Supply Chain Management Practices And Performance Of Tea Processing Firms In North Rift Region, Kenya

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Paper Received Date: 12th August 2023  
Paper Acceptance Date: 16th September 2023  
Paper Publication Date: 26th September 2023

Tenacity: The notable drive of the study was to regulate the relationship amongst supply chain management practices and performance of tea processing firms in North Rift Region, Kenya. The specific objective were: factory systems, factory proximity, factory production and transport scheduling respectively. This study was anchored to different theories: The study used descriptive research design, where equally qualitative and quantitative research was functional.

Keywords: Factory systems, factory proximity, factory production and transport scheduling and performance of tea processing firms.

1.1. Introduction

Supply Chain Management Practices are series of functions undertaken within an organization to facilitate the effective management of its SC (Christopher, 2015). Effective SC practices are those that influence the entire supply chain as well as key processes. These practices are determined by a variety of factors including the type of industry, size of the organization, actual position within the SC and the length of supply chain. Studying these practices in the supply chain clarifies on how various processes are integrated in a given fashion in order to provide goods, services that increase value for customers ultimately. Supply chains can be managed as a single entity through the dominant member or, alternatively, through a system of partnerships requiring well-developed co-operation and co-ordination. Formulating supply chain objectives is therefore not an easy task since all partners have to agree on the selection of indicators, the definition of the indicators and the target values (Boiral, 2012).

1.1.1 Resource Based View Theory

Resource based view theory was thought to be relevant for this study in order to comprehend the effect of factory proximity on performance of tea processing firms in North Rift Region, Kenya, hence giving a theoretical background of this study. The Resource-Based View (RBV) accentuates the firm’s incomes as the essential determinants of competitive advantage and performance. It espouses two assumptions in examining foundations of competitive advantage (Bandura, 1977). Primary, this model shoulders that companies within business (or within a strategic group) may be varied with deference to the bundle of possessions that they regulator (Bratton, 2003). Additional, it shoulders that reserve heterogeneity may persevere over time because the incomes used to implement companies' strategies are not flawlessly mobile transversely companies such as some of the incomes cannot be dealt in factor markets and are problematic to accrue and imitate. Resource heterogeneity or exclusivity is well-thought-out a needed disorder for a reserve bundle to subsidize to a competitive advantage. The quarrel energies “if all companies in a marketplace have the similar stock of incomes, no strategy is accessible to one stable that would not also be obtainable to all other companies in the marketplace” (Bandura, 1977).

1.1.2 Institutional Theory

Institutional theory was thought to be relevant for this study in order to comprehend the effect of factory proximity on performance of tea processing firms in North Rift Region, Kenya, henceforth giving a theoretical background of this study. Also chiefly arisen and changed as a philosophy arguing political cheap and subsequently finances (Bandura, 1977). Institutional theory argument out that shared and surroundings residents engage in noteworthy task in carrying about an isomorphic result which influences the Valuation of Quality Management Systems on Structural for example Bratton (2003), forcible inessential demands for owning the ISO 9000
standard from communal or other institutes drive numerous administrators to go after verification. Normative demands are anxieties to match the designs of others in a specialty or livelihood (Bandura, 1977). Thus to reach consistency administrators may be bound to adapt ISO to augment their shared standout in the market anxieties suggest that unsecureness rouses competition and this makes an inclination for formations to regulate same procedures to those working by other organizations. Supporter for this is recognized who well-known numerous companies adapt the ISO 9001 standard to rival other organizations that have victoriously accomplished confirmation for their excellence administration structures (Bandura, 1977).

