



**SUPPLIER RELATIONSHIP MANAGEMENT AND VENDORS' PERFORMANCE EVALUATION IN THE RIVERS STATE BUREAU FOR PUBLIC PROCUREMENT (RSBOPP), NIGERIA**

**Nkpee, B. S., & Dr. Tamunomiebi, M. D.**

---

**SUPPLIER RELATIONSHIP MANAGEMENT AND VENDORS' PERFORMANCE EVALUATION IN THE RIVERS STATE BUREAU FOR PUBLIC PROCUREMENT (RSBOPP), NIGERIA**

**Nkpee, B. S.,<sup>1</sup> & Dr. Tamunomiebi, M. D.<sup>2</sup>**

<sup>1</sup>Department of Management, Faculty of Management Sciences, Rivers State University [RSU], Nkpolu-Oroworukwo, PMB 5080, Port Harcourt, Nigeria

<sup>2</sup>Ph.D, Department of Management, Faculty of Management Sciences, Rivers State University [RSU], Nkpolu-Oroworukwo, PMB 5080, Port Harcourt, Nigeria

**Accepted: January 29, 2020**

---

**ABSTRACT**

*The purpose of this study was to empirically assess the association between supplier relationship management and vendors' performance evaluation in the Rivers State Bureau on Public Procurement, Nigeria. The study adopted a cross-sectional survey in its investigation of the variables. Primary data was generated through self-administered questionnaire. The target population of the study was 40, comprising of top and middle levels management staff drawn from the 8 departments of the Rivers State Bureau on Public Procurement, Port Harcourt. Due to the size of the population, the entire population was used as a census. The hypotheses were tested using the Spearman's Rank Order Correlation Statistics. The tests were carried out at a 95% confidence interval and a 0.05 level of significance. The study findings revealed that there is a significant relationship between supplier relationship management and vendors' performance evaluation in the Rivers State Bureau on Public Procurement. The result of the findings further revealed that supplier relationship management gave rise to cost performance and quality performance as well. The study recommends that institutionalization of enterprise resource planning system by the management of Rivers State Bureau on Public Procurement will streamline supplier (vendor) relationship management system and optimize cost performance, which is capable of transforming Rivers State Bureau on Public Procurement into a virtual organization.*

**Keywords:** *Supplier Relationship Management, Vendors' Performance Evaluation, Cost Performance and Quality Performance*

---

**CITATION:** Nkpee, B. S., & Dr. Tamunomiebi, M. D. (2020). Supplier relationship management and vendors' performance evaluation in the Rivers State Bureau for Public Procurement (RSBOPP), Nigeria. *The Strategic Journal of Business & Change Management*, 7(1), 298 – 310.

---

## INTRODUCTION

The flexibility and performance associated with each component of procurement such as vendors' performance monitoring and evaluation, buyers (i.e. procuring entities/procurement regulatory agencies), expediting/follow-up, warehousing, etc. is undeniably influencing the overall flexibility level and the performance of the entire supply chain (Douclos, cited in Train, 2012). Zollo and Winter (as cited in Pettu, Kor & Mahoney, 2007) expounded that strategic flexibility and alliance requires organizational routines to reconfigure procurement sector's resources to respond to specific environmental changes. Procurement is concerned with rationalizing the supply base geared towards selecting, coordinating, evaluating and appraising the performance of and developing the potential of vendors (suppliers) and, where appropriate, building long-term collaborative relationships (Lysons & Farrington, 2012). The Chartered Institute of Purchasing and Supply Management of Nigeria (CIPSMN) professed that:

"today, procurement and supply management is often referred to as 'supply chain management' and the procurement or purchasing development has taken on a larger and more vital business role... The procurement function among others should be considered as a very strategic tool and must align itself directly with other organizational priorities". (Nigerian Supply Management, 2014, p.10)

Supplier Relationship Management (SRM) permits the growth and preservation of strategic relationships with important suppliers and empowers organizations to assume a fresh way of thought about the supply chain and its transparency. Suppliers and their customer pursue to work collectively in close collaboration for Long-term mutual advantage, rather than looking for the highest short-term advantage in each transaction (Shin, Collier & Wilson, 2000). In the past, trust and commitment in these relationships was lacking unlike today (Johnston, McCutcheon,

Stuart & Kerwood 2004). SRM is a all-inclusive approach to dealing with organization's relations with its suppliers (Harland, Knight, Lamming & Walker, 2005). SRM is the procurement strategy for designing of strategic and operational procurement processes as well as the arrangement of the supplier management (Appelfeller & Buchholz, 2005). SRM classifies and engrosses the right stakeholders to yield ownership of the relationship, drive active communication and bring into line strategic objectives. Firms and their suppliers with different business practices and terminology come together into a working relationship through SRM (McLachlin & Larson, 2011).

