# FACTORS AFFECTING CONTRACT MANAGEMENT IN ACQUISITION OF GOODS AND SERVICES

A Case Study of Integrated YMR Partnership

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A Research Project Submitted to the School of Management and Leadership in Partial Fulfilment of the Requirement for the Award of the Degree in Business Management and Leadership of the Management University of Africa

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# **DECLARATION**

# **Declaration by the Student**

This Project is my unique work and has not been presented for a degree in any other University; no part of this report should be reproduced without my permission or that of the Management University of Africa.

Signature:	Date:
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# **Declaration by the Supervisor**

This Research Project has been submitted for examination with my approval as University Supervisor.

Signature:	 	 		 	
Signature:	 	 	• • • •	 • • • • • •	

Date:

Dr. Paul Machoka

### **DEDICATION**

My study is dedicated to my lovely parents Late William Ngugi Gachamio and Late Lucy Wanjiru Ngugi who gave me education and had always been there for me. Secondly to my daughter Sharon Wanjiru Ngugi for always encouraging me and son Alvin William Ngugi who had to do without me at times when he needed my attention.

### ACKNOWLEDGEMENT

I respectively give all the glory to the highest God for giving me good health, endurance and the capability to undertake this research. I thank my supervisor Dr. Paul Machoka for his continuous supervision and support. I also thank the staff and management of Management University of Africa (MUA) for offering me the opportunity to pursue my Degree in Bachelor of Business Management and Leadership. My fellow students at Management University of Africa (MUA) deserve applause for their motivational talk and assistance towards my course work.

#### ABSTRACT

This research study was based on factors affecting contract management in acquirement of goods and services in private firms, a case study of Integrated YMR Partnership located at Lion Place, Waiyaki Way, off Karuna Close, Westlands, in The purposes of the study were to establish how supplier Nairobi County. assessment procedures, staff proficiency, strategic decisions and technology affect contract management in procuring of goods and services in private organizations. In this study, descriptive research design was used. A target population of the study was 200 respondents. The researcher used a sample size of 60 respondents, that is, 30% of the population which was selected through stratified random sampling technique. Open and closed ended questions contained in the semi structured questionnaires were used as instruments of data collection. Pie charts, bar graphs and tables were used to present data and Microsoft excel was used to analyze the statistics Excel.

According to the study 58% of the study of the majority rated supplier's evaluation process as good this moved contract management to a higher level. Also 67% said suppliers' evaluation has effect to contract management while 33% said it do not. Thus concluded that competency affected contract management to great extent, 58% considered staff competency as an important factor which boost morale of the staff and increase productivity. About 58% of the respondents responded that strategic decisions affect contract management and only 42% of the respondents who said that it did not affect at all. Also 77% of the majority felt strategic decisions has great effect to contract management. The 73% believed that technology has great impact on contract management. Majority 54% said that the Technology in the organization was effective, 38% said it was very effective, 8% said it was fair while no respondent rated it as poor.

The research Recommendations were supplier's evaluation process should be encouraged in the organization so as to ensure smooth flow of business activities the organization. The management should ensure that the employees have knowledge in staff competency required to carry out the contract management procedures. Proper strategic decisions should be put in place be established, thereby providing a formal mechanism in the organization. There should be use of technology policy that will ensure timely performance of activities in the organization as it improves technological know-how.

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# ABBREVIATIONS AND ACRONYMS

ASL	Approved Supplier List
CMS	Contract Management Style
ICT	Information and Communication Technology
IMF	International Monetary Fund
MUA	Management University of Africa
YMR	Young Murray Rutherford
IT	Information Technology
ICT	Information and Communication Technology

# **OPERATIONAL DEFINITION OF TERMS**

Supplier Evaluation Process	It is procedure of evaluation and approving
	possible suppliers by quantitative valuation. The
	aim of supplier evaluation is to warrant a range of
	the top range suppliers are available for use.
Staff Competency	This can be said to be outlined actions that
	provide structured guide that enables the
	identification, evaluation and development of
	behaviors in individual employees.
Strategic Decisions	These can be said to be results which affect the
	long term operation of the business and which
	relate directly to its purposes and goals. They are
	usually taken at the top most level of management
	and carry higher levels of risk.
Technology	This refers to application of knowledge to the
	practical aims of people or to changing and
	manipulating the human environment. It
	includes the tools, techniques, use of materials,
	and sources of power to make life less stressful

or more satisfying and work more productively.

# CHAPTER ONE INTRODUCTION OF THE STUDY

#### 1.0 Introduction

This chapter encompasses the background of the study. It contains the statement of the problem, objectives of the study, research questions, and significance of the study, limitation of the study as well the scope of the study.

#### **1.1 Background of the Study**

Damn (2007) defines contract management of as the organization of contractual agreement that constitutes customers, suppliers, partnership deal or even the staff within an organization. Thus, contract management mainly entails negotiation to arrive an acceptable outcome that will be less expense. This is based on facts that contract management consumes time and it is expensive. Additionally, managing contracts should encompass contract creation, execution and analysed whose sole purpose aims at increasing financial operation while at the same time reducing risks.

In many situations, contracts are viewed as not only a written document but also a binding agreement that outlines terms and conditions among parties involved. Today, many contractual arrangements have been automated thus signatories are only accepted through forms that are electronically verified (Gupta, 2008).

In accordance to Bailey (2008), referred contract management as deeds of a buyer during a certain period to ensure that all parties fulfill their contractual obligation. On the other hand, contract life cycle management is can be said to be the process of methodically and professionally supervising the contract implementation, implementing the contract and analyzing enhancing functions and financial performance and reducing risks (Elsey, 2007). A sales contract is an agreement between a seller and a client where an establishment decides to sell products and/or services. The customer in return is obliged to pay for the goods or services bought. On the other hand, a purchasing contract is an agreement made between a company, that is the buyer, and a supplier who are likely to sell goods or services at agreed terms and conditions. Thereafter the buyer has an obligation to acknowledge the goods or services and pay for liability created (Willmott, 2009)

### **1.1.1 Organization Profile**

Integrated YMR Limited is the largest Quantity Surveying Company in East Africa with permanent offices in Kenya and Uganda. The Organization was established in 1985, and has a total staffing of five (5) Partners, thirty six (36) qualified Quantity Surveyors and 183 other staff members. The Nairobi office has projects in East and Central part of Africa, some of which include Kenya, Uganda, Tanzania, Mauritius, Sudan, Rwanda, Somalia, Ethiopia, Congo, Djibouti and DRC. Integrated YMR Partnership deals in consultancy services in construction in the areas of urban and rural development as well as civil engineering. Some of the facilities that YMR offers are: planning and estimates, bills of quantities specifications, quantity surveying and or building economics, construction cost management and administration, analysis of construction claims, safeguarding claims and management for clients, litigation or arbitration and dispute management/resolution and claims among others.

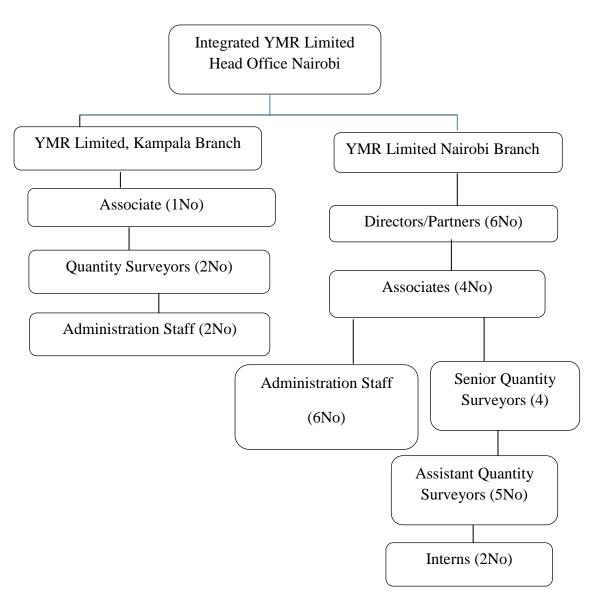


Figure 1.1 - Organization Structure for Integrated YMR Limited

Source: YMR (2017)

### **1.2** Statement of the Problem

According to Transparency International ((2009), the Government of Kenya has run into losses of tax payer's money caused by cancellation of contracts, incomplete projects, poor service or product delivery, dishonesties and prolonged contract periods in the last few years without major developments). Confirmed data shows that the Government of European Journal of Business Management spends between 10% to 30% of the gross domestic product on acquisition of goods and services (Maria, 2013). Out of this 5% goes to waste due to lack of proper administration of the contracts, according to (Gordon, 2009). As a result of this

economic situations, the World bank and the International monetary Fund (IMF) had to intercede by putting in stern conditions for lending funds to the government which slowed down the fiscal development by 2.1percent (Jacobs, 2004).

