource utilization in county governments in that year. The mean effectiveness decreased in 2019 (83.084) and then increased back to 89.273 in 2020. It slightly decreased in 2021 (86.905) and further decreased in 2022 (85.084). These fluctuations suggest variations in the effectiveness over the years. In 2018, the mean customer satisfaction index was 76.632, which increased in 2019 (81.358), slightly decreased in 2020 (78.632), increased significantly in 2021 (87.358), and then decreased in 2022 (84.358). This indicates fluctuations in customer satisfaction levels over these years, with a notable improvement in 2021. The findings agree with Nzai and Chitere (2020) findings that customer satisfaction in County governments in Kenya has been fluctuating.

4.3 Inferential Statistics

Inferential statistics is a branch of statistics that involves drawing conclusions, making predictions, and generalizing results from a sample to a larger population. It is a critical part of statistical analysis and research, as it allows researchers to make inferences about a population based on data collected from a representative sample. Inferential statistics in this study included correlation analysis and regression analysis.

4.3.1 Correlation Analysis

Correlation analysis is a statistical technique used to measure the strength and direction of the relationship between two or more variables. Pearson correlation coefficient ($r$) ranges from -1 to 1. The results of correlation analysis were as presented in Table 4.7.
Table 4.7: Correlation Coefficients

<table>
<thead>
<tr>
<th></th>
<th>Performance</th>
<th>Supplier Relationship Management</th>
<th>Market Research</th>
<th>Analytics</th>
<th>Multiple Sourcing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>Pearson</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Correlation</td>
<td>.824**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>106</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplier</td>
<td>Pearson</td>
<td>.852**</td>
<td>.023</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Relationship</td>
<td>Correlation</td>
<td>.000</td>
<td>.853</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>106</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market Research</td>
<td>Pearson</td>
<td>.744**</td>
<td>.131</td>
<td>-.026</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Correlation</td>
<td>.000</td>
<td>.295</td>
<td>.838</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>106</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Analytics</td>
<td>Pearson</td>
<td>.729**</td>
<td>.023</td>
<td>.075</td>
<td>-.010</td>
</tr>
<tr>
<td></td>
<td>Correlation</td>
<td>.000</td>
<td>.853</td>
<td>.551</td>
<td>.937</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>106</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

The Pearson correlation between supplier relationship management and performance of devolved systems of government in the Lake Region Economic Bloc was 0.824, indicating a very strong positive relationship. As supplier relationship management increases, performance tends to increase significantly. These findings agree with Rajiv et al. (2023) observation that supplier relationship management significantly influences performance of manufacturing firms. In addition, the findings concur with Gyampah et al. (2019) observation that supplier relationship management significantly influences firm performance in developing economies.

In addition, the Pearson correlation between market research and performance of devolved systems of government in the Lake Region Economic Bloc is 0.852, indicating a strong positive relationship. As Market research increases, performance tends to increase significantly. These findings are in concurrence with Didonet and Fearne (2022) observation that effective use of market information has a significant impact on the performance of organizations. The findings are also in line with Hasan et al. (2023) argument that market research has a significant effect on organizational performance of firms.

Further, the Pearson correlation between analytics and performance of devolved systems of government in the Lake Region Economic Bloc is 0.744, showing a strong positive relationship. As analytics increases, performance tends to increase. These findings agree with Hallikas et al. (2021) observation that data analytics has a significant effect on supply chain performance in Finland. The findings are also in line with Oncioiu et al. (2019) argument that big data analytics has a significant influence on performance in supply chain management in Europe.

Also, the Pearson correlation between multiple sourcing and performance of devolved systems of government in the Lake Region Economic Bloc is 0.729, indicating a strong positive relationship.
As multiple sourcing increases, performance tends to increase. The findings are in concurrence with O'Connor (2022) observation that multi-sourcing can influence management control in the electronic products supply chain in the United States. In addition, Ntaramirwa (2020) observed that multi sourcing has a positive relationship with organizational performance in African Child Care in Kampala.

4.3.2 Regression Analysis
Linear regression analysis is a statistical method used to model the relationship between a dependent variable (also called the response or outcome variable) and one or more independent variables (predictors or explanatory variables). It assumes that this relationship is linear, which means that changes in the independent variables have a constant effect on the dependent variable. Linear regression is one of the most widely used techniques for predicting or explaining the behavior of a dependent variable based on one or more independent variables.

