THE IMPACT OF SUPPLY MARKET ANALYSIS ON PROCUREMENT IN LOCAL AUTHORITIES: CASE STUDY OF BINDURA TOWN COUNCIL (2018-2019)

SUBMITTED BY

KUSHINGA ABBEY

B1441256

A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT FOR THE REQUIREMENTS FOR THE BACHELOR OF COMMERCE HONOURS DEGREE IN PURCHASING AND SUPPLY OF ECONOMICS DEPARTMENT

APRIL 2019
RELEASE FORM

Name of student: Kushinga Abbey

Title of the research project: The impact of supply market analysis on procurement in local authorities: Case study of Bindura Town Council

Programme for which the Project was presented: Bachelor of Commerce in Purchasing and Supply

Year granted: 2019

Permission is hereby granted to the Bindura University of Science Education Library to produce single copies of this project and to lend or sell such copies for private, scholarly, or scientific research purposes only. The author reserves public rights and neither the project nor extensive extracts or otherwise reproduced without the author’s express written permission.

Permanent address: 3442 Phase II, Chiwaridzo, Bindura

Student’s signature....................................................... 

Date.................................................................
DECLARATION

I Kushinga Abbey do hereby declare that this research report is the result of my own work, except the extent indicated in the acknowledgements, references and by comments included in the body of the report, and that it has not been submitted in part or in full for any other degree to any other university.

Name of Student: Kushinga Abbey

.................................................................

Date
The undersigned certify that they have read and recommended to Bindura University of Science Education, for acceptance; a project titled, “*The impact of supply market analysis on the effectiveness of procurement in Local Authorities: Case study of Bindura Town Council,*” submitted by *Kushinga Abbey* in partial fulfillment of the requirements for the Bachelor of Commerce (honors) Degree in Purchasing and Supply.

Name of Supervisor    **Mr. S. Mandaza**

Signature

........................................................................................................

Date
DEDICATION

This project is dedicated to God for his grace, love and spiritual guidance throughout this study and to my parents (Mr. Abbey and Mrs. Abbey) who made it possible for me to reach this level through their diligence, confidence and commitment towards my studies. To the rest of family and friends who gave me encouragement throughout the dissertation.
I would like to express my sincere gratitude to all those who made contributions in making this project a success. Special mention goes to my supervisor (Mr. S. Mandaza) for his undoubted support shown by the eagerness to help me coming up with this research topic and also for being there when I needed more information and help. I also thank Bindura Town Council management and employees for allowing me consent to carry out this research at their organization.

Above all I would want to thank the Almighty for he was the one who made the whole thing possible.
ABSTRACT

The study was conducted to assess the impact of supply market analysis on the effectiveness of procurement in local authorities. The main issue is that the procurement function has on several times failed to deliver because of problems on the supplier’s side. Therefore, the main purpose of this research is to justify reasons why it is important to analyze the supply market environment. The first chapter of the study introduces the background of the study for the area under study as well as the statement of the problem where it highlighted that there has been an increase in the failure of the procurement department of Bindura Town Council in delivering service to the internal users as a result of problems on the suppliers’ side. The literature review was based on exploring existing information in relation to the study and it was obtained from published printed and electronic sources as well as relevant past theories. The researcher used descriptive research design and went on use questionnaires and interviews as data collection techniques from a selected sample size of 50 respondents. This enabled the researcher gather both qualitative and quantitative data from total response rate of 93% which was obtained. The data obtained was analyzed electronically with the use of excel. Pictorial and graphical presentation techniques were used to present data. The findings of the research revealed that the procurement personnel do not give much effort on supply market analysis thus affecting its effectiveness. It was also reviewed that lack of a professional buyer is the major problem. Recommendations were given that Bindura Town Council should recruit a professional buyer to undertake all the procurement functions of the organization such that supply market analysis will be given much attention. The study also recommends that future researchers should also consider other factors that may affect the effectiveness of procurement other than supply market analysis.
Table of Contents
RELEASE FORM.................................................................i
DECLARATION...........................................................................ii
APPROVAL FORM....................................................................iii
DEDICATION............................................................................iv
ACKNOWLEDGEMENTS..........................................................v
ABSTRACT.............................................................................vi
LIST OF TABLES......................................................................xii
LIST OF FIGURES.....................................................................xiii
LIST OF APPENDICES..........................................................xiv
LIST OF ACRONYMS............................................................xv
CHAPTER ONE........................................................................1
INTRODUCTION.........................................................................1
1.1 Introduction.........................................................................1
1.2 Background of the study.....................................................1
1.3 Statement of the problem....................................................2
1.4 Research objectives...........................................................2
1.5 Research questions............................................................2
1.6 Significance of the study....................................................3
1.6.1 To Bindura town council..................................................3
1.6.2 To BUSE..........................................................................3
1.6.3 To the residents of Bindura..............................................3
1.6.4 To the researcher..............................................................3
1.6.5 To prospective researchers..............................................3
1.7 Scope of the study (delimitation of the study)......................3
1.8 Limitations of the study......................................................4

vii
1.9 Definition of terms ........................................................................................................... 4
1.10 Chapter summary ........................................................................................................... 5
1.11 Organization of the research .......................................................................................... 5
CHAPTER TWO ......................................................................................................................... 6
LITERATURE REVIEW ............................................................................................................. 6
2.1 Introduction ....................................................................................................................... 6
2.2 Buyer’s Analysis of the Supply Market .............................................................................. 6
  2.2.1 Reasons for analyzing Supply Market ......................................................................... 7
  2.2.2 Benefits of analyzing Supply Markets ........................................................................ 8
  2.2.3 Purchasing and the Supply Market Environment ......................................................... 9
  2.2.3.1 SWOT Analysis as a means of Supply Market Analysis ........................................... 9
  2.2.3.2 Porters five forces model as a tool for Supply Market Analysis ............................. 11
2.3 Organizational Purchasing Procedures ............................................................................ 13
  2.3.1 The Purchasing and Supply Management Model ....................................................... 15
  2.3.2 The Chartered Institute of Purchasing and Supply code of conduct ......................... 16
2.4 Supplier Selection Criteria ............................................................................................... 17
  2.4.1 Supplier Selection Procedure .................................................................................... 17
  2.4.2 Classification of Suppliers .......................................................................................... 18
  2.4.3 Considering new Suppliers ........................................................................................ 19
    2.4.3.1 Importance or reasons for considering new suppliers ......................................... 19
    2.4.3.2 Most important selection criteria for a potential supplier .................................... 20
2.5 Supply risks faced by buyers when purchasing products ................................................ 21
  2.5.1 Sources of Supply risk .............................................................................................. 21
  2.5.2 Types of risks ............................................................................................................. 21
  2.5.3 Outcomes of Supply risk .......................................................................................... 22
2.6 Empirical review ........................................................................................................ 23
2.6.1 According to Zsidisin et-al 2003: A case study on supply risk assessment techniques. ..... 23
2.6.2 According to Maija Harju (2010): A case study on supplier selection criteria in ALMACO Group. ......................................................................................................................... 23
2.7 Chapter summary ......................................................................................................... 24
RESEARCH METHODOLOGY .......................................................................................... 25
3.1 Introduction ..................................................................................................................... 25
3.2 Research design ............................................................................................................ 25
3.3 Research Method .......................................................................................................... 25
3.4 Population and Sample. ............................................................................................... 25
3.5 Sampling procedures .................................................................................................. 27
3.6 Research Instruments .................................................................................................. 27
3.6.1 Questionnaires ........................................................................................................ 27
3.6.2 Personal Interviews .................................................................................................. 27
3.7 Data Collection Procedures .......................................................................................... 28
3.7.1 Pre-test (questionnaires) .......................................................................................... 28
3.7.2 Questionnaires ........................................................................................................ 28
3.7.3 Personal Interviews .................................................................................................. 28
3.8 Data analysis and presentation procedures ...................................................................... 28
3.9 Validity and reliability of research instruments. ............................................................. 29
3.10 Ethical Considerations ............................................................................................... 29
3.11 Chapter Summary ....................................................................................................... 29
CHAPTER FOUR ............................................................................................................... 30
Results, presentation, analysis and discussions ................................................................. 30
4.1 Introduction .................................................................................................................. 30
4.2 Response rate .......................................................................................................................... 30
4.3 Rating procurement performance. ......................................................................................... 31
4.4 Procurement department’s effort to satisfy internal users’ needs ......................................... 32
4.5 Poor Service Delivery by Suppliers ....................................................................................... 33
4.6 Causes of problems in procurement ..................................................................................... 34
4.7 Recommended approaches for buyers to get the best goods and services ......................... 34
4.8 Current Purchasing Procedures for Bindura Town Council .................................................. 35
4.10 Basis for Selecting a Professionally Competent Supplier. .................................................. 37
4.11 Importance of Bindura town council to Suppliers ............................................................... 38
4.12 Views of suppliers about the organizations’ procurement personnel’s conduct and
professionalism .......................................................................................................................... 39
4.14 Efforts made by the procurement function in analyzing supply market ............................ 41
4.15 Major supply risks faced by procurement personnel .......................................................... 42
4.16 Chapter Summary ................................................................................................................ 43

