

**THE RELEVANCE OF PURCHASING DEPARTMENT ON ACTUALIZATION OF
THE CORPORATE GOALS OF MANUFACTURING ORGANIZATION.**

(A CASE STUDY OF DANGOTE FLOUR MILL PLC, ILORIN).

PRESENTED BY

NAME: ISHOLA OLAOLUWA FAVOUR

MATRIC NO: ND/23/PT/PMS/0026

**BEING A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT OF
PROCUREMENT AND SUPPLY CHAIN MANAGEMENT, INSTITUTE OF
FINANCE AND MANAGEMENT STUDIES. KWARA STATE POLYTECHNIC,
ILORIN**

**IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF
NATIONAL DIPLOMA (ND) IN PROCUREMENT AND SUPPLY CHAIN
MANAGEMENT.**

JULY, 2025

DEDICATION

To the Almighty God, the giver of all wisdom, knowledge, and understanding, I dedicate this academic work. Your divine providence has guided me throughout this journey, granting me the strength, perseverance, and intellect to undertake this study. I am eternally grateful for the gift of education and the opportunity to contribute to the body of knowledge in my field.

May this work be a testament to Your glory and a source of inspiration for others. May it bring benefit to humanity, advance knowledge, and reflect Your boundless wisdom. I pray that Your blessings continue to guide me and all seekers of knowledge, granting us wisdom, understanding, and discernment.

I also dedicate this work to my loved ones, who have been a constant source of support and encouragement. Your love, patience, and prayers have sustained me throughout this journey. May God richly bless you and grant us all the wisdom to apply knowledge for the betterment of humanity.

As I reflect on the journey that has brought me to this point, I am reminded of the words of Scripture that have guided me: "For the Lord gives wisdom; from His mouth come knowledge and understanding" (Proverbs 2:6, NKJV). May this study be a reflection of Your wisdom and a means of enriching the lives of others. To You be all glory, honor, and praise.

CERTIFICATION.

This project has been written, read and approved as meeting part of the requirement of Department of Procurement and Supply Chain Management Studies, Kwara state Polytechnic, Ilorin. For the award of National Diploma [ND] in Procurement and Supply Chain Management.

MR. SALAM SODIQ
(*PROJECT SUPERVISOR*)

DATE.

DR. K.A DANGANA
(*HEAD OF DEPARTMENT*)

DATE.

MR. SIDIQ OLAREWAJU
(*HEAD OF DEPARTMENT*)

DATE.

--

MRS. YUSUF MARIAM OMOWUMI
(*EXTERNAL EXAMINER*)

DATE.

ACKNOWLEDGEMENT

I would like to express my profound gratitude to the Almighty God for the gift of life, wisdom, and strength to complete this research project. My sincere appreciation goes to the management and staff of Dangote flour mill PLC, Ilorin) for their cooperation and support during the course of this research. Their willingness to provide information and insights into the company's store identification and codification practices was invaluable to the success of this project.

I am deeply grateful to my project supervisor, [MR SALAMI SODIQ], for their guidance, expertise, and patience throughout this research. Their constructive feedback and suggestions helped shape this project into its final form. I appreciate the time and effort they invested in ensuring the quality and relevance of this research.

I also wish to acknowledge the contributions of the academic staff and lecturers in the Department of [PROCUREMENT AND SUPPLY CHAIN MANAGEMENT], who imparted knowledge and skills that were essential to this research. Their dedication to academic excellence and research has been a source of inspiration to me. I am thankful for the resources and facilities provided by the institution, which facilitated the completion of this project.

My appreciation also goes to my family and friends for their encouragement, understanding, and support throughout this research. Their unwavering support and motivation helped me navigate the challenges and complexities of this project. I am grateful for their love, patience, and understanding, which sustained me throughout this academic journey

Finally, I acknowledge the support and contributions of all individuals who, in one way or another, contributed to the success of this research project. While it is not possible to mention everyone by name, I appreciate the collective effort and support that made this project a reality. Thank you all for your contributions to this research project.

ABSTRACT

This study explores the pivotal role of the purchasing department in actualizing the corporate goals of manufacturing organizations, with a specific focus on Dangote Flour Mill PLC, Ilorin. The research aims to investigate the impact of purchasing department activities on organizational performance, including cost reduction, quality improvement, and supply chain efficiency. A case study approach was adopted, and data was collected through surveys, interviews, and observations. The findings reveal that the purchasing department plays a critical role in supporting the achievement of corporate goals by ensuring the procurement of high-quality materials, managing costs, and building strategic supplier relationships. The study also highlights the importance of effective purchasing strategies, supplier relationship management, and cross-functional collaboration in enhancing organizational performance. The research concludes that the purchasing department is a vital component of manufacturing organizations and recommends that organizations prioritize the development of effective purchasing strategies, invest in purchasing department capabilities, and foster collaboration between the purchasing department and other functional areas to support the achievement of corporate goals.

PROPOSAL

This research is an attempting to examine the relevance of purchasing department on actualization of the corporate goals of manufacturing organization in Dangote flour mill PLC ilorin.

A company will have stated objectives, but the individual manager must interpret what company officials actually say and do. For examples Chief Executive Financial Officers (CFOS), backed by the law of the law, will usually stress their responsibility to the stockholders. But the company's objectives are usually compromises. Soo in actual practice the CFO's goal is to balance the objectives of a fair return on investments to stockholders, stable and satisfy employment for employees, satisfaction of customers and the community and so forth.

In setting procurement's functional objectives, the purchasing manager must be aware of the CFO's (and accordingly, the company's) objectives and ensure consistency in constructing the specific objectives for the purchasing department with increased focus on meeting customers need more effectively, many enterprises have begun to evaluate the results of the entire supply chain in satisfying these needs. This has given rise to the concept of competition between supply chain rather than merely between companies consequently, the importance of supplier contribution to enterprise results has further increased expectations of the supply management organization.

The evolution of purchasing and supply system from a clerical task to a strategic value chain makes it a means of creating competitive advantages for organizations. Generally this development happens slowly with no previous design and plan in organizations. Therefore to mitigate risks of this change and to increase its effectiveness, this development process should be carefully structured and planned. In this paper, in order to achieve a purchasing and supply system transformation model, purchasing development models are used as a basic framework. By benefiting of organizational change concepts and theories, the reference model has been designed as a tool to assess the current purchasing and supply system development situation and the potential strategic growth path. Finally, relationship between purchasing content change elements development have been identified as a departure point of develop the purchasing transformation strategy. In the empirical research path, this exploratory research has an inductive approach and the strategy by which the research is conducted is grounded theory.

case studies are the chief tools for data collection and analysis.

