

CHAPTER ONE

1.0 Background to the study

Globally, the first traces of procurement can be seen throughout historical history, together with the Egyptians in 3,000 BC. Though there had been no special procurement practices, substances management aided in the building of the pyramids Edgar, (2014). The Egyptians used scribes to manage the provide for these huge projects. Scribes performed a clerical role, recording the quantities of substances and people needed on papyrus rolls. These scribes would music orders through success and had been one of the first regarded in history to be in the procurement profession. Procurement's organizational function was now not genuinely identified until the 1800s. One of the earliest acknowledgements of the procurement practices can be discovered in Charles Babage's 1832 book, *On the Economy of Machinery and Manufactures* (Edgar, & Shipman, 2019).

In Africa, procurement has been in existence since the colonial times. The British Colonial Government appointed Crown Agents to be the sole provider of goods and services to the Crown Colonies that formed the British Empire, including territories, protectorates, dependencies, and mandates (Edgar, 2014). Crown Agents were charged with the responsibility of reducing costs and increasing efficiency in the procurement of goods and services to the Crown Colonies. Crown Agents remained the official provider of goods and services for African countries that belonged to the British Empire until these countries reformed their procurement system after gaining political independence from their colonial masters (Ahmed et al ,2018). Preferential procurement in South Africa is not only about proper financial management of public monies, it also presents an opportunity for government to correct the socio-economic imbalances of the past by awarding

government work to individuals disadvantaged by historical practices. In colonial Africa, procurement was delegated to Crown Agents. In Somaliland, the Crown Agents' role was recognized. This is the year that Somaliland got political independence under British Empire. It was only in 1960 that the newly independent country made changes in the law and put procurement under the Ministry of Works and Public Service. This was a political decision made after independence and it affected the way procurement operated in Somaliland (Bailey et al, 2019).

In Nigeria, procurement practices have been centered on your financial based and needs by your organization. This personal demand and sole decision by both organization has brought about price inflation and reduction in products qualities. There were two sources of pressure on the Government to review the performance of the procurement system and to generate a restructuring plan. One was the realization by the Government itself that the old system could not deal satisfactorily with the emerging demands on the system in terms of transaction numbers expanding value of procurement budgets, scale and technical complexity of procurement activities. These demands were being made against a backdrop of a lack of bureaucratic accountability and transparency and the absence of a culture of value for money procurement. Against this weak background, donors began to exert pressure on the Government to put in place the appropriate remedies Ejite, (2019).

It was reported in 2016 that the procurement practices of bakery industry in Ilorin had been no longer complying to set procurement process and overall performance methods (such as requirement identification, determining procurement method, procurement planning, procurement requisition processing, solicitation documents preparation, etc) leading to irregular and subjective decisions. . Also it was reported that there is poor performance standard in Bakery industry in Ilorin such as there are lack of cost effectiveness, poor quality, and lack of customer satisfaction.

(Adeola, 2021). In this regard, the research work examine procurement practices and organizational performance in selected bakery industries in Ilorin metropolis.

1.2 Statement of the Problem

Procurement practices contact many core factors of a company's operations and, hence, their profitable deployment and use are indispensable to ordinary overall performance and survival (World Bank, 2014). It has contributed to the success and competitiveness of organizations through cutting down cost structures, thus creating value for money. Organizations rarely put procurement at the top of the agenda and many organizations have continued to perform poorly. This has been attributed to the high costs, which emanate from neglecting the procurement practices (Hernon, 2014).

In Ilorin, there are some bakery industries that have successfully embraced the use of best procurement practices. For instance Fortunate and Alaba bakeries have embraced procurement and employment of qualified procurement strategies as the company focus on gaining competitive advantage and improving on performance but this a micro fraction of bakery owners that has adopted this. Bakery industry in Ilorin faces challenges such taxation, and exchange in technological know-how which has made the business enterprise to center of attention on pleasant procurement exercise as a strategic option to obtain aggressive advantage and reap high organizational performance. Despite bakery owners embracing great procurement practices, research focusing on impact of procurement fantastic practices on organizational overall performance stay scanty (Ahmed, 2019).

1.3 Objective of the Study

The main objective of the study effect of procurement planning on organizational performance in selected bakery industry in Ilorin:

The following are the specific objectives:

- i. To examine the effect of ethical procurement practices on organizational performance in selected bakery industry in Ilorin
- ii. To examine the effect of procurement planning on organizational performance in selected bakery industry in Ilorin
- iii. To examine the effect of brand procurement on organizational performance in selected bakery industry in Ilorin

1.4 Research Questions

The following research questions are put forward to guide the study:

- i. What is the effect of ethical procurement practices on organizational performance in selected bakery industry in Ilorin
- ii. What is the effect of procurement planning on organizational performance in selected bakery industry in Ilorin
- iii. To what extent is the brand procurement has effect on organizational performance in selected bakery industry in Ilorin

1.5 RESEARCH HYPOTHESES

For the purpose of this study, the following null hypotheses shall be tested;

H₀₁ Procurement planning has no significant effect on organizational performance

H₀₂ Ethical procurement has no significant effect on organizational performance

H₀₃ Brand Procurement has no significant effect on organizational performance

1.5 Significance of the Study

Firstly, the study results would anticipate helping the academicians to widen their understanding concerning procurement practices and organizational performance.

Secondly, The study was enable policy makers to be aware of the vital role played by procurement practices with regard to organizational performance since it was contribute to the substantial awareness on procurement practices and organizational performance in Ilorin whereby identifying the loop holes within procurement practices and help the appropriate stakeholders to make the necessary actions to overcome them.

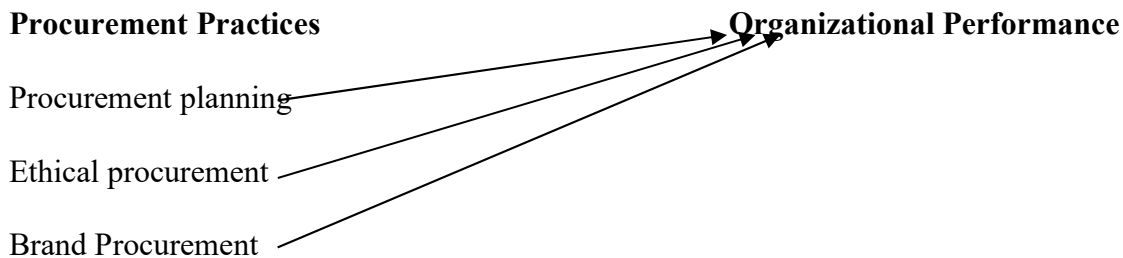
Finally, it will help the association of master bakers to orientate their member on need to effective in terms of procurement planning and the types of brand they are used to in order not affect their performance.

1.6 Limitation of the study

The study concentrated on some selected Bakeries in Ilorin Metropolis, because of information sourcing challenges. Although the intention of the researcher's study was to look into the effect of procurement practices on the performance of organization specifically the owners of the enterprise were interviewed. The sample size might be small but it could serve as a hypothesis for future studies. Cost also served as a hindrance to the research, as the researcher had to commute from Malete to Ilorin to gather information for the research study.

1.7 Operationalization

The dependent construct is organizational performance while the independent construct is procurement practices. The measuring variables are following:



1.8 Definition of Terms

Procurement practices enables the organization to procurement planning effectively, ethically practices procurement and best performance measurement in procurement activities.

Organizational performance is how well organization is doing to reach its vision, mission and goals through cost effectiveness, good quality improvement and efficiently handling the activities in the organization.

Procurement Planning This who to decide what to procure, when to procure and where to procure.

Ethical Procurement this is the principle of conduct governing an individuals or groups.

Brand Procurement this is the type of product that your organization staff best know how to use to give the expected result.

Cost-effectiveness this is the extent to which the organization has achieved or is expected to achieve its results at a lower cost compared with other alternatives.

Quality improvement Is the ability to satisfy to the customer to provide the goods and services they required through delivered on time, give feedback to employee how they perform, good quality control.

Efficiency is the ability that the organizations minimize the wastages of the organization resource.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter presents a detailed review of related literature of researchers, other authors and authorities. According to Jankowicz (2005), literature review is the description and critical analysis of what other authors have written. The purpose of reviewing the literature according to Saunders et al (2004) is to help develop a good understanding and insight into relevant previous research and trends that have emerged.

2.1 Conceptual Review

2.1.1 Concept of procurement practices

Procurement is the act of acquiring, buying for goods, choices or works from an exterior grant (Basheka 2019). It is favorable that the goods, offerings or works are appropriate and that they are procured at the high-quality manageable price to meet the wants of the acquirer in phrases of great and quantity, time, and location. Corporations and public our bodies regularly outline procedures intended to promote fair and open competition for their commercial enterprise at the same time as minimizing publicity to fraud and collusion. Almost all purchasing decisions include factors such as delivery and handling, marginal benefit, and price fluctuations.

