

# SUPPLIER RELATIONSHIP MANAGEMENT AND CONTRACT PERFORMANCE OF PUBLIC ENTITIES IN UGANDA CASE: UGANDA NATIONAL BUREAU OF STANDARDS (UNBS)

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## **Abstract:**

*This study investigates the link between supplier relationship management and contract performance in the public sector, focusing on the Uganda National Bureau of Standards (UNBS). While supplier relationships are well-studied in general, their importance and dynamics within the public sector remain underexplored. Utilizing a cross-sectional design, the research employed both quantitative and qualitative methodologies, including surveys and semi-structured interviews with 104 respondents from UNBS. Findings reveal a significant positive relationship between effective supplier relationship management and contract performance. Key elements such as prompt payments, clear communication, well-defined roles and responsibilities, and trust-building emerged as critical factors enhancing this relationship.*

*The correlation analysis indicated a statistically significant positive correlation ( $r = 0.525, p < 0.01$ ) between supplier relationship management and contract performance, suggesting that improved communication, clear role delineation, and trust can substantially boost organizational performance. However, challenges such as communication gaps and regulatory constraints were noted, which may hinder the full realization of these benefits. The study underscores the importance of fostering strong supplier relationships to enhance service delivery and organizational performance in the public sector.*

*Recommendations include enhancing communication channels, **trust and transparency**, clearly defining roles and responsibilities, building and maintaining trust through prompt payments and feedback mechanisms, **performance measurement and evaluation, capacity building, and supplier relationship management framework**. By adopting these strategies, public entities like UNBS can significantly improve their contract performance and service quality, thereby contributing to the effective regulation and development of quality standards in Uganda.*

**Key words:** supplier relationship management, contract performance, public entities, Uganda National Bureau of Standards, contract management.

**JEL classification:** D73, O43, P40, P43.

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## **1. INTRODUCTION**

This study investigates the link between supplier relationship management and contract performance in public entities in Uganda, specifically focusing on the Uganda National Bureau of Standards (UNBS). The motivation for this research stems from the recognition that while supplier relationships are well-studied in general, there is a significant gap in understanding their role and importance within the public sector. This study aims to fill that gap by exploring how effective supplier relationship management can enhance contract performance in public entities. The findings

are expected to provide valuable insights for improving buyer-supplier relationships in the public sector, ultimately contributing to more efficient and effective procurement processes. The study findings also provide valuable insights for policymakers, procurement professionals, and other stakeholders involved in public procurement. To establish the relationship, the study adopted a cross-sectional design, using both quantitative and qualitative methods.

Public entities are mandated to deliver public services such as health, education health among others. However, public administration in the entities has been ridiculed with widespread critique for being inefficient, lacking innovation, inefficient, and ineffective (Palacios, Butrón, Butrón, Guevara & Gurmendi, 2024). Because of the traditional character of public administration and increasing citizens' demands, a paradigm shift in public administration was evident in the 1980s, calling for a change and the creation of a new face of public administration. Championed by various scholars (Pollitt, 2005), politicians such as Margaret Thatcher in the United Kingdom, others in Singapore (Cinar, Demircioglu, Acik & Simms, 2024), and the World Bank (McLaughlin, Osborne & Ferlie, 2002). New Public Management (NPM) that seeks to reform government to make it more efficient and effective gained momentum and is now implemented in part across the world (Christensen & Lægveid, 2022).

Based on perspectives provided in the literature (Elston, Bel & Wang, 2023; Palacios *et al.*, 2024) refer NPM to administrative reforms undertaken by governments to improve the state of efficiency and effectiveness of the services offered to citizens. One of the private sector-led strategies that drive efficiency and effectiveness has been coined in literature as supplier relationships (Jiang, Wang, Jiang & Bu, 2024; Chakkol, Johnson, Karatzas, Papadopoulos & Korfiatis, 2024). An earlier study by Potter and Wilhelm (2020) found that Toyota (the early adopters of supplier relationships) had secured quality production systems due to supplier relationships developed with suppliers. Abbas and Tong (2023) link supplier relationships to positive organizational performance. Nyakagwa and Muthoni (2014) undertook an empirical study on British American Tobacco in Kenya and found that seamless integration anchored by ICT under supplier relationships has the potential to support the elimination of waste and transparency of information among suppliers, buyers, and its customers enabling the making of real-time decisions.