The waste involved in poor supplier relationship management system is so alarming (Neave, 1987). It is our thinking that scenarios such as these have the potential to thwart vendor's performance. Supplier relationship management according to Mettle and Rohner (2009) plays a vital role in cost reduction and optimization of vendor's performance in the procurement sector. It seems on this premise that the vice president of Nigeria, Yemi Obsinbanjo on September 22, 2017 in conjunction with the World Bank and Infrastructure Concession Regulatory Commission (ICRC) launched Nigerian Open Contracting Portal (NOCOPO) to encourages proactive disclosure of procurement/contract agreement and promote supplier relationship management system to enhance vendor's performance for the benefit of all the stakeholders (Ibeh, 2018; Chima, 2017; Infrastructure Concession Regulatory Commission, 2017; Procurement Monitor, 2017). It has also been established that malfunctioned management of buyer-supplier relationships brings about the recommendation of the 12 member Technical Audit Committee to carry out procurement audit in Ministry of Niger Delta Affairs, Nigeria; which stated among others that he ministry should guide against duplication of projects (Ministry of Niger Delta Affairs, 2016). Only recently, water hyacinth contracts

amounting to about N1.9 billion, purportedly approved and paid to phony companies by the Niger Delta Development Commission (NDDC), in clear breach and violation of extant procurement Laws (TheGuardian, 2019). It was against this backdrop that the Federal Government of Nigeria appointed Dr. Gbere Joi Nunieh as the new Acting Managing Director of NDDC to carry out forensic audit in the commission (Ochayi, 2019).

Our attempt to proffer solution to these identified problems necessitated the resolved to empirically

assess the association between supplier relationship management and vendor's performance evaluation in the Rivers State Bureau on Public Procurement (RSBoPP), Nigeria. Stemming from the above, the current study departs from previous studies as it contributes in researching the association between supplier relationship management and vendor's performance evaluation in the RSBoPP. The conceptualized relationship under examination in figure 1 is shown below:



**Figure 1:** *The conceptual framework for the relationship between supplier relationship management and vendors' performance evaluation*

**Source:** *Author's Desk Research, 2019*

This was to be achieved via the following specific objectives:

- To examine the association between supplier relationship management and cost performance in the RSBoPP.
- To examine the association between supplier relationship management and quality performance in the RSBoPP

The study was also guided by the following research questions:

To what extent does supplier relationship management associate with cost performance in the RSBoPP?

To what extent does supplier relationship management associate with quality performance in the RSBoPP?

## LITERATURE REVIEW

### Supplier Relationship Management (SRM)

Supplier relationship management (also called vendor relationship management) is a set of principles, processes and tools that can assist organization to maximize relationship value with supplier and minimize risk and management of overhead through the entire supplier relationship lifecycle (CIPS & NIGP, 2012). Lysons and Farrington (2012) expounds that supplier relationship management is that aspect of procurement concerned with rationalizing the supply base and selecting, coordinating, evaluating (appraising) the potential of supplier and where appropriate, building long-term collaborative relationships. Supplier-buyer relationships have today become the backbone of economic activities in the

modern world and a focal point of organizational competitiveness, performance and long-term business success (Amemba, Nyaboke, Osoro & Mburu, 2013). Appelfeller and Buchholz (as cited in Muema, 2016) explicated that supplier relationship management is the procurement strategy for designing of strategic and operational procurement processes as well as the arrangement of the vendor management.. Supplier relationship management is an all-inclusive approach to dealing with organization's (procuring entity / procurement regulatory agency) relations with suppliers (vendors) (Herland, Knight, Lamming & Walker, cited in Muema, 2016). Studies have revealed that the concept of supplier relationship management is berthed and anchored on a number of theories, amongst which are: agency theory, social exchange theory, open system theory, theory Z, social network theory, total quality management (TQM) theory, etc. (Sanderson, Longsdale & Mannion, 2015).

Establishment and maintenance of long-term business relationships between buyer (procuring entity / procurement regulatory agency) and vendors are areas where agency theory has proved most useful (Fayezi, Loughlin & Zutshi, 2012). Agency theory is a model whereby one part (the principal) delegates certain tasks (functions) to another party (the agent), and where this relationship is regulated by a contract or by similar means (Jensen & Meckling, cited in Sáchez, 2013). Mutual contractual relationship with vendors (suppliers) will not only deliver cost savings, but will also reduce any uncertainties, lead-time and quality performance issues geared towards fostering optimal service delivery to the customers. Kosgei and Gitau (2016) explicate the goal of supplier relationship management is to streamline and make more effective the process between a procuring entity / procurement regulatory agency and its vendors just as customer relationship management (CRM) is

intended to include both business practices and software as a part of the information flow.

