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Agile Procurement and Performance of Alcoholic Beverage Companies in Nairobi City County Kenya

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ABSTRACT

Purpose: The purpose of the study is to determine the influence of agile procurement on performance of alcoholic beverage companies in Nairobi City County Kenya. Specifically, the study sought to assess the influence of process flexibility on performance of alcoholic beverage companies in Nairobi City County Kenya and to establish the influence of stakeholder collaboration on performance of alcoholic beverage companies in Nairobi City County Kenya. This study was guided by Dynamic Capabilities Theory and Stakeholder Theory.

Methodology: This study adopted a descriptive research design. The study targeted 198 management employees of alcoholic beverage companies in Nairobi City County Kenya. The study used Krejcie and Morgan (1970) formula to arrive at the sample size. The study's primary data collecting tool was questionnaires, which included closed-ended questions. The collected data was analyzed through use of descriptive and inferential statistics with the help of SPSS version 21. The study results were presented through use of tables and figures.

Findings: The study concludes that process flexibility has a positive and significant effect on performance of alcoholic beverage companies in Nairobi City County Kenya. In addition, the study concludes that stakeholder collaboration has a positive and significant effect on performance of alcoholic beverage companies in Nairobi City County Kenya.

Unique Contribution to Theory, Practice and Policy: Based on the findings, the study recommends that alcoholic beverage companies in Kenya should promote information sharing, joint planning, and collaborative problem-solving to improve supply chain efficiency, ensure regulatory compliance, and respond effectively to market needs. This would enhance stakeholder relationships, reduce operational challenges, improve customer satisfaction, and ultimately contribute to better organizational performance.

Key Words: *Agile Procurement, Process Flexibility, Stakeholder Collaboration, Alcoholic Beverage Companies*

Background of the Study

Alcoholic beverage companies are business entities engaged in the production, distribution, and sale of alcoholic drinks such as beer, wine, and spirits. These companies operate through various stages of the value chain, including sourcing raw materials like grains, fruits, and sugarcane, processing and brewing, packaging, and marketing their products to consumers (Sivander, 2020). They play a significant role in the economy by creating employment opportunities, contributing to government revenue through taxes and excise duties, and influencing social and cultural practices through consumption trends (Liban & Ibrahim, 2024). Their operations are often regulated by government policies to ensure quality, responsible marketing, and adherence to public health and safety standards (Dayananda, Ranasinghe & Senevirathne, 2024). Alcoholic beverage companies play a significant role in national economies by contributing to government revenue through excise duties, value-added tax, and corporate taxes. In many countries, the alcoholic beverage industry is among the top contributors to national income, with billions generated annually from taxation (Georgino, Alcantara & Albuquerque, 2021). These revenues are used to fund essential public services such as healthcare, education, and infrastructure development, making the industry an important driver of fiscal sustainability and economic growth (Cooper, 2024).

Alcoholic beverage companies are a major source of employment, providing both direct and indirect jobs across the value chain. From farmers who supply raw materials such as barley, sugarcane, and sorghum, to workers in manufacturing plants, distributors, retailers, and hospitality service providers, the industry supports thousands of livelihoods (Theogene & Dushimimana, 2025). This extensive employment creation enhances household incomes and improves standards of living, particularly in rural areas where raw materials are sourced. Alcoholic beverage companies also contribute to industrial development and innovation by investing in modern brewing, distillation, and packaging technologies (Ahmed, 2020). Many companies engage in research and development to improve product quality, diversify product lines, and promote sustainability through eco-friendly packaging and waste management practices. This not only enhances competitiveness in the global market but also drives technological advancement within the local manufacturing sector (Seyoum, 2024).

Moreover, these companies play a role in social and cultural contexts, as alcoholic beverages are often associated with celebrations, entertainment, and hospitality (Mawonde & Nyoni, 2021). While their consumption requires responsible regulation, alcoholic beverage companies frequently engage in corporate social responsibility (CSR) initiatives, such as supporting education, promoting responsible drinking campaigns, sponsoring sports and cultural events, and contributing to community development projects. This further strengthens their social and economic importance beyond business operations (Esan, Uzozie & Onaghinor, 2023).

