Assessing the Factors Affecting the Effective Implementation of Supply Chain Management (SCM) In Food Manufacturing Small And Medium Enterprises (SMEs) In Dar Es Salaam.

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ABSTRACT:- Supply chain management (SCM) involves various activities that deal with transforming raw materials into finished products. SCM focuses on maximising value to the customer through providing quality materials at a lower price. Although SCM has been in existence for over 80 years, it was mainly associated with Large Enterprises (LEs) while SMEs were ignored. Recently, however, SCM has become popular among SMEs due to the benefits it offers such as decreased lead times, improvement in customer responsiveness, increased productivity, sales and firm profitability. Despite SCM popularity, there is a shortage of literature, especially in the food manufacturing sector in Tanzania. Previous researchers mainly focused on SCM of raw agricultural products. Furthermore, the literature on SME and SCM in Tanzania remains scarce.

The main purpose of this research was to assess the factors affecting the implementation of SCM in food manufacturing SMEs in Dar es Salaam Tanzania. The study adopted a qualitative design; 13 semi-structured interviews were held with SCM experts. The findings reveal that SCM implementation within these firms needs development. The factors that limit effective SCM implementation in Tanzania are low knowledge concerning supply chain(SC), ineffective management, unsophisticated technologies and weak SSR. The study recommends SMEs to improve their relationship with suppliers. Also, SMEs have to invest in the latest technologies to reduce lead times, maximise productivity, and become agile. Support from the government in the form of training and financial aid is also imperative for SMEs to improve SCM implementation.

KEYWORDS:- Implementation, Food processing, SCM, SMEs, Tanzania.

I. INTRODUCTION

I.1 Background of the study

SCM has been in existence for over 80 years. It originally stemmed from logistics. Although SCM originated from logistics, it is different as it extends to other activities which do not involve logistics such as lean management, agility, integration of operations of the firm. Logistics is only confined to the movement of goods from producers until products reach the customers. SCM involves activities that ensure goods reach the customer on time. Due to technological advancements, SCM has gained popularity in many firms. SCM not only helps companies to manage supply chains it also adds other benefits to firms such as improving customer and supplier relationships, reducing costs, integrating activities of the firm and helping a firm to become agile.

Previously SCM was mostly associated with large enterprises(LEs), and its application was completely ignored in small and medium enterprises(SMEs). Researchers such as [52] [6][68] found that SCM was not beneficial to SMEs. Other studies such as [21]suggested that the low implementation of SCM in SMEs was because SMEs are reluctant to share vital information with partners[24]. [65] also emphasised that the low implementation of SCM in SMEs was because of the low knowledge concerning the applicability of SCM. Despite these studies suggesting that SCM is not suitable for SMEs. Multiple studies have confirmed that SCM does indeed help SMEs to improve organisational performance [65].

Despite researchers addressing SCM and its implementation in SMEs. There is a shortage of these studies, especially in the food manufacturing industry in Tanzania. Previous researchers in Tanzania focused solely on SCM issues in the agro sector. For example, [16][3]focused on SCM implementation in raw agro products. The few studies [55],[90] that addressed SCM issues in the food manufacturing sector in Tanzania paid no attention to SMEs. This study, therefore, aims to discover the overall implementation of SCM in food manufacturing SMEs in Dar es Salaam to bridge the gap that exists in the literature. This research will also address the following research questions:

- What practices are followed by food manufacturing SMEs in Dar es Salaam?

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• What are the challenges that affect the effective implementation of SCM in food manufacturing SMEs in Dares Salaam?
• How can SCM implementation be improved within these organisations?

II. LITERATURE REVIEW

II.I SCM definition
Researchers ([32],[63],[65]) in the field of SCM have failed to come up with a concise definition of SCM. However the main themes have been used to define SCM include terms such as process, network or activities that maximise customer satisfaction [46]. SCM can, therefore, be defined as either a process, network or activities involved to ensure that goods and services move on time from the point of origin until products reach the final consumers.

SCM implementation is mainly dependent on various enablers that help a firm to implement SCM effectively. Such facilitators include support from the government, transparency in the supply chain, using the latest technologies, customer responsiveness. To, therefore, be effective researchers have recommended enablers to facilitate SCM. For instance, [46] suggests IT, management, supply chain coordination, visibility to be vital facilitators of SCM implementation. [65] recommends IT, workflow structure, communication structure, planning and control methods and knowledge management to be successful SCM enablers.