CHAPTER FIVE .......................................................................................................................... 43

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS ......................................................... 44
5.1 Introduction ........................................................................................................................... 44
5.2 Summary of findings ............................................................................................................. 44
5.3 Conclusions .......................................................................................................................... 46
5.4 Recommendations ............................................................................................................... 47
5.4.1 To Bindura Town Council ................................................................................................ 47
5.4.2 Future research .................................................................................................................. 48

REFERENCES ............................................................................................................................. 49

APPENDIX I: QUESTIONNAIRE TO EMPLOYEES ................................................................. 51
APPENDIX II: INTERVIEW SCHEDULE FOR KEY SUPPLIERS ............................................... 55
APPENDIX II: INTERVIEW SCHEDULE FOR DEPARTMENTAL REP .............................. 56
APPENDIX IV: APPROVAL LETTER .................................................................................................................. 57
LIST OF TABLES

Table 3.1: Population and sample.................................................................29

Table 4.1: Summary of questionnaires distributed and interviews scheduled........36

Table 4.2: Rating organization’s performance..............................................37

Table 4.3: Bindura Council having a professional buyer..............................47

Table 4.4: Supply risks faced......................................................................48
LIST OF FIGURES

Figure 2.1: SWOT Analysis.................................................................14
Figure 2.2: Porter’s five forces model.................................................15
Figure 4.1: Procurement department’s effort in satisfying user needs...............38
Figure 4.2: Poor service delivery by suppliers........................................39
Figure 4.3: Causes of problems in procurement......................................40
Figure 4.4: Approaches to get the best goods and services........................41
Figure 4.5: Current procurement procedures.........................................42
Figure 4.6: recommended procurement procedures................................43
Figure 4.7: Basis for selecting suppliers................................................44
Figure 4.8: The impact on suppliers of losing the institution as a customer............45
Figure 4.9: Buyers’ fairness to suppliers...............................................46
Figure 4.10: Buyer’s effort on supply market analysis.................................47
LIST OF APPENDICES

Appendix I: Questionnaires to Bindura Council employees ..................58

Appendix II: Interview Schedule for key suppliers ..............................61

Appendix III: Interview Schedule for departmental representatives ........62

Appendix IV: Approval letter ..............................................................64
LIST OF ACRONYMS

CIPS - Chartered Institute of Purchasing and Supply

JIT - Just in Time

SWOT - Strengths, Weaknesses, Opportunities and Threats
CHAPTER ONE

INTRODUCTION

1.1 Introduction

According to Baily P (2008), procurement practitioners play an important role in committing company funds to obtain value for every dollar spent in an organization. In concurrence Farmer (2008), points out that 60% of the local authorities’ funds are spent through purchases. Hence, for one to have an effective procurement and obtain value for money the supply market analysis technique has to be implemented by the practitioners.

1.2 Background of the study

Bindura Town Council is located in Mashonaland Central Province eighty-seven kilometers from Harare. The council has six departments which comprise of administration, finance, health, housing, procurement and works. The procurement department has the duty to evaluate and select suppliers on the basis of price, quality, service delivery, reliability and capability and to place orders for the required goods and services. The department has the mandate to do research and gain more insight and information about the supplier’s environment for materials at the lowest possible cost and risk. For it to effectively make decisions, the department has to be aware of the factors that affect the supplier’s environment. The department has to research the reputation and the history of the suppliers and should have to advertise so as to solicit bids.

Suppliers are a stakeholder in the organization ascertained by the value of their contribution to the value chain system. It is thus, a responsibility for the procurement department to carry out supply market analysis in a way to assess problems and challenges encountered by the suppliers that may result in them failing to fulfill the specified lead time and also the specified quality or maybe the specified quantity.
1.3 Statement of the problem
The expansion of Bindura town council and the introduction of new residential areas such as Chiwardzo, Garikai and Wood brook resulted in creation of problems within the procurement department. Some of the problems include late deliveries of procured goods, poor quality products and complaints from user departments. Suppliers have been called to supply in almost all departments but failed to satisfy the required standards leading to the suspension of work before completion or engagement of another supplier to restart the job. Hence difficulties in ascertaining the capability of suppliers during the supplier selection process have brought serious problems to the department and the credibility of the organization as a whole. It is as a result of this problem that the study seeks to ascertain the impact of supply market analysis on the effectiveness of procurement in local authorities.

1.4 Research objectives
i. To explore the supply market environment in order to ascertain problems affecting procurement.
ii. To assess the organization’s procurement procedures and their contribution to supply market analysis.
iii. To explore the organization’s supplier selection criteria.
iv. To find out the supply risks faced by buyers in procurement of products.

1.5 Research questions
i. What influence does supply market analysis have on procurement in Bindura Town Council?
ii. What are the current procurement procedures of Bindura Town Council and what contributions do they give towards the implementation of supply market analysis?
iii. What criteria do the local authorities adopt when evaluating and selecting suppliers?
iv. What are the supply risks faced by buyers in procuring products for the organization?
1.6 Significance of the study

1.6.1 To Bindura town council
The research will facilitate and enlighten the organization’s members particularly those with influence within the procurement process regarding the operations affecting the performance of the procurement department and also the organization as an entity.

1.6.2 To BUSE
The university stands to benefit from this research as it will assist other learners in research and study.

1.6.3 To the residents of Bindura
The study may also be helpful to the society as it will make them aware of the organization’s operations and may as well help in the improvement of service delivery.

1.6.4 To the researcher
By undertaking this study, the researcher seeks to benefit from its results since it will serve as an avenue to broaden his knowledge in the problem area. The researcher’s intellectual knowledge will also expand by applying various tools and analysis to draw conclusion for future analysis. Findings of the contemporary study are also expected to serve as baseline data for further researchers in this area.

1.6.5 To prospective researchers
It is hoped that the study will be useful to future researchers as it will give them guidelines in carrying out their research.

1.7 Scope of the study (delimitation of the study)
The research is to be conducted in Bindura town specifically restricted to supply market analysis concept and sharing its impact on the effectiveness of procurement in local authorities.
1.8 Limitations of the study

i. This research faced challenges on finance and time since the research was self-sponsored.

ii. Some of the information was regarded as confidential and the researcher was not in a position to access the information.

iii. The management was reluctant to give tangible information as they tried to protect the corporate image of their organization.

1.9 Definition of terms

i. **Procurement- Cooper et al (2003)**, explains procurement as the process of acquiring and arranging inbound movement of materials, components and finished goods from suppliers to manufacturing plants, warehouses and distribution centers until they eventually reach the end user. It can also be defined as the activities of acquiring goods or services to accomplish the goals of an organization.

ii. **Procurement procedures- Kurtz D.L (2009)** is of the view that procurement procedure is the process in which the organizations recognize the need for a product or service and search for the best available brand or supplier among all the alternatives. In simpler terms procurement procedures can be referred to as the whole process an organization follows when acquiring products and it starts from need identification till delivery of the actual product.

iii. **Supply market- Hargraves D.H (2008)** is of the notion that market supply is the summation of the individual supply curves within a specific market where the market is characterized as being perfectly competitive. A supply market is therefore a group of suppliers or potential suppliers of a particular product.

iv. **Supply market analysis-** It is a tool or technique that is used to assess how the supply market operates that is in terms of capacity, capability and competition. According to **Steele P et al (2008)**, supply market analysis is defined as a technique which enables a contracting authority to understand how a market works, the direction in which a market is heading, the competitiveness of a market, the key suppliers and the value that supplier place on the contracting authority as a customer.
v. **Effectiveness**- it is the degree to which objectives are achieved and extend to which targeted problems are solved. According to *Oxford Dictionary (2016)*, effectiveness is the degree to which something is successful in producing a desired result.

vi. **Supplier selection**- Beil D (2009) propounded that supplier selection is the process by which firms identify, evaluate, and contract with suppliers.

vii. **Supplier pre-qualification**- According to Alrgreadals A.r (2005), it is a method or process which involves identification and assessment of suppliers of particular goods or services against predetermined criteria.

1.10 Chapter summary
The chapter gave an insight of the research project. It started from the background of the study, then the statement of the problem that highlights that there has been an increase in the failure of procurement department of Bindura town council in delivering services to the internal users as a result of problems on the suppliers side, the significance of the study, research objectives, research questions, and the scope of the study, the problems that may be faced throughout the course of the project and the key terms that are going to be used throughout the study.

1.11 Organization of the research
Chapter two looked at literature review. The methodologies are in chapter three. Chapter four has knowledge findings, presentations and conclusions. recommendations are given in chapter five that marks the end of the research.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction
This chapter will focus on what other scholars and researchers researched in relation to the above problem by looking at existing literature. The objective is to explore and cite the theoretical review and empirical literature review in order to ascertain what other authors have contributed in the impact of supply market analysis effectiveness on procurement.