Agile procurement is a flexible and adaptive approach to sourcing and supply management that emphasizes responsiveness, collaboration, and continuous improvement to meet changing organizational needs and market dynamics (Ali & Shale, 2023). It focuses on creating procurement processes that are dynamic rather than rigid, enabling quick decision-making, efficient resource allocation, and seamless coordination with stakeholders (Omondi, Nteere & Ngala, 2024). By prioritizing speed, transparency, and value creation, agile procurement ensures that organizations can effectively manage uncertainties, align supply strategies with business goals, and enhance overall performance (Rono, 2022). Process flexibility ensures that procurement structures can adapt to changes such as fluctuating demand, supplier constraints, or market disruptions without compromising efficiency (Musonye & Machoka, 2024).

This adaptability is complemented by stakeholder collaboration, which involves active engagement and trust-building among suppliers, managers, and other partners to enable shared planning, transparent communication, and alignment of goals (Omanji & Moronge, 2023). Continuous improvement emphasizes the need for procurement processes to evolve through regular review, feedback integration, and innovation in sourcing practices. This ensures that inefficiencies are reduced and value creation is sustained over time (Sivander, 2020). A customer-centric focus drives procurement decisions toward aligning products and services with customer expectations by prioritizing quality, responsiveness, and satisfaction (Liban & Ibrahim, 2024). This study aims to determine the influence of agile procurement on performance of alcoholic beverage companies in Nairobi City County Kenya.

Alcoholic beverage companies in Nairobi City County play a significant role in Kenya's economy, given that the county serves as both the capital and the largest urban center in the country (Ali & Shale, 2023). These companies range from large multinational corporations to local breweries, distributors, and small-scale craft producers. They are involved in the production, distribution, and retail of beer, spirits, wine, and traditional brews, catering to a wide variety of consumer tastes and price points. Nairobi's status as a commercial hub provides these companies with access to a large consumer base, modern infrastructure, and regional markets (Omondi, Nteere & Ngala, 2024).

One of the most prominent players is East African Breweries Limited (EABL), headquartered in Nairobi. It is the leading alcoholic beverage company in the region, producing and distributing iconic brands such as Tusker, Guinness, and Johnnie Walker (Rono, 2022). The company not only dominates the Kenyan market but also exports to neighboring countries, making it a key contributor to both the county and national economy (Musonye & Machoka, 2024). Its strong presence also creates employment opportunities and supports value chains involving farmers, distributors, and retailers. Nairobi hosts several local and regional beverage companies that focus on spirits, wines, and craft beers (Omanji & Moronge, 2023). These include smaller distilleries and wineries that have grown in response to changing consumer preferences, especially among

the middle-class population that seeks variety and premium products (Ali & Shale, 2023). The rise of craft brewing culture has seen innovative startups experimenting with unique flavors and brewing techniques, though they face challenges in competing with established industry giants (Omondi, Nteere & Ngala, 2024).

The distribution and retail segment of the alcoholic beverage industry is also vibrant in Nairobi City County. Numerous wholesalers, bars, restaurants, and entertainment establishments rely heavily on alcoholic beverages as a core business driver (Rono, 2022). This has made the industry an integral part of Nairobi's nightlife, hospitality, and tourism sectors. However, this growth has also been accompanied by regulatory challenges, with the county government enforcing licensing requirements and restrictions aimed at curbing illicit alcohol trade and protecting public health (Musonye & Machoka, 2024). Alcoholic beverage companies in Nairobi City County contribute significantly to economic development through job creation, tax revenue, and investment. However, they also face scrutiny due to concerns about alcohol abuse, health implications, and the proliferation of counterfeit products (Omanji & Moronge, 2023). Balancing business growth with social responsibility remains a key issue for the industry, prompting companies to invest in responsible drinking campaigns, community development projects, and strict adherence to regulatory frameworks (Ali & Shale, 2023).

