

**SUPPLIER DEVELOPMENT AND BUYER EFFICIENCY IN THE SUGAR
INDUSTRY: A CASE STUDY OF SUGAR AND ALLIED INDUSTRIES**

BY

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DECLARATION

I, Bossa Charles Alex, declare that this report is my original work and has never been presented for any academic award. Where it is indebted to the work of others, the acknowledgement has been made.

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APPROVAL

We certify that the dissertation “Supplier development and buyer efficiency in the Sugar Industry, A case study of Sugar and Allied Industries” has been under our supervision and is now ready for submission for examination with our approval as Kyambogo University based supervisors.

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DEDICATION

This dissertation is dedicated to my daughter Lima, and all graduate school Lecturers. A special dedication goes to my fiancé Agoro Brenda who has been behind my struggle to finish my course.

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I am grateful to the Almighty God for the blessing, inspirations, gift of wisdom, life and strength given to me during the struggle for my studies.

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Table of Contents

DECLARATION	ii
APPROVAL.....	iii
DEDICATION	iv
ACKNOWLEDGEMENT	v
LIST OF TABLES	xii
LIST OF TABLES	xiii
ACRONYMS	xiv
ABSTRACT.....	xv
CHAPTER ONE	1
INTRODUCTION	1
1.0 Introduction	1
1.1 Background to the Study.....	1
1.1.1 Historical Background	1
1.1.2 Theoretical Background.....	3
1.1.3 Conceptual Background.....	3
1.1.4 Contextual Background.....	5
1.2 Problem Statement.	7

1.3	Purpose of the study	8
1.4	Specific objectives of the study.....	8
1.5	Research Questions	8
1.6	Scope of the study	8
1.6.1	Content Scope	8
1.6.2	Geographical Scope	9
1.6.3	Time Scope	9
1.7	Significance of the study.....	9
1.7.1	Sugar Manufacturers	9
1.7.2	Suppliers.....	9
1.7.3	Supplier – buyer relationship.....	9
1.7.4	Researchers, Scholars and Academicians:	9
1.8	Conceptual Framework.....	10
1.9	Definition of Key terms;	11
1.9.1	Supplier Development.....	11
1.9.2	Zoning	11
1.9.3	Efficiency	11
CHAPTER TWO LITERATURE REVIEW		12

2.1	Introduction:	12
2.2	Theoretical Review	12
2.3	Over view of Supplier Development.....	14
2.3.1	Financial Support	16
2.3.2	Technical Support	17
2.3.3	Supplier Material Support.....	19
2.4	Buyer efficiency	20
2.5	Summary of Literature Review	22
CHAPTER THREE METHODOLOGY		24
3.1	Introduction	24
3.2	Research Design.....	24
3.3	Study Population.....	24
3.4	Sample size.....	25
3.5	Sampling techniques and procedure.....	26
3.6	Data Collection Methods:.....	26
3.7	Data collection tools:.....	26
3.8	Validity and reliability	27
3.8.1	Validity.....	27

3.8.2 Reliability.....	27
3.9 Data collection procedure.....	28
3.10 Data processing, Analysis and Presentation	28
3.11 Measurement of variables	29
CHAPTER FOUR.....	30
PRESENTATION, ANALYSIS AND INTERPRETATION OF	30
RESULTS	30
4.1 Introduction.....	30
4.2 Response rate.....	30
4.3 Results on the background information of respondents.....	31
4.3.1 Gender distribution	31
4.3.2 Distribution of respondents by age	32
4.3.3 Distribution by level of education.....	33
4.3.4 Distribution of Respondents by Period of Operation.....	33
4.4.0 Empirical results	34
4.4.3 Relationship between Supplier Material support and buyer efficiency	39
4.4.4 Correlation results for the relationship between Suppler Development and Buyer efficiency.....	42

4.5 Multiple regression to determine which independent variable has the highest predictor of Buyer efficiency	43
CHAPTER FIVE.....	46
SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS	46
5.1 Introduction	46
5.2 Summary of major findings.....	46
5.2.1. Relationship between Supplier financial Support and Buyer efficiency	46
5.2.2. Relationship between Supplier Technical Support and Buyer efficiency.....	46
5.2.4. Relationship between Supplier Material Support and Buyer efficiency.....	47
5.3 Discussion of the study findings	47
5.3.1 Supplier financial Support and buyer efficiency.....	47
5.3.2 Supplier technical Support and Buyer efficiency	48
5.3.3 Supplier material support and buyer efficiency	49
5.4 Conclusions	50
5.4.1 Supplier financial Support and Buyer efficiency	50
5.4.2 Supplier technical Support and Buyer efficiency	51
5.4.3 Supplier Material Support and Buyer efficiency	51
5.5 Recommendation.....	51

5.5.2 Supplier Financial Support and Buyer efficiency	51
5.5.1 Supplier technical Support and Buyer efficiency	52
5.5.3 Supplier Material Support and Buyer efficiency	52
5.6 Areas recommended for future research	52
REFERENCES.....	54
APPENDIX I: QUESTIONNAIRE	60
LIMITED	60
SECTION 2: RELATIONSHIP BETWEEN SUPPLIER FINANCIAL SUPPORT AND BUYER EFFICIENCY	61
SECTION 3: RELATIONSHIP BETWEEN SUPPLIER TECHNICAL SUPPORT AND BUYER EFFICIENCY	62
SECTION 4: RELATIONSHIP BETWEEN SUPPLIER MATERIAL SUPPORT AND BUYER EFFICIENCY	63
SECTION 5: BUYER EFFICIENCY.....	64
APPENDIX II: TABLE FOR SAMPLE SIZE DETERMINATION	65
APPENDIX III: LETTER FROM THE UNIVERSITY.....	67

LIST OF TABLES

Table 1: Showing total population, Sample size, and sampling technique.....	25
Table 2: Showing Content Validity Index.....	27
Table 3 Showing Reliability Statistics.....	28
Table 4: Statistical values and response modes used to interpret the means and standard deviations	29
Table 5 showing response rate.....	30
Table 6: Findings on the Relationship between Supplier Financial Support and buyer efficiency at Sugar and allied industries	35
Table 7 Showing the correlation coefficient results on the relationship between Supplier financial Support and buyer efficiency.	36
Table 8 Findings on the relationship between Supplier technical Support and Buyer efficiency.	37
Table 9 Showing the correlation coefficient results on the relationship between Supplier technical Support and supplier financial Efficiency.....	38
Table 10 Findings on the Relationship between Supplier Material support and Buyer efficiency.	39
Table 11 Showing the correlation coefficient results on the Relationship between Supplier Material support and Buyer efficiency	41
Table 12 Showing the correlation coefficient results on the Relationship between Supplier Development and Buyer efficiency.	41
Table 13 showing a modal summary.....	42
Table 14: Anova Results	43
Table 15: coefficient results on predictors of buyer efficiency	43

LIST OF TABLES

Figure 2	Conceptual frame illustrating the relationship between Supplier development Strategies and Buyer efficiency.	10
Figure 3:	Gender of the respondents.	31
Figure 4:	Presents age bracket	32
Figure 5:	Showing level of education	32
Figure 6:	Showing length of service of respondents.	34

ACRONYMS

SAIL: Sugar and Allied Industries Limited.

SD: Supplier development

ABSTRACT

This study examined the relationship between Supplier development and buyer efficiency at Sugar and Allied Industries (SAIL). The specific objectives of the study were; to determine the relationship between buyer's financial support and buyer efficiency; to examine the relationship between buyer's technical support and buyer efficiency; and to examine the relationship between supplier material support and buyer efficiency.

The study adopted a case study design and used quantitative data collection approach. Data was collected using questionnaires and a sample of 33 and a total of 32 respondents from both employees of sugar and allied industries and sugarcane out grower's association was obtained giving a response rate of 97%. The study findings indicated that there is a relationship between financial support and buyer efficiency at $R= 0.57$. The results also revealed that there is a relationship between Supplier technical support and Buyer efficiency obtained at $R= 0.497$. The study findings further revealed that there is a positive relationship between supplier material support and buyer efficiency at $R= 0.54$ correlation coefficient.

Considering the study findings on the first objective, the study recommends that SAIL should ensure that the financial support given to the Out growers is in position to meet both the current and future business needs by improving the out grower's performance and capabilities and also that SAIL should continuously strive to align the financial resources with the operations of the out growers so as to gain superior overall performance. Basing on the second objective, it is recommended that there should be technical support in form of training in quality improvement techniques, just in time delivery and other crucial performance areas and lastly the study recommends that Sugar manufacturing companies should compare the out grower's actual performance with the planned performance when awarding material support.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

Most successful global businesses today are built not only on management of customer relations but also on several key players in the supply chain including the firm's suppliers (Yegon, Kosgei, & Lagat, 2015). In a bid to have a competitive advantage, a greater dependence on suppliers has been witnessed as more manufacturing firms have realized the importance of supplier performance (Kannan & Tan, 2002).

There have been reported concerns that poor or inconsistent supply is attributed to poor supplier performance caused by lack of supplier training, poor motivation and communication break down between Supplier and buyer (Yegon, Kosgei, & Lagat, 2015). At the same time there is an increasing trend of failure by suppliers to meet delivery dates, supply of poor-quality products and failure to fulfill orders leading to loss of business opportunities. (Justus & Barrack, 2016).

Thus, the study is set out to examine the relationship between supplier development and Buyer efficiency, a case study of Sugar & Allied Industries Limited (SAIL). This chapter consists of the background to the study, statement of the problem, purpose of the study, objectives of the study, research questions, and scope of the study, significance of the study, the conceptual framework and definition of key terms used in the study.

1.1 Background to the Study.

1.1.1 Historical Background

With Companies continuing to increase the volume of out sourced work across industries, Suppliers are bound to play a big role on the Quality, Cost, technology, and delivery of the buyer's products and Services (Robert, Daniel, Thomas, & Robert, 2000). The concept of supplier

Development was first introduced in 1939 by Toyota Motor Corporation as a purchasing philosophy which aimed at treating Toyota Suppliers as part of Toyota and carrying out business with suppliers without switching to others (SrinivasaRao, 2016). Toyota has since the end of World War II decided to implement supplier development programs that aims at helping its suppliers to improve their capabilities and business processes (Modi & Mabert, 2007).

As for the United States of America, Supplier development gained momentum and widely recognized as a business tactic in the 1970's (Scott, 2003) where as in the UK, the approach for supplier development was adopted because of the competitive pressure where companies were forced to reduce on the cost of inventory. As a result, lead time and Quality became important aspects of improving output hence specifying requirements for suppliers to achieve ISO 9000 quality standards. This became a logical step buyer expected their suppliers to adopt which enhanced the supplier development approach (CIPS, 2013).

In Africa, Supplier development is used as a strategic tool adopted by buyers to help in ensuring sustainable local content to improve their supply chain as is the case with South Africa where Supplier developments is used to achieve preferential procurement targets by ensuring the development of capable vendors in major areas (SIMANYE, 2014).