The review of literature in this study is aimed at exploring existing information about a few concepts that include Buyer’s analysis of the supply market, Organizational Procurement Procedures, Supplier Selection criteria to mention only but a few.

Supply Market analysis

It is a tool or technique that is used to assess how the supply market operates that is in terms of capacity, capability and competition. According to Alrgeadals (2005) supply market analysis is defined as a technique which enables contracting authorities to understand how a market works, the direction in which a market is heading, the competitiveness of a market, the key suppliers and the value that supplier place on the contracting authority as a customer.

2.2 Buyer’s Analysis of the Supply Market

i. Steele P et al (2008), defines supply market analysis as a technique which enables a contracting authority to understand how a market works, the direction in which a market is heading, the competitiveness of a market, the key suppliers and the value that supplier place on the contracting authority as a customer.

ii. The Chartered Institute of Purchasing and Supply (2011) stressed out that in order to obtain value for money; the procurement practitioner ought to possess a clear understanding of the environment in which his suppliers operate. This includes gaining an understanding of the dynamics in the industry, evaluating suppliers from a financial
and capability point of view and understanding the significant drivers of price and other important factors and all this is achieved through supply market analysis. **Chartered Institute of Purchasing and Supply (2016)** also postulated that the outcome of supply market analysis can assist the buyer to improve and nature the strategies and tendering processes and align their behavior in order to achieve better value for money, reduced prices or an improved service. **Porter M.E. (2008)** is of the notion that supply market analysis also helps to administer risk by identifying and analyzing how favorable the supply market is to buyers and the probability of supply market failure, hence being of paramount importance for effective procurement.

iii. **Lysons A.K. (2006)** stressed that knowledge on the supply market is a vital part of every sourcing process. It facilitates the selection of the correct sourcing strategy and negotiation platforms by shedding light into market characteristics and an organization’s position within it. In order to obtain the best value for money for the organization, deep knowledge of the supply environment has a significant impact.

### 2.2.1 Reasons for analyzing Supply Market

**i. To acquire better knowledge of supplier strategy**

**Alrgeadals (2005)** stipulated that supplier market can be analyzed for improved knowledge of supplier strategy by understanding how individual suppliers function, their market position, why they desire to deal with the contracting authority and understanding their longer term objectives helps obtain value for money.

**ii. To determine and manage risks**

**Lysons A.K (2006)** is of the view that Supply markets are analyzed in order to find out and control risks for the contracting authority. Analyzing supply market assists in determining the risks involved in purchasing particular goods or services and also identifies ways to manage these risks.
iii. To create a more informed contracting authority

Vanweele A.J (2002) suggested that supply market analysis is done in order to gain more informed contracting authority. He postulated that one of the aims of the procurement management reform process is to assist in creating a more informed contracting authority. With supply market analysis, the contracting authority is hoped to gain an understanding of how technology and other factors are driving changes in the market for the particular goods or services it requires. This helps the contracting authority gain an insight as to how goods and services are priced and how quality and standards of the service are determined by the suppliers.

2.2.2 Benefits of analyzing Supply Markets

i. Better decision making on awarding contracts

Alrgeadals (2005) propounded that analyzing supply markets may provide important information about suppliers’ strengths and weaknesses, for example through site visits the buyer can discover that the supplier has no capacity to perform as per the requirements of the contract maybe due to lack of infrastructure, machinery or even capital. This will in turn benefit the buyer in the sense that he is in a better position to decide on not awarding the contract to that particular supplier and look for another competent supplier so as to obtain value for money for the organization. Supply market analysis also helps recognize comparable substitute goods and services that may be available from more viable and risky supply markets and could offer better value for money.

ii. Helps manage supply risks

Queensland (2015) suggested that analyzing supply market can assist with managing supply associated risks by identifying early on whether there are supply market factors that could lead to a narrow response from the market. Other benefits are identification of substitute goods or services that may be from more competitive and less risky supply markets, assisting in the development or redefinition of specifications to encourage competitive offers. Supply market
analysis also plays an important role in identifying any legislation to which goods or services must conform as well as providing information to assist in negotiations.

iii. Helps in selection of the correct sourcing strategy

Handfield R (2006) postulated that supply market analysis is of paramount importance in every sourcing process as it plays a vital role in the selection of the proper sourcing strategy and gives a means for a thorough examination of the market. Market analysis contributes much in determining the success of a market and in understanding the SWOT analysis of the market as it points out its developing opportunities and threats relative to the strengths and weaknesses of the buying company.

2.2.3 Purchasing and the Supply Market Environment

According to Stimpson et al (2002) in conducting business both the supplier and the buyer experience some obstruction as an outcome of some environmental factors and these have a huge influence on the direction to which a market is heading. Thus the availability as well as distribution of products can be influenced by these factors.

2.2.3.1 SWOT Analysis as a means of Supply Market Analysis

The environmental factors mentioned above can be assessed using the SWOT analysis during Supply Market Analysis. Buyers and Suppliers can use SWOT analysis as a form of strategic analysis that identifies and analyses the main internal strengths and weaknesses along with external opportunities and threats that will influence the future direction and success of a business. Baily P et-al (2008) propounded that SWOT is an analysis that is generally favorable in examining strengths, weaknesses, opportunities and threats that can provide insight even with limited data into a supply market. They also stipulated that as a strategic tool, the main goal of using SWOT analysis is to minimize weaknesses and threats whilst exploiting strengths and opportunities. Fig 1 shows the model of SWOT analysis:
Silva M (2012) revealed that SWOT when broken down simply means analyzing the Strengths, Weaknesses, Opportunities and Threats. **Strengths** are referred to as the internal factors about a business that can be looked upon as genuine advantages. **Weaknesses** as suggested by Silva M (2012) are the internal factors about the suppliers that can be viewed as negative factors.

According to Stimpson and Farquharon (2002), **opportunities** are possible areas for expansion of the supplier’s business. Examples include new technologies, export markets expanding faster than domestic markets and lower interest rates. **Threats** according to Silva M (2012) are the external movements to the supplier which may cause problems and have a negative impact on the buyer’s business. Examples of threats include entry of a new competitor in the Supply Market, price wars with competitors, competitors bringing in new innovative products and competitors gaining superior access to channels of distribution.
2.2.3.2 Porter’s five forces model as a tool for Supply Market Analysis

Porter M.E (2008) developed a five forces framework that can be used in supply market analysis and business strategy. Bail P et-al (2008), is of the view that Porter’s “five forces,” were created to illustrate competitive forces in a market economy and these are the forces that nature an industry. Figure 2.2 below shows Porter’s five forces (Porter, 2008):

---

**FIGURE 2.2**

<table>
<thead>
<tr>
<th>Threat of New Entry</th>
<th>Competitive rivalry</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Time and cost of entry</td>
<td>- Number of competitors</td>
</tr>
<tr>
<td>- Specialist knowledge</td>
<td>- Quality difference</td>
</tr>
<tr>
<td>- Economies of scale</td>
<td>- Other differences</td>
</tr>
<tr>
<td>- Cost advantage</td>
<td>- Customer loyalty</td>
</tr>
<tr>
<td>- Technology protection</td>
<td>- Cost of leaving market</td>
</tr>
<tr>
<td>- Barriers to entry</td>
<td></td>
</tr>
</tbody>
</table>

**SUPPLIER POWER**

- Number of suppliers
- Size of suppliers
- Uniqueness of service
- Cost changing

**Threat of substitution**

- Substitute performance
- Cost change

**BUYER POWER**

- Number of customers
- Size of each order
- Price sensitivity
- Ability to substitute
- Cost of changing

**COMPETITIVE RIVALRY**

---

"Porter’s five forces model"
Porter M.E (2008) stipulated that these factors can be referred to as the micro-environment as they are made up of forces that are close to a company that can have an effect on its capacity to serve its customers. According to Porter there are five strategic forces that determine competitive power in every business and these are discussed below.

i. **Competitive rivalry**: Porter M.E (2008) defines it as the concentration of competition between firms in the supply market. Buyers during supply market analysis should assess the number and capability of their competing suppliers. Baily P et-al (2008) is of the view that when there are several competing suppliers in the market then the buyers have a number of options hence more power in the market. Factors to be assessed by buyers as suggested by Baily P et al (2008) include number of competitors, diversity rivals, fixed costs, switching costs among others.

ii. **Threats of new entrants**: Porter M.E (2008) stipulated that the influence of the supplier in the supply market is determined frequently by the barriers to entry of the market. That is to say if there are low barriers to entry then many competitors are free to enter into the market and compete hence reducing the power of the supplier yet giving the buyer more power for example in negotiations.

iii. **Threats of substitutes**: Baily P et al (2008) also supports that threats of substitute products and services can also influence the supply market and these factors includes relative performance of the substitutes as well as their prices. Porter M.E (2008) is of the notion that if the supplier provides a distinctive or scarce product then the buyer is prone to having little or no power over the supplier, but if the product has many substitutes then the buyer has more power hence forcing the supplier to concentrate more on satisfying the buyer.

iv. **Bargaining Power of Buyer**: Baily P et al (2008) propounded that as buyers begin to consolidate specifications and develop industry standards their power over suppliers increase whereas if the quality and performance of their product depend critically on suppliers then the opposite is true. Porter M.E (2008) is of the view that buyers power is based on the amount of pressure they exert on suppliers. Buyers are likely to exert more pressure and become powerful when they are price sensitive, when they are few in the market, when they purchase large volumes among others.
v. Bargaining Power of Suppliers: Porter M.E (2008) suggested that supplier power refers to how much pressure suppliers can place on a business and how easy is it for them to drive prices up. Suppliers can have more power over buyers when they are no substitutes, when there are very few suppliers of the product as compared to the buyers and when switching costs are relatively high. Baily P et-al (2008) suggested that as many supply markets begin to consolidate, fewer suppliers mean that a greater amount of supplier power exist in the market. Hence buyers need to take a high-level view of the market place and begin to brainstorm and review the implications of these changes in the market place with key stakeholders.