Statement of the Problem

Alcoholic beverage companies in Nairobi City County play a significant role in the Kenyan economy by contributing to government revenue through taxation, licensing fees, and excise duty (Omondi, Nteere & Ngala, 2024). These companies also provide extensive employment opportunities across the value chain, including production, distribution, retail, and hospitality, thereby supporting livelihoods both directly and indirectly (Rono, 2022). Moreover, they stimulate economic activity by sourcing raw materials locally, particularly agricultural produce such as barley, sorghum, and sugarcane, which supports farmers and rural economies (Musonye & Machoka, 2024). In addition, the industry plays an important role in international trade through exports of Kenyan-made beverages, enhancing the country's foreign exchange earnings (Omanji & Moronge, 2023). Beyond the economic aspects, the sector contributes to corporate social responsibility initiatives and infrastructural development, further cementing its importance to national growth (Ali & Shale, 2023).

Alcoholic beverage firms, including major players like East African Breweries Limited (EABL) and Kenya Wine Agencies Limited (KWAL), grapple with compressed profit margins driven by high taxation, increasing input costs, and shrinking consumer purchasing power (Omondi, Nteere & Ngala, 2024). According to Business Daily, EABL recorded a robust 12% growth in net profit to KSh 12.3 billion for the year ending June 2025, yet this came despite a 6% decline in mainstream spirits sales reflecting cost pressures and competition from illicit brews (Rono, 2022). Similarly, in 2023, EABL's net profit fell by 21% to KSh 12 billion, attributable to rising

excise taxes, currency depreciation, and heavyweight input costs. Smaller firms such as African Originals report that recent tax shifts especially the switch to alcohol-by-volume (ABV) excise calculation, have driven up duties significantly, for example adding KSh 160 in excise per bottle, squeezing margins unless producers reformulate products (Musonye & Machoka, 2024)

Legal, formal alcohol producers face fierce erosion of market share and declining sales volumes due to the surge of illicit alcohol. Informal and illicit alcohol now constitute between 60% to 70% of total consumption in Kenya meaning only 30–40% of the market remains for regulated players (Omanji & Moronge, 2023). In 2024 alone, illicit alcohol sales in absolute alcohol terms reached approximately 1.92 million hectolitres, representing 60% of all alcohol sold; legal alcohol sales showed only 11% growth, a notable decline from 19% growth recorded during 2020–23 (Omondi, Nteere & Ngala, 2024). This trend undermines both market share and sales volume for licensed companies, as consumers especially in Nairobi's low-income areas, opt for cheaper, accessible alternatives such as homemade brews like chang'aa and muratina (67% of illicit market) or cheaper counterfeit spirits (Rono, 2022).

Agile procurement has a profound influence on the performance organizations by enhancing their ability to respond swiftly to changes in demand, supply chain disruptions, and evolving consumer preferences (Musonye & Machoka, 2024). Various studies have been conducted in different parts of the world on agile procurement and organization performance. For instance, Ali and Shale (2023) examined on agile procurement and performance of manufacturing firms. Omondi, Nteere and Ngala (2024) conducted a study on agile procurement and organizational performance of public sectors and Omanji and Moronge (2023) assessed on the influence of agile procurement on performance of the public sector. However, none of these studies focused on process flexibility and stakeholder collaboration on performance of alcoholic beverage companies in Nairobi City County Kenya. To fill the highlighted gaps, the current study sought to determine the influence of agile procurement (process flexibility and stakeholder collaboration) on performance of alcoholic beverage companies in Nairobi City County Kenya.

