



**EFFECTS OF PROCUREMENT POLICY ON CUSTOMER SERVICE DELIVERY IN TELECOMMUNICATION SECTOR; A
CASE OF SAFARICOM COMPANY LIMITED**

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ABSTRACT

Organizational procurement is increasingly becoming important in the present corporate world. However, little in terms of scientific research has been done concerning the effect of procurement policy on customer service delivery. This study was aimed at finding out the effects of procurement policy on customer service delivery in telecommunication sector; a case of Safaricom company limited; to explore how procurement methods affects customer service delivery and to explore how adoption of information technology on procurement process affects customer service delivery. The study employed descriptive design. The total population for Safaricom employees was 4423, then the target population for this study comprised of 2600 employees who work in finance and operations department. The questionnaires were used to collect data. Findings of the study was analyzed with the help of the Statistical Package for Social Sciences (SPSS) and presented in percentages, frequencies, graphs, tables and pie charts. The result showed that procurement methods and Information technology have a direct influence to service delivery. The results showed that Information technology influences the service delivery performance most followed by procurement method.

Keywords: Procurement Methods, Information Technology, Procurement Policy, Service Delivery

Introduction

Procurement management is increasingly and widely recognized as a function within the organization that leads to increased productivity as well as ensuring customer service delivery (Anderson 2009). Day to day operations of procurement functions are usually undertaken as per what the procurement policy stipulates. According to Basheka, (2008) procurement policy refers to standard sequence of actions and guidelines which are effectively managed and adhered to, in order realize the objectives of the procurement function. Schooner & Whiteman (2000) use “policies” when referring to principles such as transparency, probity, competition, and value for money. The systems perspective would classify these principles as desired results (outputs or impacts) to be achieved through procurement policies. Such treatment of procurement deflects attention from its policy aspect that determines the extent to which it contributes to desired outcomes such as customer satisfaction.

Procurement process is a fundamental function that impacts on effective or ‘ineffective’ service delivery. There is no part of organization service delivery that does not depend on procurement of goods, services and works; and yet the area remains a neglected field of research (Oboth, 2001). According to Bailey et al., (1998) the importance of having procurement policy in almost all country’s settings can be demonstrated based on its scale and role in terms of service delivery, the amount of money wasted by existing practices, reduced competition, higher prices due to market perceptions of risk, as well as the demonstrated ability of countries to capture enormous savings through concerted efforts to strengthen their procurement function (Agaba and Shipman, 2007). State Corporation has put in place provisions to ensure the realization of her long term objective of improving the quality of life of its

citizens (NSDS, 2008). In Kenya, PPDA (2005) is the underlying guide on how public procurement functions should be undertaken. It provides the specific policies that govern supplier evaluation, tender award, procurement methods and inventory management in public sector (Amayi, 2013).

Procurement processes can either be centralized through a purchasing agent, or decentralized with many officials conducting their own procurement function, but the people involved in procurement are always in the front line to enhance value for money. According to layson and Farrington (2012) it is very important for purchasing agents and other procurement personnel have sufficient knowledge about the laws and policies that guide competitive procurement. Thai (2001) outlines that implementation of procurement policies requires a spirit of thriftiness and cost consciousness. Thai, (2001) has developed a model depicting the scope of procurement that comprising of five key elements: policy- making and management; authorizations and appropriations; procurement regulations; procurement function in operations (processes, methods, organizational structure, and procurement workforce; and feedback).

Customer service delivery is an activity, performance measurement and a philosophy. It is the way a business looks after its customer’s requirements through effective and efficient ways before and after sales services (CSM, 2012). It deals with series of activities designed to enhance the level of customer satisfaction- that is, the feeling that a product or service has met the customer expectations (Turban, 2002). It involves satisfying customer needs and like many things in life it is seen as a morality play. This kind of activities revolves all around the organization. Procurement management is said to be the most crucial function in an organization in relation to ensuring the quality

of output is delivered which as the ability to satisfy the customer needs (Eyaa, 2011).

