

**THE EFFECT OF SUSTAINABLE PROCUREMENT ON ORGANIZATIONAL  
PERFORMANCE IN MANUFACTURING COMPANIES: A CASE STUDY OF NILE  
BREWERIES LIMITED**

**DORECK AMBASIZE**

**S21B12/113**

**A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT  
FOR THE REQUIREMENTS OF THE AWARD OF A DEGREE OF BACHELOR OF  
PROCUREMENT AND LOGISTICS MANAGEMENT OF UGANDA CHRISTIAN  
UNIVERSITY**

**September, 2024**



**UGANDA CHRISTIAN  
UNIVERSITY**

*A Centre of Excellence in the Heart of Africa*

## DECLARATION

I AMBASIZE DORECK declare that this dissertation is an original work and has not been presented to any institution before for any award of a degree.

Candidate:

AMBASIZE DORECK

*Ambasize Doreck*  
.....

Date

*11/09/2024*  
.....

## APPROVAL

This Research titled The Effect of Sustainable Procurement on Organizational Performance In Manufacturing Companies (A Case Study of Nile Breweries) has been submitted by Ambasize Doreck for examination with my approval and is ready for presentation to the School of Business for Award of Bachelors Degree in Procurement and Logistic Management of Uganda Christian University.

Signed .......... Date..........

Mr. Tumuhamy Duncan (Supervisor)

## **DEDICATION**

I highly dedicate this piece of work to my father, Mr. Kwesiga Geoffrey, my brothers, sisters and my friends for their moral and financial support towards achieving this goal. I also dedicate it to the Nile Breweries Company Ltd that enabled me achieve these statistics.

## ACKNOWLEDGMENT

Any project of this magnitude requires the assistance of many people. In preparing for this dissertation, I was again impressed with the thoughtful comments made by my colleagues on phone, at my hostel and while at the campus premises in the dissertation bank. I found myself in long distance, anonymous debate with several superb thinkers, especially about some of the paper's most important concepts. Their collective keen eye and questioning attitude sharpened each chapter to benefit both the writer and the reader.

The first person I would like to single out for having given me life, enabled me survive and study this far to this step of preparing my research is Mr. Kwesiga Geoffrey, my father. Thanks to this man go beyond his encouragement and for his great contribution to my studies. His urge for my education inspire me to deliver my best and adds a fresh dimension to my small life; I highly commend him for the great work he has done for me, my relatives and my friends.

Many thanks and gratitude go to those who have supported me financially and morally in the production of this paper. These include Mrs. Kirabo Jovia, my mother and Mr. Nampamya Seth, my brother, Mrs. Kamuziba Violet Kakazi on whose prayers I dearly survive. I dedicate this book to you along with the entire family and dear friends.

Finally, my last and largest acknowledgment to my supervisor, Mr. Tumuhamy Duncan whose professionalism, expertise and tolerance has enhanced the process and the product of this research. Thank you so much sir.

## TABLE OF CONTENTS

DECLARATION .....	i
APPROVAL .....	ii
DEDICATION .....	iii
ACKNOWLEDGMENT.....	iv
TABLE OF CONTENTS.....	v
Abstract.....	viii
CHAPTER ONE .....	1
1.0 Introduction.....	1
1.1 Background of the Study.....	1
1.2 Problem statement.....	2
1.3 Purpose of the study .....	3
1.4 Objectives of the study.....	3
1.5 Research questions.....	3
1.6 Scope of the study .....	4
1.6.1 Content scope.....	4
1.6.2 Geographical scope .....	4
1.6.3 Time scale .....	4
1.7 Conceptual framework.....	4
1.8 Significance of the study.....	5
CHAPTER TWO .....	6
LITERATURE REVIEW .....	6
2.0 Introduction.....	6
2.1 Definitions and concepts of key variables .....	7
2.1.1 Sustainable procurement .....	7
2.1.2 Organizational Performance .....	8
2.2 Sustainability procurement practice of firm.....	8
2.3 Effects of sustainable procurement practice on organizational performance.....	11
2.4 Challenges and opportunities associated with the implementation of sustainable.....	13
2.5 Summary and literature gap .....	16
CHAPTER THREE .....	18

RESEARCH METHODOLOGY.....	18
3.0 Introduction.....	18
3.1 Research Design.....	18
3.2 Scope of the study.....	19
3.3 Population of the study.....	19
Table 1: Target Population, Size and Selection.....	20
3.5 Sampling techniques and methods.....	20
3.6 Sources of data.....	21
3.7 Data collection methods.....	21
3.7.2 Interviews.....	21
3.8 Data collection instruments.....	22
3.8.1 Questionnaires.....	22
3.8.2 Interview guide.....	22
3.9 Procedure for data collection.....	23
3.10 Validity and reliability of the research instruments.....	23
3.10.1 Validity.....	23
3.10.2 Reliability.....	23
3.11 Data Analysis.....	24
3.11.1 Analysis of quantitative data.....	24
3.11.2 Qualitative data analysis.....	24
3.12 Ethical Considerations.....	24
3.13 Anticipated limitations and delimitations of the study.....	25
CHAPTER FOUR.....	26
DATA ANALYSIS, PRESENTATION AND INTERPRETATION.....	26
4.0 Introduction.....	26
4.1 Response rate.....	26
4.2 Demographic characteristics of respondents.....	26
4.2.1 Findings on gender distribution.....	27
Table 2: Gender.....	27
4.2.2 Findings on the age of the respondents.....	27
Table 3: Age.....	27
4.2.3 Finding on the education level of the respondents.....	28

Table 4: Level of education .....	28
4.2.4 Department respondents belong to.....	28
Table 5: Department .....	28
4.2.5 Period spent working with Nile Breweries Limited.....	29
Table 6: Period spent working with Nile Breweries Limited.....	29
4.3 The specific sustainable procurement practices implemented by NBL .....	29
Table 7: The specific sustainable procurement practices implemented by NBL.....	29
4.3.1 Sustainable procurement practices implemented by Nile Breweries Limited .....	31
4.4 The extent to which these sustainable procurement practices have influenced the overall .....	33
Table 8:Extent to which these sustainable procurement practices have influenced the.....	33
4.4.1 Impact of sustainable procurement on NBL's financial performance .....	35
4.5 Challenges and opportunities associated with implementing sustainable procurement.....	36
Table 9:Challenges associated with implementing sustainable procurement practices for .....	37
Table 10: Opportunities associated with implementing sustainable procurement practices.....	39
4.5.1 Challenges and opportunities of implementing sustainable procurement at NBL.....	41
CHAPTER FIVE .....	43
DISCUSSION, SUMMARY, CONCLUSION AND RECOMMENDATIONS.....	43
5.0 Introduction.....	43
5.1 Discussion of findings.....	43
5.1.1 The specific sustainable procurement practices implemented by NBL .....	43
5.1.2 <i>To what extent have these sustainable procurement practices influenced the overall .....</i>	44
5.1.3 <i>Challenges and opportunities associated with implementing sustainable procurement .....</i>	45
5.2 Summary of findings.....	47
5.3 Conclusions.....	48
5.4 Recommendations.....	48
5.5 Areas for Further Research .....	49
REFERENCES .....	51
QUESTIONNAIRE .....	53

## **Abstract**

The study sought to examine the effects of sustainable procurement on organizational performance in manufacturing companies; a case study of Nile Breweries Limited. The study was guided by three objectives: identifying the specific sustainable procurement practices implemented by Nile Breweries Limited, assessing the extent to which these sustainable procurement practices have influenced the overall organizational performance and establishing the challenges and opportunities associated with implementing sustainable procurement practices for better organizational performance at Nile Breweries Limited.

The study was carried out using cross-sectional research design where both quantitative and qualitative research approaches were utilized. Questionnaires were used to collect data from a sample of 108 respondents although 92 of them responded, whereas interviews were conducted with the key informants who are top management of Nile Breweries Limited.

The findings revealed that Nile Breweries Limited's commitment to sustainable procurement practices has significantly advanced its environmental responsibility and financial performance. The company's proactive approach in sourcing eco-friendly materials, integrating sustainability criteria, and employing lifecycle assessments demonstrates a robust dedication to reducing its environmental impact. This commitment has yielded notable financial benefits through cost savings, enhanced brand image, and increased market share, despite challenges such as high initial costs and limited supplier options. By effectively addressing these challenges and leveraging opportunities for competitive advantage, strategic partnerships, and improved efficiency, Nile Breweries is well-positioned to strengthen its market presence and achieve long-term sustainability goals.

Finally, the study recommended the need for Nile Breweries Limited to enhance its investment in sustainable procurement technologies and practices. The study also recommended the need for Nile Breweries Limited to foster stronger partnerships with suppliers who demonstrate a commitment to sustainability. Lastly, the study recommended the need for Nile Breweries Limited to implement comprehensive training programs for both staff and suppliers on sustainable procurement practices.

# CHAPTER ONE

## 1.0 Introduction

This study was about the “effects of sustainable procurement on organizational performance in manufacturing companies; a case study of Nile Breweries Limited.” This chapter presents the background of the study, statement of the problem, purpose of the study, objectives of the study, research questions, scope of the study and significant of the study.

## 1.1 Background of the Study

SP had significant impacts on the organizational performance for manufacturing companies since it encompasses environmental, social, and economic factors in the procurement process. This practice was, therefore, paramount for improving the psycho-social well-being of the patients since in most cases, sustainable procurement involves purchasing environment-friendly products, which are important in enhancing healthy living standards. This helps in diminishing the environmental footprint when organizations promote the use of sustainable materials, which in turn has a positive bearing on the general well-being of the people whom they are serving. This will not only minimize the possibility of air and water pollution and solid waste but also will develop a sense of responsibility and well-being among employees and stakeholders.

Moreover, sustainable procurement practices improved patients' psychosocial well-being since procured products and services are safe, sustainable, and health-conducive. For example, it has been established that in the health sector, the procurement of sustainable medical supplies reduced the risk of exposing patients to harmful chemicals and materials and improved safety and well-being (Isnaini et al., 2020). Moreover, sustainable procurement-focused organizations would invest in effective and innovative processes that lead to improved health outcomes of patients and communities accordingly. In this perspective, it is of greater importance that procurement is considered holistically for interlinking between environmental sustainability and psychosocial well-being to be taken into account. Globally, the importance of sustainable procurement had been realized on each of the three continents: the USA, Europe, and Asia. In the USA, companies incorporate sustainable procurement in their operations to have competitive advantages and also be at par with regulatory requirements. In countries in Europe, like Denmark and Germany, the strong policies in place have helped enable green procurement practices, greatly improving organizational performance along with environmental sustainability. For example, in Asia,

countries like India and China have embraced sustainable procurement in order to meet environmental challenges and enhance corporate social responsibility. Global efforts such as these by Sahoo&Vijayvargy, 2021; Khan et al., 2023, serve to illustrate just how central sustainable procurement has become to organizational success and environmental stewardship. Hashmi, 2023.

Attention was being given to sustainable procurement in Africa, especially in sub-Saharan Africa, as countries such as Nigeria, Kenya, and Ghana were making headways in this area. In Nigeria, the construction industry experiences barriers that make the application of the process of sustainable procurement a problem, but efforts are going on with policy reforms and capacity building in overcoming those barriers. For example, in Kenya, there has been great organizational performance, especially by those county governments that have embraced sustainable procurement practices. Similarly, Ghana was practicing green procurement for better environmental sustainability and improvement in organizational performance. All these cases show that sustainable procurement has become of utmost significance in driving more good outcomes in the region.

For instance, companies in Uganda were increasingly considering the relevance of sustainable procurement. This is most relevant in the case of manufacturing companies such as Nile Breweries Limited, as documented by Nabukenya et al. (2022). Nile Breweries was one of the companies in the lead in adopting sustainable procurement to advance its organizational performance and ensure environmental sustainability, as observed by Sendawula et al. (2021). The commitment of the company to sustainability was reflected in purchases of eco-friendly materials and further investment in green technologies, as highlighted by Hamiza et al. (2024). Through sustainable procurement, Nile Breweries had improved the conditions of their own employees and also that of the community at large through not only operational efficiency but to a greater extent. This case study underpins the capability of sustainable procurement in driving organizational success and creating a sustainable future for Uganda. Abwang, 2024.