II.II SCM practices
SCM practices are approaches that deal with managing supply chains of various companies. Many authors have listed different SCM practices. As seen in Table 2-1

<table>
<thead>
<tr>
<th>Table II-1 SCM Practices</th>
<th>Researchers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier partnerships, outsourcing, cycle time compression, continuous process flow, information technology sharing.</td>
<td>[13]</td>
</tr>
<tr>
<td>Customer relations, quality and purchasing.</td>
<td>[60]</td>
</tr>
<tr>
<td>EDI (Electronic Data Interchange) and inventory management.</td>
<td>[5]</td>
</tr>
<tr>
<td>Supply chain integration, information sharing, supply chain characteristics, customer service management, geographical proximity, IT capability.</td>
<td>[61]</td>
</tr>
<tr>
<td>Vision, goals, information sharing, risk and award sharing cooperation, process integration, long term relationships and agreed supply chain leadership.</td>
<td>[39]</td>
</tr>
<tr>
<td>Strategic partnerships, customer relationships, level of sharing information, quality of information sharing, postponement.</td>
<td>[32]</td>
</tr>
<tr>
<td>Strategic supplier relationships (SSR), customer relationship management (CRM), integration, information sharing, customer responsiveness.</td>
<td>[59]</td>
</tr>
<tr>
<td>Strategic supplier partnership, good customer relationship, information sharing and quality, Just in Time, Lean practices and postponement.</td>
<td>[67]</td>
</tr>
<tr>
<td>Network relationship management, manufacturing flow management, product development and commercialisation.</td>
<td>[65]</td>
</tr>
<tr>
<td>SSR, Lean, outsourcing, quality of information, level of information sharing, customer relationship.</td>
<td>[40]</td>
</tr>
<tr>
<td>Strategic purchasing, long-term relationship, supplier integration, communication and coordination with suppliers.</td>
<td>[23]</td>
</tr>
<tr>
<td>Supply chain integration (SCI), stakeholder commitment, continuous improvement, management and strategic planning integration.</td>
<td>[30]</td>
</tr>
<tr>
<td>Green purchasing, green manufacturing, green distribution, green packaging, green marketing, environmental education, internal environmental management and investment recovery.</td>
<td>[71]</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reverse logistics, supplier environmental collaboration, carbon management.</td>
<td>[2]</td>
</tr>
<tr>
<td>Environmental management systems, eco-design, source reduction and external environmental practices.</td>
<td>[4]</td>
</tr>
<tr>
<td>Product and process innovation.</td>
<td>[56]</td>
</tr>
<tr>
<td>Investment recovery (IR) practices and corporate social responsibility (CSR), internal green management (IGM), green supplier management (SGM), eco-design (ECD) and green customer management (CGM).</td>
<td>[18]</td>
</tr>
</tbody>
</table>

Source: [46]

From the above Table, it is clear that researchers have focused on many practices. Majority of researchers ([61];[39]; [32]; [59]; [67][40]; [23]) looked at SCM practices such as SSR, CRM, integration, information sharing, customer responsiveness and agility. Others ([2][[4]]; ([56]) [18]) have focused on green supply chain practices and sustainable supply chain practices.

The next section will look at the benefits of SCM practices.

II.III The benefits of SCM in firms

Table 2-2 depicts various SCM benefits.

<table>
<thead>
<tr>
<th>Author</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>[22]</td>
<td>Increase in sales, cost reduction, improved material delivery and shorter cycle time, including product development cycle times. Access to products, process technology and quality improvements.</td>
</tr>
<tr>
<td>[52]</td>
<td>Customer dominance improved coordination and customer services.</td>
</tr>
<tr>
<td>[19]</td>
<td>Low inventory levels and improved responsiveness.</td>
</tr>
<tr>
<td>[62]</td>
<td>Integration.</td>
</tr>
<tr>
<td>[38]</td>
<td>Increase in customer services and responsiveness, increase in supply chain communication.</td>
</tr>
<tr>
<td>[63]</td>
<td>The improvement in buyer and supplier relationships.</td>
</tr>
<tr>
<td>[57]</td>
<td>Lead time reduction, agility in the supply chain, delivery on time, inventory reduction, service reliability, cost reduction and the accurate forecasting of the data.</td>
</tr>
<tr>
<td>[51]</td>
<td>Aids managers in the realisation of opportunities to minimise limitations.</td>
</tr>
<tr>
<td>[10]</td>
<td>Lower supply chain costs, improvement in overall production, inventory reduction and accuracy in demand forecasting.</td>
</tr>
<tr>
<td>[53]</td>
<td>On-time delivery, increased inventory turnover, decreased order cycle times, reduction in risk, shorter order fulfilment lead times, greater product availability, reduction in the duplication of inter-organizational processes, increased customer/market responsiveness, capital utilization, decreased product time to market, logistics cost reduction, transportation costs, handle unexpected challenges, overall product quality, reduction in product development.</td>
</tr>
<tr>
<td>[25]</td>
<td>Improve forecast accuracy. Reduced inventory levels. Improve planning and scheduling. Increase asset utilization.</td>
</tr>
</tbody>
</table>
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Reduce replenishment.
Reduce cost for logistics.
Improve customer service.
Reduce the volume of errors.