Kotler (2002) defines customer service as all the activities involved in making it easy for customers to reach the right parties within the company and receive quick, timely and satisfactory service, at the right price and quality. Customer service is one of the core business processes of any business just like new-product realization, inventory management, customer acquisition and retention, and order-to-remittance activities. Even those organizations that are not in the service industries have to provide product support services to their customers ensure the products reaches the customers expectation in terms of performance, durability, economy and efficiency. According to Kotler (2002), firms that provide high quality service out-perform their less service-oriented competitors. The procurement function enhances customer service quality by ensuring the products and goods are acquired at the right time, right price, right quality, and right quantity and from the right source. This will pay a great time in ensuring there is no delay in delivery of products, less wastages, low cost purchase and high quality of products (CIPS Australia, 2005). According to PPOA (2009) the key questions to answer in order to ensure high quality of customer service delivery is question of efficiency, effectiveness and Value for money.

According to Van Weele (2006) purchasing performance is considered to be the result of two elements: purchasing effectiveness and purchasing efficiency. Performance provides the basis for an organization to assess how well it is progressing towards its predetermined objectives, identifies areas of strengths and weaknesses and decides on future initiatives with the goal of how to initiate performance improvements. For customers to be satisfied the procurement function must ensure there is adequate procurement policy which aims to

enhance efficiency and effectiveness in procurement activities. The policies or regulations acts as a guide of what is expected of each procurement personnel and also acts as a tool for evaluation (Amaratunga & Baldry, 2002).

Bolton (2006), and Knight et al. (2007) portray public procurement as a tool, mechanism, instrument, or lever for promoting what they label as “policies” such as industrial and economic development and assistance to historically disadvantaged groups. From the systems model’s perspective, however, such policies could more precisely be labeled desired results (either outputs or impacts), which governments attempt to achieve through specific procurement policies. Knight et al. (2007) provide useful case descriptions and make brief mention of supply policy, but again, their attention is on supply policy as a lever for government reform. That is, they emphasize the desired result (reform) rather than the specifics of supply policy. According to Mithamo, (2013) Public entities should draft procurement policies that are compatible with procurement regulations and all employees should be made aware of the formulated policies. The PPOA directives should be put into consideration while formulating policies and so as to avoid inconsistency with the Public Procurement Act (PPOA, 2009). The level of stakeholders’ involvement should be improved by application of monitoring and supervisory mechanism to oversee if all procurement processes are in line with the procurement regulations guidelines (Kinyanjui, 2010).

According to Thai (2001), the basic principles of good procurement process include accountability, where effective mechanisms must be in place in order to enable procuring entities spend the available resources carefully, knowing clearly that they will account everything to members of the public; competitive supply, which requires procurement to be carried out by competitive

bidding process, embracing transparency and efficiency in the system, unless there are convincing reasons for single sourcing; and consistency, which emphasizes the equal treatment of all bidders irrespective of race, nationality or political affiliation. According to Muindi (2014) Public procurement process have, for long, been overshadowed with inefficiency, corruption and disregard of fundamental "value for money" considerations. This has adversely impacted the rate and quality of progress in realizing the objectives of national development, especially in developing and transition countries (Tan et al., 2009).

Statement of the Problem

Procurement policies perform very critical role in improving organizational competitive advantage, bring new ideas or product to the market, reduce inventory cost, enhance value for money in procurement and increase the profitability of their operation (PPOA, 2009). Unless there is a good perception of procurement procedure, an organization cannot succeed in its goals and or objectiveness (Kisubi, 2007). According to Rajeh et al. (2014) procurement policies provides opportunities to cut costs and boost profit, and thus achieve a competitive advantage for the firm. As a result of procurement policies adopted, the organization success or failure is determined. Procurement policy aims are always aimed to achieve three core objectives of, effectiveness, economy and efficiency (PPOA, 2009). According to Bashuna (2013), all procurements regardless of their value or complexity follow a standard sequence of actions and policies, which need to be effectively managed to realize the objectives of the procurement function of enhancing profitability and customer satisfaction.