Supplier relationship management appears to be conceived from the social – exchange theory. Homas (as cited in Ahiauzu & Asawo, 2016) espoused social exchange theory that human behaviours and social interaction (relationships) is predominantly an exchange of both tangible and intangible activities. Individual (vendor) establish and continue social relationship on the basis of relational value – maximizing choices (Ahiauzu & Asawo, 2016). Cherry (2017) propounds that the aim of relationship between the vendor (supplier) and procuring entity / procurement regulatory agency is to maximize profits and minimize risks. In a related development, Ahiauzu and Asawo (2016) tend to relate supplier relationship management to the open system theory. This came to the fore as Ahiauzu and Asawo (2016) hints that the principal principle underlying open system theory is that organizations must interact with its environment to survive. Daft (as cited in Ahiauzu & Asawo, 2016) substantiates that the organization has to find and obtain needed resources, interpret and act on environmental changes, dispose of output, and control and coordinate internal activities in the face of environmental disturbances and uncertainty. “Open system interacts with its environment regularly” (Gabriel, 2012, p. 29). Hence, it is advocated that procurement sector should established a win-win (partnership) contractual relationship with their respective vendors that will streamline and promote competitive advantage and deliveries value for money (Seurey, 2015).

### **Vendors' Performance Evaluation**

Sequel to the clarion call emanated from the Chartered Institute of Procurement and Supply (CIPS) and the National Institute of Governmental Purchasing (NIGP) that procurement evaluation and measurement should assesses the vendors' performance (CIPS & NIGP, 2012); function of the Rivers State Bureau on Public Procurement (RSBoPP)

which tasked the procurement regulatory agency the responsibility of monitoring and overseeing public procurements in Rivers State (RSBoPP, 2014); gap identified in literatures – the strategic imperatives of vendors’ performance evaluation is well established in the procurement management literatures (Talluri, 2003); and as well as flamboyant problems pinpointed and gathered from the procurement sector informed (necessitated) our decision of conceptualizing vendors’ performance evaluation as the criterion variable of the present survey. Tan, Kanman and Handfield (as cited in Muema, 2016) maintained that evaluation and measurement of vendors’ performance is critical to procurement management. Interagency Procurement Working Group (2012) also advocated that the procurement practitioners should adopt proactive vendors’ performance evaluation and management. This also have the backing of Max Weber in the Bureaucratic Management Theory which stated that technical competence should be emphasized and that performance evaluation should be made on the basis of merit (123HelpMe.com, 2017). In the related development, Agency theory tends to applaud evaluation and measurement of vendors’ performance. In agency relationship according to Fleisher (as cited in Fayezi et al., 2012), the principal will seek to minimize the agency cost, such as specifying, monitoring and evaluation, and as well as policing agent’s behaviour (performance); whilst the agent (vendor) works towards maximizing rewards and reducing principal control.

### **Measures of Vendors’ Performance Evaluation:**

#### **Cost Performance**

Cost is an exchanged price, a foregoing, a sacrifice made secure benefits (Ukpai, 2003). Business dictionaries online put it that cost is an amount that has to be paid or given up in order to get something. In business, cost is usually a monetary valuation of (a) effort, (b) material, (c) resources, (d) time and utilities consumed, (e) risk incurred, and (f) opportunity

forgone in production and delivery of goods and services. All expenses are cost, but not all costs (such as those incurred in acquisition of an income – generating asset) are expenses (Business dictionaries online, 2017a). Affirming the aforesaid definitions of cost, Obara (2003) on his part, postulates that cost is a payment of cash or its equivalent or the commitment to pay cash in the future for the purpose of generating revenues. “Cost management is widely recognized as a key performance area for supply” (Leenders, Johnson, Flynn & Fearon, 2006, p.361). Bannock et al. (as cited in Ancell, 2005) opines that all projects have transaction cost and these costs associated with the process of buying and selling. Therefore, transaction cost is categorized into vendor/contract performance cost, vendor selection costs, contract selection / design / negotiation costs, product or service specification costs, search costs and enforcement costs (Gruneberg & Ive, 2000). Owing to those premises, it tends to be appropriate to state that the concept of cost performance as a value or measure of vendors’ performance evaluation is deductively derived from the Transaction Cost Theory. “The general statement of transaction cost theory is thus that a transaction is valued as reasonable when the benefit accruing from that transaction is valued higher than the cost of getting the transaction arranged” (Ahiazu & Asawo, 2016, p.45). Pfeffer (1982) postulates that the transaction cost approach adopts efficiency – seeking view of organizational level rationality. “Cost reduction relates to the continuous monitoring and evaluation of activities initiated to reduce cost in a structural way associated with purchased materials and services” (Weele, 2005,p.225). Costs have to be managed well, according to Johnston (as cited in Oyuke & Shale, 2014) to achieve the firm’s performance goals. Cost performance should be tracked and measures in a meaning way (Harris, 1998). Harris (1998) also adds that many procurement departments (procurement sector) are

evaluating a more extensive way to track cost performance.

