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SUPPLY CHAIN MANAGEMENT

INVENTORY MANAGEMENT PRACTICES AND PERFORMANCE OF PROCUREMENT FUNCTION AMONG SUPERMARKETS IN NAKURU CITY, KENYA

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ABSTRACT

Purpose of the study: Assess the influence of inventory management practices on the performance of the procurement function among supermarkets in Nakuru City, Kenya. T

Statement of the problem: The performance of procurement function is central to the operations of supermarkets, ensuring that goods are sourced, purchased and delivered efficiently to meet customer demand. Despite the critical role of procurement function, Kenyan supermarkets continue to face persistent inefficiencies. The collapse or closure of several prominent retail chains has highlighted serious weaknesses in the procurement functions. In Nakuru City, supermarkets such as Stagematt and Vision Matt also closed amid procurement inefficiencies and related challenges.

Research Methodology: The study was anchored on the Economic Order Quantity (EOQ) Model and adopted a descriptive correlational research design. It targeted a census of all 118 employees (procurement officers, logistics officers, and store managers) across 9 major supermarkets in Nakuru City, Kenya. Primary data were collected via self-administered structured questionnaires (using Google Forms and drop-and-pick methods), with reliability and validity established through a pilot test at Naivas and Kipchimatt Supermarkets in Kericho plus expert review and Cronbach's Alpha (>0.7), while analysis employed descriptive statistics, Pearson correlation, and multiple linear regression after normality checks, with results presented in tables.

Findings: The findings revealed a strong, positive and statistically significant relationship between inventory management practices and performance of the procurement function ($r = 0.828$, $p = 0.000$), with regression analysis indicating that one unit improvement in inventory management practices is associated with 0.640 unit increase in procurement performance ($\beta = 0.640$, $p = 0.000$).

Conclusion: The study concludes that inventory management practices serve as a critical mechanism for optimizing stock levels, minimizing procurement-related costs and disruptions, and enhancing overall procurement efficiency and competitiveness within supermarkets in Nakuru City.

Recommendations: It is recommended that supermarket management and procurement teams prioritize the adoption of automated inventory systems, accurate demand forecasting methods, Economic Order Quantity (EOQ) models, and staff training on real-time stock monitoring, while policymakers and industry regulators support capacity-building initiatives and technology integration to strengthen inventory practices and improve procurement outcomes in Kenya's retail sector.

Keywords: *Inventory management practices, performance, procurement function, supermarkets, Nakuru City, Kenya*

BACKGROUND OF THE STUDY

Inventory management practices refer to the systematic approaches employed by supermarkets to plan, control, and monitor stock levels to ensure the right quantity of goods is available at the right time and cost. These practices include demand forecasting, inventory control systems, stock replenishment strategies, vendor-managed inventory, and the adoption of technologies such as bar-code systems and enterprise resource planning (ERP) tools (Mwangi & Nyambura, 2022). Unlike traditional stock-holding approaches that rely on manual tracking and reactive ordering which often result in stock-outs, overstocking, and increased holding costs, modern inventory management emphasizes efficiency, accuracy, and responsiveness to customer demand. Effective inventory management enhances procurement performance by improving order accuracy, reducing lead times, minimizing wastage, and ensuring continuous product availability, which ultimately supports customer satisfaction and operational efficiency (Wanjiku & Kibet, 2021).

Globally, inventory management practices have been recognized as a critical determinant of procurement function performance, particularly in the retail sector. Large supermarket chains such as Walmart and Tesco have leveraged advanced inventory systems, including just-in-time (JIT) and automated replenishment technologies, to optimize stock levels, reduce operational costs, and enhance supply chain responsiveness (Christopher, 2022). In developed economies, the integration of real-time data analytics and inventory tracking systems has enabled retailers to maintain high service levels while minimizing inefficiencies associated with excess inventory and stock obsolescence (Hugos, 2021). These global experiences illustrate that well-implemented inventory management practices significantly contribute to improved procurement outcomes and overall organizational performance.

