
**EFFECTS OF STRATEGIC SUPPLIER PARTNERSHIP ON FIRM
PERFORMANCE IN THE ENERGY SECTOR: A CASE STUDY OF KENYA
PIPELINE COMPANY LIMITED**

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ABSTRACT

The purpose of the study was to determine the effect of strategic supplier partnership on firm performance in the energy sector. The study was limited to Kenya Pipeline Company Limited which is a key player in the energy sector in Kenya. The study adopted descriptive research design. The target population was 50 staff in the procurement department in Kenya Pipeline Company. Since the population was small; the study adopted a census study; thus all the 50 procurement staff formed the sample size for the study. The study collected primary data through a questionnaire. Both descriptive and inferential statistics were adopted for the study. Descriptive statistics included use of frequency distribution tables and measures of central tendency, measures of variability and measures of relative frequencies while inferential statistics included use of a regression model. Data was presented using tables, charts and graphs. The study found that SSP has improved communication and networking between the firm and suppliers, further they were neutral that SSP has led to computerization of all inventory management systems and improved supply chain innovations in KPC. The study further found that strategic supplier partnership has improved the time it takes for petroleum products to get to the market. In addition respondents agreed that strategic supplier partnership has improved the demand forecast by KPC. The study concludes that SSP has improved communication and networking between the firm and suppliers. The study also concludes that the organization had a joint inventory plan with their suppliers. Further strategic supplier partnership had not improved storage of petroleum products. The study recommends that Companies should emphasize greater attention to the continuous improvement of the strategic supplier partnership as well as management support in strategic supplier partnership programs.

Key Words: *Strategic Supplier Partnership, Collaborative Distribution, Firm Performance, Inventory Management, Product Design, Strategic Supplier Partnership, Technological Integration*