### **Quality Performance**

Quality performance indicates the extent that procurement regulatory agency is able to monitor, evaluate and secure a flawless jobs from its vendors (Weele, 2005). Quality performance prevents error not their detection and correction (Oladipo, 2012). "Quality of performance can be accessed through measurement of physical products, statistical sampling of the output of processes, or through surveys of purchasers of goods or services" (Business dictionaries online, 2017b, para.2). Nigerian Supply Management (2014) opines the role of a buyer (especially the procurement regulatory agency) is to ensure the selection and training of vendors (suppliers) that can satisfy and conform with the quality performance requirement of organization; it also involves the continuous assessment, monitoring and evaluation of the quality performance and standard of the vendor. Nigerian Supply Management further echoed that it is the procurement regulatory agency's task to ensure that vendors develop the right and correct attitude toward quality performance. Espousing those views, at this juncture; we intend to relate the concept of quality performance to the philosophy of total quality management (TQM) "TQM is a way to adopt managerial orientation, philosophy or culture for extra-ordinary achievements" (Jaja & Zeb-Obipi, 2005, p.49). The procurement sector essential contributions to TQM is the development of the same commitment to quality performance in the vendors as in the buyers' (procuring entities / procurement regulatory agencies) own organization (Nigerian Supply management, 2014).

### **Supplier Relationship Management and Vendors' Performance Evaluation**

An effective procurement system helps the procuring entity / procurement regulatory agency organize contractual relationship (interaction) with its

suppliers (vendors), provide users with monitor and evaluation tool to control cost and maximized vendors' performance (Ozuru & Chukwe, 2009). Muema (2016) in *Supplier relationship management strategies and procurement performance of Sports Kenya* expounded that organizations managed suppliers to reduce costs and gain cost performance. Organization adopts supplier relationship management to curb goods and material shortages, procurement risks, inventory and handling costs; and foster long-lasting relationship based on a win-win negotiation approach (Seurey, 2015).

Quality performance and management is mutually beneficial to the procuring entities, procurement regulatory agencies and the suppliers (vendors) (Olga, 2014). Total Quality Management (TQM) relates and links buyer (i.e. procuring entity / procurement regulatory agency) and supplier (vendor) into a supply chain and making them stakeholders. (Jaja & Zeb-Obipi, 2005). Olga (2014) also maintained that the relationship amongst these key players (i.e. procuring entity, procurement regulatory agency, and vendors) in the procurement sector should be established in a way to enhance the ability of creating values. Ryal and Rogers (2006) explicated that the most valuable form of relationship (cooperation) amongst the procuring entity / procurement regulatory agency and suppliers is the early involvement of supplier in new product design and development, which has been shown to deliver significant quality performance and improvement that feed throughout the supply chain to the end – consumer (user). Relationship and strategic supplier include a high level of trust, shared risks and rewards, sharing of data and supplier involvement in quality performance and improvement (Lysons & Farrington, 2012). *Deming's 14 Responsibilities of Management*, the point 4 established that the cost savings obtained from supplier relationship with qualified vendor, quality performance and materials, as well as trustworthy

services outstrips the saving obtainable in lowest price of contract (Deming, cited in Neave, 1987).

From the foregoing arguments, the study hypothesized thus:

**Ho<sub>1</sub>:** There is no significant association between supplier relationship management and cost performance in the Rivers State Bureau for Public Procurement (RSBoPP).

**Ho<sub>2</sub>:** There is no significant association between supplier relationship management and quality performance in the Rivers State Bureau for Public Procurement (RSBoPP).

### METHODOLOGY

The study adopted a cross-sectional design that solicited responses from top and middle levels management staff of Rivers State Bureau on Public Procurement (RSBoPP), selected from the 8 departments of RSBoPP. The sample size of this study was 40, which was also the available number of the population size. After data cleaning, only data of 36

respondents were finally used for data analysis based on descriptive statistics and Spearman's Rank Correlation and hypothesis testing. The study which was dominantly quantitative in nature, adopted a structured, self-administered questionnaire. The validity of the research instrument was achieved through the supervisor's scrutiny and approval while the reliability of the instrument was achieved using the Cronbach's Alpha Coefficient. The hypotheses were tested using the Spearman Rank Order Correlation with the aid of the Statistical Package for the Social Sciences.

