**SUPPLIER RELATIONSHIP MANAGEMENT AND ORGANISATIONAL PERFORMANCE IN THE PETROLEUM INDUSTRY IN UGANDA: A CASE STUDY OF HASHI ENERGY UGANDA LIMITED**

**BY:**

**TOMMY OKORI**

**SUPERVISED BY**

**Mr. LWANGA MUSISI ABUBAKER**

**EXTENDED ABSTRACT**

**Key words**

**Supplier relationship management:** Supplier Relationship Management can be used as a way to manage a firm’s communication and relationships with other firms that supply products and services that are required. Handfield et al. (1999) argued that for a firm to achieve competitiveness it must incorporate its suppliers within the supply chain effectively. Building of trust, providing support for suppliers, using the input of suppliers when coming up with new items to manufacture, sharing of information and building long-term relationships are some of the ways that organizations and it suppliers can cooperate so as to achieve competitiveness and improve performance (Langfield-Smith & Greenwood, 1998).

**Organisational Performance:** is the actual output or outcomes of an organization and its intended outputs or goals and objectives. Organizational performance can be measured through reduction in cost, quality of goods/services delivered, productivity, lead time (Lawer,2001)

**Introduction:** This study sought to examine the relationship between Supplier Relationship Management and the Organizational performance in Petroleum Industry in Uganda, a case study of Hashi Energy Uganda Limited.

**Research objectives were:** To examine the extent to which supplier appraisal affects organisational performance of Hashi Energy Uganda Limited, To investigate the relationship between supplier development and organisational performance of Hashi Energy, To establish how supplier involvement affects organizational performance of Hashi Energy Uganda Limited.

**Study methodology:** The researcher adopted a descriptive research design. The analysis involved primary data obtained through questionnaires, interviews and secondary data, which was obtained from relevant journals and books. The study population size was of 105 Hashi staff, and included among others, 12 top management staff, 30 Procurement and contracts management staff, 33 Operations staff and 30 staff from finance.

**Key Study findings**: the study revealed that Supplier Relationship Management at Hashi Energy Uganda Limited was effectively conducted as indicated by 99% of the responses. The findings from the research confirmed the need to establish a strong evaluation system, which will supervise, monitor and appraise suppliers’ performance. This study contributes to our knowledge on procurement process by presenting the key role of supplier appraisal on effective procurement process and organization performance through improving on performance of suppliers. It was also found that the Organization usually conducts Supplier Relationship Management to assess the performance of suppliers of goods and services to ensure effective performance of the organization. They indicated that, supplier appraisal has contributed much on performance of Hashi Energy in terms of quality and delivery. The key dimensions found to yield best results are; supplier training, standardization of supplier product, communication with suppliers and constant auditing of the suppliers. These techniques have helped Hashi Energy in reducing product cost, improving product quality, hastening time taken to the market and also improving on the operations flexibility of the manufacturing firm.

**The study recommendation:** The study recommended that Hashi Energy needs to focus on creating long-term relationship with suppliers mainly those of core items such as stationary and technical supplies for example computer services. There is a need to improve on communication system to facilitate information flow and reduce on costs of communication. This may be through adopting electronic means such as e-Procurement to facilitate procurement transactions.

**Key References**

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