Eventually contract management style according to (Gordon, 2009) could be among the most vital business applications of the 21st Century. (Bartels, 2009) further endorses that IT is steadily being used in contract negotiations, executions, regulatory compliances and extend best practices and approaches for contract management across the organization. According to (Maria, 2013), the contract supply chain relationship gives high level framework to approach contracting as a business process. However, the most carefully designed contracting process reinforced by sophisticated information technology will not thrive without adept contract management professionals (Maria, 2013).

Consequently, companies require investing in practical and interactive skills of their workforce. According to (R.o.K, 2010), the prominence of contract management to the accomplishment of the contract and for the correlation amongst customer and provider should not be taken for granted. However, despite above results, there has been studies done in public contracting and more so in developing countries, for example, Kenya confirming what has been mentioned above. This study hence, pursues to seal the gap by examining the factors that affect contract management in acquisition of goods and services in private organizations.

## **1.3** Objectives of the Study

### **1.3.1 General Objective**

The key drive of the study was to determine factors affecting contract management in acquisition of goods and services in private organizations.

#### **1.3.2 Specific Objectives**

- To investigate how supplier evaluation process affect contract Management in procurement of goods and services in private organizations;
- ii) To establish how staff competency affect contract management in procurement of goods and services in private organizations;
- iii) To find out how strategic decisions affect contract management in procurement of goods and services in private organizations;

 To determine how technology affect contract management in procurement of goods and services in private organizations.

# **1.4 Research Questions**

It is in this light that this study sought to respond to the following research questions:

- i. How does supplier evaluation process affect contract management in procurement of goods and services in private organizations?
- ii. How does staff competency affect contract management in procurement of goods and services in private organizations?
- iii. How does strategic decision affect contract management in procurement of goods and services in private organizations?
- iv. How does technology affect contract management in procurement of goods and services in private organizations?

# **1.5** Significance of the Study

The findings were valuable in the construction industry as they will prioritize the factors associated with effective productivity on construction sites.

## 1.5.1 Management of Integrated YMR Partnership

The organization gained tremendously by utilizing the study findings; this is thought to enable formulation of effective contract management in acquirement of goods and services in the organization.

## 1.5.2 Government of Kenya

The government utilized this study to formulate contract management policies in acquisition of goods and services that enabled clear understanding of issues of contract management of goods and services.

## **1.5.3 Future Researchers**

Prospective researchers utilize the study to broaden their study horizon in terms of scope and content. This was thought to enhance scholarship.

### **1.6** Limitation of the Study

#### **1.6.1** Lack of Co-operation

The respondents were very busy and they had to find time to respond to the questions asked in the questionnaire, this was a problem to most of the employees due to their busy schedules. The research will deal with this limitation by requesting the respondents to avail themselves on weekends when they were having their free time.

### 1.6.2 Confidentiality

The culture/ethics setup in the organization didn't allow the staff to give out some confidential information of their organization. The researcher used the authority letter from the Management University of Africa (MUA) to get access to the respondents. The respondents might only emphasize on the question that focuses on the research only since there was no high confidence hence some information was hidden.

## 1.6.3 Fear of Victimization

Some of the respondents were not willing to give information for fear of victimization especially to personal questions. The researcher convinced them that the information collected was to be only used for academic purposes.

### **1.7** Scope of the Study

The study focused on factors affecting resource utilization in the construction industry in Kenya. The study was carried out at the offices of Integrated YMR Limited located at Lion Place, 4<sup>th</sup> Floor, along Waiyaki Way, off Karuna Close, Westlands in Nairobi Country. Part of the research work was carried out in construction sites close to the office of the researcher. The target population was 50 employees from which 40 respondents were drawn from the target population using stratified random sampling technique. The variables considered were suppliers' evaluation process, staff competency, strategic decision and technology. Being for academic purpose the scope of the study is one year.

## **1.8** Chapter Summary

In summary, this chapter brings out the overview to the study, the problem identification and how to curb the problem itself, the research questions are set to discusses the variables to the study, people who are identified in the study like the government, the management and other researchers and the benefits they get from the findings, limitations experienced during the study is also a major aspect in this chapter.

# CHAPTER TWO LITERATURE REVIEW

### 2.0 Introduction

This section reviews literature concerned with the present study. This chapter comprises the review of past studies on Supplier evaluation process, Staff competency, Strategic decisions and technology, critical review, the summary of the gap to be filled and conceptual framework.

## 2.1 Review of Theoretical Literature

### 2.1.1 Supplier Evaluation Process

Emmelhainz (2008) stipulated that management of any organization has a mandate of evaluating suppliers through quantitative assessment process. By using the process, a bigger portfolio is built to available and competent supply network. Moreover, assessment of suppliers measures supplier performance with the process of reducing costs, mitigating risks and driving nonstop improvement.

In many organizations, assessment of suppliers is part of prequalification process within purchasing department. Many experts in the field of procurement stipulate that suppliers' evaluation follows a systematic five plan process. Each process contains questions, interview schedules and detailed appraisal forms of each and every supplier under evaluation. In the end, suppliers are approved based on the test scores from each and every step. According to Eddie (2006), approved suppliers are re-evaluated on an annual basis through a process known as supplier performance management.

Fisher (2006) observed that evaluation process within an organization has tremendous benefits in terms of improving and mitigating performance failure in the long run. Consequently, such benefits include sourcing from reputable supplies while at the same time issuing applicable capacity to stabilize business. Based on this, challenges such as cost maintenance and establishment of an effective system that is robust are inevitable. Other challenges include integrity of data using scorecards which are the main root causes of supplier performance problems. Additionally, many organizations find it difficult to measure actual supplier performance while at the same time provide feedback based on continuous improvement opportunities at hand. Thus, the role of management should entail commitment to support and evaluate supplier measurement process.

Today, organizations have employed appropriate tools to mitigate challenges experienced during supplier evaluation process. Based on this, spreadsheet program such as Microsoft Excel was used to formulate simple executable projects. However, with the advent of technological advancement, managing big data and its integrity becomes an important issue. In the event, introduction of Web Electronic RFP I Tendering System at the initial selection process ensures data integrity is adhered to. Similarly, the system also allows combinations of both initial and ongoing evaluation processes through benchmarking (Greg, 2007).

### 2.1.2 Staff Competency

According to Cotula and Lorenzo (2007), staff competency provides a documentation guide that depicts behavioral changes among employees within an organization. Thus, competency is employed to uncover employee requirements not only within the organization but also outside the organization. In addition, staff competence experienced in organizations is viewed in different scenarios the moment an employee takes action upon an initiative. In dare situations, employees in many organizations react based on past behavior they have found instituted. Thus, competent employees interpret situations with an aim of formulating possible reaction to take. This should be based on the context of how they have been trained to react to emergency cases.

Gilbert (2003) asserts that competence entails knowledge, skills and abilities that form an employee's attribute of job specification. It also shows specific qualities correlated with competent job performance used to measure employee performance. Moreover, it can be used to recruit and develop employees in the long run. This shows that competency is a model employed to all staff within an organization at various departmental positions. Also, it is the most effective way of meeting critical and competent standards within the human resource management system.

An organizations core competency differentiates its market share from other companies to gain a competitive edge in the market place. This is mainly viewed as a strategic strength. Thus, organizations are in a perfect position to define behavioural pattern to yield profitable results based on an organizations desire. By incorporating competencies, employees are capable of knowing what areas to focus on to remain productive and competent. As a result, organizations will have a clear picture on possible effective tactics to improve and develop employee competency plan (Argawal, 2010).

Many organizations employ competency to distinguish themselves from their competitors. In many instances, organizations that have close financial results can be distinguished based on specific strategy employed and the organizational culture in place. In addition, organizations use competence to integrate a specific model to bind management practices within an organization. Thus, organizations rely on competency to reinforce behaviours based on its values (Eraut, 2010).

Stein (2009) stated that the method of proficiency progress is a lifetime sequence of undertaking. As skills apply to occupations, permanent competence growth is linked to individual growth as a management theory. To add on this, it requires a distinct atmosphere, where the guidelines are essential in order to bring together novices. However, individuals at a more progressive stage of proficiency will methodically violate the procedures if the conditions require it. This atmosphere is defined using terms such as learning, information establishment, organizing and enablement. In specific organization or professional communities, professional skills, are more often than not valued. Similar skills must be verified in a job interview. Nonetheless, nowadays there is different ways of looking at things: that is, there are broad areas of work-related abilities required to hold a post, or get a promotion. For all organizations and groups there is a set of duties that capable people have to provide to all the time.