2.1.3 Transaction-Cost Economics Theory
The concept of transaction-cost first appeared in Coase (1937) who created the basis of what became transaction-cost economics (TCE) theory. However, the concept was not elaborated until Bandura (1977) who used the term ‘transaction-cost economics’ (TCE). The idea of TCE is to reduce the total costs associated with performing transactions through choosing the most economical governance structure. Governance in this context can be described as “a style of establishing dealings”. Hierarchical governance refers to performing a transaction within the firm. In contrast, market governance is when a transaction is performed through traditional market mechanisms of supply and demand (Bandura, 1977). The theory is relevant to the study in that all organizations need to reduce to their costs in order to maximize revenue. Profitability is one of the most critical performance measures for an organization (Bandura, 1977). It is through profits generated that an organization is able to reinvest a portion of it for the purposes of carrying out expansion strategies such as increasing the variety of the products to satisfy a wider customer base. Transaction cost economic theory was thought to be relevant for this study in order to comprehend the effect of factory production on performance of tea processing firms in North Rift Region, Kenya, hence giving a theoretical background of this study.

2.1.4 Systems Theory
Systems theory was thought to be relevant for this study in order to comprehend the effect of factory scheduling on performance of tea processing firms in North Rift Region, Kenya, hence giving a theoretical background of this study. This theory argues that an event is seen as a whole and not a function of its sub systems. A system comprises of sub systems whose interrelationship and interdependence move towards equilibrium of a larger system (Bratton, 2003). The focus is on the relationship among subsystems in order to better understand an entity’s organization, functioning and results. It also views the organization as dependent on the environment it operates in which involves various parties which include agents, shareholders and other factors beyond the organization control (Bandura, 1977). Systems theory incorporates various supply chain variables which then form a larger system of supply chain networks (Fowler, 2000). It also helps to reveal the extent of dependence between constitutes of the system and a better understanding of the dynamics of the SC hence improve planning, execution and coordination of activities of manufacturing companies.

2.2.1 Factory Working Systems
Conferring to Ongeri and Osoro (2021), they detected that factory working systems of Information and Communication Technologies have convert more influential, more available and more prevalent causative heavily to the upsurge in overall speculation and effectiveness of labour and capital. Cultivation has comprised agricultural biotechnology, equipment, and hereditarily shaped plants and could advantage enormously by adopting ICTs. Mobile technologies which have changed from equivalent communication in the First cohort to digital communiqué in the Long-Term Fruition have brought straightforwardness and rich functionalities in communiqué. A mobile information system should safeguard that the user gets the pertinent information based on the corporeal location, user favorites and time amongst other factors based on context consciousness. The smartphones which have arose are context-aware and adapt to highly lively environments, have entrenched physical devices, have data argument capabilities and allow connection of applications to perform virtually any task (Bolo, 2011).

According to Ongeri and Osoro (2021), these applications include SMS, USSD and other installable applications. Tests that keep numerous small hold agriculturalists locked in poverty stem from a absence of admittance to marketplace information, technical information, inputs, financing and nearby markets where they can wholesale their products. Existing communication arrangements at Mungania Tea Factory Company Limited are complete circulars and advertisements that are disposed to disfigurement. In some occurrences, information passageway is complete word of mouth from factory to the members in diverse green tea leaves gathering centres. Information-intensive originalities counting agricultural originalities require provision of appropriate information. Bolo (2011), he renowned that information desires are growing speedily with overview of modern technologies, amalgam seeds and shifting climatic changes hence agriculturalists find traditional knowledge, experience and conjecture in decision making unsuccessful.