Liker and Choi (2004) have opined that partnerships executed in the form of supplier relationships enable organizations to achieve scale in technology-intensive economies that represent the developed world. Accordingly, Liker and Choi (2004) reveal that automobile firms like Ford in the USA and others in Canada adopted what is termed as "keiretsu" (supplier relationships) that was linked to Japan's Toyota automobile success. In "keiretsu" arrangements, buyers like Toyota develop close-knit networks of vendors that continuously learn (referred to as "Kaizen" in Japanese), improve, and prosper along with their parent companies.

Other studies suggest that supplier relationships have enabled firms to achieve exceptional performance through cost reduction, increased speed and reduced product cycle times, innovation, customer satisfaction, and quality improvement through the design and deployment of supplier relationships (Emon, Khan & Siam, 2024). To implement supplier relationships several approaches and processes have been recommended. Entering contracts is one thing but managing them successfully is yet another daunting task. According to CIPS (2023), once contracts are signed, the relationships established with the supplier are paramount for the success of contract performance. Thus, how relationships are managed has been considered an important predictor of the outcome of relationships and the performance of an organization (Schiele, Horn & Vos, 2011; Shiralkar, Bongale & Kumar, 2022).

Historically, supplier relationship management has been viewed to have origins within the Japanese automotive industry. It is opined that the traditional success of automobile brands like Nissan, Toyota, and Honda was anchored by their focus on supplier relationship management (CIPS, 2023). While supplier relationships were deemed important for the success of organizations, CIPS (2023) opines that relationships are costly and expensive and therefore, the choice to establish relationships with suppliers should be rationalized. To rationalize the supply base requires some systematic approach and may at times be deemed to be a complex process. Various tools have been

developed to rationalize the supply base as a basis for determining the most appropriate relationships with suppliers. Several scholars have contributed to the debate on how the supply base can be rationalized as a basis for determining the most appropriate relationships with suppliers (Emon, Khan & Siam, 2024; Shiralkar *et al.*, 2022; Scholten, Pulles, Hazeleger & Fenneman, 2024). Studies that examined the dependence-trust linkage opine how much power and need each other and how equally (symmetry) exchange partners depend on each other matter in assessing the effects of dependence on trust building in relationships (Buchanan 1992; Gundlach and Cadotte 1994). Perhaps this explains why sourcing organizations tend to succumb to the position of CIPS to rationalize their supply base.

Additionally, Carson, Stephen, Anoop Madhok, and Tao Wu (2006) and Castelfranchi (2008), suggest that relationships thrive when actors perceive some form of reciprocity. Since reciprocity is a key aspect in relationships, it can be asserted that relationship actors assess each other to identify opportunities before they set out to choose the type of relationship they should adopt through the rationalization process. Several attempts have been made to document the tools and techniques that can support supply-based rationalization processes as part of the literature on vendor relationship management. Notably, the Kraljic Matrix is deemed to be the most popular tool in guiding the mapping exercise, an important activity in the vendor-buyer relationships cycle (Hesping & Schiele, 2016; Stoffers, 2019).

Developed by Kraljic (1983), the tool was introduced with several sourcing strategies that organizations could pursue in dealing with their suppliers. Caniels and Gelderman (2005) opine that the matrix is critical in supporting mapping context since it aids in mapping and assessing actor power and interdependence in buyer-supplier relationships. While the tool was invented in the 1980s the Kraljic matrix and its quadrants (strategic, Critical, Leverage, and Routine) remain prominent relationship mapping tools that help to categorize suppliers as strategic, critical, leverage, and routine, a premise against which relationships strategies can be developed (Glöckner, Pieters & De Rooij, 2005; Cousins & Lawson, 2007; Caniels & Gelderman, 2007; Alhammedi, 2019; Lenarčič & Faganel, 2021; Alhammedi, Yusuf, Soar, Ali, Kadirgama & Yousif, 2024).