Over the years, organizations have embraced competence model that is competitive to strengthen talent management and recruit competent employees under succession planning of future leaders. This is because competence model provides a vast framework where managers can use to quantify and evaluate employee performance and at the same time develop future leaders. Thus, formulating a competent framework is paramount to employees and the human resource system in place. Also, organizations cannot develop competent employees without proper identification of what competent performance means. To achieve this, organizations develop a series of interviews and review data used to recruit, select and identify best performances that meet the required set standards (Sutton & Pollock, 2000).

### 2.1.3 Strategic decisions

According to Porterfield and Thomas (2000), strategic decisions are main selections of activities and impact the whole or a key part of business enterprise. They contribute straight to the accomplishment of shared goals of the enterprise. They have long-term consequences on the business enterprise. They may include key departures from practices and procedures being followed earlier. Generally, planned decision is unstructured and consequently, a manager has to put on his business judgement, evaluation and perception into the explanation of the problem. These resolutions are based on limited information of the ecological factors which are undefined and vibrant. Such decisions are taken at the top most level of management.

Hofstede (2003) states that strategic decisions encompasses the preparation and application of the key areas and initiatives taken by a company's top administration on behalf of proprietors, based on consideration of resources and an valuation of the inside and outside environments in which the firm competes. Strategic management offers general direction to the enterprise and includes specifying the organization's goals, developing policies and plans meant to attain these goals, and then distributing resources to implement the strategies. Scholars and performing managers have established various models and frameworks to help in strategic decision making in the setting of complex environments and modest dynamics. Strategic management is not static in nature; the models often include a response twist to monitor execution and inform the next round of planning.

Certain planned resolution makers, for example Directors, Financial Controllers etcetera in any firm, and including small businesses, have numerous obligations that others in the organization do not have. Insignificant general administration of a firm results due to strategic decision makers running firms from the topmost, failure to fulfill their tasks results in and its eventual decrease. A strategic decision maker must foresee the likely outcomes of the countless decisions one is looking at. Lewin (2007) argues that people who make decisions in a firm have the responsibility of altering the arrangement of the organization depending on statistics they have put together about market. They assign work players within an organization to look into specific matters, to rise output, to alter the setup of offices or even to shut down entire divisions. Whenever they alter a firm's structure, it is with the long standing persistence and affluence of the organization in mind. Further, the decision makers enjoy a soft spot in the senior management of an organization. Due to their position in organizations, they must work to in such a way that they link people in the organization. A strategic decision maker may communicate with the middle management, who then passes on this information to the low levels staff of the organization. Ways in which they communicate with the entire organization can be through internal communication such as email, memos, via the company website, holding impromptu meetings and telephone conferencing. Strategic decision makers must not only be conscious of the culture within an organization, but they must also work to expand on an organization's culture in order to achieve their goals. If an firm needs to improve the public's awareness of its customer service, then they must steer the organization's ethos so it helps or give reassurance of high achievement in customer service accomplishments. Altering an organization's culture helps watch against unscrupulous or unlawful conduct by members of the organization. Organizational ethos directly affects how the members of the organization view and interact with the situation the firm functions, including their relations with the general public (Schriesheim, 2008).

#### 2.1.4 Technology

According to Newstrom and Davis (2004), technology refers to scientific knowledge to the real-world aims of people or to altering and monitoring the human atmosphere. It encompasses tools, techniques, use of materials, and sources of power to make life easier or more pleasing and work more productively. Technology focuses on making things happen. With the amount and proficiencies of Contract Management software in the market, any company that takes inventory management genuinely should make use of a package and or software. Often, poor inventory management is a virtual term where one provider is behind more technologically advanced competitors. Software allows for more competent storage, recovery and consignment of goods, as well as precise interaction between shipper and buyer about when goods are required and what their position is at a given time.

With the rising emphasis in enriching supply management chain, through use of the rapid development of Information and Communication Technology (ICT), businesses are in search of developing and organizing planned, competent and worldwide record control system for its use. In order to promote such universal contract management system, which are also compatible with sustainability objectives, organizations need to develop and implement effective systems both individually and collectively. This has resulted to Modern Contract Management as a result of improved technology being one of the most strategic initiative embraced by organization in partnering initiatives for encouraging collaboration and information sharing among trading partners Buble, (2006). According to Schriesheim (2008), numerous computer systems that are connected into networks obtain materials from handheld devices. The gadgets without wires examine barcodes on register objects and transmit data to a tracing database in real time. The increased competence of inventory systems over the past twenty five years has made things viable that would have been impossible before, an example being the just-in-time processing system.

According to Oslen (2003), the latest trend in the line of contract management is vendor-managed inventory systems and agreements. In such a system manufacturers resolve to take over the record management for their clients. Based on daily automatically generated reports from the customer to the distributor, the distributor refills the business stocks as wanted. The manufacturer sees what is moving and makes all necessary measures to send the client new goods or parts. No telephone calls or paperwork is needed hence allowing the supply chain process to remain interfered with.

Vendor managed inventory plan has benefits that are worth noting. The parties involved should exercise a savings of time and labor. Customers are able to sustain fewer items in stock and can be dependent upon a stable flow of products. This helps the seller in two ways. First of all, the supplier is able to expect better production needs. Secondly, the supplier benefits from a great relationship with the customer, one that is more rigid to change than would be a vendor-customer relationship in which such automated systems did not exist (Stotsky, 2006).

According to Oslen (2003), in order to satisfy customers, some companies need to reduce the amount of inventory and still ensure the stock is in place. To enable them to do this, some companies use just-in-time inventory systems in both good times and bad times. Organizations with just-in-time inventory systems keep very little inventory on hand. Instead, they appoint their suppliers to ship them inventory as they need it-and even sometimes run their inventory for them-a practice called seller managed inventory. Company's inventory and production system allows clientele to get their computers built exactly to their specifications, a production process that is called mass customization. This assists in helping to keep a company's inventory levels low. Instead of a large inventory of exclusive, already-assembled computers clients may or may not buy, most companies simply have the parts on hand, which can be configured or reconfigured should consumers' preferences be altered.

The use of contemporary expertise in inventory management, includes but not limited to counting and checking of inventory items; recording changes to inventory; recording and recovery of item storage location; and predicting inventory necessities, including inventory handling needs. It is valid even of detached systems that are not incorporated with other areas of the business, but many analysts indicate that output and hence productivity gain that are acquired through use of programmed structures can be further improved when a business assimilates the contract management systems with other systems such as accounting and sales to better control inventory levels (Rickshaw, 2009).

## 2.2 Empirical Literature Review

The past studies explained m theoretical review demonstrated an effort towards factors affecting contract management in acquisition of goods and services in private organizations. Though different researchers with different views conducted this, an effective conclusion was not arrived at, their studies involved suggestion and assumption, which could not be relied upon in times of identifying factors affecting contract management in procurement of goods and services in private organizations. All the past researchers focused on the contract management in acquisition of goods and services in general but they failed to cover much of the areas under concern.

There are many factors affecting contract management in acquisition of goods and services in private organizations in bid to provide efficient quality services, some of these factors have been explored by past researchers and explained in empirical review of the study. Nevertheless, the main challenges that are discussed by the study have not been sufficiently investigated and this leaves some gaps that need to be filled by further research accomplishments. This study clearly established these gaps as; poor buyer-supplier relationship, unfavorable prices of the goods and services and substandard goods and services. The study will therefore focus its research towards filling these gaps by identifying an suitable solution to the factors.

### 2.3 Summary and Research Gaps

There is a gap between the literature reviewed and the factors affecting contract management in acquisition of goods and services in private organizations, some of which are so significant that if not checked can result to contract management in acquisition of goods and services in Kenya closing down which would mean lost revenues to the government and increased unemployment levels hence increased poverty levels and escalating crimes resulting to a stagnating economy.

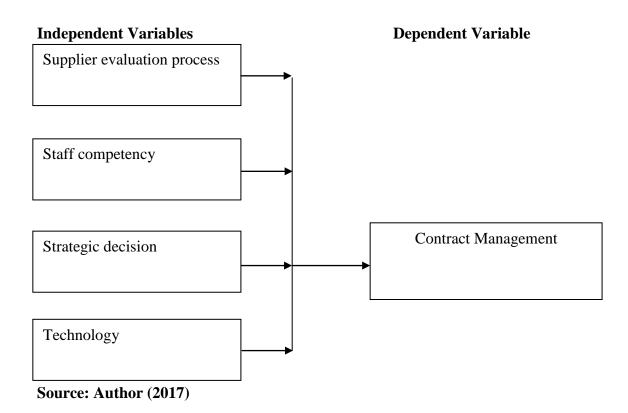
It is clear that the past studies have failed to address directly most of the factors faced by many organizations in contract management in acquisition of goods and services. This research meant to bridge the space in the literature by carrying out investigation on the issues affecting contract management in procurement of goods and services in private organizations, which are Supplier evaluation process, Staff competency , Strategic decisions and technology.