According to (Wahome, 2013) procurement policies play a great part in enhancing customer satisfaction in terms of quality, time and performance. In any given industry, the level of customer satisfaction is vital for the growth of firms involved because of the competition amongst these firms (Hill & Alexander, 2006). Higher levels of customer satisfaction lower the chances of customers changing their preferences in favor of the competitors. According to Solomon (2006) when a product succeeds in satisfying a consumer's specific needs or desires, it may be rewarded by with many years of brand or store loyalty, a bond between product or outlet and consumer that may be very difficult for competitors to break." (Solomon et al, 2006)

A study by Maina, (2009) indicated that 47 % of the customers were concerned non-availability key products in the Safaricom shops. The survey also identified stock outs are also experienced more often when there are promotions and sales offers of Safaricom products therefore resulting to customer dissatisfaction. This has affected the profitability of individual Safaricom shops and therefore there is a need to analyze how to improve customer satisfaction through proper procurement procedures. Procurement plays a very great role in enhancing the overall performance of the organization and as a result there is need to analyze the impact the procurement policies has on service delivery (PPOA,2009). Therefore this study is focused to identify the effects of procurement policy on customer service delivery at Safaricom Company.

Study Objectives

The general objective of the study was to determine the effects of procurement policy on customer service delivery in telecommunication sector. The specific objectives were:

- To determine the effect of procurement methods on customer service delivery in telecommunication industry
- To explore the effect of supplier evaluation on customer service delivery in telecommunication industry

LITERATURE REVIEW

Theoretical review

System theory

This theory was developed by Yourdon in year 1989. Yourdon's (1989) used the theory in the field of Information technology to show that how adaptability of any theory changes as per the enhancement of the system structure. General System Theory focuses on the system's structure instead of the system's function. It suggests that complex systems have common basic organizing principles irrespective of their purposes which are in exchange and are bounded (Zeng, & Pathak, 2003).

Thai (2000) adapts the systems model to capture "the whole scope of public procurement". Thai is particularly concerned to portray the core elements of any procurement system and the relationships between and among them. Thai places the policy-making function with management executives at the top level of a procurement system. This has the effect of discounting the importance of policy roles that may be played in other elements of his model, for example, his "regulations" element or his "operations" element. According to Zimer et al (2002) procurement policies are the gateway to achieving supply chain objectives which include enhancing customer satisfaction.

The organization itself is a system which has its departments and different functions as the

subsystems. Customer satisfaction requires coordination of various functions within procurement and other functions within an organization. Banerjee (2007) claims supply chain as integration of the raw material suppliers, manufacturers, and retailers where inventory of raw materials, work-in-process, and finished goods are involved, respectively. According to Kumar et al., (2002) all functions in organization must work in harmony in order to achieve the key organizational goals of customer satisfaction and profitability.

The Principal-Agent Theory

The principal agent theory as advocated by Donahue, (1989) explains that procurement managers in public sector play a relationship role. According to Eya et al, 2011 an agency relationship is a contract under which one or more persons (principals) engages another person (the agent) to perform some service on their behalf which involves delegating some decision making authority to the agent. Procurement managers take on the role of agent for elected representatives (Emaya,2013). Njiraini et al (2006) states that the proponents of this theory argue for increasing participation of the publics in the procurement processes in order to enhance efficiency and effectiveness in operation. Such participation is likely to enhance the scope of monitoring and enforcement of procurement policy by public agents and shift the responsibility from the elected representatives to the taxpayers, who are the main principals. This would result to enhanced profitability and service delivery (Soundry ,2007).

This theory will help us to investigate whether procurement managers adhere to the procurement policy that guides the flow in the procurement cycle. The management is the agents who should safe guard the interest of the owners of business or citizens in procurement. According to Thai (2004)

management is entitled to develop procurement policies that have the potential of enhancing customer satisfaction through efficient service delivery.

