Inventory Management Practices and Performance Of Preference Groups In Kisii County, Kenya.

Authors: 1 Fideris Nyanchera Ombaso; 2 Dr. Anthony Osoro (PhD)

DOI: 10.61108/ijsshr.v1i1.31

1 Student: Jomo Kenyatta University of Agriculture and Technology, Kenya
2 Lecturer: Jomo Kenyatta University of Agriculture and Technology, Nairobi, Kenya

ABSTRACT

This study endeavored to explore on the relationship between inventory management practices and performance of preference groups in Kisii County, Kenya. The specific objectives were: stock replenishment management, just in time management, re-order level management and inventory description management. The study was anchored on various theories relevant. This study adopted descriptive survey research design. The target population was 1036 respondents’ from 210 prequalified preference groups within Kisii County and a sample size of 104 of the population was established from three stratus. The study equally distributed the sample size equally on all the constituencies of Kisii County. Reliability was tested of 10% (10) respondents using Cronbach alpha index at 0.7 while validity was tested by correlation coefficient. This was above the required before proceeding to the field for data correction. All the predictor variables displayed above average or positive relationship with performance of preference groups. Reliability test results for the variables track your activity management, daily inventory count management, manage out-of-stock product management, clear inventory description management and performance was above the threshold of >0.7. With adequate validity and reliability the instrument were clearly drafted and precisely fit to collect data. The researcher recommends that preference groups were really being affected by inventory management practices. Also the research concludes that the four specific objectives had greater impact on preference groups in Kisii County, Kenya. The study further recommends a review of Public Procurement to provide supportive regulatory framework which was establish an independent body that was to facilitate continuous capacity developments of the disadvantages groups and establish mechanism for regular compliance audit since the current regulation is not clear on action to be taken on non-compliance.

Key Words: Stock Replenishment Management, Just In Time Management, Re-Order Level Management And Inventory Description Management

I.0 INTRODUCTION

1.1 Background of the Study

According to Crossman (2020) supply chain management has many “approaches and practices” that efficiently integrate all the supply chain components and participants such as customers, suppliers, manufacturers, distributers and customers. He appreciated the contribution of lean and agile production, customer relationship and supply chain practices that improve performance. He identified inventory management, quality management and transport management as key cogs of supply chain management (Aliakbari et al., 2015). He pointed out inventory management, supply chain information system, buyer-supplier relationship, transport management and warehouse management as crucial components of supply chain management. This study will narrow on inventory management. She considers inventory management as a “system concerned with integration of information, transportation, acquisition, inspection, material handling, warehousing, packaging and control of supplies and ensuring security of inventory.” It aims at with integration of information, transportation, acquisition, inspection, material handling, warehousing, packaging and control of supplies and ensuring security of inventory.” In an organization, it’s inventory management that is responsible with all items of stock; it specifies the size and placement of goods stocked, and follows their flow in the business’ supply chain. According to Crossman (2020) inventory management ensures that a business holds optimal stock levels at any point in time.
Proper management of inventory plays as a pivot of business efficiency and as a business’ tool for competitive advantage against its competitors. Inventory management considered as sound is one that leads to holding the right quantities required by a business at any given point in time – not less or more of the requirements. Proper inventory management entails developing a purchasing plan that will make sure those items or materials are available as needed. This extends to managing the flow of these materials along their supply chain to delivery; use in order to enable an enhanced business performance (Crossman, 2020).

“A Study on Inventory Management Practices.” its findings concluded that inventory management is the big blood vein in many firms. If appropriate inventory management practices are followed by a firm regardless of its size will result in increased profits (Akindipe, 2014). She also did a study on “The mediating effect of knowledge of inventory management in the relationship between inventory management practices and performance: The case of micro retailing enterprises” in Malaysia. The study found out that adopting systematic inventory management practices plays a substantial role in the success of a retailing industry; inventory management practices have a direct and significant impact on business performance and indirect effect through knowledge of these practices. The study also noted that though inventory is thus important, adoption is still a challenge explain the reason of slow growth in the retailing industry.