Because of being predominantly an agricultural Country, most supplier development practices in Uganda are exercised inform of contract farming where the country has traditionally been restricted to plantation crops such as sugar and tea and the out growers have been supplementing on production of large scale agribusiness processing firms to ensure a continuous supply of critical inputs (Aaron, Joseph, & Mohammed, 2013). In 2013, Coke announced its commitment to sustainably source key agricultural raw materials by 2020 hence engaging its partners and

Suppliers to help farmers operate more efficiently and sustainably through the introduction of ways of boosting crop yields and cost reduction (Coca Cola, 2015). As for the case of Sugar and Allied Industries Limited, Supplier development is practiced through giving out growers' interest free loans and providing them with agricultural equipment (SAIL 2018). Even if it's hard to achieve, Supplier Development can be an important part in the application of a truly Integrated Supply Chain.

1.1.2 Theoretical Background.

This study adopted the Social exchange theory which views a business relationship as a social exchange of key resources with mutual dependency between the business partners. The theory recognizes the existence of interdependency between the buyer and the suppliers and the importance of securing valued resources in form of reduced lead time and reduction in operational costs as a result of information sharing and trust (David & Michael, 2006).

The theory is built on the unique relationship created by the buying firm through supplier development for mutual economic exchange that benefits both the buyers and suppliers. The buyer provides the supplier with financial support, training and technical support in return for reduced risk in the supply chain, reduced lead time, improved output and competitive pricing for the buyer (Marie & Russell, 2012).

1.1.3 Conceptual Background

According to Muddassir & Linda (2012), Supplier Development is defined as any input a buying firm adds to its supplier's performance or supplier abilities to meet the buyer's short and long-term Supply needs. Supplier development should aim at improving the total added value from supplier in form of Quality output and Service delivery; business process and performance and reduced lead time (Modi & Mabert, 2007). The buying organization aims at reducing operational costs,

increasing the output, just in time production and innovation through Financial Support to suppliers in form of interest free loans, Material Support inform of free seed canes, agricultural equipment and fertilizers, and technical support inform of Supplier involvement and putting an effort in training suppliers in a systematic process for continuous improvement.

Supplier development is a strategic process adopted by buyers to improve their main suppliers in a bid to improve supplier performance through reduced lead time, improved quality supply and reduced total cost of production (Khuram, Ilkka, &Elina, 2016). According to Effie (2015), Buyer efficiency is affected by supplier development strategies such as supplier technical support in form of supplier involvement and Supplier training and Supplier financial support. These two strategies have a major impact that is to say buyer financial support to supplier determines delivery performance and supply of quality raw materials while Supplier technical support has got a great impact on costs and lead time.

William (2013) stresses that the trust the buyer confides in their suppliers, determines their ability to perform well and the kind of relationship to be established between the buyer and supplier.

While Buyer efficiency is related to cost advantage, effectiveness calls for supplier's responsiveness within the supply chain thus Supplier development is viewed as a long-term cooperative effort between a buying firm and its suppliers to improve the supplier's technical abilities, Quality, delivery and cost capabilities (Watts & Hahn, 1993).

As the business environment trends keep on changing, firms are called upon to rely more on their supply chain to have an advantage over their competitors which includes the buyer's suppliers to be efficient and effective (Hales &Arumugam, 2012). Benedikte (2009) states that both efficiency and effectiveness are often used to portray efficiency because efficiency is attained through Just in

time production while effectiveness is attained through supplier innovation. Therefore, Buyer efficiency calls for the effectiveness and efficiency a supplier delivers to the buying firm, hence buyer efficiency being defined as the ability of a supplier to produce a required output at a given period (Academy for Leaders, 2010). This can be in form of quality, delivery time, quantity and price.

According to Juma, Gregory, & Elizabeth (2016), it is recommended that there should be a continuous review and monitoring of supplier performance by buyers in a bid to bridge down the gap through technical Support and financial support. As supplier diversity and procurement professionals interact with diverse suppliers, they are often teaching, guiding and offering mentoring and development as well as other resources to help improve growth (Suarez, 2018). Buyers who face problems from suppliers such as current Suppliers not providing products basing on buyer's specifications, suppliers not performing to expectations, poor quality supplies and long lead times are left with mainly three solutions buyers switching to another supplier, vertical integration or supplier development (Rajendra & Dr. Mahajan, 2012). As for now, the option of supplier development is becoming more recognized since it is difficult to source for capable suppliers and due to limited resources; it's hard to do in house.

1.1.4 Contextual Background.

On average Uganda's annual sugar production is estimated at 500,000 metric tons but in recent years it has dropped by 86,000 leading to the rise in sugar prices by 20.5% (Ministry of finance, Planning and Economic Development, November 2017). According to Uganda Bureau of Statistics (2017), Sugar cane production has dropped by 3,100,000 tons (10.6 percent) compared to 2,640,000 in 2015 and is expected to drop further. This reduction in production capacity is related to lack of capacity inform of output because of lack of mature cane for crushing and poor

technology used (Ministry of trade, Industry and Cooperatives, 2017). The continued inefficiencies in production capacity is likely to lead to loss of millions of dollars by local sugar producers to foreign markets, low overall production, failure to meet delivery dates or finish the orders in time and increase in prices of other products where sugar is the major input (Ministry of finance, Planning and Economic Development, November 2017).

Sugar & Allied Industries Limited (SAIL) was founded in 2011 aiming at fulfilling the regional demand of sugar and giving Ugandans 100% self-sufficiency (SAIL, 2018). Due to its strategic location of being in between Lake Kyoga and Lake Victoria, Kaliro district was found to have the best climate for growing premium sugar cane after carrying out research. 2013 witnessed the commissioning of the state-of-the-art plant which was capable of crushing 2000 tons of sugar cane per day leading to production of 200 tons of Kaliro sugar. Since its inception, SAIL has maintained the desire to work closely with the residents of Kaliro District, a factor which led to the investment of \$60 Million in the factory, power cogeneration, and agricultural equipment and out growers (SAIL, 2018). This has led to SAIL resorting to the use of only out growers for the supply of sugar cane which results in investing UGX 60 billion every year in the local economy. Currently the company has 4000 registered out growers with a total of 25,000 acres of farm land of sugar cane (SAIL, 2018). The success of SAIL's out growers' scheme is reflected by the steady increase in the farmer's cane supply which will steadily continue to grow because of the government's policy of zoning where millers are pushing for zoning to ward off encroachment by newcomers who are said to be poaching on their sugarcane (Faridah, 2018).

Despite SAIL's strategy of giving financial support inform of interest free loans and farm materials such as seed cane capital; sugarcane suckers; fertilizers and herbicides, technical support inform

of availing farmers with modern agricultural equipment such as new tractors to out growers, ploughing and training out growers in form of extensive corporate social responsibility programs (Busingye, 2018), this has not yielded much and seems a foregone alternative to realize buyer efficiency. The fact that sugar millers and out growers used to enjoy a symbiotic relationship has been put to the test by the increased struggle for raw materials from the growing number of millers on one hand and the desire for reasonable returns by out growers, a factor which has seen farmers harvest immature cane that lack adequate sugar content. (Faridah, 2018). Consequently, if the problem persists, high operational costs such as process cost and excess capacity are likely to reduce the optimal production.

1.2 Problem Statement.

Although SAIL supports its suppliers with financial incentives in form of interest free loans, technical support through training out growers; supplier material support through provision of tractors, seed cane, and fertilizers, the quality and quantity of sugar cane received from the out growers and Sugar production is below half of the desired quantity and quality (SAIL 2018). SAIL is expected to crush 2000 tons of sugar cane per day but because of a drop-in supply of Sugar cane from out growers from 38961 tons in 2014 to 30776 tons in 2017; supply of immature cane; and long supply lead times by out growers, SAIL attains lesser output per day at just 1650 tons despite the increase in the number of out growers from 4000 farmers in 2014 to 5000 farmers (SAIL, 2018). Consequently, if the problem persists, high operational costs such as process cost and excess capacity are likely to reduce the optimal production. Therefore, it is upon this background that the researcher was interested in conducting a study on the relationship between supplier development and Buyer efficiency, a case study of Sugar & Allied Industries Limited.

1.3 Purpose of the study.

The purpose of the study was to examine the relationship between supplier development and Buyer efficiency at Sugar and Allied Industries Limited.

1.4 Specific objectives of the study

1.4.1 To determine the relationship between buyer's financial support and Buyer efficiency at Sugar and Allied Industries Limited.

1.4.2 To establish the relationship between buyer's technical support and buyer efficiency at Sugar and Allied Industries Limited.

1.4.3 To establish the relationship between supplier material support and Buyer efficiency at Sugar and Allied Industries Limited.

1.5 Research Questions

1.5.1 What is the relationship between buyer's financial support and Buyer efficiency?

1.5.2 What is the relationship between buyer's technical support and Buyer efficiency?

1.5.3 What is the relationship between Supplier material support and Buyer efficiency?

1.6 Scope of the study

1.6.1 Content Scope

The study centered on examining the role of supplier development strategies on Buyer efficiency;

A case study of Sugar and Allied Industries Limited. The dependent variable was Buyer efficiency while the independent variable was supplier development. The cost reduction across the chain, product availability, timeliness and reliability were the basis for measuring Buyer efficiency well as Financial Support, knowledge transfer and training was used to measure supplier development.

1.6.2 Geographical Scope

The study was carried out from Sugar & Allied Industries Limited, located in Kaliro District which is strategically located between Lake Kyoga and Lake Victoria and viewed to have the best climate for growing premium sugar cane. The area of the study was chosen because Sugar & Allied Industries Limited has a continuous desire to work closely with the residents of Kaliro district.

1.6.3 Time Scope

The study was conducted within 6 months (April 2017-October 2018) well as reviewing of the literature was from the past 15 years.

1.7 Significance of the study.

1.7.1 Sugar Manufacturers. Manufacturing firms will use the study findings to make informed decisions on how much information should be shared and at what level in collaborations with their suppliers thus aiding in adopting to supplier development approach for improved performance designed to the specific needs of the buying organization.

1.7.2 Suppliers. The study will avail information to the suppliers regarding the improvement of their physical distribution, service quality through collaborations with sugar manufacturers.