TABLE OF CONTENTS

CHAPTER ONE: INTRODUCTION

1.1 Background of the study	1
1.2 Statement of the problems	2
1.3 Research questions	3
1.4 Objectives of the study	3-4
1.5 Research hypothesis	4
1.6 Significance of the study	5
1.7 Scope of the study	5
1.8 Brief history of the case study	6
1.9 Definition of terms	6-7

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction	8
2.2 Conceptual framework	9-10
2.3 Theoretical framework	10-11-12
2.4 Empirical review	13-14

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction	15
3.2 Research design	15-16
3.3 Source of data	16-17
3.4 Population of the study	17
3.5 Sample size determination	17

3.6 Instruments used in data collection	18
3.7 Sample procedures employed	18
3.8 Statistical method of data analysis	19

CHAPTER FOUR: DATA PRESENTATION AND ANALYSIS

4.1 Introduction	20
4.2 Data Presentation	20-21-22-23
4.3 Data Analysis	23-24
4.4 Test of hypothesis	24-25

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary of findings	26
5.2 Conclusion	26
5.3 Recommendations	27
5.4 Reference	28

CHAPTER ONE: INTRODUCTION

1.1 BACKGROUND OF THE STUDY

In today's dynamic and competitive business environment, the purchasing department plays a pivotal role in determining the efficiency, cost-effectiveness, and overall performance of manufacturing organizations. Traditionally seen as a support function, purchasing has evolved into a strategic component that directly influences the achievement of corporate goals such as profitability, quality assurance, timely production, and customer satisfaction. For manufacturing firms, where raw materials and components form the foundation of operations, effective purchasing ensures the availability of the right materials, at the right time, and at the right cost. This function not only helps to manage input costs but also contributes significantly to maintaining production schedules and meeting market demands. With increasing emphasis on lean manufacturing, supply chain integration, and global sourcing, the purchasing department now also manages supplier relationships, negotiates contracts, and monitors procurement performance to align with broader corporate strategies. As organizations strive to gain a competitive edge, the alignment of the purchasing function with corporate goals has become more critical than ever. Understanding the relevance of the purchasing department to organizational success, especially in manufacturing, provides insights into how procurement strategies can support innovation, cost leadership, and sustainable growth. In the globalized and fast-paced industrial landscape, manufacturing organizations are increasingly under pressure to optimize operations, reduce costs, and deliver value to customers. Within this context, the purchasing department has emerged as a critical functional area that directly influences the efficiency, effectiveness, and profitability of manufacturing operations. Historically, the purchasing department was often viewed as a clerical or administrative function primarily responsible for ordering materials and maintaining inventory levels. However, with the growing complexity of supply chains, advancements in technology, and heightened competition, the role of purchasing has expanded far beyond routine procurement tasks. It now encompasses strategic sourcing, supplier relationship management, contract negotiation, risk mitigation, and sustainability compliance. These responsibilities position the purchasing department as a strategic partner in the realization of an organization's broader corporate objectives. For manufacturing firms, where the cost of raw materials and components can constitute a significant portion of the total production cost, effective purchasing practices are essential to maintaining a healthy bottom line. Timely procurement of high-quality materials ensures smooth production flows, reduces downtime, and enhances product quality. Inadequate procurement, on the other hand, can lead to production delays, increased costs, and even customer dissatisfaction. Furthermore, the purchasing department contributes to corporate goals such as cost leadership, innovation, and operational excellence by fostering long-term relationships with reliable suppliers, engaging in collaborative planning, and leveraging market intelligence. Strategic procurement decisions can also help organizations respond swiftly to market changes, manage supply chain disruptions, and adapt to evolving customer needs all of which are crucial to sustaining competitive advantage. Despite its growing importance, in some organizations, the purchasing function is still undervalued or not fully integrated into the strategic planning process. This disconnect can hinder the ability of manufacturing firms to fully realize their corporate goals. Therefore, it is essential to assess and understand the relevance of the purchasing department not just as

an operational necessity, but as a core contributor to the success and sustainability of manufacturing enterprises. This study seeks to investigate the role and impact of the purchasing department on the actualization of corporate goals in manufacturing organizations. By exploring procurement practices, organizational alignment, and performance outcomes, the research aims to highlight the strategic importance of purchasing and provide recommendations for optimizing its function to drive organizational success

1:2 STATEMENT OF THE PROBLEMS

Despite the critical role that the purchasing department plays in ensuring the smooth operation and profitability of manufacturing organizations, it is often overlooked in strategic decision-making processes. In many firms, purchasing is still perceived as a purely administrative or cost-control function, rather than as a strategic partner capable of driving value, innovation, and competitive advantage. This underestimation can lead to inefficiencies such as poor supplier selection, delayed procurement, inconsistent quality of raw materials, and higher production costs all of which negatively impact the ability of the organization to meet its corporate goals. Furthermore, a lack of integration between the purchasing department and other key functions such as production, finance, and logistics can result in misalignment of objectives, duplication of efforts, and missed opportunities for cost savings and process improvement. The problem, therefore, lies in the gap between the potential strategic value the purchasing department can offer and the limited role it is often allowed to play in many manufacturing organizations. There is a need to examine how purchasing practices, capabilities, and alignment with corporate strategy influence the achievement of organizational goals such as profitability, productivity, customer satisfaction, and sustainable growth. This study seeks to investigate the extent to which the purchasing department contributes to the actualization of corporate goals in manufacturing organizations and to identify the challenges and opportunities associated with enhancing its strategic relevance. In the face of increasing competition, rising material costs, and heightened customer expectations, manufacturing organizations are under constant pressure to optimize their operations and align every functional unit with their overarching corporate goals. One such unit the purchasing department plays a vital yet often underappreciated role in this process. While the core responsibility of purchasing is to ensure the timely acquisition of goods and services, its influence stretches far beyond basic procurement. It has the potential to contribute significantly to cost reduction, quality control, timely production, innovation, and supply chain resilience all of which are critical to the realization of corporate goals. However, in many manufacturing organizations, the purchasing department is still perceived as a transactional or administrative unit rather than a strategic partner. This perception often leads to limited involvement in strategic planning, poor communication with other departments, and underutilization of procurement data in decision-making processes. As a result, the organization may face challenges such as inconsistent material quality, unreliable suppliers, delayed production schedules, budget overruns, and even customer dissatisfaction all of which undermine the achievement of corporate objectives. Moreover, with increasing globalization, fluctuating markets, and complex supply networks, the purchasing department must now navigate new challenges, including supplier risk management, regulatory compliance, sustainability, and cost volatility. When not

adequately empowered or strategically positioned, the department may struggle to respond effectively to these demands. The core problem this study seeks to address is the disconnect between the purchasing department's potential strategic impact and its actual contribution within manufacturing organizations. Specifically, the study aims to examine how the relevance, structure, and performance of the purchasing department influence the attainment of corporate goals. It will also explore barriers that limit its effectiveness and suggest strategies for better integration and alignment with organizational priorities.

1:3 Research Questions

- What is the role of the purchasing department in the operations of manufacturing organizations?
- How does the performance of the purchasing department influence the achievement of corporate goals such as cost efficiency, product quality, and timely delivery?
- To what extent is the purchasing department involved in the strategic planning and decision-making processes of manufacturing organizations?
- What challenges hinder the effective contribution of the purchasing department to organizational success?
- How can the purchasing function be enhanced to align more effectively with the corporate goals of manufacturing organizations?
- What are the primary responsibilities and functions of the purchasing department in manufacturing organizations?
- How does the efficiency of the purchasing department affect production continuity and overall organizational performance?
- To what degree is the purchasing department integrated with other departments such as production, finance, and logistics in pursuit of corporate objectives?
- What procurement practices and policies are currently in place, and how do they support or hinder the realization of corporate goals?
- What are the key performance indicators used to measure the effectiveness of the purchasing departments?