Thus in a nutshell, to pass a compliment on the above suggestions of authors, the researcher is of the support that Porter’s five forces model is a powerful technique for supply market analysis in a way to improve effectiveness of procurement in an organization. This is because the tool helps the buyers in determining their power and competitive edge in the market hence can decide proactively on the appropriate relationships to adopt in any given situation.

2.3 Organizational Purchasing Procedures

Westing (1976) referred to Purchasing Procedure as the manner in which the whole process of acquiring a product in an organization is done. He is also of the view that of any organization aims for value for money which is mostly reliant on procurement through savings developed from well-organized purchasing procedures. Chartered Institute of Purchasing and Supply (2013) referred to purchasing procedure as a guiding principle that confirms to all stakeholders the principles on which the organization procures and contracts. Kurtz D.L. (2009) is of the view that purchasing procedures is the technique which an organization follows from acknowledgment of the need for a product and the exploration for the best available brand or supplier in the midst of all the alternatives.

Westing (1976) postulated that procedures gives a comprehensible picture and understanding of the duties and obligations of every person who is directly or indirectly involved in the acquisition of a product, with the application of forms and records to direct in the execution of procedures. Westing also highlighted the need for a purchasing manual to facilitate proper and successful implementation of organizational purchasing procedures in a way to obtain value for money.
Harney D (2001) also supports the notion that a purchasing manual is a key document in any local government, as it contains the policies governing public procurement. Baily P et al (2008) also stipulated that local governments should also act in accordance with the Provisions of the Public Procurement Act 22:14 which gives instructions on how purchasing procedures should be considered or implemented in any public institution.

Westing (1976) propounded that common purchasing procedures include **blanket ordering** and **stockless purchasing**.

**i. Blanket order**

A **blanket order** as the name suggest refers to a consolidated order where a contract is made between the buyer and the supplier to make available the stipulated quantity of the given items for a selected time frame at an agreed price. A ‘release system’ is put into place to administer how deliveries will be conducted. Westing enlightened that this type of procedure is pertinent to low unit value but high annual usage items whose rate of usage cannot be accurately planned. The main advantages of blanket ordering as suggested by Westing (1976) include reduced stock outs and simplified paper work for routine ordering.

**ii. Stockless purchasing**

**Stockless purchasing** as the name suggest is the one in which the buyer does not hold any stock and has no financial responsibility for inventory purchased. An agreement is also made as to whether the goods be kept at the supplier’s or buyer’s location. The benefit of this procedure to the buyer is that there will be no capital tied up in stock. Thus as supported by the Chartered Institute of Purchasing and Supply (2013), purchasing procedures are of paramount importance to the effectiveness of purchasing in an organization. They assist the buyer during supply market analysis as they will be analyzing and selecting those suppliers who conform to the procurement procedures and policies of the organization.

In addition to their importance Chartered Institute of Purchasing and Supply (2013) also brought into light that all purchasing procedures used in an organization should comply with The Purchasing and Supply Management Model.
2.3.1 The Purchasing and Supply Management Model

Chartered Institute of Purchasing and Supply (2013) is of the view that the model illustrates the series of purchasing and related activities in a common procurement situation. It also stipulates that all purchasing procedures should conform to the provisions of the model and that any divergence should be brought in light and checked against the models to guarantee that no extreme risks are incurred by adopting a certain procedure. CIPS (2013) expanded that the model is comprised of four sections namely Sourcing analysis, requisition management, Pre-contract activities and Post-contract activities.

i. **Sourcing analysis:** is primarily based on market intelligence (Market analysis), forecasts along with expectations of the organization and even the supply chain as a whole to make sure that correct purchasing strategies are being implemented and that they meet the terms of the Purchasing Policy and overall organizational objectives.

ii. **requisition/Demand Management:** this is mainly aimed at planning for the future demand of the organization and stresses mainly on the distinction between direct and indirect demand of an organization. CIPS suggests that Demand Management helps to cab shortages and or unexpected demand rising in an organization.

iii. **Pre-contract activities:** CIPS (2013) postulates that this part of the model involves each and every stage of acquiring a product that is from identification of need to awarding of a contract.

iv. **Post-contract review:** the section of the model as stipulated by CIPS (2013) states that upon finishing of all major procurement, an official review should be held involving the procurement team as well as other stakeholders and lessons learnt ought to be fully documented, promulgated and recorded. This is done to ascertain the applicability of the procedures and the introduction of extra or revised procedures where suitable.
2.3.2 The Chartered Institute of Purchasing and Supply code of conduct

The Chartered Institute of Purchasing and Supply (2009) stipulated that most successful institutions recognize that they will prosper in the long run if they consider and satisfy the aspirations of their stakeholders which include employees, government, local communities, customers, investors, public interests as well as suppliers. It also stressed that for the above stakeholders to be satisfied, organizations need to recognize the need to track, measure and report on their ethical and social performance. Thus leading to the introduction of the Code of Conduct which sets out the following basic principles that governs procurement practitioners;

i. Understanding and commitment

The CIPS (2009) code of ethics stipulates that the buyers should ensure consistent understanding of ethics across the organization. They should also ensure abolition of unethical practices for example corruption, human rights abuse, fraud, child labor, and bribery.

ii. Ethical practice

The code of ethics stresses out that when executing purchasing functions, buyers ought to treat every stakeholder without bias, exercising fairness and impartiality. As recommended by CIPS (2009), buyers should put into effect all purchasing activities with respect, openness and reliability.

iii. Professionalism

The CIPS (2009) code of conduct advocated that buyers should put into practice due diligence in all business activities and should guarantee training of all staff concerned in sourcing, supplier selection, supply market analysis and supplier management.

iv. Accountability

Procurement practitioners as suggested by the code of conduct should acknowledge accountability and take possession of business ethics. They should also take steps to avert report and remedy unethical business practices.
2.4 Supplier Selection Criteria

According to Beil D (2009) supplier selection is the process by which organizations identify, assess and contract with suppliers. Westing (1976) postulated that all the other activities of procurement come into action and implementation in the critical decision as to who shall be awarded the contract. The selection process includes the ongoing surveillance of the connection between the supplier and the buyer to sustain mutually satisfactory conditions of cooperation and interest.

Benton W.C (2007) is of the notion that when conducting a supplier selection exercise, the organization is required to first evaluate its situation and then decide on the criteria to be used as this will help them decide on the firm from which they have a competitive edge. Buyers should select suppliers basing mostly on capabilities rather than competitiveness, because selecting the ‘right supplier’ is one of the five rights (5rs) of procurement as supported by Baily P et al (2008).

Dominick C (2010) propounded that supplier selection criteria to be used in an organization for a particular product should be defined by “cross functional” group of representatives from different sectors. Dominick C (2010) also defined criteria as the attributes that an organization value in its agreement with suppliers and these include cost, quality, delivery, service, convenience among others.

2.4.1 Supplier Selection Procedure.

Conrad A. (2016) outlined the selection process, where the following steps ought to be followed;

i. Creating a supplier scorecard

This is the first step of the supplier selection procedure which entails listing all the essential elements the organization desires in a supplier.

ii. Identifying suitable suppliers

The second step is identifying appropriate suppliers by creating a pool of suppliers from which they will decide on the right supplier. Considerations ought to be given to current and past suppliers, competitors, industry groups, internet as well as recommendation.
iii. Scorecard ranking

The third step of the selection process according to Conrad A. (2016) is the scorecard ranking. In this step information about the acknowledged suppliers is tabulated as well as ranked against the scorecard.

iv. Negotiation process

In this step of the supplier selection process, negotiations are conducted by the procurement practitioner and the top supplier on the scorecard depending on the criticality and value of the product.

v. Creation of a contract

This is the final stage of the procedure and it entails creating a contract through signing of a contract. It is at this stage where the contract is awarded to the qualified supplier.