In a study done in Malaysia titled “inventory management practices: a key success towards supply chain performance among industries in Malaysia” also realized that that business economy and efficiency can be improved by the application of appropriate inventory management tools. The adoption of sound inventory control lowers the business costs while increasing profit margins, helping maintain a stable revolving working capital. These findings were consistent to the findings of other studies in Malaysia done a decade earlier “investigated the association between inventory management policies and the financial performance of affirm” and “investigated the association between inventory management policies and the financial performance of affirm which also found out that inventory management practices well applied manifest in more profits and return on sales. She did a study in Saudi Arabia on “The Nexus between Inventory Management and Firm Performance: A Saudi Arabian Perspective.” The study had return on assets and inventory turnover ratio as performance measurement variables. From the findings of the study, it was concluded that inventory management shows a positive and significant relation to a business’ financial growth in terms of return on assets and inventory turnover. The results of this study are an indication on why businesses in Saudi Arabia are growing steadily (Akindipe, 2014)

1.2 Statement of the Problem

The goal of business is to make serve its customers well, keep costs as low as possible and maximize on profits. These profits are out the inventory held for sale contend that inventory constitutes the single largest current asset in any organization (Ongeri & Osoro, 2021). He estimated inventory to be 50% or more of all the business’ current assets value and working capital. This call for sound inventory management practices which can result in enhance customer loyalty, reduced operation services, increased service delivery, and more sales. Many studies on the area have been conducted both in public and private entities and have a come with similar findings; inventory management practices have a positive and significant relationship with how a business performs. Okumu and Bett (2019) among other studies also aver that inventory management practices are a recipe of enhanced business performance.

It’s proven that that inventory management enhances performance of business, however, preference groups have had challenges in this area limiting their performance. The challenges include: failure of management to give due attention to inventory management, dearth of storage facilities, non-existent stores procedures, lack of inventory skilled staff. Also Ongeri and Osoro (2021) added that improper attention to inventory management in small business where preference groups lie has resulted in low customer service levels, inefficient supply chain, stock outs and excess inventory. All these limit profitability. Despite this reality, studies still other studies show
that inventory management has not been appreciated especially by small businesses. She found a glaring conflict among practitioners and scholars as to which specific inventory management practice can improve business performance among preference group businesses. The Study of Oloo, (2023). discredits some inventory management practices as not adding value to a business sentiments echoed by Krop and Iravo (2016) argues that only big sized institutions can benefit from proper inventory management. The findings of these studies leave many questions answered such as which inventory management adds value to business performance and which ones go not; does the size of the business matter in how inventory management practices affect business performance. In view the foregoing this study seeks to bridge the gap.

1.3 Objective of the Study
1.3.1 General Objective of the Study
The general objective of this was to establish the relationship between inventory management practices and performance of preference groups in Kisii County, Kenya.

1.3.2 Specific Objectives
The specific objective of this study was:
1. To determine the effect of stock replenishment management on performance of preference groups in Kisii County, Kenya.
2. To examine the effect of just in time management on performance of preference groups in Kisii County, Kenya.
3. To evaluate the effect of re-order level management on performance preference groups in Kisii County, Kenya.
4. To assess the effect of inventory description management on performance of preference groups in Kisii County, Kenya.

1.4 Research Questions
1. What is the effect of stock replenishment management on performance of preference groups in Kisii County, Kenya?
2. How is just in time management affecting performance of preference groups in Kisii County, Kenya?
3. How does re-order level management affect performance of preference groups in Kisii County, Kenya?
4. What is the effect of inventory description management on performance of preference groups in Kisii County, Kenya?

