

**THE IMPACT OF SUPPLIER DEVELOPMENT ON PRODUCT QUALITY
A CASE STUDY OF SUGAR CORPORATION OF UGANDA
LIMITED (SCOU)**

BY

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DECLARATION

IKEMIGISHA SHAKIRAH hereby declare that this is my original work and has never been presented to any other educational institution for the award of any degree or certificate.

Signature 

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APPROVAL

This is to certify that the research of **KEMIGISHA SHAKIRAH** has been under my supervision and is now ready for submission to the college of Economics and management sciences of Kampala international university.

Signature



Date

13/5/2013

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DEDICATION

I dedicate this report to my lovely, caring, supportive and encouraging parents Mr.Tweheyo Sulaiman Rwanyalare and Mrs.Asimwe Mariam Baryareeba , my sisters Sauya Beinomugisha, Ninsiima Shamirah, Kanyesigye Sulainah and my brother Nasasiira Murushid. Without forgetting my supporting relatives and friends especially my grandfather Mr. Baryareeba Yakub and grand mother Mrs. Baryareeba Jalia, you have been courageous people even in your old age. My Aunt Baryareeba Amisah and Uncle Ssebuliba Male thank you for being there for me and all my Uncles and Aunts. My grandfather Mr.Rwanyalare Yunusu and the Family and relatives of Bananuka Kim. And lastly my special thanks goes to my cousin brother Kaggwa Usamah Luutu for the support and courage he gave me up to my completion of my studies.

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CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter deals with the background to the study, statement of the problem, purpose of the study, objectives of the study, research questions, and scope of the study and conceptual framework.

1.1 Background of the Study

Supplier development is defined as any activity undertaken by a customer firm to improve supplier performance and/ or capabilities to meet the customer firm's supply needs (Krause, Scannell and Calatone 2000). Quality of a product can be looked at as a totality of characteristics that the product holds that are able to satisfy customer or final consumer needs (Wagner 2005). Quality can be expressed through a number of parameters that differ according to the kind of product for example performance, reliability, safety and appearance for mechanical products; medicinal effect, toxicity, taste, and shelf-life for pharmaceutical products; taste, nutritional properties, texture and shelf-life for food products to mention but a few (Cox et al, 2004). In order for organizations to achieve such totality of parameters within their product ranges from which customer satisfaction can be derived, they have to take into account sound operations, excellent inspection of finished and semi-finished products, efficient assembling of parts in the case of mechanical products, up to standard packaging, up to date storage facilities to ensure that products reach their customers and final consumers in an excellent condition and efficient and effective deliveries through using such management tools as Just-In-Time (JIT) and not forgetting Kaizen which suggests continuous improvements plus Quality Circles (Burt and Stephan, 2003). However, even when all the above factors have been excellently put in place, product quality may not necessarily be achieved.

Often, purchasers are expected to buy from suppliers who have been assessed and approved by them and when supplies arrive the goods should not be checked before acceptance into stores. But quality should instead be inbuilt in the products to avoid unnecessary costs especially through supplier development (Ferguson and James 2005). Recent studies indicate that in developing countries, many manufacturing companies are

reluctant to embrace the idea of supplier development. Farmers with whom they partner with are not assisted. Yet they neither have the technical knowledge nor sufficient funds to purchase up to date machinery, trucks and ploughs, fertilizers to simplify their work, to mention but a few, hence endangering quality. This therefore calls for buying organizations to interest themselves in supplier development programs if they are to assist those firms which they believe can produce quality products in an effort to improve quality (Lysons and Farrington, 2006).

Organizations' ability to achieve perfect quality, 100 percent on-time delivery, and best in class business results depends heavily on supplier performance. In fact, 75 percent makes comes from suppliers, so it's crucial that suppliers perform to the highest standards. This explains why firms have programs that facilitate and accelerate supplier performance improvements while recognizing suppliers who have achieved exceptional performance (Weel, 2005).

Despite the fact that a lot of literature exist on supplier development, most of it is foreign and based on developed countries. This, therefore, calls for closing the knowledge the gap in the based on developing countries. Brock (1998) asserts that it is imperative for buying organizations to develop suppliers such as these farmers to avert problems of poorly managed supplier system that may affect the end product. Therefore the researcher aimed to examine the impact of supplier development on product quality.

The Sugar Corporation of Uganda Limited is situated in Mukono District, on the Kampala-Jinja Highway, approximately 50 kilometers East of Kampala. The Sugar Corporation of Uganda Limited plays a key role in the development of the Ugandan economy. It is one of the leading quality producers of Sugar, which is an essential commodity. The corporation gainfully employs more than 7300 people and is amongst the largest employers in East Africa. The Company's complex at Lugazi, spread across nearly 10,000 hectares, is one of the "showpiece" projects of East Africa. A totally integrated unit that grows sugarcane, manufactures white sugar, and converts the molasses byproduct into industrial alcohol. The corporation owns and operates the only distillery in Uganda.

SCOUL is also involved in a variety of diversification moves. Of these, the most innovative and successful has been the floriculture project. The company grows five hectares of roses under scientific greenhouse conditions. It also grows jasmines and tuberose for the European and West Asian markets. Other corporate diversification moves are in the areas of horticulture - producing vanilla and essential oils for exports - as well as particle board manufacture, potable alcohol manufacture, seed farming, agribusiness and co-generation of power. In order to attain these initiatives, the company instituted supplier development programs purposely to increase on the quality of its products. The company has more than 150 out growers who supply the inputs for the company. Although considerable effort have been made to develop suppliers through information sharing, training, many out growers offers substandard inputs which has greatly compromised product quality of the company. This state of affairs indicates that SCOUL has not yet achieved its goal of offering high quality products to its customers since suppliers (out growers) have failed to offer quality inputs for its products (Quality Control Report of SCOUL 2009).

Therefore it was against this background that the researcher undertook to investigate the problem using SCOUL as a case study to investigate how supplier development affects product quality.

1.2 Statement of the Problem

Product quality has continued to be low within manufacturing and food processing companies mainly because suppliers focus more on factors such as reducing overall costs, ensuring regular and high volume supplies and short lead times thus minimizing and shadowing the value of product quality and its wholesome effect on customer satisfaction (Morgan, 2008). However, the above factors alone cannot be blamed for low quality levels but also the fact that some suppliers especially in a developing country like Uganda may not necessarily have the capacity to provide excellent quality without the assistance of the buying firms. There still exists a performance gap between what suppliers are capable of achieving and what they actually demonstrate through their quality performance. Therefore one assumes whether assisting suppliers to reach expected performance levels in addition to cutting overall costs may improve quality standards. It is upon this assertion therefore that the researcher intends to find out the impact of supplier development on product quality.

1.3 Purpose and Main Objective of the Study

The purpose of the study was to establish the impact of supplier development on product quality.

1.3.1 Objectives of the Study

The study aimed at achieving the following specific objectives:

- i) To identify the relationship between supplier development and product quality in the organization.
- ii) To determine the various supplier development techniques applied within the organization.
- iii) To examine the various dimensions of product quality as used in the organization.
- iv) To establish the challenges faced in the implementation of supplier development systems.

1.4 Research Questions

The following questions guided the researcher:

- i) What is the relationship between supplier development and product quality?
- ii) What are the supplier development techniques that are being used within the organization?
- iii) What are the dimensions of product quality within the organization?
- iv) What are the challenges faced in the implementation of supplier development systems?

1.5 Scope of the Study

The scope of the research covered the concept/subject, geography and time.

1.5.1 Concept scope/ subject

The study will be centered on the impact of supplier development on product quality within the company.

1.5.2 Geographical scope

The study will be carried out at Sugar Corporation of Uganda Limited in Lugazi along Jinja Highway in Mukono district.

1.5.3 Time scope

The study will cover the period between March 2013 to April this time period is chosen because it is enough to collect reliable data on the impact of supplier development on product quality.

1.6 Significance of the Study

The study will have the following impact:

It will help various organizations realize the importance of developing their suppliers as one of the key factors in improving the entire supply chain and all the functions within it.

It will assist other organizations obtain various mechanisms or techniques in which they can develop their suppliers.

The study will provide government and policy makers a basis of developing strategies to improve quality performance amongst various firms that could in the long run lead to fewer costs in production, higher profits and the general growth of the country's GDP.

