

Determinants of Procurement Performance Measurement Systems Usage in Supermarkets In Nakuru Town, Kenya

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ABSTRACT: There is need to use procurement performance measurement systems in retail stores. Therefore, the study examined the determinants of procurement performance measurement systems usage in supermarkets in Nakuru town. More specifically the study examined the Perceived Ease of Use on procurement performance measurement system usage. 49 questionnaires were administered among several supermarkets in Nakuru town. In this study, Technology Acceptance Model was used to study the determinants of procurement performance measurement systems usage. The researcher used Census design since the Target population was small hence whole population was included in the research. Presentation of the findings was analysed using SPSS computer application software. Data analysis was done using descriptive statistics which included means, standard deviation, frequencies and percentages while inferential statistics will by means of correlation and regression analysis. A multiple regression model was developed and was used to guide the study. The study established that Perceived ease of use was a significant determinant influencing the usage of procurement performance measurement systems. The researcher therefore recommended that the supermarkets managers should encourage their employees on measuring their performance because it enhances the overall output and also ensure transparency in each and every activity.

Keywords: Kenya, Perceived ease of use, Procurement, Supermarkets, System Usage,

I. INTRODUCTION

Businesses are under constant pressure to grow profitably in an increasingly competitive and rapidly changing business environment. According to [1], some of the factors putting pressure on organizations include growing retail power, industry consolidation, continuing downward pressure on price and globalization. Globalization and technology shifts require organization to reengineer their operations if they are to maintain competitiveness [2]. These dynamics of the market economy call for a shift in business focus to consumer responsiveness and innovative solutions that deliver value to the consumer profitably. To ensure customer satisfaction and customer loyalty, businesses have to work with their suppliers as well as the customers to ensure delivery of desired goods just in time [2].

Procurement encompasses the whole process of acquiring property and/or services. It begins when an agency has identified a need and decided on its procurement requirement. Procurement continues through the processes of risk assessment, seeking and evaluating alternative solutions, contract award, delivery of and payment for the property and/or services and, where relevant, the ongoing management of a contract and consideration of options related to the contract. Procurement also extends to the ultimate disposal of property at the end of its useful life [3]. According to Thai [4], the basic principles of good procurement practice include accountability, where effective mechanisms must be in place in order to enable procuring entities spend the limited resources carefully, knowing clearly that they are accountable to members of the public; competitive supply, which requires the procurement be carried out by competition 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.

Performance has been described as the degree of achievement of certain effort or undertaking. It relates to the prescribed goals or objectives which form the project parameters [5]. From project management perspective, it is all about meeting or exceeding stake holders' needs and expectations from a project.

It invariably involves placing consideration on three major project elements i.e. time, cost and quality (Project Management Institute, 2014). Performance measurement is a regular measurement of the results (outcomes) and efficiency of services or programs [6].

Regular measurements of a system's services and programs are important from an agency or municipality's manager's perspective because he or she is looking to measure progress towards managing for results; which is a customer oriented progress that focuses on maximizing benefits, and minimizing the negative consequences of service programs. Performance measurement is key in ensuring that an organization's strategy is successfully implemented. It is about monitoring an organization's effectiveness in fulfilling its own predetermined goals or stakeholder requirements. A business must perform well in terms of cost, quality, flexibility, value and other dimensions. A performance measurement system that enables a business to meet these demands successfully is essential. It helps ensure better informed and more effective decision making at both strategic and operational levels. Performance measurement has evolved from purely financial performance measures such as profit, cash flow or the return on capital employed. Today there is greater emphasis on non-financial and multi-dimensional performance measures to understand and manage the performance of the organization to achieve its goals.

Procurement performance refers to how well procurement objectives are attained [7]. The main procurement performance indicator is the extent to which the procurement function enables the organization to get best value for money spent on purchases and supplies [8]. While traditionally, costs were the major measure of procurement performance, measuring procurement performance currently requires paying attention to more variables [9]. Procurement performance measurement, in modern organizations, involves going beyond costs to consider quality, inventory, supplier relations, risk and customer satisfaction [10]. Value for money in the procurement procedures is determined by cost of procurement process, price of commodities, timeliness of procurement and quality of goods or services procured [11]. While cost is an important measure of procurement efficiency, least cost without delivering quality goods renders the procurement process ineffective [12].