Today, the Kraljic tool is applied across the public sector (Benchekekroun, Benmamoun & Hachimi, 2022; Tip, Vos, Peters & Delke, 2022; Zerihun & Wondemalem, 2022; Schotanus & Grandia, 2023) private (CIPS, 2016a, 2019b) and social sector (to guide on managing spend among organizations (Bhusiri, Banomyong, Julagasigorn, Varadejsatitwong & Dhama, 2021; Dubey, Bryde, Foropon, Graham, Giannakis & Mishra, 2022; Kovács & Falagara Sigala, 2021; Namagembe, 2020; Moshtari, Altay, Heikkilä & Gonçalves, 2021). The Kraljic tool and vendor relationship approach is now considered by CIPS (CIPS, 2016; 2019b), a global body that represents the interests of the procurement and supply chain community across the world as part of its body of knowledge for its members and networks. More recently, other tools have been developed to support the establishment, development, and sustainability of vendor relationships. Relationships have been associated with several objectives. Scholten *et al.* (2024), suggest that the drivers for vendor-buyer relationships have been quality, innovation, delivery performance, and cost management. To ensure quality in relationships, Scholten *et al.* (2024) argue that there is a need to build relationships anchored by relationship marketing.

CIPS (2016a; 2023b) advocates for the need to use the CIPS Relationships Spectrum as a menu from which a range of relationships can be selected for adoption when managing contracts with suppliers. Generally, the spectrum provides for close or collaborative relationships. While vendor relations management started in manufacturing that was profit-oriented the concept and practice now spread and stretched across the downstream supply chain of most sectors like retail supply chains. Over the last 20 years, there has been recognition of the importance of vendor relationship management in the public sector (Lamothe & Lamothe, 2012). Lamothe and Lamothe (2012) note the reasons why governments recognize the importance of vendor relationships, issues of trust remain a challenge.

Accordingly, Lamothe and Lamothe suggest that while trust is the bedrock of vendor relationships, there remain trust issues that remain unresolved, for instance, “identifying how and

under what conditions trust is formed and sustained remains a daunting task” (Lamothe & Lamothe, 2012:867). While a trust dilemma exists, the study concludes that local governments place trust (confidence and honesty) in vendor relationships when suppliers double as government units. Lamothe and Lamothe associate such trend with theories such as social exchange (Cook, Cheshire, Rice & Nakagawa, 2013), transactional economic choice (Williamson, 2007), game theory (Fudenberg & Tirole, 1991; Fang, Liu, Basak, Zhu, Kiekintveld & Kamhoua, 2021). In addition, we argue that perhaps, this can be explained in part but also the contrary by suggesting that public entities are likely to have confidence and honesty when in relationships with government entities as suppliers because of the Whole of Government (WOG) approach.

According to Christensen and Læg Reid (2006) and Kristanti, Purnaweni, Dwimawanti, and Yuwono (2023), the Whole of Government (WoG) approach, championed by UK Premier Tony Blair in 1997, required government entities to work together as public entities (PEs) have similar pathways. Various studies have linked vendor relationship management to improved organizational performance. The Chartered Institute of Procurement & Supply (CIPS) indicates that when buying organizations establish good working relationships with suppliers, they can benefit from being preferred as a "customer of choice" (CIPS, 2016). Schönberger (2011) investigated buyer-supplier relationships in service-based organizations and concluded that such relationships help organizations improve their performance quality. This improvement occurs because cooperation with suppliers allows quality problems to be diagnosed and fixed more effectively. However, the study emphasizes that trust remains a key enabler of any relationship, suggesting that "if there is no trust, just don't contract" (Schönberger, 2011).

The assertion by Schönberger (2011) makes a strong argument for cooperation and for developing personal relationships. From an analysis of this assertion, it can be asserted that procurement relationships in general, and the trust inherent in procurement relationships can provide safeguards in an uncertain business world full of opportunism. In the end, one must never underestimate the imperfectly rational force of trust in all exchange relationships, or, as Jean Paul Getty put it: "If you can trust a person, a contract is superfluous. If you can't trust him, a contract is useless".