## **1.2 Problem statement**

Companies dealing in manufacturing, such as Nile Breweries Limited, should have achieved better organizational performance characterized by minimum costs, competitive markets, and high

profitability levels. Nonetheless, Nile Breweries has faced great challenges in its performance as a whole, expressed through the fact that production costs have increased by 12% over the last two years, while market share has dropped from 40% to 28%, and profitability has declined by 18% (Nabukenya et al., 2022; Anaba et al., 2024). All that would be attributed to the inefficient procurement practices that did not consider sustainability at all, leading to high costs, loss of competitiveness, and low profit margins .If problems persisted, this will lead to the further decline of Nile Breweries financially and reduced market presence . Whereas the works of previous studies-for instance, scholars like Hashmi (2023) and Ogunsanya et al. (2022)-were to test how sustainability in procurement contributes to organizational performance, they did not cover (with sufficient detail) the impact of sustainability in procurement on cost reduction, market competitiveness, and profitability in a Nile Breweries context. Thus, this study will form a basis for this.

### **1.3 Purpose of the study**

The purpose of the study was to examine the effects of sustainable procurement on organizational performance in manufacturing companies; a case study of Nile Breweries Limited.

### **1.4 Objectives of the study**

- i. To identify the specific sustainable procurement practices implemented by Nile Breweries Limited.
- ii. To assess the extent to which these sustainable procurement practices have influenced the overall organizational performance of Nile Breweries Limited.
- iii. To establish the challenges and opportunities associated with implementing sustainable procurement practices for better organizational performance at Nile Breweries Limited.

### **1.5 Research questions**

- i. What are the specific sustainable procurement practices implemented by Nile Breweries Limited?
- ii. What is the impact of sustainable procurement practices on the overall organizational performance of Nile Breweries Limited?

- iii. What are the challenges and opportunities associated with implementing sustainable procurement practices for better organizational performance at Nile Breweries Limited?

### 1.6 Scope of the study

The scope of the study was to cover three dimensions that is; content, geographical and time and these are discussed in detail below.

#### 1.6.1 Content scope

This study was supposed to specifically focus on the identification of specific sustainable procurement practices implemented at Nile Breweries Limited, assess the extent to which sustainable procurement practices had influenced the overall organizational performance, and establish challenges and opportunities associated with the implementation of sustainable procurement practices for better organizational performance at Nile Breweries Limited.

#### 1.6.2 Geographical scope

The research was geographically conducted at Nile Breweries Limited, situated at Njeru in Buikwe district. This case organization is considered because of its large size and influence in the Ugandan brewing industry, hence creating a rich case context for exploring the impacts of sustainable procurement.

#### 1.6.3 Time scale

The study was to focus on scholarly material from the period 2019 to 2024. It was also carried out for a period of two months from July to August, 2024.

### 1.7 Conceptual framework

**Figure 1: Conceptual Framework**

#### Independent variable

##### **Sustainable Procurement Practices**

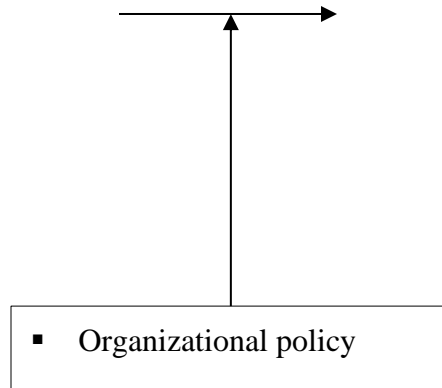
- Green Purchasing
- Eco-friendly Materials
- Supplier Evaluation
- Waste Reduction

#### Dependent variable

##### **Organizational Performance**

- Cost reduction
- Operational efficiency
- Market competitiveness
- Profitability levels

### Moderating variables



**Source:** *Adopted from, Muema (2021) and modified by the researcher (2024)*

This conceptual framework established how sustainable procurement practices, such as green purchasing, eco-friendly materials, supplier evaluation, waste reduction, and sustainable logistics would impact organizational performance that was measured by cost reduction, operational efficiency, market competitiveness, profitability levels, and customer satisfaction. In this regard, the relationship was to be moderated by organizational policy in influencing how the sustainable procurement practices impact overall organizational performance.

### 1.8 Significance of the study

The study has been helpful to the management of Nile Breweries Limited and other companies, since they have got an insight on how best to enforce the sustainable procurement put in place in the bid to improve on organizational performance.

The importance of this study to the policy makers, especially the government agencies like NEMA, cannot be overemphasized on how best they can enforce procurement practices in a sustainable manner so as to ensure the environment is well protected from the various companies, especially manufacturing companies.

This study would be of interest to academicians and future researchers who intend to conduct other studies related to this because it added to their knowledge on sustainable procurement and its impact on organizational performance. In addition, public and private institutions especially public

universities benefited from this study since it provided the said institutions with facts on how to effectively implement sustainable procurement in order to improve organizational performance.

Above all, it was also helpful for the researcher to acquire a bachelor's degree in procurement and logistics management at Uganda Christian University, since this is part of the requirements for the stated degree.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter reviews the scholarly materials put forward by several personalities on the effects of sustainable procurement on organizational performance in manufacturing companies as well as critically analyzing the deviations in the explanations to find out the research gap in the study variables. Literature will be reviewed objectively by starting with definition of a concept followed

by reviewing of objectives. Sources like journals and books related to the topic under study will be used.

## **2.1 Definitions and concepts of key variables**

### **2.1.1 Sustainable procurement**

It is believed that sustainable procurement is a significant part of modern supply chain management, increasingly recognized for its role in the attainment of environmental, social, and economic benefits. According to Sahoo&Vijayvargy, 2021, sustainable procurement is the buying of goods and services that have minimal impacts on the environment, with the assurance that the value chain is aligned to green practices. This definition underlines the incorporation of sustainability into procurement decisions, whereby an organization plans to balance economic objectives with environmental stewardship. Further, Khan et al. express that such sustainable procurement practices go beyond mere environmental considerations to include social issues related to labor conditions and ethical sourcing, thus expanding the scope of the concept in supply chain management even more.

The other aspect that is going to be developed deals with organizational performance in the light of how many businesses have, in fact, improved on operational efficiencies and reputations as a result of adopting sustainable procurement initiatives. In respect to this, Hashmi (2023) indicated that the accrued benefits of sustainable procurement could enhance the competitive advantage for any corporation through the innovation of green capabilities and cost reduction by effective utilization of resources. This is supported by Kannan (2021), who opines that the drivers of sustainable procurement, like stakeholder pressure and the urge for regulatory compliance, lie critically at the heart of rendering supply chains resilient to cope with ever-evolving environmental regulations. Indeed, as more organizations recognize the benefits that can be accrued in the long term, sustainable procurement is not an ethical choice but a business strategic imperative for their success.

Further, the concept of sustainable procurement is pretty dynamic because it changes with every step of development that occurs in technology and global trends for sustainability. According to the arguments of Bag et al. (2020), digital technologies like blockchain and IoT would help in improving the existing procurements in terms of their transparency and traceability for the development of sustainability. This view is further iterated by Anaba et al. (2024), who assert that

innovation plays a major role in solving challenges or problems relating to sustainable procurement, more so in complex sectors like oil and gas. Companies must proceed with innovation and technological strategies and practices if they have to drive sustainability at all levels of the supply chain continuously.

### **2.1.2 Organizational Performance**

Organizational performance is another critical indicator to measure the performance of any firm. This metric includes the key dimensions of financial health, operational efficiency, strategic objectives attained, and more recently the quality of life or work-life balance, among others (Kannan, 2021). According to Muema (2021), the organization's performance reflects its capability in executing such objectives, which in many companies focuses on maximizing profit, as well as expanding market shares and consumer satisfaction. The performance in this regard is not only measured in finance but by the capacity of the organization for innovating and adapting to the changing market conditions, as evidenced by Etse et al. (2022).

Organizational performance has moved beyond the conventional dimension to incorporate sustainability and social responsibility dimensions. For instance, Isnaini et al. (2020) argue that organizational performance should also be measured based on how an organization fits in sustainable practices into its operations. This would not only include environmental impact but also ethical standards that need to be maintained and contributions to social welfare, which in recent times have become important as being relevant to long-term success. Embedding sustainability into the metrics of organizational performance is seen as key to obtaining a competitive edge in today's global market.

Furthermore, the strategic use of technology and innovation significantly influences effective organizational performance. Digitalization of procurement and data analytics use have been identified by Hallikas et al. (2021) to enhance supply chain performance, hence good organizational performance. Such use of technology not only aligns processes but also offers an avenue that is systematic for decision-making and management of resources, thus the improved performance measures.

### **2.2 Sustainability procurement practice of firm**

Green purchasing: Khan et al. (2023) researched the role that green purchasing plays in attaining environmental sustainability and enhancing the performance of a firm. They estimated that the

introduction of green purchasing practices, like eco-friendly product and supplier selection, would have a huge contribution towards the triple bottom line comprising the environmental, social and economic dimensions of sustainability. Green purchasing was found to decrease environmental impact and improve financial performance by combining with the preference of consumers and regulatory requirements. Furthermore, Kannan, 2021 showed that sustainable procurement drivers such as green purchasing are crucial in the context of sustainability for extended multi-tier supply chains.

Reverse logistics-Hashmi, 2023 analyzed the impact of reverse logistics within green supply chain practices. It has also been identified that reverse logistics, in the aspect of returning, recycling, and disposing of products, has greatly contributed to sustainability due to the fact that such activities reduce waste generation as well as encourage resource recovery. Efficient operations of reverse logistics decrease negative impact on the natural environment by increasing efficiency of resources use. Complementing this, Sahoo&Vijayvargy (2021) established that the integration of reverse logistics into supply chain management supports environmental goals and enhances the general organizational performance by improving waste management and recycling processes, hence creating a greener procurement framework.

Technology integration: The work of Han &Huo (2020) looked at the integration of advanced technologies, like blockchain and IoT, in the field of sustainable procurement in order to enhance the supply chain's sustainability. They also discovered that integration of technology enhances transparency, traceability, and efficiency in all procurement processes supporting sustainability through the reduction of environmental impacts and optimization of resource utilization. In addition, Bag et al. (2020) explored how Procurement 4.0-a range of digital technologies that could enable sustainable procurement-affects sustainability performance and operational performance. They found that technology advancements, including analytics and automation, enhance procurement process management, with such enhancement leading to improved sustainability performance and operational performance.

Regulatory Compliance: Etse et al. (2022) examined regulatory frameworks in relation to how such frameworks would influence sustainable procurement practices. They have identified that regulatory compliance actually compels organizations to realize comprehensive and effective initiatives on sustainable procurement practices, leading to enhanced environmental performance

and organizational outcomes. Regulations still are one of the huge drivers for procurement strategy; they set critical boundaries for environmental standards and encourage better sourcing practices. Junaid et al., 2022 also noted that the pressures and incentives from regulatory bodies significantly influence a firm to integrate sustainability into the supply chains. Their findings from studies showed that compliance with environmental regulations leads to green innovation of firms and overall better performance.

Engagement of suppliers: Afum et al., 2020 studied the involvement of suppliers in sustainability procurement practices. The findings revealed that the involvement of suppliers in the sustainability practice is essential for overall sustainability goals. In this process, persuading the suppliers to follow environmental standards and practices by collaboration and communication is quite effective. This ultimately improves the operational performance of an organization and strengthens its market position. Additionally, Kannan (2021) "stated that effective engagement with suppliers in multi-tier supply chains was one of the key elements that make a sustainable procurement practice successful. Engaging suppliers ensures that there is a correlation between procurement activities and sustainability objectives and that all environmental considerations are factored into the whole supply chain.

Environment Impact Assessment: Lăzăroiu et al. (2020) discussed the establishment of environmental impact assessments in green public procurement. The authors concluded that conducting full-scale environmental impact assessments lets organizations reach informed procurement decisions that ensure less negative environmental impact. This practice contributes towards better sustainability outcomes by ensuring that procurement decisions consider the environmental impact of products and services. In the same line of argument, Al-Awamleh et al. (2022) also showed that environment assessment practice inclusion in the procurement process enhances the sustainability of an entity because of a focus on the selection of a product on the basis of its environmental responsiveness and supplying companies responding to such concerns effectively. Their work pointed out the role of environmental impact assessments within the context of longer-term sustainability objectives.

Integration of the circular economy: Bag et al. (2020) researched the integration of a circular economy within sustainable procurement practice. They found that the adoption of circular economy practices, including designing for recyclability and waste reduction, results in a

significant improvement in sustainability performance. Integration of the circular economy encourages resource efficiency and reduced environmental impact due to the extension of the product or material lifecycle. Complementing this, Rane&Thakker (2020) investigated how the integration of blockchain and IoT technologies into circular economy models supports sustainable procurement. Their research showed that circular economic practices integrated into advanced technologies provide better resource management and improvement in sustainability performance.