[43],[8] Enhancing firms competitiveness.

[50] Improve firm performance.

[45] Improved partnership relationships.

[36] Facilitate production and distribution planning decisions minimising the total cost, including raw material, packaging, conversion, inventory, transportation and depreciation expenses.

[37] Improved Response Speed.
Improved Flexibility.
Save Labor Cost And Inventory Cost.

Table 2-2 above depicts that SCM practices provide various benefits to firms such as on-time deliveries, improved logistics, increased productivity, improvement of supplier relationships, flexibility, decreased costs and increased sales. Having looked at the benefits of SCM practices in firms, the next section will discuss SCM in SMEs.

II.IV SCM IN SMEs

Previously SCM was unpopular among SMEs. Researchers suggested that SCM was more beneficial and suitable for LEs than SMEs. For example, [6] and [68] found SCM to be negatively associated with SME performance. This can be a result of challenges that impede SMEs to adopt SCM successfully. [28] suggested that SMEs encounter many problems in coordinating their operations with other members of the supply chain. Additionally, They are localized in functioning. [49] found that SCM is weak in SMEs as SMEs fail to exploit their competencies and new opportunities.

Others have highlighted that SMEs fail to implement SCM due to failure to adopt new technologies. For instance, [69] proposed that SMEs often lack resources for technological investments. SMEs fail to use radio frequency identification (RFID) technology to solve problems due to financial constraints. Others [33];[1];[70];[45] also associated poor finances with SCM failure in SMEs. Despite the negative views of SCM in SMEs, researchers have acknowledged SCM benefits to SMEs. Some of these benefits are depicted in Table 2-3:

Table II-3 SCM Benefits to SMEs

<table>
<thead>
<tr>
<th>Study</th>
<th>Methodology</th>
<th>Author</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study on collaboration and information sharing practices for SCM in Indian SMEs</td>
<td>Survey</td>
<td>[29]</td>
<td>Improved supplier selection and evaluation, the involvement of customers in decision making.</td>
</tr>
<tr>
<td>Insights on Supply Chain Needs and Issues in Indian SMEs</td>
<td>Review</td>
<td>[42]</td>
<td>Reduce cycle time and inventory, improvement in quality, customer satisfaction.</td>
</tr>
<tr>
<td>Supply chain management in SMEs: evidence from Poland and Kazakhstan</td>
<td>Survey</td>
<td>[27]</td>
<td>Collaboration and transparency in the supply chain.</td>
</tr>
</tbody>
</table>

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Table 2-3 above shows various studies that have looked at the benefits of SCM in SMEs. Through using Surveys researchers [29]; [27];[7]in India, Portugal, Poland and Kazakhstan reported SMEs to benefit from SCM through improved supplier selection and evaluation, the involvement of customers in decision making, enhanced operational performance and customer services, improved collaboration and transparency in the supply chain. In other parts like Tanzania, [45]used a mixed approach and found improved delivery time, agile supply chains, improve partnership relationships to be some of the benefits of SCM in Tanzanian SMEs. It can, therefore, be concluded that SCM indeed is suitable for SMEs and improves their overall firm performance.