Procurement commonly involves making shopping for choices below conditions of scarcity. If precise information is available, it is right practice to make use of monetary evaluation strategies such as cost-benefit analysis or cost-utility analysis. An essential difference must be made

between analyses without hazard and those with risk. Where threat is involved, both in the prices or the benefits, the concept of expected value may additionally be employed.

Organizational performance includes the actual output or consequences of an company as measured toward its supposed outputs (or goals and objectives). According to Richard, (2016) organizational common performance encompasses three special areas of firm outcomes: (a) monetary overall performance (profits, return on assets, return on investment, etc.); (b) product market overall performance (sales, market share, etc.); and (c) shareholder return (total shareholder return, economic cost added, etc.). The term Organizational effectiveness is broader. Specialists in many fields are concerned with organizational performance together with strategic planners, operations, finance, legal, and organizational development. It is a huge assemble which captures what businesses do, produce, and accomplish for the number constituencies with which they interact. Specialists in many fields are worried with organizational performance along with strategic planners, operations, finance, legal, and organizational improvement the concept of organizational performance is connected to the ideas of effectiveness and efficiency.

A business organization must produce the right things and it must produce them using the fewest possible inputs if it is to have a strong organizational performance (Hernon, et al 2018). Businesses typically try to perform well in a number of areas of organization. First, they try to perform well financially. That is, they need to realize a good return on their investment. They need to add as much value as possible in their production process. Second, they try to perform well in terms of the market. What this means is that they must gain as much market share as they can (consistent with the goals of their firm). They must be producing a product that is in demand and they must be producing it at a price that allows them to compete on the market. Finally, they need to perform well in terms of creating value for their shareholders. They need to make money that can be

distributed in the form of dividends. They also need to have their stock price rise at a reasonable pace.

2.1.2 Procurement Planning

According to Ezech, 2021 Procurement Planning entails the identification of what needs to be procured (which is the result of a Needs Assessment), how the organizations needs can best be met, the scope of the goods, works or services required, what procurement strategies or methods to be deployed, setting the time frames, and the accountability for the full procurement process. Needs Assessment is “a systematic process for determining and addressing the needs, or gaps between current conditions and desired conditions or wants. This is important in procurement; because it is an effective tool to identify appropriate interventions or solutions by clearly identifying the problem to ensure that finite resources (Prior Budget appropriations) are directed towards developing and implementing a feasible and applicable solution for identified projects.

The meaning of procurement and purchasing is very similar, but people have moved to a different wording to identify a change in the organization (Basheka, 2019). A few years ago, it was known as purchasing, but, consciously changed to procurement. One way of getting people’s attention to this was to change the name. But having done that, purchasing, by definition becomes the transactional piece and procurement becomes the strategic piece. Supply chain management is a procurement tool that was born out of necessity. Demands for newer and more innovative goods and services, limits on resources, and the increasingly complex, interrelated nature of the global market place have each created pressure on public managers to optimize new and innovative process methodologies to meet procurement needs (Basheka, 2019).

2.1.3 Ethical Procurement Practices

Ethical procurement must deliver value for money since this is the core principle of any viable procurement. Organizations strive to maximize overall „value for money“ for citizens. This requires consideration of issues such as client satisfaction, the public interest, fair play, honesty, justice and equity.

Organizational performance in organization is represented by ability of firms to attain its pre-planned objectives in accordance with formulated standards and implementation matrix (Hernon,2014). The efficiency of procurement function of a firm can generate a higher return which forms the basis of sustainable, reliable and long lasting procurement ethics which has recently be of great concern (Robert, 2018).

According to Robert (2019) being honest and considering existing procurement laws is essential because it raises firm net income and operating cost which translates to improved firm performance. Robert, (2019) further indicated that performance measurement in organization is aimed at providing open is intended to produce accurate and reliable information pertaining project progress and implementation of ethical practices which can be used in strengthening information decision making. He further notes that organizational performance can be measured using return on assets and equity. Measurement of organization performance needs to be integrated with general Performance management system and viewed as the progression of maximizing the efficiency and value of measures. Procurement ethics are a set of moral principles or values guiding procurement manager's behavior or day to day procedures used in carrying out activities in a firm with a basic aim of ensuring that there is effectiveness in the organization (Idasa, 2020).

IDASA (2020) carried out a study to find out various situations that can facilitate the delivering of efficiencies in the use of resources within the organization. In order to achieve there is need for adequate savings in procurement ethics which is facilitated by good supply management by seeking communication between the firms and the vendors (Johan et al, 2019). Adoption of modern procurement platforms supports ethical Activity for two the procuring of works, goods and two services for two all two components of the two value two chain.

Lawa et al, (2021) argued that expecting two requirement, sourcing two two and acquiring elements and shifting resources into the organization .Improvement and adoption two of ethics in procurement two techniques helps two in two decreasing two the two fees incurred in provider two selection is the purpose two of two Procurement two activities enhancing two supply chain management two an organizational performance Effective procurement ethics affords a high two stage transparency, accountability two and two price for two cash . Obtaining items two and two services two of the two proper two first-class in the two proper two quantity two from the right two source, delivered two to two the right area and at two the least cost and two rate is the two basic purpose two of procurement activities. Meeting the needs of customers in order to gain adequate optimum condition and value is a major requirement in the achievement of a successful procurement system (Ejite , 2019).

According to Sollish and Semanik,(2021), Procurement ethics Consist of actions done by organization with the purpose of ensuring embracement of effective management and procurement of input materials in supply chain. Procurement plays a significant role in helping firms achieve their supply chain objectives and prepare for future uncertainties. In Kenya, Public Procurement Oversight Authority (PPOA) is legally mandated to ensure that all public entities adhere to ethical practices during the procurement process by conforming to

procurement regulations and guidelines outlined in public procurement and Asset disposal Act (2019).

Procurement ethics includes practices and philosophies such as being loyal and respectful to procurement laws, regulations, transparency and openness in tender processes. The above mentioned procurement ethical practices have brought about cost reduction, efficiency and effectiveness in procuring of inputs, process standardization and collaboration which has led to exemplary performance (Interagency Procurement Working Group (IAPWG, 2018).

Procurement code of ethics in any procuring entity is designed to help procurement officers comply with the Act, regulations and ethical standards providing a ground for disciplinary proceedings on officers who violate the law or engage in unethical business dealings (Carter, 2020). Actually, few empirical studies are available to address immoral actions or behaviors in procurement and supply chain management, excepting the opportunism, despite procurement professionals being more vulnerable to unethical choices due to pressure of rising weight for cost reductions and unachievable objectives (Rottig, Koufteros, & Umphress, 2019). The pressures which the customer's point of consumption exerts on procurement function and distinct consumers make it indispensable that procurement managers together with other stakeholders tasked with ensuring organization source the right products and goods are well conversant with moral standards and practices required out of them especially when discharging their duties (Rottin et al., 2019).

2.1.4 Brand Procurement Practices

Brand is defined as a name, term, sign, symbol, design or a combination of these that identified the maker or seller of a product or service (Kotler & Armstrong, 2020). Therefore brand loyalty

means valuable assets for a particular company where the customers becomes loyal to its product or service and buy its product or service time to time again (Barringer& Ireland, 2019). Brand loyalty is developed by different determinants. Different variable have different ratio of influence. The brand and its price are influenced by the quality level (Zeithaml, Valarie & Berry, 2018). Users are expected to pay full price of their brand just like current assets (Wernerfelt, 2019). Buying of a brand by the customer gives the trend of the product in the market and its perceived quality by the customers. (Reichheld & Schefter, 2020).

Central to the issue of brand loyalty therefore is the consumer satisfaction. A dissatisfied customer is more probable to search for information on alternatives and more likely to yield to competitor overtures than a satisfied customer (Lin & Wang (2016). This account for why brand owners often developed strategies ranging from customer relationship management, after-sales-services to presence on the social media to satisfy their consumers.

Bennett (2021) concluded that attitudinal brand loyalty has the strongest impact on behavioral brand loyalty. The effects of the relational constructs (commitment and trust), buyer emotions (or satisfaction), and cognitive factors (perceived risk and involvement) on behavioral brand loyalty are indirect, through their effect on attitudinal brand loyalty.

Dick and Basu (2021) argue that brand loyalty should not be regarded as mere repurchase behavior, but rather as a combination of purchase behavior and attitudes. According to researchers like Oliver (2018), the connection between loyalty, retention and performance has been the focus of both theoretical and empirical studies. This body of research has found customer loyalty and retention to positively influence organizational performance through increased revenues per customer, which subsequently lead to increased profitability (Berry, 2017).

2.1.5 BEST PROCUREMENT PRACTICES TO BOOST SOURCING

As the costs of running a business continue to rise and vulnerabilities in supply chains become more apparent, more organizations are realizing the importance of improving their procurement process.

This goes beyond cost reduction.