Procurement Performance Measurement System is designed to make it possible to measure procurement performance, throughout the procurement cycle, allowing for tracking of progress over time. In this way, the system will enable the management to analyze performance related strengths and weaknesses throughout the procurement cycle (for example weaknesses related to procurement planning, bid evaluation, or contract management practices), to support such weaknesses through targeted capacity development interventions, and to report on progress to different stakeholders. Organizations which do not have performance means in their processes, procedures, and plans experience lower performance and higher customer dissatisfaction and employee turnover [13, 14]. Measuring the performance of the purchasing function yields benefits to organizations such as cost reduction, enhanced profitability, assured supplies, quality improvements and competitive advantage as was noted by [15].

The use of performance measurement systems is frequently recommended for facilitating strategy implementation and enhancing organizational performance [16]. Today, performance measurement comprises the use of financial as well as non-financial performance measures linked to the organization's business strategy. For instance, balanced scorecards (BSC) [17] and multi-criteria key performance indicators (KPI) can be considered performance measurement systems [18, 19].

The adoption of this type of system has increased steadily in the last two decades [20]. Organizations are under great pressure to deliver value not only to their shareholders but also to other stakeholders, and they believe performance measurement systems can help them in this task [21, 22]. This may explain why many businesses are investing heavily in the development and maintenance of performance measurement systems [23]. From a research point of view, we have some knowledge about why organizations adopt these systems [24, 25]. We are, however, less knowledgeable about their actual consequences [26]. Accounting, operations, and strategy researchers have examined the effects of performance measurement systems. Researchers have used an array of research methods, such as case study research [27, 28], survey research [29, 18, 30], quasi-experimental research [16, 31], and experimental research [32, 33, 34]. Researchers have focused on different levels of analysis. For instance, the work of [19, 35] focuses on how performance measurement systems affect the behavior and performance of individuals, whilst the work of [36] concentrates on how performance measurement systems affect team performance.

Researchers have also investigated the effects of performance measurement systems taking into consideration aspects such as their particular design, implementation, or use [37]. Nevertheless, there is still a lack of consensus on the actual consequences of performance measurement. Furthermore, to our knowledge, no integration study has been conducted to better understand the diverse effects of performance measurement systems as well as how these effects occur. Integrating our research knowledge in this area is important to progress the performance measurement field and to support evidence-based management initiatives [38].

The Retail Industry is one of the important sectors of any economy [39, 40, 41]. The Retail Industry sector, apart from contributing to the national GDP, facilitates acquisition of day-to-day consumables for both the corporate sector and individuals at the household level [8]. Retail chain stores gained prominence in the USA through the successes of chains like Wal-Mart and Tesco [39, 40, & 41].

Kenya has become, and continues to position itself as a business hub in Eastern Africa [42]. The country is an attractive destination for investors because it acts as a gateway into the regional market and is the largest economy in the East African region. Another factor that makes Kenya attractive to investors in the Retail Industry is a high population growth rate [43]. Since 1969, the population of Kenya has exponentially grown from 10.9 million to around 40 million people. What is exciting is that huge portions of the Kenyan population are joining the middle class wealth bracket [43]. According to the [43], 55% of Kenyans are of working age and are engaged in some income generating activity; whether at family level or commercially.

Due to such factors, the country has attracted huge investments in the Retail Industry. The capitalist path of development has made the Kenyan society very pro-Europe or western life styles. Coupled by high literacy levels and a very industrious people, urban centers in Kenya are a beehive of activities [42]. The growth of urban centers has signaled great potential for retail businesses. The liberal market economy has encouraged growth of the Kenyan Retail Industry.