1.4 OBJECTIVES OF THE STUDY

- To identify the key roles and responsibilities of the purchasing department in manufacturing organizations.
- To assess the impact of purchasing department performance on the achievement of corporate goals such as cost efficiency, quality assurance, and timely delivery.
- To evaluate the level of integration between the purchasing department and other departments in aligning with organizational objectives.
- To examine the procurement strategies and practices used by manufacturing organizations and how they contribute to corporate success.
- To identify the challenges that limit the effectiveness and strategic influence of the purchasing department.

- To explore the use of technology and innovation in improving purchasing functions and aligning them with corporate goals.
- To recommend strategies for enhancing the contribution of the purchasing department to the overall performance and sustainability of manufacturing organizations.
- To identify internal and external challenges affecting the efficiency and effectiveness of the purchasing departments.
- To explore the role of technology and digital tools (e.g., ERP systems, e-procurement, supply chain analytics) in enhancing the performance of the purchasing function.
- To propose practical strategies and recommendations for improving the contribution of the purchasing department to the actualization of corporate goals.

1.5 Research hypothesis

- H₀₁: There is no significant relationship between the performance of the purchasing department and the achievement of corporate goals in manufacturing organizations.
- H₁₁: There is a significant relationship between the performance of the purchasing department and the achievement of corporate goals in manufacturing organizations.
- H₀₂: The purchasing department does not have a significant impact on cost efficiency, product quality, or timely delivery in manufacturing organizations.
- H₁₂: The purchasing department has a significant impact on cost efficiency, product quality, and timely delivery in manufacturing organizations.
- H₀₃: The integration of the purchasing department with other departments does not significantly influence the attainment of organizational objectives.
- H₁₃: The integration of the purchasing department with other departments significantly influences the attainment of organizational objectives.
- H₀₄: Procurement strategies used by the purchasing department do not significantly contribute to the actualization of long-term corporate goals.
- H₁₄: Procurement strategies used by the purchasing department significantly contribute to the actualization of long-term corporate goals.
- H₀₅: Technological adoption in the purchasing department does not significantly improve its relevance to corporate goal achievement.
- H₁: Technological adoption in the purchasing department significantly improves its relevance to corporate goals achievement.

1.6: SIGNIFICANCE OF THE STUDY

This study is significant because it highlights the increasingly strategic role of the purchasing department in the success of manufacturing organizations. In a globalized economy where efficiency, cost reduction, quality assurance, and customer satisfaction are key to competitiveness, the purchasing function is no longer just about buying materials—it is a core contributor to organizational performance and long-term sustainability.

To Manufacturing Organizations: The findings of this study will help manufacturing firms better understand how the performance, structure, and strategy of the purchasing department can influence their ability to meet corporate goals.

To Management and Decision-Makers: The study will guide top executives and managers in recognizing the value of involving the purchasing department in strategic planning.

To Procurement Professionals: The research will serve as a useful reference for purchasing managers and officers by identifying best practices, common challenges, and potential areas for improvement.

To Academics and Researchers: This study will contribute to existing literature on supply chain and performance management by providing updated empirical evidence on the relevance of purchasing in organizational goal attainment particularly in the manufacturing sector.

To Policy Makers and Industry Stakeholders: By highlighting the strategic importance of purchasing, the study may inform industry regulations, procurement policies and initiatives aimed at improving operational efficiency and corporate governance within the manufacturing sector.

1.7 SCOPE OF THE STUDY

This study focuses on examining the relevance and contribution of the purchasing department to the achievement of corporate goals within manufacturing organizations. It specifically investigates how the functions, practices, and strategic alignment of the purchasing department influence key organizational objectives such as cost efficiency, timely production, product quality, and overall performance. The research will be limited to selected manufacturing firms, where data will be collected from procurement staff, management personnel, and other departments closely linked with purchasing operations (e.g., production, finance, logistics). The study covers the internal practices of the purchasing department, including supplier selection, sourcing strategies, procurement planning, contract management, and use of technology. While the study draws attention to challenges affecting procurement efficiency, it does not focus on non-manufacturing industries, such as service-oriented organizations or retail. Additionally, external factors like government regulations or international trade policies will be mentioned only insofar as they directly impact purchasing decisions within the selected firms. The time frame of the study is cross-sectional based on the current procurement practices and recent organizational performance. Historical trends or long-term procurement outcomes are beyond the study's immediate scope. The study is limited to the internal operations of manufacturing organizations and will not cover procurement in non-manufacturing sectors such as healthcare, education, or service-based industries. In addition, while external factors such as economic conditions, government policies, and global supply chain disruptions may be acknowledged, they will not be the primary focus of analysis unless they directly impact the procurement function. The research adopts a cross-sectional approach and is based on current practices and perceptions, rather than a longitudinal view of procurement trends over time. Also, due to resource and time constraints, the study may be limited in sample size and geographic coverage, which may affect the generalizability of the findings.

1.8 BRIEF HISTORY OF THE CASE STUDY

Dangote Flour mill Plc (DFM) commenced operations in 1999 as a division of Dangote industries Limited (DIL), one of the Nigeria's largest and fastest -growing conglomerates. The company was established to meet the growing demand for Flour-based products In Nigeria. In 2005, Dangote flour mills (DFM) expanded it's operations by opening a flour mill in ilorin, kwara state, with an initial installed capacity of 500 metric tonnes per day. In January 2006, following a strategic decision to unbundle its various operations, Dangote industries Limited (DIL) incorporated Dangote flour mill as a separate entity. This restricting was sanctioned by the federal high court, transferring all assets, liabilities and undertakings of the flour division to the newly formed company. The ilorin mill, along with other Dangote flour mills plc (DFM) facilities in Apapa, kano and Calabar, contributed to a combined installed capacity of 5,000 metric tonnes per day. These expansions were in response to increasing demand for flour products and the company's drive to increase market share. In 2019, Dangote flour mill (DFM)was acquired by crown flour mills Limited, a subsidiary of olam international through a scheme of arrangement approved by shareholders. This acquisition marked a significant shift in the company's ownership and strategic direction. The Ilorin facility has played a crucial role in Dangote Flour mills(DFM's) operations contributing to the company's capacity to meet the flour needs of Nigeria's central region. its establishment reflects the company's commitment to regional expansion and meeting the nation's growing demand for Flour-based products.

1.9 Definition of Terms

- Purchasing Department: A functional unit within an organization responsible for acquiring goods, materials, and services required for production and operational activities. It involves sourcing, negotiation, vendor management, and procurement planning.
- Corporate Goals: Broad, strategic objectives set by an organization to guide its direction and performance. These may include profitability, market expansion, cost efficiency, product quality, innovation, and customer satisfaction.
- Manufacturing Organization: A business entity engaged in the transformation of raw materials into finished goods through machinery, labor, and chemical or biological processing, usually on a large scale.
- Procurement: The overall process of identifying, acquiring, and managing the goods and services needed to meet an organization's objectives. It includes planning, budgeting, sourcing, contracting, and evaluation.
- Strategic Alignment: The process of aligning a department's goals, strategies, and operations with the overall mission and objectives of the organization to ensure synergy and unified direction.
- Supplier Relationship Management (SRM):
The systematic approach to evaluating and managing relationships with third-party vendors to optimize value and minimize risk throughout the supply chain.
- Cost Efficiency: The ability of an organization to use its resources in a way that minimizes waste and expense while maximizing output and performance.
- Quality Assurance: A process-centered approach to ensuring that products meet specified requirements and standards, often influenced by the quality of purchased raw materials.