Conceptual framework

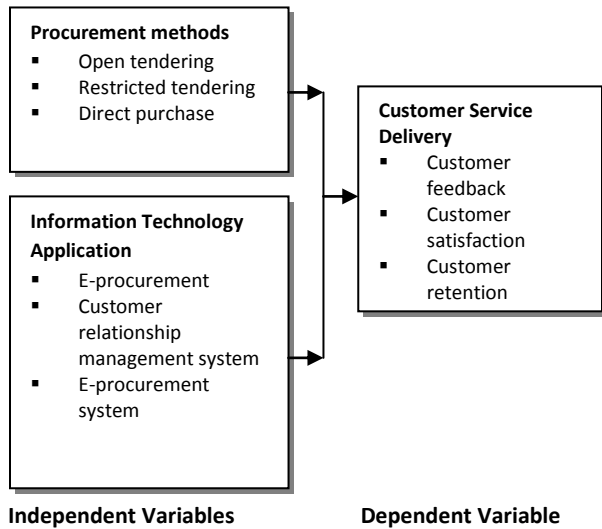


Figure 1: Conceptual framework

Empirical Review

Customer Service Delivery

Customer service delivery is an activity, performance measurement and a philosophy. It is the way a business looks after its customer’s requirements through effective and efficient ways before and after sales services (CSM, 2012). It deals with series of activities designed to enhance the level of customer satisfaction- that is, the feeling that a product or service has met the customer expectations (Turban, 2002). Procurement plays a great role in ensuring that the organization is able to reach the predetermined level of quality of service delivery. Knudsen, (2003) suggested that procurement performance starts from purchasing efficiency and effectiveness in the procurement function in order to change from being reactive to being proactive to attain set performance levels in an entity. According to Van Weele (2006)

purchasing performance is considered to be the result of two elements: purchasing effectiveness and purchasing efficiency. Performance provides the basis for an organization to assess how well it is progressing towards its predetermined objectives, identifies areas of strengths and weaknesses and decides on future initiatives with the goal of how to initiate performance improvements.

This means that purchasing performance is not an end in itself but a means to effective and efficient control and monitoring of the purchasing function which will result to quality service to both internal and external customers (Lardenoije, 2005). Purchasing efficiency and purchasing effectiveness represent different competencies and capabilities for the purchasing function. CIPS Australia (2005) presents the differences between efficiency and effectiveness. Efficiency reflects that the organization is “doing things right” whereas effectiveness relates to the organization “doing the right thing”. This means an organization can be effective and fail to be efficient, the challenge being to balance between the two. Therefore to be able to offer services acceptable to both internal customer and final customer the procurement function should always strive to be both efficient and effective(Schmitz, 2007).

A study by Ingari et al (2012) examined two aspects of performance, that is, profitability and customer satisfaction. The study established that 50% of respondent agreed that building buyer-supplier relationships had effect on profits while 100% strongly agreed the same had effect on customer satisfaction. Therefore the conclusion was that in order to enhance service delivery to customers the organization should pay attention in building strong buyer supplier relationship. The study also established that incorporating technology in the procurement process and strong support from the top management for procurement process has a

great impact of increasing profits and level of customer satisfaction.

Procurement methods

Globalization has brought great benefits, as well as challenges, not least in the vast and increasingly open market of public procurement. Competition for organizational contracts is very intense. As general procurement is vulnerable to bribery, organizations have to be vigilant about the entire process, from initial planning right down to completion (OECD, 2007). The organizations have opted to put very strict measures in the procurement policy that has a potential to decrease the instances of unethical practices. As a result of this the organizations are encouraging more competitive methods of procurement such as tendering method which has the potential to enhance quality of supplies as well as ensure internal and external customer satisfaction. Several governments have effective anti-bribery instruments in place.

The selection of the most appropriate procurement method is critical for both the customer and the organization as it is an important factor that contributes to the overall customer satisfaction and organization success. This selection of the method of procurement will depend upon a number of factors such as cost, time and quality which are widely considered as being the most fundamental criteria for organization seeking to achieve their end product at the highest quality, at the lowest cost and in the shortest time (Hackett et al. 2007). The existence of a wide variety of procurement methods available to organizations on the market today has led to several comparisons being made on how the different procurement methods have performed in terms of cost, quality, and customer satisfaction .

Sound public procurement policies and practices are among the essential elements of good governance (KIPPRA, 2006). Otieno (2004) notes the irregular procurement activities in public institutions provide the biggest loophole through which public resources are misappropriated. A research conducted by an OECD in Kenya indicates that the greatest issue inhibiting achievement for value for money is lack of information access to stakeholders in procurement. In order to promote public access to procurement information, the PPOA has established a website (www.ppoa.go.ke) with the intention of publishing a broad range of information about the procurement system, including legal and policy documents, procurement statistics, and procurement plans, notices and contract awards (PPOA, 2009)

According to Mithamo (2013), the principle reason for the enactment of the Public Procurement and Disposal Act, 2005 was to have a legal regime that would weed out ineffectiveness in the procurement process, remove patterns of abuse, corruption, and the failure of the public purchaser to obtain adequate value in return for the expenditure of public funds. Kinyanjui (2010) says that while the legal and regulatory framework is demand adequate, the most significant risks in procurement are found in the institutional environment and performance of the procuring entities in complying with the procurement law and its regulations. In a survey conducted by PPOA (2008) it was found that over 70% of Procuring Entities in Kenya lost over 1 billion shillings as result of application of poor procurement processes. Mithomi, (2013) identifies one of the key areas of non-compliance in the procurement policy and regulation is on application of the correct procurement method under specified thresholds within PPDA.