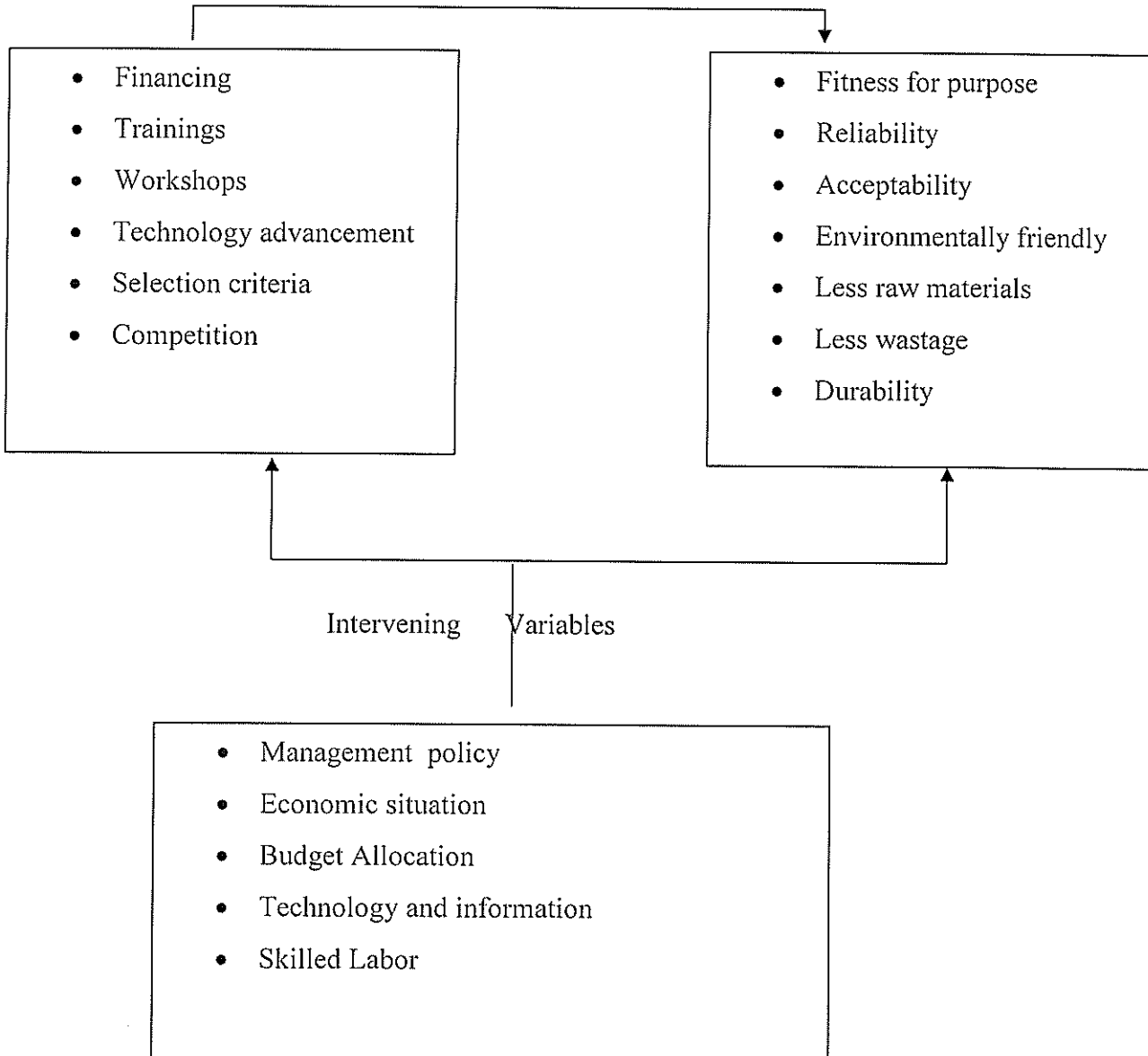
It will also assist other scholars investigate further empirically about the impact of supplier development on product quality.

It will enable me to complete the requirements of Bachelor's degree study program.

1.7 Conceptual Frame Work

Independent Variable
Supplier Development

Dependent variable
Product Quality.



CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

In this chapter, the researcher examined the existing knowledge in the area of supplier development and product quality. This was done by exploring scholarly work and previously conducted research to establish the relationship between supplier development and product quality. This chapter concentrated on various supplier development techniques and benefits, dimensions of product quality and the role of supplier development in new product development and lastly the challenges in supplier development.

2.1 The concept of supplier development

Supplier development is any activity undertaken by the purchaser to improve supplier performance and capabilities to meet the purchaser's short and long term needs (Nakamura 2002, Trent et al, 2005).

Terry (2005), states that supplier development is an effort of the buying firm to ensure that suppliers of raw material offer the right quality and quantity in order to minimize on operational cost, production cost, improve the profitability position of the company and to improve of the quality of products offered to customers. Khurram (1999), on the other hand indicates that in the selection of suppliers, the buying organization in most cases considers quality and reliability of supply. In instances where suppliers lack capacity in their quality or reliability a partner extends supports to the supplier to improve the supplier's capacity.

2.2 The impact of supplier development and product quality

Richard (2003) reveals that supplier's development considers mostly the development of quality instruments of the suppliers. Intricate suppliers can be in position of improving the quality of the products they are providing to the purchasers. In turn, the buyer can be in position of achieving the goal of getting high quality materials and products from the seller. It should be noted that supplier development results into corporation of the suppliers and their clients on issues concerning quality measurement (Burt and Stephan,

2003). Partnership can operate on different levels and in different forms and more specific forms of partnership and wider degree of involvement are strongly recommended.

Terry (2005) estimated that suppliers are for 5% of a firm's product related quality problems. Poor supplier quality can quickly undermine a firm's total quality improvement effort. This tends to determine how much attention a purchasing organization must commit to managing supplier quality. This is usually done with a view of preventing poor quality material from being supplied to the purchaser.

According to Dodd (2000), suppliers directly impact, either positively or negatively, on the cost, quality, technology, delivery, flexibility and profits of the firms that incorporate the suppliers' out into their final products. However Sugar Corporation of Uganda Limited reports a need for supplier improvement in the areas of quality, costs, delivery, innovation and product design. Suppliers are developed with the aim of upgrading their capacities and capabilities in order to meet the purchaser's short and long term needs among which provision of high quality is considered as part of buyer-supplier needs

Ronald (1999) contends that buying firms that have engaged in supplier's development have reported higher quality levels and improvement in the relationship between buying firms and suppliers as the result of these efforts. It should be noted that instead of a buying firm accepting the product quality it receives from the supply base, the proactive buying firm demands higher quality and is willing to work jointly with suppliers to achieve the specified levels. In this case, supplier development is usually considered a platform from which the buying firm can be based to realize and achieve its product quality objectives.

Naylor (1999) explains that with supplier development, clear specification can be developed with clearly defined parameters and quality requirements that are mutually agreed upon as being vital to the success. These parameters will be used to monitor quality and performance ongoing basis.

2.3 Techniques of supplier development

There are a number of forms of supplier development forms that have been identified by numerous authors. Their studies into various supplier development forms resulted into the following forms which can be adopted by various companies depending on their capability. They include:

2.3.1 Using more than one supplier (Competitive Pressure):

An organization can use more than one supplier for the same purchased item in order to create an element of competition between the vendors. Each vendor then works harder to offer something better and in the long-run improving their operations (Ferguson and James2005).

2.3.2 Supplier Quality Assurance:

Instituting a supplier certification program to certify the supplier's quality thus making incoming inspection unnecessary. This form of development is based on selecting a supplier who can guarantee a sufficient level of quality in the present and future too (Aaronson, 2004).

2.3.3 Early Supplier Involvement (ESI):

Suppliers are a major source of ideas especially for example on raw materials that are best suited for a particular product, latest trends in combinations of raw materials to make up-to-standard good/ or products, they forecast availability of raw materials in the future to mention but a few (Feigein and Mayer, 1999).

2.3.4 Supplier Evaluation:

Evaluating suppliers gives suppliers an opportunity to understand their performance levels and therefore understand areas of improvement through the provision of feedback and regular evaluations. (Guthrine, 2005).

