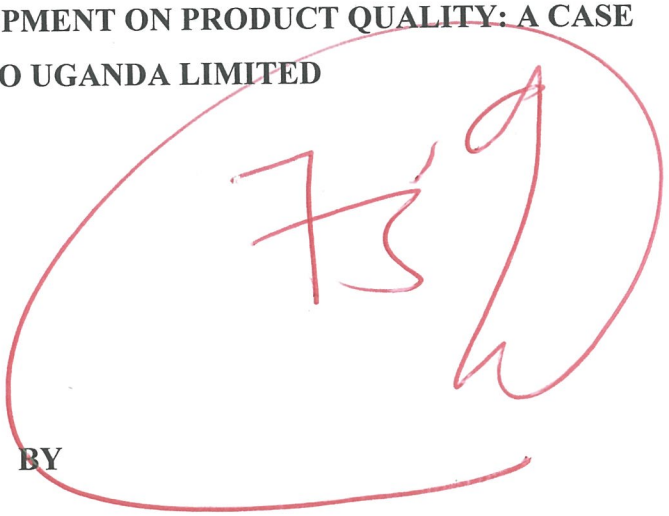
THE EFFECT OF SUPPLIER DEVELOPMENT ON PRODUCT QUALITY: A CASE STUDY OF BIDCO UGANDA LIMITED



BY

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A RESEARCH REPORT SUBMITTED TO THE COLLEGE OF ECONOMICS AND MANAGEMENT IN PARTIAL FULLFILMENT OF THE REQUIREMENTS FOR THE AWARD OF BACHELORS DEGREE IN SUPPLIES AND PROCUREMENT MANAGEMENT OF KAMPALA INTERNATIONAL UNIVERSITY

APRIL, 2019

DECLARATION

I declare that the research report presented is my own; it has never been submitted to any University or institution of higher learning.

Signature ..... **Date** .....

15th. 04. 2019

GANDHI. K. JANET MARGRET

APPROVAL

This is to acknowledge that this research report has been under my supervision as a university supervisor and is now ready for submission.

Signature .....

MR. BAGAYA RAMATHAN

Date 15/04/2019.

DEDICATION

I dedicate my research report to my parents especially my mother and my sister for the support provided to me during the study, may the almighty God bless you.

ACKNOWLEDGMENT

I would like to thank God who has enabled me to put this piece of work together and for having given me the wisdom to complete this program. I would like to thank my dear parents for the commitment and support during my education undertaking. Special thanks go to my supervisor for the assistance he has rendered to me during the production of this dissertation. Thanks are also conveyed to the teaching and non-teaching staff of Kampala International University.

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CHAPTER ONE
INTRODUCTION

1.0 Introduction

This chapter comprise of the background of the study, problem statement, objectives of the study, research questions, study scope and significance of the study and conceptual framework.

1.1 Background of the study

Supplier development is defined as any effort by a buying firm to increase the performance and capabilities of their supplier. It is the process of working collaboratively with suppliers to improve or expand their capabilities (Dominick, 2006). It is a bilateral effort by both the buying and supplying organization to jointly improve the supplier's performance or capabilities in one or more of the following areas: cost, quality, delivery lead time, technological advancement, safety and environmental responsibility, managerial capability and financial viability (Krause & Handfield, 2011). It is the process of having the buying organization work dire directly with certain suppliers to improve their performance for the benefit of the buying organization.

According to Humphreys, Cadden and Wen-Li (2011) supplier development is majorly measured through supplier incentives, supplier financial support and supplier training. Supplier incentives are a strategy which encourages suppliers to improve their performance including increased business volume, priority consideration for future business and recognition of good supplier performance in the form of awards or certificate. Supplier financial support refers to the buying firm's effort to develop their supplier by engaging in human and capital resources which includes direct investment in equipment and tools and technical support at the supplier site. Supplier training is focused on improving efficiency and effective systems which are reliable and can ensure excellent which exceed customer expectations.

Product 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 (Guthrine, 2012). 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.

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 (Ojambo,2011), 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. According to Mukasa and Mukhwana (2010) supplier development in Africa can be a tool that can generate the work performance and enhance the functionality of the organizations and increasing the product quality in African continent.

Across the globe, countries that have employed supplier development schemes in the bid to increase products quality, countries such as USA, Japan, Britain and Germany have registered high performance in their organizations (Wegner, 2006). The management of the organizations establish a mechanism for enhancing the suppliers work efficiency intended to generate value for the organization. Countries such as China that are realizing the value of developing suppliers also register performance excellence in their work a force that is making China an industrial nation in the world.

In African supplier development is mainly focused on the effects that affect the product aspects as well as the supplier's capabilities. This basically involves improvement of product aspects which include; quality, design, reliability, safety and conformance as well as total ownership cost of the product (Wachiye, 2012). Many African countries like Ghana, Nigeria and South Africa have embraced supplier development have built supplier performance. In supplier capacity aspects, supplier development basically works to improve and enhance supplier's performance related with; increased production capacity, shorter product development cycle, productivity, research and development, improved and reliable processes, shorter delivery lead times, flexibility and overall organizational visibility to the buying organization by adoption of information interchange (Wagner & Krause, 2009). Despite the fact that manufacturing firms in developing economies have acknowledged the significant role of supplier development in promoting organizational performance and contributes strategically to overall operational

effectiveness, little research has empirically examined the impact of supplier development and product quality rendering product quality to be of low levels.

In Uganda, despite the supplier development being recognized as key and fundamental trait for development, Uganda legal systems and the organizations have not adopted much supplier development schemes apart from the manufacturing organizations in the country. The sugar produced by the companies is marketed to the Eastern African countries of South Sudan, Democratic Republic of the Congo, Burundi, Rwanda, Tanzania, Kenya and Uganda. Bidco Uganda limited is a manufacturing company located in Jinja municipality manufacturing a range of products that it sells across the east African community, hence forth the need for product quality consideration in an avenue to generate awareness for work effectiveness and improvement (Ojambo, 2011). Bidco Uganda deals in a range of products such as oils, soaps of different categories and types in the many forms. The products mix is also being supported through the support of the suppliers in the different schemes.

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 the oil palm growers in Kalangala were not providing required products quality (BIDCO, 2016). The suppliers of sunflower for Bidco have also registered limited capacity in providing excellent quality without the assistance of the buying firms (Ware, 2013). There still exists a performance gap between what suppliers are capable of achieving and what they actually demonstrate through their quality performance (Lukhoba & Muturi, 2015). 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 set to find out the impact of supplier development on product quality.

1.3 Purpose of the study

The purpose of the study is to establish the effect of supplier development on product quality in Bidco Uganda Limited.