In Africa, supermarkets are increasingly adopting inventory management practices to address supply chain inefficiencies, demand variability, and infrastructural challenges. Evidence from countries such as South Africa and Nigeria indicates that supermarkets utilizing computerized inventory systems and supplier integration mechanisms experience reduced stock discrepancies, improved procurement planning, and enhanced service delivery (Adebayo, 2020). However, many retail firms still face challenges such as inadequate technological infrastructure, limited staff capacity, and unreliable supplier networks, which hinder the effective implementation of inventory management systems. Despite these constraints, there is growing recognition of the role of inventory practices in improving procurement efficiency and competitiveness in the retail sector across the continent (Ncube & Ndlovu, 2021).

In East Africa, and particularly in Kenya, supermarkets operate in a dynamic and competitive environment characterized by fluctuating consumer demand, supply chain disruptions, and increased operational costs. Studies indicate that supermarkets that adopt structured inventory management practices such as automated stock control, demand forecasting, and strategic supplier relationships are better positioned to enhance procurement performance by reducing stockouts, controlling costs, and improving order fulfillment rates (Muturi & Ombui, 2021). Nonetheless, challenges such as poor inventory record accuracy, delayed supplier deliveries, and limited adoption of advanced inventory technologies persist, particularly among medium-sized supermarkets. In Nakuru City, where the retail sector is rapidly expanding, the effectiveness of procurement functions is increasingly dependent on how well inventory is managed, thus necessitating a focused examination of inventory management practices and their influence on procurement performance within this context.

Procurement performance refers to the measurement and evaluation of how effectively the procurement function achieves its objectives in supporting organizational operations beyond purely financial outcomes. These measures include aspects such as procurement efficiency, supplier reliability, order accuracy, lead time reduction, compliance with procurement procedures, and the ability to ensure continuous availability of goods (Odhiambo & Kamau, 2021). In the context of supermarkets, procurement performance encompasses the effectiveness with which procurement departments coordinate with suppliers, maintain optimal stock levels, minimize stockouts and overstocking, and ensure timely delivery of products to meet customer demand. It also reflects the extent to which procurement activities contribute to operational continuity, customer satisfaction, and overall service quality within retail outlets (Monczka et al., 2020).

Stock availability and timely order fulfillment are critical indicators of procurement performance in Kenyan supermarkets, as they directly influence customer satisfaction and operational efficiency. Ineffective procurement processes often result in frequent stockouts, delayed deliveries, and discrepancies between ordered and received goods, which negatively affect service delivery and customer loyalty (Wanyonyi & Muturi, 2020). Procurement inefficiencies may also lead to increased wastage, especially for perishable goods, and disrupt the smooth flow of retail operations. Consequently, supermarkets must adopt effective procurement practices to ensure consistent product availability and responsiveness to market demand.

In Kenya's retail sector, supermarkets operate in an increasingly competitive and dynamic environment characterized by changing consumer preferences, supply chain disruptions, and rising operational costs. The sector has also experienced notable challenges, including the collapse or restructuring of major supermarket chains, highlighting weaknesses in procurement and inventory management systems (Kibicho, 2020). These challenges have underscored the importance of strengthening procurement performance as a non-financial measure of organizational effectiveness, particularly in ensuring reliability of supply, adherence to procurement procedures, and improved coordination with suppliers.

STATEMENT OF THE PROBLEM

The performance of procurement function is a critical component of supermarket operations, as it ensures that goods are sourced, purchased, and delivered efficiently to meet customer demand. Despite its importance, supermarkets in Kenya continue to face significant challenges

in procurement management. Common inefficiencies include poor inventory control, high procurement and holding costs, delayed supplier deliveries, and frequent supply chain disruptions. These challenges have contributed to widespread financial difficulties and the collapse of major retail chains (Omondi and Gekara, 2020). For instance, Nakumatt, once a leading retail chain, collapsed with total liabilities of approximately KSh35.8 billion by 2017, including KSh18.5 billion owed to suppliers. This led to severe stock-outs, deteriorating supplier relationships, and a significant loss of customer confidence (Kamau, 2019). Similarly, Tuskys, which previously operated over 60 branches, shut down after accumulating substantial KSh6.2 billion in supplier debts, while Uchumi faced significant KSh3.6 billion in arrears to suppliers, severely limiting its ability to restock and maintain operations (Otieno, 2020). In Nakuru City, local supermarkets such as Stagematt and Vision Matt also closed amid challenges that included procurement inefficiencies, poor inventory management, weak supplier coordination, and inadequate performance monitoring. Even among surviving chains like Naivas and Quickmart, branches in Nakuru have not reached the same levels of procurement performance and efficiency observed in Nairobi or Mombasa. This study therefore examined the influence of inventory management practices on performance of the procurement function among supermarkets in Nakuru City, Kenya.