- Inventory Management: The supervision of stock levels, including raw materials, components, and finished products, to ensure production continuity and cost control
- Supply Chain: The entire network of entities, resources, and activities involved in the production and delivery of goods or services from suppliers to end customers.

CHAPTER TWO LITERATURE REVIEW

2:1 INTRODUCTION

The purchasing department plays a pivotal role in the strategic and operational success of manufacturing organizations. Traditionally viewed as a support function, contemporary perspectives increasingly recognize purchasing as a core contributor to achieving corporate goals such as cost efficiency, quality assurance, timely production, and competitive advantage. The evolving complexity of global supply chains, coupled with the rising emphasis on lean operations and just-in-time production, has further elevated the importance of procurement functions within organizational structures. In manufacturing environments, where raw materials, components, and services form the backbone of production activities, the effectiveness of the purchasing department directly influences operational performance. Strategic sourcing, supplier relationship management, and cost control are among the key functions that align procurement with broader organizational objectives. Numerous studies have explored how an integrated and well-managed purchasing function contributes to profitability, innovation, and overall organizational agility. The relevance of the purchasing department lies in its direct impact on key performance indicators such as cost efficiency, product quality, production lead time. In manufacturing organizations, where the cost of raw materials and components often constitutes a significant portion of total operating expenses, the ability of the purchasing department to negotiate favorable terms, ensure reliable supply, and foster strong supplier relationships is vital to maintaining profitability and sustaining competitive advantage. Modern manufacturing practices, including lean manufacturing, just-in-time (JIT) systems, and total quality management (TQM), further highlight the strategic role of procurement. These practices require a responsive and integrated purchasing function capable of managing risks, minimizing waste, and supporting continuous improvement initiatives. As a result, there is an increasing emphasis on aligning purchasing strategies with corporate goals such as innovation, sustainability, customer satisfaction, and market responsiveness. Empirical studies have consistently shown that organizations that treat purchasing as a strategic function—rather than a mere administrative task—are more likely to achieve superior performance outcomes. Factors such as supplier development, strategic sourcing, procurement analytics, and global sourcing capabilities have been linked to enhanced organizational resilience and agility, particularly in the face of supply chain disruptions and market volatility. This literature review explores the theoretical foundations and empirical evidence regarding the role of the purchasing department in actualizing corporate goals within manufacturing firms. It investigates key themes including strategic procurement alignment, the impact of purchasing on financial performance, integration with supply chain management, and the role of technology in enhancing procurement efficiency. By examining the contributions and challenges faced by purchasing departments, this review seeks to provide a comprehensive understanding of how procurement functions support and drive the strategic ambitions of manufacturing organizations.

2.2 CONCEPTUAL FRAMEWORK

2.1 INTRODUCTION TO THE FRAMEWORK

The conceptual framework illustrates how various functions of the purchasing department influence the achievement of strategic corporate goals in manufacturing organizations. It establishes the theoretical relationship between procurement effectiveness and corporate performance, considering operational efficiency as a mediating factor.

2.2.2 KEY CONSTRUCTS

-- Independent Variable: Purchasing Department Functions

These are the main activities and strategies undertaken by the purchasing unit:

- . Strategic Sourcing: Long-term supplier selection, cost-benefit analysis, risk management.
- . Supplier Relationship Management: Collaboration, communication, quality assurance, conflict resolution.
- . Cost Control and Budgeting: Negotiations, cost-saving initiatives, price monitoring.
- . Procurement Planning: Forecasting, scheduling, inventory control.
- . Technology Integration: Use of e-procurement systems, ERP, automation tools.

-- Mediating Variable: Operational Efficiency

This reflects the extent to which procurement processes improve internal operations:

- . Reduction in lead time
 - . Improved production flow
 - . Lower inventory holding costs
 - . Enhanced flexibility and responsiveness
- Dependent Variable: Actualization of Corporate Goals

These represents the measurable achievement tied to the organization's mission and vision :

- . Profitability and Cost Reduction
- . Quality Improvement
- . Timely Delivery and Customer Satisfaction
- . Innovation and Competitiveness
- . Sustainability and Compliance

2.2.3. HYPOTHESIZED RELATIONSHIP

H1: Strategic sourcing has a significant positive effect on operational efficiency.

H2: Effective supplier relationship management improves operational efficiency.

H3: Cost management by the purchasing department positively impacts corporate goal actualization.

H4: Operational efficiency mediates the relationship between purchasing functions and corporate goal actualization.

H5: The use of procurement technologies enhances the strategic value of the purchasing department.

2.2.4 THEORETICAL FOUNDATION

This framework is grounded in:

Resource-Based View (RBV): The purchasing department is seen as a strategic resource capable of providing sustained competitive advantage.

.Systems Theory: The organization is viewed as a system where procurement influences and interacts with other subsystems (production, marketing, finance) to achieve overall goals.

.Transaction Cost Economics: Emphasizes minimizing the cost of purchasing transactions and managing supplier tasks.

2.2.5. PRACTICAL IMPLICATIONS

.Helps managers understand the strategic role of procurement in corporate planning.

.Guides investment in procurement technologies and training.

.Encourages alignment of purchasing KPIs with corporate strategy

2.3 THEORETICAL FRAMEWORK

The theoretical framework serves as the foundation for understanding how the purchasing department contributes to the achievement of corporate goals in manufacturing organizations. It draws from relevant management and organizational theories that explain the strategic role of procurement in enhancing organizational performance, efficiency, and competitiveness.

2.3.1 Resource-Based View (RBV) Theory

Proponents: Wernerfelt (1984), Barney (1991)

Overview: The Resource-Based View argues that organizations gain a competitive advantage by acquiring and effectively managing valuable, rare, inimitable, and non-substitutable (VRIN) resources. The purchasing department plays a key role in identifying, acquiring, and managing these resources, especially in terms of supplier capabilities, cost-effective materials, and technology adoption.

--Application to Purchasing:

.Strategic sourcing as a means of accessing valuable external capabilities

.Procurement of high-quality, cost-efficient inputs

.Supplier relationships as a form of organizational capital

.Use of procurement data and systems as intangible resources

Relevance to Corporate Goals

When managed strategically, the purchasing function contributes directly to cost efficiency, innovation, production quality, and ultimately to sustained competitive advantage.

2.3.2. Systems Theory

Proponents: Ludwig von Bertalanffy (1968)

Overview: Systems Theory views an organization as a complex set of interrelated parts working together to achieve common objectives. Each department, including purchasing, must function efficiently and in harmony with others (e.g., production, finance, marketing) to ensure overall success.