Instead, it's about transforming your supply chain into a critical asset that you can use to grow your business. The key to getting to that point faster is by following these 13 best procurement practices. This roadmap will help you see how you can start taking the steps necessary to improve efficiency, reduce waste, and gain more strategic insights into your sourcing. If your organization is still following manual procurement processes (like invoicing, reporting, and [vendor management](#)), then you need to read this post. The potential ROI for streamlining purchasing in your organization cannot be understated.

2.1.5.1 Build Procurement Management Frameworks

Before you can start addressing any inefficiency in your procurement process, you need to establish a strong procurement management framework. If you don't already have a procurement management framework in place or your existing one hasn't been revisited in a while, you need to take a step back and look at how sourcing functions in your organization.

Your procurement management framework should establish guidelines for:

- Monitoring and approving purchase requests

- Managing vendors and [procurement negotiation](#)
- Conducting [three-way match](#) and quality assurance
- Invoicing and payment
- Record keeping
- Hiring new buyers and purchasing agents
- Training employees on products

Make no mistake; this is not an overnight process. You'll need to dive into your procurement processes, map out workflows, and build out standard operating procedures.

How to Ensure Transparency in Procurement:

- **Plan and implement strategic procurement policies:** Create a procurement strategy to maximize ROI, and share these rules with everyone in your organization.
- **Properly document every step of the process:** Always write down key information about the progression of every order. The more data, the better.
- **Manage and update the approved supplier lists often:** Keep contact information of reliable sellers while staying on the lookout for new contacts and opportunities.
- **Create fool-proof procurement contracts:** [Create comprehensive contracts](#) and store them electronically so using them is as simple as drag, drop, and complete.
- **Conduct audits frequently:** Hold even the most reliable suppliers to high standards. Evaluate their performance regularly to ensure they're meeting your demands at competitive rates.

2.1.5.2 Optimize Your Inventory

An often-overlooked area in the procurement process is not managing current inventory efficiently. Controlling spend and maintaining bottom lines while managing stock and intake can be a daunting challenge. Keeping inventory at an optimal level is one of the best procurement practices. Planning purchase quantities to minimize waste while delivering on customer expectations is a careful balancing game. It's worthwhile to remember that holding inventory for long periods of time can jeopardize ROI. The cost of warehouse fees, taxes, obsolescence, and insurance add up over time. Your inventory should rotate smoothly and regularly, lowering your overall risk and unnecessary expenses.

2.1.5.3 Engage Suppliers

Building a solid relationship with suppliers is vital to your organization's success. Essential product delivery and routine maintenance are key components to running a business strategically. But ensuring vendors deliver reliable, high-quality goods and services on time (and at the best rate) requires a strategic relationship with your suppliers. You need to have better insight into your suppliers, so you can track performance and evaluate relationships. With more data on vendors' performance, you can engage them in a meaningful way that will ensure your business needs are being met.

How to Engage Suppliers Strategically to Secure Procurement

- **Maintain clear, open communication:** Clearly communicate purchase orders and requirements to your supplier. Have a system in place to ensure the delivery of invoices.

- **Establish expectations early:** Leverage your knowledge of the market so you can hold your vendors to that standard.
- **Evaluate vendor performance regularly:** By evaluating the quality of goods and services delivered, you ensure your company receives the best value for its investment.
- **Pay vendors on time:** Leverage your company's ability and desire to pay quickly. Your vendors will prioritize your company if you prioritize theirs.
- **Stay aware of the competition:** Knowing your vendor markets and how your supplier compares to the competition also ensures that your company gets the best.
- **Provide Self-Service Portals:** With a self-service portal, your vendors can submit invoices, proposals, and contracts. Plus, you can easily communicate with them directly on the platform, sending or receiving critical notifications/alerts.
- **Provide Vendor Dashboards:** Track vendor performance against contracts and ensure your vendors provide consistent service. Compare and switch vendors easily.

2.1.5.4 Use Digital Contract Management

Contract management is at the heart of the procurement cycle. Purchase orders, invoicing, and reviews all come with a trail. But this trail doesn't always have to be paper. By moving the contract management process to the cloud, companies can minimize risk and maximize transparency. The cloud allows for a centralized and easily accessible system that can save your organization money while storing your procurement documents safely. There's [a variety of software available](#) for contract management on the market. These vary by design or services provided. Find the one that fits your business needs the best.

2.1.5.5 Automate Your Procurement

Inefficient procurement costs businesses [\\$1.5B annually](#). Efficiency will save your business time and money, giving you time to focus on your customers. As a result, customer satisfaction increases. But to reach levels of efficiency that will yield a substantial ROI, you need to [automate your procurement process](#). Every company that wants to maximize growth while scaling needs every single advantage it can get. With customizable applications and strategy technologies available, your business can [easily automate systems](#). Automation minimizes repetitive operational processes, giving your employees more time to contribute strategically to the growth of your business. There are immediate benefits to automation as well. Without the human component in data entry, costly errors can be avoided. Employee satisfaction improves with streamlined workflows. And your organization can save money with strategic sourcing. **Here are 3 critical processes to automate:**

1. Payment Reconciliation

With automated bank and sales reconciliation, you'll give your team more time to focus on strategic initiatives rather than processing each transaction manually. Reconciliation automation compares your accounting against your payments, ensuring they match. As a result, you secure your cash flow with ease.

2. Accounts Payable

[AP Automation](#) allows you to automate invoice processes using machine learning and artificial intelligence. AP Automation platforms streamline everything from invoice coding to purchase orders and three-way matching. As a result, you can effectively manage most of the AP process without direct human interaction. AP platforms [capture invoice data](#) in a digital format and store it in an accessible, centralized database. They use technologies like optical character recognition,

intelligent document processing, and fuzzy logic to capture unstructured data and translate it into values that can move seamlessly between your procurement systems.

3. Invoicing

While technically under the scope of AP automation, [invoice automation](#) is a complex process and can be an entire area of its own. In short, invoice automation pulls invoice data into the accounts payable system where it can be processed. Invoice automation platforms handle:

- Price matching
- Approvals
- Data entry
- Purchase order management
- Invoice processing

By automating invoicing, you can reduce late fees, get early payment discounts, and keep your vendors happy with on-time payments. You'll also avoid double payments and late payments with ease.

Plus, you'll have clear, accurate insights into real-time budgeting. That way, you keep from going over budget.

2.1.5.6 Integrate Procurement Processes

The procurement cycle is riddled with approval processes that create barriers. Even if you automate some aspects of your overall procurement process, you'll inevitably hit these gaps in your systems.

Why? Because people will have to manually transfer data between your disparate procurement systems. Usually, that means spreadsheets. Budget requests, quality checks, dispatch

authorization, all these actions traditionally demand manual action. As a result, your attempts to automate procurement will be "stop and start", turning your sourcing process into a system of haphazardly connected workflows riddled with bottlenecks. **And these bottlenecks cost you time and money.** Integrating various procurement processes ensures a smooth, streamlined system from start to finish while reducing bottlenecks. By [connecting your procurement workflows](#), you'll speed up processing time, further ensuring best practices in your procurement strategy.

System integration bridges the gaps between various systems. They move data seamlessly from system to system. They also make running quality assurance and verifications across the procurement process much faster. (And they make it possible without manual checks and endless spreadsheets.)

2.1.5.7 Prioritize Transparency across Sourcing

Your team members need to have the ability to see records, purchase orders, and technical specifications at any stage in their journey in real-time. Without a procurement system that provides that, your teams will remain in the dark.

You should manage your purchasing, invoicing, and vendor monitoring through a single platform. This ensures open communication and accountability during each stage of procurement, for both buyer and seller.

With one system, your team will get the data analytics they need to take advantage of discounts, avoid late or double payments, and keep vendors happy. You'll also reduce [maverick/dark spending](#). Transparency guarantees better record management, strategic purchasing practices, and [procurement cost reduction](#). But you can't make it happen with several disparate systems working incongruently. You need a single procurement platform to make that happen.

2.1.5.8 Build Data Dashboards

Data dashboards make it incredibly easy for your team to access real-time data on your supply chain in a digestible format. This cuts down on confusion and unnecessary back-and-forth that happens when various departments try to patch data together.

With clear data dashboarding in procurement, you can showcase accurate spend in relation to budget, price fluctuations on products and services, and vendor performance. As a result, your sourcing will become more agile.

Better still, real-time data that's easy to interpret makes collaboration easier. In the end, data dashboarding opens the door for your organization to leverage procurement more strategically.

2.1.5.8 Don't Ignore Corporate Responsibility

Your customers care about socially responsible sourcing. You need to be mindful of the economic and environmental impact of your supply chain. After all, [88% of people](#) prefer businesses that make a positive effect on the environment or society. If your organization fails to meet those expectations, your customers may leave for the competition. Worse, you could permanently damage the reputation of your organization. The challenging part about socially responsible sourcing is that supply chains are complex. While your vendors may follow established guidelines of your organization, the companies they work with may not. This is another reason why it's crucial to have [clear insights into your supply chain](#).