2.4.2 Classification of Suppliers

When a supplier database or a final list is created, it is possible to classify the suppliers according to their importance. According to Algreadals (2005) buyers ought to consider classifying their supplier database so that they recognize where potential difficulties may emerge. Suppliers can be categorized as:

i. **Bottleneck Suppliers**- where there is little or no room for substitution, there are monopolistic markets and barriers to entry are high.

ii. **Non-Critical Suppliers**- there is availability of particular products and the goods or services are standard specified as well as provided by a number of suppliers hence room for substitution.

iii. **Leverage Suppliers**- there is adequate availability of the product because of a wide range of suppliers, substitution is possible and there are standard products.

iv. **Critical Strategic Suppliers**- suppliers are strategically important since they are not easy to source and contribute significantly to the achievement of the procurement strategy.
Thus understanding the structure of a market gives contracting authorities an insight as to how firms operate and how they are likely to behave in a commercial environment.

2.4.3 Considering new Suppliers

Beil D. (2009) stressed out that for an organization to survive in an intensively competitive global economy, it is of paramount importance to not only concentrate on existing suppliers but also consider new potential vendors in the market. Beil D. 2009 listed a number of reasons why potential vendors should be considered in an organization and that potential suppliers ought to be screened and qualified to be part of the organization supply base.

2.4.3.1 Importance for considering new suppliers

i. Novel production technology

Ghawai D et al (2004), pointed out that a new vendor may have created a new production technology or a streamlined process which makes them able to significantly reduce production costs relative to the predominate production processes.

ii. Structural cost advantage

A new vendor may have a structural cost advantage over existing suppliers, as suggested by Wan Z and Beil D.r 2008. They also stressed that for instance a company may incur low costs as a result of the availability of cheap labor or even favorable export and import regulations in their home country thus having a competitive edge against existing suppliers.

iii. Increasing costs of existing suppliers

Beil D 2009 is of the notion that costs of predominate suppliers may be continuously increasing to the extent that they end up being booted out of business. This raises the need for new suppliers in the organization.
iv. The need to stimulate competition by buyers

Parkes D.C and Kalgnanam J 2005 suggested that new vendors may be considered just because the buyer needs more suppliers in the pool so as to drive competition amongst them and also the need to reduce supply disruption risks, or the need to achieve other business objectives like supplier diversity.

2.4.3.2 Most important selection criteria for a potential supplier.

Hubble J 2013 indicated the following key components of the selection criteria for a potential vendor;

i. Quality

Hubble J 2013 indicated that quality is the most significant factor when conducting supplier selection. This is so because if a supplier offers a low quality component ultimately this will affect an organization’s delivery, costs as well as image. Thus as suggested by Hubble, it is vital to consider if the supplier has a quality program in place and if the program is instilled from the top management to down.

ii. Delivery

Hubble J 2013 also advocates the need to be aware of a potential supplier’s lead time and also that the organization ought to be familiar with the potential supplier’s supply chain. Hubble also made emphasis on assessing the vendor’s key suppliers as she suggests that having this knowledge will increase the organization’s credibility and helps in ensuring success in meeting commitments to customers.

iii. Cost
It is the view of Hubble J 2013 that the organization should also consider cost when selecting new vendors as she argues that cost is more as compared to price. Hubble suggests that it is important for organizations to keep in mind that low price is not always the best value for money. If organizations need reliability and quality from potential vendors, they should decide on how much they are willing to pay and determine the balance they want to strike between cost, quality, reliability and service.

iv. Innovation

Lastly Hubble J 2013 highlighted on innovation that if an organization is considering a new vendor for a long term relationship, there is need to assess the extent to which the supplier is committed to keeping up with the latest technology. This can be seen by checking whether the supplier has a qualified engineering organization on site. If so, it shows that they are likely to be more knowledgeable about new technology.

2.5 Supply risks faced by buyers when purchasing products.

Queensland (2015) is of the view that supply risks are the risks caused by any interruptions to the flow of product, whether raw materials or parts within the supply chain. CIPS (2013) defined risks as the likelihood of an unwanted outcome happening. Analyzing supply market assists in determining risks involved in procurement and ways to mitigate them.

2.5.1 Sources of Supply risk.

According to Zsidisin G.A (2003), the sources of supply risk tend to arise from individual supplier failures as well as from market factors. Individual supplier failures entail the ability to knob changes in demand, quality problems at supplier’s plants along with the inability to keep in pace with technological changes. Supply risks as a result of market factors relates to issues to do with supplier market characteristics. These include single sources and market capacity constraints.

2.5.2 Types of risks.

Benton W.C (2007) postulated that there are four types of risks namely delivery risks, financial risks, technical risks, and service risks.
i. **Delivery risks**- One of the key objectives of procurement is on-time delivery as stipulated by Baily P et al (2008). It becomes a risk when a supplier fails to make available a certain product on-time or fails to deliver at all subsequent to receiving a payment. This may result in production stoppage and even lost sales hence affecting the image of the organization. Westing (1976) also highlighted that some suppliers can consent on certain delivery dates which they cannot meet just for them to win a contract hence becoming a risk to the organization.

ii. **Financial risk**- Benevento (2013) is of the notion that suppliers may not be financially steady, therefore divulging the company in supply interruption risks. Financial risk is a matter of value for money.

iii. **Service risk**- Zsisisin G.A (2003) stated that most products particularly commercial or industrial ones call for consistent service to ensure functionality. The failure of the supplier to guarantee servicing truly poses a risk to the organization.

iv. **Technical risk**- this involves the risk of product not performing as planned, hence making it essential to understand the vendor’s expertise in delivering similar services to other companies with the similar complexities of the business model, geographical dispersion as well as use of technologies.

2.5.3 **Outcomes of Supply risk.**

Zsisisin G.A (2003) stressed out that supply risks may result in the failure to meet customer requirements and also threats to customer life in addition to safety where inability to meet customer needs may result in lost sales, lost goodwill which will in turn affect the organization’s revenues and profits. Threats to customer life and safety may arise from issues related to product integrity, durability and reliability. This implies that if a product has a failure it may cause customer injury or even death.
2.6 Empirical review


Procurement organizations are vulnerable to risks when dealing with suppliers and for them to understand the risks, they ought to proactively assess the probability and the impact of supply risks in advance or they can even discover the risk after occurrence of an event. The organization may experience immediate damage resulting from production delays or even compromised quality of the product. For example, the problems of quality that were realized by the Wilderness AT tire in 2000 which led to 174 deaths reports and an approximate cost of $2.1B for their recall (Truet, 2001). There are basically two categories of supply risk evaluation techniques namely formal risk assessment tool and supply management tools. The tools are centered on addressing supplier quality issues, improving supplier processes in addition to reducing the possibility of supply disruptions. Findings from the research highlighted that assessing supply markets requires the buying firm to have a proactive approach of understanding the impact as well as likelihood that unfavorable events can have on inbound supply. The understanding will in turn help the firm in best managing the risk. Findings from the study also suggests that supply risk assessment can also take place as a secondary benefit of the execution of proactive supply management tools, particularly those that focus on addressing supplier quality issues, improving supplier performance and preventing supply interruptions


Procurement in any organization is considered a decision process not a single action and the procurement practitioners are influenced by four set of factors namely individual, interpersonal, organizational and environmental. The study stressed out that selecting the right supplier plays a vital role in any organization as it increases competitiveness. Among the other issues of supply chain management pertaining to procurement decisions, supplier selection is the core activity of the organization’s procurement department hence the need for it to play a key role in the
organization’s effectiveness since its procurement decisions have a direct impact on profitability of the company. Findings of the research stressed out that there are a number of models for procurement decision making process in ALMACO. People concerned with purchasing of the organization are trusted to craft their own decisions using any technique they choose to use. The company uses the “Order to Delivery” as its purchasing system for projects despite of the risks associated. Pricing is the most essential criteria for choosing a vendor even though they also consider some criterion as reliability which is obtained from previous experience and successful deliveries. The major buying risk the buyers recognized was the financial risk.

Thus the study has reviewed that supplier selection criteria is of paramount importance in procurement as it contributes to supply market analysis since the procurement practitioners will have an understanding of the supply environment.

2.6.3 Research gap

Gap analysis is the process through which a company compares its actual performance to its expected performance to determine whether it is meeting and using its resources effective. Likewise, although the impact of supply market analysis effectiveness on procurement has been reported, existing literature does not explain the variation in those benefits. The framework developed in this research project is intended to address these gaps on the impact of supply market analysis to the effectiveness of procurement.

2.7 Chapter summary

The chapter mainly focused on the views of different authors regarding the impact of supply market analysis on the effectiveness of procurement. The following chapter will be outlining the methodology
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction
In this chapter, the main focus is on the research design, research instruments, population and sample, sampling procedure, data collection procedures, data analysis, and presentation procedures. Questionnaires and personal interviews were used to collect data from the available staff members and this had also facilitated improved research reliability.