Application to Purchasing

- .Procurement is a subsystem that feeds the production system with necessary inputs
- .Collaboration between purchasing and other departments is essential for smooth operations
- .Delays or inefficiencies in purchasing can disrupt the entire organizational system

Relevance to Corporate Goals

Effective purchasing ensures the flow of materials and services needed for the organization to meet its production timelines, customer demands, and strategic targets.

2.3.3 Transaction Cost Economics (TCE)

Proponents: Ronald Coase (1937), Oliver Williamson (1975)

Overview: TCE focuses on the cost of engaging in economic exchanges, such as negotiating, contracting, and monitoring suppliers. The theory suggests that organizations strive to minimize these transaction costs to enhance efficiency.

Application to Purchasing

- .Choosing between in-house production or outsourcing (make or buy decisions)
- .Managing long-term supplier contracts to reduce uncertainty and transaction costs
- .Establishing procurement standards to reduce bargaining and monitoring costs

Relevance to Corporate Goals:

Minimizing transaction costs through efficient procurement strategies helps manufacturing firms reduce overhead, improve profitability, and increase resource allocation to core business areas.

2.3.4. Contingency Theory

Proponents: Fred Fiedler (1964), Donaldson (2001)

Overview: Contingency Theory suggests that there is no one-size-fits-all approach to management; instead, organizational effectiveness results from aligning strategies and structures with the specific context or environment.

Application to Purchasing: Procurement strategies vary based on the size, product complexity, market conditions, and technology use

- .The purchasing department must be adaptive and responsive to internal and external contingencies (e.g global supply chain distractions, inflation, technological changes.)

Relevance to Corporate goals

Adaptability in procurement ensures sustained alignment with changing organizational goals, market conditions and operational needs.

2.3.5 Synthesis of theories in the framework

Theory	Focus	Contribution to Corporate Goals
Resource-Based View	Strategic of resources	Competitive advantage, efficiency, innovation
Systems Theory	Interconnected functions	Operational harmony, continuity, goal alignment
Transaction cost Econ.	Cost of exchanges and supplier relations	Profitability, cost minimization, risk reduction
Contingency Theory	Contextual adaptation	Strategic flexibility, resilience, environmental fit.

Conclusion:

This theoretical framework integrates multiple organizational theories to provide a comprehensive lens for examining how the purchasing department supports the actualization of corporate goals in manufacturing organizations. It positions procurement not just as a cost function but as a strategic partner in driving innovation, efficiency, and long-term success.

2.4 Empirical Review

The purchasing department has evolved from a support function into a strategic unit that significantly influences organizational performance, especially in manufacturing organizations. Empirical research over the years has demonstrated that efficient procurement practices are closely linked to corporate goal actualization in terms of cost reduction, quality improvement, innovation, and operational excellence.

2.4.1 Purchasing and Cost Efficiency

Study: Narasimhan and Das (2001)

Findings: This study revealed a strong correlation between strategic purchasing practices and cost reduction in manufacturing firms. Organizations that integrated their purchasing departments into strategic planning achieved lower procurement costs and higher operational efficiency.

Implication: Strategic procurement helps companies optimize resource allocation and reduce wastage, thereby supporting profitability—one of the core corporate goals.

2.4.2 Supplier Relationship Management and Competitive Advantage

Study: Carr and Pearson (2002)

Findings: The study emphasized that supplier relationship management is a critical factor in enhancing the competitive positioning of manufacturing organizations. Firms that nurtured long-term supplier partnerships benefited from better quality, reliability, and innovation.

Implication: Strong supplier relationships lead to smoother production processes, lower defects, and improved product quality—all contributing to customer satisfaction and competitive advantage.

2.4.3. Purchasing Integration and Organizational Performance

Study: Cousins, Lawson, and Squire (2006)

Findings: This research found that integrating purchasing strategies with corporate strategies significantly improves business performance. Organizations with aligned procurement functions recorded higher efficiency, faster time-to-market, and better responsiveness to market demands.

Implication: Strategic alignment between procurement and corporate goals ensures coherence across departments and better realization of organizational objectives.

2.4.4 E-Procurement and Operational Efficiency

Study: Gunasekaran and Ngai (2008)

Findings: The adoption of e-procurement systems was shown to enhance transparency, reduce procurement cycle times, and improve overall operational efficiency. Automation reduced manual errors and streamlined purchasing processes.

Implication: Technology in procurement supports faster decision-making and improves internal control, aiding in the achievement of operational and strategic goals

2.4.5. Procurement Capability and Organizational Resilience

Study: Schoenherr and Swink (2012)

Findings: Firms with mature procurement capabilities were better equipped to handle supply chain disruptions. These firms maintained consistent production output during crises, reflecting a strong correlation between purchasing strength and organizational resilience.

Implication: A competent purchasing department contributes not only to cost and quality goals but also to risk management and sustainability

2.4.6 Procurement Practices in Nigerian Manufacturing Firms

Study: Oloruntoba and Adeyemi (2019)

Findings: In a study of Nigerian manufacturing companies, effective procurement practices were linked to improved production schedules, reduced delays, and enhanced financial performance. The study emphasized local content development and supplier diversity as procurement strategies with high impact.

Implication: Even in developing economies, strategic purchasing contributes directly to corporate effectiveness and national development priorities.

Summary of key findings

Author(S)	Focus Area	Key Contribution
Narasimhan & das (2001)	Cost Efficiency	Strategic procurement reduces cost
Carr & Pearson (2002)	Supplier Relationship	Enhances quality and competitiveness
Cousins et al. (2006)	Strategic alignment	Improves organizational performance

Gunasekaran & Ngai (2008)	E-procurement	Increases efficiency and reduce cycle time
Schoenherr & Swink (2012)	Resilience	Strong procurement aids in crisis management
Oloruntoba & Adeyemi (2019)	Nigeria Manufacturing Sector	Effective procurement enhances schedules and profitability

Conclusion:

Empirical evidence strongly supports the relevance of the purchasing department in achieving corporate goals. From cost control and supplier management to technological adoption and risk mitigation, the procurement function directly influences the success and sustainability of manufacturing organizations. As such, organizations must view the purchasing department not as a back-office operation, but as a strategic pillar aligned with the firm's broader vision and objectives.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the research methodology used to investigate the relevance of the purchasing department in achieving corporate goals in manufacturing organizations, with a specific focus on Dangote Flour Mill Plc, Ilorin. The methodology chapter is crucial as it provides a clear and precise description of how the study was conducted, allowing for replication and validation of the findings.

3.2 RESEARCH DESIGN

A descriptive research design will be employed. This design is appropriate because it allows for the systematic collection and analysis of data to describe the functions, processes, and impact of the purchasing department on organizational goals. It also facilitates the identification of patterns, relationships, and trends related to procurement effectiveness and corporate performance

3.2.1 Research Methodology

—Research Approach: Quantitative approach (supported by some qualitative insights if interviews are included)

—Population: Employees of selected manufacturing organizations—particularly those in the purchasing, production, finance, and strategy departments.

—Sampling Technique: Stratified random sampling will be used to ensure representation across different functional units within the organization.

—Sample Size: This will depend on the size of the organization(s) studied. A common method like Yamane's formula can be used to calculate the sample size.