2.3.5 Conducting supplier site visits.

Visiting the supplier's premises helps the supplier improve their performance through inspecting their machinery and advising them where necessary (Ronald, 1999).

2.3.6 Recognizing supplier's achievements:

Recognizing supplier's performance provides an incentive for the suppliers to maintain continuous improvements. This can be done through rewards (Feigein and Mayer, 1999).

2.3.7 Issuing verbal or written requests:

The buying firm can issue requests to the suppliers to improve their performance. These can be done by holding meetings with their suppliers or even issuing letters asking them to improve their operations (Aaronson, 2004).

2.3.8 Providing feedback:

The buying firm does not stop at issuing requests for improvement but must also provide feedback to their suppliers on which areas improvement has been registered and which areas are still lagging behind (Ferguson and James2005). Other methods according to the researcher that may not have been pointed out may include: training supplier personnel, conducting supplier appraisals, inviting suppliers to the buyers premises to participate in the production processes, investing in the supplier operations, promising benefits such as higher volume orders and assessing their performance through evaluation(Richard, 2003).

2.4 Definition of Product Quality

Supplier development: - is defined broadly as any effort of a buying firm to increase the performance of a supplier (Ferguson and James2005)

Product Quality: - The total composite Product/Service characteristics of Marketing, engineering, Manufacturer and maintenance through which the product and service in use will meet expectations of the customer (Khrurram, 2003).

Quality control: - Is the regulatory process through which measure actual quality performance, compare it with standards and act on the difference (Morgan, 2008).

Quality Assurance: - Is a system of activities whose purpose is to provide an assurance that the overall quality control is in fact being done effectively (Aaronson, 2004).

2.5 Dimensions of product quality

Eight dimensions of product quality have been identified by Kenneth Lyons and Brian Farrington (2006) and these include:

2.5.1 Performance

This refers to products' operating characteristics. Performance relates to the extent to which the product meets its expected operations and whether it functions according to the purpose for which it was designed and manufactured (Morgan, 2008).

2.5.2 Reliability

This refers to the probability of a product surviving for a period of time under stated conditions of use. How reliable is a product? Will it function for the period for which it is meant to operate without break down? One needs to be aware of the reliability of a product.

2.5.3 Serviceability

Serviceability refers to the speed, accessibility and ease of use and repairing the item or having it repaired (Morgan, 2008).

2.5.4 Conformance measures

This measures the conformance available from the product over its intended operating cycle before it deteriorates.

2.5.5 Durability

This measures the projected use available from the product over its intended operating cycle before it deteriorates.

2.5.6 Features

One looks at the “bells and whistles” or secondary characteristics that supplement the Products basic functioning. For example a camera or in-built radio within a mobile telephone can be seen as a feature or secondary characteristic of the mobile phone.

2.5.7 Aesthetics

This basically covers personal judgments about how a product looks feels, sounds, tastes or smells. Product design should be based on the judgments of the final consumers in conformance to their tastes and preferences (Aaronson, 2004).

2.5.8 Perceived quality

This is closely identified with the reputation of the producer and, like aesthetics, it is a personal evaluation. For example Addidas is recognized for product quality highly because of the reputation it enjoys amongst the vast population (Khrurram, 2003).

While the relative importance attached to any of the above characteristics will depend on the particular item, the most important factors in commercial or industrial purchasing decisions will probably be performance, reliability, conformance, availability and serviceability. Other factors that determine “the right quality” for a particular application include:

2.5.8.1 Price

The competitive selling price of the product in which the item is to be incorporated will determine the prices paid for bought-out items.

Quality is therefore determined by balancing technical considerations such as fitness for use, performance, safety and reliability with economic factors including price and availability. It is therefore optimum quality or the application that should be sought, rather than the highest quality(Morgan, 2008).In drafting quality specifications, the aim should always be the minimum statement of optimum (not the highest) quality so as not to increase the costs unnecessarily, restrict processes of manufacture nor limit the use of possible alternatives.

2.6 Challenges faced in implementing supplier development

Like any other systems and policies that are implemented within an organization, come with them both positive and negative implications. In this case, we are going to focus on the barriers that may be faced in the implementation of supplier development systems within an organization. David Burt et al (2003) point out the following as barriers to supplier development:

2.6.1 Poor communication and feedback

As the buying organization attempts to implement supplier development techniques, poor communication lines are drawn that only accept feedforward and not feedback kind of communication. Buying firms send out instructions to suppliers but do not take back

information on whether the instructions and systems are applicable to their already existing operations which is most times not applicable.

2.6.2 Complacency

This could apply to both sides of the coin whereby both the buying firms and suppliers are complacent and therefore not welcome to the idea of supplier development.

2.6.3 Misguided improvement objective

Improvement objectives are meant to be unambiguous and simple enough for the suppliers to catch up on within a short period of time. These could be referred to as baby steps but this may not be the case especially when the buying firms set ambiguous and misguided objectives meant to guide suppliers into improvement.

2.6.4 Lack of clarity and commitment

For such systems to benefit the company or the organization there has to be commitment from both parties concerned and clarity of the boundaries of this assistance. A barrier to the implementation of this system would come in when there is lack of commitment from either the suppliers or the buying firm.

2.6.5 Concealment of problems

This can supplement the barrier of poor communication lines whereby suppliers conceal the problems they face during its implementation. Such problems are meant to be aired out for top management to sort out in order for the supplier development systems to benefit the organization (Khrurram, 2003).

2.6.6 Initiative fatigue

Setting up such a project requires maximum zeal from all parties concerned in its implementation and operations thereafter. A barrier to this may be initiative fatigue whereby top management lacks the morale to initiate such a project since it requires the use of external expertise or consultants which may prove to be financially draining.

2.6.7 Resource limitations

This backs up the above point whereby the buying firm may not be in a stable financial position and yet implementation of such systems requires the use of external expertise to assess the compatibility of the system with the current operations of the company. These consultants are never affordable.

2.6.8 Lack of trust

Supplier development systems would necessitate the presence of trust amongst the suppliers and buying firms. It would necessitate the sharing of proprietary information to build the suppliers but lack of trust would inhibit this.

Supplier development is aimed at achieving lower supply chain total costs, increased Profitability for all supply chain participants, increased product quality and near-perfect on-time delivery at each point in the supply chain. However, according to Steven and Richard (2004), most supplier development programs do not do enough to meet these goals. For example auditing suppliers once a year to determine whether they have met certain on-time-delivery and quality goals may not actually fulfill the purpose of a supplier development program. One could call this type of work “supplier checking and verification” rather than “supplier development.”

2.7 Conclusion

After a thorough analysis of various sets of literature related to the topic of the research, the researcher discovered that very little has been done so far on the impact of supplier development on product quality in organizations especially in developing countries like Uganda. It is hence upon this observation that the researcher embarked on the study to establish the impact of supplier development on product quality so as to fill the gap and to bring more light and understanding on how supplier development influences product qua

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter presents the research design, area and population of the study, sample size and sample selection techniques, sources of data, data collection instruments, data quality control, data analysis and interpretation, and procedure of the study. The study focused on the impact of supplier development on product quality.

3.1 Research Design

A case study research design was used for the study. This research design was employed in order to answer the research questions of the study, to control the extraneous variable of the study. The case study provided an in-depth study of the problem with limited time scale and at that point in time (Amin, 2005). The researcher used both qualitative and quantitative approaches to analyze how supplier development impact on product quality using numbers and narration

3.2. The target population

The population of the study involved departmental heads, line managers and lower level staff from the production department and other departments such as procurement, finance and materials and plantation which work closely with production department. The targeted population will be 100 respondents and these consist of staff in five departments in SCOUL as presented in the table below.

Table 3.1 Showing estimated target population of the study

DEPARTMENT	NO. OF RESPONDENTS
Production	40
Materials	17
Procurement	18
Accounting	15
Plantations	10
TOAL	100

Source: Primary data

3.2.3 Sample Size and Composition

The sample size was calculated mathematically using the formula below;

$$n = \frac{N}{1 + N\alpha^2}$$

Where; n = the sample size

N = total population of respondents in production, procurement, finance, material, accounting and plantation, that is 100.