Table 4.2: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.833a</td>
<td>0.694</td>
<td>0.635</td>
<td>0.24822</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Supplier Relationship Management, Market Research, Analytics, Multiple Sourcing

The R-Squared is a measure of how well the predictor variables explain the variability in the outcome variable. It represents the proportion of the variation in the devolved system of government that can be explained by the predictor variables. In this study, the R-Squared is 0.694. This means that approximately 69.4% of the variation in the devolved system of government can be explained by the predictor variables, which include supplier relationship management, market research, analytics, and multiple sourcing.

Table 4.9: Analysis of Variance

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>111.053</td>
<td>4</td>
<td>27.763</td>
<td>450.599</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>7.394</td>
<td>120</td>
<td>.062</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>118.447</td>
<td>124</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Organizational Performance
b. Predictors: (Constant), Supplier Relationship Management, Market Research, Analytics, Multiple Sourcing

The F-statistic is a test statistic that assesses the overall significance of the regression model. It compares the mean square for the regression to the mean square for the residuals. A high F-statistic suggests that the regression model is statistically significant in explaining the variability in the dependent variable. The F-statistic was 450.599, which was higher than the F-critical (2.45) from f-distribution table. In addition, the p-value of 0.000, which is typically below a chosen significance level (0.05) indicates that the regression model is statistically significant. The results indicate that the regression model, which includes the predictor variables (supplier relationship management, market research, analytics, and multiple sourcing), is highly statistically significant in explaining the variability in organizational performance in devolved systems of government in the Lake Region Economic Bloc.
The results show that supplier relationship management has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc as shown by a regression coefficient of 0.415 (p-value=0.000). The coefficient is also highly statistically significant with a p-value of 0.000. The findings imply that one-unit change in Supplier Relationship Management would lead to 0.415 changes in the performance in devolved systems of government in the Lake Region Economic Bloc. These findings agree with Mwangi, and Muli (2022) observation that supplier relationship management has a significant effect on the performance of food and beverage manufacturing firms. The findings are also in line with Kosgeb and Gitau (2016) observation that supplier relationship management has a positive influence on organizational performance in Kenya Airways.

In addition, market research has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc as shown by a regression coefficient of 0.582 (p-value=0.000). The coefficient is also highly statistically significant with a p-value of 0.000. The findings imply that one-unit change in market research would lead to 0.582 changes in the performance in devolved systems of government in the Lake Region Economic Bloc. The findings agree with Muriuki (2019) findings that market research has a positive effect on organizational performance among commercial banks in Eldoret Town. Also, Amuko et al. (2023) observed that market information has a significant effect on performance of smallholder honey producers in Northern Uganda.

Further, analytics has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc as shown by a regression coefficient of 0.302 (p-value=0.011). The coefficient is also highly statistically significant with a p-value of 0.011. The findings imply that one-unit change in analytics would lead to 0.302 changes in the performance in devolved systems of government in the Lake Region Economic Bloc. These findings are in line with Ashrafi et al. (2019) findings that business analytics (BA) capabilities have a positive effect on firms’ agility and performance in Iran.

Also, multiple sourcing has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc as shown by a regression coefficient of 0.206 (p-value=0.029). The coefficient is also highly statistically significant with a p-value of 0.029. The findings imply that one-unit change in multiple sourcing would lead to 0.206 changes in the performance in devolved systems of government in the Lake Region Economic Bloc. These findings agree with Angila (2017) findings that multiple sourcing strategy has a positive effect on organizational performance in South Nyanza Sugar Company Limited in Migori County. Also, the findings are in line with Kimetto and Ayoo (2019) observation that multiple sourcing has a significant effect on organizational performance of Acacia Premier Hotel.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>0.193</td>
<td>0.089</td>
<td>2.169</td>
<td>0.041</td>
</tr>
<tr>
<td>Supplier Relationship Management</td>
<td>0.415</td>
<td>0.097</td>
<td>0.401</td>
<td>4.278</td>
</tr>
<tr>
<td>Market Research</td>
<td>0.582</td>
<td>0.102</td>
<td>0.552</td>
<td>5.706</td>
</tr>
<tr>
<td>Analytics</td>
<td>0.302</td>
<td>0.091</td>
<td>0.297</td>
<td>3.319</td>
</tr>
<tr>
<td>Multiple Sourcing</td>
<td>0.206</td>
<td>0.082</td>
<td>0.198</td>
<td>2.512</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance
4.4 Qualitative Data Analysis
The qualitative data analysis focused on the recommendations provided by respondents regarding the impact of supplier relationship management, market research, analytics, and multiple sourcing on the performance of devolved systems of government in Kenya. Respondents suggested that county governments should prioritize open communication with suppliers, invest in training programs, and use technology to improve supplier management. They recommended recognizing market research as crucial for decision-making, allocating resources for research activities, and integrating research findings into decision-making processes. For analytics, respondents advised establishing data governance frameworks, investing in advanced analytics tools, and utilizing predictive analytics for trend forecasting. Regarding multiple sourcing, respondents suggested actively seeking out multiple suppliers, fostering collaboration, standardizing procurement processes, and implementing procurement software for efficient management.