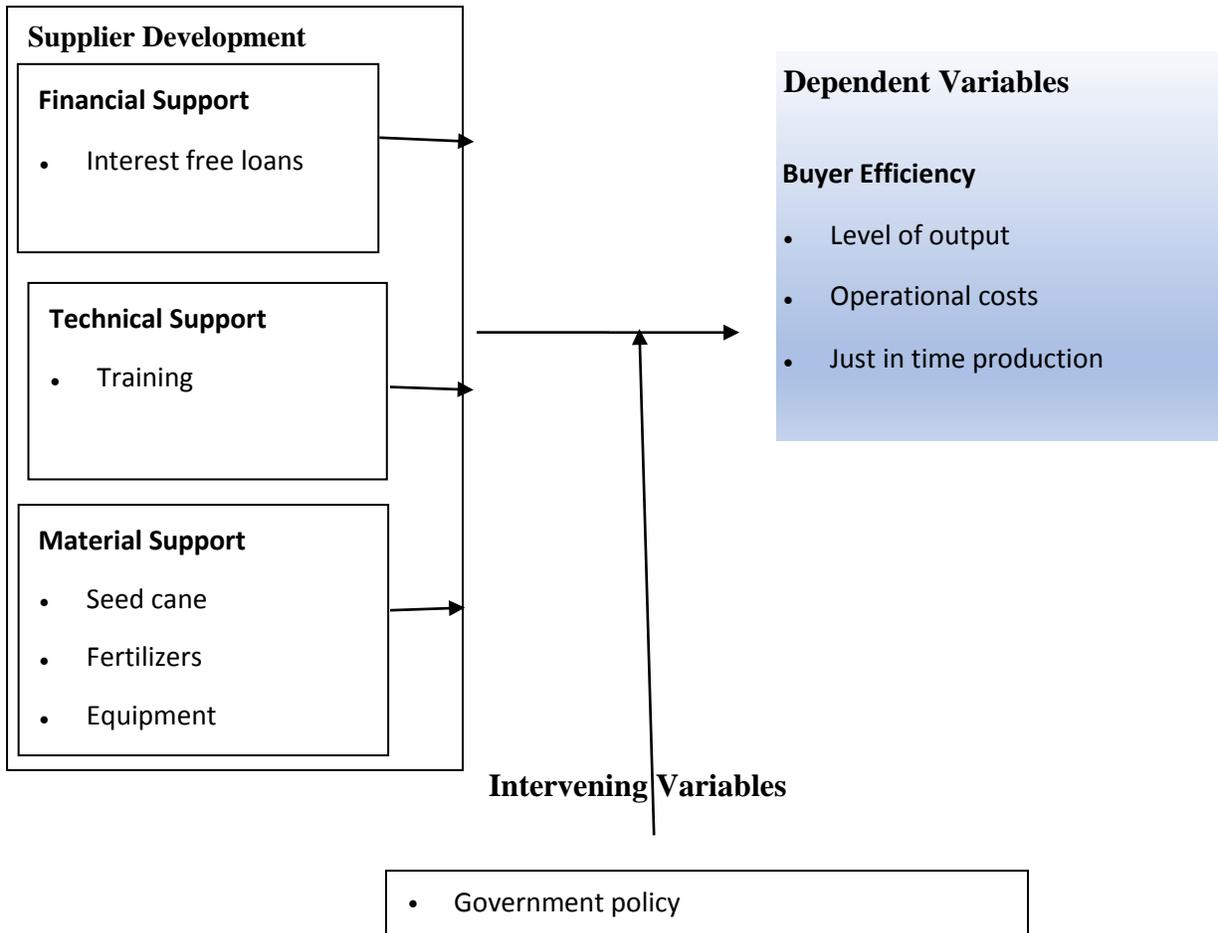
1.7.3 Supplier – buyer relationship. The study will provide an insight into the development of improved supplier-buyer relationship and distribution options that could be applied by the sugar manufacturing firms to be effective and increase customer services and satisfaction.

1.7.4 Researchers, Scholars and Academicians: This study will be used for future reference by upcoming researchers and academicians on special areas for development.

1.8 Conceptual Framework.

Figure 1 Conceptual frame illustrating the relationship between Supplier development Strategies and buyer efficiency.

Independent variables



Source: Adopted from Effie & Willy (2015) and modified by the Researcher (2018)

Figure 1 illustrates how the independent variable which is Supplier development which affects the dependent variable which is Buyer efficiency. It shows how supplier development which is measured in terms of the amount of financial resources invested in developing suppliers in form of Interest free loans and working capital; technical support inform of supplier training; and Supplier material support in terms of seed canes, Fertilizers and equipment relate with buyer efficiency by influencing level of output, lead time, just in time and buyer's operational costs. The

framework further illustrates the intervening variables Government policy that influences both the dependent and independent variables.

1.9 Definition of Key terms;

1.9.1 Supplier Development: These are activities that a buying firm undertakes to improve its supplier's performance or capabilities to meet buying firm's short-term or long-term supply needs (Handfield, Krause, Scannell, & Monczka, 2000)

1.9.2 Zoning: This is the process of mapping sugarcane territories within which each miller is expected to develop their own raw materials and work with farmers without encroachment on another operator (Faridah, 2018)

1.9.3 Efficiency: This is the ability of a firm producing a required output with in a given time frame (Academy for Leaders, 2010).

CHAPTER TWO LITERATURE REVIEW

2.1 Introduction:

This chapter outlines both the theoretical and empirical works and researches done regarding the relationship between Supplier development and buyer efficiency. It consists of a review of several studies that have been carried out by other scholars about the study topic.

2.2 Theoretical Review

This research was built on the social exchange theory since the idea of supplier development was introduced basing on theories established in economics. Social exchange theory is defined as a social psychological and sociological view which describes a social change and stability as a process of negotiated exchange between partners (Wikipedia, 2018). The theory suggests that social behavior is determined by exchange process and that the aim of this exchange is to maximize benefits and reduce on costs (Kendra, 2018). Marie, Russell, & David (2014) established that social exchange is built on three perspectives that is; beneficial exchanges that have an outcome of formulation of a close relationship; Relationship qualities that result into resources for exchange and inter-personal closeness which dictates the way goods are exchanged and transactional response.

The social exchange perspective argues that it is the calculation of benefits and costs of the relationship that determines the choice of whether to continue with the social relationship. Costs are things that are viewed as negative such as the effort invested into a relationship. Such costs include time, money and effort whereas the benefits are the things that you get out of the relationship that have a positive value such as sense of acceptance, support and companionship. Social exchange theory argues that as humans, we get the benefits less the costs in a bid to determine how much one gains from a relationship. The worth of a relationship influences

determines the decision of whether to continue with the relationship or terminate. This is because positive relationships are considered to be beneficial and tend to last longer whereas negative relationships are considered to be costly leading to early termination. The driver to the interpersonal relationship is that practitioners weigh the benefits of a relationship against the costs of a relationship by exploring the nature of exchanges and dealing with social exchange (Yegon, Kosgei, & Lagat, 2015). This theory points out the need to create a working relationship between the buying firm and its supplier for mutual benefits. The two firms in a relationship should deploy their resources in support of one another in order to realize the goals of the relationship thus calling for the buyer to commit resources and infrastructure to enable their suppliers to improve their capabilities.

The social exchange theory integrates well with the relationship created by the buying firm through Supplier development for agreed economic exchanges which are beneficial to the firms in a relationship. The buying firm supports its suppliers with financial support, technical support and training in anticipation of reduced risks of frustrated deliveries, better quality supplies, lead time reduction and competitive pricing from the vendor. Whan, John, & Seock (2012) note that when buyers and their suppliers put into practice trust-based collaborative supply chain operations, they create an opportunity for mutual value creation.

The social exchange theory was adopted because supplier development calls for promotion of an environment capable for building trust within and outside the organization. This in the end results in minimization of total supply chain cost thus improving the operational efficiency and increasing the total Supply chain profits of both the buyer and supplier (Whan, John, & Seock, 2012).

2.3 Over view of Supplier Development

As buying organizations continue to face a series of problems such as; Suppliers performing below expectation; non-competitive supplier base; current supplier's inability to support a firm's strategic growth and lack of capable suppliers in a given market, Supplier Development is viewed as a long-term commitment and relationship between the supplier and buyer to improve the supplier's efficiency and capability so that the buyer enjoys a competitive advantage (Rajendra & Dr.Mahajan, 2012). Juma, Gregory, & Elizabeth, (2016) assert that because of dynamic customer tastes, and a decline in the supply base, organizations are experiencing added pressure to find new ways of building relationships with their key suppliers through supplier development strategies. This means that in a bid to implement supplier development, buyers need to closely monitor the performance of their key suppliers so that they choose those suppliers who meet their expectations.

Several researchers have realized that manufacturing firms have embraced the importance of supplier performance in establishing and maintaining a competitive advantage. This calls for long term commitment of the parties in the relationship thus making the supplier more efficient and capable which results into improvement of the buyer's competitiveness in the global market since supplier development strategies call for management decisions. Buyers should be in position to categorize suppliers such that non-critical suppliers be awarded contracts basing on competition through sourcing from multiple vendors while suppliers of strategic items should be committed into partnerships. Ronnquist & Wenner (2014) notes the importance of the buying organization working together with their suppliers putting into consideration the fact that strategic suppliers are given priority.

According to Khuram, Ilkka, & Elina (2016), Supplier development is viewed as a strategic process that buyers adopt to develop their major suppliers in a bid to improve on punctuality, reduce Lead

time and improve on operational quality and reduce total cost of production. Companies that have diluted their Supplier development strategies have missed a chance to build better relationships with existing suppliers and to start solid relationships with new vendors thus Firms have now realized that to improve material Quality and performance, a history of supplier performance must be put into consideration for effective decision-making and sourcing strategy formulation.

According to CIPS (2013), firms are recommended to take on the will to embark on supplier development basing on the continuous benefits that are attained such as; improving Supplier performance, cost reduction, quality improvement, developing supply base, product or service development. This implies that buying firms try to make strategies on how to benefit from the supplier development program through relationship creation that brings out supplier's competitive advantage of innovation, technical capability and core competences. Historically, most mid-size and large companies have had some form of Supplier development program which mainly had a supplier certification program in form of on-site audits and implementation of performance improvement plans. (Hales & Arumugam, 2012).

With the rise of more sophisticated technology and the pressure of reducing costs, firms have diluted their supplier development activities thus leading to loss of opportunity to build a strong relationship with current suppliers and to build a strong relationship with new vendors. The danger in neglecting supplier development as a form of improving the procurement function is that the overall performance of the organization can be affected. Therefore, Juma et al, (2016) suggest that buyers who face problems of supplier performance and weak links in their supply chain can implement supplier development practices inform of providing technical capability, financial support, awards and training so that supplier capabilities can be improved.

To achieve the objective of product quality and customer satisfaction firms should put more effort in their ability to create and embrace their own capability to strategically important aspect such as Supplier development (Yegon, Kosgei, & Lagat, 2015). Supplier development strategies that are built on monitoring the beneficiaries can restrict opportunistic tendencies thus calling for first hand supervision of activities of Suppliers (Aaron, Joseph, & Mohammed, 2013). In a bid to practice Supplier development, there should be an emphasis on long term relationship and at the same time integrating them with short term goals. For a supplier development program to succeed, participation and cooperation from both internal and external stake holders must be thought of. There is a need to create a cross functional to get the internal stakeholders on board (Hales & Arumugam, 2012).

2.3.1 Financial Support

Financial support calls for buyer's effort to develop its suppliers through committing both human and capital resources that constitute investment in equipment and tools (Effie & Willy, 2015). The capital resources may be inform of loans to acquire equipment like tractors and lawn mowers whereas the human resource can be inform of availing suppliers with trainers and giving incentives whenever they perform well. According to Elizabeth, Waiganjo, & Oballah (2015), financial support is an important element in supplier development since it assures the supplier future business deals and improve on their productivity.

Kadzrina, Tam, & Ali (2011) suggest that buyers need support and funding for supplier development to take place because supplier's commitment need to be awarded with special funding as a reward for the time invested and also to act as bargaining tool in convincing top management that the investment is worthy to use the firm's resources. According to Ronnquist & Wenner (2014), buyers should dedicate resources towards the improvement of internal processes through

development and facilitation of supplier's activities as a way of both improving and maintaining performance.

Yegon, Kosgei, & Lagat (2015) observed that suppliers who were adequately supported financially facilitated the buyer's potential in delivering high quality and improved products to their client, a factor which would reduce on the firm's operational Risk. This is because financial support enables the supplier to stay in business and it also improves the supplier's ability to comply with the buyer's demands. Justus & Barrack (2016) suggest that supplier's financial ability has a major effect on buyer's performance since it enables suppliers to meet buyer's needs. This is a success because when analyzing a supplier's financial capacity, the buyer is protecting him/herself from potential risks associated with supplier running short of capital and shields the buyer from costs and financial risks. Also there is a likely hood of suppliers getting committed and having predictable deliveries and performance (Aspuro, 2015).