1.5 Scope of the Study
This research will be conducted in Kisii County, Kenya. Kisii County is one of the 47 counties of Kenya and it is county number 45. It was established in the year 2010 after the promulgations of the Kenya’s current constitution. Kisii County become into existence in the year 2013 when the first election was conducted under the new constitution. Kisii County is made up of nine sub counties namely; Kitutu Chache South, Kitutu Chache North, Nyaribari Masaba, Nyaribari Chache, Bonchari, Bomachoge Borabu, Bomachoge Chache, Bobasi and South Mogirango. Data will be collected from five sub-counties namely; Kitutu Chache South, Kitutu Chache North, Nyaribari Masaba, Nyaribari Chache, Bonchari and Bomachoge Borabu. This study will focus on the inventory management practices on performance of preference groups in Kisii County, Kenya. It will, further, be limited to specific objectives which are: To determine the effect activity tracking on performance of preference groups in Kisii town, Kenya, To examine how daily counts affect the performance of preference groups in Kisii town, Kenya, To evaluate the influence of out of stock products affect the performance preference groups in Kisii town, Kenya, To assess how clear inventory description affects the performance of preference groups in Kisii town, Kenya. The study will be conducted in Kisii County Kenya for 3 months [January - March, 2023]. The study will collect data from businesses owned by preference groups; youth, women and people living with disabilities.
LITERATURE REVIEW

2.1 Theoretical Framework

2.1.1 The Lean Inventory Theory

The lean theory is attributed to Conner (1991), based on the premise of maintaining inventories minimum. He considers lean inventory theory as an extension of just-in-time while he contends that this theory ends to build on the principles of economic order quantity whose intention is to optimize the quantities of various stocks in the organization. According to the theory, inventory should be minimized to the actual needs thus balancing between the cost of stock outs and excess stock by identifying value adding and non-value adding inventory, the quantities to be held at a time, and reorder sizes. Lean inventory theory operates on the five principles namely: value, flow, pull, responsiveness and perfection. According to Grant (1991), Lean inventory theory accrues benefits to a business such as waste minimization, increased product quality, enhanced customer relationships and lean infrastructure and increased profitability. It’s also characterized by weakness such as lack of time to implement it, not enough buy-in and cutting things too fine. Lean inventory is applied in inventory management because it seeks to optimize inventory costs in a business, increase profit margins, enhance customer loyalty which all result in a higher business performance (Dicksen, 1996).

2.1.2 Transaction Cost Analysis (TCA) Theory

The transaction cost theory was postulated by Conner (1991), arguing that an optimum organizational structure strives to achieve economic efficiency by minimizing cost. The theory suggests that “each type of transaction produces coordination costs of monitoring, controlling, and managing transactions.” He argued that “such costs are to be distinguished from production costs and that a decision-maker can make a choice to use a firm structure or source from the market by comparing transaction costs with internal production costs (Korir, Nyangau, & Muo, 2023). Thus, cost is the primary determinant of such a decision” (Ngari, & Namusonge, 2023). The reduction of costs, including transaction costs which are experienced across the supply chain is always a objective of any organization which results in profitability (Daft, 1983). This theory will help inventory managers identify necessary and unnecessary costs along the supply chain (Naitore, & Nyang’au , 2023).

2.1.3 Resource Based View Theory

The resource based theory was propounded by Conner (1991). According to RBV, an organization is considered as a “collection of physical resources, human resources and organizational resources”. The theory assumes that all industry firms may have heterogeneous recourse available to them and that firms have resources that may persistently be heterogeneous for some time based on the fact some resources that can be employed to develop a competitive advantage are not transferable. Resource Based View theory seeks to analyze; interprets resources in an organization to understand how these resources can be organized in an organization to create a sustainable competitive advantage. For a resource to be considered as a source of competitiveness, it must fit into the set criteria of being valuable, rare, cannot be imitated, and cannot be substituted. A valuable resource must “enable a firm to do things and behave in ways that lead to high sales, low costs, and high margins or in other ways add financial value to the firm. The opponents argue that TBV is anchored on conceptual and empirical methodology. Charles, & Benson (2023), argues that the theory ignores the process issues. Aspects of influence of dynamic process oriented issues that relate to RBV have been given little attention despite their importance. Further, RBV uses aggregated findings within the industry when a firm level analysis can present a better reality. An organization will identify the inventory resources and categorize them according to the RBV theory criteria and use the critical inventory resources as a competitive tool (Maina, & Nyangau , 2023).
2.2 Conceptual Framework