The main challenges addressed by the study objectives have not been sufficiently explored and this leaves major gaps that need to be filled by further research undertaking. This study clearly established these gaps as; poor buyer-supplier relationship, unfavorable prices of the goods and services and substandard goods and services. The research study needs to carry out more research about filling these gaps by identifying an suitable resolution to the problem.

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# 2.4 Conceptual Framework

# **Figure 2.1 Conceptual Framework**



# 2.5 Operationalization of Variables/Interpretation of Variables

# 2.5.1 Supplier evaluation process

This refers to the process of evaluating and approving possible suppliers by quantitative appraisal. The purpose of supplier evaluation is to make sure a selection of best in class suppliers is available for use.

# 2.5.2 Staff competency

Skills that offer planned directions permitting the identification, assessment and explanation of the behaviours in individual employees.

# 2.5.3 Strategic Decisions

These are futuristic decisions employed by organizations to project and manage long term organizational challenges.

## 2.5.4 Technology

This refers to application of information to the realistic aims of human life or to altering and influencing the human surroundings. It includes the tools, techniques, use of materials, and sources of power to make life easier or more pleasant and work more productive.

# 2.6 Chapter Summary

The study about contract management in acquisition of goods cannot be exhausted in the one study. However the following summary can be made:

Supplier's evaluation process has been an important sector in the firms and needs to be given the attention it deserved, as the problem of contract management are likely to have negative impact on the performance of firms. Similarly managers should improve the loyalty and commitment of juniors towards the organization to aid good performance in contract management.

Proper calculations should be monitored to increase competency measures among the employees to increase productivity. Organization need to be well structured in such a way that there is good technology used internally and externally. Organization should include the strategic decision making. This should s includes all members in the organization

# CHAPTER THREE RESEARCH DESIGN AND METHODOLOGY

# 3.0 Introduction

The following chapter enhances the procedures that were adopted in the research in a quest to find answers to the research questions which include: research design, target population, sampling design, statistics collection instruments and methods, reliability and validity and lastly the data analysis.

# 3.1 Research Design

Kothari (2004) referred research design as arrangement of settings for gathering and evaluation of data in a way that aims to combine significance to the research purpose. It is essentially the arrangement and structure of investigation. I used descriptive research design in my study. It is generally a technical way of assessing data collected and analyzed in order to illustrate the present population.

# **3.2 Target Population**

According to Mugenda and Mugenda (2001), target population refers to the full set of individuals' cases or objects with some ordinary characters which the researcher generalizes the outcome of the study, aimed population will comprise of 200 employees from four levels of management as depicted below:

Class	Population Targeted	Percentage
Higher Level Management	2	1
Medium Level Management	5	3
Lower Level Management	10	5
Support Staff	183	91
Total	200	100

## **Table 3.1 Target Population**

Source: Author (2017)

### **3.3** Sample and Sampling Technique

Patton (2002) described sampling as a way of choosing trial units from a population so as to get outcome on a certain population. It is hence a tool or plan that identifies the population size, selection, frame, and view technique in detail. In this study, we used a method known as stratified random. The purpose of the sampling design is to know the traits of the population.

A sample size is defined as the quantity of units in a division of a population selected for evaluation. The size of the sample and the way it was drawn from the population are serious concerns in any research study.

The researcher derived a sample size of 30% from the target population which constitute better results when sampling according to Mugenda and Mugenda. To this extent therefore the sample size was 60 respondents.

Class	<b>Population Targeted</b>	Sample Size	Per centage
			(100%)
Higher Level Management	2	1	2
Medium Level Management	5	3	5
Lower Level Management	10	5	8
Support Staff	183	51	85
Total	200	60	100

### Table 3.2 Sample Size

Source: Author (2017)

### **3.4** Instruments Used

For data collection open and closed ended questions were used. The researcher used this method because it was cheap even where the sample size was large; it was free from the biasness of the interviewer; respondents had sufficient time to give good answers and thus the outcome could be made more steady and consistent. Questionnaires were therefore distributed to respondents to fill in and then the researcher collected them after two weeks.

#### 3.5 Pilot Study

The research was carried out exclusively to check the aspects of the research design and secondly to allow necessary changes prior to the final commitments to the design.

#### 3.5.1 Validity and Reliability of Research Instruments

Validity is defined as the accuracy of and meaning completeness of presumptions which are centered on the investigate outcomes (Mugenda and Mugenda 2001). Validity of an instrument is enhanced by through specialist judgments.

Mugenda and Mugenda (2001), described reliability as a gauge of the level to which investigation tool gives reliable outcomes or data after frequent trials. The dependability of the research was achieved by pre testing the questionnaire in a pilot study in an area not covered by the range of research. Pilot testing was done at Integrated YMR, whereby the investigator sent out ten questionnaires to the respondents. The feedback forms were tested first for validity and dependability prior to giving them out to the respondents.

### **3.6 Data Collection Procedures**

Information was collected by distributing the questionnaires to the Departments' employees excluding employees of hosted institutions (descriptive technique). Questionnaires were filled and collected back for analysis.

### 3.7 Data Analysis and Presentation

According to Kothari (2005), data assessment procedure involves the process of covering the information collected, putting in order and organizing its main components in a way that the findings can be without doubt and efficiently communicated. After the fieldwork, prior to the analysis, all questionnaires were well checked for reliability and confirmation. Editing, coding and tabulation were carried out. The data was analyzed using qualitative tools and quantitative. The statistics were presented by way of tables, charts and graphs.

### **3.8** Ethical considerations

This outlines the use of research ethics; ethical behavior was present on all researchers and it was diverse with time and consent.

### 3.8.1 Informed consent

Permission was obtained before conducting the study and collected according to the guidelines from ground. Some acts took place because of a lack of informed approval. In cases where an individual was considered unable to give informed consent, one more person was generally endorsed to give permission on his behalf.

### 3.8.2 Voluntary Participation

Essentially, the potential research participants were well notified about the measures and menaces involved in research and they agreed to participate.

### 3.8.3 Confidentiality

The respondents were assured the informed will kept confident and no disclosure without their consent. They had set rules that limit certain access of certain information.

#### 3.8.4 Privacy

The Privacy for research participants was tested whereby it stated that a person in doing research has a right to privacy when participating in research.

#### 3.8.5 Anonymity

This was done to increase security of data processed and maintained .The participants agreed to publish the research thus enabling them to retain ownership of their stories.

## 3.9 Chapter Summary

This section of the report entails the study methods used to collect data to come up with the findings to the research questions, the target population selected to complete the study and the percentage of sample of size which was 30% used how the questionnaires were tested and filled. The presentations were done using graphs and charts.

## **CHAPTER FOUR**

## DATA ANALYSIS, PRESENTATION AND INTERPRETATION

# 4.0 Introduction

This chapter presents findings where questionnaires were formulated to help in the collection of both qualitative and quantitative data. This chapter helps in interpretation of data and to communicate results in a clear defined and meaningful way where the findings presented in frequency tables bar and graphs.

## 4.1 Presentation of Research Findings

The study surveyed a sample of 60 respondents drawn from top, middle and lower class management, out of 60 questionnaires issued 55 were returned duly completed, while the remaining 5 were not completed. This means the response was quite reasonable to provide the appropriate results since questionnaire completed represents 90%. The table below and figures show the summary of the respondents.

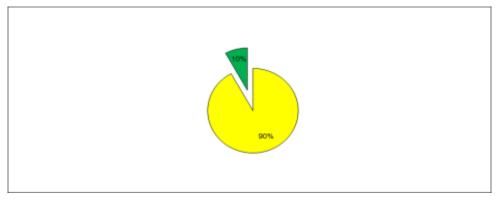
### 4.1.1 Rate of Response

### Table 4.1 Rate of Response

Class	Respondents	Percentage (%)
Response	55	90
No Response	5	10
Total	60	100

Source: Author (2017)

## **Figure 4.1 Response Rate**



Source: Author (2017)

From the table 4.1 and figure 4.1, there was a response rate of 90%. This constituted of 55 questionnaires which was returned and was usable for the study. Ten per cent (10%) of the respondents never returned the questionnaires.