1.4 Objectives of the Study

The study is aimed at achieving the following specific objectives:

i. To determine the various supplier development techniques applied within the organization.
ii. To examine other factors that affect product quality in the organizations.
iii. To establish the relationship between supplier development and product quality in organizations.

1.5 Research Questions

The following are the research question:

i. What are the various supplier development techniques applied within the organization?
ii. What are the other factors that affect product quality in the organizations?
iii. What is the relationship between supplier development and product quality in organizations?

1.6 Scope of the study

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

1.6.1 Concept Scope/ subject

The study was centered on assessing the various supplier development techniques applied, factors affecting product quality and assessing the relationship between supplier development and product quality.

1.6.2 Geographical scope

The study was carried out in Bidco Uganda Limited located in Jinja in Masese, the choice of the area is because it employed a high degree of suppliers in the provision of raw materials for the manufacturer of the products.

1.6.3 Time Scope

The study will cover a period between 2017 and 2018 and it will take the researcher 3 months to complete the entire research. The time has been considered because there was performance challenges in Bidco and so the research provided remedy to curb future challenges to performance and enhance performance.

1.7 Significance of the Study

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.

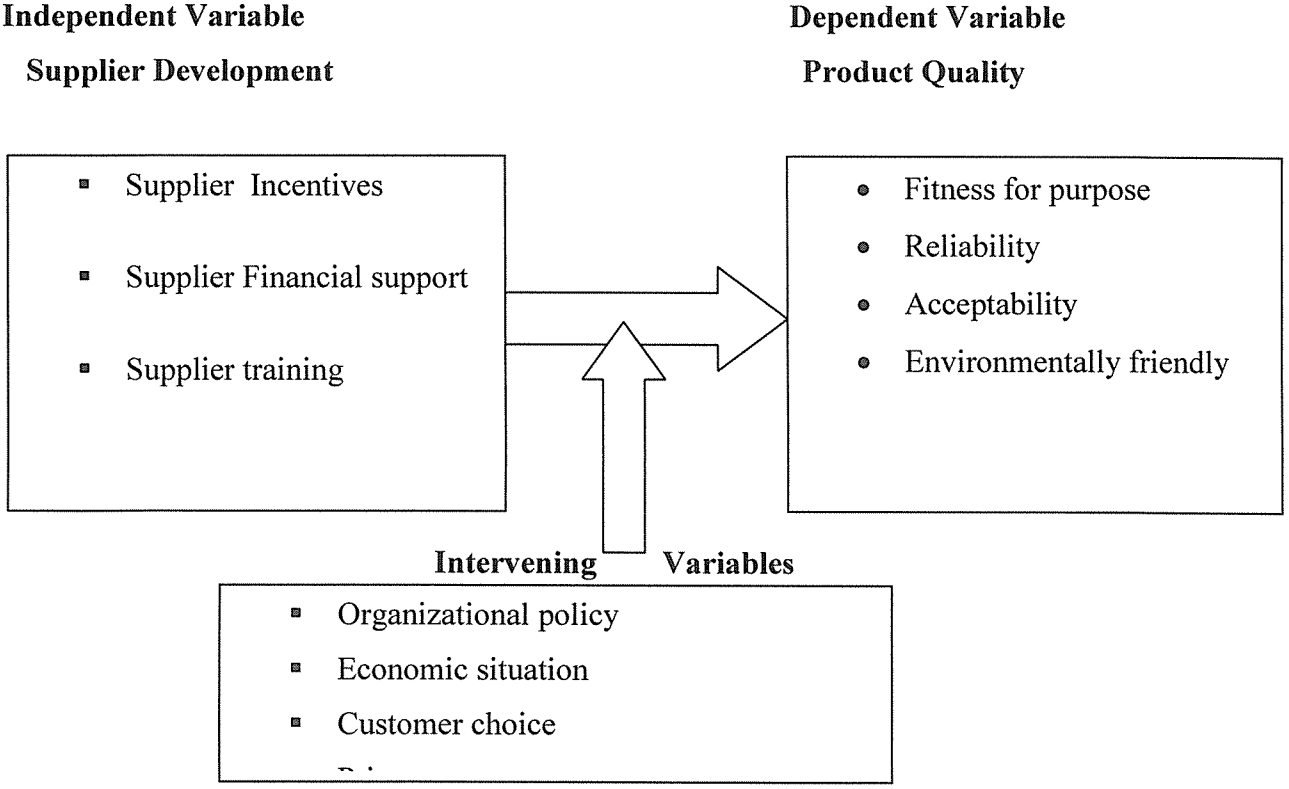
The study results will provide avenue to policy makers on the mechanisms that can be established on enhancing the management of the sugar industry. The study will guide in establishing policies that can enhance functionality of the organization.

This study will provide insight to the manufacturing firms in Uganda on how they can leverage on supplier development process to enhance their production of quality for their firms.

The findings of this study will be used as a reference point by future supply chain management researchers for further research on the same field with expanded scope or different contexts.

Lastly, it will assist other scholars investigate further empirically about the impact of supplier development on product quality.

1.8 Conceptual Frame Work



The conceptual framework shows the relationship between supplier development and product quality. The supplier development is measured through supplier incentives, supplier financial support and supplier training, the presence of positive supplier development transform into product quality. Product quality is measured through fitness for purpose, reliability, acceptability and environmentally friendly products. The presence of positive supplier development promotes products quality.

CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction

This chapter presents literature in line with the objectives of the study which presents the detailed information about supplier development and product quality. The literature was retrieved from internet library, research journals and articles together with text books, magazines and newspapers. The aim was to evaluate the views of other researcher and scholars in regard to the study problem and hence being able to make the summary.

2.1 Supplier development techniques

According to Krause (1999), supplier development broadly refers to "any effort by a buying firm to improve a supplier's performance and/or capabilities to meet the buying firm's short- and/or long-term supply needs" Purchasers can make use of a wide range of supplier development practices to improve a supplier's performance and/or capabilities. Krause *et al.* (2007) opined that supplier development may be composed of such activities from a buying firm as goal setting, evaluation, supplier technical support, performance measurement, supplier training, and other related activities. This set of practices encompassing direct involvement indicates a multidimensional nature of supplier development (Pagell & Curkovic, 2001).

Supplier development should lead to improvement in the total added value from the supplier in question in terms of quality of product or service offered, business processes and performance, improvements in lead times and delivery to overall performance of the buying firm (Modi & Mabert, 2007). Supplier development is normally undertaken with existing suppliers that can be, and agree to being, improved. Suppliers can be categorized in respect of supplier development in three ways; they are, being developed, on hold as a potential for development or, identified as not being worth the investment of development. The following are the supplier development techniques.