Objectives of the Study

General Objective

The general objective of the study is to determine the influence of agile procurement on performance of alcoholic beverage companies in Nairobi City County Kenya

Specific Objectives

i. To assess the influence of process flexibility on performance of alcoholic beverage companies in Nairobi City County Kenya
ii. To establish the influence of stakeholder collaboration on performance of alcoholic beverage companies in Nairobi City County Kenya

Theoretical Review

Dynamic Capabilities Theory

Dynamic Capability Theory is a framework within strategic management that emphasizes a firm's ability to adapt and respond to rapidly changing environments (Ginting, Harsasi & Khurniawan, 2024). At its core, the theory, initially developed by David Teece, Gary Pisano, and Amy Shuen (1997), posits that in order to sustain a competitive advantage, organizations must possess dynamic capabilities—unique, high-level processes that enable them to sense opportunities and threats, seize opportunities, and maintain competitiveness through continuous reconfiguration of their resources. One of the central aspects of Dynamic Capability Theory is the idea that firms need more than just static resources or operational efficiencies (Akpoviroro, Akinbola & Olalekan, 2021). In a volatile and unpredictable business landscape, the ability to innovate, adapt, and reconfigure resources becomes crucial. Dynamic capabilities are essentially organizational routines that help firms integrate, build, and reconfigure internal and external competencies to address rapidly changing environments. This might involve processes like strategic decision-making, knowledge management, and the development of new technologies or products (Nyamau & Tari, 2023).

Furthermore, the theory highlights that dynamic capabilities are not uniform across all organizations but vary depending on their history, experience, and specific circumstances (Ahawo, 2021). For example, a tech company might excel in dynamic capabilities related to innovation and R&D, while a manufacturing firm might focus more on efficiency and process optimization. These capabilities are developed over time and are influenced by the organization's unique path, including its history, resources, and strategic choices. Dynamic Capability Theory also underscores the importance of sensing and responding to changes in the environment (Karanja, Kahuthia & Gakenia, 2020). This involves not only identifying emerging opportunities and threats but also effectively mobilizing resources and capabilities to address them. Firms must be adept at both sensing changes and acting upon them to achieve and sustain a competitive edge (Ginting, Harsasi & Khurniawan, 2024). This theory was used to assess the influence of process flexibility on performance of alcoholic beverage companies in Nairobi City County Kenya.

Stakeholder Theory

Stakeholder Theory is a framework in management and ethics that emphasizes the importance of considering all parties affected by a company's actions, not just its shareholders (Gumus, Bulut & Bellibas, 2020). Developed by Edward Freeman (1984), the theory posits that businesses operate within a network of relationships that includes various stakeholders—such as employees, customers, suppliers, communities, and investors. By acknowledging these stakeholders and their interests, organizations can create more sustainable and ethically sound business practices. The central idea is that businesses should strive to create value for all stakeholders rather than

focusing solely on maximizing shareholder profit (Ansari & Phillips, 2021). A key aspect of Stakeholder Theory is the identification and prioritization of stakeholders based on their influence and the significance of their interests. Stakeholders can be categorized into primary and secondary groups. Primary stakeholders are those whose direct involvement is essential for the company's survival, such as employees and customers. Secondary stakeholders may include groups like the media, advocacy organizations, and government entities, which can influence or be affected by the organization's activities (Muuro, Wagacha & Kihoro, 2020). Understanding the dynamics among these different stakeholders helps organizations make informed decisions that consider a wider array of perspectives and potential impacts. Stakeholder Theory also highlights the ethical responsibility of businesses to engage with their stakeholders transparently and fairly (Dingili & Yungungu, 2023). This engagement fosters trust and collaboration, which can lead to better outcomes for all parties involved. The theory suggests that businesses should actively seek feedback from stakeholders and incorporate their views into decision-making processes. By doing so, companies not only enhance their social license to operate but also strengthen their long-term viability and reputation (Musyimi & Ondara, 2022). This theory was used to establish the influence of stakeholder collaboration on performance of alcoholic beverage companies in Nairobi City County Kenya.