2.1.5.9 Minimize Risk

There are a lot of potential risks in procurement. Unfortunately, most organizations put themselves needlessly at risk by relying on dated, inefficient processes. Best practice for [procurement risk management](#) is to identify both internal and external risks to your supply chain.

Once you identify procurement risks, there are four paths you can take:

- Ignore risks that pose no real threat
- Reduce the likelihood of a risk occurring
- Remove the possibility of a risk occurring
- Manage risk potential with prepared solutions

2.1.5.10 Leverage Robotic Process Automation (RPA)

Robotic process automation is a growing trend for organizations looking to streamline procurement. RPA is great for rapidly managing transactional-based tasks that are highly repetitive and rule-based. It also provides a very high ROI ([between 30% - 200%](#) in the first year.) Bots [are very capable](#). Leveraging AI, these programs can do everything from extracting data to moving files and folders. They can even interpret text, engage in conversations, and understand unstructured data. With RPA, you can reduce the time spent on menial tasks, giving your staff more time to focus on vendor relationships or value add activities.

2.1.5.11 Procurement Practices and Organizational Performance

A good procurement system is vital to an effective company's supply chain system. The forerunner to system performance in meeting its intended goals in governmental and independent sector is

characterized by adequate management of the procurement function. Best procurement practices improve efficiency and effectiveness of an organization which translates to an improvement of its overall performance. Overall procurement practices such as supplier relationship management, ethical procurement, information sharing, adoption of technology and adopting green supply chain management ensure that organizational performance is enhanced by supporting procurement functions in construction firms (Turban et al., 2000).

Turban et al. (2000) indicate that firm's procurement function is subdivided into operational processes, and strategic processes and considering priorities and activities in these two areas are entirely different most roles are assigned to strategic procurement department. Centralization and decentralization of procurement procedures are enabled by e-procurement. Also, e-procurement helps to minimize administrative hours, stimulate the flow of critical information between the purchaser and supplier, stabilize purchasing practices, increase response rate and improves the competitive advantage (Eng, 2004).

According to Delaney et al. (2006) organizational performance is measured by quality service, customer satisfaction, market performance, and employee satisfaction. In their study, Hoque et al. (2000) stated that organizational performance could be evaluated by the customer satisfaction, average return, sales revenue, utilization of space, and quality of final product. Greene et al. (2007) classified the sales, market growth, and profitability is critical factors that are measured by organizational performance. Procurement practices have a positive relationship or affect the level of organizational performance in all these factors.

Chong and Ooi (2008) maintain that reduction of inventories, better customer service, and diminishing costs are as a result of a good organized and executed procurement plan. Carr and

Smeltzer (1999) examined how organizations with strategic sourcing can harbor Durable relationships. Green procurement practices will ensure high-quality products which are environmental friendly hence considering customer satisfaction. Ethical procurement enhances accountability, consistency and competitive supply all which influence the indicators of procurement performance in a positive way.

2.2 Theoretical Review

The study was based on two theories and these include; Transaction Cost Economics Theory and Resource based Theory.

2.2.1 Transaction Cost Economics Theory

According to the Transaction Cost Economics Theory (Coase,1937) a firm will incur transaction costs during the whole procurement process, from the start to the end. As per the definition given for Procurement by Dobler, procurement is vastly different from the traditional buying process, since it includes a range of activities including doing market research for suppliers, communicating and negotiating with suppliers, selecting the best supplier on a criteria which can be low cost, quality of goods, timely delivery etc, entering into contractual relationships with the selected supplier and monitoring supplier's post contract performance. As adopted by researchers into their PC related studies, Transaction Cost Economics Theory could be used to explain that in each of these steps in the procurement process, costs will be incurred in the form of market research cost, cost of entering into contracts, documentation cost, monitoring cost etc. Hence the degree to which

the procuring employees of the organization, as well as the suppliers adhere to the organization policies and standards given out for the procurement process, will determine how strong the PC of that organization is. With a cost perspective, PC will help to lower the costs associated with the procurement process, incurring cost savings for the focal company (Gelderman, Ghijsen and Brugman, 2016)

2.2.2 Resource Based Theory

The resource based view was mainly developed in the late 1980s and 90s, while later being adjusted with extensions. With paying attention to the achievement of a competitive advantage through internal resources, the resource based view became one of the grand theories of economics. According to Barney (1991) “the resource based view examines the link between a firm’s internal characteristics and performance”. As the basis for a competitive advantage, the resource based view considers the application of a bundle of tangible and intangible resources (Penrose, 1959, Wernerfelt, 1984,). In order to make to competitive advantage sustainable, resources are required to be heterogeneous and immobile (Barney, 1991; Peter, 1993). Moreover, to create a competitive advantage, resource need to fulfil the criteria of being valuable, rare, in-imitable and non-substitutable (Barney, 1991, Dierick & Cool, 1989; Peter, 1993). Building on this, the resource based view enable firms to determine their core competences which are also critical for the creation of the latter (Espino-Rodríguez & Padrón-Robaina, 2018). An even greater benefit of the resource based view is attained through the extension with dynamic capabilities.

Hence, while the original resource based view pays attention to the creation of returns based on resources and capabilities in-house, the relational perspective enhances this view by capturing that rents can be generated jointly through knowledge sharing with partners and alliances (Dyer &

Singh, 1998). Such alliances can either provide a competitive advantage by collaboration with complementary resources or through an effective development of an alliance portfolio, leveraging resources (Ireland, Hitt, & Vaidyanath, 2020).

Partnering and maintaining this relationship is desirable as long as it actively provides network resources by partners, which enhances the firm's market performance if the firm can prevent being dependent on its partner (Lavie, 2007). Not only the extension of the resource based view mentioned before might be of great benefit for economics, also its relationship to another theory, to which it constitutes a counterpart, is of importance. With the assumption that a firm derives a competitive advantage internally, the resource based view stays in strong contradiction to another powerful theory. In this sense the resource based view was firstly developed as a "reaction against the 'competitive forces' analysis of firm strategy" (Mowery, Oxley, & Silverman, 1998), mentioned in Porter (1979). Moreover, through collaboration with suppliers and through the accomplishment of a preferred customer status the achievement of a competitive advantage is facilitated, awarding preferably fixed and long-term contacts.

Therefore resource based theory serves as the underpinning theory for this study. This is because it took the cognizant of needs for resource availability in the organization to maintained competitive advantages, cost reduction and customer/brand loyalty.

2.3. Empirical Review

In a global and local perspective, several studies have been done with respect to procurement management practice and their impact on organizational performance. Internationally, Ricarda (2016) surveyed the influence of procurement practices in the electronic sector in Geneva. His purpose to examine the repercussion of procurement practices on the global supply chain of

electronics. He found out that it is important to enhance procurement practices to have a smooth and efficient supply chain not only globally but regionally and locally.

Aleman and Guererro (2016) researched procurement practices and smes in global supply chains in Switzerland. Their Main objective was to examine which smes employed procurement practices. Through their research, they concluded that most procurement practices center around delivering fair prices. They also found out that most smes in the second tier were excluded from benefits of Good procurement practices. From the research, there was no Solid evidence that lead firms have developed procurement practices with the principal aim of supporting SME development. The research showed that there was still a gap in the literature on systematic evidence from monitoring and evaluation of pro-SME procurement practices and their impacts on both economic and social upgrading of the intended smes.

Caritas, Juliusand Zenon (2016) researched the impact of procurement practices on performance of Rwandan governmental construction project. Their main intention of the study was to examine the influence of practices of procurement on the performance of public procurement management in Rwanda. They found out that procurement devising strengthens the performance of the construction of Bugesera District office. They indicated that through procurement planning and practices a positive performance in the construction firms is achieved.

In a local perspective, Makabira and Waiganjo (2018) researched the significance of procurement practices on the achievement of corporate firms in Kenya. Their goal was to ratify the importance of planning in procurement, controls and procurement practices on the performance of KNPS. The findings were that Kenya National Police employed procurement practices in its operations and that the organization has benefited from employing procurement control practices. The

organization gained from incorporating controls practices in Various ways; Like the prevention of unnecessary stocking of items, proper use of funds, enhanced provision of services, quality materials, and improved allocation of resources.

Karanja and Kiarie (2018) conducted research on Guaranty Trust Bank to indicate the impact of procurement practices on organizational performance in private scope. Their purpose was to demonstrate the effect of procurement practices on an organization performance in the private scope in Kenya. The study concluded that procurement practices had a great influence on the performance of the organizations in private sector and help in saving money that would have been lost. Hence it is not a waste of time for the private sector. The study also noted that procurement planning was a Major contributor to organizational performance.