5.0 CONCLUSIONS AND RECOMMENDATIONS
5.1 Conclusion of the study
The study concludes that supplier relationship management has a positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. The study found that supplier collaboration, supplier education, supplier segmentation and supplier performance evaluation, have an effect on performance in devolved systems of government. These findings indicate that an improvement in supplier relationship management would lead to an improvement in performance in devolved systems of government in the Lake Region Economic Bloc, Kenya.

The study also concludes that market research has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. The study established that availability of market information, demand and supply data and trend, availability of products substitutes and prevalence of supply sources, have an effect on performance in devolved systems of government. These findings indicate that an improvement in market research would lead to an improvement in performance in devolved systems of government in the Lake Region Economic Bloc, Kenya.

The study further concludes that analytics has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. The study found that demand forecasting, historical spend data analysis, supplier performance analytics and market intelligence, have an effect on performance in devolved systems of government. These findings indicate that an improvement in analytics would lead to an improvement in performance in devolved systems of government in the Lake Region Economic Bloc, Kenya.

Also, the study concludes that multiple sourcing has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. The study revealed that risk diversification, enhanced business continuity, enhanced negotiation power and quality Improvement, have an effect on performance in devolved systems of government. These findings indicate that an improvement in multiple sourcing would lead to an improvement in performance in devolved systems of government in the Lake Region Economic Bloc, Kenya.

5.2 Recommendations
The study found that supplier relationship management has a positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. The study recommends that County government should develop training programs and workshops for government procurement officers and suppliers to enhance their understanding of procurement processes, compliance requirements, and best practices. Also, the study recommends that the
County governments should promote open and transparent communication channels with suppliers to foster collaboration. They should also establish regular meetings or forums to exchange information and address issues collaboratively.

The study also established that market research has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. The study recommends that County governments should regularly update market information related to various goods and services required by the government. Based on market research, County governments should actively seek out and diversify supply sources, reducing dependence on a limited number of suppliers can enhance procurement resilience. County government should also integrate market research findings into procurement strategies and decision-making processes and align procurement practices with market conditions to optimize cost savings and efficiency.

The study further established that analytics has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. The study recommends that the County governments should create a dedicated analytics department or unit within the government structure to focus on data collection, analysis, and interpretation. In addition, County governments should monitor supplier performance regularly and use data-driven insights to make decisions about contract renewals or terminations. County governments should also develop procurement strategies that are data-driven, incorporating insights from demand forecasts, historical spending patterns, supplier performance analytics, and market intelligence.

Also, the study established that multiple sourcing has positive and significant effect on performance in devolved systems of government in the Lake Region Economic Bloc, Kenya. The study recommends that County government should identify and assess potential risks associated with single-sourcing or sole-sourcing. They should diversify procurement sources to mitigate risks related to supply chain disruptions, quality issues, or supplier insolvencies. County governments should also leverage the presence of multiple suppliers to negotiate better terms, prices, and conditions. They should also use competition to drive suppliers to offer more favorable terms and benefits.

5.3 Areas for Further Research

The study sought to determine the effect of strategic sourcing on performance of devolved systems of government in the Lake Region Economic Bloc, Kenya. Having been limited to Lake Region Economic Bloc, the findings of this study cannot be generalized to Counties in other region blocs in Kenya. In addition, the findings cannot be generalized to other public institutions in Kenya. The study therefore recommends that further studies on the effect of strategic sourcing on performance of public institutions in Kenya including County governments in other blocs as well as state agencies in the country. The study found that the four components of strategic sourcing could only explain 69.4% of the performance of devolved systems of government in the Lake Region Economic Bloc. The study therefore suggests further studies on other factors affecting performance of devolved systems of government in the Lake Region Economic Bloc.

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