Conceptual Framework

A conceptual framework is a structured representation of the key variables, concepts, or ideas and their relationships that underpin a research study (Kothari, 2019). Conceptual framework shows the relationship between the independent variables and the dependent variable (Creswell, 2019). In this study, the independent variables include; process flexibility and stakeholder collaboration while the dependent variable is performance of alcoholic beverage companies in Nairobi City County Kenya.

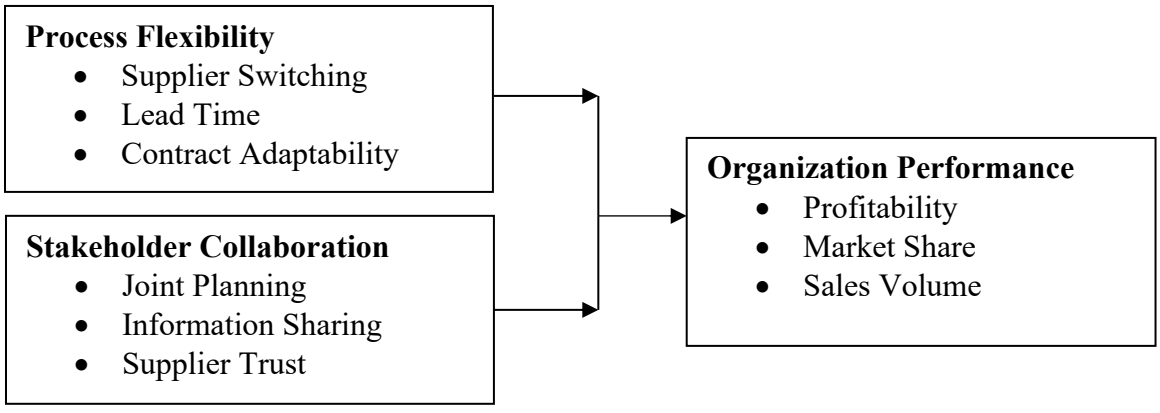


Figure 1: Conceptual Framework

Process Flexibility

Process flexibility refers to the capability of an organization's operations to adapt and respond efficiently to changing conditions, requirements, and uncertainties without incurring significant delays or costs (Ginting, Harsasi & Khurniawan, 2024). It involves the ability to modify processes, adjust workflows, and reconfigure resources in order to accommodate variations in demand, supply conditions, technology, or operational constraints. This flexibility enhances resilience and ensures that processes remain efficient, effective, and aligned with organizational goals even under dynamic or unpredictable circumstances (Akpoviroro, Akinbola & Olalekan, 2021). By allowing smooth adjustments, process flexibility supports continuity, minimizes disruptions, and promotes sustained operational performance. Supplier switching refers to the ability of an organization to change from one supplier to another when necessary due to factors such as price fluctuations, quality concerns, delivery reliability, or changing market conditions (Nyamau & Tari, 2023). This capability is crucial for maintaining operational continuity and mitigating risks associated with over-reliance on a single supplier. Effective supplier switching requires strong procurement strategies, a diversified supplier base, and well-defined evaluation criteria to ensure that transitions do not compromise quality, cost efficiency, or supply consistency. It also enhances bargaining power, allowing organizations to negotiate better terms and remain competitive in dynamic markets (Ahawo, 2021).

Lead time is the total duration between the initiation of a procurement order and the delivery of goods or services to the organization (Karanja, Kahuthia & Gakenia, 2020). It encompasses all stages, including order processing, production, transportation, and final receipt. Minimizing lead time is essential for improving responsiveness, reducing inventory holding costs, and aligning supply availability with demand requirements. Extended lead times can lead to operational delays, stockouts, or increased costs, while shorter lead times contribute to greater agility and flexibility in supply chain operations (Ginting, Harsasi & Khurniawan, 2024). Efficient lead time management often involves collaborative planning with suppliers, use of technology for real-time tracking, and streamlined internal processes to ensure timely procurement. Contract adaptability refers to the ability to modify or adjust contractual terms and conditions in response to changing business environments, market dynamics, or unforeseen circumstances (Akpoviroro, Akinbola & Olalekan, 2021). This flexibility ensures that agreements remain relevant, practical, and beneficial to both parties despite fluctuations in demand, pricing, or regulatory requirements. Adaptable contracts may include clauses for renegotiation, price adjustments, delivery schedule changes, or performance-based incentives to accommodate evolving needs without legal or operational disputes. By promoting flexibility in agreements, organizations can foster stronger supplier relationships, reduce risks associated with rigid terms, and maintain continuity in procurement activities under uncertain conditions (Nyamau & Tari, 2023).