3.2 Research design
This study will make use of a descriptive research design. A descriptive research design helps to find out critically what’s happening. It incorporates research to collect information, facts and ideas. The design allows for the use of both field and desk research. Desk research focuses on literature while field research involve the use of case study approach to point-out people’s knowledge, beliefs, preferences, opinions, views and attitudes to answer the research questions. The researcher had to use case studies since they provide a systematic way of looking at events. This has helped the researcher gain a sharpened understanding of the facts under study and what would possibly become necessary to look at more extensively in future research.

3.3 Research Method
This entails the type and method of data collection employed by the researcher as presented in research design.

3.4 Population and Sample.
The target population was the, suppliers, council employees in procurement, finance, housing managers, and health officials and works management of Bindura Town Council.
The table below shows the population and the sample size:

**Table 3.1 Population and sample**

<table>
<thead>
<tr>
<th>Group</th>
<th>Population</th>
<th>Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top management</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Middle management</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Clerks</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>General hands</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Finance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top management</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Middle management</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Clerks</td>
<td>10</td>
<td>2</td>
</tr>
<tr>
<td>General hands</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Housing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top management</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Middle management</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Clerks</td>
<td>10</td>
<td>2</td>
</tr>
<tr>
<td>General hands</td>
<td>11</td>
<td>2</td>
</tr>
<tr>
<td>Works</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top management</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Middle management</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Clerks</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>General hands</td>
<td>80</td>
<td>10</td>
</tr>
<tr>
<td>Health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top management</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Middle management</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Clerks</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>General hands</td>
<td>30</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>44</td>
</tr>
</tbody>
</table>

Due to budget and time constraints, together with the need for accurate and reliable results, 44 members from a population of 200 were selected as the sample for carrying out the study and 6
representatives of the key suppliers were also interviewed to make total number of 50 respondents. The researcher made sure that every group or department at every level has been represented so as to ensure quality, reliable and valid information.

3.5 Sampling procedures
The researcher used non-probability sampling procedures that rely on the subjective judgment of the researcher for the convenience and judgmental sampling. Call backs has also been done to ensure that all information needed is gathered.

3.6 Research Instruments
Interviews and questionnaires were used to collect data.

3.6.1 Questionnaires
To extract reliable qualitative and quantitative data from the respondents the researcher used questionnaires with structured and unstructured questions. The researcher also made use of Likert scale to allow for easy and faster response from the respondents. The Likert scale is a type of rating scale used to measure attitudes or opinions where respondents are asked to rate items on a level of agreement for example strongly agree, agree, neutral and strongly disagree. The respondents were asked not to write their names on the questionnaire so that they may provide information without the possible threat of being followed after. They were also allowed a chance to respond to questions at a time that is convenient to them to enable collection of meaningful and thoughtful data. 44 questionnaires will be distributed to staff members of the organization.

3.6.2 Personal Interviews
The researcher conducted some interviews and 11 of the total sample size of 50 were selected for the interview session. Five of them were representatives of each of the organization’s department and 6 of them were the organization’s key suppliers. Since suppliers are an important source of information in the research, information from them was collected through interviews which were conducted during visits to their places or when supplier representatives delivered goods. The selected suppliers were those who mostly do business with the organization like suppliers of
aluminum sulphate for water treatment, chlorine gas, computer accessories and consumables, safety clothing, hardware equipment and stationery.

3.7 Data Collection Procedures
Data collection procedures started by obtaining permission from Bindura town council authorities using a formal letter with BUSE letterhead so as to be able to conduct the research. After obtaining permission to carry out the research, the researcher informed all various departments of the organization on the intention of the study. Below are procedures of how questionnaires were distributed and how interviews were conducted.

3.7.1 Pre-test (questionnaires)
Before the questionnaires were handed to the participants, a pre-test was done using some participants representing the different categories of respondents. This was done in order to assess the relevance, objectivity and non-ambiguity of the questions. The need to evaluate the impact of the questions and to assess the quality of responses in order to improve their impact on the research made rise to the need of a pre-test study.

3.7.2 Questionnaires
The researcher physically distributed the questionnaires to all the respondents.

3.7.3 Personal Interviews
The researcher made appointments with the representatives of the organization and key supplier’s representatives. The interviews were conducted during their spare time especially break or lunch time. The researcher recorded their responses.

3.8 Data analysis and presentation procedures
Data was analyzed electronically using excel. To present data the researcher used tables, pie charts and bar graphs for data presentation so as to give a clear picture of the study.
3.9 Validity and reliability of research instruments.

1. The questions were clear and meaningful to all respondents.
2. On personal interviews, the researcher ensured that the environment on which interviews were conducted was favorable to all respondents.

3.10 Ethical Considerations
The researcher conformed to ethical consideration by ensuring confidentiality and anonymity. The researcher had to first seek permission from the Bindura Town Council before conducting the research. The researcher booked appointments with respondents and explain to them the main purpose of the study to ensure that participants give informed consent.

3.11 Chapter Summary
The chapter outlined the research design used, definition of the population, the sampling procedure followed, indication of the research instruments used, highlighting the challenges that will be encountered during the study as well as justification of the procedures and instruments to be used in the research.
CHAPTER FOUR

Results, Presentation, Analysis and Discussions

4.1 Introduction
This chapter presents the research findings and discussions as well as the analysis and interpretation of findings. Pictorial and graphical presentation techniques are used in presenting the findings of the research.

4.2 Response rate
Table 4.1 Summary of questionnaires distributed and interviews conducted.

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>NUMBER OF RESPONSES</th>
<th>PERCENTAGE RESPONSE %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TARGET</td>
<td>ACTUAL</td>
</tr>
<tr>
<td>QUESTIONNAIRES</td>
<td>44</td>
<td>40</td>
</tr>
<tr>
<td>INTERVIEWS</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>TOTAL</td>
<td>55</td>
<td>51</td>
</tr>
</tbody>
</table>

Two of the general hands were not available when the researcher collected the questionnaires and the other 2 could not respond to the questionnaires because they had other commitments and could not have time to respond. This resulted in a 91% response rate being recorded for questionnaires. All supplier representatives as well as department representatives who were scheduled for interviews responded hence leading to a 100% response rate. regardless of the non-response rate of 9% for the questionnaires a 93% total average response rate was considered reasonable.
4.3 Rating procurement performance.

Table: 4.2 Rating Organization’s Performance.

<table>
<thead>
<tr>
<th>RATE</th>
<th>NUMBER OF EMPLOYEES</th>
<th>PERCENTAGE%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>Fair</td>
<td>24</td>
<td>60</td>
</tr>
<tr>
<td>Poor</td>
<td>10</td>
<td>25</td>
</tr>
<tr>
<td>TOTAL</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

Considering the responses from the people it can be concluded that the procurement department of Bindura Town Council is trying its best to fulfill its duties and obligation as shown by a majority vote of fair and good. This implies that the procurement department is conforming to the requirements of the Chartered Institute of Purchasing and Supply (2013) which entails that one should respect his/her profession and act in utmost good faith.
4.4 Procurement department’s effort to satisfy internal users’ needs.

Figure: 4.1 Procurement department’s effort in satisfying user needs.

The findings from the research show that the procurement department of Bindura Town is doing enough to satisfy internal user needs. This is shown by a total of 55% response rate recorded from respondents who either strongly agree or agree with the assertion that the procurement department is doing enough to satisfy internal user needs. The results are in line with suggestions of CIPS (2009) code of conduct, that for an organization to prosper in the long run they should consider and satisfy aspirations of all stakeholders.
4.5 Poor Service Delivery by Suppliers

Figure: 4.2 Poor service delivery by suppliers

The findings show that poor service delivery by suppliers is increasing at Bindura Town Council as a result of poor supply market analysis. This is concluded from the majority of the respondents who strongly agree and agree with the assertion which hold a response rate total of 75%. Following the suggestion by (Algreadals 2005) that there is need for better understanding in the buying institution of the suppliers and the market in which they operate so as to develop effective sourcing and negotiation strategies. The results from the questionnaires review that the organization is not conforming to the suggestion hence affecting its procurement performance.
4.6 Causes of problems in procurement

Figure: 4.3 Causes of problems in procurement.

![Diagram showing causes of problems in procurement using number of respondents]

The findings from research show that the works department is contributing much to the occurrence of problems in procurement. As recommended by Stimpson and Farquharon (2002) that the buyer also experience some hindrances in executing functions as a result of some environmental factors like user departments, poor communication among others, the results therefore conforms to the suggestion. There is poor communication between the department and the procurement also it can be discussed that the works department does not give the procurement department ample time to source quotations as well as doing the procurement hence resulting in problems in procurement. Buyers and suppliers also contribute to procurement problems to a lesser extent.

4.7 Recommended approaches for buyers to get the best goods and services.

Figure: 4.4 Approaches to get best goods and services
The findings of the research are therefore in line with the suggestions by Conrad. A (2016) in selection process, that both current and potential suppliers should be considered during supplier selection so as to ensure efficiency. The results from the questionnaires also support the view of Beil D (2009) that potential vendors should be considered also by buyers for the organization to survive in an intensely competitive global economy.


