The Effects of Supplier Evaluation Practices on the Organizational Performance of Motor Vehicle Assembly Companies in Kenya

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ABSTRACT
Purpose: The purpose of the study is to determine the effects of Supplier evaluation practices on Organizational Performance of Motor Vehicle Assembly Companies in Kenya. This study will be guided by the following theories of; Cox theory, transactional cost theory, resource based view theory, Bensaou theory, Industrial marketing and purchasing theory and fuzzy set theory. The analysis of these theories will link to the study and bring out research gaps.

Methodology: The target population will be all 21 motor vehicle assemblers and franchise entities in Kenya who are members of Kenya Association of Manufacturers (KAM). The design will take a cross sectional exploratory census research design with a mixed approach of qualitative and quantitative research in the Motor Vehicle assemblers in Kenya. 1 professional from sectional heads of; Assembly/Research Design/ Planning, procurement, Engineering/ Electrical, Finance, Quality standards and Paints will be interviewed. A questionnaire will be the instrument for collecting data. A pilot will be carried out to establish validity and reliability of the findings. Qualitative and Quantitative analysis that include parametric and non-parametric tests will be done to establish statistical significance and relationships between variables by use of multiple regression analysis.

Findings: Preliminary findings suggest that Supplier evaluation practices influence Performance of organizations.

Practical Implications: Motor Vehicle association of Kenya will be able to provide advisory on policy frameworks in terms of the correct sourcing points. Procurement professional bodies will review and establish new guidelines on procedures and advise government on the developments in the industry.

Originality/Value: The study has focused on Motor vehicle assembly companies in Kenya as opposed to earlier studies that have hitherto concentrated on other industries such as the apparel industry.
Keywords: Supplier evaluation practices, Organizational Performance, Motor Vehicle Assemblies’, Franchisers, Sourcing