Consequently, numerous foreign retail firms have set shop on Kenya [44]. Consequently, Nakuru is rated highly as a business centre due to its fast growing shopping malls, retail chains, and robust Retail Industry in general. Some retail chain stores, such as Nakumatt, Tusksys, Uchumi, and Naivas, are leading retail stores in East Africa [44]. The study further found that retail chain stores play an important role in the Kenyan economy. It is estimated that the Retail Industry in Kenya contributes about 18.5% of Kenya's GDP. Despite the role played in the economy, players in the Retail Industry face stiff competition. As [45] reported, supermarkets in Kenya contribute significantly to the economy. However, due to competition many supermarkets that are not managed properly have registered poor returns [45]. For instance, Uchumi supermarket has had to receive a government bailout in order to resume operations. However, the challenges bedeviling it seem far from being conclusively tackled. The study by [45] showed that procurement best practices significantly affected retail profits. For retail players to stay competitive, procurement practices are key [46].

The retail business worldwide has experienced phenomenal growth, with key destinations experiencing huge gains. However, different regions have experienced varied success rates. The key aspect here is differentiation on the various brands in the market. Differentiation spelt on choice and variety coupled with new innovation in the market. Retail industry has faced enormous transition and transformation as a result of stiff competition in the market. Due to customer choice and preference, globalization of markets, government policies and procedures, innovations among others, there has been radical changes in the retail industry. This has caused consistent and rapid market growth on consumer's diversity and choice and thus industry changes.

The retail industry has encountered phenomenal growth and transformation as a key element to enhance customer's tastes and preference. The consumers have become very sophisticated in terms of their needs and likeness. This aspects have led to retail industry sustained opportunities and consistent growth. Global trends influences the consumer's likeness and taste that has influence on the market demand in the supermarket leading to enormous growth. The increased population in towns has caused demand of goods and services causing a major transformation of the supermarket chains. Due to competition among the supermarkets to win the consumers and make their supermarkets a brand of choice, aspects of modernity in terms of elegance and comfort shopping experience coupled with suitable business location to ensure convenient shopping are driving forces that ensure competitiveness. The ease of shopper's convenience to access the shopping place is a critical aspect that determines the success of a supermarket. Supermarkets in Nakuru have faced stiff competition as each superstores endeavor to outsmart each other. The divergent consumers taste for the different brands and the consistent consumer disposable income has ensured considerable growth in the market. The supermarkets compete to win customer loyalty and reference to remain competitive.

The upcoming residential estates within Nakuru and increase of population in the town have led to mushrooming of supermarkets in the estates to ensure convenience to the shoppers. The use of performance measurement systems is recommended for facilitating strategy implementation and enhancing organizational performance, modernization and increased branches networks among the supermarkets which is the key to success in the market. Each supermarket strives to ensure a memorable shopping experience to their customers to win customers loyalty and consistent shopping visits.

II. STATEMENT OF THE PROBLEM

Retail chain stores play an important role in the Kenyan economy. It is estimated that the Retail Industry in Kenya contributes about 18.5% of Kenya's GDP. Despite the role played in the economy, players in the Retail Industry face stiff competition. Supermarkets in Kenya contribute significantly to the economy. However, due to competition many supermarkets that are not managed properly have registered poor returns[45]. For instance, Uchumi supermarket has had to receive a government bailout in order to resume operations. Most recently Nakumatt is almost liquidating with the total liquidating value of 5 billion being 7 times less than its outstanding debt of 35.1 billion has However, the challenges bedeviling it seem far from being conclusively tackled. Existing studies show that procurement best practices significantly affected retail profits. For retail players to

stay competitive, procurement practices are key [46] Procurement performance measurement systems are crucial in enhancing the performance of organizations. The procurement performance measurement systems have not been given the recognition it deserves in most companies, where else there is need to have procurement performance measurement systems in any successful company particularly in the retail industry. Local studies on the area of procurement have focused on the effect of procurement process in companies. The effect of procurement activities on the operation and effectiveness of public sectors in Kenya; however the studies did not focus on the area under study [47]. Jackinda (2011) did an investigation into the effectiveness of the procurement performance measurement systems of large manufacturing companies in Nairobi but did not address the determinants influencing the use of procurement performance measurement systems. However, there lacks conclusive studies in Kenya as majority of reviewed studies focus on other areas other than retail industry. This forms the research gap. It is for this research gap that the study sought to investigate the determinants of procurement performance measurement systems usage in supermarkets in Nakuru town.

III. RESEARCH OBJECTIVES

The general objective was to evaluate the determinants of procurement performance measurement systems usage in supermarkets in Nakuru town. More specifically the study determined the effect of perceived ease of use on procurement performance measurement systems usage.