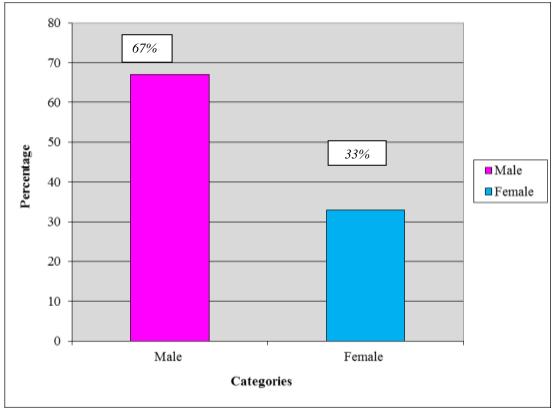
# 4.1.2 Gender Analysis

# Table 4.2 Gender Analysis

Rate of Response	Occurrence	Percentage (%)
Male	37	67
Female	18	33
Total	55	100%

Source: Author (2017)

# Figure 4.2 Gender/Sex Analysis



## Source: Author (2017)

From Table 4.2 and Figure 4.2, it was found out that 67% of the respondents were male while 33% was female. There is a relative gender balance. This indicated that there are more male employees than females in Integrated YMR.

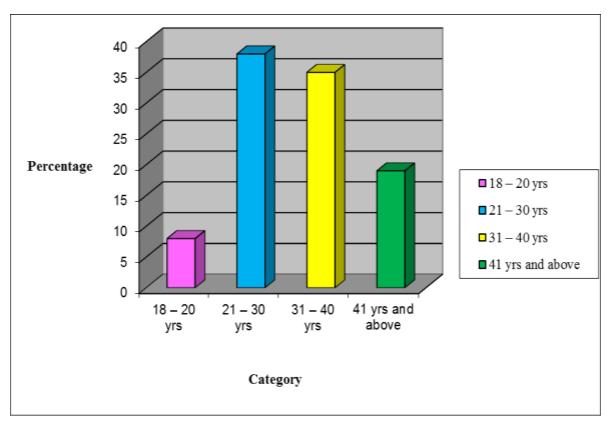
# 4.1.3 Respondents' Age

Table 4.3	Ages	of the	Respondents

Response	Frequency	Percentage (%)	
18 – 20 yrs.	4	8	
21 – 30 yrs.	21	38	
31 – 40 yrs.	19	35	
41 yrs. and above	11	19	
Total	55	100	

Source: Author (2017)

# Figure 4.3 Age of the respondents



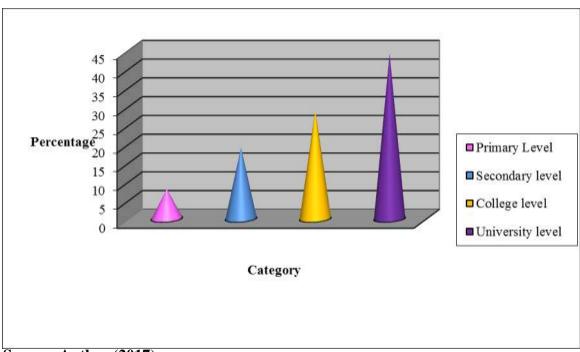
From Table 4.3 and Figure 4.3 of the respondents' age, majority was aged between 21 -30 years. This was 38% after 35% was aged between 31-40 years, while 8% was aged between 18 - 20 years. The rest 19% was aged 41 years and above.

#### 4.1.4 Response on Highest Level of Education

#### **Table 4.4 Response on Highest Level of Education**

Category	Occurence	Percentage (%)
Primary Level	4	8
Secondary level	10	19
College level	16	29
University level	25	44
Total	55	100

Source: Author (2017)



Source: Author (2017)

Table 4.4 and figure 4.4 shows most of the respondents, 44% were university level graduates, 29% was college level, and 19% was secondary level while the remaining 8% attained primary education

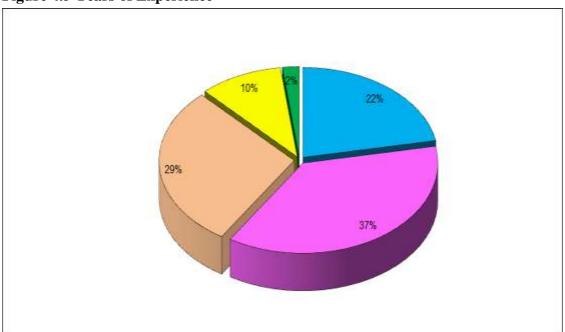
## 4.1.5 Years of Experience

#### Table 4.5 Years of Experience

Years of Experience	Response	Percentage (%)
Less than 2 years	11	22
2 - 4 years	16	29
5 – 7 years	21	37
8 – 10 years	6	10
Above 10 years	1	2
Totals	55	100

Source: Author (2017)

#### **Figure 4.5 Years of Experience**



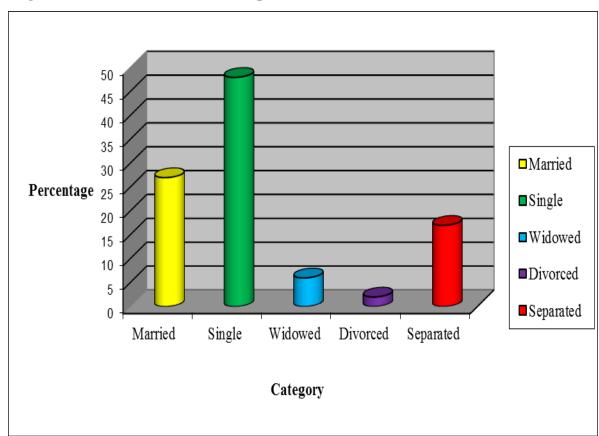
#### Source: Author (2017)

Figure 4.4 and Table 4.5 above were used to help analyze the years of experience that the respondents had with Integrated YMR. 22% of the respondents had less than 2 years' experience; 37% had experience of between 2-4 years, 29% had experience of 5-7 years; whereas 10% had an experience of between 8–10 years and the remaining 2% had an experience of above 10 years.

#### 4.1.6 Marital Status of the Respondents

Class	Frequency	Percentage (%)
Married	13	27
Single	23	48
Widowed	3	6
Divorced	1	2
Separated	8	17
Total	55	100

Source: Author (2017)



#### **Figure 4.6 Marital Status of the Respondents**

#### Source: Author (2017)

Table 4.6 and Figure 4.6 shows that 48% of the respondents were single. This was followed by 27% were married, 17% were separated, 6% were widowed while the remaining 2% were divorced.

### 4.1.7 Response on suppliers' evaluation Process

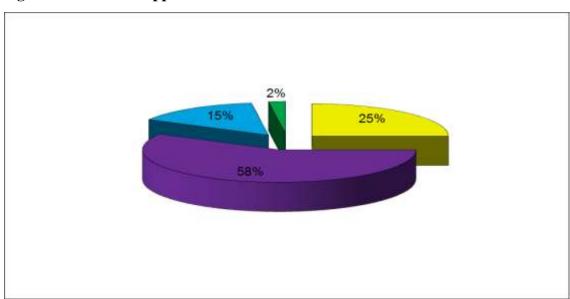
The Respondents were required to rate supplier's evaluation process in the company.

Response	Frequency	Percentage (%)
Excellent	12	25
Good	28	58
Average	7	15
Poor	1	2
Total	55	100

 Table 4.7 Level of Suppliers Evaluation Process

Source: Author (2017)

#### **Figure 4.7 Level of Suppliers Evaluation Process**



#### Source: Author (2017)

Table 4.7 and Figure 4.7 shows that most of the respondents 58% thought that the level of suppliers evaluation process was very good which promoted Contract Management, 25% said it was very good, 15% said it was fair while the remaining 2% said it was poor.

#### 4.1.8 Presence of Suppliers evaluation Process on Contract Management

Respondents were asked to confirm if suppliers evaluation process management. Affects contracts management

 Table 4.8 Presence of Suppliers evaluation Process on Contract Management

Category	Occurrence	Per centage (%)
Yes	36	67
No	19	33
Total	55	100

Source: Author (2017)

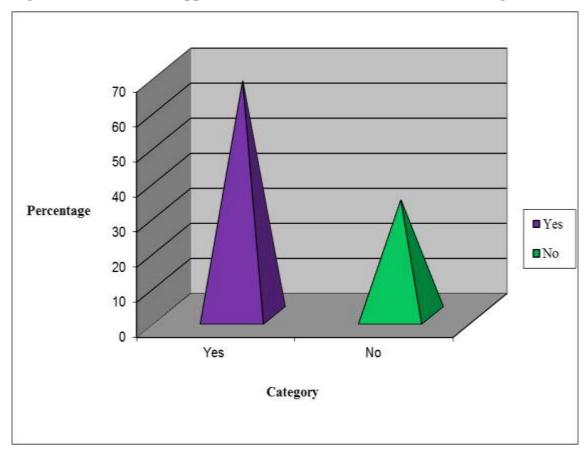


Figure 4.8 Presence of Suppliers evaluations Process on Contract Management

#### Source: Author (2017)

From the Table 4.8 and Figure 4.8, it was observed that, the majority said that suppliers evaluation process affected Contract Management with 67% and 33% said that suppliers' evaluation process did not affect Contract Management.