### DATA ANALYSIS AND RESULTS

#### Bivariate Analysis

The level of significance 0.05 that was adopted as a criterion for the probability of accepting the null hypothesis in ( $p > 0.05$ ) or rejecting the null hypothesis in ( $p < 0.05$ ) as shown in table 1 and table 2 respectively below:

**Table 1: Correlation Result for Supplier Relationship Management and Cost Performance**

			Supplier Relationship Mgt.	Cost Performance
Spearman's (rho)	Supplier Relationship Mgt.	Correlation Coefficient	1.000	.414*
		Sig. (2-tailed)	.	.012
		N	36	36
	Cost Performance	Correlation Coefficient	.414*	1.000
		Sig. (2-tailed)	.012	.
		N	36	36

\*. Correlation is significant at the 0.05 level (2-tailed).

**Source: SPSS 21.0 Data Output, 2019**

**Ho<sub>1</sub>:** There is no significant association between supplier relationship management and Cost Performance in the RSBoPP.

From the result in the table 1 above, the correlation coefficient (rho) showed that there is a positive relationship between supplier relationship management and cost performance. The *correlation coefficient* 0.414 confirms the magnitude and

strength of this relationship and it is statistically significant at  $p < 0.000 < 0.05$ . The correlation coefficient represented a moderate correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between supplier relationship management and cost performance in the RSBoPP.



**Table 2: Correlation Result for Supplier Relationship Management and Quality Performance**

		Supplier Relationship Mgt	Quality Performance
Spearman's rho	Supplier Relationship Mgt	Correlation Coefficient	1.000
		Sig. (2-tailed)	.286
		N	.091
		N	36
Quality Performance	Quality Performance	Correlation Coefficient	.286
		Sig. (2-tailed)	1.000
		N	.091
		N	36

Source: SPSS 21.0 data Output, 2019

Table 2 illustrated the test for the second previously postulated bivariate hypothetical statements.

**Ho<sub>2</sub>:** There is no significant association between supplier relationship management and quality performance in the RSBoPP.

From the result in the table 2 above, the correlation coefficient (rho) shows that there is a weak relationship between supplier relationship management and quality performance. The correlation coefficient 0.286 confirmed the magnitude and strength of this relationship and it is statistically significant at  $p < 0.000 < 0.05$ . The correlation coefficient represents a weak correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated is hereby accepted. Thus, there is a weak relationship between supplier relationship management and quality performance in the RSBoPP.

#### DISCUSSION OF FINDINGS

The study examined the relationship between supplier relationship management and vendors' performance evaluation. Hence it was hypothesized that there is no significant relationship between supplier relationship management and vendors' performance evaluation. These hypotheses were tested using the Spearman's Rank Order Correlation

Technique. The study findings revealed a significant relationship between supplier relationship management and vendors' performance evaluation in the RSBoPP. This finding is in line with the views of Day (as cited in Lysons & Farrington, 2012) which expounds that supplier relationship management is becoming a strategic battle-ground within organizations and procurement is not the only function jostling for supremacy. Day further suggested areas through which supplier relationship management and quality performance can be improved; amongst which is the early supplier involvement in quality performance, and also involvement in quality product and service development. Birmingham (2008) substantiates that as the opportunity to reduce cost by relating and negotiating with the supplier diminishes. Birmingham further echoes that the procurement sector must turn to other alternatives to increase profitability and productivity without sacrificing quality performance. The theory X and Y proposed by Douglas McGregor appears to corroborate with the outcome of this finding. The procurement regulation agency (i.e. RSBoPP) in this context seems to represent theory Y, whilst the vendor (supplier) appears to stand for theory X. The theory Y encourages wider participation, strategic alliance, flexibility,

relationships and innovations; that make them deliver superior and quality performance (Gabriel, 2012). The theoretical implication of theory Y and X as concerned our finding is that the management of RSBoPP and the Rivers State Government encourages strategic relationship, flexibility and alliance, application of innovative and technological techniques to monitor and evaluate the quality performance of its vendors (supplier) for continuous improvement and optimal service delivery; discourages vendors proliferation and engages vendors with requisite expertise and competence.

On the contrary, vendors (i.e. Theory X) wants constant supervision and external motivation to fulfill their contractual obligations. For instance, the *2016 Technical Audit Report on the Projects of the, Niger Delta Ministry*, which states that only 12% of the projects worth N700 billion have been completed since the creation of the Niger Delta Ministry in 2009; 90% of the projects were uncompleted, littering across the 9 states of the Niger Delta region; 18% of the projects remained stalled; 60% of funds worth N414 billion have been disbursed to various contractors (vendors / supplier); and N6 billion have to be returned to the ministry for non-existence projects after the contracts have been awarded to the contractors (The Nation Nigeria, 2016).