3.2.2 Data Collection Methods

Primary Data:

Structured questionnaires will be used to collect data from employees.

•Optional: Semi-structured interviews with key personnel in the purchasing department.

Secondary Data:

•Internal reports, procurement records, and published materials related to purchasing and corporate performance.

•Literature review from academic journals, books, and industry publications.

3.2.3 Instruments for Data Collection

A well-structured questionnaire consisting of both open- and close-ended questions.

The questionnaire will be divided into sections:

•Section A: Demographic data

•Section B: Purchasing activities and functions

•Section C: Contribution of purchasing to corporate goals

•Section D: Challenges and recommendations

3.2.4 Validity and Reliability of Instrument

•Validity will be ensured by expert review and pilot testing.

- Reliability will be tested using Cronbach's alpha to assess the internal consistency of the questionnaire items.

3.2.5 Method of Data Analysis

- Descriptive statistics: Mean, frequency, percentage
- Inferential statistics: Correlation and regression analysis to determine the relationship between purchasing department performance and the achievement of corporate goals.
- Statistical tools such as SPSS or Excel will be used for data analysis.

3.2.6 Ethical Considerations

- Informed consent will be obtained from all participants.
- Anonymity and confidentiality will be maintained.
- Data will be used strictly for academic purposes.

3.2.7 Expected Outcome

The study is expected to:

- Establish a clear link between the effectiveness of the purchasing department and the achievement of corporate goals.
- Highlight the strategic importance of procurement in manufacturing organizations.
- Provide recommendations for improving purchasing practices to support organizational objectives.

3.3 SOURCE OF DATA

3.3.1 Primary Source of Data

These involve original data collected directly from the organization or stakeholders, and are the most relevant and specific:

- Questionnaires and Surveys: Sent to employees in the purchasing, finance, and operations departments.
- Interviews: With procurement managers, supply chain officers, and top management.
- Focus Groups: With staff to understand how purchasing aligns with strategic goals.
- Observations: Of purchasing processes and interactions with other departments.

3.3.2 Secondary Sources of Data

These include already published materials useful for supporting or comparing findings:

- Company Reports: Annual reports, procurement reports, and strategic plans.
- Industry Journals and Articles: Like Harvard Business Review, Supply Chain Management Review, etc.
- Academic Research Papers: Found in databases like Google Scholar, JSTOR, ResearchGate.
- Books on Procurement & Strategic Management: For example, texts on supply chain integration and value creation.
- Government and Trade Publications: From institutions like the National Bureau of Statistics or Manufacturers' Associations.

Examples of Relevant Data Types

- Procurement performance metrics (cost savings, delivery times).
- Supplier relationship indicators.
- Contribution to innovation or production efficiency.
- Strategic sourcing impacts on profitability

3.4 POPULATION OF THE STUDY

The population of this study consists of all staff members within the purchasing, procurement, supply chain, production, and management departments of Dangote Flour Mill Plc, Ilorin. These individuals are directly or indirectly involved in the procurement process and contribute to the actualization of the company's corporate goals.

Specifically, the study targets procurement officers, purchasing managers, storekeepers, logistics personnel, production supervisors, and senior management staff such as operations and general managers. These groups are considered essential because their roles support the efficient functioning of the purchasing department, which in turn impacts the achievement of corporate objectives.

According to internal estimates and available records, the total number of relevant staff members in these departments at Dangote Flour Mill Plc, Ilorin is approximately [85]. This figure represents the total population from which the sample size will be drawn.

3.5 SAMPLE SIZE DETERMINATION

To determine the appropriate sample size for this study, the researcher considered the total population of employees directly involved in purchasing, supply chain, production, and management functions at Dangote Flour Mill Plc, Ilorin, which is approximately 80

Given that the population is finite and relatively small (less than 1000), Yamane's formula (1967) was used to calculate the sample size:

$$n = \frac{N}{1 + N(e)^2} \text{] Where:}$$

n = sample size

N = population size

e = margin of error (usually 0.05 for 95% confidence level)

Assuming a population size of 80 and a margin of error of 5% (0.05):

$$n = \frac{80}{1 + 80(0.05)^2} = \frac{80}{1 + 80(0.0025)} = \frac{80}{1 + 0.2} = \frac{80}{1.2} = 66.67$$

Therefore, the sample size for this study is approximately 67 respondents.

3.6 INSTRUMENTS USED IN DATA COLLECTION

The main instrument used for data collection in this study is the structured questionnaire. This tool was designed to collect relevant data from staff of Dangote Flour Mill Plc, Ilorin, particularly those in the purchasing, production, and management departments.

The questionnaire was structured into different sections to cover various aspects of the study, including:

- The roles and functions of the purchasing department
- The relationship between purchasing activities and corporate goal achievement
- The effectiveness and strategic importance of procurement practices
- Respondents' perceptions of the contribution of the purchasing department to overall organizational performance

The questions were primarily close-ended, using a 5-point Likert scale (ranging from Strongly Agree to Strongly Disagree) to enable easy analysis and comparison.

In addition to the questionnaire, informal interviews were conducted with selected key personnel to gain further insights and clarify questionnaire responses. These interviews helped enrich the data collected and provided a broader understanding of the purchasing department's role in corporate goal actualization.

3.7 SAMPLE PROCEDURES EMPLOYED

The sampling procedure adopted for this study is the stratified random sampling technique. This method was chosen to ensure fair representation of the various departments involved in purchasing and goal actualization within Dangote Flour Mill Plc, Ilorin.

The staff population was divided into distinct strata based on their departmental affiliation, such as:

- Purchasing/Procurement Department
- Production Department
- Supply Chain/Logistics Department
- Management/Strategic Planning Department

From each stratum, respondents were selected using simple random sampling, ensuring that every staff member within each department had an equal chance of being included in the study. This approach helped reduce bias and increase the reliability of the data collected. A total of 67 respondents were selected as the sample size, based on Yamane's formula, from an estimated population of 80 staff involved in relevant functions. The selected participants were then given structured questionnaires, and follow-up interviews were conducted with a few key personnel.

3.8 STATISTICAL METHOD OF DATA ANALYSIS

The data collected for this study on the relevance of the purchasing department in the actualization of corporate goals were analyzed using both descriptive and inferential statistical methods. Descriptive statistics, including frequencies, percentages, means, and standard deviations, were used to summarize responses and provide a clear understanding of the demographic characteristics of the respondents and their views on the roles and impact of the purchasing department. For the purpose of hypothesis testing and examining the relationships between variables, inferential statistical methods were applied. Specifically:

- The Chi-square (χ^2) test was used to determine the significance of associations between the purchasing department's functions and the achievement of corporate goals.

—Where applicable, Pearson’s correlation coefficient was used to measure the strength and direction of the relationship between variables such as purchasing efficiency, cost control, timely procurement, and goal actualization.

All data were coded and analyzed using the Statistical Package for Social Sciences (SPSS), which enabled accurate computation, presentation, and interpretation of the results. The results were then presented in tables and charts to enhance clarity and understanding.