THEORETICAL FRAMEWORK

The study was guided by Economic Order Quantity (EOQ) Model. The model was first invented by Ford W. Harris (1913). The model was put forward to calculate the best order quantity as the one that reduces the overall cost of ordering and carrying stock. The EOQ model assumes that companies incur two main inventory related costs; ordering costs which are paid every time an order is made and holding or carrying costs are paid because of holding a stock. The model aims at identifying the balance point between these two costs which lead to a minimum total inventory cost. With the help of calculation of the optimal order quantity, companies will be able to maintain the constant supply of materials and prevent stock-outs and oversupply.

The EOQ model contends that companies can become more efficient and save more money when the mechanism of regulating the inventory replenishment is handled scientifically. The theory states that excessively common ordering increases the procurement and administrative costs, whereas excessively high amounts of ordering increase the storage, obsolescence, and the costs of holding capital (Nahmias, 2021). EOQ can assist companies in determining the

optimal order quantity that reduces the total costs at an optimal level and ensures that the level of service is upheld. Practically, this model is based on the demand during a year, the cost per order, and annual holding cost per unit, among which variables the economic order quantity is determined (Silver, Pyke and Thomas, 2021). Within inventory management, the EOQ guarantees a good compromise between demand fulfillment and cost-effectiveness to the organizations. It allows the procurement managers to plan a best order and reduce the lead time and to have the materials available where they are needed without overstocking.

Nevertheless, as the EOQ model is commonly used, it has been subject to multiple criticisms regarding overly simplistic assumptions and inability to adapt to changing environments. According to critics, this model presupposes the constant demand, fixed lead times, and stable prices conditions that are hardly present in the contemporary supply chains (Axsaster, 2015). The demand trends in most real-life situations, particularly those in the retail industry, are seasonal, promotional, and subject to market uncertainties. Besides, EOQ fails to note other strategic points of inventory management like reliability of suppliers, quantity discounts and transport limitations. The other shortcoming is that EOQ is more concerned with cost reduction as opposed to strategic alignment with other logistics activities like warehousing and distribution that also affect procurement performance (Chopra and Meindl, 2019). In spite of these shortcomings, EOQ has been used as a model to give insight into trade-offs in the economics of inventory management between ordering and holding costs.

The Economic order Quantity model is pertinent in the explanation of how inventory management practices can impact the performance of procurement function since it offers an orderly system of maximum inventory and the minimization of total procurement costs. Supermarkets have to weigh between product stocking and cost efficiency to cater to the demand of the customers without stocking perishable or fast moving goods in large quantities. When applied to supermarkets to calculate the reorder time and quantity needed, using EOQ principles helps the company to prevent frequent stock-outs, wastage, and avoidable holding costs. Through the introduction of EOQ practices in inventory management, the supermarkets will be able to enhance the responsiveness and reliability of their procurement operation, maintain the availability of products, and the overall performance of the operation. In this way, EOQ model has an excellent theoretical basis of the importance of efficient inventory management in enhancing the efficiency and performance of procurement processes within the retail setting.

EMPIRICAL REVIEW

Eveline, Kitheka, Charles, James and Abeid (2020) developed a study to investigate how inventory management methods influence the performance of procurement, both in the case of the private and the governmental organization. The research was performed in the form of desk review, sampling out the research papers concerning the topic of inventory management and procurement performance. It was theoretically based on the Economic Order Quantity Model, the Network Theory and the Resource dependency theory to show the correlation between the inventory control techniques and the procurement outcomes. Nonetheless, there were some gaps in the study. The use of secondary data restricted the capability to obtain contextual organizational forces and behavioral influences on inventory practices, and as such makes up to a methodical gap. Theoretically, the research focused on the conventional models of inventory management without adequately including the latest digital techniques like automated inventory systems or predictive analytics. Contextually, the generalizations made of the findings in the context of organizations were not specific to particular sectors or regional settings and therefore could not be applied to a wide range of operational settings.