![Conceptual Framework Diagram]

2.3 Research Gap

The youth, women and PWDs have the potential of accelerating growth and productivity, although if left idle may signify a threat to social stability and in the long run a threat to nation’s economy development, towards empowering preference groups performance. According to Mogoi and Osoro (2021), they observed that guaranteeing successful integration of these groups into the economy via procurement will advance competitiveness of Kenya, decrease poverty, increase household incomes and create a circle of growth as well as investment. Also according to Ominde et al. (2022), they also observed that youths, women and PWDs make up more than 85 percent of the population of Kenya yet they contribute below 10 percent of public procurement in spite of the advantages which accumulate from their addition. This hampers economic growth leading to high levels of unemployment. The government through its Private Sector Development Strategy is seeking ways to promote innovation, competition and employment opportunities for disadvantaged groups like youths, women and PWDs through reservation and preference scheme in public procurement. A number of problems have been suggested as potential reasons as to why the uptake is low, these include lack of access to stock replenishment, quick response using just in time, managing their re-order levels, their description of items among others, also poor tendering process and lack of training among others (Mwangi, 2019). There is no dedicated study to
explain the practical challenges affecting the preference groups in the Kisii County, Kenya. Hence this study finding can now be used to bridge the existing research gap.

3.0 Research Methodology

The research design for this study, as described by Taherdoost (2016), focuses on investigating the relationship between "Inventory Management Practices" and the "Performance of Preference Groups." The study employs a descriptive survey research design, which aims to determine the frequency of certain events or relationships between variables. This approach is well-suited for gathering detailed information through descriptions and identifying relevant variables and theoretical constructs. The target population comprises 1,036 respondents, specifically proprietors of businesses within preference groups in nine sub-counties of Kisii County, Kenya. A sampling frame, essential for sampling, is created, and the sample size is determined using the Yamane Formula, resulting in a sample size of 104 respondents, drawn proportionately from the target population. The study employs stratified sampling, dividing the population into subgroups with shared characteristics to ensure representation from all relevant groups. This enhances the accuracy and representativeness of the results. Data is collected through structured questionnaires featuring closed-ended questions rated on a Likert scale. A pilot test is conducted with 10% of respondents in Nyamira County to ensure instrument reliability and validity. Validity is established by specifying relevant indicators, while reliability is ensured through unambiguous instructions and pretesting. Data analysis involves using SPSS to process quantitative data, employing descriptive statistics such as means, frequencies, and percentages. The study assumes a linear relationship between independent and dependent variables, utilizing the Ordinary Least Square (OLS) method for multiple linear regression analysis.

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \]

Where;
- \(Y\) = Performance of Preference Groups
- \(\beta_0\) = Constant
- \(X_1\) = Stock Replenishment Management
- \(X_2\) = Just in Time Management
- \(X_3\) = Re-Order Level Management
- \(X_4\) = Inventory Descriptions Management
- \(\epsilon\) = error term

4.0 Findings and Discussions

4.1 Response Rate

Out of 94 questionnaires that were circulated to the respondents, 89 of the respondents duly filled and returned questionnaires; yielding a response of 94.4%. This was considered to be a very reliable response rate for the generalization of study findings is in line with Sharma (2018), states that a response rate of 70% and above is believed to be a reliable response rate. This was less 10 (10%) respondents who were pilot tested.