Another study by Rajab, Ngugi, & Kiarie (2021) investigated buyer-supplier relationships in manufacturing firms. The results showed that the buyer-supplier relationships influenced the performance of such firms. This is because buyer-supplier relationships enable buyers and suppliers to find ways together to compress lead time and improve quality. Yet, Wu & Choi (2005) with illustrations from the Japanese manufacturing context reveal that the genre of buyer-supplier relationships led buying organizations to bring together competing suppliers towards innovating better product design. While studies have been undertaken to establish the link between vendor-buyer relationships in other sectors, studies on such relationships remain scant.

Due to the scarce knowledge of this anecdote, the government may not be prioritizing vendor-buyer relationships and thus may be missing prioritization of vendor-buyer relationships and the benefits like quality and reduced time to serve that are associated with the implementation of buyer-supplier relationships. While most studies on supplier relationships have been undertaken with case studies and discussions drawn on the importance of supplier relationships in the private sector, there is recognition of the importance of supplier relationships in the public sector.

A study by Ateker, Nduhura, Settumba, Mugerwa, Wanume, and Ntambi (2020) reveals that there is now recognition of supplier relationships in the public sector in Uganda. The study shows that while supplier relationships are recognized, the approaches to developing and sustaining these relationships vary. For instance, Ateker et al. (2020) indicate that prompt payments and advance payments are among the most popular methods used to deepen relationships with suppliers. Similarly, Naude, Ambe, and Kling (2013) acknowledge the relevance and use of supplier relationships in the public sector in South Africa. However, unlike the study by Ateker et al. (2020) in Uganda, supplier relationships in South Africa are viewed as transactional. While supplier relationships have a place within the public sector, Johansson and Siverbo (2018) argue that these

relationships may be constrained by public procurement laws and regulations that prioritize competition over partnership.

Studies in Uganda indicate that contract performance is poor. For instance, it is revealed that most contracts are completed late, deliver poor quality, and are out of time (Otim & Alinaitwe, 2013; Muhwezi, Acai & Otim, 2014). Another study by Mutikanga, Kayondo, and Akita (2023) that investigated contracts implemented by Chinese firms reveals that contract performance is ridiculed with 20% schedule overrun, high rate of incidents and fatalities, poor quality of work, breach of change order procedures, and low level of owner's satisfaction.

While the studies have helped to shed light on what needs to be done, there is no concrete evidence that such studies have attempted to link contract performance yet other studies (Autry & Golicic, 2010; Kleemann & Essig, 2013; Sun, Tekleab, Cheung & Wu, 2023) reveals that supplier relationship management enables organizations to achieve better results in contract performance. Due to this largely unexplored link, this study sought to examine the relationship between supplier relationship management and contract performance of public entities. By undertaking this study, we contribute to the genre of supply chain body of knowledge of supply chain management in the public sector organizational context. The remaining part of the paper provides a description of the approach used, results, discussion, conclusion, and recommendations

## 2.0. APPROACH AND METHODS

To determine the relationship between buyer relationships and contract performance in public sector organizations, we employed a cross-sectional design. This research utilized both quantitative and qualitative methodologies. The Uganda National Bureau of Standards (UNBS) served as the focal point of the study. As the mandated developer and regulator of quality standards in Uganda, UNBS embodies the principle: "You cannot regulate quality when you yourself cannot offer quality services." Although this does not imply that UNBS delivers substandard services, its selection as a case study offers valuable insights that can be adopted by UNBS and other entities to enhance service quality.

### 2.1. RESEARCH APPROACH

To explore the relationships between vendor-buyer relationships, the empirical part of the study consisted of two stages, namely, document reviews and surveys. Previous studies undertaken by Emon *et al* (2024), Kumar and Rahman (2016), and Inemek and Matthyssens (2013) on supplier relationships have used such methods and thus justify the deployment of this approach. Semi-structured interviews were held with senior officials in management, insurance, and procurement positions at UNBS. The interviews are built on the existing findings in the literature on vendor-buyer relationships and their effect on organizational performance.