According to Kadima, (2013) there are seven methods of procurement each with different

conditions of use. These are further broken down to three; a contracting authority can choose amongst the three; open procedure, restricted procedure and negotiated procedure. The key factor that determine the procurement method of use are the estimated value of goods within the specified threshold, works or services, urgency of requirement, limited number of suppliers or service providers among others (PPOA, 2009).

A study by Onyika (2013) and Eyaa (2011) revealed that the implementation of procurement policies and regulation is being hampered by various challenges which include poor training lack of awareness and ethics within the organization there by affecting service delivery. The studies revealed that majority of the tendering committee members have not attended any procurement training workshops/seminars. The training/capacity building programmers attended by committee members do not meet the organization needs on the procurement procedures. The same study indicated that 78% of the respondents considered competitive binding as the only procurement method that enables high quality service delivery to both internal customers and external customers.

Obare (2013) study on efficacy of procurement laws established that there are a number of organizational factors that influence the procurement policies and its effects on service delivery. These factors include structure and role clarity, preparation of quality and reliable procurement plans, clear channels of communication, the type of goods and services being procured, the procurement employees' qualifications and numbers. The research concluded that the level of compliance which is 60% has a direct effect on the level of service offered.

Information technology

According to Otiso (2012) ICT is the World's fastest growing economic activity; the sector has turned the globe into an increasingly interconnected network of individuals, firms, schools and governments communicating and interacting with each other through a variety of channels and providing economic opportunities transcending borders, languages and cultures. ICT has opened new channels for service delivery in areas such as e-government, e-sourcing, e-payment, e-CRM education, e-health, and information dissemination. All this kind of innovation aimed to enhance service delivery to the esteemed customers (Wirtz & Lihotzky, 2003).

According to Pokharel (2005) use of IT is positively correlated with improved overall organizational performance. IT consists of whole range technologies designed to access, process and transmit information: hardware, software and media for collection, storage, processing, transmission and presentation of information in the form of voice sound, data, text and images. They range from telephones, mobile phones, hardware, and software to the Internet. In regard to service delivery in business organizations, Information Communication Technology (ICT) has been employed to facilitate the service provision, even though it involves substantial portion of investment. The objective of such investments is to create business value by offering timely and reliable goods and services.

According to Ongori (2009), the adoption of ICT would change the way businesses operate in this era of globalization by changing business structures and increasing competition, creating competitive advantage for businesses and by changing business operations. Hence, for public entities to grow and become successful, they must have the ability to compete and dynamically respond to rapidly changing markets.

Investment in information technology can have dramatic impact on both the internal and external operations of a business organization. Internally, improved ICT systems can enhance and strengthen organizational infrastructure and capacity by increasing employees' efficiency, service coordination, and information sharing between departments, financial record keeping and tracking of an organization's production. Externally, information technology solutions can fundamentally transform business organization service delivery (Adewoye,2011). The impact of information technology investments on service delivery and business value is an important issue for researchers, resource managers and other stakeholders. IT business value and service delivery include productivity enhancement, profitability improvement, improved work relations, competitive advantage and efficient use of resources at both intermediate level and organizational level (Melville et al., 2004).

A study by Wahome (2013) on inventory management established that the procurement procedures were not fully observed and shortcuts were used to ensure goods and services are procured in the hospital. The study recommended that procurement department should ensure that the hospital is well equipped with procurement plan as it would provide the organization with the information about the purchase of goods and services, how vendor will be chosen, what kind of contract will be used, how vendor will be managed and who will be involved at each stage of the process. Wahome (2013) establishes that the use of e-procurement system is very key in enhancing service delivery in terms of timesaving, enhanced quality and instant replenishment of stock.