Atemo and Kamaara (2024) studied how inventory management strategies influence the performance of procurements by large manufacturing firms in the Nairobi County, Kenya. The research narrowed down to the effect of Economic order quantity (EDOQ) and the activity-based costing (ABC). The descriptive research design was used, and the focus was on the procurement officer in the large manufacturing companies. Simple random sampling was used to come up with a sample of 187 officers based on the formula by Cooper and Schindler. Questionnaires were used to collect the data which were analyzed through descriptive statistics, Pearson correlation and regression analysis using SPSS. The results indicated that there were positive and significant impacts on procurement performance due to inventory management strategies.

Although the findings of the study by Atemo and Kamaara (2024) are essential, the research had certain gaps. Causal inference was limited because of methodological limitations which included the use of self-reported survey data. Theoretically, the paper lacked the incorporation of wider strategic models including supply chain alliances or online warehouse. Contextually, the targeting of the manufacturing firms of the county of Nairobi limited generalization across other industries or counties. Opoku, Fiati, Kaku, Ankomah, and Agyemang (2020) undertook the study to analyze the impact of inventory management practices on the performance of the

operations of manufacturing companies in Ghana. The research used descriptive survey design which focused on 152 procurement and operations managers of 246 registered manufacturing companies in Accra, Tema and Kumasi. The structured questionnaires were used to collect primary data with 114 valid responses analyzed by descriptive statistics and ordinary least squares regression. The paper was devoted to such inventory management practices as strategic supplier partnership, activity-based costing, vendor-managed inventory, Economic order quantity, material requirements planning, and Just-in-Time (JIT).

The results have indicated that the majority of the inventory management practices that were studied are strongly and positively correlated with operational performance. Nevertheless, the research was flawed despite the results. Cross-sectionally, the study lacked methodological power to draw conclusions on the causality of the relationship between inventory practices and operational performance. In theory, the research failed to incorporate the digital or automated inventory management tools, which have become more and more pertinent in the modern supply chain management. Contextually, the research only targeted Ghanaian manufacturing companies, and one cannot generalize to other industries or nations. The present research fills these gaps by exploring the topic of inbound logistics practices such as inventory management practices, in supermarkets in Nakuru City, to determine the effect on the performance of procurement.

Arasa and Achuora (2020) carried out an investigation in order to study how strategic inventory management practices affect the performance of supermarkets in the Nairobi County, Kenya. This research was a cross-sectional survey, which was descriptive, based on the Resource-Based View theory. The random sampling was applied to 113 supermarkets out of the total population of 158 supermarkets and primary data were taken by use of structured questionnaires given to the heads of the supply chain management. The descriptive statistics and multiple regression were used to carry out the data analysis in SPSS version 21. The results showed that the strategic inventory management practices were significantly and positively related to the performance of supermarkets, with e-inventory management practices and activity-based costing practices having the most influential role, and lean inventory systems did not have any significant impact. Nonetheless, gaps were portrayed in the study. The methodology used was constrained by the fact that a cross-sectional data was used to establish causal relationships between inventory practices and performance. On a theoretical level, the analysis failed to investigate how new digital technologies or the combination of supply chains in the multi-tier inventory management can be integrated. Contextually, only the Nairobi

County was studied, which cannot be extended to other areas and sectors. The present research fills these gaps by evaluating inbound logistics practices such as, inventory management practices, in Kenyan supermarkets to determine its effect on the performance of procurement.

Srour and Azmy (2021) analyzed how the management of inventory affects the performance of firms which are listed on Egyptian Stock Exchange. The research design was quantitative, and secondary data were used in the form of financial reports of sampled firms. The measurement of inventory management was inventory turnover and performance of the firm was measured by the return on assets (ROA) and the return on equity (ROE). The analysis of data was performed with the help of the EViews version 12, where descriptive statistics were used, as well as a multiple regression analysis. The results showed that there is a positive and significant correlation between firm performance and inventory turnover.