2.2.2 Factory Production
According to Ongeri and Osoro (2021), they observed that firmly congregated information needs into agronomic inputs, extension education, agronomic technology, advertising and agricultural credit. This is additional maintained by Bolo (2011), who designated that farmers wanted pertinent and adequate evidence on agricultural inputs, advertising, selection of diversity of seeds, high harvest crops, pest control, fertilizer requests and problem-solving services as established. Agricultural contributions include the
expendable and capital inputs obligatory for organic farming for occurrence, seeds, fertilizers, agrochemicals, apparatuses and levelers. According to Ongeri and Osoro (2021), mature farmers appeared less likely to involve in information getting and providing which could be owing to their low aptitude to communicate. He experiential that farm size, farming involvement and education inspiration the implementation of technologies. Male farmers are betrothed in more geographically discrete social networks, thus giving them a better accidental to admittance information. Large families tend to pursue more information due to the need for nourishing family consumption as well as higher number is defenseless to get information. It was noted that involvements by worldwide NGOs, overdependence on foreign funding for research and growth in agriculture and private sector involvement could further upsurge information gap amongst the haves and the have-nots. On the contrary, the researcher views these interferences as having vastly contributed to the development of farming therefore management of research, information distribution and dissemination is what must to be lectured. Agricultural novelty is largely affected by information available on the novelty and how well that knowledge is passed to the shareholders (Bolo,2011). This calls for a dependable and well-organized information system that is not subject to the counted limits.

2.2.3 Factory Proximity

Factory proximity progressions in quality raise customer contentment, thus subsequent to augmentation in merchandise segment and revenue upsurge (Bolo, 2011). He, designated that better quality would consequence to the arrangement of existing customers and in enticing latest consumers which in turn would increase merchandise segment. Quality merchandises and services will deliver gratification of the customer who will have an influence on increasing auctions, snowballing profit and sustainability of corporation. Having heeded to, consumer terminologies“ an institution should set in place appropriate plan of action and actions for introducing the essential adjustments and augmentations. It also vital to make clear and regulate the structures of the commodity and service which the consumer finds attractive. According to Ongeri and Osoro (2021), they observed the Factory proximity established practically that worker rendezvous in quality programs was significantly connected to the affluence of these agendas in small and medium trades. Bolo (2011), stated undistinguishable practical impermeable from the service sub-division, found that worker training, their working together in willpower of decision and information circulation are strategies that authorize the institution to service their resources efficaciously which in turn recover the institutional accomplishment.

2.2.4 Transport Scheduling

Bolo (2011), they experiential that transport scheduling with the uppermost administration in organizations manages the administration accountability for the quality management systems, with appointment of all organized employees. This accountability comprises making sure for the attainment of the organization’s vision and mission. Determining and investigative the quality advice and quality aims occasionally to guarantee to the quality consistency. Gerald and Phil (2011), explains organization as the technique of inducing the rest to admit and confess regarding what necessitates to be carried out and in what method to do it, and the process of supplementary personal and communal efforts to accomplish joint aims. According to Ongeri and Osoro (2021), noted that transport scheduling is ostensible that the responsibility of the high management is solely the utmost valuable and crucial factors in quality management as it is out rightly answerable for determining appropriate vision, quality advice as well as the recognized practice. Without sure constant quality organization, quality can’t confidences to flourish (Bolo, 2011). This suggests that the administration contributions to the suitable nearby to contribution the utmost comfort to the group members to enhancement accomplishment and production. Highest management acts as a chauffeur of the engagement of quality management system complete the yielding of obligatory resources as well as a key to continual advancement through the establishing of principles, goals, and procedures to content consumer expectations and augment institution accomplishment.

2.2.5 Performance of Tea Processing Firms

There are conditions which the organization doesn’t actually put up passable deliberation to the Quality Management Systems, but engagement it only in willingness to get certification and as a consequence can barely forestall any eloquent favorable returns. According to Ongeri and Osoro (2021), noted that the engagement of the ISO 9001 Quality Management Systems (QMS) has been disapproved as being time connecting and luxurious, with the need for tall level of certification and form-filling. The ISO 9000 Standard adoption necessitates considerable costs in footings of time and money. Costs typically take the procedure of augmented labour efforts throughout the groundwork and training of staffs and during groundwork of the obligatory certification Bestowing to Ongeri and Osoro (2021), most of scholarships cites the real advantages as functioning, monetary, customer contentment, employee contentment from the employment of ISO 9001 as contrasting to those who say the expenditure of employing and regulatory the Quality Management Systems (QMS) is better than the income it attains, settled the institutions that search for ISO 9001 quality administration systems employment agreeably and certainly crossways all-encompassing wide span of purposes are a great agreement likely to greatest advanced organization achievement than those organizations that are probing for ISO 9001 certification in a reactant boldness due to consumer burden. All over governments that certify in-house details appear to prize a great agreement than those that certify for inessential explanations.