Mokogi, Mairura, and Ombui (2018) surveyed the state-owned businesses in Nairobi to demonstrate the impact of procurement practices on performance. Their main objective was to ascertain the significance of procurement practices on the government-owned enterprises performance in Nairobi. They concluded that various enterprises employed procurement practices. The study confirmed that procurement practices are very significant in enhancing the performance of Profitable enterprises in Nairobi County. Therefore those practices enhanced the performance of these enterprises. The study showed that there was a substantial liaison between procurement practices and the overall performance in the organizations.

CHAPTER THREE

METHODOLOGY

3.1. Introduction

This chapter discusses the methods the researcher was use to collect data. It was focus on the Research design, organization of the study, data collection, and data collection procedure and data analysis.

3.2. Research Design

This study was used descriptive research design to determine the effect of procurement practices on the organizational performance in selected bakery industry in Ilorin. Descriptive research a descriptive study deals with the what, how and who of a phenomenon which is the concern for this study. Thus descriptive research design was appropriate. The descriptive survey design was touted as the most ideal for studies relating to attitudes, behavior, and characteristics.

3.3 Study Population

The population of consisted of owners/ manager of bread bakery in Ilorin metropolis. Ilorin metropolis according to survey Ilorin is the second largest cosmopolitan city in north central Nigeria. Second only to Jos, in Plateau State. Ilorin metropolis comprise of five local governments namely, Ilorin West, Ilorin South, Ilorin East, part of Moro, Asa and part of Ifelodun Local Government. As at December 2021, the total number of bread bakery within this location stood at 565 but the interest of this work is on Ilorin west and south local governments (484). The required information was sourced from the National Agency for Food and Drug Administration Control (NAFDAC) zonal office in Ilorin. As regulators of food and drugs, NAFDAC has the prerogative

power to monitor the activities of all consumables including bread baking. Incidentally, no bakery was officially registered in Ifelodun axis of the metropolis. The analysis of the population is represented in table 3.1.

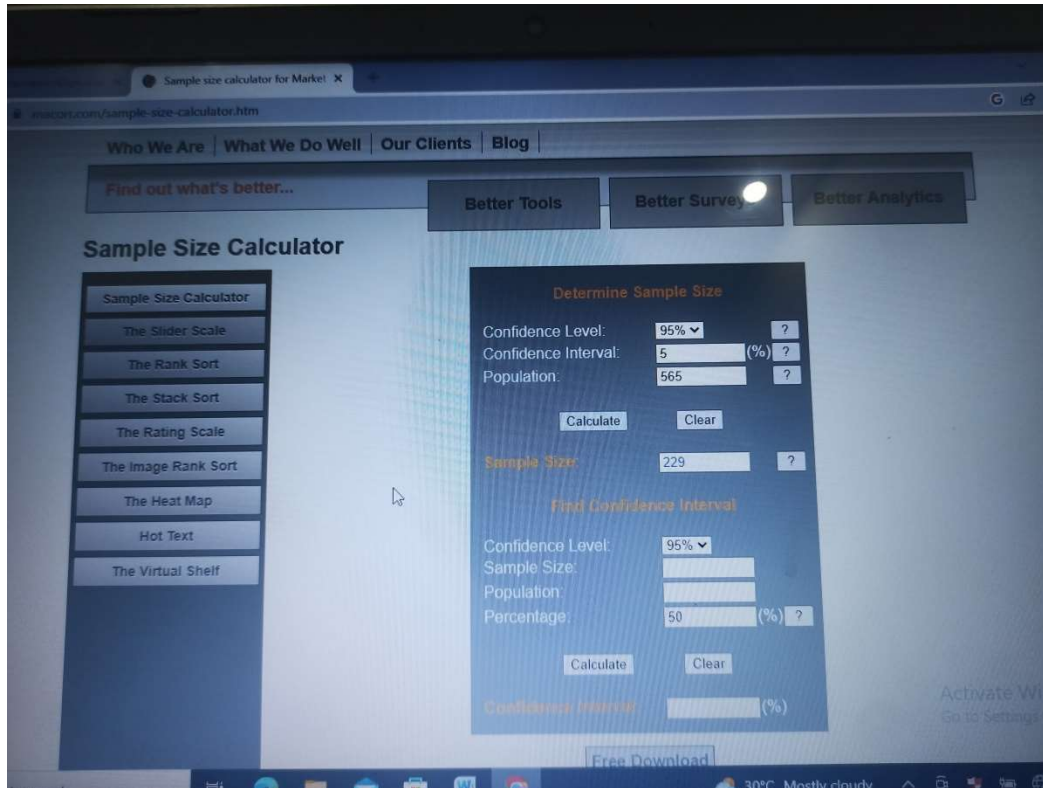
Table 3.1 Population of Bread Bakers in Ilorin Town

Local govt. Area	Registered Members
Ilorin West	288
Ilorin South	196
Ilorin East	157
Asa	50
Moro	30
Total	565

Source: Master Baker Association, Kwara State Branch

3.4 Sample Size Determination

The MACORR model of sample size determination was adopted for this study. This is simply because the model takes into consideration the margin error, the response distribution and the confident level. MACORR model gave a figure of 229 recommended sizes after considering 5% margin error and 95% confident level.



3.5 Sampling Technique

The study adopted the probability sampling for selection from the sample frame because it attempts to remove the possibility of selection bias and results can be generalized. Furthermore, the systematic random sampling technique was used. Selecting subjects completely at random from the larger population also yields a sample that is a representative of the group being studied (Telfer, 2018). The study systematically picked every 3rd business owner/manager on the sample frame.

3.6 Instruments of Data Collection

The instruments of data collection for this study are close ended questionnaire. This instrument was designed to capture both the educated and non educated one to do justice to effect of procurement practices on organizational performance in selected bakery industry in Ilorin. The quantitative data was collected with the aid of structured self-administered questionnaire using the five (5) points likert scale on a continuum from strongly agreed to strongly disagreed. Closed ended structured questionnaire which restrained the respondents from derailing from research focus (Aguinis & Solarino, 2019).

3.7 Test of Reliability

For this study, pilot study was observed through the administration of questionnaire and the reliability of instrument were measured using Cronbach Alpha (α). Cronbach's alpha is a measure of internal consistency and how closely related a set of items are as a particular group (Taylor, Vocht & Hall, 2016). Thirty copies of questionnaire were distributed among the bakery owners in Ilorin West Local Government area of Kwara State. The choice of the LGA based on the member strength as they accounted for over 10% of the population of the bakers in Kwara State. The copies of the questionnaire were retrieved and pre tested. A summary of the analysis showed that when the reliability of the questionnaire with questions were tested, the Cronbach alpha coefficient was initially 0.712. The Cronbach alpha benchmark is 0.7 and thus the 0.712 was deemed suitable for use.

Table 3.2 Reliability Statistics (Pilot Test-After Adjustments)

Cronbach	Standardized	
Alpha	Items	No of Items
.712	.717	26

Variables	No of Items	Cronbach Alpha
Ethical procurement	7	0.7170
Procurement planning	7	0.7139
Brand procurement	6	0.7073
Organization performance	6	0.7370

Source: Field Survey (2023)

3.8 Validity of Research Instrument

This research was carried out with credibility in order to attain a general acceptable result and aligned with other previous research related to this study. The instrument was subjected to face and contend validity, in order to show whether it tests what it's supposed to test and the extent to which a test measures a representative of the sample (Otokiti, 2010). To ascertain a high level of validity, this research ensured that the method of data triangulation and complementarities are used to corroborate the various methods used in the study.

3.9 Ethical Consideration

According to Otokiti (2010) ethical issue can be described as when a researcher embarks on planning his/her research seeks to access an organization and to individual, collect, analyze and report data. The most important requirement for conducting research is to ensure ethical integrity (Haahr, Norlyk & Hall, 2013). The information gathered were treated with extreme caution and the identity of respondents remains confidential (including the organizations). And information's that were provided were used against the organizations, the data will be used purely for research purposes. As a consideration of this study the respondents have a right to their diverse contributions. Consent indicates a discussion of trust and in involves unceasing dialog with the participants of the study.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter addressed the analysis of data gathered for the purpose of the study. Hence, it was divided into the following sections as; presentation of data, data analysis, test of hypotheses, interpretation of results and finally discussion of results.

Consequently, out of 270 copies of questionnaire that was distributed among staffs of Kam Wire Manufacturing Limited, 257 copies of questionnaires amounting to 95.1% were correctly filled and returned, 13copies of the questionnaire were correctly not filled amounting to 4.81%.

4.2 Questionnaire's Response Rate

Table 4.2.1 Questionnaire Response Rate

Questionnaire	Frequency	Percentage
Returned	257	95.1%
Not Returned / Wrongly Filled	13	4.81 %
Total	270	100%

Source: Researcher's Field Survey, 2023

The table 4.2.1 showed that the responses from the distributed copies of questionnaire was very encouraging, that is to say out of 270 copies of questionnaire administered and distributed among staffs of Kam Wire Manufacturing Limited, 257 copies of questionnaire were correctly filled and returned to the researcher, this is recorded at approximately eighty seven percent (95.1%) success rate while the rest with (4.81%) copies of questionnaire were either not returned or properly filled

which rendered it invalid for analysis. Hence, the copies of questionnaire collected was deductively analyzed and represented in tables, percentage, and simple linear regression was employed in hypotheses testing.