Boateng (2024) evaluated the impacts of inventory management practices on performance of small and medium-sized enterprises (SMEs) in Accra, Ghana. The purpose of the study was to use approaches of descriptive research design and purposive sampling to choose 110 members of staffs of different SME companies of the city. The data obtained through the primary sources were in the form of structured questionnaires and analyzed using the Statistical Package of the Social Sciences (SPSS, version 23) with the help of both descriptive and inferential statistics. The findings showed that the most common types of inventory management practices used by SMEs in Accra were Economic order Quantity (EDOQ), Vendor Managed Inventory (VMI) as well as ABC analysis. In addition, the research also found a very strong positive correlational relationship between the practice of inventory management and organizational performance. It found that systematic inventory management strategies improve the business efficiency and overall performance in SMEs and advise more effective policy and managerial intervention to boost the inventory management capacity among SMEs.

CONCEPTUAL FRAMEWORK

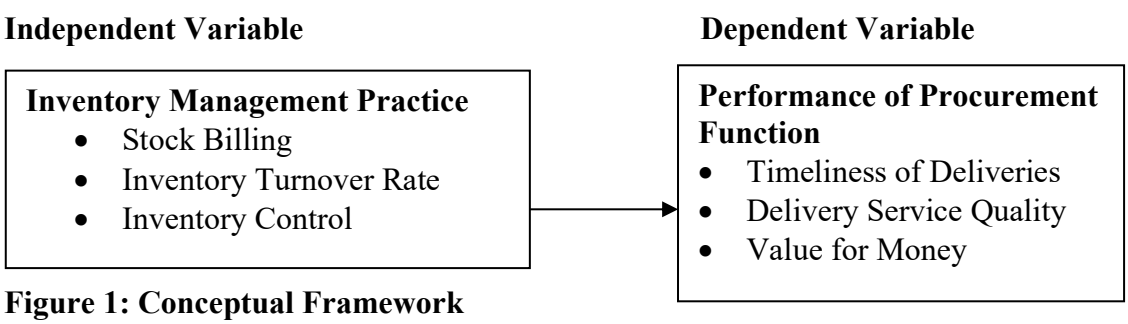

Figure 1: Conceptual Framework

RESEARCH METHODOLOGY

The study adopted a descriptive research design to examine the influence of inventory management practices on the performance of the procurement function among supermarkets in Nakuru City, Kenya. The target population consisted of 118 employees (16 procurement officers, 34 logistics officers, and 68 store managers) across 9 major supermarkets in Nakuru City, Kenya. Given the manageable size of this population, the study adopted a census design to incorporate all 118 target respondents. Primary data were collected through self-administered structured closed-ended questionnaires using both Google Forms and the drop-and-pick method. The pilot study was conducted in Naivas and KipchiMatt Supermarkets in Kericho, where 12 questionnaires were administered (representing approximately 10% of the sample size) to assess the reliability and validity of the research instrument. Validity was established through face, content, and construct validity assessments via expert and supervisor review, while reliability was evaluated using Cronbach's Alpha, with all constructs recording values above the 0.7 threshold. Both descriptive and inferential statistics were utilized for data analysis.

Descriptive statistics, including percentages, frequencies, means, and standard deviations, were employed to summarize the characteristics of inventory management practices and procurement function performance. Inferential statistics, specifically Pearson correlation analysis and multiple linear regression analysis, were applied to test the hypothesized relationship between inventory management practices and the performance of the procurement function. Diagnostic tests included normality test, thereby ensuring the robustness of the results. Data analysis was conducted using the Statistical Package for Social Sciences (SPSS) version 25, and findings were presented in tables and figures.

RESULTS

Response Rate

The researcher issued 118 questionnaires to the respondents. Out of 118 questionnaires issued, 100 were successfully filled and returned for analysis thus giving the study 85% response rate as provided in Table 1.