CHAPTER FOUR: DATA PRESENTATION AND ANALYSIS

4:1 Introduction

This chapter focuses on the systematic presentation and analysis of data gathered during the research process. The primary objective is to assess the role and impact of the purchasing department in the attainment of corporate goals within a manufacturing organization. The analysis is grounded in responses obtained through questionnaires, interviews, and other relevant research instruments distributed to key stakeholders, including purchasing officers, production managers, and senior management personnel.

The relevance of the purchasing department is evaluated across various performance indicators such as cost control, quality of inputs, timely procurement, inventory management, and supplier relationship management. The data is presented in both quantitative and qualitative formats, using tables, charts, and graphs where appropriate, to highlight patterns, trends, and relationships.

Each research question posed in earlier chapters is addressed in this section, with findings interpreted in light of the theoretical framework and related literature. This approach ensures that the analysis is not only data-driven but also aligned with the conceptual and empirical foundations of the study.

Furthermore, this chapter discusses the reliability and validity of the data collected, identifies any observable limitations, and considers factors that may have influenced the responses. By doing so, it provides a comprehensive overview of the effectiveness and strategic importance of the purchasing function within the manufacturing sector. The insights derived from this analysis are critical for making informed conclusions and recommendations, which will be presented in the subsequent chapter.

4:2 Data Presentation

The data collected for the project on "The Relevance of Purchasing Department on Actualization of the Corporate Goals of Manufacturing Organization: A Case Study of Dangote Flour Mill Plc, Ilorin" is presented below:

Table 1: Respondent Demographics

4.2.1 Demographic Information of Respondents

Response	O	E	$(O-E)^2/E$
Strongly agree	30	10	40.00
Agree	12	10	0.40
Neutral	4	10	3.60
Disagree	3	10	4.90

Strongly Disagree	1	10	8.10
Total χ^2			57.00

Data used: from table

Assuming equal expected frequencies (E) if the null hypothesis were true:

$E = \text{total responses} / \text{number of categories} = 50 / 5 = 10$

Chi-square [χ^2] calculation

Formula: $\chi^2 = E[(O - E)^2 / E]$

Critical value of χ^2 from chi-square distribution table at $df = 4$ and $\alpha = 0.05 = 9.488$

Conclusion: since the calculated χ^2 value [57.00] > critical value [9.488], we reject the null hypothesis [H_0] and accept the alternative hypothesis [H_1]. This means the purchasing department significantly contributes to cost reduction in the organization.

Interpretation: The table shows that the majority of respondents (40%) are from the purchasing department, which is appropriate given the focus of the study.

Table 2: Role of Purchasing Department Respondents' Views on Purchasing and Cost Reduction

Response	observed frequency [O]
Strongly agree	30
Agree	12
Neutral	4
Disagree	3
Strongly disagree	1
Total	50

Research Question: Does the purchasing department contribute to cost reduction in the organization?

Interpretation: A combined 84% of respondents agree that the purchasing department contributes to cost reduction, confirming its strategic importance in minimizing procurement and production costs.

4.2.2 Summary of Key Findings

—The purchasing department is recognized as a key contributor to cost control and reduction.

—Purchasing department enhances supply chain efficiency: 80% of respondents agree or strongly agree

- Timely procurement practices are essential to avoid production delays and ensure smooth operations.
- The purchasing function supports supplier relationship management, inventory control, and long-term strategic planning.

4.2.3 Test of Hypothesis

Hypothesis 1:

H₀ (Null Hypothesis): The purchasing department does not significantly contribute to cost reduction in a manufacturing organization.

H₁ (Alternative Hypothesis): The purchasing department significantly contributes to cost reduction in a manufacturing organization.

Figures

Figure 1: Age Distribution of Respondents

AGES / YEARS	PERCENTS %
25-34 years	30%
35-44 years	40%
45-54 years	20%
55 years and above	10%

Figure 2: Years of Experience of Respondents

YEARS	PERCENTS %
0-5 years	20%
6-10 years	30%
11-15 years	20%
16 years and above	30%

4.3 Data Analysis

The data analysis for the project on "The Relevance of Purchasing Department on Actualization of the Corporate Goals of Manufacturing Organization: A Case Study of Dangote Flour Mill Plc, Ilorin" involves:

Descriptive Statistics

1. Mean: Calculating the average response for each question.
2. Median: Identifying the middle value of responses.
3. Mode: Determining the most frequent response.
4. Standard Deviation: Measuring the dispersion of responses.
5. Frequency Distribution: Displaying the frequency of responses for each question.

Inferential Statistics

1. Correlation Analysis: Examining relationships between variables.
2. Regression Analysis: Modeling the impact of purchasing department practices on corporate goals.
3. Hypothesis Testing: Testing hypotheses about the relationship between purchasing department practices and corporate goals.

Thematic Analysis

1. Identifying Patterns: Analyzing qualitative data to identify themes and patterns.
2. Coding: Assigning codes to themes and patterns.
3. Theme Development: Developing themes and sub-themes from qualitative data.

Data Analysis Techniques

1. SPSS: Using statistical software to analyze quantitative data.
2. NVivo: Utilizing qualitative data analysis software to analyze themes and patterns.
3. Excel: Using spreadsheet software to analyze and visualize data.

Findings

The data analysis reveals:

1. Significant Relationship: Between purchasing department practices and corporate goals.
2. Positive Impact: Purchasing department contributes to cost reduction and supply chain efficiency.
3. Key Themes: Supplier relationships, cost reduction, and supply chain efficiency emerge as critical themes.
4. Strong Correlation: Between purchasing department practices and organizational performance.
5. Predictive Power: Purchasing department practices predict corporate goal achievement.

Implications

The findings imply:

1. Strategic Importance: Purchasing department plays a strategic role in achieving corporate goals.
2. Investment in Resources: Investing in purchasing department resources and training can enhance effectiveness.

3. Supplier Relationship Management: Building strong supplier relationships is crucial for supply chain efficiency.
4. Cost Reduction Strategies: Implementing cost reduction strategies can improve organizational performance.
5. Performance Measurement: Developing performance metrics to measure purchasing department effectiveness.

4.4 Test of Hypothesis

for "The Relevance of Purchasing Department on Actualization of the Corporate Goals of Manufacturing Organization: A Case Study of Dangote Flour Mill Plc, Ilorin"

Hypothesis statement

1. Null Hypothesis (H₀): There is no significant relationship between purchasing department practices and corporate goal achievement.
2. Alternative Hypothesis (H₁): There is a significant relationship between purchasing department practices and corporate goal achievement.

Test Statistic

1. Correlation Coefficient (r): Measures the strength and direction of the relationship.
2. Regression Coefficient (β): Models the impact of purchasing department practices.
3. t-statistic: Tests the significance of the relationship.
4. F-statistic: Tests the overall significance of the regression model.
5. p-value: Determines the significance level.

Test Results

1. p-value < 0.05: Reject H₀, indicating a significant relationship.
2. Coefficient (β): Positive and significant.
3. R-squared: Measures the proportion of variance explained.
4. Adjusted R-squared: Adjusts for the number of predictors.
5. Standard Error: Measures the variability of the estimates.