The buyer should put emphasis on a purchasing strategy that focuses on value for money and operational efficiency activities and make sure that both the staff and suppliers are aware of the strategies thus calling for putting in place key performance indicators to measure supplier's performance at the same time achieving excellence (Purchasing & Procurement Center, 2017).

2.3.2 Technical Support

Supplier training programs are based on the buyer's desire to improve supplier technical capabilities in areas that concern Quality, production processes and management best practices to enhance productivity (Job, 2015). Each buyer in the supply chain have their own way of supporting their suppliers since the key success factor to supplier development is effective communication between the buying firm and its supplier. Wagner & Krause (2009) points out that buyers should not abandon supplier development activities but try to consider investing more into the human

resource activities inform of knowledge transfer and employee exchange activities. This is because buyer-to-supplier sharing of information, performance feedback and buyer investment in supplier's information technology help in upgrading supplier capabilities on top of creating trust between the two firms (Sanders, Chad, & David, 2011).

Understanding the key elements of an effective supplier development program is crucial for any organization. Most mid-size and large companies practiced supplier development in form of supplier certification programs. However, the trend has changed with the improvement in technology and the desire to reduce costs (Hales & Arumugam, 2012). In addition to motivating suppliers to improve performance, buyer's expectations are being published through continuous supplier evaluation and effective information sharing. Currently both evaluation and certification systems are put in place by both the buyer and the supplier to enable the practitioners achieve the expected performance within the supply chain (Ali & Mehdi, 2010).

According to Gaikwad & Teli (2013), the shift in order of preference between knowledge transfer and other resources has changed in favor of knowledge as a result of knowledge increasingly becoming a key component in global business world. Kadzrina, Tam, & Ali, (2011) established that supplier development programs facilitate the development of the supplier's capabilities through buyer's willingness to engage in the supplier development program. This means that the kind of support to be given by the buyer should focus on the supplier's perspective. The vital point here is that the type of training to be given should be in line with the supplier's requirement because suppliers who have access to the type of training the buyer is offering may not need the services since they have the capacity to attain it and that the training requirements often change with the development of supplier's own capabilities (Rajendra & Dr.Mahajan, 2012).

According to David (2015), Supplier integration positive outcomes can be achieved basing on how you structure the mode of involvement, supplier's rate of responsibility, trust, communication between the buyer and supplier and the stage of involvement. This is because early design stage decisions have got a key impact on the quality of the product, lead time and costs. Thus Supplier development is a vertical partnership between the buyer and seller where the buyer involves its suppliers in the initial stages of product development (Mikkola & Skjott-Larsen, 2006).

Cousins, (2005) notes that supplier involvement is a buyer-supplier partnership that aims at maintaining business strategic relationships. Here, the buyer gets information from the supplier and calls for direct participation of the supplier in decision – making. The relationship enables the firm to reduce on costs, improve on quality and determine which type of technology to use since the buyer builds on the information provided by the supplier to improve on the products.

2.3.3 Supplier Material Support

According to Ali & Mehdi (2010), buyers are directly getting involved in developing Suppliers through investing capital and equipment in supplier operations, joint venturing and investing both human and organizational resources to improve the performance of the Supplier. Here the buyer plays the role of developing key suppliers to whom they have long term relationship through information sharing and material sharing.

Ghijssen, Semeijin, & Ernston, (2010) suggest that Supplier incentives inform of material Support promotes supplier's will and commitment to meeting the buyer's demands. As a result, suppliers will focus on the final out put they provide to the buying firm in a bid to sustain the required buyer standards for long term business considerations. Thus the material support inform of agricultural equipment are meant to enable the buyer to measure the supplier's performance by increasing the performance expectations.

Waraporn, Kamonchanok, & Pongsa (2012) established that when buyers adopted Supplier development strategies to their suppliers, they are in position to maintain their supplier commitment. As a result of the buyer providing assistance in form of material Support to improve Buyer efficiency, the supplier's desire of continuous business with the buyer increase. Waraporn et al (2012) found out that buyer's investment in form of material support in supplier's activities has a direct relationship with performance improvement. This is because relationships between both the buyer and supplier are facilitators of turning the buyer's investment efforts into performance improvements.

When a buying organization requires to retain relationships with competent suppliers in a bid to stay competent in the industry, supplier development is one of the ways used to achieve the task by extracting optimal value (Amer & Abdul, 2012). That is to say when buyers make decisions on customizing the production process for the supplier, the suppliers is required to share data on material components

2.4 Buyer efficiency

Benedikte, (2009) defines Efficiency as a measure of the input one provides in relation to the output produced. Thus the idea of efficiency has moved from being an internal measure for identifying waste to a way of attaining organizational objectives. When determining the efficiency of the firm, one should appraise from a number of perspectives because efficiency of the firm covers areas such as product availability at a lower cost, and the ability of the firm to coordinate with other firms to extend production processes (Alden, 2018).

Efficiency may be a methodical investigation and valuation of the techniques and functions in the different areas of a business with the view of exploring channels of performance evaluation

(Shodhganga, 2014). Motivation and ability and the two drivers of operational efficiency. High motivation with low ability leads to low efficiency where as high ability with low motivation yields high efficiency.

Productivity Commission, (2013) categorizes efficiency into; technical efficiency which points out at making the most use of available resources; productivity efficiency which entails selection of a combination from a variety of resources that maximizes output at a given cost; Allocative efficiency which measures the best way of apportioning the existing materials to production in a bid to meet customer requirements; and dynamic efficiency which looks at the best way of apportioning resources to meet both short term and long term expectations of the customers.

A number of sectors in the economy measure Buyer efficiency in different ways so as to achieve a strong and lasting growth and some of the ways include product cost which directly affects the total profit margin, flexibility in terms of return on sales, Lead time which is measured in terms of time taken to design, develop and produce a product for sale, and product quality (Job, 2015). According to Kithaka (2013), Supplier development strategies such as supplier quality management enables the organization to enjoy outcomes such as reduced lead times, increased responsiveness to buyer's customers, increased profitability and reduced opportunity cost from lost sales.

The role of Supplier development is to ensure that key suppliers should be competent in the world market because buyers aim at improving production efficiency. Efficiency of a supplier can be looked at as the ability of a supplier to provide high quality goods and services to its customers at a lower cost. Paul, (2016) notes that supplier development should not be used as a tool for

negotiating a reduction in prices but should drive towards world class performance since it's the role of the buying firm to transform the costs into better pricing.

According to Ali & Mehdi (2010), Supplier development is determined by the outcome of the relationship such as the extent to which the buyers' requirements are met by the supplier, the percentage spend by the firm on a particular Supplier and the nature of material being procured.

Therefore, the buying firm will invest it's resources in suppliers who are crucial to the firm in a bid to enable them to become efficient and effective. Aid Forum, (2015) points out that for firms to achieve Buyer efficiency, firms should commit their capital, financial and personnel resources in their activities. The firm's executives and employees must be convinced that investing the company resources is a worthwhile risk to take with added benefits like financial performance inform of increased market share and productivity, product performance such as customer and employee satisfaction, and Operational performance like increased product or service quality and reduced lead time (Job, 2015).

According to (Benedikte, 2009), Supply chains are viewed as both efficient and effective when the value of the exchanged activity fulfills the buyer's expectation which is achieved by eliminating inefficiencies and pursuing best business practices. Therefore, buyer efficiency aims at buyers meeting targets, producing a required quantity and achieving set goals.

2.5 Summary of Literature Review

This chapter addressed literature related to Supplier development and Buyer efficiency. The review of literature outlines the fact that supplier development is an important tool of achieving buyer efficiency. Literature review indicates that firms which do not put into practice supplier development are in danger of producing poor output. Although the above studies highlight the

relationship between supplier development and buyer efficiency, most of the literature published finds a positive correlation between Supplier development and the buyer's operating performance.

There are several positives gained as a result of supplier development programs that have been confirmed by a number of studies including effective communication, development of partnership attitude and commitment. However, significant gaps that need to be addressed both contextual and methodological continue to exist. These gaps which include but not limited the relationship between supplier development and buyer efficiency avail direction for future research thus the need for this study.

CHAPTER THREE METHODOLOGY

3.1 Introduction

This chapter presents and discusses the research design, study population, sample size and sampling techniques and procedure, data collection methods and instruments, the validity and reliability of data collection tools, the research procedure, data analysis and measurement of variables.

3.2 Research Design

The case study research design was adopted since it enables the researcher to explore beyond the quantitative statistics in a bid to explain the outcome of the phenomena by observing and analyzing the case under the study (Zaidah, 2007). Quantitative approach was acquired because the case study research design enables the researcher to conduct an in-depth examination of a single phenomenon at a given point in time that is applicable to the entire phenomenon which the case represents. This is because case studies identify proof from both numerical and categorical responses.

The case study research design was also used to test whether scientific theories and models are applied in the real world (Martyn, 2008). Yin (2014) notes that; just like other studies, case studies investigate a topic under study by following set procedures. This is because case studies enable researchers to examine data at micro stage and avail the researcher with data of real-life circumstances that is used to explain in detail the behavior of the case under study.

3.3 Study Population

The study population consisted of 35 members from various sections of the organization such as top management, procurement section, finance and legal team of Sugar and Allied Industries

Limited and suppliers who deal directly with Sugar and Allied industries. The main reason for the choice was that firms are in position to exhibit an effective supplier development philosophy and make best use of the programs. The population was grouped in to three categories that is top management, middle management and supervisory staff.

3.4 Sample size

The sample population size of 35 respondents was used and determined basing on statistical table for identifying the sample size. This sample was selected because they represent a wealth of knowledge in the field of supplier development and Buyer efficiency. Krejcie & Morgan (1970) noted that when the population size is 35, a sample size of 33 should be considered. Of the population, a sample size of 5 respondents was got from buyer’s top management, 14 from buyer’s middle management and 14 from sugar cane out growers’ association executive members (Kaliro Sugar, 2018). The researcher then picked respondents randomly from the population with all the respondents having equal chance of selection. The aim was to improve the accuracy of the sample by reducing sampling error (Wikipedia, 2018).

Table 1: Showing total population, Sample size, and sampling technique

Category	Population	Sample Size	Tools	Sampling Techniques
Top Management	5	5	Questionnaires	purposive
Middle Management	15	14	Questionnaires	Simple random sampling
Sugar cane out growers’ association executive members	15	14	Questionnaires	Simple random sampling
Total	35	33		

Source: Adopted from Krejcie (1970)

3.5 Sampling techniques and procedure

The study used both probability and Non-probability sampling techniques.

Probability Sampling was adopted in form of Simple random sampling where it was applied by giving each entity in the population an equal chance of being selected. The researcher used simple random sampling because it was easy to assemble a sample and get a representative of the population (Gaganpreet, 2017).

Whereas Non-probability sampling was in form of Purposive sampling where it was used to select respondents who can provide desired information due to their knowledge and experience about the subject under study. The researcher used Non-probability sampling because the procedures used in selecting units for inclusion in a sample were easier, quicker and cheaper when compared with probability sampling (Laerd, 2012).