Table 1: Response Rate

Response	Frequency	Percentage (%)
Expected response	118	100
Received response	100	85
Un-received response	18	15

Demographic Information

Age

The researcher sought to determine the age group of the respondents working in the supermarkets in Nakuru City. The findings are presented in Table 2.

Table 2: Age Group

Category	Frequency	Percentage (%)
18-24 years	27	27
25-34 years	28	28
35-44 years	26	26
45-55 years	11	11
Above 55 years	8	8
Total	**100**	**100**

From the findings 27% of the respondents were aged 18–24 years, 28% were aged 25–34 years, 26% were aged 35–44 years, 11% were aged 45–55 years, and 8% were above 55 years. This indicates that the majority of the respondents (28%) fell within the 25–34 years age group, while the combined proportion of respondents aged 18–44 years accounted for 81% of the total sample. The age distribution reflects a predominantly young workforce among procurement officers, logistics officers, and store managers in supermarkets in Nakuru City. A workforce concentrated in the younger age brackets is typically characterized by higher energy levels, greater adaptability to new technologies and modern logistics practices, and openness to innovative approaches in supplier coordination, inventory management, transportation scheduling, and warehousing operations. However, the relatively lower representation of older age groups may suggest limited accumulation of extensive institutional experience in some branches, though the overall youthful profile supports agility and responsiveness in day-to-day procurement and logistics activities.

Descriptive Findings

Descriptive Findings for Inventory Management Practice

The study sought to assess the level of agreement on the statements on inventory management practices among supermarkets in Nakuru City. The findings are presented in Table 3.

Table 3: Inventory Management Practices

Statement	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean	Std
Accurate stock billing enhances transparency and accountability in procurement processes.	48	28	14	10	0	4.1400	1.0052
Efficient stock billing reduces financial discrepancies in procurement operations.	38	36	16	10	0	4.0200	.9742
A high inventory turnover rate improves cash flow and overall procurement function performance.	42	36	12	10	0	4.1000	.9692
Monitoring inventory turnover helps in maintaining optimal stock levels for procurement needs.	54	24	14	6	2	4.2200	1.0306
Effective inventory control minimizes stock-outs and overstocking in procurement activities	44	34	12	10	0	4.1200	.9773
Proper inventory control improves procurement planning and operational efficiency	46	38	8	6	2	4.2000	.9640

SA=Strongly Agree, A=Agree, U=Undecided, D=Disagree, SD=Strongly Disagree

From Table 3, the findings reveal that inventory management practices are strongly perceived to influence the performance of the procurement function among supermarkets in Nakuru City. Specifically, 48% of respondents strongly agreed and 28% agreed that accurate stock billing enhances transparency and accountability in procurement processes, while 14% were undecided and 10% disagreed. The statement recorded a mean score of 4.14 and a standard deviation of 1.005, indicating strong agreement with low variability. This suggests that accurate stock billing is widely viewed as a critical mechanism for improving accountability and reducing errors in procurement documentation and financial control.

On efficient stock billing, 38% strongly agreed and 36% agreed that it reduces financial discrepancies in procurement operations, with 16% undecided and 10% disagreeing. The item yielded a mean of 4.02 and a standard deviation of 0.974, demonstrating strong consensus that

streamlined billing practices minimize financial inconsistencies and enhance budgetary control within the procurement function.

Regarding inventory turnover, 54% of respondents strongly agreed and 24% agreed that monitoring inventory turnover helps maintain optimal stock levels for procurement needs, while 14% were undecided, 6% disagreed, and 2% strongly disagreed. The statement recorded the highest mean of 4.22 and a standard deviation of 1.031, indicating very strong agreement. This implies that systematic turnover monitoring is considered a vital tool for balancing stock availability, preventing inefficiencies, and supporting effective procurement planning. On Inventory control, 44% strongly agreed and 34% agreed that effective inventory control minimizes stock-outs and overstocking in procurement activities, with 12% undecided and 10% disagreeing. The item recorded a mean of 4.12 and a standard deviation of 0.977, signifying strong agreement that robust inventory control mechanisms are essential for ensuring continuity, stability, and reliability in procurement operations.