Supplier Evaluation: First step of supplier development is supplier's evaluation because after this buyer can identify areas of supplier where improvement is needed. This step helps to point out exact cause of problem i.e. whether the problem is in material or in design or in production

process or in workmanship. Suppliers basically get evaluated on the basis of parameters like technical capabilities, quality, cost, delivery, managerial capabilities. On basis of these parameters suppliers are classified in to groups. So supplier evaluation is integral part of supplier development which serves as a platform for launching supplier development program. This phase will mention problem of supplier which will be basically related with product, process and operating system. Combining supplier's problem and supplier development program a matrix will form which will give guideline that which supplier development plan is necessary for which problem (Cormican and Cunningham, 2007)

Cormican and Cunningham (2007) worked on performance evaluation in a large multinational organization. Here they evaluated suppliers based on parameters like on time delivery, quality and total cost. He gave 40 % weight to on time delivery, 40% weight to quality (Parts per million) and 20 %weight to total cost. Then found the total score by adding score of these 3 parameters and rank suppliers.

McIvor and Mabert (2007) indicate that buyer-to-supplier information sharing, buyer-to-supplier performance feedback and buyer investment in inter-organizational information technology are key enablers of buyer-to-supplier communication openness. However only buyer-to-supplier communication openness plays the direct and critical role in achieving significant performance improvement. They mainly focused on openness in communication and openness acts as a key parameter for supplier improvement and this improvement will mainly move in the direction that buyer wants.

Supplier incentives: Supplier incentives is a strategy which encourages suppliers to improve their performance including increased business volume, priority consideration for future business and recognition of good supplier performance in the form of awards or certificate (Monczka, Trent & Callahan, 2011). Incentives are important to develop and improve supplier performance. The buying firm provides incentives to motivate suppliers who desire for increased volume of business and priority consideration for future business. Therefore, this supplier is more likely to continue business operations and open their facilities, extend their resources investment, including provide greater commitment in joint knowledge transfer (Modi and Mabert, 2007).

Supplier training: Programs for supplier development that receive assistance from buyers can be regarded as buyer supported training. The literature suggests that buyers have various ways of supporting their suppliers with some buyers giving more support than others. Some buyers focus on short-term benefits while others look at supplier development as a long-term investment. Thus suppliers have access to different types of supplier development programs depending on their buyers. This implies that the types of training that would most benefit suppliers could be best assessed through studies focusing on the supplier perspective. By identifying the relevant types of training buyer-supported training programs could increase. This would be because buyers could select the type of training suitable for specific groups of suppliers. The right type of training could then lead to an increase in performance for the supplier which would in turn encourage an increase in buyer-supported training. Buyer may send his employees or group of team to train supplier or he may invite group of suppliers facing same problem for training in his own firm Ambrose et al (2008).

O'Toole and Donaldson (2002) made a case study in Malaysian automotive industry on Patterns of Supplier Learning. Here they found that supplier development programs support the development of a supplier's capabilities usually with the assistance of a buyer. Supplier development also depends on supplier's interest and how they explore them self to increase their capabilities. Although local suppliers do receive assistance from their buyers but this type of assistance is still not adequate to improve supplier capabilities. Therefore analyzing environment that provides buyer-support training could help to identify factors that suppliers themselves seem important for development of their capabilities. It is claimed that support from buyers for supplier training has been deficient. Thus there is a need to identify the types of training that suppliers themselves prefer. Buyers themselves have significant knowledge of the training that a supplier might need but as technology development happens the buyer no longer has a hold on all of the technology that is involved or coming. Thus it is important that suppliers looking to develop their capabilities have access to the type of training that they require which may or may not be provided by their buyers. For suppliers that have access to buyer-supported training their training needs might often change as they develop their own capabilities (Chen, Lin & Huang, 2006).

Financial Support: Financial investment refers to the buying firm's effort to develop their supplier by engaging in human and capital resources which includes direct investment in equipment and tools and technical support at the supplier site (Lambert, Emmelhainz and Gardner (2006). When the supplier gets evaluation feedback from the buying firm for improvements, the firm needs to provide suggestions or personnel to supplier site. Such action of the buying firm motivates the direct involvement of their potential suppliers including financial resources (Wagner, 2006).

Supplier financial support refers to the buying firm's effort to develop their supplier by engaging in human and capital resources which includes direct investment in equipment and tools technical support at the supplier site Mikkola and Skjoett (2005). When the supplier gets evaluation feedback from the buying firm for improvements, the firm needs to provide suggestions or personnel to supplier site (Krause, 2010). According to CIPS (2007), financial appraisal of supplier should be geared towards reducing financial risk and providing information that could be used to help firms make rational decisions on source of suppliers or evaluation of tenders. Useful information for supplier financial performance evaluation can be derived from secondary data on suppliers and markets published financial statements, networking with existing clients of the supplier, and credit rating firms.

Early supplier Involvement in new product development: Involving suppliers in new product development decisions and continuous improvement efforts enables the manufacturers to share knowledge and increase learning so that better solutions can be found to complex, inter-company problems that impact performance (Yegon, Kosgei and Lagat, 2015). Dowlatshahi (2007) stated that if a company or a supplier waits until a design specification or a bill of materials is available, it will be too late to reap the benefits of the knowledge and expertise of a supplier without a costly re-design, measured in time and money.

As today firms focus on their core competences, they become more dependent on their suppliers to meet ever-increasing competition. According to Mikkola and Larsen (2003) due to greater complexity, higher specialization, and new technological capabilities, outside suppliers can perform many activities at lower cost and with higher value added than a fully integrated

company can. Supplier can have a significant impact on a manufacturer's performance, through their contributions towards cost reduction, eliminate inconsistency in the designer's manufacturing processes, minimize high-cost material items, share technical expertise and processes within each other, enabling the constant improvement of quality, share technology capabilities, and increase responsiveness of buying companies. A buyer's bases of power estimated that suppliers account for 30% of the quality problems and 80% of product lead-time problems.

2.2 Factors affecting product quality

Besterified (2003) argue that quality is not a one-dimensional concept, and it is very natural for managers to understand quality in different ways: managers perceive quality in the context of their own work environment. Garvin (1988) presented five different approaches to understanding quality as follows: transcendent, product based, user based, manufacturing based and value based. Quality of a product or service depends upon the following factors.

Globalization: Globalization coupled with technology is pushing organizations to their kneels as they strive for limited customers. Today's customers demand and expect high quality. Companies that do not make quality a priority risk long-run survival. World-class organizations such as General Electric and Motorola attribute their success to having one of the best quality management programs in the world. These companies were some of the first to implement a quality program called, Six- Sigma, where the level of defects is reduced to approximately 3.4 parts per million. To achieve this, everyone in the company is trained in quality (Smith, 2004)

Market: Customer demand, his needs and purchasing power are the main determinants of quality level. Market for the product must exist before quality of the product is emphasized by management. It is useless to talk about the quality when the market for the product is lacking. For example, there is no demand for woolen garments in the hot climates (e.g., Southern part of India). Grossman, and Helpman (2005) argued that when knowledgeable staff people are eliminated or absorbed by the vendor, the accumulated know how and business knowledge goes with that staff member. Attempts in the future to return the process in-house will not have the benefit of key personnel with the needed knowledge on staff. Because knowledge is non-quantifiable, organizations fail to value this asset.