Stakeholder Collaboration

Stakeholder collaboration refers to the process of engaging and working jointly with all parties who have an interest or influence in a project, initiative, or organizational goal to achieve mutually beneficial outcomes (Gumus, Bulut & Bellibas, 2020). It involves open communication, shared decision-making and coordinated efforts among internal and external stakeholders such as employees, suppliers, customers, regulators, and investors. Effective stakeholder collaboration fosters trust, enhances transparency, and ensures that diverse perspectives and resources are leveraged to address challenges, manage risks, and optimize performance (Ansari & Phillips, 2021). By aligning the interests and contributions of different stakeholders, organizations can create sustainable solutions and improve overall success. Joint planning refers to the collaborative process where an organization and its stakeholders, particularly suppliers and partners, work together to develop strategies, schedules, and resource allocations to meet common objectives (Muuro, Wagacha & Kihoro, 2020). This approach ensures alignment of goals, minimizes operational conflicts, and enhances efficiency across the supply chain. Through joint planning, both parties can anticipate potential challenges, optimize inventory levels, coordinate production schedules, and synchronize delivery timelines. Such collaboration not only improves responsiveness to market changes but also reduces costs and risks associated with misaligned operations, ultimately strengthening overall performance (Dingili & Yungungu, 2023).

Information sharing involves the exchange of relevant, accurate, and timely data among stakeholders to improve decision-making, transparency, and operational efficiency (Musyimi & Ondara, 2022). In a procurement context, this includes sharing details on demand forecasts, inventory status, production plans, pricing trends, and shipment tracking. Effective information sharing builds a foundation for trust and reduces uncertainties, enabling proactive problem-solving and quick adjustments in dynamic environments. By leveraging open communication and technology-driven platforms, organizations and suppliers can achieve greater visibility across the supply chain, which enhances responsiveness, reduces lead times, and supports strategic agility (Gumus, Bulut & Bellibas, 2020). Supplier trust refers to the confidence an organization places in its suppliers' ability to consistently deliver quality products or services, meet agreed timelines, and uphold ethical and contractual obligations. Trust is built over time through reliability, transparency, and mutual respect in the buyer-supplier relationship. High levels of trust foster stronger partnerships, reduce the need for excessive monitoring, and encourage suppliers to prioritize the buyer's needs, often leading to better terms and collaborative innovation. Additionally, trust minimizes transaction costs, enhances risk-sharing, and creates a more stable and resilient supply chain, enabling both parties to adapt effectively to changing business conditions (Ansari & Phillips, 2021).

Empirical Review

Process Flexibility and Organization Performance

Ginting, Harsasi and Khurniawan (2024) conducted a study on the impact of business process digitalization, work flexibility, and family support on employee performance (Case Study in West Sumatra and the Riau Islands) in Indonesia. Data were collected through a questionnaire distributed to 177 respondents. The findings reveal that business process digitalization has a positive and significant direct effect on performance and work-life balance, but it does not significantly influence performance through work-life balance as an intervening variable. The study concluded that the data analysis results show that business process digitalization has a positive and significant impact on employee performance and a positive and significant impact on work life balance, but it does not have a significant effect on performance through work-life balance as an intervening variable.