4.3 Presentation of Data

Table 4.3.1 Distribution table for Demographic of the Respondents

S/N	Factor	Factor Level	Frequency	Percentage %
1.	Gender	Male	183	71.2
		Female	74	28.8
		Total	257	100.00
2.	Age	21-30	121	47.0
		31-40	75	29.1
		41-50	43	16.7
		51-60	18	7.0
		Total	257	100.00
3.	Marital Status	Single	121	47.0
		Married	136	52.9
		Total	257	100.00
4.	Educational Background	B.Sc./HND	160	62.2
		MBA/MSc.	71	27.6
		PhD	19	7.3
		Others	7	2.7
		Total	257	100.00
5.	Years of operation	1-5yeras	181	84.6
		6-10yeras	76	15.3
		Total	257	100.00

Source: Researcher's Field Survey, 2023

Table 4.3.1 above presents the demographic questions of the respondents. Hence, the first section analyzed the gender of the respondents which states that 183 of the respondents representing 71.2% were Male while 74 of the respondents representing 28.8% were female. This by implication means that there are statistically more Male respondents than their Female counterpart.

Furthermore, the distribution above shows that 121 of the respondents representing 47.0% falls in the age bracket of 21-30 years old, while 75 of the respondents with a percentage of 29.1% are between the age bracket of 31-40years old, the age bracket of 41-50years of age are 43 and 16.7% while the age bracket of 51-60years are 18(7.0%). This by implication means that the highest respondents are within the age bracket of 21-30 years old which constitute 47.0%.

Also, the table states that 121 of the respondents representing 47.0% are single, 136 of the respondents representing 52.9% are married. This implies that most of the respondents to the questionnaire are married with a percentage 52.9%

Additionally, the table shows that 160 of the respondents representing 62.2% have B.Sc./HND as their highest qualification, 71 of the respondents representing 27.6% have MBA/MSc., while 19 of the respondents representing 7.30% are PhD and lastly,7 (2.7%) of the respondents have other qualifications. This means that most of the respondents to the questionnaire are B.Sc./HND holders with a percentage of 62.2%.

Also, the above table shows the years of operation of the staffs that 181 of the respondents amounting to 84.6% are between 1-5years work of operation while 76 of the respondents amounting 15.3% have been in operation since 6-10years and above.

Table 4.3.2 POWER CULTURE

S/N	Factor	Factor Level	Frequency	Percentage %
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1.	Customers are at the center of how a company with a prevalent Power culture makes decisions.	SA A Total	181 76 257	84.6 15.3 100.00
2.	Power culture heavily focuses on performance, results, and achievements.	SA A Total	221 36 257	85.9 14.0 100.00
3.	Power culture emphasizes the competitiveness between the organization and its competitors and between employees.	SA A U Total	56 184 17 257	21.8 71.5 6.6 100.0
4.	Due to the intense focus on the customer, Power culture compels my organizations to continuously improve their services.	SA A U D Total	93 130 12 22 257	36.1 50.5 4.6 8.5 100.00
5.	Employees are consistently pushed to go the extra mile and are driven constantly focused on building on their skills and knowledge.	SA A U Total	56 184 17 257	21.8 71.5 6.6 100.0

Source: Researcher's Field Survey, 2023

From the distribution table 4.3.2 above, 181 of the respondents representing 84.6% said they strongly agree to the statement that customers are at the center of how a company with a prevalent power culture makes decisions, and 76 of the respondents representing 15.3% said they agree to the statement. Therefore, the largest populations strongly agreed that customers are at the center of how a company with a prevalent power culture makes decisions.

In addition, the distribution table, 221 respondents choose strongly agreed which is equivalent to 85.9%, 36 of the respondents representing 14.0% said they agreed that power culture heavily focuses on performance, results, and achievements.

Also, the distribution table shows that 56 of the respondents representing 21.8% said they strongly agreed to the statement that power culture emphasizes the competitiveness between the organization and its competitors and between employees, 184 (71.5%) agreed to the statement while 17 (6.6%) of the respondent Undecided to the statement , therefore the largest population agreed to the statement that power culture emphasizes the competitiveness between the organization and its competitors and between employees.

Also, the distribution table shows that 93 of the respondents strongly agreed representing 36.1% while 130 of the respondents representing 50.5% said they agreed, 12 (4.6%) undecided and 22 of the respondents with 8.5% disagreed to the statement that due to the intense focus on the customer, power culture compels my organizations to continuously improve their services. Therefore, the largest population Agreed to the statement that due to the intense focus on the customer, power culture compels my organizations to continuously improve their services.

Lastly, the distribution table shows that 56 of the respondents representing 21.8% said they strongly agreed to the statement that employees are consistently pushed to go the extra mile and are driven constantly focused on building on their skills and knowledge, 184 (71.5%) agreed to

the statement while 17 (6.6%) of the respondent Undecided to the statement , therefore the largest population agreed to the statement that employees are consistently pushed to go the extra mile and are driven constantly focused on building on their skills and knowledge.

Table 4.3.4 ROLE CULTURE

S/N	Factor	Factor Level	Frequency	Percentage %
1	Role cultures are tends to provide consistency and reliability	SA	112	43.5
		A	132	51.3
		SD	13	5.05
		Total	257	100.00
2	Large Role organizations are designed to foster a company culture that endures beyond the tenure of any one employee	SA	65	25.2
		A	171	66.5
		D	21	8.1
		Total	257	100.00
3	The Role culture in my organization tends to provide avenues for long-time employees to succeed within the company	SA	158	61.5
		A	99	38.5
		Total	257	100.00
4	Employees tends to easily understand how work are meant to flow from the top level down to the lower level	SA	33	12.8
		A	212	82.4
		SD	12	4.8
		Total	257	100.00
5	The Role culture in my organization easily maps out career paths for each employee	SA	65	25.2
		A	171	66.5
		D	21	8.1
		Total	257	100.00

Source: Researcher's Field Survey, 2023

From the distribution table 4.3.4 above, 112 of the respondents representing 43.5% said they strongly agreed to the statement that role cultures are tends to provide consistency and reliability 132 of the respondents representing 51.3% agreed, 13 of the respondents representing 5.05% said they strongly disagreed to the statement. Therefore, the largest population agreed that role cultures are tends to provide consistency and reliability.

In addition, the table 4.3.4 above shows that 65 of the respondents representing 25.2% said they strongly agreed that large role organizations are designed to foster a company culture that endures beyond the tenure of any one employee, 171 of the respondents representing 66.5% said they agreed to the statement, 21 of the respondents representing 8.1% disagree to the statement that large role organizations are designed to foster a company culture that endures beyond the tenure of any one employee. Therefore, the largest population agreed that large role organizations are designed to foster a company culture that endures beyond the tenure of any one employee.

In addition, the table above indicates that 158 of the respondents representing 61.5% said they strongly agreed that the role culture in my organization tends to provide avenues for long-time employees to succeed within the company, 99 of the respondents representing 38.5% said they agreed to the statement that the role culture in my organization tends to provide avenues for long-time employees to succeed within the company. Therefore, the largest population strongly agreed to the statement.

Furthermore, 33 of the respondents with 61.5% Strongly agreed to the statement that employees tends to easily understand how work are meant to flow from the top level down to the lower level, 212 of the respondents representing 82.4% agreed to the statement, and 12 of the respondent represents 4.8% strongly disagreed to the statement, Hence, this implies that that employees tends to easily understand how work are meant to flow from the top level down to the lower level.

Lastly, the table shows that 65 of the respondents representing 25.2% said they strongly agreed that large the role culture in my organization easily maps out career paths for each employee, 171 of the respondents representing 66.5% said they agreed to the statement, 21 of the respondents representing 8.1% disagree to the statement that the role culture in my organization easily maps out career paths for each employee. Therefore, the largest population agreed that large the role culture in my organization easily maps out career paths for each employee.

Table 4.3.5 EMPLOYEE EFFICIENCY

S/N	Factor	Factor Level	Frequency	Percentage %
1.	Organizational culture allow employees to make the best use of the organizational resources	SA	181	84.6
		A	76	15.3
		Total	257	100.00
2.	Re-occurrence of weak effectiveness is due to poor organizational cultural practices	SA	221	85.9
		A	36	14.0
		Total	257	100.00
3.	The right organization culture enhances organization to achieve their set target through employees efficiency	SA	56	21.8
		A	184	71.5
		U	17	6.6
		Total	257	100.0
4.	The right organizational culture leads to higher performance of employee	SA	93	36.1
		A	130	50.5
		U	12	4.6
		D	22	8.5
		Total	257	100.00
5.	The level of an organizational efficiency increases engagement with customers	SA	181	84.6
		A	76	15.3
		Total	257	100.00

Source: Researcher's Field Survey, 2023

From the distribution table above, 181 of the respondents representing 84.6% said they strongly agree to the statement that organizational culture allow employees to make the best use of the organizational resources, and 76 of the respondents representing 15.3% said they agree to the statement. Therefore, the largest populations strongly agreed that organizational culture allow employees to make the best use of the organizational resources.