However, quite a good number of literatures tend to contradict with this finding. Ryal and Rogers (2006) contradicts and explicates that most valuable form of relationships / co-operations is the early involvement of supplier in new product design and development, which has been shown to deliver significant quality performance and improvement that feed throughout the supply chain to the end-consumer. Strategic supplier relationships include a high level of trust, shared risks and rewards, sharing of data and supplier involvement in product improvement and quality performance (Lysons & Farrington, 2012). The strategic procurement management teams that have related with their key suppliers (vendors), according

to Supply Management (2015) have improved supplier capabilities of innovation, and quality performance and reliability. In his espousal, Olga (2014) hinted that the *Principle 8 of Quality Management* states that there is a contractual relationship between supplier (vendor) and buyer (procuring entity / procurement regulatory agency). Olga further notes that the communications and relationships / interrelations amongst a buyer and its suppliers (vendors) should be established and focus in a way to enhance the abilities of all the stakeholders to create value and deliver quality performance for the benefits of all. Jaja and Zeb-Obipi (2005) in their views contradicted with the position of this finding by suggesting that total quality management (TQM) relates the customer (buyer) and supplier (vendor) into a supply chain and make all stakeholders of the organization aimed at delivering quality performance. *Deming's 14 Points of Management*, point 4 contradicts with the stance of our finding and established that the cost savings obtained from supplier (vendor) relationship with qualified and competent supplier, quality performance and materials, as well as trustworthy services outstrips the saving obtainable in lowest-priced contract; which is also capable of truncating the desired quality performance (Deming, cited in Neave, 1987). Juran's perspective to Total Quality Management (TQM) summarized that change to quality performance can happen much like other shifts within an organization, and thus suggested quality trilogy which are quality planning, quality control and quality improvement (Citeman, 2008).

## **CONCLUSION AND RECOMMENDATION**

This study examined the relationship between supplier relationship management and vendors' performance evaluation in the Rivers State Bureau on Public Procurement, Nigeria. From the data generated and analyzed, it was empirically discovered that a significant relationship between supplier relationship management and vendors' performance

evaluation in the Rivers State Bureau on Public Procurement, Nigeria. Based on results and the findings of the present study, the study concludes that supplier relationship management increases as cost and quality performance also increases.

Based on the discussion and conclusion above, the following recommendation was hereby made:

Institutionalization of enterprise resource planning (ERP) system by the management of RSBoPP will streamline supplier (vendor) relationship

management system and optimize cost performance, which is capable of transforming RSBoPP into a virtual organization.

For the purpose of developing the capacity of vendors (suppliers) for optimal quality performance, the RSBoPP in collaboration with professional bodies such as the Chartered Institute for Purchasing and Supply Management of Nigeria (CIPSMN) are urged to assist and support vendors to grow and become more competitive to both public and private sectors.

## REFERENCES

- Ahiauzu, A.I. & Asawo, S.P. (2016). *Advanced social research methods*. Port Harcourt, Nigeria: CIMRAT.
- Amemba, C.S., Nyaboke., Osoro. & Mburu, N. (2013). Challenges affecting public procurement performance in Kenya. *International Journal of Research in management*, 4(3), 41 – 51.
- Ancell, D. (2005). *Reducing costs: A practical application of performance – based specification and transaction cost theories*. In F. Khosrowshahi (Ed.), 21<sup>st</sup> Annual ARCOM conference, 7 – 9 September, SOAS, University of London. *Association of Researchers in Construction Management*. Retrieved from [www.arcom.ac.uk/-docs/proceedings](http://www.arcom.ac.uk/-docs/proceedings)
- Appelfeller, W. & Buchholz, W. (2005). Supplier Relationship Management. *Strategie, Organisation und IT des modernen Beschaffungs managements*, 12(2); 156-170
- Business dictionaries online. (2017a). Retrieved from <http://www.businessdictionary.com/definition/cost.html>
- Business dictionaries online. (2017b). Retrieved from <http://www.businessdictionary.com/definition/quality-of-performance.html>
- Chartered Institute of Purchasing and Supply Management of Nigeria (Establishment) Act, 2007.*
- Cherry, K. (2017). *What is social exchange theory in psychology?* [e-book]. Retrieved from <https://www.verywell.com...>Glossary>
- Chima, O. (2017). ICRC launches PPP contracts disclosure portal. *Thisday Newspapers*. Retrieved from <http://www.thisdaylive.com/index.php/2017/09/26/icrc-launches-PPP-contractsdisclosure-portal/>
- CIPS & NIGP (2012). *Public procurement practice* [e-book]. Retrieved from <https://www.globalpublicprocurement.org/resource/procurement-practices>
- Citeman. (2008). *Worker involvement – TQM* [e-book]. Retrieved from <https://www.citeman.com/4450-worker-involvement-tqm.html>
- Fayezi, S., O' Loughlin, A. & Zutshi, A. (2012). Agency theory and supply chain management: A structured literature review. *Research Gate*, 17(5), 556-570