IV. RESEARCH HYPOTHESIS

Ho₁: Perceived Ease of Use of procurement performance measurement systems does not have a significant relationship on procurement performance measurement systems usage in supermarkets in Nakuru town.

V. THEORETICAL REVIEW

Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM) [48] is a widely used model in systems field and presents an important theoretical contribution toward understanding Systems acceptance. The Technology Acceptance Model (TAM) introduced by [48] is an adaptation of the Theory of Reasoned Action (TRA) specifically tailored for modeling user acceptance of IS. TAM was developed to explain and predict computer usage behavior. Although several theoretical models have been proposed to describe the phenomenon of systems acceptance, TAM is increasingly recognized as a robust yet parsimonious conceptualization [49].

The goal of TAM is “to provide an explanation of the determinants of computer acceptance that is general, capable of explaining user behavior across a broad range of end-user computing technologies and user populations, while at the same time being both parsimonious and theoretically justified” [48]. It states that beliefs influence attitudes; which lead to intentions and to behaviors. There are two reasons for people to accept or reject technological systems. First, people tend to use or not use an application whether the technology will help the users performing their job better. Second, the people believe that the system is too hard to use and that the performance benefits of usage are outweighed by the effort of using the application [48].

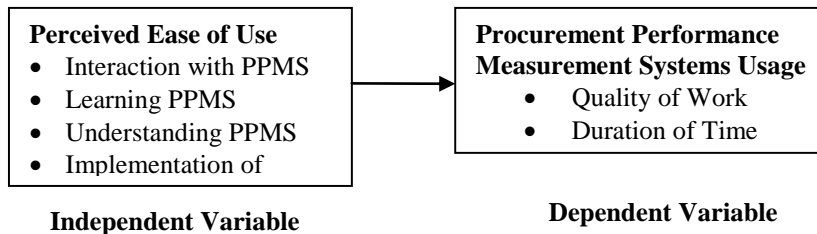
However, Technology Acceptance Model becomes popular because Technology Acceptance Model has been used by many information system researchers [50]. Perceived ease of use and perceived usefulness are important because they are the reasons of using technology systems. In perceived ease of use, the user will feel clear and understandable in using technology systems. Definition of perceived ease of use gives indication that a system will make users easy to operate and finish their job and the system is not designed to make the users difficult [48, 51]. Perceived ease of use in using procurement performance measurement systems indicates that the system is easy to be understood and operated. Consequently, the users will have intention to use the system regularly. Perceived usefulness is a belief that using performance measurement systems will enhance the job transparency or will help the users in doing their job. Perceived usefulness to the systems usefulness can be measured by several factors, there are: first by adopting the idea can increase users’ productivity, second is increasing job performance, transparency and third is increasing efficiency process of users [48, 51].

Someone will adopt performance measurement system, especially on procurement in this research if that system can give usefulness for their job and achievement. In the other words, the level of usefulness affects the behavioral intention of user. Both perceived usefulness and perceived ease of use are specific perceptions and are anchored to specific beliefs users hold about the system. In sum, it was found that TAM could successfully predict systems acceptance behavior under different technologies and different situations. Behavioral intention is defined as “the degree to which a person has formulated conscious plans to perform or not perform some specified future behavior [52].

In the application of information systems, the TAM has been successfully used by many researchers to predict behavioral intent towards the use of technology systems [53, 54]. In addition, it was found that TAM was a much simpler; easier to use and more powerful model of the determinant of user acceptance of performance

measurement systems than other models [55]. TAM has been used in the field of Information Systems (IS) since its development. In this study it will help to explain user acceptance of systems which will also shape user adoption of performance measurement systems.