Interviews helped in gaining deeper insights into the ingredients of structuring vendor-buyer relationships such as communication. In listening to participants, we did not only focus on establishing the relationship between vendor-buyer relationships but sought other matters of what constitutes successful vendor-buyer relationships. Such findings helped to form a pattern of reasoning on why vendor-buyer relationships are rarely considered a critical ingredient for driving organizational performance. Senior Managers, members of the Procurement and Disposal Unit, and end users were targeted with interviews because they have more experience in dealing with suppliers and have specific knowledge related to vendor relationships. Additionally, the identified stakeholders for interviews influenced their respective positions in, for example, holding meetings, general communication, and ensuring that suppliers are paid on time, a key feature for developing and improving vendor-buyer relationships.

Secondly, the investigation pursued a survey. The findings from the review of the literature were used to develop a questionnaire that was administered. The questionnaire was used to solicit the extent to which existing studies perceive vendor-buyer relationships and their effect on

organizational performance. The respondents were asked to what extent they believed that vendor-buyer relationships influence the performance of an organization. The scale of their response adopted a 5 Likert scale ranging from “not at all” to “very large extent”. The allocation of numerals to the extent of the response was able to support the derivation of measures of central dispersion such as the mean and standard deviation that formed the basis for the analysis of findings of the investigation.

Overall, the investigation targeted 145 participants using Krejcie and Morgan's (1970) sampling guide. The respondents were drawn from staff at all levels. Responses were eventually solicited from 104 respondents. A total of 131 questionnaires were distributed, and 93 returned, constituting 71%, while 11 out of the 15 interviews representing a response rate of 73.3% were achieved. The overall response rate was 71.2% (146/104 x 100%). This response rate is representative enough (Creswell, 2008).

**2.0. RESULTS & DISCUSSION**

In the results and discussion section, we present the findings of the study and interpret their significance in the context of existing literature and practical implications for public sector organizations.

**2.3. RELATIONSHIP MANAGEMENT AND CONTRACT PERFORMANCE OF UNBS**

The third objective of the study was to find out the effect of relationship management on the performance of UNBS. Relationship management as an IV dimension was measured using five items whose respective responses are provided in Table No. 1.

**Table no. 1. Qualified responses for relationship management**

Statements on Relationship Management	1 (SD)	2 (D)	3 (NS)	4 (A)	5 (SA)	Mean
There is a cordial relationship between parties involved in contracts for continuity of contracts	26% (24)	10% (9)	0% (0)	54% (51)	10% (9)	3.13
There is effective communication throughout the contract process at UNBS	16% (15)	7% (6)	0% (0)	61% (57)	16% (15)	3.55
Roles and responsibilities of all parties in the contract are clearly spelt out at UNBS	4% (3)	7% (6)	0% (0)	38% (36)	51% (48)	4.29
There is trust between contractors and UNBS management assigned to handle contracts	16% (15)	0% (0)	0% (0)	68% (63)	16% (15)	3.68
UNBS endeavors to build trust between them and all contractors/suppliers	16% (15)	19% (18)	0% (0)	49% (45)	16% (15)	3.29

Source: Field Data (2019)

**Table no. 2. Correlation results for relationship management**

	Relationship management	Performance of UNBS
Relationship management		
Pearson Correlation	1	.525**
Sig. (2-tailed)		.000
N	93	93
Performance of UNBS		
Pearson Correlation	.525**	1
Sig. (2-tailed)	.000	
N	93	93

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table no.1., indicates that the majority 64% of respondents agreed that there is a cordial relationship between parties involved in contracts at UNBS which ensures contract continuity however, 36% of the respondents disagreed which implies that even though UNBS ensures that it maintains a cordial relationship with its suppliers; conflicts were evident amongst the vendors and UNBS which compromises its expected performance. The findings are further affirmed by an interviewee who observed that,

*“UNBS management has time and again engaged in formal agreements with its vendors regarding supplies. The relationship explains intended continuity with the suppliers/vendors in terms of goods/services/works”.*

According to the UNBS standards document: 9001:2015, mutual relations are instrumental to good work relations. The relations are between the user department, PDU, and suppliers. In addition, such relations help the parties to conform to the required generic standards (National Bureau of Standards of Uganda & QMS, 9001:2015).