METHODOLOGY

The descriptive research design was employed in the study. The total population for safaricom employees was 4423, then the target population for this study comprised of 2600 employees who works in finance and operation department. The sampling frame consisted of all department personnel both top management and the subordinate. Personnel from all the department were involved in the procurement activities either as internal customers or user department and also they are used in offering services to final customers either directly or indirectly. The study took a sample of 10% of total population which was sufficient to allow generalization. The sample size comprised of 260 employees of Safaricom Limited. This study used stratified random sampling to select the sample size of 260 respondents involved in the study. The primary data collection instrument used was the questionnaire which was designed using the variables identified as important for meeting the survey objectives. The data for the research was sourced mainly from both primary and secondary data. The study relied on primary data to be collected through administering a structured questionnaire comprising closed and open-ended questions, developed in line with the objectives of the study (Kothari 2004). The questionnaires were pre-tested to establish the reliability and validity of the data collection instrument (Mugenda et al, 2003). This was done by providing the questionnaires to two respondents in each category as pilot test. The content validity of the research instrument was evaluated through the actual administration of the pilot group. Reliability of the questionnaire was evaluated through administration of the said instrument to the pilot group. The data collated was entered into a computer and analyzed using Statistical Package for Social Sciences (SPSS Version 20). The data was analyzed using quantitative techniques, whereby the findings was presented in the form of frequency, distribution tables and pie charts while

qualitative techniques was incorporated in the study to facilitate description and explanation of the study findings.

DATA ANALYSIS AND INTERPRETATION

Two Hundred and Sixty (260) questionnaires were distributed to the members of staff in different managerial levels currently working at Safaricom. Out of the 260 questionnaires sent, 200 were fully filled contributing to a response rate of 76.9%. The study sought to find out the gender of the respondents. From the findings, 65% of the respondents were female while only 35% of the respondents were male. Further the study sought to find out the age of the respondents. 50.25 % of the respondents were between 21 and 30 years old, 20.7% of the respondents were below 20 years old, and 16% of the respondents were above 40 years old, while 14% of the respondents were between 31-40 years old. This means that a large number of those interviewed were old enough to give accurate information. It was established from the study that 65% of the respondents had bachelors, 23 % had diplomas, 8% had masters, 4% of the respondents had certificates. Findings showed that majority of respondents working in Safaricom had bachelor degree qualifications. This implied that they were capable to conceptualize and respond authoritatively on issues of service delivery. The study sought to find out the years of experience of the respondents in Safaricom. Majority (60%) of the respondent had worked in the organization for a period of 2-5years, 15% had worked for 6-8 years, 11% for a period of below 2 years while 9% had worked for 9-14 years and 5% had above 15 years.

Effects of Procurement methods on Customer Service Delivery

The respondents were requested to indicate to which extent the procurement methods enhance

the service delivery. Majority (45%) of the respondents strongly agreed that procurement methods enhanced the service delivery, 30% of the respondents agreed that procurement methods enhanced the service delivery, 15% disagreed that The procurement methods enhanced the service delivery while 10% strongly disagreed that The procurement methods enhanced the service delivery. This was consistent with Knudsen, (2003) who stated that, Procurement plays a great role in ensuring that the organization is able to reach the predetermined level of quality of service delivery. The study concluded that accessibility of procurement information for internal customers and external customers leads to service delivery.

The study sought to find out the extent to which open tendering resulted to reduction in total cost of operation on customer service delivery. According to the findings, respondents strongly agreed that open tendering resulted to reduction in total cost of operation by 49%, 36% of the respondent agreed that open tendering resulted to reduction in total cost of operation, 10% disagreed and 5% strongly disagreed that open tendering resulted to reduction in total cost of operation. This was in agreement with Hackett et al. (2007) who stated that the selection of the most appropriate procurement method was critical for both the customer and the organization as it is an important factor that contributes to the overall customer satisfaction and organization success.

The respondents were also requested to indicate how accessibility of procurement information for internal customers and external customers enhanced service delivery. Majority (57%) of the respondents agreed that accessibility of procurement information for internal customers and external customers enhanced service delivery, 23% strongly agreed that Accessibility of procurement information for internal customers

and external customers enhanced service delivery 15 % of the disagreed that accessibility of procurement information for internal customers and external customers enhanced service delivery while 5% strongly disagreed with the statement.