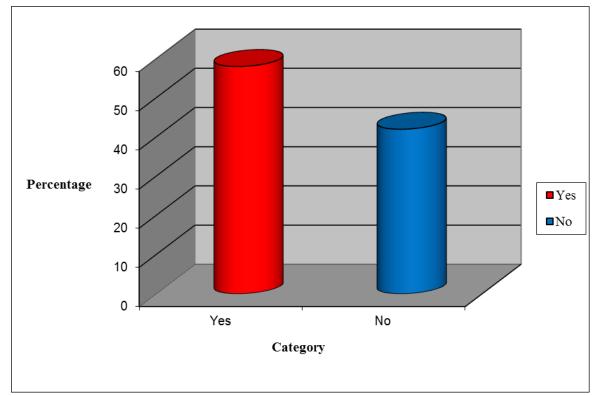
4.1.9 Whether Suppliers evaluation Process adds Value on Contract Management

Table 4.9 Whether Suppliers evaluation Process adds Value on ContractManagement

Response	Occurrence	Per centage (%)
Yes	32	58
No	23	42
Total	55	100

Source: Author (2017)

Figure 4.9 Whether Suppliers evaluation Process adds Value on Contract
Management



Source: Author (2017)

From the table 4.9 and figure 4.9, most respondents found that suppliers evaluation process affected Contract Management. This was about 58% of the repsondents who responded to this. Only 42% of the respondents observed said that it did not affect.

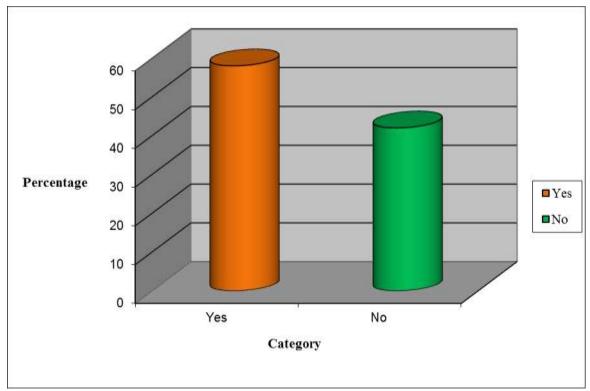
#### **4.1.10** Effect of Staff Competency on Contract Management

Response	Occurrence	Percentage (%)
Yes	32	58
No	23	42
Total	55	100

 Table 4.10 Effect of Staff Competency on Contract Management

Source: Author (2017)

Figure 4.10 Response on Whether Staff Competency has effect on Contract Management



Source: Author (2017)

From the table 4.10 and figure 4.10, most respondents found that staff competency affected Contract Management. This was about 58% of the repsondents who responded to this. Only 42% of the respondents observed said that it did not affect.

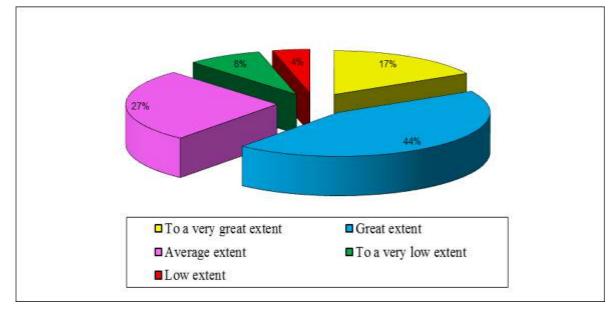
#### 4.1.11 Extent Staff Competency affects Contract Management

Extent	Occurrence	Percentage (%)
To a very great extent	9	17
Great extent	24	44
Average extent	15	27
To a very low extent	4	8
Low extent	3	4
Total	55	100

 Table 4.11 Extent Staff Competency affects Contract Management

Source: Author (2017)

Figure 4.11 Extent Staff Competency affects Contract Management



Source: Author (2017)

From the table 4.11 and figure 4.11, it shows the response of the question asked to the extent staff competency affects Contract Management, the majority responded that the extent was to great extent with 44% saying this, 27% said that it affected to an average extent, 17% said it affected to a very great extent, 8% said it affected to a very low extent while jthe remaining 4% was of the opinion that it was to a low extent.

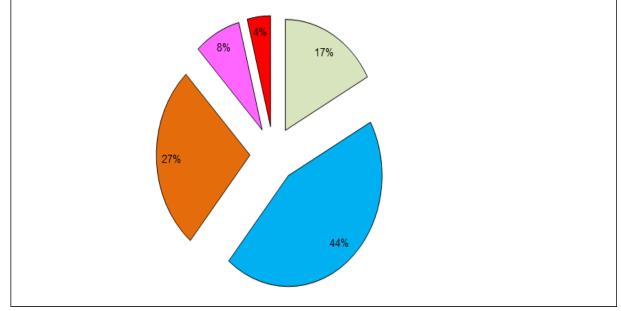
#### 4.1.12 Response on whether Strategic Decisions affects Contract Management

Extent	Occurrence	Percentage (%)
To a very great extent	9	17
Great extent	24	44
Average extent	15	27
Poor	4	8
Very poor	3	4
Total	55	100

 Table 4.12 Extent Strategic Decisions affects Contract Management

Source: Author (2017)

Figure 4.12 Extent Strategic Decisions affects Contract Management



Source: Author (2017)

From the table 4.12 and figure 4.12, it shows the response of the question asked to the extent suppliers evaluation Process affects Contract Management, the majority responded that the extent was to great extent with 44% saying this, 27% said that it affected to an average extent, 17% said it affected to a very great extent, 8% said it affected to a very low extent while jthe remaining 4% was of the opinion that it was to a low extent.

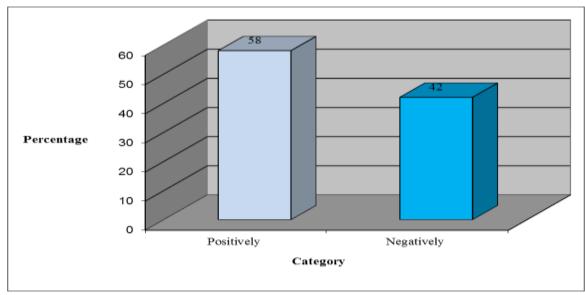
#### 4.1.13 Way Strategic Decisions affects Contract Management

Response	Occurrence	Percentage (%)
Positively	32	58
Negatively	23	42
Total	55	100

 Table 4.13 Way Strategic Decisions affects Contract Management

Source: Author (2017)

## Figure 4.13 Way Strategic Decisions affects Contract Management



Source: Author (2017)

From the table 4.13 and figure 4.13, most respondents found that Strategic Decisions affected Contract Management. This was about 58% of the repsondents who responded to this. Only 42% of the respondents observed said that it did not affect.

## 4.1.14 Effect of Strategic Decisions on Contract Management

#### Table 4.14 Effect of Strategic Decisions on Contract Management

Response	Occurrence	Percentage (%)
Yes	42	77
No	13	23
Total	55	100

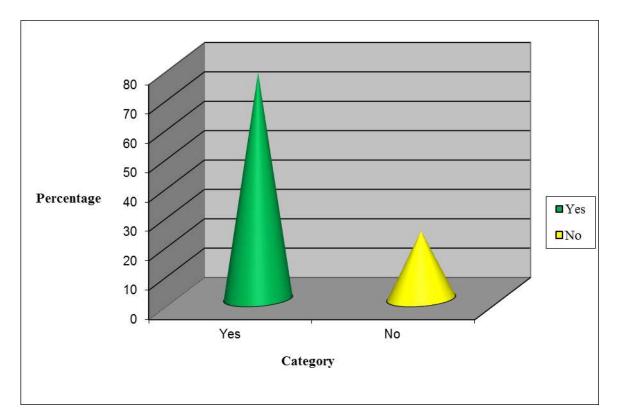


Figure 4.14 Effects of Strategic Decisions on Contract Management

#### Source: Author (2017)

The Table 4.14 and Figure 4.14 represents that most respondents77% opined that they there was risks caused by lack of Strategic Decisions in the organization while 23% was of the response that there was no risks caused by lack of Strategic Decisions in the organization.