On whether effective communication existed throughout the contract process at UNBS, 77% (72) agreed and 23% (21) of the respondents disagreed which implies that UNBS permits the proper communication among suppliers throughout the contract process. However, communication gaps were evident and would compromise UNBS' performance. To supplement effective communication a key respondent voiced out that,

*“Effective communication at UNBS is seen as an essential tool that may be used in realizing productivity and maintaining strong, lasting working associations at all levels of the Bureau”.*

A total of (89%, n=78) respondents agreed that roles and responsibilities in the contract are clearly spelt out at UNBS, and (11%, n=9) respondents disagreed. The results imply that PDU staff roles are well aligned to support the procurement cycle for UNBS. To complement, was an interviewee who voiced out that,

*“Each of our procurement staff has well-laid roles and responsibilities that they are mandated to play to ensure a smooth contracts process. These roles are good for the continuity of the purchase of goods/services and works which are required by the UNBS”.*

Regarding whether UNBS trust exists between contractors and management assigned to handle contracts on behalf of UNBS, 84% (n=78) agreed and 16% (n=15) disagreed. In addition, 65% (n=60) agreed that UNBS endeavors to build trust between them and all contractors/suppliers, and 35% (n=33) disagreed. The responses imply that UNBS effectively communicates with its suppliers/vendors to ensure that they conform to the expected requirements. To affirm the findings was an UNBS official, who observed that,

*“UNBS considers buyer-supplier relationships as instrumental to achieving a set goal and ensuring that trust is established. From such relationship quality increments, innovations and timely data flow are always realized”*

Correlation results for relationship management and performance of government public entities.

This section provides Pearson Correlation Coefficient results between relationship management and the performance of UNBS. The computations are laid in Table No. 2.

Table no. 2., presents correlation results for the relationship management and performance of UNBS. The results point to the fact that a significant positive relationship (.000\*\*, p less than (<) 0.01 at 99% confidence level) exists between the two variables. Therefore, its implication would be that communication, clear roles and responsibilities, and trust building would improve the performance of UNBS. Hypothesis statement three that relationship management greatly affects performance at UNBS was accepted and the null hypothesis was rejected.

## 2.4. DISCUSSION AND INTERPRETATION OF RESULTS

Findings recorded about relationship management and performance of government entities revealed that a positive relationship existed between the variables indicated by a .525 (\*\*) score.

This implies that constant communication, clear roles and responsibilities of PDU staff, and trust building would bring about a positive change in UNBS' performance. Further to note, relation management was found to explain a 17.8% variance in organizational performance.

Relationship management and the performance of UNBS were found to take a similar direction where communication, clear roles, and responsibilities as well as trust-building were seen as instrumental in the improvement of UNBS' performance. Further findings revealed that communication with the suppliers was critical to the performance of the Bureau. The findings are supported by Greve (2008) who argued that communication has a bearing on the performance of organizations. The scholar emphasizes the need to focus on the development and maintenance of good cooperation and communication between the parties. Timely responses to possible issues and dispute resolution are also indispensable. Communication plays a vital role in enabling parties to reach the shared understandings that underlie their agreements (Greve, 2008).

Further on communication is the World Bank (2018) which highlights that failure to communicate has a diverse effect on the performance of both parties in the contract. The communication here entails communication on variations, changes in prizes, and legal aspects that may affect the process of contract, among others, and this results in feedback for mutual agreement on the status quo. Nevertheless, several communication gaps including misinformation made the verification process difficult at the implementation stage. Secondly, poor communication was seen to derail efforts made by the Procurement/Disposal and finance departments to deter any business conflicts that may affect vendors' relations for instance deliveries and payment.