II.V The food sector in Tanzania

The Tanzanian food sector consists of SMEs and LEs who produce various products such as beverages, confectionery items, tea coffee, cashew nuts, milk etc. SMEs do the majority of food processing. Despite having arable land to produce more products. The Tanzanian food sector still has challenges, especially in obtaining quality raw materials which slow down food processing in the country leading to the dependency of imported products. For example, although 2.7 tonnes of fruits are produced in the country, only 4% is processed. Similarly, annually up to 12000 tonnes of cashew nuts are produced only 12% of this is processed ([48], technological difficulties deficient R&D, inadequate infrastructures, and poor partner relationships. In their study [55] found lack of technical know-how, research and development, capital, managerial and physical infrastructures to be leading factors limiting the processing activities in the Tanzanian food sector. [48] found financial constraints, bureaucracy, technological difficulties, lack of raw materials to significant impediments limiting processing activities in the country. [44] found that the quality of goods produced is low in the food processing sector in Tanzania, which leads to failure to compete in international markets.

II.VI SMEs in Tanzania

SMEs are important in Tanzania as they contribute to economic development through employment creation and income generation. In the Tanzanian context, micro firms have fewer than five employees. Small are those with 10-49 employees while medium firms 50 to 100 employees. There are over 3 million SMEs in the country which contribute about 27% of GDP. The Small Industries Development Organisation (SIDO), SIDO is the primary SME governing body in Tanzania which assists SMEs through consultancy services and providing training through various workshops. Other organisations which regulate and assist SMEs in Tanzania include Tanzania Medicines and Medical Devices Authority (TMDA), Tanzania Bureau of Standards (TBS), Tanzania Entrepreneurship and Competitiveness Centre (TECC).

Notwithstanding the significance of SMEs in Tanzania, many still undergo challenges which cause them to underperform and to stop functioning. Various researchers have documented the problems that lead to SME failure in Tanzania. For example, [66][20] found a lack of business training to be the major challenge affecting SMEs in Tanzania. [41];[15]; [34]; [35] reported capital constraints to be the main impediment to SME growth in Tanzania. Others, [47]found poor technology, tight regulations and lack of human competencies to be leading factors limiting SME growth in Tanzania.
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III. RESEARCH METHODOLOGY

This research adopted a qualitative design where semi-structured interviews were conducted with experts. This was deemed suitable by the researchers as it enabled them to familiarise themselves with the implementation of SCM practices in food manufacturing SMEs. A sample of 13 respondents was obtained from a population of 20 informants and was deemed appropriate for this research. As suggested by previous researchers, a sample size of a minimum of 12 participants is suitable in the interviewing strategy as they allow a researcher to reach saturation. The study utilised convenience and purposive sampling methods. Only, SCM and SME experts participated in the research. The findings from interviews have been presented in section IV:

IV. FINDINGS

Thirteen transcripts were coded were themes were generated in NVIVO. The themes generated included:-
1. SCM implementation in food manufacturing SMEs in Dar es Salaam.
2. SCM practices adopted by food processing SMEs in Dar es Salaam.
3. SCM issues impeding effective SCM implementation in Dar es Salaam
4. Measures to be taken to implement SCM within these firms effectively.

Each of these themes will be discussed in the following sections.

a) Theme 1 SCM implementation in food manufacturing SMEs in Dar es Salaam.

Informants were asked their views on the implementation of SCM in food manufacturing SMEs in Dar es Salaam. Most of the respondents highlighted that the implementation of SCM was still developing and SMEs had difficulties in effectively implementing SCM due to issues such as low knowledge concerning SCM, the use of outdated technologies, failure to employ experts and fear of costs. Some of the views from the respondents are as follows:

"Currently the overall SCM is still in its developing stage. Most food manufacturing SMEs are still unaware of the benefits of SCM and most SMEs are unable to use up-to-date technologies." (Respondent 3)

"First of all, the implementation of SCM practices in food manufacturing SMEs in Dar es Salaam is still in its developing stage. Most SMEs are unaware of the benefits of SCM, and most are reluctant to apply SCM in fear of the costs." (Respondent 5)

"The implementation of supply chain practices in food manufacturing SMEs is still at its developing stage. Most of the food manufacturing SMEs are not yet aware of the benefits of using SCM. Additionally, most SMEs do not employ SCM experts in their organizations due to a fear of the cost." (Respondent 8)

"In food SMEs, the implementation of the supply chain is very low because most of the SMEs do not have enough knowledge concerning the supply chain." (Respondent 12)

Informant 11 mentioned that the SCM implementation within these firms was low, as shown in the section below:

Basically, for Tanzanian SMEs, they do not practice it fully; they are closely approaching 50%.” (Respondent 11).