α = the level of significance, that is 0.05

Therefore,

$$n = \frac{100}{1 + (100 * 0.05^2)}$$
$$n = 80$$

The sample size of the study was 80 respondents as shown in the table below

Table 3.2 Showing sample size of the study

DEPARTMENT	NO. OF RESPONDENTS
Production	35
Materials	15
Management	15
Accounting	10
Plantations	5
TOTAL	80

Source: Primary data

3.3 Sampling Design

The respondents were selected from production and operations, procurement, materials and finance departments using stratified sampling technique from which a simple random sampling technique was applied. Further respondents in plantations were selected using simple random sampling techniques. These techniques were employed because they give employees from each department the equal chance to be part of the study.

3.4 Sources of Data

The researcher used primary and secondary data. The researcher collected primary data using questionnaire and interview questions. Questionnaire is specifically designed for lower level employees and interview is for departmental heads and respondents in plantation. Secondary data were obtained from published articles, research reports of previous researchers and related information from the company web site.

3.5 Tools of Data Collection

3.5.1 Questionnaire

The researcher used structured questionnaire to gather data from the respondents. Close ended questions relating supplier development and open ended questions relating to product quality were given to junior employee of SCOUL. The questionnaire was designed in such a way that they reflected the objectives of the study. The questionnaire was used because certain variables were observed by Sekeran 2003, like: views, opinions, perceptions and feelings of the respondents could not be observed (Goh et al. 2006). Further the researcher employed questionnaire because they were straightforward and that information obtained from questionnaire was easier to compute.

3.5.2 Interview

The researcher also used interview to collect the required data for the study. The researcher based the interview discussion on the study objectives. Various questions relating supplier development and product quality was posed to the managers and out growers as a means of accessing firsthand information. This instrument was used because it was the quickest technique of collecting data and questions could be repeated clearly for the respondents so that they comprehend them better (Mugenda and Mugenda, 1999). The researcher compared and contrasted the interview responses with the answers given in the questionnaire so as to gather more knowledge about the problem under the study. In the course of interviewing the Managers and out growers the researcher was jotting down some important issues, which later were analyzed.

3.5.3 Documentary analysis

Important documents containing information related to supplier development and product quality were studied and screened according to content. The documents included: in-House magazines, reports obtained from company library, and company web site.

3.6 Data Quality Control

3.6.1 Validity and Reliability of Tools

Questionnaire and interview were pre-tested. Pre-testing exercise was done for validity and reliability of research tools and to ensure that there was no question ambiguity and biases. The pre-testing exercise enabled the researcher to establish the sequence of the question and how the interview could be conducted.

3.7 Measurement of Variables

The study aimed at investigating the impact of supplier development on product quality at SCOUL. The independent variable was supplier development and dependent variable was product quality. The study variables were measured using the constructs indicated under them where respondents were asked to Strongly agree scored as 4, Agree scored as 3, Disagree scored as 2 and Strongly disagree scored as 1. The higher score indicated significant impact of supplier development and product quality and lower score indicated less or insignificant impact of supplier development and product quality.

3.8 Procedure of data collection

The researcher first obtained a letter of introduction from the department of procurement marketing. The researcher sought permission from the training manager such that information could be obtained from the organization. The questionnaire was then taken to the company for a pilot study as approved by the supervisor. Appointment dates were made with managers and out growers for interview. Questionnaire was distributed and collected after a period of two weeks. Data from the field was analyzed and interpreted in chapter four and recommendations were given thereon.

3.9 Data processing, analysis and presentation

Data collected was edited for accuracy and completeness which was mostly done manually. At this point, the researcher proceeded to interpret the findings and the

responses critically analyzed for accuracy and relatedness. Both quantitative and qualitative analysis techniques were employed to analyze the finding of the study.

Quantitative data was analyzed using appropriate computer packages (such as Microsoft Excel and Word processing) which yielded the desired statistical output and measures of relationships (correlation coefficients). Results were presented in form of frequency tables and charts which was interpreted accordingly.

Analysis of **qualitative data** was done through descriptions of events and occurrences as gathered from the interviewees. The findings of the study were presented in charts and tables from which frequencies were determined. Judgment was made on the basis of highest percentages or otherwise depending on the facts on the ground.

3.10 Limitations to the study and possible remedies

3.10.1 Information

Some of the respondents may be reluctant to filling in the questionnaires claiming that they were busy. In order to eliminate this occurrence, the researcher could assure the respondents that the information given by them was to be treated with utmost sincerity and was for academic purposes only

3.10.2 Funding

Financial constraints might affect adversely the researcher when carrying out the study. To over come this researcher mobilized as much funds as possible and avoided extravagancy and debts so as to accomplish the study within the agreed time frame.

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND DISCUSSION OF FINDINGS

4.0 Introduction

This chapter is comprised of presentation, interpretation and discussion of findings of the study. The study was focused on supplier development and product quality. In this case therefore, questionnaires were given to the respondents and the responses obtained therein were analyzed in line with the research objectives. However demographic data about respondents was presented to ascertain how they related to study.

4.1 Demographic Characteristic of Employees

The study sought to establish whether the respondents were gender balanced. The findings obtained are presented in the table below: -

Table 1 (a): Showing gender composition of respondents

Sex	Frequency	Percentage (%)
Male	49	61
Female	31	39
Total	80	100

Source: Primary data

According to the findings in the table 1 (a) above, 61% of the respondents were male and 39% were female respondents. Although the number of women was still fewer in the organizational setup, the view of both male and female about supplier development and product quality were well presented in the study.

In investigating how long respondents have been in touch with SCOUL, the responses gathered are tabulated as follows: -

Table 1 (b): Showing Time period respondents have been employed in SCOUL

Time period	Frequency	Percentage (%)
1-2 years	9	11
2-4 years	21	26
4-6years	38	48
Over 6 years	12	15
Total	80	100

Source: Primary data

As indicated in the table 1(b) above 48% of the respondents have been employed with SCOUL between 4-6 years, 26% have been employed with the company between 2-4 years, 15% have been employed with SCOUL of over 6 years and the minority (11%) have been employed with SCOUL between 1-2 years. This shows that the majority of the respondents have either been employees or supplier/out growers with SCOUL between 4-6 years and thus well conversant with supplier development in relation to product quality.

In finding out respondents' categories, the responses obtained were tabulated as follows: -

Table 1 (c): Showing categories in which respondents work

Categories of respondents	Frequency	Percentage (%)
Production	35	44
Materials	15	19
Procurement	15	19
Accounting	10	12
Plantations	5	6
TOAL	80	100

Source: Primary data

As shown on the table 1 (c) above the highest percentage of the respondents (44%) were in Production department, 19% were in the Materials department, 19% were in the

Procurement function, 12% were in the Accounting function and the minority of the respondents (6%) were from plantations. This indicates that SCOUL has a combination of staff that is responsible for driving the company's mission to its intended destination which includes cost cutting and product quality

4. 2 Findings on supplier development on product quality

To establish the impact of supplier development on product quality, the researcher asked the respondents to indicate whether there was no way an organization can enhance product quality without supplier development. Finding collected are presented in the table as follows: -

Table 2 (a): Showing whether there is no way an organization can enhance product quality without supplier development

Responses	Frequency	Percentage (%)
Strongly agree	26	32
Agree	34	43
Disagree	14	17
Strongly disagree	6	8
Total	80	100

Source: Primary data

The information from the table 2 (a) above reflects that 75% of the respondents agreed of which 32% strongly agreed that there was no way an organization can enhance product quality without supplier development. From the interview it was noted that supplier development was instrumental in determining product quality. This finding was in line with Ronald (1999), that buying firms that have engaged in supplier's development have reported higher quality levels and improvement in the relationship between buying firms and suppliers as the result of these efforts. On the other hand 25% of the respondents disagreed of which 8% strongly disagreed with the view. It should therefore be assumed that there was a significant relationship between supplier and product quality.