VI. CONCEPTUAL FRAMEWORK



VII. PERCEIVED EASE OF USE

Perceived ease of use is defined as “the degree to which a person believes that using a particular system would be free of effort” [48]. Another component of Technology Acceptance Model (TAM) is Perceived Usefulness. According to [48] perceived usefulness is the extent to which a person believes that using a particular system will enhance his or her performance. In TAM Model, it explains the acceptance of technology system in performing tasks and identifies perceived ease of use and perceived usefulness as two key determinants that enhance the use of systems. It also posits a strong direct link between perceived ease of use and perceived usefulness. It is affirmed by [56, 48] where there indicates a significant relationship between perceived ease of use and perceived usefulness. Perceived ease of use and perceived usefulness are two key factors influencing the intended use of an information system, although the perceived ease of use often has an insignificant impact on the intended use of experienced users [48]. On the e-Procurement analysis, the users’ perceived ease of use level can be studied by conducting a study on the end users to know whether they perceive that using the system is free of effort [57]. This in turn will derive the attitude and behavior intention of a person towards using the system. However many researchers have studied the perceived usefulness more in terms of the individual rather than the organizational perspective.

Some of the studies on perceived usefulness and performance measurement systems adoption are in various industries like universities, food industry, health industry, banking, commerce, education sector and public library [58, 5]. TAM suggests that perceived ease of use is thought to influence the perceived usefulness of the performance measurement systems. The easier it is to use a technology, the greater the expected benefits from the systems with regard to performance enhancement. This relationship has also been validated in online technology context [60, 61, 62, 63, 64, 65]. Thus, there is a significant relationship between perceived ease of use and perceived usefulness.

VIII. PROCUREMENT PERFORMANCE MEASUREMENT

Procurement has been one function whose performance is crucial in the supply chain [66]. The council also recognizes performance measurement as one of the four key competences in the World class Logistics Model. Others are: positioning, integration and agility. According to findings of a study done by the same council, most managers of purchasing departments have no or little information about their own department’s performance. For a business or government to be successful, all its individual parts (departments, divisions or sections) must be successful. It is impossible for any manufacturing or business organization to achieve full potential without a successful procurement activity. In the long run, the success of a business enterprise or government depends on every bit as much on the purchasing executive as it does on the executives who administer the other functions of the business [67]. [68] links purchasing to management in general. That it consists of the activities of: planning, decision-making, control and feedback. Scheuing further argues that purchasing activities form a sequence that occurs in repetitive and cyclical manner.

The author names those activities as analysis, planning, implementation and control. Just like in the Demming’s Quality cycle, all these activities have some kind of control or feedback information, so that an analysis of previous decisions can be made and in the end, better decisions can be taken [69]. By measuring the performance of procurement, one can therefore be able to improve the conditions for better decision-making and most certainly, make better decisions. Procurement performance measurement could be having various definitions but the definition given by Lysons is quite satisfying. Lysons [70], defines it as: the qualitative or quantitative assessment of the degree to which the purchasing function and those employed therein achieve the general or specific objectives assigned to them.

IX. PROCUREMENT PERFORMANCE MEASURES AND SYSTEM

Systems and measures used to measure purchasing performance needs to be carefully selected and applied [71]. According to the researchers, it is a fallacy trying to oversimplify purchasing performance to some set standard of performance. In addition the researchers argue that in measuring purchasing performance, there is a dual job to be done- efficiency in departmental administration and efficiency in procurement. They further stress that most satisfactory measures are those in which the two phases are separately considered (efficiency and effectiveness). There is a vast difference between measuring efficiency and measuring effectiveness.

Efficiency is a measure of how much each unit of output costs whereas Effectiveness is a measure of the quality of that output [72]. [73] agrees with [71] that if procurement measures are to be any meaningful, they should border on procurement effectiveness and efficiency. He defines procurement effectiveness as the extent to which, by choosing a certain course of action, a previously established goal or standard is being met. Thus it refers to the relationship between actual and planned performance. He also defines procurement efficiency as the relationship between planned and actual sacrifices made in order to be able to realize a goal previously agreed upon. The performance measurement report on efficiency in purchasing and supply activities can be used for control to improve purchasing productivity and reduce costs in an organization. This is in agreement with the well-rehearsed adages such as "what gets measured gets done" and "you get what you measure". For this to be achieved therefore there must be put in place an appropriate performance measurement system which will ensure that actions are aligned to strategies and objectives [74] any organizations have spent considerable time and resources implementing balanced performance measurement systems. So therefore, what is exactly measured in procurement? There is no common approach as to how and what is measured in procurement and that the whole issue is muddled. There are of course single measurements, but they only cover fragments or pieces of the total procurement process and this is a great obstacle when it comes to improving the purchasing function (Chao et al, 1993).