Finally, 46% strongly agreed and 38% agreed that proper inventory control improves procurement planning and operational efficiency, while 8% were undecided, 6% disagreed, and 2% strongly disagreed. The statement achieved a mean of 4.20 and a standard deviation of 0.964, indicating a high level of agreement that disciplined inventory management practices significantly enhance procurement planning accuracy and overall operational efficiency.

Overall, the findings demonstrate that inventory management practices particularly accurate stock billing, inventory turnover monitoring, and effective inventory control have a strong positive influence on the performance of the procurement function among supermarkets in Nakuru City. These results are consistent with Arasa and Achuora (2020), who found that strategic inventory management practices improved supermarket performance in Nairobi County through reduced stock imbalances, enhanced cash flow, and better procurement outcomes. Similarly, Opoku et al. (2020) reported that effective inventory control and turnover practices significantly reduced operational inefficiencies and strengthened procurement-related financial stability. Boateng (2024) and Matara (2024) further reinforce that systematic inventory strategies such as EOQ and ABC analysis enhance procurement efficiency by optimizing stock levels and minimizing discrepancies. Collectively, these findings confirm that sound inventory management practices are key drivers of procurement transparency, cost-effectiveness, timeliness, and overall performance in the supermarket sector.

Descriptive for Performance of Procurement Function

The researcher sought to establish the level of agreement on the statements on the performance of procurement function among the supermarkets in Nakuru City. The findings were as indicated Table 4.

Table 4: Performance of Procurement Function

	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean	Std
Procurement processes ensure that goods and services are delivered within the required time frames	44	28	14	12	2	4.0000	1.1192
Delays in the delivery of procured items are minimal, enhancing overall procurement performance.	52	24	12	10	2	4.1400	1.1012
The goods received through the procurement process consistently meet the required quality standards	30	52	8	10	0	4.0200	.8874
Quality checks during procurement ensure that suppliers deliver goods that meet organizational specifications.	32	34	10	20	4	3.7000	1.2268
The procurement function consistently helps the supermarket reduce purchasing costs through effective sourcing.	40	38	12	10	0	4.0800	.9606
The procurement department negotiates competitively to ensure value for money for all purchased items.	22	50	12	14	2	3.7600	1.0162

SA=Strongly Agree, **A**=Agree, **U**=Undecided, **D**=Disagree, **SD**=Strongly Disagree

The findings indicate that procurement processes generally ensure timely delivery of goods and services. Specifically, 44% of respondents strongly agreed and 28% agreed that procurement processes ensure delivery within required time-frames, while 14% were neutral, 12% disagreed, and 2% strongly disagreed. The statement recorded a mean score of 4.00 and a standard deviation of 1.119, suggesting a high level of agreement with moderate variation in responses. This implies that procurement timeliness is perceived as effective in supporting operational continuity and meeting supermarket demands. Regarding whether delays in the delivery of procured items are minimal, 52% of respondents strongly agreed and 24% agreed, while 12% were neutral, 10% disagreed, and 2% strongly disagreed. The item yielded a mean score of 4.14 and a standard deviation of 1.101, indicating strong agreement that procurement operations experience minimal delivery delays, thereby enhancing overall performance.

On the issue of quality of goods received, 30% of respondents strongly agreed and 52% agreed that goods received through the procurement process consistently meet the required quality standards. Meanwhile, 8% were neutral and 10% disagreed, with none strongly disagreeing. The statement recorded a mean of 4.02 and a standard deviation of 0.887, reflecting strong consensus that procurement effectively ensures quality compliance. Concerning quality checks during procurement, 32% of respondents strongly agreed and 34% agreed that quality checks ensure suppliers deliver goods that meet organizational specifications. However, 10% were neutral, 20% disagreed, and 4% strongly disagreed. The item achieved a mean score of 3.70 with a standard deviation of 1.227, indicating moderate agreement and notable variation in perceptions. This suggests that while quality checks are important, their consistency and rigor may differ across supermarkets.