Materials: The availability of right type of materials is essential for maintaining quality level of finished products. A wide variety of materials may be available but material with right specification has to be used. To turn out a high quality product, the raw materials involved in production process must be of high quality (Cole, 2005). Görg and Hanley (2004) contend that where firms would prefer to "buy" as opposed to "making" certain services as long as the cost of outsourcing is lower than in-house production. As outsourcing vendors typically provide services to many clients they can achieve cost advantages over single firms' productions costs as they benefit from economies of scale and centralization of expertise

Technology: Nature of technology and machinery used has a direct bearing on product quality. Modem technology, methods and equipment have led to improvements in product quality level. To maintain high standards of quality, companies are investing in new machines and following new procedures and methods these days. It might be done with one or more service provider who will execute the transferred processes based on the client's requirements (Saxena & Bharadwaj, 2009). Business Process Outsourcing indicates the outsourcing of the different phases of production, distribution, research and development, maintenance.

Labour and cost: The knowledge and experience of people who design and produce products exercise significant influence on quality level. Competent and trained people can design and manufacture better quality products. Cost of quality maintenance and improvement has increased significantly. Increasing competition, growing mechanization and decreasing profit margins may not permit greater expenditure on quality improvements. Scrap and rework losses have become serious. Most important factor affecting the quality of a product is the money involved in the production itself. In the present day of tough and cut throat competition, companies are forced to invest a lot in maintaining the quality of products (Garry, 2004).

Management: The attitude and policy of management towards product quality is important some managers tend to be more quality conscious than others. Quality control and maintenance programmes should have the support from top management. If the management is quality conscious rather than merely quantity conscious, organization can maintain adequate quality of products. A quality implementation program will succeed only if top management is fully

committed beyond public announcements. Success requires devotion and highly visible and articulate champions. The study found that even marginal wavering by corporate managers was sufficient to divert attention from continuous improvement (Vasconcellors, 2003).

Measurement of quality improvement: TQM is centered on monitoring employees and processes, and establishing objectives that anticipate the customer's needs so that he is surprised and delighted. This has posed a considerable challenge to many companies. Measurement problems are caused by goals based on past substandard performance, poor planning, and lack of resources and competitor-based standard. Worse still, the statistical measurement procedures applied to production are not applicable to human system processes

2.3 Relationship between supplier development and product quality

Improving Efficiency: Njeru (2013) in her case study of Kenya power investigated factors which influence supplier development on product quality in public entities in Kenya. The study concluded that the management of KPLC recognized supplier development as a means to improving their efficiency. The researcher pointed out that for effective supplier development process, there should be management support, commitment and good communication channels between the two parties. Use of Enterprise Resource Programs systems should be adopted to shorten the time taken in the supplier development. However, the study was too narrow to only supplier communication as the only tool in supplier development. It also focused on public entity narrowing on a case study context of KPLC hence no enough scope to generalize on the effect of supplier development on other organizations particularly in the private sector.

Return on investments:- Harps (2001) affirms this as his study focused on the relationship between supplier development and its impact on product quality performance using both financial and market criteria, including return on investment (ROI), market share, profit margin on sales and overall competitive position. The global sugar industry is one of the world's oldest agriculturally based industries, which is estimated to yield approximately 167 million tons of sugar with an ever growing consumption rate, which on average, increases at 1.8% per annum. Furthermore, joint action between both parties is part of transaction-specific supplier development as a non-equity mode of governance in which both buyers and suppliers cooperate on certain activities that are important for improving the performance of both parties. Research

by Humphreys, (2011) established that supplier development encourages preferential buyer status and supplier adaptability. Supplier development also helped in developing mutual trust between buyers and suppliers (Reed and Walsh, 2008).

Value additions: Wachiuri (2015) in a case study of east Africa breweries limited investigated the Role of supplier development on product quality performance of manufacturing industries in Kenya. The case study was carried out to establish the effect of buyer supplier relationships on organizational performance for east African breweries in Kenya. The study recommended that the organization should fund training programs that they administer to their suppliers to enhance better performance. In addition, enhanced communication should be put into practice in the supplier development program. In firm involvement firms ought to evaluate and give feedback to their suppliers more often. This gives the suppliers an opportunity to know their weaknesses and shortfalls as well as adjust their operations to meet the needs of the manufacturing firms.

Lukhoba and Muturi (2015) also examine the effect of supplier development on supplier product quality performance in food manufacturing companies in Kisumu County. The study focuses on the specific objectives of analyzing four methods of supplier development, which are: early supplier involvement, financial support, supplier training and supplier incentive in food manufacturing industries. Data was collected using secondary and primary sources.. Primary data was collected using questionnaires which were employed to collect quantitative data in an attempt to answer the research questions. Descriptive statistics was used to analyze the data. The data was analyzed and presented in form of tables and pie charts. Results reveal that early supplier involvement, financial support, supplier training and supplier incentives have a positive effect on supplier performance.

Enhance buyer performance: Yegon, Kosgei and Lagat (2015) also investigate the effect of supplier development on buyer performance. A survey of sugar milling firms in Western Region of Kenya. Explanatory Research design was utilized to explain the cause-effect relationship between supplier development and buyer performance. A sample of 88 top level purchasing and marketing executives was selected through purposive sampling technique. Data from respondents were analyzed using correlation analysis and multiple regressions. The study finds

out that supplier technical support and supplier financial support has positive effect on buyer performance.

Effectiveness: Ochieng (2014) also investigate the role of supplier development in procurement effectiveness in terms of first time quality, delivery and order cycle time, cost and technology at the National Cereal and Produce Board. Simple random sampling technique was used to select fifty (50) respondents. Data were analyzed with the aid of correlation analysis and multiple regressions. Results show that information exchange, suppliers understanding of goals, suppliers' participation and buyers' coordination had had very good impact on procurement function. However supplier participation was found to be more significant followed by buyer coordinator presence, information exchange and supplier understanding of goals. Kamau (2013) also examines the relationship between Buyer-supplier relationships and organizational performance among large manufacturing firms in Nairobi, Kenya concluded that buyer- supplier relationships had assisted the large manufacturing companies to enhance the performance of their organizations.

CHAPTER THREE
METHODOLOGY

3.0 Introduction

This chapter outlines the study research design, study population, the sample size, sampling procedure Data collection methods, Sources of data, data analysis and reliability and validity of the study, ethical consideration and limitations of the study.