Training and awareness: Sendawula et al. (2021) researched the impact of training and awareness programs on sustainable procurement practices among SMEs in Uganda. They observe that training on environmental sustainability and procurement practices significantly promotes effectiveness and efficiency in the implementation of sustainable procurement strategies. Training allows organizations to appreciate the relevance of sustainable practices and empowers them with the ability and expertise in the adoption of the same. To add weight, Muema (2021) reiterated that training and capacity-building programs are core elements in promoting effectiveness in the implementation of sustainable procurement practices among public sector organizations.

### **2.3 Effects of sustainable procurement practice on organizational performance**

Sahoo&Vijayvargy (2021) studied the impact of green supply chain management practices, including sustainable procurement, on organizational performance for Indian manufacturers. Their study proved that green supply chain practices, like green procurement, when adopted raised organizational performance with improved environmental and operational efficiencies. Accordingly, the findings showed that green procurement practice was positively related to increased resource efficiency with reduced environmental impact; this in turn enhances overall business performance. In this regard, Khan et al. (2023) also analyzed green capabilities, green buying, and triple bottom line performance. Their findings underlined that not only environmental sustainability but also economic and social dimensions are supported by green purchasing practices, which ensure better organizational performance and competitive advantage.

Hashmi (2023) researched the impacts of green purchasing and reverse logistics on business performance. This research reported that reverse logistics integrated into green purchasing increase the total efficiency of supply chains, minimize wastes, and enhance business performance. Complementing this, Han &Huo (2020) analyzed the impact of integrating green supply chain and reverse logistics on sustainability performance. The findings revealed that proper integration of

green supply chain practices, such as reverse logistics, enhances the sustainability performance considerably through improved resource utilization with reduced negative environmental impacts.

Kannan (2021) focuses on the drivers of sustainable procurement in multi-tier supply chains and further organizational performance consequences. Kannan's study proved that integrating green purchasing and the engagement of suppliers through better procurement performance are achieved because procurement activities are aligned with sustainability objectives along the supply chain. Better alignment leads to improved efficiency of operations and increased sustainability performance. Other research by Isnaini et al., in 2020, focused on the moderating effects of supply chain dynamic capabilities between sustainable supply chain management practices and organizational performance. Their results showed that sustainable procurement practices, which are enabled by dynamic capabilities, have a positive impact on organizational performance as it enhances adaptability and efficiency in the procurement process. (Bag et al., 2020) Analyzed the implications of Procurement 4.0 and how that influences business process performance in a circular economic context. The results indicated that the integration of blockchain and IoT in sustainable procurement contributed to better performance of supply chains and furthers the circular economic cause. Thereby, an organization could achieve better environmental and operational outcomes by enhanced transparency and efficiency. On the other side, Rane&Thakker (2020) illustrated a green procurement process model under blockchain and IoT integration. This technological approach, their study found, significantly enhances procurement performance by fostering sustainability and decreasing environmental impacts due to better resource management.

Lăzăroiu et al. (2020) investigated the role of environmentally responsible behavior and the adoption of sustainability policy in the arena of green public procurement. Their study revealed that the adoption of full-fledged sustainability policies in procurement practices ensures improved environmental performance and increased organizational performance. This is considered quite important for the achievement of goals related to long-term sustainability and performance improvement. Complementing this, Etse et al. (2022) have studied how regulatory frameworks affect sustainable procurement practices. Their study highlighted the fact that regulatory compliance affects an organization's tendency to implement effective sustainable procurement practices for enhanced organizational performance through environmental standards imposed and responsible sourcing being promoted.

Afum et al. (2020) analyzed the inter-relationships between green manufacturing, operational competitiveness, and dimensions of sustainable performance. In this respect, the authors noted that green procurement, including the selection of eco-friendly suppliers, is positively related to enhanced operational competitiveness and improvement in overall performances concerning resource efficiency and firm reputation. Other works, such as Ogunsanya et al. (2022), have analyzed the barriers to sustainable procurement for the Nigerian construction industry. Their findings brought out that overcoming some of these identified barriers through the provision of appropriate sustainable procurement practices could yield better organizational performances through overcoming environmental challenges and improving supply chain efficiency.

Sendawula et al. (2021) assessed the environmental commitment and sustainability practices in small and medium enterprises in Uganda, specifically the effect brought about by sustainable procurement on the performance of organizations. The study established that environmental commitment, embedding sustainable procurement practices, has a positive impact on organizational performance by significantly improving both environmental and operational efficiency. In another similar vein, Muema (2021) examined the impact of sustainable procurement practices on county governments' performance in Kenya. Such a study revealed that results from the adoption of sustainable procurement practices enhance organizational performance by re-aligning procurement activities to sustainability objectives and by smoothening overall efficiency.

#### **2.4 Challenges and opportunities associated with the implementation of sustainable procurement practices for better organizational performance**

Organizational culture and resistance to change: Hashmi (2023) discussed challenges to the adoption of green procurement practices. Among the major issues identified in this regard is resistance to change within an organization. More often than not, such opposition to change emanates from the organizational culture, which supports short-term benefits rather than the long-term cause of sustainability. Similarly, Ogunsanya et al. (2022) have cited the cultural barriers as a major challenge in the Nigerian construction industry. They established that conventional procurement practices and lack of awareness of the advantages of sustainable procurement resulted in low adoption rates. From this, it would appear that resistance to change culturally requires changes to organizational values and increased awareness of the strategic benefits of sustainability.

Shortage of skilled personnel and expertise: In this regard, Sahoo&Vijayvargy (2021) indicated that the shortage of skilled personnel stands out as one of the big barriers to the implementation of green supply chain management practices. To this respect, it is reported that inadequacy with regards to expertise in sustainable procurement leads to suboptimal implementation and reduced performance of the organization. Al-Awamleh et al. (2022) similarly noted that the pharmaceutical industry lacks competent professionals to manage green supply chain practices; such skilled gaps remain an impediment to amplifying the benefits of sustainable procurement. Junaid et al. (2022) have argued that increasing investment in training and development could reduce the skill gap and enhance organizational performance. The study argued that increasing employees' green procurement knowledge and skills can contribute to more effective implementation and an overall better outcome.

High initial costs and financial constraints: Khan et al. (2023) discovered that the high initial costs pertaining to implementing green procurement practices are a major drawback. Most organizations face financial constraints that make it difficult for them to invest in sustainable technologies and processes. Anaba et al. (2024) also cited how the oil and gas industry is obstructed by the financial cost of the switch into sustainability in procurement, making organizations shy away from investing in such initiatives. On the other hand, in disagreement, Etse et al. (2022) stated that though there are high costs initially, in the long run, the financial gains of sustainability in procurement include reduced operations costs and better efficiency, resulting from such investments. The study showed that strategic investment in the development of financial planning for sustainable technologies can save much cost in the long run.

Complexity in Supply Chain Management: In the study of Bag et al. 2020, business process performance implication of procurement 4.0 was examined. In this study, it was learned that one of the most important challenges is how to manage multi-tier supply chains. In addition, the study stated that complex supply chains need sophisticated management systems and tools for the purpose of integrating sustainable procurement practices into their operations. Thus, Rane&Thakker, 2020 echoed the challenges of green procurement process adoptions within a supply chain where many stakeholders are at play and the practices may well vary. On the other hand, Han and Huo 2020, feel that the complexity of supply chains opens all avenues for

innovation. Advanced technologies and data analytics were identified as helping in smoothing the supply chain processes and further leading to enhancement in sustainability performances.

**Limited supplier engagement and cooperation:** According to Sendawula et al. (2021), one of the challenges is a limited engagement of suppliers in sustainable procurement practices. This study showed that numerous suppliers are unwilling or unable to apply green practices because this affects the overall contribution of the sustainability procurement initiatives. On the other hand, Lăzăroiu et al. (2020) indicated that the partial cooperation of suppliers in implementing the sustainability policy affects the success of green procurement in public sectors. Conversely, Junaid et al., 2022 argued that developing closer relationships with suppliers is likely to improve sustainability performance, emphasizing the cooperation and communication of suppliers for the complete accomplishment of sustainable practice in the chain.

**Regulatory and compliance issues:** In relation to regulation and its impact on sustainable procurement, Etse et al. 2022 identified one of the key challenges as regulatory compliance. For instance, the study found that complex and varying regulations from the differing regions can make the implementation of sustainable procurement practice very complicated. This is supported by Anaba et al. (2024), who have noted that inconsistent regulatory frameworks in the oil and gas industry create a barrier to effective implementation. On the contrary, Abwang (2024) believed that a regulatory framework can equally provide an opportunity for promoting sustainable procurement practices. The study found that supportive policies and incentives can encourage organizations to adopt green practices and enhance their performance. Further, Hashmi (2023) added that proactive engagement with regulatory bodies and compliance strategies may enable an organization to successfully overcome complex regulations and facilitate the competitive advantages of an organization.

**Technological limitations and innovations:** In another study, Hallikas et al. (2021) look into the influence of digitalization on procurement performance and find technological limitations to be one of the barriers to the implementation of sustainable practices. The findings show that obsolete technology and lack of integration with more developed systems obstruct the process of adopting green procurement practices. Rane&Thakker (2020) also emphasized that the integration of blockchain and IoT in purchasing is very painful but needed for the sustainability objective. On the other hand, Sahoo and Vijayvargy (2021) proved that technological innovations offer ample

opportunities for enhancing the practice of sustainable procurement. It was revealed that new technology adoption can bring efficiency, transparency, and overall better performance into the purchasing area.

Measurement and evaluation challenges: Afum et al. (2020) discussed the issues in measurement of green manufacturing and procurement practices on organizational performance. The study revealed that difficulty arises due to the absence of standardized metrics and evaluation frameworks for assessing the sustainability performance outcomes. Likewise, Khan et al. (2023) mentioned that measuring the effectiveness of green procurement practices requires appropriate measurement systems, which are lacking in most organizations. On the other hand, Isanini et al. (2020) suggested that the development of integrated evaluation frameworks and performance metrics will help alleviate these challenges. The study also highlighted that the establishment of appropriate indicators and benchmarks is considered critical to measuring the sustainability outcomes of procurement practices. Further, Al-Awamleh et al. (2022) noted that better measurement and reporting frameworks are in a position to facilitate increased transparency and accountability in sustainable procurement. In the case of measurement challenges, the study has shown that they can also be overcome with better frameworks and practices.

## **2.5 Summary and literature gap**

The literature review has identified a literature gap in the investigation of integrating emerging technologies with sustainable procurement practices in the context of complex and multi-tiered supply chains. Although some literature reviews discussed the contribution of other emerging technologies, such as blockchain and IoT to sustainability and operational performance, few studies have based their research on how these technologies would help different industries with their specific problem statements, such as that of the oil and gas industry where regulatory, financial, and supply chain matters are not very smooth. Such a focus would allow for a deeper analysis of how these advanced technologies can surmount barriers and optimize sustainable procurement outcomes in various industry sectors.



## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

This is the methodology chapter used in conducting the research. It describes how this study was conducted. It includes the study design, study population, and the sample size. It also describes the sampling procedure definition of variables, research instruments, data analysis, and management, ethical considerations, and limitations of the study.

#### **3.1 Research Design**

The design of research, according to Bloomfield & Fisher (2019), is defined as the organization of the approach to performing research. The design entailed the collection of data from respondents of the representative population at one point in time without repetition, using a cross-sectional survey research design. It was selected since the design requires less time to complete. The design was also used since it allowed the researcher to record the data of the information obtained at a specific moment in time. The subjects within the data collection pool differed in various ways in factors, distinct characteristics, and demographics. Moreover, using a cross-sectional study design allowed the findings of the research to help replace suppositions with real data about the specific variables studied. The research also utilized mixed-method studies where research methodology had combined both quantitative and qualitative research methods. The quantitative study was conducted using questionnaires that were administered with the selected employees from different departments in Nile Breweries Limited. Qualitative interviews were conducted with the top management of Nile Breweries Limited, such as the procurement manager and his assistant, stores manager, finance manager, and supply chain manager, who will be included in the study as key informants so that an in-depth analysis regarding the subject can be obtained; likewise, these were considered to be key informants because they have pertinent expertise concerning the subject under study. A quantitative approach was used, and it aimed at researching the effects of sustainable procurement on organizational performance among manufacturing organizations.