The study findings on roles and responsibilities suggested that designated UNBS officials knew their roles and responsibilities. The findings concur with the National Audit Office NAO (2016) which highlights that contractual relationship management entails developing strong internal and external relationships that facilitate the delivery of service-stressing roles and responsibilities of contracts management authorities; and continuity and communications as key factors to facilitate contracts relationships management. The roles and responsibilities of the contract's management team refer to what task each member of the team is required to deliver for the contract to be successful.

Other authors including Oluka & Basheka (2014) revealed a clear description of processes and setting contract management strategy, suitable and vital lessons learned from contract management practice, a precise definition of roles, and employing knowledgeable contract managers to enhance effective contract management processes as types of machinery for contracts relationships management. On the negative, analysis suggested variances between planned and actual roles meaning that most job roles were implied, and others were explicit. This variance was common with contract managers and linked projects or assignments where managers were found to have insufficient technical knowledge, while others had conflicting roles and superior influence on contract matters were all evident. This compromises UNBS' performance.

### **3. CONCLUSION AND RECOMMENDATIONS**

The study examined the relationship between supplier relationship management and contract performance within the public sector, focusing specifically on the Uganda National Bureau of Standards (UNBS). The findings reveal a significant positive relationship between effective supplier relationship management practices and improved contract performance. Key elements such as prompt payments, advance payments, clear communication, defined roles and responsibilities, and trust-building were identified as critical factors contributing to this positive relationship. The study's results underscore the importance of strong supplier relationships in the public sector, which can lead to enhanced service delivery and organizational performance. Despite the benefits, challenges such as communication gaps and regulatory constraints were noted, which may hinder the full potential of these relationships. The study also confirms that while supplier relationships were traditionally a strategy pursued in the private sector and originally in manufacturing to achieve



leanness and agility gains, supplier relationships are now required and increasingly becoming popular in public entities.

Based on the study findings, the following recommendations are offered:

**Strengthen Communication Channels:** Public entities should invest in improving communication channels between all parties involved in the contract process. This includes clear and timely information sharing, effective feedback mechanisms, and regular dialogue to address concerns and build trust. Communication with suppliers can be enhanced through meetings, circulars, site visits, and emails. Today formal social media pages such as WhatsApp can be set up and used specifically for real-time response when managing supplier relationships.

**Trust and transparency:** Openness and transparency can be implemented with full disclosure of information that is required for successful entry, implementation, monitoring, and evaluation of contracts including exit and transition. Since relationships are developed due to bonds there is a need to have frequent meetings to report and discuss matters that affect contractual relationships between public entities and suppliers. Additionally, public entities may consider developing service level agreements (SLAs).

**Clarify Roles and Responsibilities:** To enhance efficiency and accountability, institutions should conduct a comprehensive review of roles and responsibilities within the procurement and contract management processes. This should involve clear documentation and training to ensure all stakeholders understand their roles and expectations.

**Foster Trust and Collaboration:** Building trust between public institutions as well as contracting agencies and their suppliers is essential for long-term success. Efforts should be made to create a collaborative environment based on mutual respect, transparency, and fairness.

**Performance Measurement and Evaluation:** Establish a robust performance measurement system to track the impact of supplier relationship management on contract performance. Regular evaluation of supplier performance and feedback mechanisms will help identify areas for improvement.

**Capacity Building:** organizations should invest in capacity building for procurement and contract management staff to enhance their skills in relationship management, negotiation, and conflict resolution.

**Supplier Relationship Management Framework:** Develop a comprehensive supplier relationship management framework that outlines the organization's approach to supplier selection, development, and performance management.

Lastly, there is a need for public entities to recognize that supplier relationships are no longer for the private sector but also required for public entities.

By implementing these recommendations, both public and private entities can significantly enhance their supplier relationship management practices and ultimately improve contract performance and overall organizational effectiveness.

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**Alex Nduhura & Rashid Senvuma:** Conceptualization, Formal analysis, Investigation, Methodology, Writing – original draft, writing – review & editing.

**John Paul Settumba & Paul Wanume:** Professional conceptualization and validation of supply chain management, review and editing

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