The researcher further asked the respondents (which ones for example procurement officer) whether SCOUL involves supplier development purposely to increase product quality with zero defects. The results collected are tabulated as under: -

Table 2 (b): Showing whether supplier development is intended to increase product quality with zero defects

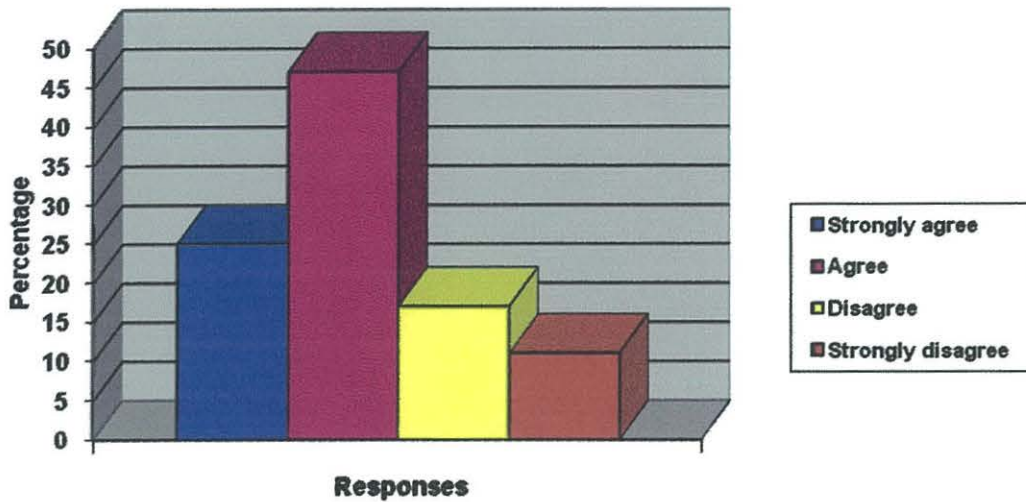
Responses	Frequency	Percentage (%)
Strongly agree	22	28
Agree	40	50
Disagree	15	18
Strongly disagree	3	4
Total	80	100

Source: Primary data

As indicated in table 2 (b) above, 78% of the respondents agreed of which 28% strongly agreed that SCOUL involve supplier development purposely to increase product quality with zero defects. The findings from the interview revealed that supplier development play a significant part in stimulating product quality and that there is no way a business can exceed customers' expectations if supplier development is neglected. This view was also supported by Ronald (1999 P.153) that supplier development is intended to guarantee and systematically improve product quality with the aim to make products of perfect quality without defects. However 22% of the respondents disagreed of which 4% strongly disagreed that SCOUL involve supplier development purposely to increase product quality with zero defects. This implies that supplier development is meant for product perfection to meet customer needs.

The researcher also wanted to ascertain whether product quality depends entirely on supplier development. The outcomes obtained were herein presented as follows: -

Figure 1 whether product quality depends entirely on supplier development (n=80)



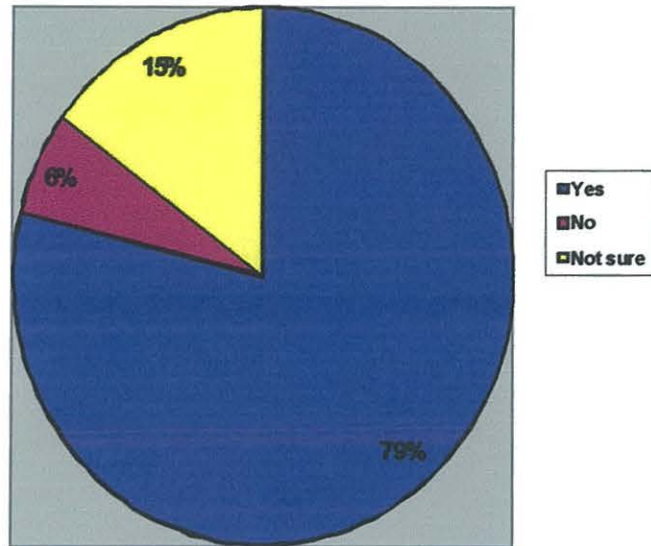
Source: Primary data

The findings in the figure 1 above shows that 47% of the respondents agreed and 25% strongly agreed that product quality depends entirely on supplier development, 17% disagreed and 11% strongly disagreed that product quality depends entirely on supplier development. From the interview, it was discovered that although there were other factors which affect product quality like production techniques, to a large extent product quality depended on what supplier offers to the manufacturing entity. If the supplier offers substandard inputs/raw material of course this affects adversely the quality of output for the manufacturing organization. This implied that product quality depends largely on supplier development which supports the view of James (2005)

4.3 Findings on supplier development techniques

In establishing supplier development techniques used in SCOUL, the researcher first asked the respondents to indicate whether SCOUL has integrated supplier development in its operations, the findings gathered are presented as follow: -

Figure 2 showing whether SCOU has integrated supplier development in its operations (n=80)



Source: Primary data

The findings in the figure 2 above shows that majority (79%) of the respondents accepted that SCOU has integrated supplier development in its operations, 15% were not sure about the view and the remainder (6%) rejected the assertion that SCOU has integrated supplier development in its operations. From the interview it was noted that although Sugar Corporation of Uganda Limited integrated supplier development in its operations, there was a need for supplier improvement in the areas of quality, costs, delivery, innovation and product design. With this assertion therefore, it was stated that suppliers were developed with the aim of upgrading their capacities and capabilities in order to meet the purchaser's short and long term needs among which provision of high quality was considered as part of buyer-supplier needs.

In finding out the major objectives of supplier development, the results obtained were presented as follows: -

Table 3 (a): Showing the major objectivities of supplier development

Responses	Frequency	Percentage (%)
Quality Performance	24	30
Cost Reduction	27	34
Better Relationships	13	16
Long-term Growth	16	20
Total	80	100

Source: Primary data

From the table 3 (a) above 34% of the respondents stated that the major objective of supplier development is centered cost reduction, 30% indicated quality performance, 20% were with a view that long term growth was the major objective supplier development and the remainder (16%) indicated better relationship with suppliers. This cements what Terry (2005), states that the major objectives of supplier development were to ensure that suppliers of raw material offer the right quality and quantity in order; to minimize on operational cost, production cost, improve the profitability position, long term growth and to improve of the quality of products offered to customers. From the foregoing therefore, it was argued that the main objective of supplier development are cost reduction, quality performance, better relationship with supplier and long term growth of the company.

In ascertaining supplier development methods used mostly by SCOUL, the responses gathered were shown as follows: -

Table 3(b): showing supplier development methods used mostly by SCOUL

Supplier Development Methods		SA	A	D	SD	Total
Competitive Pressure (Use of many suppliers)	Frequency	28	45	7	0	80
	Percentage	35	56	9	0	100
Direct Involvement						
	Frequency	20	33	16	11	80
	Percentage	25	41	20	14	100
Early Supplier Involvement						
	Frequency	12	21	29	18	80
	Percentage	15	26	36	23	100
All of the above listed						
	Frequency	15	25	30	10	80
	Percentage	19	31	37	13	100

Source: Primary data

From the table 3(b) above, 91% of the respondents agreed of which 35% strongly agreed that the supplier development methods used generally by SCOUL was to use more than one supplier. On the other hand 9% disagreed with the view. This assertion was supported by Ferguson and James (2005) that an organization can use more than one supplier for the same purchased item in order to create an element of competition between the vendors. Each vendor then works harder to offer something better and in the long-run improving their operations. Further from the interview it was noted that SCOUL has more than 150 sugarcane out growers and has created competition amongst them in a bid to supply quality inputs for the factory. From the above assertion, it should be noted that SCOUL uses more than one supplier as the main supplier development method.

Further table 3 (b) above shows that 66% of the respondents agreed of which 25% strongly agreed that SCOUL applies direct involvement in supplier operations. From the interview it was highlighted that the company generally directly develops out growers to ensure that out growers are meeting quality standards set by SCOUL. This connotation was highlighted by Ronald (1999) who asserts that direct involvement in supplier operations helps the supplier improve their performance through providing hands on expertise and

advising them where necessary. It should therefore be argued that SCOU L was directly involved in developing their suppliers as a technique of development.

Further table 3(b) above indicates that 59% of the respondents disagreed of which 23% strongly disagreed that SCOU L S use early supplier involvement. Conversely 26% agreed and 15% strongly agreed with the view. From the foregoing since suppliers were not a major source of ideas especially for example on raw materials that are best suited for a particular product, latest trends in combinations of raw materials to make up-to-standard products, it was stated that SCOU L S did not generally use early supplier involvement as a method of supplier development.