### 3.2 Scope of the study

This was carried out at Nile Breweries Limited situated in NjeruBuikwe district. The reason for this study to take a case study analysis on Nile Breweries is because of its size and commanding influence in the Ugandan brewing industries, hence offering a rich environment for studying the impacts of sustainable procurement .

### 3.3 Population of the study

According to Trochim, 2006, population refers to the group in which the researcher wants to pick a sample from in order to make generalizations. The study population encompassed all employees and senior staff members of Nile Breweries Limited. From the human resource management of NBL records of 2023, there are 150 workers at the headquarters, and this number was the source of the sample size that helped the researcher to get the required data.

### 3.4 Sampling procedure and sample size

The sample size was gotten using on the Krejcie and Morgan (1970) table as shown below;

Table 3.1 <i>Table for Determining Sample Size of a Known Population</i>									
N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	1000000	384

*Note: N is Population Size; S is Sample Size* *Source: Krejcie & Morgan, 1970*

**Source:** Krejcie & Morgan (1970)

Therefore from the table above, the sample size was 108 respondents got from a total population of 150 employees working in different departments in Nile Breweries Limited.

Furthermore, the top management of Nile Breweries Limited specifically the procurement manager and his assistant, stores manager, finance manager and the supply chain manager totaling to 5 were included in the study as the key informants for qualitative data.

**Table 1: Target Population, Size and Selection**

<b>Category of Respondents</b>	<b>Population Size</b>	<b>Sample size</b>	<b>Sampling Techniques</b>
Employees of CBC	150	108	Stratified sampling
Procurement manager & his assistant	2	2	Purposive sampling
Stores manager	1	1	Purposive sampling
Finance manager	1	1	Purposive sampling
Supply chain manager	1	1	Purposive sampling
<b>Total</b>	<b>155</b>	<b>113</b>	

**Source:***Nile Breweries Limited (2024)*

### **3.5 Sampling techniques and methods**

The research used stratified and purposive sampling. Stratified sampling targeted the selection of employees from different departments of Nile Breweries Limited. In stratified sampling, a method of probabilistic sampling where the population is divided into subgroups based on certain important characteristics that the elements of the population may or may not have; samples are then drawn from each subgroup independently. This method ascertains that each population subgroup is properly represented in the sample, making the results of the study more valid and generalized. The employees from the different departments in Nile Breweries Limited were stratified by the size of the respective departments. From these strata, a suitable proportion of employees was randomly selected. Stratified sampling ensured that the sample was representative of the various departmental diversities within each organization, thereby providing holistic insights into sustainable procurement and organizational performance in Nile Breweries Limited.

In the case of the procurement manager, his assistant, the stores manager, finance manager, and supply chain manager, a purposive sampling strategy was used. Purposive sampling is a non-probability method of sampling in which participants are selected to take part in the study due to a particular characteristic or certain criterion that is fundamental to the research. In this regard, the procurement manager and his assistant, stores manager, finance manager, and the supply chain manager were targeted for this study because they possess specialized knowledge and expertise

with regard to automation and warehouse operations optimization. The purposeful sampling method targeted these top management officials to gain insight and information that is detailed and relevant for the research objectives since they are directly involved in enhancing sustainable procurement for improved organizational performance. This was to ensure that the collected data has depth, relevance, and its applicability directly addresses the focus of the study regarding the relationship of sustainable procurement with organizational performance.

### **3.6 Sources of data**

Data from a primary source are the most important data of all categories, since they gave the accurate information about the result of an experiment or observation. The findings are the results of the personal interviews and self-administered questionnaires among the selected respondents in order to get their opinions. The data collection is done by the researcher himself, with the help of questionnaires and interview guides.

Secondary source: Secondary data refers to handling, collecting and possibly processing data by people other than the researcher in question. This source was used to collect data from already written literature for example e-books, journals, published articles and periodicals. Documentary resources are classified in order to facilitate the data collection and textual analysis (Mubazi 2008).

### **3.7 Data collection methods**

#### **3.7.1 Questionnaire Survey**

According to Amin (2005), a survey is a self-report investigation used in the gathering of information about variables of interest. In this study, a quantitative approach using a questionnaire survey was used to collect data on sustainable procurement and organizational performance from selected employees of Nile Breweries Limited. This questionnaire consisted of structured items intended to elicit responses with regard to the objectives of the study. This approach to survey was adopted since such an approach will enable the effective collection of data in large numbers, and the researchers will be in a position to quantify patterns, trends, and correlations with regard to matters concerning corporate governance practices and operational performance (Mchumu 2011).

#### **3.7.2 Interviews**

Interviews, according to Desncombe (2008) refer to open questions usually administered to key informants to give them wide latitude to talk about the subject. These interviews complement and

triangulate the information from the respondents and available documents (Patton 2001). This was intended to elicit a wide view on the subject. The interviews were face-to-face and telephone interviews. These contained both structured and semi-structured questions. Interviews were used because they have the advantage of ensuring probing for more information, clarification, and capturing facial expression of the interviewees. Also, they give an opportunity for the researcher to revisit some of the issues that have been an oversight in other instruments and yet they are considered vital for the study.

### **3.8 Data collection instruments**

The study used a structured questionnaire and interview guides to collect information.

#### **3.8.1 Questionnaires**

The questionnaires were made up of closed-ended items and were accompanied by a list of possible alternatives from which the respondents were requested to select the answers that best describe their opinion about the problem of investigation and the situation. The questionnaire was standardized and rigid; no flexibility was allowed, as the answers were items set in the questionnaire. This facilitated the enlistment of validity and control of the extraneous variables. The data collection was done through a structured questionnaire containing sections as per the study variables. It was administered to the respondents. It had a five point Likert scale with response choices such as, (5) strongly Agree, (4) Agree, (3) Not sure, (2) Disagree, (1) Strongly Disagree. The Likert format was preferred in most of the statements because it gives the respondent a variety of responses for choice, and the format also makes it easy to tabulate the data obtained for comparison purposes. The questionnaire was used to collect data from the selected 105 employees in different departments of Nile Breweries Limited with their consent.

#### **3.8.2 Interview guide**

The interview topical guide was designed to collect information. This guide helped to maintain consistency. They are preferred for top management who, by virtue of their offices, are an informed category with wide latitude to talk about the subject at length without limit. The interview guide contains unstructured items on each and every variable in the conceptual framework that is democratic, transactional, and transformational leadership and performance. The interview guide has items used to guide the interviewing process hence forth; the process has the advantage of making sure that probing for more information, clarification, and capturing facial expression of

the interviewees are done. The researcher conducted interviews with 5 key informants who are the procurement manager and his assistant, stores manager, finance manager, and the supply chain manager.

### **3.9 Procedure for data collection**

The researcher got a recommendation and an introductory letter from Uganda Christian University and approached the different permission from the various respondents in Nile Breweries Limited to use as a case study. The researcher approached the various respondents to conduct the interviews and distribute the questionnaire guides.

### **3.10 Validity and reliability of the research instruments**

#### **3.10.1 Validity**

Validity, according to Cohen, Manion and Keith, 2007 is ensured by: choosing an appropriate scale; ensuring that there are adequate resources for the required research to be undertaken; selecting an appropriate methodology to ensure research questions; avoiding having too long or too short an interval between pre-test and post-test; ensuring standardized procedures for gathering data, or for information administering tests; and tailoring the instruments to the concentration span of the respondents.

Validity was carried out with the intention of discovering whether the questions are capable of capturing the intended data. Experts in research went through the questions to see whether they were capable of capturing the intended response. A Content Validity Index was calculated in order to establish the validity of the research instrument. The following is the formula used by the researcher in establishing the validity of the research instruments.

Content validity Index =  $\frac{\text{Relevant items by all judges as suitable (CVI)}}{\text{Total number of items judged}}$

Total number of items judged.

This means that if the CVI equals or is above the recommended 0.70, the questionnaire is ok to collect data.

#### **3.10.2 Reliability**

According to Mugenda and Mugenda (2003) "reliability refers to the degree to which a research instrument yields consistent results or data when used repeatedly." Reliability of the questionnaire

instrument was checked through Cronbach's coefficient alpha. A pilot test was conducted on 5 respondents and the reliability results was calculated using the Statistical Package for the Social Sciences (SPSS). If the coefficient equals or exceeds the recommended .70 below, it means that the questionnaire is adequate for data collection.

### **3.11 Data Analysis**

#### **3.11.1 Analysis of quantitative data**

Data analysis was done with the aid of the package, SPSS version 26, besides being user-friendly, appropriate for handling the correlations between the variables plus regressions in the study. SPSS has helped the researcher to analyse quantitative data from the questionnaires. All variables were assigned with names and coded for computer entry. Secondly, all the responses were coded to facilitate computer data input. Thirdly, after data entry was completed, negatively worded scales were recorded and assigned with new values. Fourthly, in order to get composite scores for items on a scale, target variables was computed. Fifthly, data was screened in order to minimize data entry errors. Quantitative data was analyzed using descriptive, bivariate and multivariate statistics to determine the level of association of the independent variables and the dependent variable.

#### **3.11.2 Qualitative data analysis**

Data analyzed was using thematic review. Thus, qualitative data was edited and reorganized into meaningful phrases that is thematic approach adopted in analyzing qualitative data whereby themes, categories and patterns were identified. For instance, the recurrent themes that emerged in respect of each question from the interviews were presented in the results; selected direct quotations from the participants are presented as illustrations.

### **3.12 Ethical Considerations**

The researcher obtained a recommendation and an introductory letter from the School of Business in Uganda Christian University, after which she sought permission from the different respondents in Nile Breweries Limited to use as a case study. The researcher approached various respondents to conduct KIIs and distribute the questionnaires.

More so, the researcher exhibited a high level of ethical behavior in the course of implementing the study; confidentiality where the information got from the field was only used for academic purposes. There was also anonymity of the respondents exhibited so that they get the freedom to

express themselves. Informed consent was obtained from all the respondents before including them in the study.

More so, all data collected were used only for the purpose of this study and nothing else. Well, the procedures for research were explained to all the respondents before they take part in the research and their consent sought. All the sources of literature were acknowledged throughout the whole study through proper citations and referencing. Lastly, personal bias was put aside during the entire study that is to say during interviews, data analysis, and reporting.

### **3.13 Anticipated limitations and delimitations of the study**

Some respondents were not willing to provide information because of suspicion of where the information will be taken. This is solved through the remarkable reputation in the study context as a learning institution, and also obtaining an introductory letter from the university.

In fact, the researcher was also limited in terms of funds needed to facilitate the research, such as motivating the respondents, printing fees, and even daily transport to the university to collect data. In spite of that, however, the researcher used self-initiatives and strategies to mobilize financial assistance from family and friends who wished her well.

Lastly, not all questions might be filled or not all interviews may be conducted because of circumstances on the part of the respondents such as travels, sickness, hospitalization, and refusal/withdrawal to participate.

## CHAPTER FOUR

### DATA ANALYSIS, PRESENTATION AND INTERPRETATION

#### 4.0 Introduction

This chapter presents and discusses the results of analysis that has been done to look at the specific objectives of the study and in relation to the reviewed literature. The study was carried out using questionnaires with employees working in different departments in Nile Breweries Limited and interviews with key informants who are top management of NBL like the procurement manager and his assistant, stores manager, finance manager and the supply chain manager. The findings are presented with the help of tables for purposes of clarity and interpretation.

#### 4.1 Response rate

**Table 1: Response rate for questionnaires**

Response Rate	Sample Size	
	Frequency	Percentage (%)
Received	92	85.2%
Non Response	16	14.8%
Expected Response	108	100.0%

**Source:** *Primary data*

According to table 1 above a total of 133 (100%) respondents who are employees working in different departments in Nile Breweries Limited were expected to respond to the questionnaires, however, 92 (85.2%) responded to the questionnaires leaving out 16 (14.8%). The reason as to why the researcher was unable to collect from the one of the respondents was because there was limited time to collect data since the researcher had to beat the deadline of dissertation submission yet some of these respondents were delaying to give response.

#### 4.2 Demographic characteristics of respondents

The study sought to find out the demographic information of the respondents which included gender, age, level of education, department and period spent working in the company and these are presented in the tables below;

#### 4.2.1 Findings on gender distribution

**Table 2: Gender**

	Frequency	Percent	Cumulative Percent
Male	52	56.5	56.5
Female	40	43.5	100.0
Total	92	100.0	

**Source:** *Primary data*

Findings in the table above show that the majority of the questionnaires were filled by males represented by 56.5% and the rest were females represented by 43.5% and therefore, there were more male respondents than female respondents in this survey. This can be attributed to the fact that most of the work done in Nile Breweries Limited is hard labor or manual work that is carried out by mostly men.