Literature points out that measuring procurement performance has largely been cost based, hence applying traditional systems. For instance [70], details methods of evaluating purchasing performance as: accounting approaches, comparative approaches, the purchasing audit management approach and the management by objectives approach (pp. 393- 408). Further examination of Lysons text reveals that, he has given more weight on the accounting approach. Further analysis of his thought reveals that he has limited his work to the purchasing and not the entire procurement function.

This provides with little connectivity to the organization as a whole. [75] on his part has listed more than 38 quantifiable measures normally used to assess procurement performance. An examination of these measures also reveals that they are all financial based. [71] discusses how to measure purchasing performance with a focus on efficiency and effectiveness. In addition they argue that efficiency is measured against budgeted cost and defend this position by saying, "the end result of purchasing is product cost, and the measurement of purchasing performance can logically be based on that consideration (pp. 403). As regards effectiveness of purchasing, [71], consider the performance indicators as: cost savings, inventory performance, cost avoidance, supplier quality, supplier delivery management, and transportation management among others. All of these parameters are measured in terms of their contribution to purchasing cost or cost avoidance. This adds to the trend that the purchasing activity is traditionally measured.

Material cost savings generated from centralized and consolidated by activity; Material quality defect rate categorized by material and supplier; Documented improvements attributed to strategic supplier partnerships; Average supplier lead-time by major materials; Percentage of major suppliers certified to the buying firms standards; and Number of long term contracts in place along with the money volumes. However, according to [76], there are no universally accepted procurement performance measures. Each firm selects those that it believes are most useful for its assessment purposes, and develops its own managerial appraisal and control program. So the above list neither a panacea or exhaustive. The PMQ was developed to help managers identify the improvement needs of their organization, to determine the extent to which the existing performance measures support improvements and to establish an agenda for performance measurement improvements (Dixon et al, 1990). This measurement system consists of four parts. The first provides general data used to classify respondents. Part two assess the company's competitive priorities and performance measurement systems (improvement areas), part three focuses on performance factors (performance measures). The final part asks the respondents to provide performance measures that best evaluate their own performance and any other general comments.

X. RESEARCH METHODOLOGY

The study applied a descriptive research design. Descriptive research design is a type of design used to obtain information concerning the current status of the phenomena to describe "what exists" with respect to variables or conditions in a situation. The target population of this study was employees in procurement and inventory

management departments in supermarkets in Nakuru town. The study comprised of (49), purchasing clerks and stock control staffs. The study adopted a census technique therefore ruling out application of specific sampling technique. The researcher decided to use a census since the population of 49 is manageable and large enough, the study aimed to reach all the procurement managers, clerks, and stock control staffs, whereby all the 49 employees working in supermarkets were issued with questionnaires. Population Census is unique in that it provides the possibility of examining special population groups, and acquiring information on small geographic units. Census provides a true measure of the population since there is no sampling error and more detailed information about the study problem within the population is likely to be gathered. Primary data was collected through the administration of semi-structured questionnaires to the targeted employees of the supermarkets, reasons of using questionnaires is that they are fast to administer, they are relatively cheap and no prior arrangements are needed before posting. Secondary data was obtained from a review of key procurement systems publications and literature on the subject performance measurement of procurement system. The researcher administered the questionnaire individually to all respondents of the study. The study exercised care and control to ensure all questionnaires issued to the respondents are received and to achieve this, the study maintained a register of questionnaires, which were sent, and received. The questionnaires were administered using a drop and pick later method. Questionnaires were tested for validity and reliability. After the fieldwork was done, before analysis, all the questionnaires were adequately checked for reliability and verification. Editing, coding and tabulation were carried out. Descriptive statistics method was applied to analyze quantitative data where data was scored by calculating the frequencies and percentages. This was done using Statistical Package for Social Sciences (SPSS) computer software. SPSS is considered appropriate since it allows the researcher to follow clear set of quantitative data analysis procedures that leads to increased data validity and reliability and demonstrates the relationship between the research variables. SPSS also assisted in producing frequency tables for descriptive analysis.