Table 3 (b) shows that 50% of the respondents agreed which 19% strongly agreed that SCOU L S use all the above (use of many suppliers, conducting supplier evaluations and early supplier involvement) supplier development methods. On the other hand 50% disagreed of which 13% strongly disagreed that SCOU L used all the above supplier development methods. From the interview it was further ascertained that SCOU L generally used many suppliers and conducts evaluations as the main methods for supplier development. That other methods include; issuing verbal or written requests to the suppliers to improve their performance and providing feedback information by issuing requests for improvement, training supplier personnel, conducting supplier appraisals, investing in the supplier operations, promising benefits such as higher volume orders and assessing their performance through evaluation.

Further, the researcher asked the respondents to ascertain whether cost controls and certification procedure were important in supplier development practices. The findings gathered were presented as follow: -

Table 3 (c): Showing whether cost controls and certification procedure are important in supplier development practices

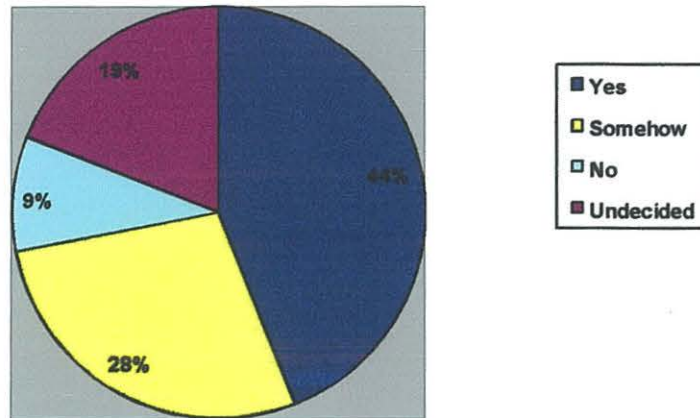
Responses	Frequency	Percentage
Strongly agree	24	30
Agree	43	54
Disagree	11	13
Strongly disagree	2	3
Total	80	100

Source: Primary data

From the table 3(c) above, 84% of the respondents agreed of which 30% strongly agreed that cost controls and certification procedure are important in supplier development practices. Only 16% disagreed of which 3% strongly disagreed that cost controls and certification procedure are important in supplier development practices. From the interview it was found out that cost control and client certification were quality tools. That supplier development stresses the importance of compliance with the main contractor's technical specifications and the quality requirements set out in them. This is in agreement with Aaronson (2004) that instituting a supplier certification program to certify the supplier's quality thus making incoming inspection unnecessary. This form of development was based on selecting a supplier who can guarantee a sufficient level of quality in the present and future.

Further in establishing whether supplier development was only possible within the context of specialization, the findings solicited were presented as follows:

Figure 3 Showing whether supplier development is only possible within the context of specialization (n=80)



Source: Primary data

From the figure 3 above, 44% accepted that supplier development is only possible within the context of specialization, 28% indicated that somehow supplier development is only possible within the context of specialization. 19% were undecided and 9% rejected the view that supplier development is only possible within the context of specialization. In an interview with the quality assurance officer, it was noted that suppliers should have areas of specialty to be in position to offer what is required for the organization. SCOU in fact search for subcontractors as technical partners capable not only of designing a system but also of innovating and developing a product throughout its life cycle.

4.4 Findings on the dimensions of product quality

In examining the various dimensions of product quality as used in the organization, the researcher asked the respondents to indicate the dimensions on which product quality is based. The findings collected are presented as follow: -

Table 4 (a): showing the dimensions on which product quality is based

Product Dimensions		SA	A	D	SD	Total
Product performance	Frequency	20	40	14	6	80
	Percentage	25	50	17	8	100
Perceived Quality	Frequency	17	38	16	9	80
	Percentage	21	48	20	11	100
Atheistic appeal	Frequency	12	28	21	19	80
	Percentage	15	35	26	24	100
Reliability	Frequency	25	46	8	1	80
	Percentage	31	57	10	2	100

Source: Primary data

As shown in table 4 (a) 75% of the respondents agreed of which 25% strongly agreed that product quality is based on product performance. This is because performance relates to the extent to which the product meets its expected operations and whether it functions according to the purpose for which it was designed and manufactured as noted by Morgan (2008). However, 25% of the respondents disagreed of which 8% disagreed with the view that product performance was one the dimension of product quality. This finding implies that product performance is the measure of product quality.

Table 4 (a) also shows that 69% of the respondents agreed of which 21% strongly agreed that product quality is based on perceived quality. This view is in agreement with Khrurram (2003) that perceived quality is closely identified with the reputation of the producer and personal evaluation. For example SCOUL products were highly recognized for product quality because of the reputation it enjoys amongst the vast population. However 31% disagreed of which 11% strongly disagreed with the statement.

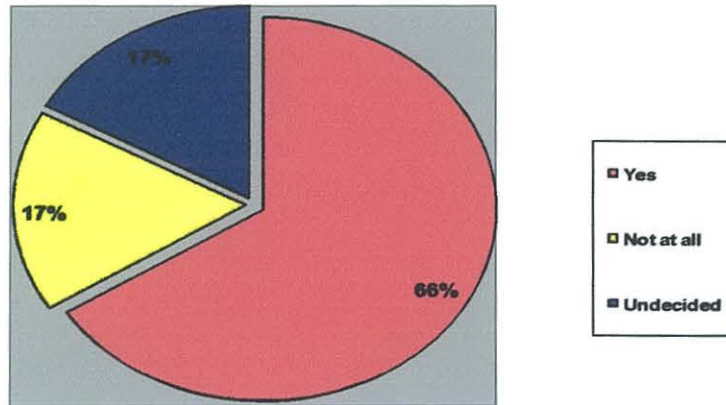
The results in table 4 (a) reflects that 50% of the respondents agreed of which 15% strongly agreed that product quality was based on aesthetic appeal. While 50% disagreed of which 24% strongly agreed. From the foregoing therefore, it was noted that aesthetic appeal covers personal judgments about how a product looks, tastes or smells. Therefore, product

design was based on the judgments of the final consumers in conformance to their tastes and preferences as noted by Aaronson (2004).

The findings from table 4 (a) indicates that 88% of the respondents agreed of which 31% strongly agreed that product reliability is crucial in determining product quality. From the interview it was generally stated that SCOUL product in all ways are reliable. This was because the products can be used for the period for which they were meant to operate without break getting expired. Conversely 12% of the respondents discarded the statement of 2% strongly disagreed. Therefore one needs to be aware of the reliability of a product when determining product quality. Quality was therefore determined by balancing technical considerations such as fitness for use, performance, safety and reliability with economic factors including price and availability was therefore optimum quality or the application that was sought, rather than the highest quality.

In establishing the quality control mechanisms used in SCOUL, the researcher asked the respondents to ascertain whether the company regularly measured product quality performance with the quality standards as a means of providing quality products assurance. The responses obtained as shown as follows: -

Figure 4: Showing whether the Company measures quality performance with quality standards to provide quality products



From the figure 4 above, majority of the respondents (66%) admitted that SCOUL regularly measures product quality performance with the quality standards as a means of providing quality products. 17% were not sure and 17% discarded the view that SCOUL regularly measures quality performance with the quality standards as a means of providing quality products. This implies that the company undertakes standard quality analysis to determine quality variance and if the variance was favorable the company continued with it and if it was unfavorable the company looks for ways on how to rectify the situation so as to meet the needs of customers.