In addition, the distribution table, 221 respondents choose strongly agreed which is equivalent to 85.9%, 36 of the respondents representing 14.0% said they agreed that re-occurrence of weak effectiveness is due to poor organizational cultural practices.

Also, the distribution table shows that 56 of the respondents representing 21.8% said they strongly agreed to the statement that the right organization culture enhances organization to achieve their set target through employees efficiency, 184 (71.5%) agreed to the statement while 17 (6.6%) of the respondent Undecided to the statement , therefore the largest population agreed to the statement that the right organization culture enhances organization to achieve their set target through employees efficiency.

Also, the distribution table shows that 93 of the respondents strongly agreed representing 36.1% while 130 of the respondents representing 50.5% said they agreed, 12 (4.6%) undecided and 22 of the respondents with 8.5% disagreed to the statement that the right organizational culture leads to higher performance of employee. Therefore, the largest population Agreed to the statement that the right organizational culture leads to higher performance of employee.

Lastly, table above shows that 181 of the respondents representing 84.6% said they strongly agree to the statement that the level of an organizational efficiency increases engagement with customers , and 76 of the respondents representing 15.3% said they agree to the statement. Therefore, the

largest populations strongly agreed that the level of an organizational efficiency increases engagement with customers.

Table 4.3.6 EMPLOYEE EFFECTIVENESS

S/N	Factor	Factor Level	Frequency	Percentage %
1	High level of employees effectiveness in my organization is as a result of the cultural practices put in place	SA A Total	158 99 257	61.5 38.5 100.00
2	Effective cultural practices enhances performance of this organization	SA A SD Total	33 212 12 257	12.8 82.4 4.8 100.00
3	Employees performance has been on a high rate due to the type of cultural practices	SA A Total	221 36 257	85.9 14.0 100.00
4	Goodwill of your organization has improved as a result of high level of effectiveness	SA A U Total	56 184 17 257	21.8 71.5 6.6 100.0
5	The effectiveness of employees in my organization is been considered by the type of cultural practice put in place	SA A SD Total	33 212 12 257	12.8 82.4 4.8 100.00

Source: Researcher's Field Survey, 2023

The table above indicates that 158 of the respondents representing 61.5% said they strongly agreed that high level of employees effectiveness in my organization is as a result of the cultural practices put in place, 99 of the respondents representing 38.5% said they agreed to the statement that high

level of employees effectiveness in my organization is as a result of the cultural practices put in place. Therefore, the largest population strongly agreed to the statement.

Also, 33 of the respondents with 61.5% Strongly agreed to the statement effective cultural practices enhances performance of this organization, 212 of the respondents representing 82.4% agreed to the statement, and 12 of the respondent represents 4.8% strongly disagreed to the statement, Hence, this implies that that effective cultural practices enhances performance of this organization.

In addition, the distribution table, 221 respondents choose strongly agreed which is equivalent to 85.9%, 36 of the respondents representing 14.0% said they agreed that employees performance has been on a high rate due to the type of cultural practices.

Also, the distribution table shows that 56 of the respondents representing 21.8% said they strongly agreed to the statement that goodwill of your organization has improved as a result of high level of effectiveness, 184 (71.5%) agreed to the statement while 17 (6.6%) of the respondent Undecided to the statement, therefore the largest population agreed to the statement that that goodwill of your organization has improved as a result of high level of effectiveness. Finally, the distribution table shows that 93 of the respondents strongly agreed representing 36.1% while 130 of the respondents representing 50.5% said they agreed, 12 (4.6%) undecided and 22 of the respondents with 8.5% disagreed to the statement that the effectiveness of employees in my organization is been considered by the type of cultural practice put in place. Therefore, the largest population Agreed to the statement that the effectiveness of employees in my organization is been considered by the type of cultural practice put in place.

4.4 HYPOTHESIS TESTING

Test for Hypothesis 1

H₀₁: There is no significant effect of Market culture on employee's efficiency in Kam Wire Manufacturing Limited

H₀₁: There is a significant effect of Market culture on employee's efficiency in Kam Wire Manufacturing Limited

4.4.1.1 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.911 ^a	.830	.829	2.03474

a. Predictors: (Constant), Market culture

The model summary as indicated in table 4.4.1.1 above shows that R Square is 0.83; this implies that 83% of variation in the dependent variable (Market culture) were explained by the independent variable (Employee's efficiency) while the remaining 17% is due to other variables that are not included in the model. This mean that the regression (model formulated) is useful for making predictions since the value of R^2 is close to 1

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3723.604	1	3723.604	899.381	.000 ^b
	Residual	761.794	184	4.140		
	Total	4485.398	185			

- a. Dependent Variable: employee's efficiency
- b. Predictors: (Constant), Market culture

The table above summarized the results of an analysis of variation in the dependent variable with large value of regression sum of squares (3723.604) in comparison to the residual sum of squares with value of 761.794 (this value indicated that the model does not fail to explain a lot of the variation in the dependent variables. However, the estimated F-value (899.381) as given in the table above with significance value of 0.000, which is less than p-value of 0.05 ($p < 0.05$) which means that the explanatory variable elements as a whole can jointly influence the increment in the dependent variable (Employee's efficiency).

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-2.522	.514		-4.911	.000
Market culture	1.168	.039	.911	29.990	.000

- a. Dependent Variable: employee's efficiency

Interpretation

The dependent variable as shown Employee's efficiency. This was used as a yardstick to examine the impact between the two variables (i.e. Market culture and Employee's efficiency). The predictors is Leadership style, it is obvious that there is a direct relationship Market culture and

Employee's efficiency. This means that an utmost adoption of the satisfying employee by the sampled organization can help to increase Employee's efficiency for the organization.

According to the result in the table above Market culture-test coefficient is 29.990 and the P-value is 0.000 which is less than 0.05 (i.e. $P < 0.05$). This means that these variables are statistically significant at 5% significant level.

Decision Rule

As a result of the outcome, the Null Hypothesis (H_{01}) is rejected on the basis that the p-value is less 0.05. Hence the alternative hypothesis is accepted, that Market culture has significant effect on Employee's efficiency. Hence, it explains how significant hypothesis one is to be recommended to Organization Performance.

4.4.2 Hypotheses 2

H₀₃: Hierarchy culture does not have any significant effect on employee's efficiency in Kam Wire Manufacturing Limited.

H₀₃: Hierarchy culture does not have any significant effect on employee's efficiency in Kam Wire Manufacturing Limited.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.713 ^a	.509	.506	3.46020

a. Predictors: (Constant), Hierarchy culture

The model summary as indicated in table 4.4.3.1.1 above shows that R Square is 0.51; this implies that 51% of variation in the dependent variable (Employee's efficiency) were explained by the Independent variable (Hierarchy culture) while the remaining 49% is due to other variables that are not included in the model. This mean that the regression (model formulated) is useful for making predictions since the value of R^2 is close to 1

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2282.366	1	2282.366	190.626	.000 ^b
	Residual	2203.032	184	11.973		
	Total	4485.398	185			

a. Dependent Variable: employee's efficiency

b. Predictors: (Constant), Hierarchy culture

The table above summarized the results of an analysis of variation in the dependent variable with large value of regression sum of squares (2282.366) in comparison to the residual sum of squares with value of 2203.032 (this value indicated that the model does not fail to explain a lot of the variation in the dependent variables. However, the estimated F-value (190.626) as given in the table above with significance value of 0.000, which is less than p-value of 0.05 ($p < 0.05$) which means that the explanatory variable elements as a whole can jointly influence the increment in the dependent variable (Employee's efficiency).

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.877	.859		1.021	.309

Hierarchy culture	.889	.064	.713	13.807	.000
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a. Dependent Variable: Employee's efficiency

Interpretation

The dependent variable as shown is Employee's efficiency. This was used as a yardstick to examine the impact between the two variables (i.e. Hierarchy culture and Employee's efficiency). The predictors is Hierarchy culture, as depicted, it is obvious that there is a direct relationship between Hierarchy culture and Employee's efficiency. This means that an utmost adoption of the satisfying employee by the sampled organization can help to increase Employee's efficiency for the organization.

According to the result in the table above welfare package t-test coefficient is 13.807 and the P-value is 0.000 which is less than 0.05 (i.e. $P < 0.05$). This means that these variables are statistically significant at 5% significant level.