3.1 Research Design

The study was descriptive in nature. It involved the use both qualitative and quantitative research approaches. This helped the researcher in determining comprehensive explanation on the contributions of the informal sector towards development. Quantitative approaches enabled the presentation of information in numerical terms whereas qualitative data was given expression of respondents' fillings on the aspects of study.

3.2 Study Population

A population is the aggregate or totality of objects or individual, persons having one or more characteristics in common that are of interest to the researcher (Amin, 2006). For the purpose of this study the study, the population included people chosen from Bidco Uganda Limited in the departments that interact with procurement and this included the procurement and disposal unit, suppliers, accounting officers and user departments this population is expected to be 45 people.

Table 3.1: Showing the study population

	Department	**Population**
1	Procurement	12
2	Accounting and finance	38
3	Marketing	13
4	Production	17
	Total	**80**

Source: Bidco Human resource manual (2018)

3.2.1 Sample Size

A sample is a portion of the population got from the research population for providing data where generalization can be made to the entire population (Mugenda and Mugenda, 2006). This occurs because of resource constraints and time. The sample was determined using krejice and Morgan Table 1970.

Table 3.2: Showing the study population

	Department	**Population**	**Sample**
1	Procurement	12	10
2	Accounting and finance	38	31
3	Marketing	13	11
4	Production	17	14
	Total	**80**	**66**

Source: Bidco Human resource manual (2018) and Sample size determination by Krejice and Moragan (1970)

3.2.2 Sampling Procedure

Sampling is the process of selecting elements from a population in such a way that the sample elements selected represents the population. The researcher used probability sampling method and in particular stratified sampling and simple random sampling. Stratified sampling is used when the parent population or sampling frame is made up of sub-sets of known size. These sub-sets make up different proportions of the total, and therefore stratified sampling ensures that results are proportional and representative of the whole. This was used to give equal chance to the respondents. In stratified sampling the researcher divide the population into sub populations that is to say the purchasing and disposal unit, suppliers, accounting officers and user department. Then she used simple random sampling to select a sample independently from each Sub-population.

3.3 Data Collection methods

The researcher obtained data from the field using the following important instruments:

3.3. 1 Research Questionnaire

These are inter-related questions designed by the researcher and were given to the respondents in order to fill in data. Here, self-administered questionnaires were employed containing both open-

ended and close-ended questions. This format of questionnaires will be used because they reduce the cost of administering data collection since they enable respondents to fill at their time of convenience. The researcher used questionnaires to get more information in greater depth, reduce resistance and also obtain personal information from the respondents. The questionnaires enabled the researcher in tracking consistencies within the information given in the questionnaire.

3.4 Sources of data

In this research two types of data was used by the researcher that is to say secondary and primary data will be used.

3.4.1 Primary Data

This is information or data that is collected by researcher himself from the field. Primary data will be acquired from the respondents of Bidco Uganda limited using the questionnaire.

3.4.2 Secondary Data

This is data that has been collected by other people, it is known as second hand information; secondary data includes both raw data and published data. The secondary data was obtained through notes, correspondences and minutes of meetings, project plan journals. In this study the researcher used documents and other records that are already published at the district if any concerning the topic of study.

3.5 Validity and Reliability of the study

To establish the validity of the instruments, the researcher administered questionnaires to the clearly selected respondents. This is together with choosing a clear sample population that gives a representation of the entire population. Consultation was made on areas of great importance and how to ask the respondents in the way that right information is got from them.

To establish the reliability of the instruments, the data was analyzed and fed accordingly. After data collection the researcher conducted a check of the information by subjecting secondary questionnaire guides in form of pre- examination so as to identify the correlation in the information given.

3.6 Data processing and Analysis

3.6.1 Data Processing

The process of data processing was done after collecting all the data to ensure complete and uniform data is used. This necessitated editing and checking of errors as well as omissions that might have influenced the study.

3.6.2 Data analysis

Upon collection of Necessary data from the field, the researcher analyzed, and interprets it in relation to the objectives of the study. The researcher presented the findings in form of tables, graphs and pie charts. Data from field were tabulated to show the frequency of responses to the questionnaires and these were used to compute percentages in different attributes under the study. The data was presented in the form of frequency and percentages where the data was structured on the likert scale of 5 based on strongly disagree to strongly agree on the aspect of frequency and percentages.

3.7 Ethical Considerations

Information was attained on freewill without compulsion or forcing of respondents. The questionnaires did not include the names of the respondents for issues of privacy and confidentiality of information attained.

Maintaining the privacy and confidentiality of the respondents that is to say keep their personal issues private and non-disclosure of response from particular respondents to maintain integrity and also protect them from potential victimization

3.8 Limitations and De-limitations

Limited resources: The researcher will coordinate between Kampala international university and Bidco Uganda limited to gather appropriate data. The available funds were utilized sparingly.

Sensitive information: Some aspects of the study could be too sensitive and officers may not be willing to disclose all the information that is there. Such information accessed was kept confidential.

Limited access to information: The researcher used a structured questionnaire to enable the respondents fill with ease. This saved on the limited time.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.0 Introduction

This chapter deals with analysis interpretation and presentation of the research findings. The analysis and research findings were interpreted and analyzed basing on the research questions. The purpose of the study was to establish the effect of supplier development on product quality in Bidco Uganda Limited. The objectives were to determine the various supplier development techniques applied within the organization, to examine other factors that affect product quality in the organizations and to establish the relationship between supplier development and product quality in organizations. Presentation and interpretation of data is done through the use of tables to attain frequency, percentages and personal analysis and interpretation presented generated.

The study targeted a sample population of 66.The research achieved a response rate of 90 percent from 60 respondents out of the 66 questionnaires that were administered and distributed to the selected respondents of the study. Even though data was collected from less than the sample size, the information can't be doubted because it is in line with Mugenda and Mugenda (1999) argument which provide that even a 50% response rate is adequate when quantitative data is manually collected.

4.1.1 Gender of Respondents

Table 4.1: Showing Gender respondents

Respondents	**Frequency**	**Percentage**
Male	36	60
Female	24	40
Total	**60**	**100**

Source: Primary data

From table 4.2, it can be seen that the majority of respondents are male that is (36) representing 60% of the total number of respondents, 24 respondents are female representing 36.7% of the respondents because men prove to be more competent than women depending on the nature of work at BIDCO since the work requires more physical energy. It is also the organizational policy to employ more men because much of the work in most sections is required by men.