Figure: 4.5 Current Purchasing Procedures
The results from the respondents show that Bindura Town Council mostly adopts both just in time and bulk buying as procurement procedures. Following the recommendations by Westing (1976), the organization is agreeing to the suggestions that bulk buying reduces stock outs. Also the organization is conforming to the arguments of the Chartered Institute of Purchasing and Supply (2013) that just in time reduces risks of capital tied up in stock hence being beneficial for the organization to consider the just in time procurement procedure.

4.9 Alternative procurement procedures suggested for the organization

Figure: 4.6 Recommended purchasing procedures.
Considering the advantages given by Westing (1976) that bulk buying reduces stock outs, the results from the respondents of the questionnaire are in line with this view. Thus it can be concluded from the results that the majority respondents suggest bulk buying as a procedure that will improve procurement efficiency. The greater percentage of the respondents suggests that bulk buying be done so that the organization does not run out of essential commodities such as Aluminum Sulphate for water treatment. The results at the same time contradict with CIPS (2013) which advocates that just in time procurement procedure is relatively good in acquiring products as it reduces the risk of capital tied up in stock as well as lessening the burden of carrying costs from the organization.

4.10 Basis for Selecting a Professionally Competent Supplier.

Figure: 4.7 Basis for Selecting Suppliers.
The above responses of the respondents especially the 22 that advocates for all the attributes are supporting the suggestion by Dominick C (2010) who advocates that all the attributes should be considered when selecting a perfect and competent supplier. The results also conform to the suggestion by Beil D (2008) that suppliers ought to be screened and qualified basing on all the attributes that constitute their potential to serve the organization as agreed.

4.11 Importance of Bindura town council to Suppliers.
Figure: 4.8 The impact on suppliers of losing Bindura town council as a customer.
The majority of suppliers interviewed advocated that losing Bindura Town Council as one of their customer can result in a huge loss. Only one of the respondents advocated that losing the organization as its customer can cause a slight negative impact. The majority of suppliers who said they will have a huge loss also stressed out that the organization is their major customer who buys goods on large volumes hence losing such a customer will cause a significant loss to the organization.

The interviewed suppliers’ representatives had different views as to the threats they face in the market. The following are some of the threats they came up with;

i. New business establishment by foreigners especially Chinese.
ii. Influx of cheap products from China which many buyers are now resorting to.
iii. Lack of funding from financial institutions and unfavorable interest rates resulting in lack of adequate resources.

4.12 Views of suppliers about the organizations’ procurement personnel’s conduct and professionalism.

Figure: 4.9 Buyers fairness to suppliers.
The majority of the suppliers rate the procurement personnel’s degree of professionalism as good and there are willing to continue dealing with them. Only few of them indicated that they are treated unfairly by the procurement personnel. They also stressed out that they continuously quote for goods and services of which they are never awarded a contract of them. They feel they are only used to provide a bill of quantity so as to support other preferred suppliers.

The results from the interviews conform to the ethical code of conduct of the Chartered Institute of Purchasing and Supply (2009) which supports that purchasing personnel of an organization should exercise professionalism when executing their duties. Working with such suppliers will benefit the organization since it is likely to get enough attention from the supplier as well as prompt response.

4.13 Bindura Town Council having a professional buyer

Table 4.3: Bindura Town Council having a professional buyer
<table>
<thead>
<tr>
<th>Responses</th>
<th>Number of respondents</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>No</td>
<td>6</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>100</td>
</tr>
</tbody>
</table>

The table above illustrates that the entire organization’s department representatives indicated that Bindura Town Council does not have a professionally competent buyer. They also stressed out that the procurement functions of the organization are being handled by one of the Treasury Clerks since there is no qualified buyer since the one who held the post passed away some years ago and since then the post has not been filled.

The results from the interview show that the organization is currently operating against the rules and regulations of the State Procurement Board as well as the Chartered Institute of Purchasing and Supply (2009) code of conduct which entails that purchasing functions should be conducted professionally.

4.14 Efforts made by the procurement function in analyzing supply market.
Figure 4.10 Buyers Effort on Supply Market Analysis
The results from the interview shows that the purchasing function contradict with the suggestion by Handfield R (2006) who stressed that supply market analysis is of paramount importance in every sourcing process.

4.15 Major supply risks faced by procurement personnel

Table 4.4 Supply risks faced

<table>
<thead>
<tr>
<th>Responses</th>
<th>Number of Respondents</th>
<th>Respond rate %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply of wrong orders</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Late deliveries</td>
<td>3</td>
<td>50</td>
</tr>
<tr>
<td>Supply of sub-standard goods</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

It can be concluded from the findings that the organization’s procurement personnel is suffering from many supply risks as a result of poor supply market analysis as highlighted before. This is in support with Zsidin G.A (2003) who propounded that failure to analyze supplier market characteristics can be a source of delivery risks, service risks among others.
4.16 Chapter Summary

The chapter has expressed the responses of various respondents through questionnaires and personal interviews. The questionnaires sought to gather the organizational members’ views on the supply market analysis and about what needs to be done to maintain the process. Interviews were conducted with both suppliers’ representatives and department’s representatives to seek their views about the organization’s procurement system. The next chapter will be looking at summary, conclusions and recommendations to the research project
CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
The chapter highlights conclusions derived from the research findings in chapter four. Conclusions as well as recommendations were drawn on the impact of supply market analysis on the effectiveness of procurement in local authorities. Conclusions were drawn from both the primary and secondary research findings and recommendations will be given. Weaknesses of the research study will wind up the chapter.

5.2 Summary of findings
The researcher observed that the organization’s procurement personnel do not put much effort on supply market analysis. This is leading to increasing supply risks, as well as increasing problems in procurement thus compromising the effectiveness of the procurement system and the quality of goods and services acquired for the organization. This in turn results in less achievement of the best value for money for the organization.

The findings from the research pointed out that the procurement department is trying best to satisfy its internal users’ needs. This was shown by a response rate of 55% recorded from the respondents who either strongly agree or agree to the assertion that procurement department is doing enough to satisfy the internal users’ needs.

The researcher also noted from the research that poor service delivery by suppliers is continuously increasing as a result of poor supply market analysis by the procurement personnel of council. Sixty percent of the people who responded to the questionnaires agreed with this assertion and 15% strongly agreed with the assertion again.

The observations from the research pointed out that even though suppliers contribute, the works department and the procurement personnel are the major contributors to the problems occurring
in procurement as indicated by the 28 out of 40 respondents who indicated either works department or procurement personnel on their questionnaires.

Findings of the research discovered that all the suppliers have dealt with the organization for more than three years and all the department representatives have more than three years serving in the organization. This therefore implies that they have enough experience about Bindura Town Council.

The researcher also discovered that most of the organization’s key suppliers are willing to continue working with the organization and that they cannot stand losing the organization as one of their customers. Most of the organization’s key suppliers who were interviewed stressed out that losing the organization will result in a huge loss as it is one of their major customers.

The researcher observed that Bindura Town Council does not have a professionally competent buyer as 100% of the interviewed personnel agreed that there is no professionally competent buyer. They pointed out that the procurement functions are being handled by one of the Treasury Clerks.

The findings of the research also picked out that the organization currently adopts Just in Time and bulk buying as their main procurement procedures. This was shown by an 80% response rate that was recorded from 32 people who ticked either Just in Time or bulk buying as the organization’s current procurement procedures.

It was also noted from the results of both the questionnaires and interviews that Bindura Town Council is currently facing supply risks when acquiring products. These risks as mentioned and indicated by respondents include supply of wrong orders, late delivery, and supply of substandard goods to mention only but a few.
5.3 Conclusions

From the research results the research can conclude that, the buyers’ lack of effort to conduct supply market analysis is as a result of the lack of knowledge and expertise. This is supported by the issues that Bindura Town Council is currently operating without a professionally competent buyer who holds the relevant expertise as far as supply market analysis is concerned.

It can also be concluded from the results that increasing problems in the procurement department of the organization is as a result of poor communication between the user departments especially works department and the procurement department. Also this can be because most of the people with influence on the procurement system of the organization have little experience with the institution’s operations, that is most of them are below 3years experience.

The researcher can conclude from the results that the supply market environment in relation to the procurement functions of the organization is favorable even though suppliers pointed out some threats. This is so because most of the suppliers are willing to work with the organization thus there are many alternative sources of supply in the market.

The results of the study can make the researcher conclude that bulk buying of essential commodities like Aluminum Sulphate tend to be more beneficial to the organization as it will improve procurement performance as well as performance of the organization as a whole.
5.4 Recommendations

From the results and findings of the research, the researcher was able to draw the following recommendations:

5.4.1 To Bindura Town Council

Bindura Town Council as it is a utility organization meant to provide services to the residents should not rely much on Just in Time as a purchasing procedure especially for crucial chemicals like Aluminum Sulphate and Chlorine Gas, as this will result in inconveniences to the supply of water to residents. If the procurement of these chemicals is done haphazardly, pressure will be exerted on both suppliers and buyers’ hence forcing suppliers to supply just for the sake of making goods available yet affecting the quality or even the standards of the chemicals. Thus the organization should consider Bulk buying mostly as it reduces stock outs, eases pressure as well as cost saving due to discounts.