3.6 Data Collection Methods:

Data was collected from both primary and secondary sources. Quantitative method was used to collect data. Primary data was collected using self-administered questionnaires. Questionnaires were issued to respondents in form of drop and pick later.

3.7 Data collection tools:

The researcher used questionnaires as data collection tools. A collection of written questions were presented to participants requiring their response. Open -ended questions were used to gather the respondent's views concerning supplier development and buyer efficiency (Canals, 2017). A five Linkert-scale questionnaire requiring respondents to rate from strongly disagree to strongly agree was used to investigate the relationship between supplier development and buyer efficiency (George & Robert, 2001). The questionnaire was designed according to the objectives and study

variables. The researcher used this tool because it covered a wide area of the research and was appropriate for a special category of responses (Prabhat & Meenu, 2015).

3.8 Validity and reliability:

3.8.1 Validity

Validity of the research instruments was determined by calculation of the content validity index (CVI) where the rating for each instrument was carried out by two or more experts (Yaghmaie, spring 2003). Validity of the instruments was determined at 0.767 using the formula $CVI = \text{No. of items declared valid} / \text{Total no. of items on the instrument}$.

Table 2: Showing Content Validity Index

Content Validity Index			
	Number of items before	Number of items after	CVI
Supplier financial Support	7	5	0.714
Supplier Technical Support	8	6	0.75
Supplier Material Support	8	7	0.875
Buyer efficiency	7	5	0.714
TOTAL	30	23	0.767

Source: Primary Data

The researcher used CVI because it looks at the degree to which a given sample studied constitute an adequate operational definition of a construct (Denise & Cheryl, 2006)

3.8.2 Reliability

To ensure reliability, Cronbach's alpha test was done using Statistical package for social science (SPSS) by a single test administration in a bid to come up with a reliable estimate by getting the average value of the reliability coefficient (Joseph & Rosemary, 2003).

Table 3 Showing Reliability Statistics Reliability Statistics

Cronbach's Alpha	Number of Items
.882	23

Source: Primary Data

Table 3 above shows that at cronbach's Alpha of 0.882, the data instruments were highly reliable since the cronbach's Alpha is above 0.7(Joseph & Rosemary, 2003).

3.9 Data collection procedure:

Through an introduction letter from the University, the researcher obtained approval from Sugar and allied industries limited authorities to conduct the research. The researcher then made contact with the various authorities to whom the letter was addressed to and made appointments as when the study was to be carried out to enable proper planning.

3.10 Data processing, Analysis and Presentation.

The information collected was edited to ensure completeness, accuracy, consistency and comprehensibility. This helped in the elimination of any possible errors that might have occurred as a result of careless marking or recording. Coding was used by assigning numbers to the views of the respondents in a bid to arrive at a statistical meaning of data. With the help of Statistical package for social science (SPSS), the respondents were classified accordingly and coding frames were adopted (Andrew & Sheffield, 2008).

Data was analysed quantitatively. The quantitative data was collected inform of questionnaires and analyzed through content analysis. Meanwhile Quantitative data analysis was done by presenting and interpreting numerical data inform of descriptive statistics and inferential statistics. The SPSS was used to generate descriptive and correlation statistics that gave the researcher an idea on how to interpret the data.

3.11 Measurement of variables.

Measurement of variables was conducted using both nominal and ordinal scales. The researcher used Nominal scale when classifying values of a variable into different categories that were used as identifiers since all variables are measured at the nominal level (SOS, 2005). Whereas Ordinal scale was used to determine who has more or less of the characteristics being studied. This allowed the researcher to investigate how and why some items were ranked higher than others with respect to the phenomenon being examined.

This study had two variables that is to say Supplier development as the independent variable and buyer efficiency in sugar and allied industries as the dependent variable. The responses to the questionnaires had to be arranged on a 5 Likert scale of strongly disagree, disagree, no idea, agree and strongly agree respectively. This is because ordinal scale in the various categories were hierarchically ordered according to the value they had with respect to the properties (Harry & Deborah, 2012).

Table 4: Statistical values and response modes used to interpret the means and standard deviations

S/N	Range	Response	Interpretation
1	4.3-5	Strongly Agree	Very high
2	3.5-4.20	Agree	High
3	2.70-3.40	Not sure	Undecided
4	1.90-2.60	Disagree	Low
5	1.0-1.80	Strongly Disagree	Very low

Adopted from George & Robert, (2001)

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter presents, analyzes and interprets findings according to the study objectives. It is systematically organized according to the variables, and research questions that guided the study and it is divided into two sections. The first section presents and analyses the results regarding the background information. The second section presents analyses and interprets the results of the Relationship between Supplier development and buyer efficiency at Sugar and allied industries, the relationship between supplier financial support and buyer efficiency at sugar and allied industries, the relationship between supplier technical support and buyer efficiency and the relationship between supplier material support and buyer efficiency.

4.2 Response rate

Table 5 showing response rate

	Target Number	Released Number	Percentage
Questionnaires	33	32	97%

Source: Primary data

Basing on table 4 above showing response rate, the researcher was able to collect information from 32 (approximately 97%), out of 33 from the study targeted population. All the 32 out of the 33 respondents that were expected by the researcher to fill the questionnaires returned them which was a good response rate for the researcher to base on for data analysis since it is above 70% response rate (Mugenda & Mugenda, 2005).

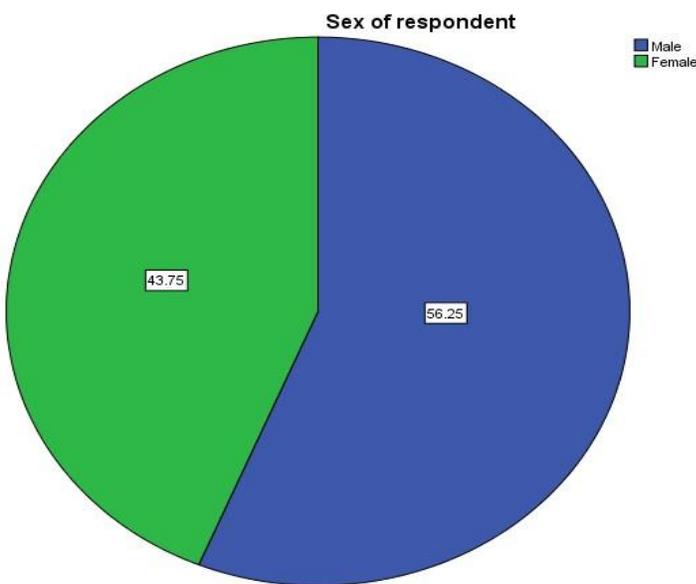
4.3 Results on the background information of respondents

Under this section, data is presented on the socio-demographic composition of the sample obtained through the questionnaire which included; Sex, age group, education and Operation period. All the tables, charts and graphs are based on the 32 questionnaires returned and filled by the respondents, thus giving the quantitative analysis. The purpose of collecting demographic data on respondents was to help in establishing the respondent sample characteristics and be able to form appropriate opinions about the research findings. The detailed analysis of these characteristics and interpretation are presented in the following subsections:

4.3.1 Gender distribution

The study observed the gender distribution of the respondents and the results are presented in figure 2 below.

Figure 2: Gender of the respondents.



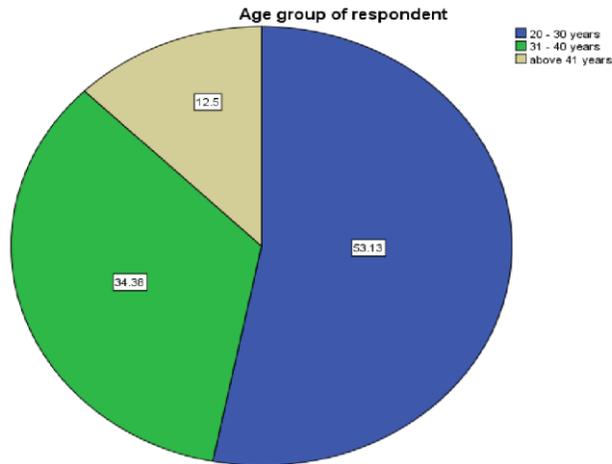
Source: Primary Data

From figure 2 above, it is illustrated that 56.25% which was the majority of the respondents were Male, 43.75% of the respondents were Female. This finding implies that the study was representative since both female and male were captured.

4.3.2 Distribution of respondents by age

The study examined the age bracket of the respondents and results are presented in figure 3. **Figure**

3: Presents age bracket



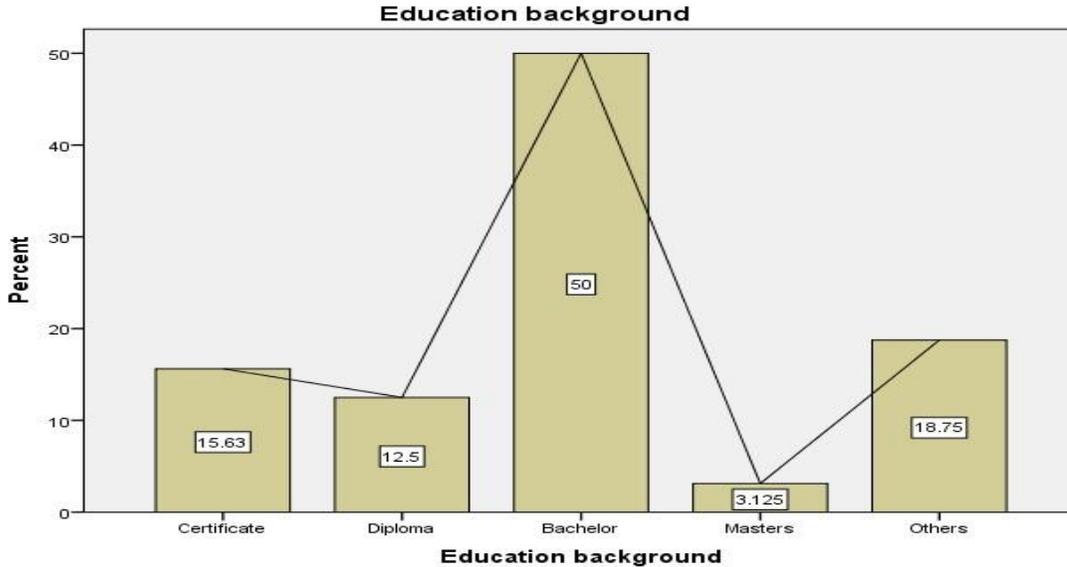
Source: Primary data

The findings in figure 3 above illustrates that 53.13% of the respondents were between 20-30 years of age, 34.38% were between 31-40 years of age and 12.12% were above 41 years of age. This finding implies that this study was representative since the age category of respondents was regarded mature enough to understand and appreciate the issues of Supplier development and buyer efficiency.

4.3.3 Distribution by level of education

The study examined the level of education of the respondents and results are presented in figure 4 below.