Having discussed SCM implementation, the next theme, which is SCM practices, will be explained.

b) Theme 2: SCM practices adopted by food processing SMEs in Dar es Salaam.

As seen in the literature review, there are many SCM practices that firms adopted. The common ones, however, are SSR, CRM, information sharing, Lean and JIT, outsourcing, integration, distribution information sharing. To validate the findings from the literature, review the informants were asked to comment on the standard practices adopted by food manufacturing SMEs. The majority of interviewees confirmed that the SCM practices followed by SMEs in Dar es Salaam are SSR, CRM, information sharing, Lean and JIT, postponement, integration and agility. Additionally, practices such as demand forecasting, third party logistics and tracking were also highlighted by interviewees. It was interesting also to learn that the level of implementation of these practices is unequal. For instance, practices like CRM, lean and agility were more implemented than others. It was also surprising to learn that SSR was the least applied practice.
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Some of the views from the respondents are given in the following section:

Some of the supply chain practices that are followed by food manufacturing SMEs include customer relationship management and Lean practices.” (Respondent 3)

“We have the customer relationship. Lean practices, partnership. These are the main practices. I think the customer relationship is the one which is to a great extent.” (Respondent 4)

“SCM practices involve CRM, integration, order processing, tracking orders and third-party logistics for delivering”. (Respondent 11)

“Most SMEs focus more on the downstream relationships and pay less attention to supplier relationships.” (Respondent 3)

Respondents were also asked to comment on the practices implemented individually.

<table>
<thead>
<tr>
<th>SCM practice</th>
<th>Implementation</th>
<th>Informants comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSR</td>
<td>Less implemented</td>
<td>“As I said earlier, SCM is fragmented, and thus there is not much of a strategic relationship from both ends of the supply chain.” (Respondent 1)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“Most SMEs focus more on the downstream relationships and pay less attention to supplier relationships.” (Respondent 3)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“Most SMEs focus more on customer relationships than SSR. They fail to maintain long term relationships with their suppliers compared to their customers. Poor strategic relationships are the result of poor technologies and the failure to share information on time, and also a lack of trust among the supply chain members.” (Respondent 5)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“No professionalism in managing relationships. SMEs do not apply professional steps in acquiring products.” (Respondent 10)</td>
</tr>
<tr>
<td>CRM</td>
<td>Well implemented</td>
<td>“Yeah, well, I can say that on the part of the customer relationship, it is really good because, at the end of the day, you need to sell your product.” (Respondent 1)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customer relationships in food manufacturing SMEs are okay as these organizations mainly focus on satisfying the customers by delivering the goods on time and meeting their demands.” (Respondent 2)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“SMEs try hard to create better relationships with their customers”</td>
</tr>
</tbody>
</table>
Assessing the Factors Affecting the Effective Implementation of Supply Chain Management (SCM)...

<table>
<thead>
<tr>
<th>Factor</th>
<th>Status</th>
<th>Reason</th>
</tr>
</thead>
</table>
| Information sharing | Still developing although social media helps with interactions | "With the widespread of the social media, I think now it is easier for them to share the information." (Respondent 1) Due to technological advancements, most SMEs prefer using social media such as Facebook, Instagram as the main means of passing information than mass media because it is expensive." (Respondent 2)

"Information sharing in these organizations is still developing. Most use social media like Instagram and Facebook to advertise their products externally." (Respondent 3)

"As I said earlier, the technology is not developed yet in Tanzania. Information sharing is still very low. However, most SMEs use social media such as Instagram and Facebook to interact with customers." (Respondent 5)

| Lean and JIT   | Needs developing               | "Most of these SMEs fail to manufacture the right amount of inventories. As a result, bulk inventories are kept, and some get spoilt in the process and result in losses." (Respondent 5)

| Postponement   | Further developing needed      | "Postponement is average in SMEs. Mostly there are issues that are experienced, such as poor forecasting." (Respondent 13)

| Integration    | Still weak                    | "Integration is a good thing but the problem with SMEs is that they do not share internal information with other firms due to a lack of trust and thus it is difficult." (Respondent 2)

"Integration is still developing in food manufacturing SMEs. The actors in the supply chain are still unable to coordinate all activities in the supply chain and as a result, delays occur." (Respondent 3)

"Integration is still in its
developing stage. Most supply chain actors are still unable to integrate the activities of the firm." (Respondent 5)

