EFFECTS OF INFORMATION SHARING ON SUPPLY CHAIN PERFORMANCE OF MANUFACTURING FIRMS IN NAIROBI COUNTY, KENYA

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ABSTRACT

The accepting of supply chain performance (SCM) has become a necessary requirement for staying competitive in the universal race and for enhancing profitably. Of late, information sharing is attaining the attention of the researchers. This research, therefore, sought to establish the effects of information sharing on supply chain performance of manufacturing firms in Nairobi County, Kenya. The specific objectives of the research were to determine the effect of sales information sharing, order information sharing, sharing delivery information and customer and supplier firm relationships on supply chain performance in the manufacturing firms in Nairobi County, Kenya. A descriptive research design was adopted for the purpose of assessing the research's general intent. The research's target population constituted 463 Nairobi County based manufacturing firms. A sample of 100 firms was chosen using proportionate stratified random sampling. Primary data was collected using questionnaires which were administered through drop and pick later method. Data collected was analyzed using descriptive and inferential statistics. Statistical package for social sciences was used to aid in data analysis. The findings were presented using figures and tables. The research found out that sales information sharing, order information sharing, sharing delivery information and customer and supplier firm relationships affected supply chain performance in the Nairobi County, Kenya manufacturing firms to a great extent. The independent variables relationship with supply chain performance was positive from the regression analysis. The research established that information sharing enabled manufacturing firms establish market trades which enabled prior planning for on-time delivery and speed of response. Further deductions were that through sharing of order information, firms were kept updated with changes in purchase order and this facilitated the developments of highly precise and reliable order plan which results to reduction in costs of supply chain. The researcher recommends that the management of the manufacturing firms should put in place more sales information sharing procedures and technologies in order to beef up the sharing level. Finally, the researcher recommends that manufacturing firms without computer links with suppliers need to invest in them so as to improve the sharing of information.