Table 4.1 Response Rate

<table>
<thead>
<tr>
<th>Respondents</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returned</td>
<td>89</td>
<td>94.4</td>
</tr>
<tr>
<td>Unreturned</td>
<td>5</td>
<td>5.6</td>
</tr>
<tr>
<td>Total</td>
<td>94</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2 Correlation Analysis

The study further conducted inferential statistics entailing both Pearson and regression analysis with a view to determine both the nature and respective strengths of associations between the conceptualized predictors such as stock replenishment management, just in time management, re-order level management and inventory descriptions management on performance of preference groups in Kisii County, Kenya.
From the findings, a positive correlation is seen between each variable and performance. The strongest correlation was established between inventory descriptions management and performance of preference groups in Kisi county ($r = 0.134$ and the weaker relationship found between e-commerce optimization and performance of preference groups in Kisi County, Kenya. ($r = 0.147$). just in time had a strongly and stock replenishment positively correlating with performance of preference groups correlation coefficient of $0.347$ and $0.463$ respectively. This is tandem with the findings of Korir, Nyangau, & Muo, (2023) they observed that all independent variables were found to have a statistically significant association with the dependent variable at over 0.05 level of confidence.

4.3 Regression Analysis

To establish the degree of the effect of supply chain for a regression analysis was conducted, with the assumption that; variables are normally distributed to avoid distortion of associations and significance tests, which was achieved as outliers were not identified; a linear relationship between the independent variables and dependent variable for accuracy of estimation, which was achieved as the standardized coefficients were used in interpretation. The multiple regression model was as follows: Where:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Performance of preference groups = $\beta_0 + \beta_1$ (stock replenishment management) + $\beta_2$ (Just in time management) + $\beta_3$ (re-order level management) + $\beta_4$ (inventory description management) + error term. Regression analysis produced the coefficient of determination and analysis of variance (ANOVA). Analysis of variance was done to show whether there is a significant mean difference between dependent and independent variables. The ANOVA was conducted at 95% confidence level.

4.4 Model Goodness of Fit
Regression analysis was used to establish the strengths of relationship between the performance of preference groups (dependent variable) and the predicting variables; stock replenishment management, just in time management, re-order level management and inventory descriptions management (independent variables). The results showed a correlation value (R) of 0.724 which depicts that there is a good linear dependence between the independent and dependent variables. This finding is in line with the findings of Mogoi and Osoro (2022). They observed that this also to depict the significance of the regression analysis done at 95% confidence level. This implies that the regression model is significant and can thus be used to evaluate the association between the dependent and independent variables. This finding concurs with the findings of Okumu and Bett (2019), they observed that analysis of variance statistics examines the differences between group means and their associated procedures.

Table 4.3 Model Goodness of Fit

<table>
<thead>
<tr>
<th>R</th>
<th>R²</th>
<th>Adjusted R</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.734</td>
<td>0.797</td>
<td>0.766</td>
<td>0.065</td>
</tr>
</tbody>
</table>

- **Predictors:** (Constants); stock replenishment management, just in time management, re-order level management and inventory descriptions management on performance of preference groups in Kisii County, Kenya, while 21.3% this variation is explained by other indicators which are not inclusive in this study or model. A measure of goodness of fit synopses the discrepancy between observed values and the values anticipated under the model in question. This finding is in line with the findings of (Charles, & Omwenga, 2018).

4.16 Regression Coefficients of Determination

To determine the relationship between the independent variables and the dependent variable and the respective strengths, the regression analysis produced coefficients of determination. Findings in table 4.4 reveal a positive relationship between the performances of preference groups in Kisii County, Kenya.

Table 4.4 Regression Coefficient Results

<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></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>-.132</td>
<td>-.1.144</td>
<td>1.002</td>
<td>.001</td>
</tr>
<tr>
<td>Stock Replenishment</td>
<td>.233</td>
<td>.1.32</td>
<td>5.401</td>
<td>.002</td>
</tr>
<tr>
<td>Just in Time mgt.</td>
<td>.137</td>
<td>.1.63</td>
<td>2.231</td>
<td>.003</td>
</tr>
<tr>
<td>Re-Order Level mgt</td>
<td>.256</td>
<td>.587</td>
<td>4.086</td>
<td>.002</td>
</tr>
<tr>
<td>Inv. Descrip. Mgt</td>
<td>.213</td>
<td>.384</td>
<td>2.504</td>
<td>.002</td>
</tr>
</tbody>
</table>