Information Technology

On the extent to which information technology affected customer service delivery in telecommunication sector, a scale of 1-5 was used. The scores "Not at all" and "Small extent" were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale. The scores of 'Moderate extent' were represented by a score equivalent to 2.6 to 3.5 on the Likert. The score of "large extent" and "Very large extent" were represented by a mean score equivalent to 3.6 to 5.0 on the Likert Scale. The results were presented in mean and standard deviation. The study found out that respondents agreed to a very large extent that the E-procurement system enhanced level of service delivery to customers; that the respondents agreed to a very large extent that information technology had enhanced information sharing within and outside the organization; that the respondents agreed to a very large extent that Customer relationship management system had been established to enhance customer service delivery. The respondents agreed to a large extent that Information technology enhanced the response time to customers need or requests and the respondents agreed to a very large extent that information technology had enhanced customer feedback. According to Adewoye (2011) Internally, improved ICT systems can enhance and strengthen organizational infrastructure and capacity by increasing employees' efficiency, service coordination, and information sharing between departments, financial record keeping and tracking of an organization's production. Externally,

information technology solutions can fundamentally transform business organization service delivery.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The study found that open tendering resulted to reduction in total cost of operation hence improving the quality of service delivered. Procurement played a great role in ensuring that the organization was able to reach the predetermined level of quality of service delivery. The accessibility of procurement information for internal customers and external customers leads to service delivery. Procurement performance starts from purchasing efficiency and effectiveness in the procurement function in order to change from being reactive to being proactive to attain set performance levels in an entity.

To explore the effect of supplier evaluation on customer service delivery in telecommunication industry. The study established that Procurement policy reduced instances of unethical practices hence improving service delivery in telecommunication section. The organizations were encouraging more competitive methods of procurement such as tendering method which as the potential to enhanced quality of supplies as well as ensured internal and external customer satisfaction. The study also established that many organizations had an electronic system in place to support the information flow. The study established that Tendering as a method procurement enhanced quality of supplies leading to improving service delivery in telecommunication sector. The selection of the most appropriate procurement method was critical for both the customer and the organization as it was an important factor that contributes to the overall customer satisfaction and organization success.

To examine the effect of Information technology adoption on customer service delivery in

telecommunication industry. This study established that Customer relationship management system had been established to enhance customer service delivery. The study also established that Information technology enhanced the response time to customers need or requests. Improved ICT systems could enhance and strengthen organizational infrastructure and capacity by increasing employees' efficiency, service coordination, and information sharing between departments, financial record keeping and tracking of an organization's production. Externally, information technology solutions could fundamentally transform business organization service delivery.

Based on previous studies, the components of procurement policy were expected to have a positive influence with customer service delivery. The output given from the findings indicated that there was a positive relationship between the components. This infers that Information technology influenced the service delivery performance most followed by supplier evaluation, inventory management and finally procurement method. The findings also indicated that supplier evaluation improved customer service delivery in telecommunication industry. The study established that Procurement policy reduced instances of unethical practices hence improving service delivery in telecommunication section. However this needed to be done on a wider scale especially with regards to integration of systems with other supply chain partners for easier data sharing and communication. Again improved ICT systems could

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enhance and strengthen organizational infrastructure and capacity by increasing employees' efficiency, service coordination, and information sharing between departments, financial record keeping and tracking of an organization's production. The study also revealed that organizations should always determine the optimum level of investment on stock which will enable organization to reduce its stockholding costs as well as reduce instances of stock out.

Recommendations

The study recommended that; Customer to be involved when developing some procurement policy. This type of involvement would ensure that the customer needs are satisfied. It will act as a means of evaluating what are the customer needs can be achieved.

Also study recommends that ; Organizational to have ICT system which would enhance capacity by increasing employees' efficiency, service coordination, and information sharing between departments, financial record keeping and tracking of an organization's production

Recommendations for further research

From the study and related conclusions, the researcher recommended further research in the area of service delivery. More variables could be incorporated in the study and the scope be expanded to include other industries. The study also recommended further research into factors influencing customer satisfaction and retention in service industry in Kenya.

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