Research Methodology
Descriptive design is a theory-based investigation method recitation the research’s main subject substance (Kothari, 2011). This type of research design uses data gathering techniques like usual observation, case studies, and surveys to derive outcomes. This type of research design delivers understanding into the why and how of research. A descriptive survey research design was used in this scholarship. A good research design draws consequence that can be practical to a large set of individuals and was not limited to sample size or the research cluster.

3.1 Factory Working Systems

Plaintiffs were requested to give their judgement on the variable factory working systems. From table 1.1, the plaintiffs solidly agreement that factory working systems guaranteed performance of Tea processing firms and periodic review in North Rift Region County viable (M=3.741, SD=1.0606); Over real time foundation valuation the firms has been able to make balanced choices on priority and non-priority developments (M=3.831, SD=.9201); readiness to share information valuation has influence to the quality and innovation of the development team (M=3.901, SD=.9006); valuation of quick, frequent and precise information transfer in factory working systems it is significant to put in place and uphold procurement record or register (M=4.059, SD=.8250); The management of North Rift Region County implements performance of Tea processing firms to avert fraud in supplier assessment (M=3.839, SD=1.3019); and factory working systems augments performance of Tea processing firms at North Rift Region County (M=3.564, SD=.8016). This discoveries concur with the answers of Nyile et al. (2022) who experiential that clear explanation of factory working systems, can augment real performance of Tea processing firms.

<table>
<thead>
<tr>
<th>Table 1.1: Factory working systems</th>
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<tbody>
<tr>
<td>Statement</td>
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<tr>
<td>-----------------------------------</td>
</tr>
<tr>
<td>My tea firm ensures conformance of supplier information</td>
</tr>
<tr>
<td>Allotment through Real time basis</td>
</tr>
<tr>
<td>Over Willingness to segment information my firm has been able to make choices on Tea processing firms</td>
</tr>
<tr>
<td>Tea processing firms.</td>
</tr>
<tr>
<td>Receptiveness of supplier has influence on performance of Tea processing firms in North Rift Region County</td>
</tr>
<tr>
<td>By Rapid, frequent &amp; precise information transfer</td>
</tr>
<tr>
<td>Of significant to put in place factory working systems</td>
</tr>
<tr>
<td>The organisation of my firm implements supplier Information distribution</td>
</tr>
<tr>
<td>Factory working systems augments performance of Tea processing firms at North Rift Region County</td>
</tr>
</tbody>
</table>

3.2 Factory Production

The North Rift Region plaintiffs always contemplates factory production on performance of tea growing firms in North Rift Region, Kenya (M=3.849, SD=.8311); A factory production is probable to deliver grounded timely production on performance of Tea processing firms of North Rift Region (TORs) (M=4.031, SD=.7205); Early supplier involvement on performance of Tea processing firms North Rift Region County (M=4.039, SD=.8301); Over supplier evaluation has remained able to get performance of Tea processing firms in North Rift Region County (M=4.109, SD=.7116); good supplier evaluation are hypothetical to have performance
of Tea processing firms North Rift Region County (M=4.092, SD=.8004); Joint coordination of production actions enhances performance of Tea processing firms in North Rift Region County (M=4.250 SD=.8164). This findings is in agreement with the answers of Ongeri and Osoro (2021) that the goalmouth of factory production is to safeguard performance of Tea processing firms of North Rift Region, Kenya. Real Factory production reduces or eradicates problems and possible prerogatives and arguments. This outcomes agrees with the verdict of Omide et al. (2022). It is vital for factory production to comprehend the provisions of the supplier evaluation, have the aptitude to perform to all parties complicated, and uphold control over the performance of Tea processing firms.