- **Predictors:** (Constants), Stock Replenishment Management, Just In Time Management, Re-Order Level Management And Inventory Descriptions Management,
- **Dependent Variable:** Performance Of Preference Group

A unit change in stock replenishment management would thus lead to a .233 effect on performance of preference group in Kisii County sector ceteris paribus; while a unit change in just in time management would have an effect of .137 change in performance of preference group in Kisii.
County, also unit change of pre-order level management would lead to .256 of performance of County, further unit change in inventory descriptions management would lead to .213 of sector also a unit e-commerce optimization would have an effect of .263 change in performance of preference group in Kisii County, and finally a unit change in dispute resolution would have an effect of .131 of performance of preference group in Kisii County, Kenya. This finding concur with the findings of Ominde et al. (2022). This implies that among other factors, stock replenishment management, just in time management, pre-order level management and inventory descriptions management, are significant determinants of performance of preference group in Kisii County, Kenya.

5.0 Conclusion and Recommendations

5.1 Conclusion of the Study

5.1.1 Stock Replenishment Management

The study concludes that there is a positive relationship between supplier engagement and Performance of preference groups. Specification identification, periodic design assessment, continues improvement and proactive assessment are among the supplier engagement factors that significantly influenced the performance of preference groups in Kisii county, Kenya. The study further concludes that by implementing supplier engagement has enhanced performance of preference groups in Kisii county, Kenya, leading to operational increase in efficiency and effectiveness. Therefore, the study concludes Kisii has significantly increased their suppliers’ quality management in the County government in the supply chain practices.

5.1.2 Just in Time Management

The study concludes that supplier segmentation influences performance of preference groups in Kisii county. The suppliers during evaluation was through adherence to the set criterion in the bid documentation during the advertisement focusing on supplier segmentation. A well-integrated internal supply chain should provide excellence in supplier segmentation on performance of preference groups in Kisii County, Kenya. Kisii County, through embracing supplier segmentation has benefited from facilitated teamwork, resource allocation and fulfillment of set goals between complementary functions. This has made it easy for the county to ensure increased Service delivery to the community. Therefore, the study concludes that Kisii has experienced significant increase in growth, through supplier segmentation in the supply chain practices in supply chain.

5.1.3 Re-order Level Management

Further, the study concludes that supplier risk management had a positive effect on performance of preference groups in Kisii county. The study established that competence reviews, supplier performance, Supplier skills, supplier knowledge, supplier training, Kisii is able to identify problems and find solutions in a timely manner to ensure collaborative risk management of the goods and services delivered. From the findings, the study concludes that increasing risk management evaluation can leads to increased performance of preference groups in supply chain practices.

5.1.4 Inventory Descriptions Management

The study concludes that there is a positive relationship between supplier development and performance of preference groups in Kisii County. Partnership enforcement policy, Collective bargaining, alternative dispute resolution processes, free expression of concerns by involved parties are among the coordination factors that significantly influenced the performance of preference groups in Kisii County, Kenya. Kisii County has increased. Therefore, the study concludes that Kisii has been experiencing significant increase in service delivery through embracing proper coordination in the supply chain practices.
5.2 Recommendations of the Study

The study recommends and confirms that the implementation of supplier management practices had effect on performance of preference groups in Kisii county was significant. That in future different counties needs to strengthen performance of preference groups in Kisii county in the procurement process to all counties in Kenya, with the help of supplier information sharing, supplier segmentation, risk management and supplier value creation. This study therefore sought to explore what past scholars had said on factors affecting supply chain best practices on performance of preference groups in Kisii County, Kenya and tested viability of best procurement policy and procedures in the public entities in Kenya. That from the foregoing, this study recommends that the best Performance of preference groups in Kisii county in Kenya should strive to be proactive on how to perform better to retain their integrity and improve performance of preference groups in Kisii county, Kenya. The study has now filled the existing gap after the creation of this new knowledge.