4.1.2 Age distribution of respondents

Table 4.3: Showing age distribution of respondents

Respondents	Frequency	Percentage
20 –29	8	13.3
30 – 39	27	45
40 – 49	15	25
50+	10	16.7
Total	**60**	**100**

Source: Primary data

Table 4.2 above shows that, majority of respondents were aged between 30–39 years 27(45%) respondents followed, by 40-49 years represented by 15(25) respondents, followed by 51+ represented by 10 (16.7%) respondents and 20-29 represented by 8 (13.3%). Majority respondents were young given that organization activities require energetic young people. From the above analysis, it can be construed that majority of the respondents are mature hence the information obtained from them can be trusted and looked at as true and good representation of the information the researcher was looking.

4.1.3 Academic Qualifications of respondents

Table 4.3: Showing academic qualifications of the respondents

Academic qualifications	Frequency	Percentage
Degree	27	45.0
Diploma	17	28
Certificate	8	13.
Masters	8	13.3
Total	**60**	**100**

Source: Primary data

Results in table 4.3 indicate that majority of the respondents were 27 for degree level holders representing 45% followed by diploma level with 17 respondents representing 28.3% , certificate followed with 8 respondents representing 13.3% and masters with 13.3%. The majority respondents were degree holders because the minimum employment requirement for employment is degree. This implies that the respondents are well educated and therefore the

information obtained from them can be relied on for the purpose of this study. It is of no doubt therefore that information is attained from highly educated respondents.

4.2 Supplier development techniques applied within Bidco Uganda Limited.

The first research objective was to determine the various supplier development techniques applied within the organization. The data collected from the findings are presented in the interpretations below.

Table 4.6: Supplier development techniques applied within Bidco Uganda Limited

Supplier development	**Strongly agree**	**Agree**	**Not sure**	**Disagree**	**Strongly disagree**	**Total**
	F	**F**	**F**	**F**	**F**	**F**
Supplier Evaluation	12	35	3	10	0	60
Supplier incentives	28	12	16	4	0	60
Supplier training	32	10	3	8	7	60
Early supplier Involvement in new product development	15	23	8	5	9	60
Financial Support	18	21	13	4	4	60

Source: Primary Data

Findings

The data collected from table 4.6 shows that the various supplier development techniques applied within BIDCO Uganda limited was based on the agreement parameters of strongly agreed, agreed, not sure, disagreed and strongly disagreed.

Finding on Supplier Evaluation as a Supplier development technique. it was discovered that 12 respondents representing 20% strongly agreed, 35 respondents representing 58.3% agreed, 3 respondents representing 5% were not sure, 10 respondents representing 16.7% disagreed and none strongly disagreed. Therefore the finding indicates that the company staffs were aware of supplier evaluation being used in the organization.

Finding on Supplier Incentives as a Supplier development technique. It was discovered that 28 respondents representing 46.7% strongly agreed, 12 respondents representing 20% agreed, 16 respondents representing 26.6% were not sure, 10 respondents representing 6% disagreed and none of the respondents strongly disagreed. Therefore the finding indicates that the company staffs were aware that supplier incentive is highly being used by BIDCO.

Finding on Supplier training as a Supplier development technique. it was discovered that 32 respondents representing 53.3% strongly agreed, 10 respondents representing 16.7% agreed, 3 respondents representing 5% were not sure, 8 respondents representing 13.3% disagreed and 7 respondents representing 11.6% strongly disagreed. Therefore the finding indicates that the company staffs were aware that Supplier training is highly being done in the organization.

Finding on Supplier Involvement in new product development as a supplier development technique. It was discovered that 15 respondents representing 25% strongly agreed, 23 respondents representing 38.3% agreed, 8 respondents representing 13.3% were not sure, 5 respondents representing 8.3% disagreed and 9 respondents representing 15% strongly disagreed. Therefore the finding indicates that the company staffs were aware of Supplier Involvement in new product development though on a small scale.

Finding on Financial Support as a supplier development technique.it was discovered that 18 respondents representing 30% strongly agreed, 21 respondents representing 35% agreed, 13 respondents representing 21.6% were not sure, 4 respondents representing 6.7% disagreed, and 4 respondents representing 6.7% strongly disagreed. Therefore the finding indicates that the

company staffs were aware of Financial Support in the organization though it exists on a small scale.

The results imply that supplier development is done though on few avenues, it is on a moderate scale.

4.3 Other factors that affect product quality in Bidco Uganda Limited

The second research objective was to determine the other factors that affect product quality in the organizations. The data collected from the field was presented in the tables provided below.

Table 4.7: Other factors that affect product quality in Bidco Uganda Limited

Effect	Strongly agree	Agree	Not sure	Disagree	Strongly Disagree	Total
	F	F	F	F	F	F
Globalization	30	9	11	6	4	60
Market	36	3	19	2	0	60
Measurement of quality improvement	30	20	2	4	4	60
Technology	20	19	6	8	7	60
Labour and cost	15	24	5	6	10	60
Management	17	13	15	5	10	60
Materials	20	19	6	8	7	60

Source: Primary Data

Findings

In reference to the table responses in table 4.7 on the other factors that affect product quality in Bidco Uganda Limited. The study findings will be presented and interpreted as provided.

Finding on globalization as a factor that affects product quality. It was discovered that 30 respondents representing 50% strongly agreed, 9 respondents representing 15% agreed, 11 respondents representing 18.3% were not sure, 6 respondents representing 10% disagreed and 4 respondents representing 6.7% strongly disagreed. Therefore the finding indicates that globalization has a high effect on product quality.

Finding on market as a factor that affects product quality. It was discovered that 36 respondents representing 60% strongly agreed, 3 respondents representing 5% agreed, 19 respondents representing 31.6% were not sure, 2 respondents representing 3.3% disagreed and none of the respondents strongly disagreed. Therefore the finding indicates that the company staffs were aware that market has a high impact on product quality.

Finding on measurement of quality improvement as a factor that affects product quality. It was discovered that 30 respondents representing 50% strongly agreed, 20 respondents representing 33.3% agreed, 2 respondents representing 3.3% were not sure, 4 respondents representing 6.7% disagreed and 4 respondents representing 6.7% strongly disagreed. Therefore the finding indicates that company staffs were aware that measurement of quality has a high impact on product quality.

Finding on technology as a factor that affects product quality. It was discovered that 20 respondents representing 33.3% strongly agreed, 19 respondents representing 31.7% agreed, 6 respondents representing 10% were not sure, 8 respondents representing 13.3% disagreed and 7 respondents representing 11.7% strongly disagreed. Therefore the finding indicates that the company staffs were aware that technology has a moderate impact on product quality.

Finding on Labour and cost as a factor that affects product quality. It was discovered that 15 respondents representing 25% strongly agreed, 24 respondents representing 40% agreed, 5 respondents representing 8.3% were not sure, 6 respondents representing 10% disagreed and 10 respondents representing 16.7% strongly disagreed. Therefore the finding indicates that company staffs were aware of Labour and cost having an impact on product quality though on a small scale.