The respondents were further asked to indicate whether predetermined quality standards were strictly followed in the execution of tasks. The findings obtained were presented as follow: -

Table 4 (b) Showing whether predetermined quality standards are followed in the execution of task

Response	Frequency	Percentage
Strongly agree	17	21
Agree	37	46
Disagree	16	20
Strongly disagree	10	13
Total	80	100

Source: Primary data

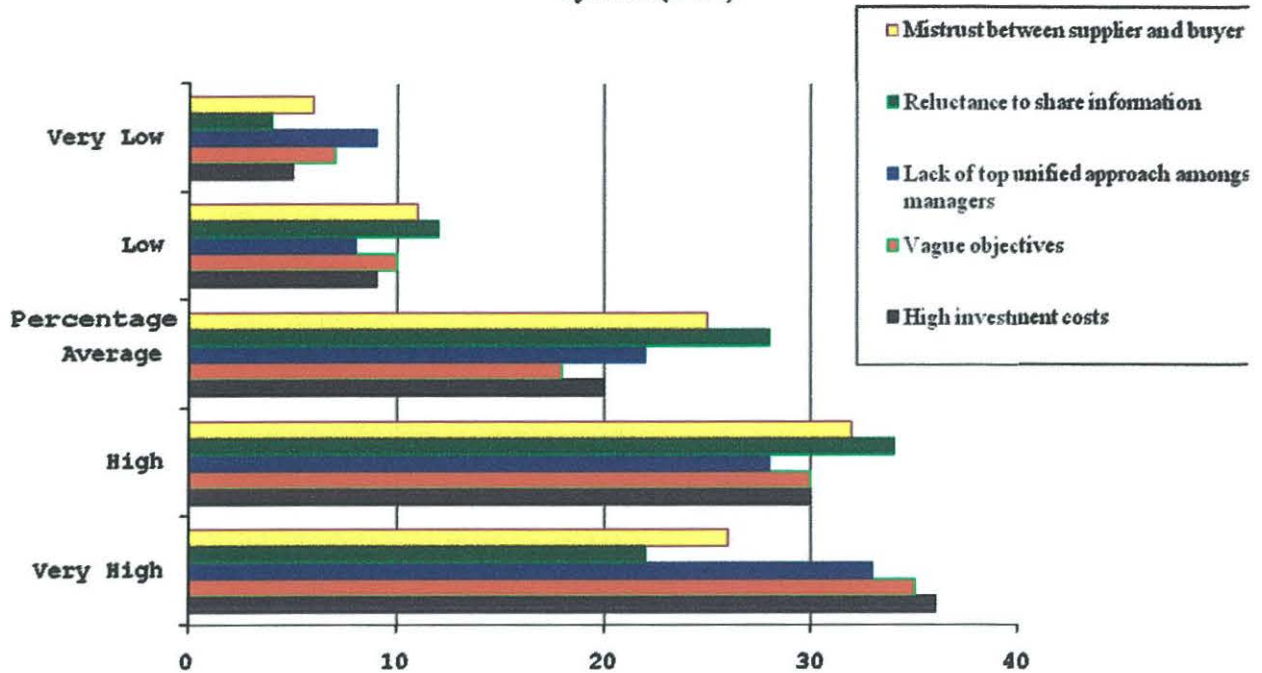
From the table above, 46% agreed and 21% strongly agreed that predetermined quality standards were strictly followed in the execution of tasks, 20% disagreed and 13% strongly disagreed that predetermined quality standards were strictly followed in the execution of tasks.

However from the interview it was revealed that frequent changes in customer needs and changes in information technology possess a formidable challenge to the company. This concretes what was stated by Terry (2005), that organizations should follow strictly the predetermined quality standards in the execution of tasks although few meet the quality standards. That although the company can continuously improve the quality of its products, following strictly the predetermined standards is hard to maintain in real world. It can therefore note that to a moderate extent SCOUL follow follows the predetermined quality standards.

4.5 Findings on challenges faced in the implementation of supplier development systems

In findings out the challenged faced in the implementation of supplier development system, the findings collected are hereinafter presented as follow

Figure 5 Showing Challenges faced in the implementation of supplier development systems (n=80)



Source: Primary data

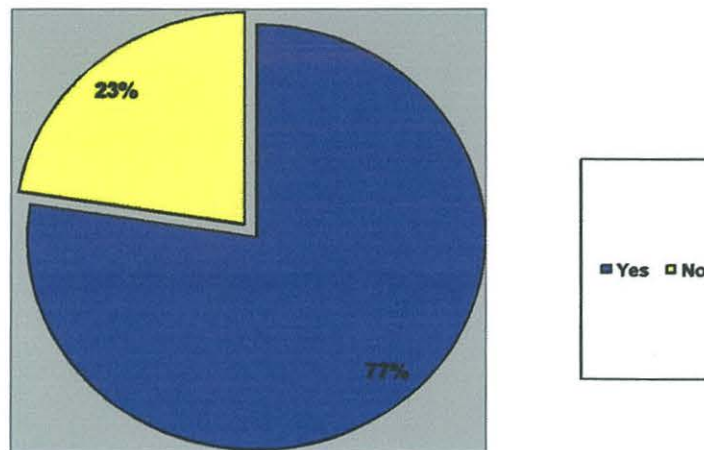
As shown in figure 5 above, high initial investment costs, vague initiation objectives and lack of a unified approach amongst top management were highly ranked with scores of 36%, 35% and 33% respectively. From the interview it was ascertained that large companies are always successful in their supplier development effort because of greater resources to finances and without financial resource supplier development may be hard to realize. That unclear initiation objectives and lack of a unified approach amongst top management adversely affect supplier development. With these views therefore, it should be noted that high initial investment costs in developing suppliers, unclear objectives and lack of strategic support amongst top management towards implementation of supplier development are the greatest challenges.

Figure 5 also shows that, reluctance to share useful information and limited trust between suppliers and buyers were ranked high with scores of 34% and 32% respectively. This is because supplier development systems would necessitate the presence of trust amongst the suppliers and buying firms however. It would necessitate the sharing of proprietary information to build the suppliers but lack of trust would inhibit successful supplier

development. From the foregoing therefore, it should be noted that if either party is reluctant to share vital information on the pretext that there is no trust, this can greatly compromise the efforts to enhance supplier development.

In ascertaining whether there are other challenges faced in the implementation of supplier development systems in SCOUL, the responses collected are presented as follows

Figure 6: Showing whether there are other challenges faced in the implementation of supplier development systems in SCOUL (n=80)



The finding from the figure 6 above shows that 77% of the respondents were with a view that there are other challenges faced in the implementation of supplier development systems in SCOUL. It was only 23% of the respondents who rejected the view. From the interview it was noted that poor communication lines between buying firm and suppliers, complacency between supplier and buyer, misguided improvement objectives, lack of clarity and commitment from both parties concerned and clarity of the boundaries of this assistance, concealment of problems affect negatively supplier development efforts

In suggesting remedies to overcome the challenges faced during supplier development, the findings gathered are presented as follows;

Table 5 (a) Showing remedies to overcome the challenges faced during supplier development

Response	Frequency	Percentage
Direct involvement in suppliers operations	25	31
Sharing proprietary information	19	24
Using a unified approach to the initiative	12	15
Building trust between the two parties	22	30
Total	80	100

Source: Primary data

From the table 5(a) above 31% of the respondents indicated that direct involvement in suppliers operations can remedy challenges towards successful supplier development, 30% indicated building trust between the two parties, 24% of the respondents were with a view that sharing proprietary information can mitigate the challenges and the remainder 15% of the respondents reflected that using unified approach to the initiative can help to solve the challenges faced during supplier development. From the interview it was highlighted that the only means to overcoming challenges affecting effective supplier development is directly get involved in suppliers operations. Organization should always ensure that there is trust and direct involvement of suppliers in operation.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents a summary of findings, conclusions, recommendations and suggestions. The study was focused on the impact of supplier development on product quality. The findings were summaries in relation to research objectives.

5.1 Summary of the Findings

5.1.1 Impact of Supplier Development on Product Quality

It was generally agreed that there is no way an organization can enhance product quality without supplier development. That supplier development is intended to guarantee and systematically improve product quality with the aim to make products of perfect quality without defects

It was generally noted that although there are other factors which affect product quality like production techniques, to a large extent product quality depends on what supplier offers to the manufacturing entity. If the supplier offers substandard inputs/raw material of course this affects adversely the quality of output for the manufacturing organization. Thus it was noted that supplier development impact greatly on the quality of products.

5.1.2 Supplier Development Techniques

It was generally accepted that although Sugar Corporation of Uganda Limited integrated supplier development in its operations, there is a need for supplier improvement in the areas of quality, costs, delivery, innovation and product design. The study revealed that the major objectivities of supplier development are centered on quality performance, long term growth, cost reduction and quality improvements of products offered to customers.

SCOUL generally uses many suppliers and direct supplier involvement as the main methods for supplier development. That other methods include; issuing verbal or written requests to the suppliers to improve their performance and providing feedback information by issuing requests for improvement, training supplier personnel, conducting supplier

appraisals, investing in the supplier operations, designed-in motivation (Benefits/Incentives) and assessing their performance through evaluation.