Figure 4: Showing level of education



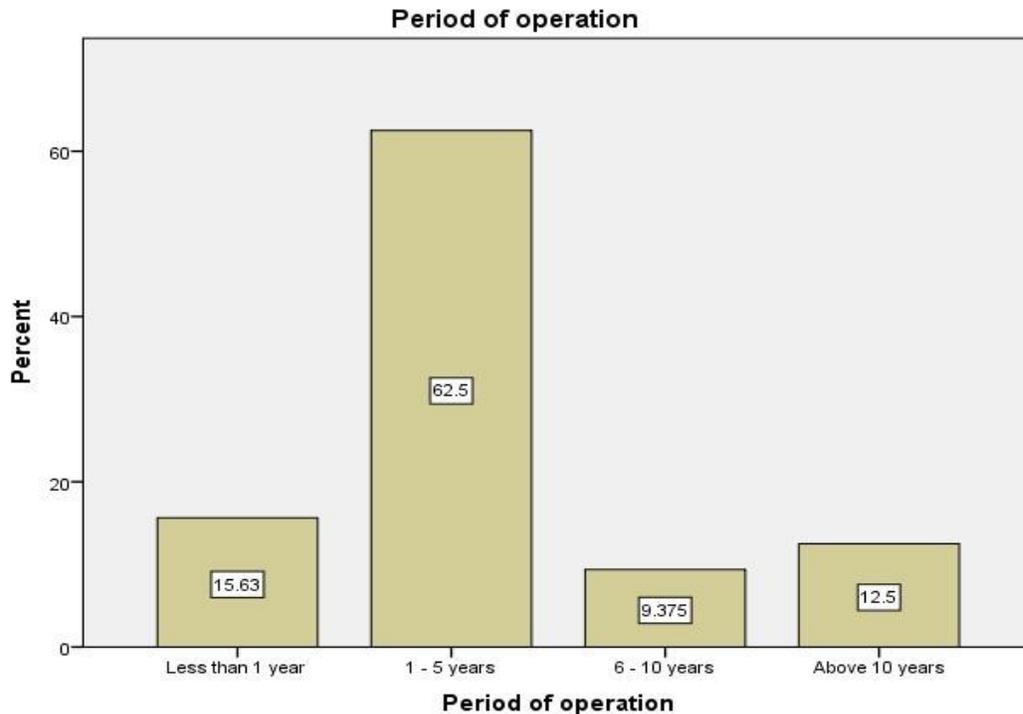
Source: Primary data

Figure 4 above indicates that 50% of the respondents have attained education up to Bachelors level, 18.75% attained other levels of education, 15.63% hold certificates, 12.5% are Diploma holders while 3.1% have attained a Masters' Degree. The result would mean that all respondents in the study were literate, could interpret the questionnaire as required and believed to have provided their reliable and valuable opinion on Supplier development and Buyer efficiency.

4.3.4 Distribution of Respondents by Period of Operation

The study examined the period of operation of the respondents and results are presented in figure 5 below.

Figure 5: Showing length of service of respondents.



Source: Primary Data

Results from figure 5, indicates that 62.5% of the respondents have worked for a period between 1-5 years, 15.6% have worked for less than 1year, 12.5% have worked for over 10 years while only 9.4% of the total number of the respondent have a working experience of between 6 and 10 years.

4.4.0 Empirical results

4.4.1.0 Supplier Financial Support and Buyer efficiency.

This section presents the description findings measuring the relationship between supplier financial support and buyer efficiency. This research question was conceptualized using five questions which required each respondent to do self-rating on the relationship between supplier financial Support and buyer efficiency. Responses are presented based on Likert scale ranging from 1 which reflected strongly disagree, 2 disagree, 3 not sure, 4 agree and 5 strongly agree although these were

thereafter categorized into agree, not sure and disagree sections. The results are summarized in

Table 6;

Table 6: Findings on the Relationship between Supplier Financial Support and buyer efficiency at Sugar and allied industries

Supplier Financial Support and Buyer efficiency		Strongly Agree	Agree	No Idea	Disagree	Strongly Disagree
Financial Support to out growers facilitates the out grower's potential in delivering high quality and improved products	Frequency	7	22	0	3	0
	Percent	21.9	68.8	0	9.4	0
	Mean	4.03				
	Standard Deviation	0.782				
Financial Support to out growers increase productivity for both the out growers and SAIL	Frequency	6	22	0	3	1
	Percent	18.8	68.8	0	9.4	3.1
	Mean	3.91				
	Standard Deviation	0.93				
Financial Support to out growers enables SAIL to protect itself from potential supply risk of the out grower failing to supply the required sugar canes in time	Frequency	3	25	0	4	0
	Percent	9.4	78.1	0	12.5	0
	Mean	3.84				
	Standard Deviation	0.77				
Financial Support to out growers enables SAIL to reduce on operational costs	Frequency	6	23	0	3	0
	Percent	18.8	61.9	0	9.4	0
	Mean	4				
	Standard Deviation	0.76				
Financial Support from SAIL increases out grower innovation	Frequency	3	28	0	1	0
	Percent	9.4	87.5	0	3.1	0
	Mean	4.03				
	Standard Deviation	0.47				

Source: Primary data

The findings in table 6 above indicate that with a mean of 4.03 and standard deviation of 0.78, the respondents acknowledge that Financial Support to out growers facilitates the out grower's

potential in delivering high quality and improved products. At a mean of 3.91 and standard deviation of 0.93, respondents agree that financial support to out growers increases productivity for both the out growers and SAIL. Financial support to out growers enables SAIL to protect itself from potential supply risk of the out growers failing to supply the required sugar canes in time as indicated by a mean of 3.84 and standard deviation of 0.77. At a mean of 4 and standard deviation of 0.76, financial support to out growers enables SAIL to reduce on operational costs while a mean of 4.03 and standard deviation of 0.47 shows that the respondents agreed that financial support from SAIL increases out grower innovation.

4.4.1.1 Correlation results for Supplier financial support and Buyer efficiency.

A Pearson’s correlation coefficient technique (bivariate) was used for the study to establish whether the relationship existed between the study variables highlighted and the findings are presented in the Table 7 below.

Table 7 showing the correlation coefficient results on the relationship between Supplier financial Support and buyer efficiency.

		Correlations	
		Supplier Financial Support and Buyer efficiency	Buyer efficiency
Supplier Financial Support and Buyer efficiency	Pearson Correlation	1	.572**
	Sig. (2-tailed)		.001
	N	32	32
Buyer efficiency	Pearson Correlation	.572**	1
	Sig. (2-tailed)	.001	
	N	32	32

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

$P \leq 0.05$

Source: Primary data

From the above table 7 of the correlation coefficient, it was revealed that Supplier financial Support significantly influences buyer efficiency which was revealed at correlation coefficient of 0.572 at significant level of 0.001. This implies that there was a strong significant relationship of 57.2%.

4.4.2.0 Relationship between Supplier Technical Support and buyer efficiency.

This section presents description findings measuring the relationship between supplier technical Support and buyer efficiency. This research question was conceptualized using six (6) questions which required each respondent to do self-rating on the relationship between Supplier technical Support and Buyer efficiency. Responses are presented based on Likert scale ranging from 1 which reflected strongly disagree, 2 disagree, 3 not sure, 4 agree and 5 strongly agree although these were thereafter categorized into agree, not sure and disagree sections. The results are summarized in Table 8;

Table 8 Findings on the relationship between Supplier technical Support and Buyer efficiency.

Supplier Technical Support and Buyer efficiency		Strongly Agree	Agree	No Idea	Disagree	Strongly Disagree
Technical Support at SAIL involves identifying the areas in which out growers need to be developed to improve on the out put	Frequency	10	19	0	3	0
	Percent	31.3	59.4	0	9.4	0
	Mean	4.13				
	Standard Deviation	0.83				
Technical Support from SAIL is designed to improve out grower's supply capabilities	Frequency	6	24	0	2	0
	Percent	18.8	75	0	6.3	0
	Mean	4.06				
	Standard deviation	0.67				
SAIL regularly monitors the out grower's progress to ensure that the out growers meet the required output standards	Frequency	5	26	0	1	0
	Percent	15.6	81.3	0	3.1	0
	Mean	4.09				
	Standards Deviation	0.53				

Technical Support from SAIL enables out growers to be innovative	Frequency	6	23	0	3	0
	Percent	18.8	71.9	0	9.4	0
	Mean	4.0				
	Standard Deviation	0.76				
Technical Support from SAIL facilitates production of highquality sugar canes from out growers	Frequency	10	20	0	2	0
	Percent	31.3	62.5	0	6.3	0
	Mean	4.19				
	Standard Deviation	0.74				
SAIL provides technical Support to out growers to reduce on the risk of supply of immature canes	Frequency	7	25	0	0	0
	Percent	21.9	78.1	0	0	0
	Mean	4.22				
	Standard Deviation	0.42				

Source: Primary data

The results in the table above reveal that Technical Support at SAIL involves identifying the areas in which out growers need to be developed to improve on the output at with a mean of 4.13 and Standard deviation of 0.83. The results further indicate that at a mean of 4.06 and Standard deviation of 0.67, the respondents agree that Technical Support from SAIL is designed to improve out grower's supply capabilities. At a mean of 4.09 and standard deviation of 0.53, the findings reveal that SAIL regularly monitors the out-grower's progress to ensure that the out growers meet the required output standards. Technical Support from SAIL enables out growers to be innovative registered a mean of 4.0 and standard deviation of 0.76 of the respondents who agreed with the statement whereas at a mean of 4.19 and standard deviation of 0.74, respondents acknowledged that Technical Support from SAIL facilitates production of high-quality sugar canes from out growers. SAIL provides technical Support to out growers to reduce on the risk of supply of immature canes as it was agreed upon by respondents at mean of 4.22 and Standard deviation of 0.42.

4.4.1.1 Correlation results for the relationship between Supplier Technical Support and Buyer efficiency

A Pearson’s correlation coefficient technique (bivariate) was used for the study to establish whether the relationship existed between the two study variables and the findings are presented in the Table 9 below.

Table 9 Showing the correlation coefficient results on the relationship between Supplier technical Support and supplier financial Efficiency

		Correlations	
		Buyer efficiency	Supplier Technical Support and Buyer efficiency
Buyer efficiency	Pearson Correlation	1	.497**
	Sig. (2-tailed)		.004
	N	32	32
Supplier Technical Support and Buyer efficiency	Pearson Correlation	.497**	1
	Sig. (2-tailed)	.004	
	N	32	32

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

Source: Primary data

P ≤ 0.05

Table 9 of the correlation coefficient shows that there exists a strong significant relationship between Supplier technical Support and Buyer efficiency which was revealed at a correlation coefficient of 0.497 at 0.004 significant level. This implies that there is a significant relationship between Supplier technical Support and Buyer efficiency that is realized at 49.7%.

4.4.3 Relationship between Supplier Material support and buyer efficiency.

This section presents description of findings measuring the relationship between supplier material support and buyer efficiency. This research question was conceptualized using seven (7) questions which required each respondent to do self-rating on the relationship between Supplier Material support and Buyer efficiency. Responses are presented based on Likert scale ranging from 1 which reflected strongly disagree, 2 disagree, 3 not sure, 4 agree and 5 strongly agree although these were

thereafter categorized into agree, not sure and disagree sections. The results are summarized in

Table 10;

Table 10 Findings on the Relationship between Supplier Material support and Buyer efficiency.