Decision Rule

As a result of the outcome, the Null Hypothesis (H_{01}) is rejected on the basis that the p-value is less 0.05. Hence the alternative hypothesis is accepted, that Hierarchy culture has significant effect on performance. Hence, it explains how significant hypothesis three is to be recommended to Organization Performance.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter of this research work gives an overview of the research work from chapter one to four. This chapter also examines the theoretical and empirical findings as discovered by the researcher, the conclusion of the research work and recommendations by the researcher. The purpose of this study is to examine the impact of Impact of organizational culture on employee's performance. Four hypotheses were formulated in the course of the research which was tested using regression analysis.

5.2 Summary of the Findings

This research work started with chapter one the introductory part discussing the background of understanding on the term Culture, followed by the research problems, objectives, questions, hypotheses and the operationalization of the two constructs for explanation and measurement mechanism. Under organizational culture, the variables are Market culture and Hierarchy culture, while for Organizational Performance variables are effectiveness and Efficiency. Followed by chapter two which comprises the conceptual review, theoretical review, empirical review and the gap in literatures. The conceptual review discussed the variables relevant to the study.

Hypothesis one states that Market culture does not affect the Employees effectiveness of an organization. However, the null hypothesis was rejected and alternate accepted which states that Market culture has an effect on Employees effectiveness of an organization. Also, the study revealed that Market culture has affected its output significantly in the past years and this has brought continuous improvement in the Employees effectiveness of an organization. In addition,

Market culture embedded in the policy of Kam Wire Manufacturing Limited has helped enhanced the general effectiveness. Hence, it can be stated that Market culture really has an effect on the Employees effectiveness of the organization. This aligns with the study of Olaoye (2015) where it was revealed that Market culture has a significant impact on Employees effectiveness of the organization.

Hypothesis two states that there is no significant effect of Market culture on the employees efficiency of an organization. Hence, the null hypothesis was rejected and alternate accepted. The study also revealed that serious attention to Market culture is crucial as its helps in building stability of employee's efficiency towards the improvement of organizational performance. In addition, Market culture has helped in assisting the organizational networking which in turn affects its operational efficiency. Therefore, the study found that employee's efficiency may be affected by the strategies implemented in increasing the Market culture of the organization. As cited by Joan and Adam (2014), in their studies.

Hypothesis three states that Hierarchy culture does not affect the Employees effectiveness of an organization. Conversely, the null hypothesis was rejected and alternate accepted. The result then revealed that Hierarchy culture assists in improving the sales volume of it service and also, the output of an organization is often influenced by the level of the Hierarchy culture. In addition, the study revealed that increase in sales volume is as a result of organizational Hierarchy culture. This study also aligns with the study of (Israel, 2015) where it was revealed that one of the most effective tools used in enhancing organizational sales volume is Hierarchy culture.

Hypothesis four states Hierarchy culture does not affect the Employees effectiveness of an organization of an organization. However, the study rejected the null and accepts the alternate

hypothesis which states that Hierarchy culture as a significant effect on organization Employees effectiveness of an organization. The study also revealed that organizational continuous improvement depends on the level of culture. Also, organizational tends to have a stable Employees effectiveness of an organization due to the level of culture. In addition, Hierarchy culture often positively influences the stable increase in organizational Employees effectiveness of an organization. Hence the study found that Hierarchy culture may significantly affect the organizational Employees effectiveness of an organization.

5.3 Conclusion

For the purpose of this research, the study concludes that;

1. Market culture does affect the employee's efficiency of the organization. Also, the study concludes that continuous improvement in organizational Market culture leads to increase in organizational operational efficiency.
2. Employees efficiency may be affected by organizational Market culture. Furthermore, it was concluded that strategies use in enhancing organizational employees' efficiency often assist in building stability for the service provision of the organization.
3. Hierarchy culture significantly affects the Employees effectiveness of the organization. Also that the output of an organization is often influenced by level of culture put into consideration.
4. Hierarchy culture may significantly affect organizational operational efficiency.

5.4 Recommendations

In relations to the above findings and conclusion, the study recommends that;

1. Market culture should be further intensified as finding has shown how significant it is to Kam Wire Manufacturing Limited. This will eventually tell on the employees' efficiency of Organization.
2. Kam Wire Manufacturing Limited and other organizations should also align Market culture with the Employees effectiveness of the organization in order to assist the organization performance generally.
3. Kam Wire Manufacturing Limited limited and other organization should step up the level of Market culture as this enhance and also makes organizational Employees effectiveness easy in making employees work more and in return, this will help increase the organizational performance.
4. Kam Wire Manufacturing Limited should increase the mode of the Market culture as this affects the Employees effectiveness of the organization.

5.5 Contribution to Knowledge

The study will contribute to knowledge by explaining what culture is all about and how it should be managed in an organization to improve Employees effectiveness and employee's efficiency an organization. Hence, it was also noticed that majority of these studies have investigated the roles of culture and it benefit to the performance of organization and some also investigated the rising trend in organizations on how effective cultures is been handled. However, the impact of culture on performance of organization has not been well focused on by researchers in the above empirical review, and more emphasis has not been laid on how culture has aspired organizations.

5.6 Suggestions for further studies

The study will contribute to knowledge by explaining what culture is all about and how it should be managed in an organization to improve Employees effectiveness and employee's efficiency and also will suggests further studies be expressed towards improving this study by looking at other industry of their choice as this will assist the field of study in getting more empirical findings. Also, Effective culture is mostly attached to big companies, future study can look at it from other types of business.

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APPENDIX

Department of Business
and Entrepreneurship,
College of Humanities, Management and
Social Sciences, School of Business and
Governance,
Kwara State University, Malete,

Dear Respondent,

LETTER OF INTRODUCTION

The bearer Misses. **OLAIYA SAMIAT ROLAKE** with matriculation number: **19/27BA/01004** is a student of Business and Entrepreneurship Department, College of Humanities, Management and Social Sciences; School of Business and Governance, Kwara State University, Malete, Nigeria.

She is currently conducting a research study titled “Impact of Organizational Culture on Employees Performance”. This study is channeled towards examining how organizational culture affects the performance of employees in Kam Manufacturing Ltd.

Hence, we request your support in helping her fill this questionnaire attached there in order to make her carryout this research work objectively. Please note that the information supplied shall be treated with utmost confidence and use purely for academic purposes only.

Thanks for your cooperation.

Yours faithfully,

Dr. Nurudeen Bello A.

SECTION A: BIO DATA

- Gender : Male (), Female ()
- Age bracket: 18-25 (), 26- 35 (), 36-45 (), 46- above()
- Religion : Christianity(), Islam (), Others ()

- Marital Status : Single (), Married (), others ()
- Educational Qualification: SSCE (), NCE/OND (), HND/B.SC (), Postgraduate(), Others ()
- Level of Staff: Lower Level Staff(), Middle Level Staff(), Top Level Staff()

SECTION B

Instruction: Kindly indicate the extent of your agreement with the statement below by ticking [√] one of the spaces provided. Where: Strongly Disagree (SD) Disagree (D), Agree (A), Undecided (U), Strongly agree (SA)

S/N	POWER CULTURE	SD	D	U	A	SA
PC1	Customers are at the center of how a company with a prevalent Power culture makes decisions.					
PC2	Power culture heavily focuses on performance, results, and achievements.					
PC3	Power culture emphasizes the competitiveness between the organization and its competitors and between employees.					
PC4	Due to the intense focus on the customer, Power culture compels my organizations to continuously improve their services					
PC5	Employees are consistently pushed to go the extra mile and are driven constantly focused on building on their skills and knowledge.					
	ROLE CULTURE					
RC1	Role cultures are tends to provide consistency and reliability.					

RC2	Large Role organizations are designed to foster a company culture that endures beyond the tenure of any one employee					
RC3	The Role culture in my organization tends to provide avenues for long-time employees to succeed within the company					
RC4	Employees tends to easily understand how work are meant to flow from the top level down to the lower level.					
RC5	The Role culture in my organization easily maps out career paths for each employee					
	EMPLOYEE EFFICIENCY					
EFF1	Organizational culture allow employees to make the best use of the organizational resources.					
EFF2	Re-occurrence of weak effectiveness is due to poor organizational cultural practices.					
EFF3	The right organization culture enhances organization to achieve their set target through employees efficiency					
EFF4	The right organizational culture leads to higher performance of employee.					
EFF5	The level of an organizational efficiency increases engagement with customers.					
	EMPLOYEE EFFECTIVENESS					

EFFT1	High level of employees effectiveness in my organization is as a result of the cultural practices put in place.					
EFFT2	Effective cultural practices enhances performance of this organization.					
EFFT3	Employees performance has been on a high rate due to the type of cultural practices.					
EFFT4	Goodwill of your organization has improved as a result of high level of effectiveness.					
ERT5	The effectiveness of employees in my organization is been considered by the type of cultural practice put in place.					

Thank You.