5.2.1 Stock Replenishment Management

The study recommend that supplier engagement formalizes relations between parties within a robust legal framework, but is much more besides; it is an opportunity to define the arrangements that encompass every aspect of what outcomes the Kisii wants from the supplier and how it wants the relationship to work. This means that the county needs to take an active role in the development of the quality mechanism early on; it should not be left as a supplementary activity post negotiation. At preparation of every quality management can contribute to supplier evaluation on performance of preference groups in Kisii county, Kenya. Proper supplier engagement can result to high procurement in Kisii County.

5.2.2 Just In Time Management

This study recommends that supplier segmentation had a good relationship with performance of preference groups in Kisii county, Kenya. Hence effective supplier segmentation can minimizes or eliminates problems and potential claims towards performance of preference groups in the County perspective. A key factor in successful supplier segmentation is being capable to give credit to customers. It is essential for supplier segmentation to understand the provisions of the purchase document, have the ability to communicate financial obligations to all parties involved, and maintain control over the performance of preference groups. A good supplier manager ensures that the supplier segmentation requirements are satisfied, that the goods and services are delivered in a timely manner, and that the financial interests of the County are protected. The procurement staff at Kisii should ensure that they do proper supplier segmentation by maintaining an updated form of the process; assessing and managing supplier involvement; supplier being paid on time.; delivering at the right time; inspection or audit of all documents before settling payment. By allocating all the necessary resources to a reputable suppliers through efficiency and effectiveness analysis of previous records in the supply chain practices.

5.2.3 Re-order Level Management

The study recommends that supplier risk management had a strong relationship with performance of preference groups of Kisii City County, Kenya. There should be a thorough and independent review that is informed by those involved in establishing and managing the supplier risk management. The evaluation was need to be tailored to the particular circumstances of the County but should consider both the effectiveness and efficiency of the arrangement. To get the best out of the evaluation, entities should: review all aspects of performance of preference groups and its management; provide feedback to the contractor; this should not be done as part of another procurement process; report to stakeholders; and identify lessons learned. The management of Kisii should ensure regular supplier evaluation through well-established monitoring and evaluation of performance of
preference groups. This was ensure that there is input corrective measures to hedge against deviation of actual results against standards in the supply chain practices.

5.4.4 Inventory Descriptions Managements

This study recommends that supplier development had a strong relationship with performance of preference groups of Kisii City County, Kenya. When relationship are not properly managed, they may cause supplier delays, undermine team spirit, increase delay costs, and, above all, damage business relationships. With the increase in the number of participants in a supplier management, it is obvious that more business interactions and arguments end up with an increase in the number of supplier relationship disputes. Research in preventing and resolving relationship disputes supports the effort for better understanding and harmonization of the different cultures. Therefore, this study recommends to the management of Kisii to enhance and upgrade on the implementation of all applicable alternative disputes resolution mechanisms so to protect relationship with its stakeholders in the supply chain practices.

5.5 Suggestions for Further Studies

This study focused on supplier information sharing, supplier segmentation, risk management and supplier development and performance of preference groups of Kisii City County, Kenya. The study therefore recommends a further study to be conducted to other counties in Kenya. Then get their findings and compare with this and agree or disagree. Future researchers can investigate the factors affecting supply chain best practices broadly in all areas of concern in this profession on performance of preference groups in the supply chain practices.

References


[17]. Oloo, A. O. (2023). Buffer Stock Practice and Supply Chain Leverage of Sugar Manufacturing Firms in Kenya. *International Journal of Social Science and Humanities Research (IJSSHR)* ISSN 2959-7056 (o); 2959-7048 (p), I(1), 169–170. [https://doi.org/10.61108/ijsshr.v1i1.20](https://doi.org/10.61108/ijsshr.v1i1.20)