Supplier Material support and Buyer efficiency		Strongly Agree	Agree	No Idea	Disagree	Strongly Disagree
SAIL awards Material Support to key out growers to improve on their production	Frequency	9	20	1	2	0
	Percent	28.1	62.5	3.1	6.3	0
	Mean	4.13				
	Standard Deviation	0.75				
Material Support promotes Out grower's will and commitment to meeting SAIL's orders in time.	Frequency	6	22	0	4	0
	Percent	18.8	68.8	0	12.5	0
	Mean	3.94				
	Standard Deviation	0.84				
SAIL compares actual performance with the planned performance when giving material Support to out growers.	Frequency	9	16	2	5	0
	Percent	28.1	50.0	6.3	15.6	0
	Mean	3.91				
	Standard Deviation	0.99				
SAIL gives Material Support to out growers to improve on the quality of sugar canes.	Frequency	6	22	0	4	0
	Percent	18.8	68.8	0	12.5	0
	Mean	3.94				
	Standard Deviation	0.84				
SAIL gives Material Support to Out growers to reduce on Supply of immature.	Frequency	6	22	2	1	1
	Percent	18.8	68.8	6.3	3.1	3.1
	Mean	3.97				
	Standard Deviation	0.82				
Material Support to out growers from SAIL promotes out grower innovation.	Frequency	7	20	1	3	1
	Percent	21.9	62.5	3.1	9.4	3.1
	Mean	3.91				
	Standard Deviation	0.96				
Material Support from SAIL increases out grower commitment.	Frequency	4	21	4	3	0
	Percent	12.5	65.6	12.5	9.4	0
	Mean	3.81				

	Standard Deviation	0.78
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Source: Primary data

The results in the table above reveal that SAIL awards Material Support to key out growers to improve on their production with a mean of 4.13 and standard deviation of 0.75. The results further indicate that at a mean of 3.94 and standard deviation of 0.84, the respondents agreed that Material Support promotes out grower's will and commitment to meeting SAIL's orders in time. The mean of 3.91 and standard deviation of 0.99 of the findings reveal that SAIL compares actual performance with the planned performance when giving material Support to out growers. SAIL gives Material Support to out growers to improve on the quality of sugar canes registered a mean of 3.94 and standard deviation of 0.84, implying that the respondents agreed with the statement. SAIL gives Material Support to out growers to reduce on Supply of immature cane registered a mean of 3.97 and standard deviation of 0.82 while Material Support to out growers from SAIL promotes out grower innovation registered a mean of 3.91 and standard deviation of 0.96. Material Support from SAIL increases out grower commitment had a mean of 3.81 and standard deviation of 0.78, implying that majority of the respondents were in agreement with the statement.

4.4.3.1 Correlation results for the relationship between Supplier material support and buyer efficiency

A Pearson's correlation coefficient technique (bivariate) was used for the study to establish whether the relationship existed between supplier material support and buyer efficiency and the findings are presented in the Table 11 below.

Table 11: Correlation coefficient results on the Relationship between Supplier Material support and Buyer efficiency

		Correlations	
		Buyer efficiency	Supplier Material Support and Buyer efficiency
Buyer efficiency	Pearson Correlation	1	.540**
	Sig. (2-tailed)		.001
	N	32	32
Supplier Material Support and Buyer efficiency	Pearson Correlation	.540**	1
	Sig. (2-tailed)	.001	
	N	32	32

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

Source: Primary data

Table 11 of the correlation coefficient shows that there exists a strong significant relationship between Supplier Material Support and Buyer efficiency which was revealed at a correlation coefficient of 0.540 at 0.001 significant level. This implies that there was a significant relationship between Buyer efficiency and supplier material support that is realized at 54%

4.4.4 Correlation results for the relationship between Supplier Development and Buyer efficiency

A Pearson’s correlation coefficient technique (bivariate) was used for the study to establish whether the relationship existed between supplier development and buyer efficiency and the findings are presented in the Table 12 below.

Table 12: Correlation coefficient results on the Relationship between Supplier Development and Buyer efficiency.

		Correlations	
		Supplier Development	Buyer efficiency
Supplier Development	Pearson Correlation	1	.607**
	Sig. (2-tailed)		.000
	N	32	32
Buyer efficiency	Pearson Correlation	.607**	1

Sig. (2-tailed)	.000
N	32

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

Table 12 of the correlation coefficient shows that there exists a strong significant relationship between Supplier development and Buyer efficiency which was revealed at a correlation coefficient of 0.607 at 0.000 significant level. This implies that there is a significant relationship between Supplier development and buyer efficiency that is realized at 61%

4.5 Multiple regression to determine which independent variable has the highest predictor of Buyer efficiency

A multiple regression analysis was computed to determine which of the variables of supplier development has a higher relationship on buyer efficiency. Table 13 below presents the results;

Table 13 showing a modal summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.610 ^a	.372	.304	.28109

a. Predictors: (Constant), Supplier Material Support, Supplier Technical Support, Supplier Financial Support.

From table 13 above, it is indicated that R^2 is 0.372 (37.2%) of the variation (adjusted $R^2 = 0.304$) shows the extent to which the dependent variable, buyer efficiency can be used to explain the independent variable supplier financial support, supplier technical support and supplier material support. It indicates that buyer efficiency was dependent on supplier financial support, supplier technical support and supplier material support by 37.2% and the 62.8% variance in buyer efficiency are outside model used.

Table 14: Anova ResultsANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1.308	3	.436	5.517	.004 ^b
Residual	2.212	28	.079		
Total	3.520	31			

a. Dependent Variable: Buyer efficiency

b. Predictors: (Constant), Supplier Material Support and Buyer efficiency, Supplier Technical Support and Buyer efficiency, Supplier Financial Support and Buyer efficiency

From table 14 above, the findings indicate a significance level of 0.004 which is below the $P < 0.05$ probability value implying that supplier development has a significant impact on buyer efficiency.

Table 15: coefficient results on predictors of buyer efficiencyCoefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.082	.556		3.743	.001
1 Supplier Financial Support	.215	.198	.291	1.088	.286
Supplier Technical Support	.182	.167	.211	1.090	.285
Supplier Material Support	.106	.145	.186	.732	.471

a. Dependent Variable: Buyer efficiency

The findings from table 15 indicate a constant of 2.082 with supplier financial support having beta of 0.215 at insignificance level of 0.286, supplier technical Support having a beta of 0.182 at insignificance level of 0.285 and Supplier material Support having a beta of 0.106 at 0.471 insignificance level. This implies that the dimensions studied of supplier development have a less impact on buyer efficiency. However, the results indicate that supplier financial Support highly

predicts buyer efficiency when compared against Supplier technical support and supplier material support.

CHAPTER FIVE

SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary and discussion of the study findings, conclusions and recommendations on the relationship between Supplier development and Buyer efficiency plus areas for further research. The chapter has been structured according to the objectives of the study which were; to examine the relationship between supplier development and Buyer efficiency at Sugar and Allied Industries Limited; establish the relationship between buyer's technical support and buyer efficiency at Sugar and Allied Industries Limited; determine the relationship between buyer's financial support and Buyer efficiency at Sugar and Allied Industries Limited and establish the relationship between supplier material support and Buyer efficiency at Sugar and Allied Industries Limited.

5.2 Summary of major findings

5.2.1. Relationship between Supplier financial Support and Buyer efficiency.

The study findings further revealed that Supplier financial Support has a significant relationship with Buyer efficiency when using Pearson's correlation coefficient and mean. This was revealed at an average mean of 3.96 and statistically significant ($r = 0.572$; $P < 0.001$), signifying a strong significant relationship between Supplier financial Support and Buyer efficiency.

5.2.2. Relationship between Supplier Technical Support and Buyer efficiency.

The study findings using Pearson's correlation coefficient and mean confirmed the existence of a significant relationship between Supplier technical support and Buyer efficiency. This was revealed at an average mean of 4.11 and statistically significant ($r = 0.497$; $P < 0.004$), implying that a significant relationship between Supplier technical Support and Buyer efficiency exists.

5.2.4. Relationship between Supplier Material Support and Buyer efficiency.

Using Pearson's correlation coefficient and mean, the study findings confirmed the existence of a strong significant relationship between supplier material support and buyer efficiency at sugar and allied industries. This was observed at an average mean of 3.94 and statistically significant ($r = 0.540$; $P < 0.001$), implying a strong significant relationship between Supplier material support and buyer efficiency.

5.3 Discussion of the study findings.

5.3.1 Supplier financial Support and buyer efficiency.

In view of the first objective of the study, which was to determine the relationship between Supplier financial support and buyer efficiency, it was revealed that there is a significant relationship between financial support from SAIL and Buyer efficiency.

It was revealed that financial Support to out growers facilitates the out-grower's potential in delivering high quality and improved products. Wenner (2014), points out that buyers should dedicate resources towards the development of suppliers through facilitation of supplier's activities as a way of both improving and maintaining performance.

Further findings revealed that financial support provided by SAIL to out growers increases productivity for both SAIL and the out growers. This argument was in line with Elizabeth, Waiganjo, & Oballah (2015) who argued that financial support is an important element in supplier development since it assures the supplier future business deals and improve on the supplier's productivity.

Also from the study revealed that SAIL protects itself from potential supply risk of the out growers failing to supply the required sugar canes in time through giving financial support to the out

growers. This was in line with Yegon, Kosgei, & Lagat (2015) who observed that suppliers that were supported financially were able to facilitate the buyer's ability in delivering high quality and improved products to their customers, thus reducing the buyer's operational risk.

The study also revealed that Financial Support to suppliers enables the organization to reduce on costs of operation. This argument is in line with Purchasing & Procurement Center (2017) who argue it out that the buying organization should put emphasis on a purchasing strategy that focuses on value for money and operational efficiency.

According to the study, it was revealed that financial Support to suppliers increases the supplier's innovation. This is in line with Justus & Barrack (2016) suggestion that supplier's financial ability has a major effect on buyer's performance since it enables suppliers to meet buyer's needs.

5.3.2 Supplier technical Support and Buyer efficiency.

The second objective of the study was to establish the relationship between Supplier technical Support and buyer efficiency. The findings indicate that Supplier technical support has a significant relationship with Buyer efficiency at SAIL. In reference to the first question, the findings showed that supplier technical Support at SAIL is offered through training of out growers on dangers of harvesting immature canes and the use of pesticides. This confirms with Job, (2015) who points out that Supplier training programs are based on the buyer's desire to improve the supplier technical capabilities in areas that concern Quality, production processes and management best practices to enhance productivity. Technical support is based on areas such as modern techniques of harvesting, use of pesticides and harvest of mature canes in a bid to improve on buyer efficiency.

The findings also revealed that Output is increased through SAIL identifying the areas in which out growers need to be developed in. However, this is in line with Wagner & Krause (2009) who

points out that buyers should not abandon supplier development activities but try to consider investing more into the human resource activities inform of knowledge transfer and employee exchange activities. Therefore, identifying key areas in which out growers need to be developed improves supplier performance thus improving Buyer efficiency.

From the findings, it was pointed out that technical support to suppliers is designed to improve out grower's supply capabilities. This is in line with the literature that revealed that the type of training to be given should be in line with the supplier's requirement, However, Rajendra & Dr.Mahajan, (2012 argue that suppliers who have access to the type of training the buyer is offering may not need the services since they have the capacity to attain it and that the training requirements often change with the development of supplier's own capabilities. This is because suppliers prefer to acquire new knowledge in the fields they don't know so that they can be efficient and effective.

The study results also stressed out that at SAIL, the out grower's progress is monitored to make sure that the out growers meet the required output standards. According to (Sanders, Chad, & David, 2011), performance feedback helps in upgrading supplier's capabilities on top of creating trust between SAIL and it's Out growers.