<table>
<thead>
<tr>
<th>Agility</th>
<th>Needs further development.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&quot;Some of them are agile when they hear that a product has more money. For example, maize. Some of them might hear that if you sell maize, then you can make a lot of money.&quot; (Respondent 9)</td>
</tr>
<tr>
<td></td>
<td>Another respondent stated: &quot;In some areas, the agility is embraced easily. For example, when customers want a change in the product. For example, different flavours or packaging, or smaller sizes. In that aspect, agility is great but sometimes where government policies are introduced, they might struggle to change. However, suppliers do not easily respond to the changes needed by the SMEs. SMEs try hard to adapt to the changes.&quot; (Respondent 10)</td>
</tr>
</tbody>
</table>

From the Table 4-1 above, it is evident that SCM practices in food manufacturing SMEs need development. As emphasized by the respondents, SMEs need to work on their SSR as this is weak as compared to the other practices.

Having discussed the SCM practices and level of implementation, the next section will discuss the issues that impede effective SCM implementation in food manufacturing SMEs in Dar es Salaam.

c) **Theme 3: Factors affecting SCM implementation in food processing SMEs in Dar es Salaam.**

Interviewee respondents were asked to comment on the issues affecting SCM implementation; these are depicted in the table below:

**Table 0-2 Issues affecting SCM implementation in food processing SMEs in Dar es Salaam, Tanzania**

<table>
<thead>
<tr>
<th>Respondents</th>
<th>Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Cost control. Operating costs are high. No experts in the field. Customer services still an issue.</td>
</tr>
<tr>
<td>3</td>
<td>Poor knowledge of SCM. Lack of integration and agility. Issues in the supplier relationships.</td>
</tr>
<tr>
<td>4</td>
<td>Untimely delivery to customers.</td>
</tr>
<tr>
<td>5</td>
<td>No delegation. Inexperienced managers.</td>
</tr>
</tbody>
</table>
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<table>
<thead>
<tr>
<th></th>
<th>Lack of trust among the supply chain members. Failure to cope with technological and market changes. Lack of training.</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Knowledge about SCM.</td>
</tr>
<tr>
<td>7</td>
<td>Management has to be innovative to differentiate products and quality. Trust is a big issue. Unfavourable government policies.</td>
</tr>
<tr>
<td>8</td>
<td>Incapable managers. Lack of trust among supply chain members. Poor integration and agility. Inadequate facilities such as packaging. Lack of staff training. Lack of support from the government.</td>
</tr>
<tr>
<td>10</td>
<td>Lack of proper well-established suppliers. Poor management of suppliers. Low capital.</td>
</tr>
<tr>
<td>11</td>
<td>Low employee morale. Managerial incapability.</td>
</tr>
<tr>
<td>12</td>
<td>Lack of knowledge about the supply chain. Technology is another issue that is affecting the implementation of SCM in SMEs.</td>
</tr>
<tr>
<td>13</td>
<td>Poor supplier relationships. Lack of coordination. Unreliable sources of supply.</td>
</tr>
</tbody>
</table>

As seen in Table 4-2 above, the informants mentioned the issues that were affecting SCM implementation in food manufacturing SMEs. However, some problems such as inefficient supplier relationships, low SCM knowledge, technological difficulties and ineffective management have been highlighted more than others. These are elaborated below:

- **Low Knowledge concerning SCM:** Low knowledge concerning SCM emerged as a significant impediment impacting SCM. Most of the respondents emphasized that SMEs in the food manufacturing sector in Tanzania are not entirely of the benefits of SCM. It was also mentioned that SMEs still operate locally. Some of the views of the respondents are mentioned below:

  *The implementation of supply chain practices in food manufacturing SMEs is still in its developing stage. Most of the food manufacturing SMEs are not yet aware of the benefits of using SCM. Also, most SMEs use outdated technologies which do not facilitate smooth SCM.”* (Respondent 3)

  Another respondent also stated:

  “Like a growing economy here in Tanzania, the implementation of SCM practices... I can say it is between low and average because most small and medium enterprises do not practice it. Most people are operating locally without proper implementation, so it is between low and average.” (Respondent 2)

  “In food SMEs, the implementation of a supply chain is very low because most of the SMEs do not have enough knowledge concerning the supply chain and how the supply chain can benefit them. Thus, many SMEs still do not practice SCM.” (Respondent 12)

- **Technological difficulties:** The use of outdated technologies is another main issue that interviewees stressed on.
- **Inefficient SSR:** Respondents revealed that SSR is weak in SMEs. This can be seen in the comments below:
Most SMEs focus more on the downstream relationships, and they pay less attention to supplier relationships. This has mainly resulted due to the poor integration that exists between the supply chain partners.” (Respondent 3)

“Most SMEs focus more on customer relationships than SSR. They fail to maintain long term relationships with their suppliers compared to their customers.” (Respondent 5).