With respect to cost reduction through effective sourcing, 40% of respondents strongly agreed and 38% agreed that the procurement function consistently helps reduce purchasing costs. Additionally, 12% were neutral and 10% disagreed. The statement recorded a mean of 4.08 and a standard deviation of 0.961, indicating strong agreement that strategic sourcing contributes significantly to cost efficiency. Finally, on whether the procurement department negotiates competitively to ensure value for money, 22% of respondents strongly agreed and 50% agreed, while 12% were neutral, 14% disagreed, and 2% strongly disagreed. The item recorded a mean score of 3.76 and a standard deviation of 1.016, suggesting general agreement that competitive negotiation supports value for money, though some variability exists in respondents' experiences.

Overall, the findings demonstrate that the performance of the procurement function among supermarkets in Nakuru City is strong across key dimensions of timeliness, quality, and cost efficiency. These results are consistent with Ndung'u (2024), who identified timely deliveries, quality assurance, and value for money as core indicators of procurement performance in retail settings. Similarly, Magiri and Barasa (2024) emphasized that effective procurement practices enhance cost-effectiveness and quality outcomes in Kenyan supermarkets. In addition, Arasa and Achuora (2020) found that strategic sourcing and robust quality controls positively influence procurement outcomes by reducing costs and improving reliability. Collectively, these studies reinforce the conclusion that strong procurement performance enhances operational efficiency and competitiveness in the supermarket sector.

Diagnostic Tests

For the sake of justifying the use of the regression model, pre-estimation tests were carried out.

Normality Assumption Test

Table 5: Normality Assumption Test Results

Variable	Kolmogorov- Smirnov	Sig
Inventory Management Practice	.269	.081
Procurement Function	.328	.064

From the findings, the p-values for both variables were greater than the significance level of 0.05. This implies that the data were normally distributed and that the assumption of normality was met. This interpretation follows the standard rule for the Kolmogorov-Smirnov test (Field, 2013; Pallant, 2020).

Inferential Statistics

Under inferential statistics the study conducted both correlation and regression analysis. The findings are indicated in table 6.

Table Error! No text of specified style in document.**6 : Correlation Matrix**

		Inventory Management
Performance of Procurement Function	Pearson Correlation	.828**
	Sig. (2-tailed)	.000
	N	100

The results indicated that inventory management had a strong, positive, and statistically significant impact on performance of procurement function among supermarkets in Nakuru City ($r = 0.828$, $p = 0.000$). This implies that supermarkets employing effective inventory control, turnover monitoring, and stock accuracy tend to experience superior procurement efficiency and reduced disruptions. These results are consistent with Arasa and Achuora (2020), who concluded that strategic inventory management practices enhance supermarket performance through optimized stock levels and cost control. Likewise, Atemo and Kamaara (2024) observed that inventory strategies significantly improve procurement outcomes in Kenyan firms by minimizing discrepancies and supporting cash flow.

Regression Coefficients

Table 7: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.942	.312		3.018	.003
	Inventory Management	.640	.130	.442	4.937	.000

a. Dependent Variable: Performance of procurement function among supermarkets in Nakuru City.

The regression result demonstrated that inventory management was 0.640, with a significant value of p = 0.000. This indicates that a unit improvement in inventory management practices leads to a 0.640 increase in procurement performance. The positive and significant relationship implies that practices such as accurate stock billing, inventory turnover monitoring, and effective inventory control enhance procurement planning, reduce stock imbalances, and improve cost efficiency. These findings support those of Arasa and Achuora (2020), who found that strategic inventory management practices significantly improve procurement performance through better stock control and enhanced cash flow.

CONCLUSION

The study concludes that Iinventory management practice has a significant influence on performance of the procurement function among supermarkets in Nakuru City. This finding implies that supermarkets that maintain optimal inventory levels through accurate demand forecasting, proper stock control, and timely replenishment experience improved procurement efficiency. Effective inventory management minimizes the risks of stock-outs and overstocking, both of which have cost implications and affect customer satisfaction.

RECOMMENDATIONS

The study recommends that supermarkets should adopt effective inventory management systems to maintain optimal stock levels and support procurement decision-making. This includes implementing accurate demand forecasting methods, using automated inventory tracking systems, and applying inventory control techniques such as economic order quantity and reorder point models. Procurement staff should be trained to align purchasing decisions with real-time inventory data to avoid overstocking and stock-outs.

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