Finding on management as a factor that affects product quality. It was discovered that 17 respondents representing 28.3% strongly agreed, 13 respondents representing 21.7% agreed, 15

respondents representing 25% were not sure, 5 respondents representing 8.3% disagreed and 10 respondents representing 16.7% strongly disagreed. Therefore the finding indicates that the company staffs were aware of management having an impact on product quality though on a small scale.

Finding on material as a factor that affects product quality. It was discovered that 20 respondents representing 33.3% strongly agreed, 19 respondents representing 31.7% agreed, 6 respondents representing 10% were not sure, 8 respondents representing 13.3% disagreed and 7 respondents representing 11.7% strongly disagreed. Therefore, the finding indicates that the company staffs were aware that materials have a moderate impact on product quality.

The results indicate that the product quality is affected by the factors mentioned.

4.4 Relationship between supplier development and product quality in the organization.

The third research objective was to determine the relationship between supplier development and product quality in the organization. The data collected from the field is presented and interpreted as provided below.

Table 4.8: Relationship between supplier development and product quality in the organization

Weight	Strongly agree	Agree	Not sure	Disagree	Strongly disagree	Total
Impact	**F**	**F**	**F**	**F**	**F**	**F**
Effectiveness	33	13	4	4	6	60
Return on investments	28	17	14	1	0	60
Value additions	40	7	3	5	5	60
Enhance buyer performance	39	2	7	4	8	60
Improving Efficiency	20	19	6	10	5	60

Source: Primary Data

Findings

The table 4.8 illustrates field data collected on relationship between supplier development and product quality in the organization. The responses were captured in form of those who strongly agree, agree, not sure, disagree and strongly disagree. The following was collected.

Finding on effectiveness as a factor showing relationship between supplier development and product quality. It was discovered that 33 respondents representing 55% strongly agreed, 13 respondents representing 21.6% agreed, 4 respondents representing 6.7% were not sure, 4 respondents representing 6.7 % disagreed and 6 respondents representing 10% strongly disagreed. Therefore, the finding indicates that there is a high impact of effectiveness on supplier development and product quality in the organization.

Finding on return on investments as a factor showing relationship between supplier development and product quality. It was discovered that 28 respondents representing 46.7% strongly agreed, 17 respondents representing 28.3% agreed, 14 respondents representing 23.4% were not sure, 1 respondent representing 1.7% disagreed and none of the respondents strongly disagreed. Therefore, the finding indicates that there is a moderate impact of return on investments on supplier development and product quality in the organization.

Finding on value additions as a factor showing relationship between supplier development and product quality. It was discovered that 40 respondents representing 66.7% strongly agreed, 7 respondents representing 11.7% agreed, 3 respondents representing 5% were not sure, 5 respondents representing 8.3% disagreed and 5 respondents representing 8.3% strongly disagreed. Therefore, the finding indicates that there is a high impact of value additions on supplier development and product quality.

Finding on enhancing buyer performance as a factor showing relationship between supplier development and product quality. It was discovered that 39 respondents representing 65% strongly agreed, 2 respondents representing 3.3% agreed, 7 respondents representing 11.7% were not sure, 4 respondents representing 6.7% disagreed and 8 respondents representing 13.3 % strongly disagreed. Therefore, the finding indicates that there is a high impact of enhancing buyer performance on supplier development and product quality in the organization.

Finding on improving efficiency as a factor showing relationship between supplier development and product quality. It was discovered that 20 respondents representing 33.3% strongly agreed, 19 respondents representing 31.7% agreed, 6 respondents representing 10% were not sure, 10 respondents representing 16.7% disagreed and 5 respondents representing 8.3% strongly disagreed. Therefore, the finding indicates that there is a low impact of improving efficiency on supplier development and product quality in the organization.

On overall, there was a positive moderate relationship between supplier development and product quality in Bidco Uganda Limited.

CHAPTER FIVE

DISCUSSIONS, CONLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the discussion of findings, conclusions, recommendations and suggested areas that need further research following the study

5.1 Discussion of findings

5.1.1 Various supplier development techniques applied within the organization.

The study reveal that supplier development techniques used in Bidco Uganda Limited, supplier evaluation, effective communication, supplier incentives, supplier training while earlier supplier engagement and financial support. On Average Bidco Uganda Limited is involved in supplier development of their suppliers the agreement posts an average response of 68% percent. The results imply that supplier development is done though on few avenues, it is on a moderate scale. The study results are in agreement with the previous studies of Cormican and Cunningham (2007) worked on performance evaluation in a large multinational organization. Here they evaluated suppliers based on parameters like on time delivery, quality and total cost. He gave 40 % weight to on time delivery, 40% weight to quality (Parts per million) and 20 %weight to total cost. Then found the total score by adding score of these 3 parameters and rank suppliers. Even Monczka, Trent & Callahan (2011) argued that incentives are important to develop and improve supplier performance. The buying firm provides incentives to motivate suppliers who desire for increased volume of business and priority consideration for future business. Even Lambert, Emmelhainz and Gardner (2006). When the supplier gets evaluation feedback from the buying firm for improvements, the firm needs to provide suggestions or personnel to supplier site. Such action of the buying firm motivates the direct involvement of their potential suppliers including financial resources.

5.1.2 Other factors that affect product quality in the organizations.

The study on the other factors which affect product quality in Bidco Uganda Limited, globalization, market, measurement of quality improvement, technology, Labour and cost, management and materials. The results indicate that the product quality is affected by the factors mentioned studies, it is pivotal to argue that the factors studied had a 64% effect on products quality. Grossman and Helpman (2005) argued that when knowledgeable staff people are

eliminated or absorbed by the vendor, the accumulated know how and business knowledge goes with that staff member. Even Cole (2004) argued that the availability of right type of materials is essential for maintaining quality level of finished products. A wide variety of materials may be available but material with right specification has to be used. To turn out a high quality product, the raw materials involved in production process must be of high quality. Vasconcellors (2003) contend that the attitude and policy of management towards product quality is important some managers tend to be more quality conscious than others. Quality control and maintenance programs should have the support from top management. If the management is quality conscious rather than merely quantity conscious, organization can maintain adequate quality of products. A quality implementation program will succeed only if top management is fully committed beyond public announcements. Success requires devotion and highly visible and articulate champions. The study found that even marginal wavering by corporate managers was sufficient to divert attention from continuous improvement.