- Gabriel, J.M. (2012). *Management information system (MIS): Concepts and controversies*, Port Harcourt, Nigeria: Cutting Edge.
- Gambia *Public Procurement Act 2001*. Retrieved from gcc.gm>wp-content>uploads2016/06
- Gruneberg, S. & Ive, G. (2000). *The economics of the modern construction firm*. London: Macmillian.
- Haralambos, M. & Holborn, H. (2004). *Sociology: Themes and perspectives*. London: Harpercollins.
- Harris, G.L. (1998). Five steps to effective procurement. *Journal of Institute for Supply Management (ISM)*. Retrieved from <https://www.instituteforsupplymanagement.org/pubs/proceedingsdetail.cfm?itemNumber=1078&550=1>
- Harland, C., Knight, L., Lamming, R. & Walker, H. (2005). Outsourcing: assessing the risks and benefits for organisations, sectors and nations. *International Journal of Operations & Production Management*, 25(9), 831 – 850
- Ibeh, N. (2018). Jubilation as Nigeria tops list of World Bank 2017 PPP ranking. *Naij.com*. Retrieved from <https://www.google.com.ng/amp/s/www.naija.ng/amp/1143640-nigeria-top-clas-word-bank-2017-PPP-ranking.html>
- Infrastructure Concession Regulatory Commission [ICRC]. (2017). PPP contract disclosure portal: Key to improvement of infrastructure deficit in Nigeria? *ICRC Media & Publicity Unit*. Retrieved from <http://www.icrc.gov.ng/PPP-contracts-disclosure-portal-key-improvement-infrastructure-deficit-nigeria/>
- Interagency Procurement Working Group. (2012). *UN Procurement Practitioner's Handbook*. United Nations: IAPWG.
- Jaja, S.A. & Zeb-Obipi. (2005). *Management: Elements and theories* (2<sup>nd</sup> ed.). Port Harcourt, Nigeria: Pearl.
- Johnston, D. A., McCutcheon, D. M., Stuart, F. I. & Kerwood, H. (2004). Effects of supplier trust on performance of cooperative supplier relationships. *Journal of Operations Management*, 22, 23-38.
- Kosgei, R.C. & Gitau, R. (2016). Effect of supplier relationship management on organizational performance: A case study of Kenya Airways Limited. *International Academic Journal of Procurement and Supply Chain Management*, 2(2), 134 – 148. Retrieved from [http://www.iajournals.org/articles/iaPSCM\\_v2\\_i2\\_134-134.pdf](http://www.iajournals.org/articles/iaPSCM_v2_i2_134-134.pdf)
- Leenders, M.R., Johnson, P.F., Flynn, A.E. & Fearon, H.E. (2006). *Purchasing and supply management with 50 supply chain cases* (13<sup>th</sup> ed.). New York: McGraw-Hill / Irwin.
- Lysons, K. & Farrington, B. (2012). *Purchasing and Supply Chain Management* (8<sup>th</sup> ed.). England: Pearson Education.
- McLachlin, R. & Larson, P. (2011) Building humanitarian supply chain relationships: lessons from leading practitioners. *Journal of Humanitarian Logistics and Supply Chain Management*
- Mettler, T. & Rohner, P. (2009). Supplier relationship management: A case study in the context of health care. *Journal of Theoretical and Applied Electronic Commerce Research*, 4(3). Retrieved from [www.scielo.cl/scielo.php?script=sci\\_arttext&pid=50718-18762009000300006](http://www.scielo.cl/scielo.php?script=sci_arttext&pid=50718-18762009000300006)