The respondents also provided reasons for having weak SSR.

Another cause for poor strategic supplier relationships is the lack of trust and the untimely sharing of information caused mainly by technological problems.” (Respondent 3)

A similar response was

Poor strategic relationships are the result of poor technologies and the failure to share information on time, and also a lack of trust among the supply chain members.” (Respondent 5)

From the above statements, it can, therefore, be said that SSR is weak in food manufacturing SMEs due to lack of trust, untimely sharing of information, technological difficulties and lack of integration between the firm and suppliers.

- Ineffective management: lack of support from the management emerged as another main issue affecting SMEs. Informants concurred that managerial incompetence is another factor limiting SCM implementation in food manufacturing SMEs.
  
  Some of the views of the respondents are as follows:

  “Management is still inexperienced. Also, they lack delegation as they want to manage everything at once. This leads to problems as they lack expertise in the areas such as SCM. Thus, this creates more problems. They need to invest more and employ experts who will manage SCM better in their organisation.” (Respondent 5)

A similar response was:

“Management is not very well – it is mediocre. People are not flexible with their technology. Most entrepreneurs have the knowledge but lack the experience. The lack of management skills of the management leads to poor decision making, and ultimately this affects the SCM.” (Respondent 2)

Another respondent claimed:

“They lack competencies, they need to employ experts.” (Respondent 7)

“The management is still inexperienced, and, in some cases, they try to manage everything at once. It would be useful if experts were employed to help manage the supply chains of the organizations.” (Respondent 8).

Based on these comments, it can be concluded that experts have to employed in such organisations to help management to make informed decisions about effectively managing SCM in SMEs.

The following section will discuss the measures to be taken to help SCM development in food processing SMEs in Dar es Salaam.

d) Theme 4 Measures to effective SCM implementation

To overcome SCM implementation problems, respondents provided the following measures

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Measures</th>
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<tbody>
<tr>
<td>2</td>
<td>Recruit experts and train them to manage SCM.</td>
</tr>
<tr>
<td>3</td>
<td>Support from the government. SCM management training</td>
</tr>
<tr>
<td>4</td>
<td>Good link between the partners of the supply chain to ensure that they provide quality and adequate goods to...</td>
</tr>
</tbody>
</table>
Assessing the Factors Affecting the Effective Implementation of Supply Chain Management (SCM)...

<table>
<thead>
<tr>
<th></th>
<th>Measures</th>
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</table>
| 5 | Training employees.  
Updating technology.  
Support from the government to ensure that the SMEs employ experts and use the latest technologies to produce quality products. |
| 6 | Reform policies to favour domestic companies.  
Adapting the latest technology to foster effective SCM. |
| 7 | More training.  
Employee experts.  
Support from the government. |
| 8 | Using current technology.  
Support from the government.  
Training members of the organisation. |
| 9 | Build strong customer relationship management.  
When customers are treated well, they tend to remain loyal.  
Designing better packaging. |
| 10 | Well established suppliers.  
Improve technology.  
Employment of experts to enable the suppliers to be well established.  
Good policy investments as a nation will help in the raining of SMEs and suppliers to allow them to have well-established SCM where the challenges faced might be reduced. |
| 11 | Training is needed.  
The owners need to have commitment.  
Regulatory issues have to be involved.  
Transportation sector levies and conditions that are necessary are discouraging the growth of the sector. |
| 12 | Educating the SMEs on how SCM is practiced and how it operates.  
Fund support from the government to enable SMEs to acquire new technologies and new machinery. |
| 13 | Integration of SMEs and suppliers.  
Training staff.  
Support from the government. |

From the above Table 4-3, the main measures that informants stressed on were as follows:

- Support from the government: The informants suggested that support from the government is needed to enable these SMEs to implement SCM effectively. It was also mentioned that the support could be through financial aid, providing training and reducing tax for imported machineries to help SMEs use the latest machineries while processing.
- Integrating SMEs: Interviewees concurred that SMEs have to integrate not only with members of the supply chain but with other SMEs as well. This will ensure a smooth supply chain which will enable these firms to meet customer needs. Some of the views of the respondents is mentioned in the following section.