#### 4.2.2 Findings on the age of the respondents

**Table 3: Age**

	Frequency	Percent	Cumulative Percent
21-30 years	28	30.4	30.4
31-40 years	38	41.3	71.7
41-50 years	17	18.5	90.2
Above 50 years	9	9.8	100.0
Total	92	100.0	

**Source:** *Primary data*

Findings in the table above show that the vast majority of the respondents fell between the age group of 31-40 years represented by 41.3%, followed by the respondents who fell between the age group of 21-30 years represented by 30.4%, followed by those who fell between the age bracket of 41-50 years represented by 18.5%, whereas 9.8% of the respondents were above 50 years of age. This implies that majority of the employees in Nile Breweries Limited are relatively in their youthful years since majority are below 40 years of age. This therefore can be attributed to the fact that Uganda as a country is comprised of majority youth according to the recent released 2024 population census.

#### 4.2.3 Finding on the education level of the respondents

**Table 4: Level of education**

	Frequency	Percent	Cumulative Percent
Diploma	30	32.6	32.6
Bachelor's degree	47	51.1	83.7
Master's degree	15	16.3	100.0
Total	92	100.0	

**Source:***Primary data*

Findings in the table above revealed that majority of the respondents who are employed by Nile Breweries Limited have attained bachelors degrees represented by 51.1%, followed by those who have at least attained diplomas represented by 32.6%, whereas 16.3% of the respondents hold masters degrees. This implies that Nile Breweries Limited employs qualified employees who can effectively implement sustainable procurement in its operations.

#### 4.2.4 Department respondents belong to

**Table 5: Department**

	Frequency	Percent	Cumulative Percent
Administration	12	13.0	13.0
Procurement & Logistics	19	20.7	33.7
Operations	34	37.0	70.7
Accounts & Finance	12	13.0	83.7
Sales & Marketing	15	16.3	100.0
Total	92	100.0	

**Source:***Primary data*

Findings in the table above revealed that majority of respondents represented by 37% are from the operations department, followed by those who are from the procurement and logistics department represented by 20.7%, followed by those who are from the sales and marketing department represented by 16.3%, followed by those from the administration department represented by 13%, whereas those from accounts and finance department also constituted 13% of the total population.

This implies that Nile Breweries Limited is able to improve the operational performance of its day to day dealings with the coordination from these different employees in the different departments.

#### 4.2.5 Period spent working with Nile Breweries Limited

**Table 6: Period spent working with Nile Breweries Limited**

	Frequency	Percent	Cumulative Percent
1-5 years	57	62.0	62.0
6-10 years	22	23.9	85.9
Above 10 years	13	14.1	100.0
Total	92	100.0	

**Source:** *Primary data*

Findings from the table above show that majority of respondents represented by 62% have spent between 1-5 years working with Nile Breweries Limited, followed by those who have spent 6-10 years working with Nile Breweries Limited represented by 23.9% while those who have spent above 10 years working with Nile Breweries Limited represented the minority 14.1% of the total population. The findings imply that the respondents have the necessary and efficient knowledge about the topic under study since majority of the respondents have spent reasonable time working with Nile Breweries Limited.

#### 4.3 The specific sustainable procurement practices implemented by NBL

Table 7 summarizes respondents' responses on the specific sustainable procurement practices implemented by Nile Breweries Limited by using a Likert scale where SA (Strongly Agree), A (Agree), NS (Not Sure), D (Disagree) and SD (Strongly Disagree).

**Table 7: The specific sustainable procurement practices implemented by NBL**

Statements	Extent of agreement and disagreement				
	SA	A	NS	D	SDA
	F (%)	F (%)	F (%)	F (%)	F (%)
Nile Breweries Limited actively seeks suppliers who follow environmentally friendly practices.	34 37.0%	47 51.1%	00	8 8.7%	3 3.3%

The company prioritizes purchasing materials that have a minimal environmental impact.	44 47.8%	29 31.5%	00	16 17.4%	3 3.3%
There are clear guidelines in place for selecting suppliers based on their sustainability credentials.	40 43.5%	41 44.6%	00	7 7.6%	4 4.3%
Sustainable procurement practices are integrated into the company's procurement policies.	41 44.6%	40 43.5%	00	8 8.7%	3 3.3%
The company regularly monitors and evaluates suppliers for compliance with sustainability standards.	31 33.7%	46 50.0%	00	11 12.0%	4 4.3%
Nile Breweries Limited uses lifecycle assessments to evaluate the environmental impact of purchased products.	40 43.5%	41 44.6%	00	7 7.6%	4 4.3%

**Source:** *Primary data*

Table 7: Descriptive statistics of specific sustainable procurement practices adopted by Nile Breweries Limited. Indeed, one of the studies revealed that 88.1% of respondents agreed that Nile Breweries Limited actively seeks out suppliers that follow environmentally friendly practices, while 12% disagreed with the statement. It is also within this regard that the company strives to incorporate environmentally responsive practices into its selection process and is thus very committed to sustainable procurement.

The study also showed that 79.3% of the respondents agreed to the statement the company gives priority to buying of materials with minimum environmental impact while 20.7% of the respondents disagreed with such a statement. It means that most employees are indeed aware of the effort of the company to minimize its impact on the environment through purchasing actions, even though a full one-fifth may believe otherwise or do not possess enough information about such a practice.

Results further showed that 88.1% of the respondents agreed that indeed Nile Breweries has laid down clear guidelines on the selection of suppliers basing on their sustainability credentials, while 11.9% of the respondents disagreed with the statement. This therefore denotes that the company has a structured guide on how to evaluate suppliers' sustainability, and it is well understood by most of the employees.

The results also indicated that 88.1% of the respondents agreed to the statement that at Nile Breweries, sustainable procurement practices are included in the company's procurement policies, while 12% of the respondents disagreed with the statement. The level of agreement seen to be this high depicts that sustainable procurement is not just one practice but part of Nile Breweries' general procurement strategy and hence the company's concern for long-term sustainability.

The findings also revealed that the statement "The company continuously monitors and evaluates its suppliers with regard to compliance with sustainability standards" was accepted by 83.7% of the respondents, while 16.3% rejected it. This would show a close monitoring of the sustainability performance of suppliers and firm commitments on holding suppliers accountable for their environmental and social responsibilities, whereas there is a need to strengthen efforts in the minority of respondents who see room for improvement.

Finally, the study showed that 88.1% agreed to the statement that Nile Breweries uses lifecycle assessments as a means of measuring environmental impact for bought products, while 11.9% disagreed with it. This goes to indicate that the company does indeed use comprehensive tools of analysis, such as lifecycle assessments, in measuring the sustainability of its procurement decisions and has thus been comprehensive in dealing with environmental impact; some employees are not involved or entirely aware of this process.

Overall, the results indicated that Nile Breweries Limited has adopted a variety of sustainable procurement practices that involve interest in environmentally friendly suppliers, integration of sustainability within procurement policies, and compliance assessment by the supplier. Moreover, tools such as lifecycle assessments are helpful in reducing environmental impacts, although a minority of the respondents also showed some areas that require improvement or even lack of awareness regarding these practices. This demonstrates the good practice with respect to sustainability that the company has, but it also suggests possible areas for further engagement or communication within the organization.

#### **4.3.1 Sustainable procurement practices implemented by Nile Breweries Limited**

From the interviews conducted with the key informants who are top management of NBL like the procurement manager and his assistant, stores manager, finance manager and the supply chain

manager, they were asked for their views on the specific sustainable procurement practices Nile Breweries has Limited implemented in its supply chain and their responses were as follows;

Key informants in Nile Breweries Limited, including the procurement manager, stores manager, finance manager, and supply chain manager, jointly highlighted specific sustainable procurement practices the company has adopted within its supply chain. One of the primary practices by the company was a special consideration on engaging suppliers who act in a friendly manner to the environment. This includes acquiring raw materials from those suppliers that adhere to environmental standards and also put in place mechanisms to ensure sustainability in their operations. Respondents said that Nile Breweries actively seeks to partner with suppliers who share similar environmental values as the company, and adhere to internationally recognized sustainability certifications, therefore ensuring that the value chain contributes to reduced environmental footprint.

Another one of the critical practices listed by the respondents was implantation of sustainability criteria in tender policies and procedures. Sustainability has been embedded within the decision-making processes, focusing on selecting those products in which environmental impact is reduced at each phase of their life cycle. This includes the sustainability credentials of prospective suppliers and sourcing products to minimize waste, reduce carbon emissions, and save natural resources. They indicated that such measures would help the company achieve its objectives of long-term sustainability and that the environmental impact, which comes about through procurement activities is minimized.

The respondents added that Nile Breweries Limited continually monitors and investigates suppliers to ensure continued compliance with sustainability standards. This is done in the form of audits and evaluations to show that suppliers have kept environmental best practices throughout their value chains. The company also carries out lifecycle assessments on products they procure regarding their environmental impact from production to disposal. In the view of the finance and supply chain managers, this notion means that sustainability is not only considered at the tender stage but in the whole process of the supply chain. Selected respondents mentioned that ;“..... *We have a clear policy that prioritizes suppliers who meet environmental and sustainability standards.*

*This is critical in ensuring that our operations align with our sustainability objectives.....”*

**Procurement Manager**

*“.....Sustainability is now part of our procurement DNA. We don't just buy based on price; we consider the environmental impact of every product and supplier we engage with.....”*

**Supply Chain Manager**

*“.....Our supplier evaluations now include a thorough check on their sustainability credentials, ensuring we work only with those who share our commitment to reducing environmental harm.....”*

**Finance Manager**

**4.4 The extent to which these sustainable procurement practices have influenced the overall organizational performance of NBL**

Table 8 summarizes respondents’ responses on the extent to which these sustainable procurement practices have influenced the overall organizational performance of Nile Breweries Limited by using a Likert scale where SA (Strongly Agree), A (Agree), NS (Not Sure), D (Disagree) and SD (Strongly Disagree).

**Table 8:Extent to which these sustainable procurement practices have influenced the overall organizational performance of NBL**

Statements	Extent of agreement and disagreement				
	SA	A	NS	D	SDA
	F (%)	F (%)	F (%)	F (%)	F (%)
Sustainable procurement practices have led to cost savings for Nile Breweries Limited.	35 38.0%	31 33.7%	4 4.3%	18 19.6%	4 4.3%
Implementing sustainable procurement has enhanced the company’s brand image and marketability.	20 21.7%	35 38.0%	19 20.7%	11 12.0%	7 7.6%
The adoption of sustainable procurement practices has improved the efficiency of the supply chain.	17 18.5%	34 37.0%	00	37 40.2%	4 4.3%

There has been a noticeable increase in customer satisfaction due to the company's commitment to sustainability.	16 17.4%	54 58.7%	00	14 15.2%	8 8.7%
Sustainable procurement practices have contributed to better compliance with regulatory requirements.	36 39.1%	44 53.3%	00	7 7.6%	5 5.4%
The company has experienced an improvement in employee satisfaction as a result of its sustainability efforts.	20 21.7%	42 45.7%	00	19 20.7%	11 12.0%

**Source:** *Primary data*

Table 8: Descriptive statistics on the extent to which these sustainable procurement practices have impacted the overall organisational performance for Nile Brewreries Limited From the study, it is indicated that the majority of respondents represented 71.7% agreed that sustainable procurement practice has resulted in cost savings to Nile Breweries Limited, while 4.3% were not sure and 23.9% of the respondents disagreed with the statement. This perhaps means that Nile Breweries' focus on sustainable procurement may be bringing in substantial cost reductions, probably through efficient use of resources and waste minimization.

The findings also showed that 59.7% of respondents were of the opinion that the implementation of sustainable procurement has enhanced the brand image and marketability of the company, while 20.7% said they did not know, and 19.6% of the respondents disagreed with the statement. In other words, the company's sustainability performance is likely enhancing the brand's reputation and competitiveness, though a bit more clarity or communication might be needed to clear up the uncertainty of some stakeholders.