- Ministry of Niger Delta Affairs. (2016). *Project audit was to ensure transparency, accountability – says Usani*. Retrieved from <http://www.nigerdelta.gov.ng/index.php/new1/169-projects-accountability-says-usani>
- Muema, F.I. (2016). *Supplier relationship management strategies and procurement performance of Sports Kenya* [Master's Research Project, The University of Nairobi, Kenya]. Retrieved from [erepository.unobi.ac.ke/handle](http://erepository.unobi.ac.ke/handle)
- Neave, H.R. (1987). Deming's 14 points for management: Framework for success. *Journal of the Royal Statistical Society*. 36(5), 561-570 .
- Nigerian Supply Management (2014). Jumpstarting the Nigerian manufacturing sector for sustainable development. *The Publication of Chartered Institute of Purchasing and Supply Management of Nigeria (CIPSMN)*, 2, 2.
- Obara, L.C. (2003). *Management accounting for managers: A strategic perspective*. Port Harcourt, Nigeria: The Blueprint.
- Ochanyi, C. (2019, October 30). Forensic audit: FG appoints interim management committee for NDDC. *vanguardngr.com*. Retrieved from <https://www.vanguardngr.com/2019/10/forensic-audit-fg-appoints-interim-management-committee-for-nddc/>
- Oladipo, O.L. (2012). *Procurement, logistic and supply chain management*. Lagos, Nigeria: Bulois.
- Olga, A. (2014). *Quality management in purchasing*.(Master's thesis).Saimaa University of Applied Sciences, Lappeenranta, Southeastern Finland
- Onyema, G. (2018, January 13). Wike summons contractor, ministry officials over slow pace of work at hospital. *Nigerian Tribune*. Retrieved from <http://www.tribuneonlineng.com/wike-summons-contractor-ministry-officials-slow-pace-work-hospital/>
- Oyuke, O.H. & Shale, N. (2014). Role of strategic procurement practices on organizational performance: A case study of Kenya National Audit Office County. *European Journal of Business Management*, 2(1), 336-341. Retrieved from <https://www.ejobm.org>
- Ozuru, H.N. & Chikwe, J.E. (2009). *Electronic commerce: A rudimentary approach*. Port Harcourt, Nigeria: University of Port Harcourt Press
- Pettu, M.P., Kor, Y.Y. & Mahoney, J.T. (2007). A theory of change in turbulent environments: The sequencing of dynamic capabilities following industry deregulation. *Working Papers*. Retrieved from <http://www.business.uiuc.edu/Working/Pappers/07-0100.pdf>
- Pfeffer, J. (1982). *Organizations and organization theory*. London: Pitman.
- Procurement Monitor. (2017). *Public Private Development Centre (PPPC)* [e-book]. Retrieved from <http://procurementmonitor.org/ppdc/about-us/>
- Raheja, D. & Ellis, R. (2007, May). *Theory Z of supplier relationship management*. Paper presented at the 92<sup>nd</sup> Annual International Supply Management Conference, Las Vegas, NV.

- RSBoPP. (2014). Retrieved from <http://rsbopp.rv.gov.ng>
- Ryals, L.J. & Rogers, B. (2006). The impact of strategic procurement practices on account management. *Business Horizons*, 42(1), 41 – 50.
- Sánchez, S.A. (2013). *Application of the agency theory for the analysis of performance-based mechanisms in road management*. Paper presented at 13<sup>th</sup> World Conference on Transport Research, Rio de Janeiro, Brazil. Retrieved from [www.wctrs-society.com>rio>selected](http://www.wctrs-society.com>rio>selected)
- Sanderson, J., Longsdale, C. & Mannion, R. (2015). Towards a framework for enhancing procurement and supply chain management practice in the NHS: Lessons for managers and clinicians from a synthesis of the theoretical and empirical literature. *NIHR Journals Library*. Retrieved from <https://www.ncbi.nlm.nih.gov/books/NBK286086/>
- Seurvey, T.T. (2015). Effects of strategic procurement on competitiveness of commercial Banks operating in Kenya: A case study of Standard Chartered Bank Limited, *IOSR Journal of Business and Management (ISOR-JBM)*, 17(2) 77-89.
- Shin, H., Collier, D.A. & Wilson, D.D. (2000). Supplier management orientations and supplier/buyer performance. *Journal of Operations Management*, 18, 317–333.
- Talluri, S. (2003). Vendor evaluation with performance variability: A max-min approach. *European Journal of Operational Research*, 146(3), 543-552.
- TheGuardian (2019, October 31). NDDC and that forensic audit. *m.guardian.ng*. Retrieved from <http://m.guardian.ng/opinion/nddc-and-that-forensic-audit/>.
- The Nation Nigeria (2016). Minister laments abandoned projects in Niger/Delta. *thenationonlineng.net*. Retrieved from <https://www.google.com.ng/amp/thenationonlineng.net/minister-laments-abandoned-projects-in-nigerdelta/amp/>
- The Tide. (2018). RSG wants contractors to intensify work on projects. *thetidenewsonline*. Retrieved from <http://www.thetidenewsonline.com/2018/01/01/rsg-wants-contractors-to-intensify-work-on-projects/>
- Train, A. B. M. (2012). *Improved sourcing flexibility through strategic procurement: A case study in a Global Manufacturing Company* (Master of Science Thesis). KTH Industrial Engineering and Management, Stockholm, Sweden. Retrieved from <https://www.diva-portal.org>smash>get>
- Ukpai, N. U. (2003). *Cost accounting: A managerial emphasis*. Port Harcourt, Nigeria: Pre-Joe.
- Weele, A. J. V. (2005). *Purchasing and supply chain management: Analysis, strategy, planning and Practice* (3<sup>rd</sup>ed.). London England: Thomson Learning.
- 123HelpMe.com. (2017). *Management theory of Frederick Taylor* [e-book]. Retrieved from <http://www.123helpme.com/management-theory-of-frederickTaylor-view.asp?id=163925>