

NABATANZI JOY (2014-M102-20070)

Supplier Relationship Management and Contract Performance in Kampala Capital City Authority: A Case Study of Lubaga Division.

The study sought to assess the effect of Supplier Relationship Management (SRM) on contract performance in Kampala Capital City Authority (KCCA). The objectives of the study were: to examine the effect of supplier segmentation on contract performance at KCCA, to establish how compliance management affects contract performance at KCCA and to assess the effect of value measurement on contract performance. A total of 108 respondents drawn from the categories of respondents in KCCA were subjected to questionnaires and interviews. Three types of analysis were conducted on data collected; the descriptive analysis, correlation analysis and regression analysis. Data was analysed through descriptive statistics and the relationship between the variables established using regression analysis. The descriptive statistical tools such as the statistical package for the social sciences (SPSS) and MS Excel were used to help the researcher describe the data and determine the extent of relationships. The data was presented through percentages, means, standard deviations and frequencies. In the findings, it was established that whereas KCCA has clearly written governance policies in relating with suppliers, these guidelines are not followed. KCCA contracts are not executed within the agreed upon budget figures. Often times, the cost of work is underestimated and more money is needed to complete the work. The caveat of internal politics, particularly in the bidding process frustrates contract performance. Basing on these findings, it was recommended that KCCA should strive to ensure that before contract implementation, inspection should be conducted during the defect liability period to identify areas to be rectified, liquidated damages should be imposed on delayed works and training members of the tender board and contract management teams on procurement contract proceedings in order to enhance their knowledge in contracting.

Key Words: Supplier Relationship Management, Contract Performance, Kampala Capital City Authority