In addition, the results of the study showed that 55.5% of the candidates that responded agreed with the statement "Adoption of sustainable procurement practices enhances the supply chain efficiency," while 44.5% expressed their disagreement with the statement. This means that even though some stakeholders perceive the efficiency improvements of sustainable procurement, the high degree of uncertainty points out that either further assessment is required or such improvements need to be communicated more effectively within the company.

The findings of the study, on one hand, revealed that 76.1% agreed to the fact that due to concern about sustainability by the company, there has been a marked increase in customer satisfaction, while 23.9% of the respondents disagreed with the statement. It therefore follows that sustainability practices enacted by Nile Breweries do not go unnoticed by its customer base, as this contributes to developing a better and strong customer relationship and loyalty.

More information given by the results showed that 92.4% agreed with the statement that sustainable procurement practices have contributed to better compliance with regulatory requirements, while 7.6% disagreed with the statement. This overwhelming agreement infers that sustainability practices are assisting Nile Breweries in maintaining a regulatory demands curve, hence minimizing the chances of non-compliance with possible penalties, which adds to the company's operational integrity.

Finally, it was established that 67.4% agreed the business has seen improved employee satisfaction based on its sustainability practices, while 32.7% disagreed with the statement. This is to say that even as sustainable practices serve to be helpful for the morale of many, there may still be points where the business can do better to engage employees toward a closer linkage to these initiatives.

In summary, findings indicate that sustainable procurement has had positive impacts on cost savings, brand image, efficiency of supply chains, customer satisfaction, regulatory compliance, and employee satisfaction dimensions of organizational performance of Nile Breweries.

#### **4.4.1 Impact of sustainable procurement on NBL's financial performance**

In interviews carried out with the key informants, who are the top management of NBL such as the procurement manager and his assistant, stores manager, finance manager and the supply chain manager, they were asked for their views on how the sustainable procurement practices have affected the overall financial performance of Nile Breweries Limited and they responded as follows;

According to the key informants, who are the top management in Nile Breweries Limited, the business practice of sustainable procurement has influenced the company's overall financial performance to a considerable extent. The key informants indicated that the reduction of wastes and optimization of resources through this business practice have contributed much toward cost savings. Emphasizing environmentally friendly material sourcing and engaging in business with

sustainable-minded suppliers has reduced operations costs associated with environmental compliance and waste management. This resourcefulness, apart from cost-cutting, ensures efficiency to provide a better bottom line.

Besides this, the introduction of sustainable procurement practices has really enhanced the brand image and marketability of NBL. By re-establishing its positioning as an environmentally responsible company, NBL has gained an increasingly large number of environmentally conscious consumers and partners. This positive brand perception has enabled an increase in market share and customer loyalty, eventually reinforcing higher sales and profitability. It has helped further develop better relationships with the important stakeholders and has contributed to financial success.

Despite the benefits, management at NBL recognizes that integrating sustainable procurement practices has not been without challenges. The initial costs can be high to transition to more sustainable materials and processes, and there are ongoing costs to monitor and maintain sustainability standards. However, these investments are seen to represent long-term strategies that enhance operational efficiency and provide very substantial financial returns over time through cost savings and through an improved market position. Some of the selected respondents said that;“.....*Sustainable procurement has enabled us to reduce costs associated with waste and resource management, directly boosting our financial performance.....*” **Procurement Manager**

“.....*By adopting eco-friendly practices, we've strengthened our brand's marketability, which has translated into higher customer loyalty and increased sales.....*” **Supply Chain Manager**

“.....*While the upfront investment in sustainable procurement can be significant, the long-term financial benefits through operational efficiency and improved brand perception make it a worthwhile strategy.....*” **Finance Manager**

#### **4.5 Challenges and opportunities associated with implementing sustainable procurement practices for better organizational performance at NBL**

Table 9 summarizes respondents' responses on the challenges and opportunities associated with implementing sustainable procurement practices for better organizational performance at Nile

Breweries Limited by using a Likert scale where SA (Strongly Agree), A (Agree), NS (Not Sure), D (Disagree) and SD (Strongly Disagree).

**Table 9: Challenges associated with implementing sustainable procurement practices for better organizational performance at NBL**

Statements	Extent of agreement and disagreement				
	SA	A	NS	D	SDA
	F (%)	F (%)	F (%)	F (%)	F (%)
The initial cost of implementing sustainable procurement practices is perceived as high.	37 40.2%	34 37.0%	00	17 18.5%	4 4.3%
There is a lack of sufficient supplier options that meet the company's sustainability criteria.	16 17.4%	54 58.7%	00	14 15.2%	8 8.7%
Limited internal expertise on sustainable procurement practices hampers effective implementation.	36 39.1%	40 43.5%	00	9 9.8%	7 7.6%
Resistance to change among staff and suppliers affects the adoption of sustainable practices.	44 47.8%	29 31.5%	00	16 17.4%	3 3.3%
Monitoring and enforcing compliance with sustainability standards is challenging.	40 43.5%	41 44.6%	00	7 7.6%	4 4.3%
The complexity of integrating sustainability criteria into existing procurement processes poses difficulties.	31 33.7%	46 50.0%	00	11 12.0%	4 4.3%

**Source:** *Primary data*

Table 9 shows the descriptive statistics on issues that surround the implementation of sustainable procurement practices that are necessary for better performance at NBL. Complying with the aim of the study, the majority of the responses, represented by 77.2%, agreed that the first cost of executing the sustainable procurement practices is assumed to be high, while 22.8% of the responses were in disagreement with the statement. This would mean that even though there might be long-term gains towards this end, possible detriments to the initially high costs could make some companies vary in their uptake of sustainable practices, hence affecting:

The study also revealed that 88.1% agreed that it is difficult to monitor and enforce compliance with sustainability standards, while 11.9% disagreed with the statement. This means that although companies may try to be sustainable, the follow-up monitoring and enforcement of such standards remain a big stumbling block.

The results also showed that 82.6% of the respondents agreed to the statement that limited internal expertise on sustainable procurement practices hinders effective implementation, while 17.4% of the respondents disagreed with the statement. This would seem to suggest that the development of internal capabilities and expertise may be critical in overcoming the barriers to effective implementation.

The investigation has also found that 83.7% of the respondents responded that integrating sustainability criteria into existing procurement processes is not simple, 16.3% of the respondents have disagreed with the statement. Therefore, making the integration process simpler would imply an easier adoption process for sustainable operations.

The data also revealed that 79.3% agreed to the fact that resistance among staff and suppliers to change affects the adoption of sustainable practices, while 20.7% disagreed with the statement. This portends that resistance management is key to success in implementation.

Last but not least, it was pointed out that 76.1% of the interviewed people agreed with the fact that there is an insufficient number of suppliers that meet the company's sustainability criteria, while 23.9% disagreed with the statement and showed that some progress could be made since the limited options of suppliers remain a big challenge.

The findings generally indicate that indeed there are several factors impeding the complete adoption of sustainability procurement practices at Nile Breweries Limited. These impediments revolve around high initial costs, limited capabilities to monitor and enforce compliance, restricted internal expertise, and complication in the process of integrating with existing procedures for the selection of sustainability criteria. Further complications emanate in forms of resistance to change among staff and suppliers, along with the lower number of options among suppliers.

**Table 10: Opportunities associated with implementing sustainable procurement practices for better organizational performance at NBL**

Statements	Extent of agreement and disagreement				
	SA	A	NS	D	SDA
	F (%)	F (%)	F (%)	F (%)	F (%)
Implementing sustainable procurement practices can enhance the company's competitive advantage.	35 38.0%	31 33.7%	00	18 19.6%	8 8.7%
There are potential partnerships with suppliers who are willing to innovate in sustainability.	20 21.7%	46 50.0%	00	19 20.7%	7 7.6%
Sustainable procurement practices open up opportunities for accessing new markets and customers.	17 18.5%	34 37.0%	00	37 40.2%	4 4.3%
There are financial incentives and grants available for companies that adopt sustainable practices.	16 17.4%	54 58.7%	00	14 15.2%	8 8.7%
The company can leverage its sustainability initiatives for positive public relations and brand loyalty.	36 39.1%	44 47.8%	00	7 7.6%	5 5.4%
Adoption of sustainable practices can lead to long-term cost savings through increased efficiency and waste reduction.	20 21.7%	42 45.7%	00	19 20.7%	11 12.0%

**Source:** *Primary data*

Table 8: Opportunities accruable in the implementation of sustainable procurement practices for improved organizational performance at NBL. From the study, a majority of the respondents, represented by 71.7%, agreed that the use of sustainable procurement practices can enhance the competitive advantage of Nile Breweries Limited, while 26.3% of the respondents disagreed with the statement. It implies that reaching out for sustainability practices can avail leverage likely to give the company a better advantage over competitors and improve its market standing and strategic positioning.

The results also showed that 71.7% of the interviewees agreed there is potential for partnerships with suppliers that are willing to innovate in sustainability, while 26.3% of the interviewees

disagreed. Indeed, this may hint that there is room for mutual cooperation that could have driven more innovation and improvement in terms of sustainability.

The results also indicated that 55.5% agreed that adoption of sustainable procurement practices creates opportunities for access to new markets and customers, while 44.5% of respondents disagreed with the statement. This further indicates the positive view resulting from the market expansion potential that comes with sustainability. Through embedding sustainability, Nile Breweries Limited will be able to unlock new customers and markets showing a sense of responsibility towards the environment and society.

Most importantly, 76.1% of the respondents agreed that financial incentives and grants are available to companies practicing sustainability, while 23.9% of the responding views agreed against the statement. This may indicate financial opportunities whereby an organization can reduce expenses in implementing aspects of sustainability with additional outside help.

Additionally, the results showed that 87.0% of the respondents agreed to the fact that sustainability initiatives will help in yielding positive outcomes in public relations and brand loyalty, while 13.0% of the respondents disagreed with the statements. This simply means that there is a very much potential belief in the fact that sustainability efforts would enhance the company's reputation and strengthen customer loyalty.

Finally, it was revealed that 67.4% of those surveyed believed that the adoption of sustainability provides long-term cost savings through increased efficiency and decreased waste, while the remainder, 32.6%, disagreed with the statement. This tends to illustrate awareness of the potential for operational efficiencies and operational cost savings from sustainable procurement. Over time, such practices may play a complementary role in improving financial performance through optimized resource use and waste minimization.

In summary, the results indicate that sustainable procurement practices offer Nile Breweries Limited immense opportunities through competitive advantage, access to more markets, financial benefits, public relations benefits, and also saves money. In real sense, adopting such good practices contributes positively to the performance and strategic position of the company.

#### **4.5.1 Challenges and opportunities of implementing sustainable procurement at NBL**

The interviews carried out with the key informants were the top management of NBL, including the procurement manager and his assistant, stores manager, finance manager, and the supply chain manager. They were asked for their views regarding the opportunities and challenges that are associated with the implementation of sustainable procurement practices to improve organizational performance at Nile Breweries Limited. Their responses were as follows;

Key informants identified a number of challenges associated with the introduction of sustainable procurement practices at Nile Breweries Limited. One of the key challenges is the high cost of initiating such a practice for sustainability. This is often perceived to be quite a substantial barrier because the initial investment is normally huge and the return on investment is not quite immediate. Other challenges include the few suppliers who meet all set criteria on sustainability, thus limiting options and further complicating procurement processes. Besides, there is resistance to change both at staff and supplier levels; such resistance limits the rate of adoption for new practices and slows down progress.

The opportunities that come from sustainable procurement practices are also worth noting. This practice will consolidate or reinforce the competitive advantage by making Nile Breweries a different thing in the market. Sustainable practice presents an opportunity to liaise with creative and innovative suppliers who appreciate sustainability, which may mean smoother, more efficient processes, therefore allowing companies to save costs in the long run due to efficiency and reduced wastages, and financial benefits then accrue with time.

Moreover, sustainability best practice in procurement can be used as a publicity tool in boosting brand loyalty. Showing concern for sustainability positively influences the brand image, which is an intangible asset valuable for consumer loyalty and trust. In addition, there could be financial incentives and grants for adopting the same that will help to subsidize some of the costs and further invest in sustainability.