The study results further stress out that technical support from SAIL facilitates production of high quality sugar canes from out growers. This coincides with Cousins (2015) who states that supplier technical support enables the firm to reduce on costs, improve on quality and determine which type of technology to use since the buyer builds on the information provided by the supplier to improve on the products.

5.3.3 Supplier material support and buyer efficiency.

From the last objective which was to establish the relationship between supplier material support and Buyer efficiency at Sugar and Allied Industries Limited, the findings revealed that there was

a significant relationship between Supplier material support and buyer efficiency. It was revealed that Material Support to key out growers improves the level of production. This was in line with the literature conducted by Ali & Mehdi (2010) who stressed that buyers are directly getting involved in developing Suppliers through investing capital and equipment in supplier operations to improve the performance of the Supplier.

The findings also revealed that material Support to out growers promotes the out grower's will and commitment to meeting the Organization's orders in time. According to Ghijsen, Semeijin, & Ernston (2010), Supplier incentives inform of material Support promotes supplier's will and commitment to meeting the buyer's demands. As a result, suppliers put emphasis on the final output they provide to the buyer so that they sustain the required buyer standards for long term business considerations.

Further findings concealed that giving material support to suppliers improves on the quality of sugar cane supply. This is in line with Waraporn et al (2012) who found out that when the buyer provides material support to the supplier's activities, the Supplier's performance improves. According to responses, the findings revealed that suppliers are committed to SAIL as a result of material support being awarded to the suppliers by SAIL. This is in line with Ghijsen, Semeijin, & Ernston, (2010) who suggest that Supplier incentives inform of material Support promotes supplier's will and commitment to meeting the buyer's demands.

5.4 Conclusions

5.4.1 Supplier financial Support and Buyer efficiency

The study findings revealed that a significant moderate relationship exists between Supplier financial Support and Buyer efficiency. However, despite of the significant relationship between Supplier financial Support and Buyer efficiency, SAIL needs to clearly spell out what it expects in

return from the customers whom they have awarded the financial Support. SAIL's expectations enable the out growers to make a timely adjustment and give the out growers the necessary guidance on financial discipline and how to achieve SAIL's performance expectations.

5.4.2 Supplier technical Support and Buyer efficiency.

From the findings, the study reveals that there exists a significant weak relationship between supplier technical Support and buyer efficiency. However, there are gaps that have been identified despite the fact that SAIL identifies the areas in which out growers need to be developed and monitors the progress of out growers. The question of satisfying all the supplier's technical needs becomes both costly and time consuming.

5.4.3 Supplier Material Support and Buyer efficiency.

Lastly, the findings also revealed that there exists a strong significant relationship between Supplier material Support and Buyer efficiency. However, there have been gaps like the seed canes issued to out grower's being miss used and the out growers selling the canes to competitor companies that have been identified despite SAIL giving the out growers material Support to increase on production and promote commitment to SAIL among the out growers.

5.5 Recommendation

5.5.2 Supplier Financial Support and Buyer efficiency

The study recommends that SAIL should ensure that the financial support given to the Out growers is in position to meet both the current and future business needs by improving the out grower's performance and capabilities. This implies that SAIL's efforts of developing suppliers can be of a great significance to the out growers if it is centered on offering supplier financial support so as to increase the out-grower's efficiency in both the short term and long term.

Further, the study recommends that in a bid for SAIL to gain a competitive edge over its competitors, SAIL should continuously strive to align the financial resources with the operations of the out growers so as to gain superior overall performance.

5.5.1 Supplier technical Support and Buyer efficiency.

The study recommends that there should be technical support in form of training in quality improvement techniques, just in time delivery and other crucial performance areas. For SAIL to adequately assess and aid the out growers in improving quality and lead time, SAIL should request both quality and engineering departments to assist in Supplier Quality training and that emphasis should be put towards total quality management and quality improvement.

The study also recommends that SAIL should identify key out grower areas that need to be developed. This requires SAIL to involve the out growers in areas such as product development so that the out growers can easily identify the type of technical support required in a bid to meet SAIL's expectations.

5.5.3 Supplier Material Support and Buyer efficiency.

The study recommends that Sugar manufacturing companies should compare the out grower's actual performance with the planned performance when awarding material support. The provision of inadequate material support has been shown to affect buyer efficiency and commitment thus it's upon the buyers to strike a balance between efforts to develop their key suppliers and the goals

5.6 Areas recommended for future research

Since the study stressed on only Supplier financial Support, supplier technical support, and Supplier material support, other studies should be carried out to identify the impact of specific supplier development activities on supplier's cost, quality and delivery; and how they are linked to the buying organization's performance. Buyers would then be in position to understand which

supplier development strategy is needed to achieve a desired outcome so that focus should be put on it for excellence.

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**APPENDIX I: QUESTIONNAIRE
SUPPLIER DEVELOPMENT AND BUYER EFFICIENCY, A
CASE STUDY OF SUGAR AND ALLIED INDUSTRIES
LIMITED**

I'm Bossa Charles Alex offering a master's degree in business administration. This questionnaire is designed to gather information on the relationship between Supplier development and buyer efficiency, a case of Sugar and Allied Industries Limited (SAIL). The gathered data will be used for academic purposes and will be treated confidential. This questionnaire is to be completed by Top management, Middle management and out growers' association board members.

SECTION 1: Background information.

Please tick where applicable

1. SEX:

Male Female

2. AGE GROUP:

20-30 years 31-40 years 41 and above years

3. PERIOD OF OPERATION

Less than 1 year 1-5 years 6-10 years above 10 years

4. EDUCATION BACKGROUND:

Certificate Diploma Bachelors Masters Others

For Sections 2, 3, 4, 5 and 6 the statements in the tables relate to your opinion on the relationship between Supplier development and buyer efficiency. By using a Likert scale of 5 strongly Agree (1), Agree (2), No Idea (3), Disagree (4) and Strongly Disagree (5), please indicate by ticking the extent to which you agree with the statements in the tables.

SECTION 2: RELATIONSHIP BETWEEN SUPPLIER FINANCIAL SUPPORT AND BUYER EFFICIENCY

This section looks at the relationship between Supplier financial support and buyer efficiency at Sugar and Allied Industries. To what extent do you agree with the following statements concerning the relationship between Supplier financial support and Buyer efficiency?

S/N	Supplier Financial support	Strongly Agree	Agree	No Idea	Disagree	Strongly Disagree
SF1	Financial support to out growers reduces the lead time for both the out growers and SAIL.					
SF2	Financial Support to out growers facilitates the out-grower’s potential in delivering high quality and improved products.					
SF3	Financial support to out growers increases productivity for both the out growers and SAIL					
SF4	Financial support to out growers enables SAIL to protect itself from potential supply risk of the out grower failing to supply the required sugar canes in time.					
SF5	Financial Support to out growers enables SAIL to reduce on operational costs					
SF6	Financial Support from SAIL increases out grower innovation.					
SF7	Interest free loans from SAIL motivates out growers to produce in large quantities					

SECTION 3: RELATIONSHIP BETWEEN SUPPLIER TECHNICAL SUPPORT AND BUYER EFFICIENCY

This section looks at the relationship between Supplier technical support and buyer efficiency at Sugar and Allied Industries. To what extent do you agree with the following statements concerning the relationship between Supplier technical and Buyer efficiency?

S/N	Supplier technical support and Buyer efficiency	Strongly Agree	Agree	No Idea	Disagree	Strongly Disagree
ST1	Technical support at SAIL involves identifying the areas in which out growers need to be developed to improve on the out put					
ST2	Technical Support at SAIL is designed to improve out grower's supply capabilities.					
ST3	Offering technical support to key out growers by SAIL has reduced operational costs for both SAIL and the out growers					
ST4	Technical support to out growers by SAIL has facilitated successful implementation of just in time production					
ST5	SAIL regularly monitors the outgrower's progress to ensure that the out growers meet the required output standards.					
ST6	Technical support from SAIL enables out growers to be innovative					
ST7	Technical Support from SAIL facilitates production of high-quality sugar canes from out rowers.					
ST8	SAIL provides technical support to out growers to reduce on the risk of supply of immature canes.					

SECTION 4: RELATIONSHIP BETWEEN SUPPLIER MATERIAL SUPPORT AND BUYER EFFICIENCY

This section looks at the relationship between Supplier material support and buyer efficiency at Sugar and Allied Industries. To what extent do you agree with the following statements concerning the relationship between Supplier material support and Buyer efficiency?

S/N	Supplier Material Support and Buyer efficiency	Strongly Agree	Agree	No Idea	Disagree	Strongly Disagree
SM1	Investing capital and equipment in out grower's operations by SAIL has reduced operational costs for both SAIL and out growers.					
SM2	SAIL awards Material support to key out growers to improve on their production.					
SM3	Material Support promotes Out grower's will and comittment to meeting SAIL's orders in time.					
SM4	SAIL compares actual performance with the planned performance when giving material Support to out growers.					
SM5	SAIL gives mateial Support to out growers to improve on the quality of sugar canes					
SM6	SAIL gives material Support to out growers to reduce on supply of immature.					
SM7	Material Support to out growers from SAIL promotes out grower innovation.					
SM8	Material Support from SAIL increases out grower commitment.					

SECTION 5: BUYER EFFICIENCY

This section looks at buyer efficiency at Sugar and Allied Industries. To what extent do you agree with the following statements concerning Buyer efficiency?

S/N	Buyer efficiency	Strongly Agree	Agree	No Idea	Disagree	Strongly Disagree
SE1	Buyer efficiency reduces on potential supply risk and disruptions of the out grower failing to supply the required quantity of sugar canes					
SE2	Supplier efficiency enables SAIL to implement just in time production					
SE3	Supplier efficiency enables SAIL to reduce on its costs of operation.					
SE4	Buyer efficiency leads to increase in the level of output produced.					
SE5	Supplier efficiency facilitates SAIL's ability to produce high quality sugar.					
SE6	Efficiency of suppliers increases SAIL's commitment.					
SE7	Efficiency of suppliers promotes relationship between SAIL and the out growers.					

APPENDIX II: TABLE FOR SAMPLE SIZE DETERMINATION

<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382

210

136

1100

285

1000000

384

Krejcie, Robert V., Morgan, Daryle W., "*Determining sample size for research Activities*", Educational and psychological Measurement, 1970

APPENDIX III: LETTER FROM THE UNIVERSITY



KYAMBOGO UNIVERSITY

P. O. BOX 1 KYAMBOGO
Tel: 041 - 4286792 Fax: 256-41-220464
Website: www.kyu.ac.ug

Office of the Dean, Graduate School

8th October 2018

To Whom It May Concern

RE: LETTER OF INTRODUCTION

Dear Sir/Madam,

This is to introduce **Mr Bossa Charles Alex** Registration Number **16/U/13314/GMBA/PE** who is a student of Kyambogo University pursuing a Masters Degree.

He intends to carry out research on "**Supplier Development and Supplier Efficacy in the Sugar Industry: A Case Study of Sugar and Allied Industries**" as partial fulfillment of the requirements for the award of the Master in Business Administration.

We therefore kindly request you to grant him permission to carry out this study in your institution.

Any assistance accorded to him will be highly appreciated.

Yours sincerely,

KYAMBOGO UNIVERSITY

 08 OCT 2018 *

Assoc. Prof. Muhamud N. O. Waiside
DEAN, GRADUATE SCHOOL