It was agreed that cost controls and certification procedure are important in supplier development practices. This form of development is based on selecting a supplier who can guarantee a sufficient level of quality in the present and future. It was further noted that supplier development is only possible within the context of specialization,

5.1.3 Dimensions of Product Quality

It was found out the main dimensions of product quality used in SCOUL are centered on the product performance, perceived quality, aesthetic appeal, reliability

It was highlighted that SCOUL, to a moderate extent measures product quality performance with the quality standards as a means of providing quality products assurance and it undertakes standard quality analysis to determine quality variance.

It was noted that although the company can continuously improve the quality of its products, following strictly the predetermined standards is hard to maintain in real world. It can therefore be noted that to a moderate extent SCOUL follow follows the predetermined quality standards.

5.1.4 Challenges Faced in the Implementation of Supplier Development Systems

The findings of the study revealed that high initial investment costs, vague initiation objectives and lack of a unified approach amongst top management, reluctance to share useful information and limited trust between suppliers and buyers are the main challenges faced when implementing supplier development system in SCOUL. That poor communication lines between buying firm and suppliers, complacency between supplier and buyer, misguided improvement objectives, lack of clarity and commitment from both parties concerned and clarity of the boundaries of this assistance, concealment of problems affect negatively supplier development efforts.

To overcome such challenges, it was noted that the management should get involved directly in their supplier's operations, share proprietary information with supplier, and ensure trust is built between the two parties.

5.2 Conclusions

The findings revealed that there is a significant impact of supplier development on product quality and without supplier development, product quality of SCOUL would have been worse. And that SCOUL involve supplier development purposely to increase product quality with zero defects. SCOUL generally uses many suppliers and conducts supplier evaluations as the main methods for supplier development it was found out the main dimensions of product quality used in SCOUL are centered on the product performance, perceived quality, aesthetic appeal, reliability. The study reflected that lack of trust, lack of commitment of top management; financial constraints are the main challenges of effective supplier development.

5.3 Recommendation of the study

Basing on the outcomes of the study, the following recommendations are made to the management and employees of SCOUL in order to increase product quality and to remain competitive in the market;

The management should continue with its theme of supplier development and also be creative and innovative in their bid of providing quality products/services to its customers.

The management should understand that product quality is focused on the outstanding performance of all functions in the organizations. Therefore the study calls upon the management to involve all departments which add value on to the company's products to be actively involved.

The management should regularly measure its quality performance with the quality standards as a means of providing quality assurance to customers and that the predetermined quality standards should be strictly followed in the execution of tasks

Further the company should continue to value supplier contribution in product planning towards achieving customer needs

5.4 Suggested area for further study

This study was conducted in SCOUL. Although the study had a limited scope, it was carried out analytically; other studies should be done in the same organization or different organizations to answer the research questions.

The suggested areas for further studies should be carried out on the impact of operations management, value addition and employee involvement in product/service design on product quality.

It is suggested to use different research instrument so as to relate the findings and overcome weaknesses in the research report.

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APPENDICES:
APPENDIX A: QUESTIONNAIRE

Dear Sir/Madam,

I **Kemigisha Shakirah** conducting a study on the Impact of Supplier Development on Product Quality as a partial fulfillment of the requirements of Bachelor's Degree of supplies and procurement management of Kampala international university. The information given will be treated with maximum confidentiality and for academic purposes only. Your contribution will be highly appreciated. Please spare some time to answer the following questions.

INSTRUCTIONS:

Please tick or fill in the blank space with what is most appropriate to you.

SECTION A: Socio-demographic characteristic of Respondents

1. What is your Gender?

- A Male
- B Female

2. How long have you been employed in SCoul?

- A 1-2
- B 2-4 years
- C 4-6 years
- D over 6 years

3. In which department do you work?

Production	
Materials	
Procurement	
Accounting	
Plantations	

SECTION B: MAIN OBJECTIVE

Impact of supplier development on product quality

4. There is no way an organization can enhance product quality without supplier development

Strongly agree	Agree	Disagree	Strongly disagree

5. Organizations involve supplier development purposely to increase product quality with zero defects

Strongly agree	Agree	Disagree	Strongly disagree

6. Product quality depends entirely on supplier development

Strongly agree	Agree	Disagree	Strongly disagree

7 Please support your answer in 6 above.....

.....

8 What is the role played by supplier development in product quality?

.....

.....

SECTION C: Supplier development techniques

9 Has your organization integrated supplier development in its operations?

- a) Yes
- b) No
- c) Not sure

10 What are the major objectivities of supplier development?

- a) Quality Performance
- b) Cost Reduction
- c) Better Relationships
- d) Long-term Growth
- e) Any other please indicate

.....

 11. a) which of the following supplier development methods are mostly commonly used by your organization? Why number

The following are supplier development methods used mostly by SCOUL	SD	D	A	SA
Competitive Pressure (Use of many suppliers)				
Direct Supplier Development				
Early Supplier Involvement				
All of the above listed				

b) If any other exist kindly explain.....

12. Cost controls and certification procedure are important in supplier development practices

- A Strongly Agree
- B Agree
- C Disagree
- D Strongly disagree

13. a) Do you think supplier development is only possible within the context of specialization?

- A Yes
- B Somehow
- C Not at all

b) Please clarify your answer in question

SECTION D: Dimensions of product quality

14 Read the following statements using any of the alternatives below and tick or circle what is most appropriate to you.

Strongly disagree	Disagree	Agree	Strongly agree
SD	D	A	SA

Dimensions of product quality are based on	SD	D	A	SA
Product performance				
Perceived Quality				
Atheistic appeal				
Reliability				

15 SCOUL regularly measures product quality performance with quality standards as a means of providing quality products

Strongly agree	Agree	Not sure	Disagree	Strongly disagree

16 Predetermined quality standards are strictly followed in the execution of tasks?

Strongly agree	Agree	Not sure	Disagree	Strongly disagree

SECTION E: Challenges faced in the implementation of supplier development systems

17 Using the scoring system (1- very low, 2-low, 3-average, 4-high, 5-very high) indicate the challenges faced in the implementation of supplier development systems in SCOUL

Challenges faced in the implementation of supplier development systems	1	2	3	4
High initial investment costs				
Vague initiation objectives				
Lack of a unified approach amongst top management				
Inadequate inducement to participate are provided to the supplier				
Limited trust between suppliers and buyers				
Reluctance to share useful information				

18 Are there other challenges faced in the implementation of supplier development systems in SCOUL?

(a) Yes

(b) No

19 If yes, please indicate them.....

20 Suggest remedies you would propose to overcome the challenges faced during supplier development?

a) Direct involvement in suppliers operations

b) Sharing proprietary information

c) Using a unified approach to the initiative

d) Building trust between the two parties)

e) Any other please indicate.....

APPENDIX B
INTERVIEW GUIDE

- 1 Do you think there is a correlation between supplier development and product quality?
- 2 If yes, what is the relationship between supplier development and product quality?
- 3 Do you think the organization works to guarantee and systematically improve product quality to make the product of perfect quality with zero defects?
- 4 Do you think there is supplier development practices followed in your organization?
- 5 If yes, indicate the supplier development practices
- 6 What are the dimensions of product quality in your organization?
- 7 Are there challenges that hinder effective implementation of supplier development in your organization?
- 8 If yes, indicate the challenges that hinder effective implementation of supplier development in your organization

APPENDIX C
RESEARCH TIME FRAME

ACTIVITIES	DURATION (months)				
	DEC 2012	JAN 2013	FEB 2013	MAR 2013	APRIL 2013
Pilot study					
Study analysis					
proposal design					
proposal development					
Proposal writing					
Data collection					
Final report writing and submission					

APPENDIX D
RESEARCH BUDGET

This is the estimate cost and expenses that the research expects to meet during the course of Research study.

Items	QTY	UNIT COST	AMOUNT
Stationery			
Ream of rule paper	2	15,000	30,000=
Transport			50,000=
Preparing questionnaires interview guide			40,000=
Editing data, printing and binding		100,000	100,000=
Airtime		20,000	20,000=
Motivation and refreshment			60,000=
Miscellaneous		20,000	40,000=
TOTAL			380,000=