“SMEs can integrate with each other to form a consortium which can help them to increase the volume of purchases by buying in large quantities.” (Respondent 1)

Another Response was

“I think the partnership issue is important. There should be a good link between the partners of the supply chain to ensure that they provide quality and adequate goods to the customers. Without a strong partnership, each member focuses only on profiting themselves and not on the customers. In other words, there should be an integration of the activities to make sure that the goods reach the customers on time.” (Respondent 4)
Improving SSR: Informants mentioned that improving SSR is essential in these SMEs. The respondents highlighted that SCM development within these firms cannot occur unless SMEs enhanced relationships with both upstream and downstream members. It has also been highlighted that such an improvement can happen when quality information is passed on between the members and also where trust is built through being transparent with members.

Training staffs: Respondents mentioned that training SME staff can aid in improving the implementation of practices. It was also highlighted that was needed it would be necessary to employ experts in SCM to help firms to monitor SCM in their firms effectively and to improve firm performance.

Investment in technology: Interviewees reiterated that technology is crucial for efficient SCM in SMEs. They suggested that SMEs should highly invest in new technologies to help them to reduce costs, improve quality of products and increase productivity in the firms. One respondent mentioned:

"With technology, you can reduce the cost of production and increase the production, quality, storage and hygiene of the food that they produce.” (Respondent 1)

Another respondent shared his ideas as:

"Technology is important. Nowadays it is not more about manpower or human resources, but it is about having the latest technology to simplify all activities of the firm.” (Respondent 2)

A similar response was:

“Yes, of course, without technology there wouldn’t be the easy flow of goods from the suppliers to the manufacturers and also from SMEs to the customers. Rural areas to urban areas. Technology is very important in facilitating goods from rural to urban areas as well.” (Respondent 7)

This was also supported by another respondent who highlighted the importance of technology:

“Yes, technology is an important facilitator for the better implementation of SCM in SMEs. This is because the use of current machinery can increase productivity.” (Respondent 8)

Having explained the findings, the next section will discuss these in detail.

V. DISCUSSIONS OF THE FINDINGS

The findings in the above section IV show that SCM still needs development in food manufacturing SMEs in Dar es Salaam. Interviewees highlighted both the challenges and measures to be taken to improve SCM in food processing SMEs. The challenges included low knowledge concerning SC, ineffective management, outdated technologies and weak SSR. The findings from the study are in line with those of previous researchers such as [64]; [24],[65]; [29],[69]; [33],[1];[70];[45] who found similar issues to be the major causes of SCM failure in SMEs. The measures mentioned, such as integrating SMEs, providing training, government support, improving SSR mirror similar findings in the literature. For instance, [9] confirms that improvement’s in technology and government support, do indeed help SCM adoption. [14]suggest that SSR are latent in the optimisation of supply chain and development of a firms competitiveness. [12], also mentioned that the use of technology positively impacts supply chain processes which lead to higher profitability. Additionally, through adopting the latest technologies, the collaboration between partners can be improved, which results in a reduction of costs and meeting demands on time.

VI. RECOMMENDATIONS, IMPLICATIONS, CONCLUSION.

Based on the findings from the interviews, it is recommended that SMEs improve their relationship with suppliers through fostering trust and being transparent. Also, SMEs have to invest in the latest technologies to reduce lead times, maximise productivity, and become agile. SMEs should also assess their SCM from time to time to identify where improvements are needed within their supply chain. A selection of a few best suppliers will also aid in improving the quality of raw materials and speeding up production.

The implications of the study are as follows:
To practitioners, this study proves that SCM is beneficial to SMEs, and therefore, more training programs could be developed to enable SMEs to improve SCM. Also, this study has highlighted significant issues impacting SCM, which needs to be resolved to help SCM to improve.

To policymakers, this study shows that more training is needed concerning SCM implementation in food manufacturing SMEs in Dar es Salaam. Therefore, SIDO needs to arrange more works on the importance of SCM.

To future researchers, it will be interesting to see more studies specifically focus on each of the issues mentioned. Also, since the research is only limited to one region, researchers can further extend the study to more areas in Tanzania. Future researchers can also compare the implementation of SCM in SMEs and LEs.

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