5.1.3 Relationship between supplier development and product quality in organizations

The study reveal that supplier development has a positive relationship with products quality, the relationship between developing suppliers and product quality is positive, to an extent of 72% there is a significant relationship between supplier development and products quality. Even Lukhoba and Muturi (2015) also examine the effect of supplier development on supplier product quality performance in food manufacturing companies in Kisumu County. The study focuses on the specific objectives of analyzing four methods of supplier development, which are: early supplier involvement, financial support, supplier training and supplier incentive in food manufacturing industries, The results are in Line with those of Yegon, Kosgei and Lagat (2015) also investigate the effect of supplier development on buyer performance. A survey of sugar milling firms in Western Region of Kenya. Explanatory Research design was utilized to explain the cause-effect relationship between supplier development and buyer performance. A sample of 88 top level purchasing and marketing executives was selected through purposive sampling technique. Data from respondents were analyzed using correlation analysis and multiple regressions. The study finds out that supplier technical support and supplier financial support has positive effect on buyer performance. Even Ochieng (2014) also investigate the role of supplier development in procurement effectiveness in terms of first time quality, delivery and order cycle time, cost and technology at the National Cereal and Produce Board. Simple random sampling

technique was used to select fifty (50) respondents. Data were analyzed with the aid of correlation analysis and multiple regressions. Results show that information exchange, suppliers understanding of goals, suppliers' participation and buyers' coordination had had very good impact on procurement function.

5.2 Conclusions

The purpose of the study was to establish the effect of supplier development on product quality in Bidco Uganda Limited. The study objectives were to determine the various supplier development techniques applied within the organization. To examine other factors that affect product quality in the organizations and To establish the relationship between supplier development and product quality in organizations. The study concluded that supplier development techniques of evaluation, communication, training, financial support were used though not so adequate. The study concludes that there are several factors affecting products quality, the major factor was measurement for quality improvements. On the third research objective, the study conclude that increasing incentives to suppliers can generate supplier performance and providing financial support to suppliers builds their base for improved supplier performance for the organizations. Supplier development in purchasing is fundamental and can increase the performance for improved suppliers' capacity and products quality.

5.3 Recommendations

The supplier evaluation techniques were used though not much, there is need for creating a supply base with fewer suppliers with whom to work with closely is likely to effectively carry out supplier development. Secondly continuous improvement in the supply base is critical to maintaining the advantages accrued from supplier development and this can be achieved by carrying out supplier appraisals from time to time. Finally good buyer-supplier relationships and ethical practices are important in order for supplier development to have a positive effect on supplier performance.

On the second objective, the study recommend that factors which affect product quality like materials, management, labour and costs need to be adequately considered in developing the organization. These favorable terms allow for expansion; enhance suppliers' capability and capacity to cope with the buyers' requirements, leads to more profits and greater stability.

Supplier development has a relationship with products quality, The study recommend that, technically proficient buyers need to provide technical support to its strategic suppliers so as to enhance supplier flexibility, supplier material improvement, supplier process improvement, product innovation improvements and supplier product quality in order to vitalize mutual collaboration. A firm may need the capabilities of other firms to complement its own in building sustainable competitive advantage, so securing those complementary capabilities will allow a firm to grow steadily by overcoming its resource-based constraints.

5.4 Areas of further study

Though the study was intended to analyze the effect of supplier development on products quality the scope so defined could not be exhaustive for a more objective and reliable generalization.

- There is a wide range of equally significant issues supplier development that needs further scholarly considerations prior to drawing conclusive deductions in regard to variable relationships.

- There is need to determine the impact of supplier evaluation on products development in organizations. Focus will be on determining and assessing the degree and extent to which supplier evaluation affects products developments.

- Determining the degree and extent to which supplier relations management influence products quality in the organizations

- Assess the extent to which purchasing department can derive quality of the products in the organizations.

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Appendix i: Research Questionnaire

I am Gandhi K. Janet Margret a student of Kampala International University Uganda pursuing bachelor's degree of procurement and supplies management. As part of my study at Kampala International University, I am conducting a study on "Supplier development and product quality: A case study of Bidco Uganda limited.

Please spare some time and answer the questions that follow. Your response will be kept strictly confidential. The information provided will only be used for academic purposes in this study.

Thank you very much for your time and cooperation.
Yours Cordially,

.....

Researcher

SECTION A - Characteristics of respondents

1. **Gender**
   a) Male ☐
   b) Female ☐
2. **Age**
   a) 20 – 29 ☐
   b) 30 – 39 ☐
   c) 40 - 49 ☐
   d) 50 + ☐
3. **Qualification academically**
   a) Certificate ☐
   b) Diploma ☐
   c) Degree ☐
   d) Masters ☐

The use of Likert scale were 1= strongly, disagree, 2= Disagree, 3= Not sure 4= Agree, 5= Strongly Agree.

Direction: please tick the column corresponding rating that best describes your response using the guide below

Score	Mode of response	Description
5	Strongly agree	You agree with no doubt
4	Agree	You agree with some doubt
3	Not sure	You are doubtful
2	Disagree	You disagree with some doubt
1	Strongly disagree	You disagree with no doubt

SECTION B: Supplier Development techniques

		Rankings				
		1	2	3	4	5
1	Supplier Evaluation					
2	Supplier incentives					
3	Supplier training					
4	Early supplier Involvement in new product development					
5	Financial Support					

SECTION C: Factors that affect product quality in the organizations

		Rankings				
		1	2	3	4	5
1	Globalization					
2	**Market**					
3	Measurement of quality improvement					
4	**Technology**					
5	**Labour and cost**					
6	**Management**					
7	**Materials**					

Section D: Relationship between supplier development and product quality in organizations.

		Rankings				
		1	**2**	**3**	**4**	**5**
1	Effectiveness					
2	Return on investments					
3	Value additions					
4	Enhance buyer performance					
5	Improving Efficiency					

Appendix ii: Table for determining the sample size

Krejucie, Robert V, Morgan, Daryle W, table of 1970

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	**66**	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

Note: "N" is population size

"S" is sample size.

BIDCO UGANDA LIMITED

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Tel : +256 434 124 200 Fax : +256 434 122 888

Date: 13th/Feb/2019

Name: Gandhi K. Janet Margret

Reg no: 1161-05084-04418

University: Kampala International University

Re: Research acceptance letter

I am glad to inform you that your application to do research "THE EFFECT OF SUPPLIER DEVELOPMENT ON PRODUCT QUALITY" using BIDCO UGANDA LIMITED as a case study has been accepted.

While at Bidco Uganda Limited, you will be required to collect the necessary information concerning your research from company staff members. The information collected must be kept confidential.

You are required to follow the rules and regulations. The company reserves the right to terminate the offer if you violet company rules which you will be taken through on the first day of reporting.

We congratulate you for being part of Bidco Uganda Limited research team and wish you an educative and enjoyable stay.

Yours sincerely

BIDCO COMPANY LIMITED
BUL
13 FEB 2019
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Industrial Training Coordinator