Although the troubles of implementing sustainable procurement practices are present, such as high costs and limited supplier options, the opportunities for enhanced competitive advantage, cost savings, and improved brand reputation give a good enough reason to try. For this reason, positive impacts on organizational performance may make challenges worthy of the initial step, provided

that strategies aimed at addressing them are developed. Some of the respondents selected reported that;

*“.....The initial costs of sustainable procurement are a significant barrier, but the long-term benefits in efficiency and brand reputation make it a worthwhile investment.....”* **Procurement Manager**

*“.....We face challenges with limited supplier options who meet our sustainability criteria, but the potential for innovative partnerships offers a valuable opportunity.....”* **Supply Chain Manager**

*“.....Sustainable procurement practices not only improve our competitive edge but also provide opportunities for positive public relations and financial incentives.....”* **Finance Manager**

## **CHAPTER FIVE**

### **DISCUSSION, SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.0 Introduction**

This chapter discusses findings in relation to the literature. It also summarises all findings reported in chapter four according to questions of the study, draws conclusions, suggests recommendations and also proposes some areas for further study.

#### **5.1 Discussion of findings**

##### **5.1.1 The specific sustainable procurement practices implemented by NBL**

The findings of this study showed that NBL had applied a number of sustainable procurement practices, hence showing a very strong commitment to environmental responsibility. This is in good agreement with literature that emphasizes integrating sustainability into the procurement process. For instance, Han and Huo, 2020 explain that green supply chain integration is one of the areas that help in achieving sustainable performance. It aligns with the NBL approach in sourcing materials with minimal environmental impacts and life-cycle assessments. The embedding of sustainability criteria into procurement policies shows the activeness of the strategy toward reducing the environmental footprint, further relating to Bag et al. (2020) arguments that procurement innovation is key in ensuring performance improvement in the circular economy business processes.

This finding relates to the literature presented by Al-Awamleh et al., 2022, in arguing that integrating green practices into procurement heightens sustainability outcomes. The NBL's emphasis on the selection of suppliers following environmental-friendly practices is fairly close to the approach offered by Afum et al. 2020, where they referred to 'green' manufacturing and sustainable procurement as part of operational competitiveness and firm reputation. That NBL regularly monitors and evaluates suppliers to ensure that they adopt the set sustainability standards, is supported by Anaba et al. (2024), who indicate that effective sustainable procurement involves proper and strict assessment and enforcement of compliance among suppliers.

Furthermore, the findings show that in conducting lifecycle assessments for procured products to assess the environmental impact, NBL supports the view that full environmental evaluation is part of sustainable procurement. This aligns with the views of Kannan (2021), who identifies that the integration of multi-tier sustainability criteria into procurement practices is highly important. The focus on lifecycle assessments and environmental impact evaluations further evidences consistency with the greater perspective on sustainable supply chain management outlined by Junaid et al. (2022), where green innovations and sustainable practices lead to improved firm performance and good environmental stewardship.

The overall practices adopted by NBL reflect the commitment to reducing environmental impact, but also are in line with contemporary literature on sustainable procurement and supply chain management. Actively pursuing sustainable suppliers, integrating environmental criteria into procurement policy, using lifecycle assessments-these are some of the best and innovative practices in sustainable procurement that NBL follows. The approach has also been consistent with recent research that underlined the importance of sustainability for organizational performance and competitive advantage, such as Sendawula et al., 2021; Sahoo&Vijayvargy, 2021.

*5.1.2 To what extent have these sustainable procurement practices influenced the overall organizational performance of NBL?*

The findings from this study reported that NBL's sustainable procurement practices had positively impacted the general financial performance of the company with significant cost savings due to reduced waste and optimized resource utilization. This relates to the literature that supported financial benefits in regard to green procurement practices. Junaid et al., 2022 explained that the integration of sustainable supply chains reduces costs while increasing efficiency with a view to improving financial performance. Thus, the findings confirm that the company NBL's sustainable practice adds to its financial returns through optimized utilization of resources and waste reduction.

Furthermore, the finding suggested that NBL improves its brand image and marketability through sustainable procurement practices and thus contributes towards customer loyalty and market share in better ways. The observation is, therefore, consistent with the literature on positive market effects of sustainability on firm reputation and customer loyalty. Afum et al. (2020) confirm that green manufacturing and operational competitiveness increase the firm's reputation, which in turn increases marketability and customer loyalty. On a related note, Khan et al. (2023) have mentioned that green purchasing may lead to an increase in competitive advantage and brand image, as reflected in positive market effects observed in NBL.

This study, however, also highlights the challenges regarding initial investments and continued costs associated with sustainability measures. This relates to literature discussing financial barriers toward the adoption of sustainable procurement practices. Anaba et al. (2024) indicate that while sustainable procurement does offer long-term benefits, the initial investment and operational costs remain a significant challenge for firms. This is in line with the finding that the NBL faces challenges of initial investment for sustainable procurement but it sees these as necessary for long-term financial and operational benefits.

From an overall point of view, the integrated approach to sustainable procurement at NBL reinforces the bottom line of the company through a combination of environmental responsibility with business performance - a factor that has been highlighted in literature as ensuring long-term benefits from the procurement of material inputs. Hashmi, 2023, discusses how green purchasing and reverse logistics contribute to business performance and sustainability. This aligns with the approach followed by NBL of integrating sustainability into the procurement strategy in order to enhance operational efficiency and improve financial returns. Third-party alignment with existing literature on such a broad scale underlines the effectiveness of sustainable procurement practices in achieving both environmental and financial objectives.

### *5.1.3 Challenges and opportunities associated with implementing sustainable procurement practices for better organizational performance at NBL*

The findings that emerged from this study into sustainable procurement practices at NBL pointed to various aspects of both challenges and opportunities. Identified challenges include, among others, high initial costs, limited supplier options meeting the criteria, resistance to change for both staff and suppliers, and difficulties in monitoring and enforcing compliance. This finding was consistent with literature that identified similar issues faced by organizations adopting sustainable practice. For example, Anaba et al. (2024) raise the level of high upfront costs and resistance to change as main challenges related to sustainable procurement, further supporting the predicaments facing NBL. In the same vein, Ogunsanya et al. (2022) find limitations from the suppliers and their resistance to be major impediments in sustainable procurement implementation, which may be considered to be part of the challenges also faced by NBL.

The findings also pointed out that tremendous opportunities were also related to the choice of sustainable procurement practices, such as improving a business's competitive advantage, fostering partnerships with creative suppliers, new market access, and offering access to financial incentives and grants. This observation is supported by literature on the strategic benefits underlying sustainable procurement. As an example, Khan et al. (2023) have identified that green capability and purchasing practices provide a firm with competitive advantage and enhance financial performance; this corresponds to the opportunities identified in NBL. Junaid et al. (2022) also support the fact that an integrated sustainable supply chain provides an opportunity for new market access and partnering with innovative suppliers, reflecting the opportunities which NBL can use.

Moreover, sustainability practices would also improve public relations and brand loyalty, offering an opportunity for long-term cost efficiency and waste reduction. This is concurrent with the literature, indicating that sustainability improves brand image and financial performance. Afum et al. (2020) have discussed how green manufacturing improves the firm's reputation and customer loyalty, hence justifying this present study in establishing an improved public relationship and brand loyalty at NBL. Further, Bag et al. (2020) have identified that sustainability initiatives result in long-term cost savings and operational efficiency, thus indicating financial outcomes that NBL has achieved by reducing waste and enhancing efficiency.

By addressing the challenges effectively and leveraging on opportunities, there is a great potential in enhancing the performance of the company and its strategic positioning. This agrees with literature such as overcoming barriers and leveraging opportunities in sustainable procurement leads to increased organizational performance. Han and Huo (2020) indicate that the integration of green supply chain practices can improve the overall sustainable performance, provided associated challenges are tackled effectively. Likewise, Kannan (2021) comments, besides opportunities, challenges in sustainable procurement, should be combated; in overcoming procurement-related challenges and capitalizing on the emerging opportunities lie strategic benefits for NBL.

## **5.2 Summary of findings**

The findings showed that diverse sustainable procurement practices have been implemented in Nile Breweries Limited, which is a good indication of the company's total commitment to environmental responsibility. The company actively pursues suppliers applying environmentally friendly practices and embeds sustainability criteria in its procurement policy. It focuses on the purchasing of materials that have a low environmental impact and applies lifecycle assessments to look at the overall environmental impacts of the product purchased. Regular monitoring and evaluation of the performance of suppliers ensure that standards on sustainability are met to support the long-term objectives of sustainability within the company. These practices underpin Nile Breweries' commitment to sustainable environmental impacts and fostering sustainable partnerships right through its supply chain.

Further, the study established that through such sustainable procurement practices, Nile Breweries Limited has been able to create a positive impact on its overall financial performance, attaining significant cost savings through reduced wastes and efficient resource utilization. The practices have also ensured a greater image and marketability of the company's brand to attain increased customer loyalty and eventually more market share. In as much as the sustainability measures are highly invested and have some recurring expenses, these are considered long-term strategies that enhance operational efficiency and financial returns. Generally, the aspect of integrating sustainable procurement has enabled the company to report increased financial outcomes through environmental responsibility tied to business performance.

Lastly, the findings showed that the implementation of sustainable procurement practices at Nile Breweries Limited has brought forth both challenges and opportunities. Some of the major issues cited include high initial costs, unavailability of suppliers meeting the set criteria for sustainability, resistance to change among the staff and suppliers, and inability to monitor and effect compliance. With these practices come great opportunities to improve the competitive edge or advantage, relationship building with more innovative suppliers, increased market access, access to fiscal incentives and grants, among others. Besides, sustainable practice can help in raising public relations and brand loyalty, thereby leading to cost savings in the long run on account of increased efficiency and reduced waste. This, in turn, provides an excellent response to the challenges and securing such opportunities for boosting the company's performance and strategic positioning accordingly.

### **5.3 Conclusions**

Nile Breweries Limited's commitment to sustainable procurement practices has drastically advanced both its environmental responsibility and financial performance. That the company acts proactively in procuring environment-friendly materials, integrating criteria of sustainability, and lifecycle assessments shows very well a commitment on the company's part to minimize its environmental footprint. This has brought quite significant returns in financial terms through cost savings, improvement in brand image, and increase in market share; there are, however, disadvantages like high initial costs and limited suppliers. By mitigating such challenges and capitalizing on opportunities to realize competitive advantage, strategic partnerships, and efficiency, Nile Breweries is optimistic in expanding its market scope and realizing long-term sustainability objectives.

### **5.4 Recommendations**

In view of the findings from this study, these are some of the recommendations found necessary about the effect of sustainable procurement on organizational performance of manufacturing companies: a case study of Nile Breweries Limited.

The study suggests that Nile Breweries Limited has to increase investment in sustainable procurement technologies and inclusive advanced analytics, digital tools to offer better tracking and management of the sustainability criteria which usually cost a lot initially and thereafter suppliers make cost improvements. Investments in this kind of technology will allow more accurate lifecycle assessments that, in turn, support better decision-making and assist in attaining their long-term environmental and financial goals.

The study further recommends that Nile Breweries Limited should ensure stronger collaboration in supplier relationships that indicate sustainability concerns. In this way, the company will be of essence in addressing the challenge of a limited number of suppliers by building collaborative relationships that will enhance mutual goals in sustainability. This helps in creating more innovation in the supply chain and access to new markets that eventually improve the competitive advantage and brand reputation of the company.

The study also recommends that comprehensive training in the line of sustainable procurement on staff and suppliers be carried out at Nile Breweries Limited. Successful integration of sustainability cannot be attained without overcoming resistance to change. Training will ensure that these stakeholders are fully informed about the benefits accruable and the requirements toward sustainable procurement; hence, transitions are made easy, and full compliance is ensured.

It is also recommended that "Nile Breweries Limited should provide a well-composed team for monitoring and enforcing sustainability issues throughout the supply chain. The team should have full guidelines and comprehensive performance metrics to assess and monitor the application of environmental standards among its suppliers. In so doing, the company shall be assured of sustaining the practice and minimizing some of the challenges which relate to enforcement and compliance.

### **5.5 Areas for Further Research**

Since the study sought to establish the impact of sustainable procurement on organizational performance at manufacturing companies using a case study of Nile Breweries Limited, this study proposes that similar studies be done in other areas concerning this topic, and these areas where further research is needed include but are not limited to the following:

Future studies should focus on the long-term financial implications of purchasing sustainably apart from immediate cost savings, such as whether it improves profitability and enhances shareholder value.

Further studies should also be conducted on specific practices of sustainable procurement in various manufacturing industries, through comparative studies of various results to come up with the best practices.

Another such broad area of interest could be regulatory frameworks, government incentives, and their role in shaping sustainable procurement strategies with their resultant impacts on organizational performance.

Finally, the study might investigate the relationship between sustainable procurement practices and employee satisfaction or productivity within manufacturing firms to provide insights into broader implications associated with sustainability initiatives.