## 4.1.15 Effect of Technology on Contract Management Table 4.15 Effect of Technology on Contract Management

Category	Occurrence	Percentage (%)
Yes	40	73
No	15	27
Total	55	100

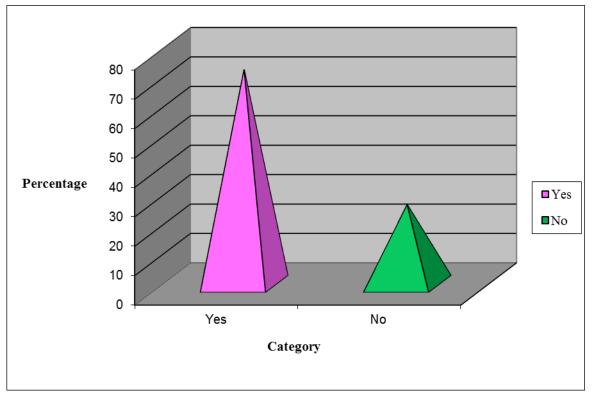


Figure 4.15 Effect of Technology on Contract Management

From the table 4.15 and figure 4.15, 73% of the respondents who was the majority thought that there was good. Technology in the organization which improved Contract Management and only 27% thought that did not improve contract management.

#### 4.1.16 Rating of Technology on Contract Management

#### Table 4.16 Rating of Technology affects Contract Management

Effectiveness	Occurrence	Percentage (%)
Very good	21	38
Good	30	54
Average	4	8
Poor	0	0
Total	55	100

Source: Author (2017)

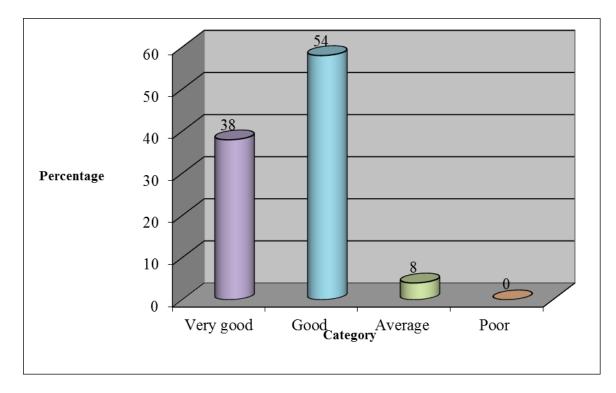


Figure 4.16 Rating of Technology on Contract Management

#### Source: Author (2017)

The Table 4.16 and Figure 4.16 showed that a significant majority 54% said that the Technology in the organization was effective, 38% said it was very effective, 8% said it was fair while no respondent rated it as poor.

## 4.1.17 Contribution of Technology on Contract Management

## Table 4.17 Contribution of Technology on Contract Management

Response	Occurrence	Percentage (%)
Positively	43	79
Negatively	12	21
Total	55	100

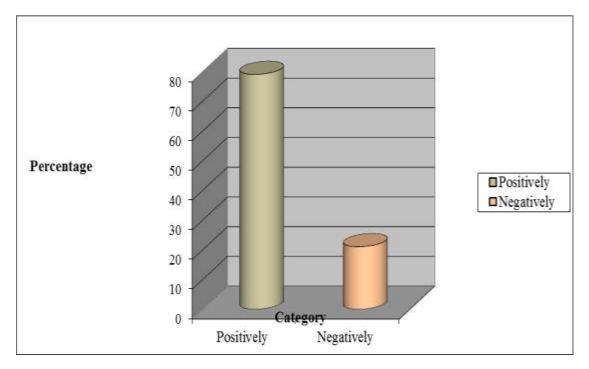


Figure 4.17 Contribution of Technology on Contract Management

Source: Author (2017)

The Table 4.17 and Figure 4.17 shows that there was contribution of technology on contract management evaluation 79% thought that it had positive effect and the remaining 21% thought that had a negative effect.

#### 4.2 Limitations of the Study

#### 4.2.1 Misunderstanding

There were misunderstandings about case-study research by the respondents. Whereby they said that theoretical knowledge is more valuable than practical knowledge; one cannot generalize from a single study, therefore the single-case study cannot draw out a better conclusion.

#### 4.2.2 Biasness of Respondents

The project was useful for generating hypotheses, the study contained a bias toward verification; thus it was difficult to summarize specific case studies since the respondents did not give full information.

#### 4.2.3 Cost

It was expensive since it focused on overusing interviews and focus groups at the expense of other methods such as observation, documentary analysis, case studies, and conversational analysis.

#### 4.2.4 Confidentiality/Anonymity

Issues of anonymity and confidentiality presented problems when presenting findings since respondents were not pleased Findings can be more difficult and time consuming to characterize in a visual way.

#### 4.3 Summary of Data Analysis

#### 4.3.1 General Information

Majority of the respondents that is 38% indicated they aged between 21-30 years. This was quite a large number hence a conclusion that most of the respondents was of the middle age.35% aged between 31-40 years, 19% was aged 40 years and above and 8% was between 18-20 years. According to gender distribution 67% in the organization were males, while 33% was females hence a large number of males as compared to women. Regarding the level of education attained the majority had acquired 29% college level, 44% from university, 19% from secondary school and 8% from primary level. According to experience in the organization most people had worked 2-4 years which was37%, 29% had worked for 5-7 years, 22% less than 2 years and 2% above 10 years. Regarding marital status 48% was single, 27% married, 17% separated, 6% widowed and 2% had divorced. Under this analysis, the researcher analyzed the following independent variables.

#### 4.3.2 Suppliers Evaluation Process

Suppliers Evaluation Process is a very important component towards the growth of any business and therefore the organization has no other obligation other than encouraging their employees to observe this evaluation procedure enhance the Contract Management in the organization. Respondents indicated that suppliers evaluation Process in helped achieve the organizations goals and objectives hence achieving the Contract Management objectives in the organization. Respondents indicated that the Integrated YMR has laid a lot of emphasize on suppliers evaluation Process in the organization so as to achieve the organizations objectives and missions. It is through supplier's evaluation Process that the contract management can be achieved efficiently.

#### 4.3.3 Staff Competency

Although most respondents did not have anything they liked best about working for the organization, some reasons emerged. Among them was the wellness programmed of the company, the safety standards, the nature of the job, the four working hours, the customer care policy and survey response and team working spirit among their colleagues which was made good through a well-built Staff Competency policy. Further, the staff did not find the work they were doing as satisfying and rewarding. Still, majority of the respondents was in strong agreement that they was of value addition to their organization. Staff competency however, most respondents felt that their skills and ability was very lowly utilized and observation similar to what the response on recognition at work was. The goals of each staffs' work was clear and the sense of accomplishment by the staff was significant, though such hard work was felt to have gone unrewarded by lack of Staff Competency which affected Contract Management.

#### 4.3.4 Strategic Decision

Majority of the respondents said that Strategic Decision affected Contract Management in that the organization had to look at some of its ways of carrying out the work without affecting other departments in the organization. Majority of the respondents said strategic decisions affects contracts management to a greater extent Strategic Decisions in an organization is of great importance to any organization and therefore should be undertaken carefully. Majority of the respondents said that the organization had done a great deal in ensuring that the Strategic Decisions was carried out effectively in the organization. This was done by ensuring that goods reached to the customer as stipulated on advertisement media which the organization had posted on the internet hence a reduction in transportation costs.

#### 4.3.5 Technology

There was satisfaction amongst most of the respondents who agreed that the Technology used was very effective. Respondents said technology affected contract management highly. The customer's first contact to a product or software is the way that customer is approached and it is an expensive and important part of the Contract Management strategy. This is because the major benefit of Technology is ensuring that all the procedures towards Contract Management are good and the information on it sent to the consumer, such as direction on how to use the product and the configuration of the product which is necessary to satisfy legal obligations of product disclosure. It was also found out that Technology played a very important role in terms of revenue generated from sales since it was the factor which dictated the number of sales made. The technology need to embrace it in operations in the organization.

#### **CHAPTER FIVE**

#### SUMMARY OF FINDINGS, RECOMMENDATIONS AND CONCLUSIONS

#### 5.1 Introduction

This chapter gives the major findings, conclusions, recommendations and implications of further research on the study. The recommendations are deemed essential so as to increase the effectiveness of contract management as well as build more knowledge on supplier's evaluation process, staff competency, strategic decisions and technology.

#### 5.2 Summary of Findings

Majority of the respondents said that Suppliers Evaluation Process was a great factor that influenced Contract Management. Respondents said that Suppliers Evaluation Process helps the organizations where employees were more productive when they ensured that Suppliers Evaluation Process on Contract Management in the organization went to great heights.

The researcher sought to discover the degree to which Staff Competency affects the Contract Management performance of the organization and it was found out that Staff Competency had an important part to play in the company. This affected the Contract Management performance operations since the organization had to ensure that they motivated employees Nevertheless the study found out that the customers was comfortable with the Staff Competency in the organization. This ensured that the organization continued to perform better.