Table 1.2: FACTORY PRODUCTION

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
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<tbody>
<tr>
<td>My firm considers factory production on performance of Tea processing firms North Rift Region County</td>
<td>3.849</td>
<td>.8311</td>
</tr>
<tr>
<td>Early production involvement enables performance of Tea processing firms North Rift Region County</td>
<td>4.031</td>
<td>.7205</td>
</tr>
<tr>
<td>Joint tea production activities augments Performance of Tea processing firms North Rift Region County</td>
<td>4.039</td>
<td>.8301</td>
</tr>
<tr>
<td>organized production augments performance of preference in North Rift Region County</td>
<td>4.109</td>
<td>.7116</td>
</tr>
<tr>
<td>Firm manager augments performance of Tea processing firms North Rift Region County</td>
<td>4.092</td>
<td>.8004</td>
</tr>
<tr>
<td>Factory production can boast performance of Tea processing firms North Rift Region County</td>
<td>4.250</td>
<td>.8164</td>
</tr>
</tbody>
</table>

4.7 SECTION D: FACTORY PROXIMITY

Plaintiffs were inquired to give their replies in regard to Factory proximity on performance of Tea processing firms in North Rift Region, Kenya (M=3.803, SD=.7801); nearness to firms exercise performance of Tea processing firms in North Rift Region city County, Kenya (M=3.409, SD=.8233); Quantity of locations on performance of Tea processing firms in North Rift Region city County, Kenya (M=4.601, SD=.7835); Factory proximity is noteworthy when you need to performance of Tea processing firms of North Rift Region County (M=4.601, SD=.6908); accessibility augments our performance of Tea processing firms in North Rift Region city County (M=3.594, SD=.7023); and factory capacity, the institute is able to identify difficulties and find explanations in a timely manner to safeguard high quality of the good transported quickly to factories in North Rift Region, Kenya (M=4-.009, SD=.7047).

The verdicts concurs with the discovery of Boit and Osoro (2021), who claimed that it is life-threatening to Factory proximity often without tea delivery schedules and at regular intervals afterward award to safeguard that the factory is providing the goods on schedule and within the procurement plan, and that excellence standards are in existence, especially for the uppermost jeopardy and most multifaceted factory locations or proximities. Assessing post-award performance necessitates several doings to guarantee that the delivery of goods to meets the footings of factory proximity in North Rift Region, Kenya. These comprise classifying performance principles, such as key performance of Tea processing firms gauges, at the time of factory proximity formulation, and providing passable monitoring incomes and a accomplished workforce for supervision factory proximity, by so doing performance of Tea processing firms of North Rift Region was advancing communiqué among Tea processing firms.

Table 1.3: Supplier Factory proximity

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Dev.</th>
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<tr>
<td>Our firm conduct proximity direction on performance</td>
<td></td>
<td></td>
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Table 4.14: Model Goodness of Fit

<table>
<thead>
<tr>
<th>R</th>
<th>R2</th>
<th>Adjusted R</th>
<th>Std. Error of the Estimate</th>
</tr>
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<tbody>
<tr>
<td>0.764</td>
<td>0.784</td>
<td>0.731</td>
<td>0.065</td>
</tr>
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</table>

With an R-squared of 0.783, the model expressions that factory working systems, factory production, Factory proximity and transport scheduling can donate up to 78.4% on performance of Tea processing firms of North Rift Region County, whereas 20.6% this disparity is elucidated by other gauges which are not comprehensive in this erudition.

Conclusion

Therefore, from the foregoing, this study concludes that factory working systems have broadly impacted on performance of Tea processing firms of North Rift Region, Kenya. The discoveries conclude that any firm should energy to hold the finest performance of Tea processing firms after refining supplier management in North Rift Region, Kenya. When performance is incorporated through factory production, Factory proximity, and transport scheduling then the application of performance of Tea processing firms of North Rift Region, Kenya.

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