The organization’s procurement personnel must continuously analyze the supply market environment in order to have better knowledge about their suppliers’ strength and weaknesses, capacity and also capability. This may be done by conducting supplier visits, asking for suppliers’ financial records among others. This is beneficial to the organization as it helps mitigate the risks of doing business with briefcase companies.

The organization also ought to recruit a professionally competent buyer who has the expertise as to how procurement functions are executed. This will result in best value for money being obtained for the organization through supply market analysis, good negotiation skills to mention only but a few.

The procurement personnel must as well consider new suppliers so that Bindura Town Council benefits from the competitive supply market. Suppliers should be treated equally not to use other suppliers to just provide bills of quantity for the preference of others. The behavior of relying mostly on certain selected suppliers for specific goods may not be beneficial to the organization in any way as there will be no competition created among them. Thus a pool of suppliers must be created such that buyers will be able to determine purchasing prices and have a better edge for negotiation.
Communication between the procurement personnel and the works department should be improved to ensure effectiveness. Purchase requisitions must be processed in time so that the procurement department is accorded ample time to source for quotations as well as acquire the products. This will reduce delays in the systems of the organization as goods and services are sought at the right time. Use of ERPS like Pastel or Oracle will also be of greater importance to increase the communication between the departments.

5.4.2 Future research

The study could not highlight on issues to do with tendering as this is mostly done in local authorities as they are public institutions. Thus future research must also expagogue on how supply market analysis can contribute to the smooth flow of tendering in the organization.

The research only focused on supply market analysis as a cause for procurement ineffectiveness of an organization yet there are other factors that may result in the procurement personnel’s inability to offer better service to the organization. Therefore, it is the recommendation of the researcher to future researchers that they look at other factors that can impact procurement effectiveness for examples long channels through which requisitions follow as well as expertise of the staff.
REFERENCES


Carhon, G. et al. (2005). Supply Chain Coordination with revenue Sharing Contracts, Strengths and Limitations. 51 (1). Management Science


Dominick, C. (2010). Next level Purchasing. Moon Township; USA

Ghai, D. and Scheider G.P. (2004). **New approaches to online procurement.** Proceedings of the Academy of Information and Management Sciences


Hargraves, D.A. (2008). **Supply Market Analysis for a competitive advantage.** University of Pittsburg Medical Center


Hubble, J. (2013). **Supplier Selection part 1.** CCS-Inc. Turkey Computing Solutions


Silva, M. (2012). **SWOT Analysis.** Prezi
APPENDIX I: QUESTIONNAIRE TO EMPLOYEES
BINDURA UNIVERSITY OF SCIENCE EDUCATION
DEPARTMENT OF PURCHASING AND SUPPLY

My name is Kushinga Abbey; I am a student at Bindura University of Science Education. In partial fulfillment of the requirements of the Bachelor of Commerce (Honors) Degree in Purchasing and Supply, I am carrying out a research on the impact of supply market analysis on the effectiveness of procurement in local authorities. You have been selected as a potential respondent, therefore I kindly ask you to fill in this questionnaire. The information collected is for academic purpose only and will be treated as highly confidential.

Please tick in the appropriate box and respond to the following questions.

1. Which department of the organization do you work under?
   Housing ☐  Finance ☐  Healthy ☐
   Works ☐  Administration ☐  Procurement ☐

2. Which category do you fall under in the department?
   Top management ☐  Middle management ☐
   Clerks ☐  General hands ☐
3. For how long have you served in the organization?

1-3 years □ 4-6 years □ above 6 years □

4. How can you rate the organization’s procurement performance?

Good □ Fair □ Poor □

5. Explain your answer above

................................................................................................................................................
................................................................................................................................................

Please indicate how far you agree or disagree with each of the following statements by ticking in the appropriate box. Use the scale provided.

<table>
<thead>
<tr>
<th>No.</th>
<th>Question</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Procurement department is doing enough to satisfy the internal user needs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Problems in procurement department are increasing in the organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Poor service delivery by suppliers as a result of poor supply market analysis is increasing in the organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
9. Which of the following people do you think are contributing to the occurrence of problems in procurement?

Procurement personnel □   Suppliers □
Works department □   Not sure □

10. Which of these approaches do you think will enable buyers to get the best goods and services from suppliers?

□ Maintain relations with current suppliers
□ Maintain relations with current suppliers and considering other potential suppliers

11. Which one of the following procurement procedures does the organization adopt?

Blanket ordering □   Just in Time □   Bulk buying □

12. Which one of the following procurement procedures do you recommend for the organization?

Bulk buying □   Just in Time □   Blanket ordering □

13. On what basis do you think suppliers should be selected?

Financial strength □   Capacity □   Reputation □
Capability □   All of the above □

14. Please indicate how far you agree or disagree with the following tools for buyers to find good suppliers. Use the scale provided.

<table>
<thead>
<tr>
<th>Tool</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The internet</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade exhibitions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>References</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
15. The table below lists main risks usually experienced in local authorities. Indicate if you have experienced these problems within Bindura Town Council. Tick the appropriate box

<table>
<thead>
<tr>
<th>Problem</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Received wrong orders</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Late delivery</td>
<td></td>
<td></td>
</tr>
<tr>
<td>received substandard goods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over purchase of required goods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment for goods never supplied</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Thank you very much for your cooperation.
APPENDIX II: INTERVIEW SCHEDULE FOR KEY SUPPLIERS
BINDURA UNIVERSITY OF SCIENCE EDUCATION

My name is Kushinga Abbey; I am a student at Bindura University of Science Education. In partial fulfillment of the requirements of the Bachelor of Commerce (Honors) Degree in Purchasing and Supply, I am carrying out a research on the impact of supply market analysis on the effectiveness of procurement in local authorities. I am kindly asking for your time as I would like to interview you on your opinions about the procurement operations of the organization according to your experience dealing with them. The interview will be short and precise and the information collected will be treated as highly confidential and will be used for academic purposes only. The following are the questions I would like you to respond to.

1. For how long have you been doing business with Bindura Town Council?
2. How do you rate Bindura Town Council as your customer?
3. How serious will be the impact of losing the organization as one of your customers?
4. Which factor can you identify as your major threat in the market?
5. How do you view the conduct and professionalism of the organization’s procurement personnel? Do you think they are doing their business fairly?
6. Are you willing to continue dealing with the organization?

Thank you very much for your time.
APPENDIX II: INTERVIEW SCHEDULE FOR DEPARTMENTAL REP
BINDURA UNIVERSITY OF SCIENCE EDUCATION

My name is Kushinga Abbey; I am a student at Bindura University of Science Education. In partial fulfillment of the requirements of the Bachelor of Commerce (Honors) Degree in Purchasing and Supply, I am carrying out a research on the **impact of supply market analysis on the effectiveness of procurement in local authorities**. I am kindly asking for your time as I would like to interview you on your opinions about the procurement operations of the organization according to your experience working in the organization. The interview will be short and precise and the information collected will be treated as highly confidential and will be used for academic purposes only. The following are the questions I would like you to respond to.

1. Does Bindura Town Council have a buyer who is professionally competent to undertake the procurement functions? If not, then who does the procurement?

2. How closely related is the procurement function and the organization’s key suppliers?

3. What effort has been made by the organization’s procurement function in analyzing the supply market?

4. Are the current procurement procedures of the organization effective in obtaining value for money?

5. On what basis are the suppliers selected in the organization?

6. What supply risks have been faced by the organization’s procurement personnel in acquiring products of the organization?

Thank you very much for your time.
APPENDIX IV: APPROVAL LETTER

BINDURA UNIVERSITY OF SCIENCE EDUCATION

DEPARTMENT OF COMMERCE
PURCHASING AND SUPPLY

BINDURA UNIVERSITY OF SCIENCE EDUCATION
P. BOX 1020
BINDURA

Date:
To the Human Resource Manager
Dear Sir/ Madam

REF: LETTER TO SEEK FOR PERMISSION TO CARRY OUT AN ACADEMIC RESEARCH AT YOUR ORGANISATION

My name is Kushinga Abbey, I am a 4th year student pursuing for a Bachelor of Commerce Honors Degree in Purchasing and Supply at Bindura University of Science Education. I am carrying out a research on “The impact of supply market analysis on the effectiveness of procurement in local authorities: case study of Bindura Town Council.” This research is a partial fulfillment of the requirements of my degree program. Therefore, this letter seeks to ask for permission to carry out a research at your organisation. The information collected will be used only for academic purposes and will be treated with high confidentiality. Looking forward to your positive response. For more information on the research please feel free to contact me or my supervisor from the contacts below.

Yours sincerely
Kushinga Abbey

Signature………..