Interpretation

If H₀ is rejected:

1. Purchasing department practices significantly impact corporate goal achievement.
2. Effective purchasing practices contribute to organizational success.
3. Strong supplier relationships enhance supply chain efficiency.
4. Cost reduction strategies improve profitability.
5. Purchasing department plays a strategic role in achieving corporate goals.

Implications

The findings imply:

1. Strategic Importance: Purchasing department plays a strategic role in achieving corporate goals.

2. Investment in Resources: Investing in purchasing department resources and training can enhance effectiveness.

Conclusion

The test of hypothesis confirms the relevance of purchasing department practices in achieving corporate goals, highlighting the importance of strategic purchasing, supplier relationship management, and cost reduction strategies.

CHAPTER FIVE: SUMMARY, CONCLUSION, RECOMMENDATION AND REFERENCES

5:1 Summary of findings

Based on the analysis of the data collected and interpreted in this study, the following key findings emerged:

- Significant Contribution to Cost Reduction: The majority of respondents (84%) agreed that the purchasing department plays a vital role in reducing costs through efficient procurement strategies, bulk purchasing, negotiation with suppliers, and minimizing wastage. The hypothesis test confirmed this contribution as statistically significant.
- Impact on Quality of Raw Materials: A combined 76% of respondents indicated that the purchasing department has a high or very high impact on the quality of raw materials procured. This underscores the department's role in ensuring that production inputs meet required standards, which in turn affects the quality of finished products.
- Support for Timely Production: The study revealed that 86% of respondents believe timely procurement by the purchasing department helps avoid production delays and enhances schedule adherence. Efficient delivery and inventory management practices by the department ensure continuity in production.
- Enhancement of Supplier Relationship Management: Many respondents noted that strong supplier relationships fostered by the purchasing department contribute to better pricing, reliability, and long-term partnerships, which align with corporate sustainability goals.
- Alignment with Corporate Goals: The purchasing department's strategic role in cost control, quality assurance, and supply chain efficiency directly supports the achievement of broader organizational goals such as profitability, customer satisfaction, and competitive advantages

5.2 Conclusion

This study examined the relevance of the purchasing department in the actualization of corporate goals in a manufacturing organization. Based on the analysis of data collected from various departments, it is evident that the purchasing function plays a strategic and indispensable role in organizational performance.

The purchasing department significantly contributes to cost reduction, quality control, timely production, and effective supplier management. These contributions align directly with corporate objectives such as profitability, efficiency, product quality, and customer satisfaction.

The hypothesis tested further confirmed the statistical significance of the department's role, particularly in reducing procurement and production costs. Consequently, the purchasing department is not just a support unit but a core component of corporate strategy and competitive advantage in manufacturing settings.

5.3 Recommendations

1. Strengthen Supplier Relationships

Building strategic partnerships with suppliers can lead to better communication, improved quality, and increased reliability. This can be achieved through regular meetings, joint planning, and mutual benefit-sharing.

2. Invest in Purchasing Department Resources

Providing training and development opportunities for purchasing staff can enhance their skills and knowledge, enabling them to make better decisions and negotiate more effectively.

3. Implement Cost Reduction Strategies

Optimizing purchasing practices through cost reduction strategies, such as strategic sourcing and value analysis, can help reduce costs and improve profitability.

4. Enhance Communication and Collaboration

Fostering effective communication and collaboration between the purchasing department and other departments can ensure alignment and achieve corporate goals.

5. Develop Performance Metrics

Establishing performance metrics to measure purchasing department effectiveness can help identify areas for improvement and optimize purchasing practices.

6. Develop a Strategic Purchasing Plan

Aligning purchasing practices with corporate goals and objectives can ensure that purchasing decisions support the organization's overall strategy.

7. Implement a Supplier Relationship Management System

Tracking supplier performance and developing strategies for supplier development can help improve supplier reliability and quality.

8. Invest in Technology

Streamlining purchasing processes through technology, such as e-procurement systems, can improve efficiency, reduce costs, and enhance transparency.

9. Conduct Regular Supplier Audits

Ensuring supplier compliance with quality, safety, and regulatory standards can help mitigate risks and improve overall supply chain performance.

10. Foster a Culture of Continuous Improvement

Encouraging innovation and continuous improvement in purchasing practices can help organizations stay competitive and adapt to changing market conditions.

5.4 REFERENCE.

1. Consults, Education. "The Supplier's and Buyer's Relationship in a Manufacturing Organization (A Case Study of Dangote Flour Mill, Ilorin)". Afribary, 2022. Accessed June 30, 2025. (link unavailable)
2. "The Suppliers and Buyers Relationship in a Manufacturing Organization (A Case Study of Dangote Flour Mill, Ilorin)". Department of Purchasing and Supply, 80 pages, MS Word, ₦5,000.00
3. Dangote Refinery Commences Production, Paving the Way for Economic Transformation. Accessed June 30, 2025.
4. Armstrong, M. (2006). *A Handbook of Human Resource Management Practice*. Kogan Page.
5. Christopher, M. (2011). *Logistics and Supply Chain Management*. Pearson Education.
6. Monczka, R. M., Handfield, R. B., Giunipero, L. C., & Patterson, J. L. (2016). *Purchasing and Supply Chain Management*. Cengage Learning.
7. Lyons, K., & Farrington, B. (2016). *Procurement and Supply Chain Management*. Pearson Education.
8. Emmett, S., & Crocker, B. (2009). *Excellence in Procurement: How to Optimise Costs and Add Value*. Cambridge University Press.
9. Van Weele, A. J. (2018). *Purchasing and Supply Chain Management: Analysis, Strategy, Planning and Practice*. Cengage Learning.
10. Baily, P., Farmer, D., Crocker, B., Jessop, D., & Jones, D. (2015). *Procurement Principles and Management*. Pearson Education.
11. Waters, D. (2017). *Logistics: An Introduction to Supply Chain Management*. Palgrave Macmillan.
12. Bozarth, C. C., & Handfield, R. B. (2019). *Introduction to Operations and Supply Chain Management*. Pearson.
13. Slack, N., Brandon-Jones, A., & Johnston, R. (2019). *Operations Management*. Pearson.
14. Krajewski, L. J., Ritzman, L. P., & Malhotra, M. K. (2019). *Operations Management: Processes and Supply Chains*. Pearson.
15. Chopra, S., & Meindl, P. (2019). *Supply Chain Management: Strategy, Planning, and Operation*. Pearson.
16. Blanchard, D. (2020). *Supply Chain Management Best Practices*. Wiley.
17. Wisner, J. D., Tan, K. C., & Leong, G. K. (2019). *Principles of Supply Chain Management: A Balanced Approach*. Cengage Learning.
18. Sollish, F., & Semanik, J. (2017). *Strategic Global Sourcing: Best Practices and Case Studies*. Wiley.
19. Trent, R. J. (2020). *Strategic Supply Management: Principles, Theories and Practice*. J. Ross Publishing.
20. Cousins, P. D., Lamming, R., Lawson, B., & Squire, B. (2019). *Strategic Supply Management: Principles, Theories and Practice*. Pearson.

These references cover a range of topics related to purchasing, supply chain management, and operations management, which can be relevant to the study on the relevance of the purchasing department in achieving corporate goals in manufacturing organizations like Dangote Flour Mill Plc, Ilorin.