Strategic Decisions was one of the challenges that affects Contract Management, it was deduced from the research findings that although Strategic Decisions were made, thus the organization should hold continuous and effective methods of reducing following Decisions to its staff. Strategic Decisions become effective only when it is properly planned and effectively executed. Strategic Decisions modes must be appropriate to the level of employees. The impact of Strategic Decisions should be evaluated so that the necessary improvements may be made in it from time to time. With reference to those who agreed Technology affects the Contract Management of various products in the organization, most of the respondents indicated that

Technology to a larger extent affects Contract Management of the company's product. It's therefore concluded that Technology is critical when it comes to Contract Management in the organization. It brings productive output in the long run.

## **5.2.1** To what extent does Suppliers Evaluation Process affect Contract Management in organizations in Kenya?

The extent to which Suppliers Evaluation Process affects Contract Management was rated to be very great by 40% of the respondents, 29% of the respondent said that the extent Suppliers Evaluation Process affects Contract Management was to a very great extent. This showed that the Suppliers Evaluation Process in the organization had helped the organization to be able to manage effectively the Contract Management hence the organization is able to run effectively and control the market as it's supposed to be. Though 19% of the respondents said that Suppliers Evaluation Process had an average effect on Contract Management, the organization had done a lot to ensure that the process was done effectively and that the employees benefited. 10% and 2% of the respondents said that the extent was poor and very poor respectively.

## **5.3.2** How does Staff Competency affect Contract Management in organizations in Kenya?

Effective Staff Competency was found out to have a great impact on management of Contract Management with most respondents 55% agreeing to this and the remaining 45% said it did not affect. This is because as gathered from vast majority of the respondents, they felt that Staff Competency did affect the Contract Management. This is because they felt that Staff Competency was not adequate since majority rated Staff Competency as very good, hence they suggested that proper Staff Competency channels be established, thereby providing a formal mechanism through which they can communicate.

# **5.3.3** To what extent do strategic Decisions affect Contract Management in organizations in Kenya?

Majority felt that without proper distribution channels, the selected channel affect and or is affected by other elements in the marketing mix. It indicated that channel decisions calls for selecting qualified intermediates, proper programming and motivating them and individual channel members can be evaluated often. This in great extent went ahead to reduce strategic Decisions in the organization hence bringing in more profits to the organization.

## 5.3.4 How does Technology affect Contract Management in organizations in Kenya?

Majority of the respondents agreed that indeed there were technology materials used in the organization. This was found out by the researcher affected the Contract Management since the organization had to look for other alternative methods to use in Contract Management hence consuming time. The study indicated that though the methods used were not effective enough, they were very effective in satisfying the customer needs of the organization. This showed that a lot had to be done to get other Suppliers Evaluation Process methods of the same quality so as not to lower Suppliers Evaluation Process.

#### 5.4 **Recommendations**

#### 5.4.2 Suppliers Evaluation Process

Suppliers Evaluation Process should be encouraged in the organization so as to increase the knowledge of the organization which ensures that new skills are brought in the organization which gives the organization a competitive edge against the other organizations in the organization.

#### 5.4.2 Staff Competency

Various measures need to be kept in place to ensure employee competency is provided in running and survival of Integrated YMR. The management should ensure that the employees have knowledge in Staff Competency required to carry out the Contract Management procedures.

#### 5.4.3 Strategic Decisions

The study has also raised some important issues one of them being the area of Strategic Decisions, to operate effectively institutions must be able to plan accurately with their employees. Unfortunately, as gathered from vast majority of the respondents, they felt that Strategic Decisions among them is not as good as it should be, hence the study recommended proper Strategic Decisions plans be established, thereby providing a formal mechanism through which they can be encouraged.

#### 5.4.4 Technology

There should be use technology on Contract Management policy that will increase knowledge to the organization and widespread management of their organizational goals in the firm. The management of Technology is an area of business where substantial improvements and cost savings can be made and may require a specialist to deal with Contract Management policy.

#### 5.5 Conclusions

Suppliers Evaluation Process ensures that employees get vast knowledge in their field of Contract Management and therefore the organization has tried to make sure that the employees get this knowledge through Suppliers Evaluation Process with other employees in other sectors in the same economy. It has been established that Staff Competency is a factor that extremely affects the Contract Management in Kenya. Once a Staff Competency method, technique or network has been chosen, the organization should adopt to it because this chosen one strongly affects achieving their organization goals. Strategic Decisions in all organizations are very essential. The study found out that whereas the strategic Decisions mode was moderate there were a substantial number of workers who was discontented. Most complained about the channels used, and the mode which it was communicated. It has been ascertained that Technology is a factor that affects Contract Management in a highly competitive environment. Once Technology has been selected then the organization should remain with it for a long time because the chosen channel strongly affects and is affected by other fundamentals towards Contract Management in the organization.

#### 5.6 Suggestions for Further Study

Based on findings drawn from this study there should be a sequence after a while to find out if there are any changes that have occurred and a comparison with this data may be done to measure the extent of change or otherwise. A replicate study may be carried out in other areas of contract management.

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### **APPENDIX I**

#### **LETTER OF INTRODUCTION**

Dear Respondent

I am an undergraduate student at Management University of Africa (MUA). It is a requirement for my degree to carry out a research study and therefore the questionnaire issued to you is purely for academic purposes.

Kindly complete it as honestly as possible to enable the Researcher to obtain your sincere view for feedback. Kindly do not put your name anywhere on the questionnaire. Any information given will be confidential. Your cooperation will highly be appreciated since this will enable the Researcher obtain data needed to answer to the research questions.

Thank you in advance.

Yours faithfully

Peris W. Ngugi

## **APPENDIX II**

## WORKPLAN/TIME FRAME

Activity	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan
Determining problem area of study											
Literature Review											
Research Design											
Proposal											
Instrument Testing											
Data Collection											
Data Analysis											
Report Writing											
Report Presentation											

## **APPENDIX III**

## BUDGET

ITEM	AMOUNT (KSHS.)
Stationery	2,500.00
Travelling	2,000.00
Typesetting and Printing	3000.00
Telephone	1,000.00
Photocopying	2000.00
Miscellaneous	1,000.00
TOTAL	11,500.00

#### **APENDIX IV**

#### **QUESTIONNAIRE**

Please put a tick against the information most applicable to you. Fill your answer/comment in the blank spaces provided. Tick inside the box provided where necessary and for explanation please is brief. Your contribution will be highly appreciated.

#### SECTION A: GENERAL INFORMATION

\_\_\_

1. Gender

Г

2. Age Bracket

Between 18 – 20 years	
21 – 30 years	
31 - 40 years	
41 years and Above	

3. What is your highest academic qualification?

Diploma	
Under Graduate Degree	
Post Graduate Degree	
PhD	

4. Indicate the number of years you have been involved in the construction industry.

Not more than 5 years	
-----------------------	--

6-10 years	
11-15 years	
Over 16 years	

## 5. Indicate marital Status?

Married	
Single	
Widowed	
Divorced	

## SECTION B: SUPPLIER EVALUATION PROCESS

6. Does Supplier evaluation process affect contract management in organizations

	in Ken	iya?							
	Yes	(	)						
	No	(	)						
	Explai	n							
					•••••				
7.	To wh	at exten	t does supplie	ers' evalu	ation pro	cess affe	ct contra	ct manager	ment
	in orga	anizatior	ns in Kenya?						
	To a v	ery grea	t extent	(	)				
	Great	extent		(	)				

Average extent	(	)
To a very low extent	(	)
Low extent	(	)
Explain		

## SECTION C: STAFF COMPETENCY

8. To what extent does staff competency affect contract management in organization in Kenya?

Very great extent	
Great extent	
Average extent	
Poor	
Very poor	
Explain	

9. How does Staff competency affect contract management in organization in Kenya?

Positively	
Negatively	

10. If negatively, propose possible measures you can put in place to rectify this problem.

11. Does Staff competency affect the contract management in organizations in Kenya?

Yes	
No	

#### SECTION D: STRATEGIC DECISIONS

12. Does Strategic decision affect contract management in organizations in

Kenya?

Yes

13. How would you rate strategic decisions towards contract management in your organization?

Very good	
Good	
Average	
Poor	

14. How can strategic decision be improved to ensure that the contract management in your organization is carried out efficiently?

15. What is the contribution of strategic decisions in Organizations in Kenya?

Positive	

Negative

#### Explain


## SECTION B: TECHNOLOGY

16.	Does Technology affect contract management in organizations in Kenya?							)	
	Yes	(	)						
	No	(	)						
	Explain	n							
	•••••								
	•••••								
17.	To what	at exter	nt does tecl	hnology	affect cor	ntract mar	nagement	in organiz	ations
	in Ken	ya?							
	To a ve	ery grea	at extent	(	)				
	Great e	extent		(	)				
	Averag	ge exter	it	(	)				
	To a ve	ery low	extent	(	)				
	Low ex	ktent		(	)				
	Explain	n							
			••••••						