## REFERENCES

- Abwang, W. (2024). Supply chain innovations & firm strategy: pathways to manage institutional voids in emerging markets. Case study of manufacturing firms in Uganda.
- Afum, E., Agyabeng-Mensah, Y., Sun, Z., Frimpong, B., Kusi, L. Y., & Acquah, I. S. K. (2020). Exploring the link between green manufacturing, operational competitiveness, firm reputation and sustainable performance dimensions: a mediated approach. *Journal of Manufacturing Technology Management*, 31(7), 1417-1438.
- Al-Awamleh, H., Alhalalmeh, M., Alatyat, Z., Saraireh, S., Akour, I., Alneimat, S., ...& Al-Hawary, S. (2022). The effect of green supply chain on sustainability: Evidence from the pharmaceutical industry. *Uncertain Supply Chain Management*, 10(4), 1261-1270.
- Anaba, D. C., Kess-Momoh, A. J., & Ayodeji, S. A. (2024). Sustainable procurement in the oil and gas industry: Challenges, innovations, and future directions. *International Journal of Management & Entrepreneurship Research*, 6(7), 2162-2172.
- Bag, S., Wood, L. C., Mangla, S. K., & Luthra, S. (2020). Procurement 4.0 and its implications on business process performance in a circular economy. *Resources, conservation and recycling*, 152, 104502.
- Etse, D., McMurray, A., & Muenjohn, N. (2022). The effect of regulation on sustainable procurement: Organisational leadership and culture as mediators. *Journal of Business Ethics*, 177(2), 305-325.
- Hallikas, J., Immonen, M., & Brax, S. (2021). Digitalizing procurement: the impact of data analytics on supply chain performance. *Supply Chain Management: An International Journal*, 26(5), 629-646.
- Hamiza, O., Ishaq, A. Y., Viola, I., Flavia, B. A., & Giovanna, L. (2024). Procurement practices and performance of private universities in West Nile, Uganda.
- Han, Z., & Huo, B. (2020). The impact of green supply chain integration on sustainable performance. *Industrial Management & Data Systems*, 120(4), 657-674.

- Hashmi, R. (2023). Business Performance Through Government Policies, Green Purchasing, and Reverse Logistics: Business Performance and Green Supply Chain Practices. *South Asian Journal of Operations and Logistics*, 2(1), 1-10.
- Isnaini, D. B. Y., Nurhaida, T., &Pratama, I. (2020). Moderating effect of supply chain dynamic capabilities on the relationship of sustainable supply chain management practices and organizational sustainable performance: A study on the restaurant industry in Indonesia. *International Journal of Supply Chain Management (IJSCM)*, 9(1), 97-105.
- Junaid, M., Zhang, Q., & Syed, M. W. (2022). Effects of sustainable supply chain integration on green innovation and firm performance. *Sustainable Production and Consumption*, 30, 145-157.
- Kannan, D. (2021). Sustainable procurement drivers for extended multi-tier context: A multi-theoretical perspective in the Danish supply chain. *Transportation research part E: Logistics and transportation review*, 146, 102092.
- Khan, S. A. R., Yu, Z., & Farooq, K. (2023). Green capabilities, green purchasing, and triple bottom line performance: Leading toward environmental sustainability. *Business strategy and the environment*, 32(4), 2022-2034.
- Khan, S. A. R., Yu, Z., Umar, M., &Tanveer, M. (2022). Green capabilities and green purchasing practices: A strategy striving towards sustainable operations. *Business Strategy and the Environment*, 31(4), 1719-1729.
- Lăzăroiu, G., Ionescu, L., Uță, C., Hurloiu, I., Andronie, M., &Dijmărescu, I. (2020). Environmentally responsible behavior and sustainability policy adoption in green public procurement. *Sustainability*, 12(5), 2110.
- Lesch, M., Golder, S., &McCambridge, J. (2024). Corporate social responsibility, policy framing and strategic marketing: understanding the alcohol industry's use of social media in Uganda. *Substance Abuse Treatment, Prevention, and Policy*, 19(1), 31.
- Muema, D. (2021). *Sustainable Procurement Practices and Organizational Performance of the County Governments in Kenya* (Doctoral dissertation, University of Nairobi).

- Nabukenya, J., Bagenda, B., & Muhwezi, M. (2022). Information Technology, Organizational Structure, Stakeholder Involvement and Supplier Order Fulfilment in Public Procurement: A Case of Selected Suppliers in Kampala–Uganda. *ORSEA JOURNAL*, 11(2).
- NiiAmooAkushie, E., & Ofori, A. (2024). The Impact of Green Procurement on Competitive Advantage and Company Performance: Examining the Role of Technological Innovation. *Dama International Journal of Researchers*, 9.
- Ogunsanya, O. A., Aigbavboa, C. O., Thwala, D. W., & Edwards, D. J. (2022). Barriers to sustainable procurement in the Nigerian construction industry: an exploratory factor analysis. *International Journal of Construction Management*, 22(5), 861-872.
- Rane, S. B., & Thakker, S. V. (2020). Green procurement process model based on blockchain–IoT integrated architecture for a sustainable business. *Management of Environmental Quality: An International Journal*, 31(3), 741-763.
- Sahoo, S., & Vijayvargy, L. (2021). Green supply chain management practices and its impact on organizational performance: evidence from Indian manufacturers. *Journal of Manufacturing Technology Management*, 32(4), 862-886.
- Sendawula, K., Bagire, V., Mbidde, C. I., & Turyakira, P. (2021). Environmental commitment and environmental sustainability practices of manufacturing small and medium enterprises in Uganda. *Journal of Enterprising Communities: People and Places in the Global Economy*, 15(4), 588-607.

**QUESTIONNAIRE  
FOR STAFF OF NILE BREWERIES LIMITED**



e) Others specify.....

5. How long have you spent working with Nile Breweries Limited?

a) Less than 1 year

b) 1-5 years

✓ c) 6-10 years

d) Above 10 years

**Section B: The specific sustainable procurement practices implemented by Nile Breweries Limited**

This questionnaire aimed at assessing their perspective on the specific sustainable procurement practices implemented by Nile Breweries Limited. They read each statement carefully and selected the answer that best reflected their level of agreement.

They used the following scale to indicate their level of agreement with each statement: 1 = Strongly Disagree; 2 = Disagree; 3 = Not sure; 4 = Agree; and 5 = Strongly Agree

No.	Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
		5	4	3	2	1
1	Nile Breweries Limited actively seeks suppliers who follow environmentally friendly practices.		✓			
2	The company prioritizes purchasing materials that have a minimal environmental impact.	✓				
3	There are clear guidelines in place for selecting suppliers based on their sustainability credentials.	✓				
	Sustainable procurement practices are integrated into the company's procurement policies.		✓			
5	The company regularly monitors and evaluates suppliers for compliance with sustainability standards.			✓		

6	Nile Breweries Limited uses lifecycle assessments to evaluate the environmental impact of purchased products.				√	
---	---	--	--	--	---	--

**Additional Information (Optional):**

Suggest any other sustainable procurement practices implemented by Nile Breweries Limited other than the ones mentioned above.

NONE

**Section C: The extent to which these sustainable procurement practices have influenced the overall organizational performance of Nile Breweries Limited**

This questionnaire aimed at assessing their perspective on the extent to which these sustainable procurement practices influenced the overall organizational performance of Nile Breweries Limited. They read each statement carefully and selected the answer that best reflected their level of agreement.

They used the following scale to indicate their level of agreement with each statement: 1 = Strongly Disagree; 2 = Disagree; 3 = Not sure; 4 = Agree; and 5 = Strongly Agree

No.	Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
		5	4	3	2	1
1	Sustainable procurement practices have led to cost savings for Nile Breweries Limited.		√			
2	Implementing sustainable procurement has enhanced the company's brand image and marketability.				√	
3	The adoption of sustainable procurement practices has improved the efficiency of the supply chain.		√			
4	There has been a noticeable increase in customer satisfaction due to the company's commitment to sustainability.	√				

5	Sustainable procurement practices have contributed to better compliance with regulatory requirements.			√		
6	The company has experienced an improvement in employee satisfaction as a result of its sustainability efforts.	√				

**Additional Information (Optional):**

How else have these sustainable procurement practices influenced the overall organizational performance of Nile Breweries Limited other than the ones mentioned above?

These practices have motivated us the workers to participate in the company's welfare.

**Section D: The challenges and opportunities associated with implementing sustainable procurement practices for better organizational performance at Nile Breweries Limited**

This questionnaire aimed at assessing their perspective on the challenges and opportunities associated with implementing sustainable procurement practices for better organizational performance at Nile Breweries Limited. They read each statement carefully and selected the answer that best reflected their level of agreement.

They used the following scale to indicate their level of agreement with each statement: 1 = Strongly Disagree; 2 = Disagree; 3 = Not sure; 4 = Agree; and 5 = Strongly Agree

No.	Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
		5	4	3	2	1
<b>Challenges</b>						
1	The initial cost of implementing sustainable procurement practices is perceived as high.	√				
2	There is a lack of sufficient supplier options that meet the company's sustainability criteria.		√			

3	Limited internal expertise on sustainable procurement practices hampers effective implementation.	√				
4	Resistance to change among staff and suppliers affects the adoption of sustainable practices.			√		
5	Monitoring and enforcing compliance with sustainability standards is challenging.	√				
6	The complexity of integrating sustainability criteria into existing procurement processes poses difficulties.		√			
<b>Opportunities</b>						
1	Implementing sustainable procurement practices can enhance the company's competitive advantage.		√			
2	There are potential partnerships with suppliers who are willing to innovate in sustainability.	√				
3	Sustainable procurement practices open up opportunities for accessing new markets and customers.				√	
4	There are financial incentives and grants available for companies that adopt sustainable practices.			√		
5	The company can leverage its sustainability initiatives for positive public relations and brand loyalty.			√		
6	Adoption of sustainable practices can lead to long-term cost savings through increased efficiency and waste reduction.		√			

**Additional Information (Optional):**

Suggest any other challenges associated with implementing sustainable procurement practices for better organizational performance at Nile Breweries Limited other than the ones mentioned above.

.....NONE.....

Suggest any other opportunities associated with implementing sustainable procurement practices for better organizational performance at Nile Breweries Limited other than the ones mentioned above.

Nile breweries has enabled me attain more skills of these practices through training since I am always engaged in the processes.

**Thank you very much for your cooperation**

## INTERVIEW GUIDE

### FOR TOP MANAGEMENT OF NILE BREWERIES LIMITED

Dear respondent,

My name is Ambasize Doreck; I am a student of Bachelor of Procurement and Logistics Management at Uganda Christian University. I am conducting a study on “the effects of sustainable procurement on organizational performance in manufacturing companies; a case study of Nile Breweries Limited.” You are specifically selected to participate in this study and the information collected is purely for academic purpose and treated with the highest level of confidentiality. The success of this study shall be greatly dependent on your response. Your cooperation shall be highly appreciated.

#### **Section A: Introduction**

1. Tell me about yourself (*gender, age, level of education*)
2. What position do you hold in Nile Breweries Limited?
3. How long have you worked with Nile Breweries Limited?

#### **Section B: Questions on the objectives**

4. What specific sustainable procurement practices has Nile Breweries Limited implemented in its supply chain?
5. How does Nile Breweries Limited ensure that its suppliers adhere to sustainability criteria?
6. How have sustainable procurement practices affected the overall financial performance of Nile Breweries Limited?
7. In what ways have these practices contributed to Nile Breweries Limited’s market positioning and brand image?
8. What are the primary challenges Nile Breweries Limited faces in implementing sustainable procurement practices?
9. How does the company address the resistance to change among staff and suppliers regarding sustainable procurement?
10. What opportunities has Nile Breweries Limited identified through its sustainable procurement practices?

11. How has the adoption of sustainable procurement practices benefited the company in terms of market access and customer engagement?

**Thank you for your cooperation**

**SCHOOL OF BUSINESS**

19<sup>th</sup> Aug, 2024

**TO WHOM IT MAY CONCERN**

Name: **AMBASIZE DORECK**

Reg. No S21B12/113

A bachelor's student who is seeking permission from your office to collect data for her dissertation titled

**The effect of sustainable procurement on organizational performance in manufacturing companies: A case study of Nile Breweries Limited**

We shall be grateful if you could render assistance to her in collecting the necessary data for her dissertation

The Uganda Christian University School of Business thanks you in advance



.....  
Mukisa Simon Peter

Research coordinator