XI. RESEARCH FINDINGS AND DISCUSSIONS

From the study, 49 questionnaires were administered to the staff at supermarkets in Nakuru town. Of the 49, 37 were successfully filled and returned and as such, they were considered as the sample with a response rate of 75 %.

Perceived ease of use

The research sought to find out the ease of use of the Procurement performance measurement systems by the staffs. The findings are as shown in the table 4.5

Table 4.5: Perceived ease of use

Statements	N	SA	A	N	D	SD	Mean	Std. deviation
PPMS is flexible to interact with	37	18	9	5	2	3	4.0	1.27
PPMS is easy to learn	37	13	10	8	4	2	3.89	1.10
PPMS is user friendly	37	11	15	6	2	3	3.78	1.18
PPMS can be easily understood	37	16	11	9	1	0	4.14	0.88
PPMS skill is not easily implemented.	37	5	8	11	13	0	3.14	1.06

The findings in table 4.5 provided evidence that Procurement performance measurement systems is flexible to interact with this was revealed by (M=4.0; SD= 1.27). (M=3.89; SD=1.10) indicated that Procurement performance measurement systems is easy to learn with a number of respondents disagreeing. Procurement performance measurement systems is user friendly as revealed by (M=3.78 and SD=1.18). Further the respondents concurred that Procurement performance measurement systems can be easily understood with (M=4.14; SD=0.88). In addition the researcher found out that Procurement performance measurement systems skill is not easily implemented with an average of (M=3.14; SD=1.06).

From the findings the ratings of Procurement performance measurement systems flexibility, learning ability, friendliness, understandability and skill implementation indicates that the supermarket had the capacity to use the systems.

Procurement Performance Measurement System

The study sought to establish the procurement performance measurement systems usage, the table 4.9 below shows the findings.

Table 4.9: PPMS Usage

Statements	N	SA	A	N	D	SD	Mean	Std deviation
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I spend a lot of my time using PPMS	37	17	5	7	2	0	3.88	1.03
Most of my responsibilities at work in PPMS	37	11	8	13	5	0	3.24	0.94
I use PPMS most often on an average day	37	12	13	8	2	2	4.17	0.76
I feel inefficient in my tasks without PPMS use	37	19	11	2	2	3	4.71	0.59

M=3.88; SD=1.031 Indicated that using PPMS was regularly practiced to enhance their work. Most of my responsibilities at work in PPMS as revealed by (M=3.24 and SD=0.94). Further the respondents concurred that they use PPMS most often on an average day (M=4.17;SD=0.76). In addition they averaged that they would feel inefficient in their tasks without PPMS use (M=4.71;SD=0.59). From the findings the ratings of use of PPMS enhances performance and its cost saving and speed in their operations leading to improved customer service.

Correlation Analysis

The questionnaire elicited responses that were in form of Likert scale. This enabled the researcher to transform the responses into a composite score of their means. The researcher established the Spearman's rho correlation coefficient to establishing the relationship between the dependent and independent variable. The findings from the analysis were presented in table 4.10

Table 4.10: Correlation Analysis

		procurement performance measurement systems	
1)			
Pearson Correlation	Perceived ease of use	Correlation Coefficient	.340*
		Sig. (2-tailed)	.040
		N	37

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

** Correlation is significant at the 0.01 level (2-tailed).

From the table 4.10 correlation analysis results $r=0.340$; $p=0.040$ (<0.05) imply statistically significant weak positive relationship between Perceived ease of use and procurement performance measurement systems in supermarkets in Nakuru town.

XII. CONCLUSIONS AND RECOMMENDATIONS

Based on the summary of findings, the study concluded that, the supermarket has derived interest towards the usage of the procurement performance measurement system thus enhanced performance. It was also concluded that, the employees of the supermarket have ensured usage of these systems in accordance to supermarkets goals. The study has confirmed that usage of procurement performance measurement system is very useful in enhancing the performance of supermarkets and thus supermarkets should use the systems in procurement activities if the benefits are to be realized. It is also evident ease of use of procurement performance measurement system has enabled supermarkets to implement procurement performance measurement systems than work on incentives to improve performance and encourage transparency. Other organizations should also be encouraged to use the same in order to provide faster and efficient services to their customers

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