Akpoviroro, Akinbola and Olalekan (2021) conducted a study on the impact of process flexibility on organizational performance. Primary and secondary data was employed for the study. The population of the study was the staff of Etisalat Telecommunications Company, Nigeria with primary focus on the NNPC-Ikoyi branch. The study found that process flexibility has a significant effect on organizational performance and there exist a significant relationship between service modification and sales volume. The study concluded that service process innovation has a significant effect on organizational performance and there is exist a significant relationship between process service modification and sales volume.

Nyamau and Tari (2023) conducted a study on the effect of process flexibility and the performance of financial technology companies in Kenya. The study adopted a descriptive research design to determine the problem under investigation. The target population of this study was 36 financial technology companies in Kenya. The study found that there is a positive and significant relationship between the implementation of process flexibility and the performance of financial technology companies in Kenya. The study concluded that process flexibility had a positive and significant effect on the performance of financial technology companies in Kenya.

Ahawo (2021) conducted a study on the effect of process flexibility and performance of nonprofit organizations in Kenya. The study adopted a descriptive cross sectional research design. The target population was the top and middle managers of humanitarian organizations in Kenya which were selected through random sampling. The study found a strong positive correlation between process flexibility and performance of nonprofit organizations. The study concluded that there was a positive and significant relationship between process flexibility and organizational performance of humanitarian organizations in Kenya.

Karanja, Kahuthia and Gakenia (2020) conducted a study on the effect of process flexibility and organizational performance: a case study of Telkom Kenya Limited. A descriptive case study

design was used. The study was a census of all the 40 employees of Telkom Kenya Ltd headquarters. The study found that process flexibility has a positive effect on organizational performance. The study concluded that process flexibility has a positive influence on organizational performance

Stakeholder Collaboration and Organization Performance

Gumus, Bulut and Bellibas (2020) conducted a study on the relationship between principal leadership and teacher stakeholder collaboration in Turkish primary schools: a multilevel analysis. The data of this study come from the 2008 administration of Teaching and Learning International Survey conducted by the Organization for Economic Cooperation and Development. The results of this study indicate that there is an important link between various components of principal leadership and teacher collaboration in Turkish primary schools. The study concluded that both researchers and policy makers have emphasized the importance of teacher collaboration in recent years

Ansari and Phillips (2021) conducted a study on the effect of partnerships, community participation and intersectoral stakeholder collaboration in South Africa. A cluster evaluation of these partnerships has demonstrated that, in addition to motivating all stakeholders to forge closer working relationships, it is necessary for partnerships to pay close attention to a variety of structural and operational dimensions, the lack of which could prove to be major constraints to effective partnership functioning. The study found that the lessons learnt from these South African cases are that wide representation, commitment and a sense of ownership, sound leadership skills, regular and effective communication, reliable member expertise and capabilities and attention to power issues are crucial elements in the partnership equation. The paper concludes with an invitation to health administrators and partnership executives to devote attention to the array of interacting components that, collectively, could impinge on the effectiveness of the multifaceted nature of interprofessional joint working arrangements.

Muuro, Wagacha and Kihoro (2020) conducted a study on the effect of students' perceived challenges in an online stakeholder collaborative learning environment: a case of higher learning institutions in Nairobi, Kenya. Through purposive sampling the questionnaire was distributed to 210 students using e-mail and 183 students responded. The study found that failure of the instructor to provide an online group activity contributed highly to non-participation in stakeholder collaborative learning. The study concluded that lack of instructor feedback as a challenge was reported more in public universities (31%) than in private universities

Dingili and Yungungu (2023) conducted a study on the effect of communication and stakeholder collaboration: the paradox of the new competency-based curriculum in Kenya. The study focused on teachers and parents in 395 primary schools in Vihiga County. Purposive and snowball sampling strategies were used in selecting 12 teachers and 20 parents. The study

established that teachers and parents were reported to be using several communication channels. The study concluded that communication and stakeholder collaboration are not only key competencies that are integrated into the new curriculum but also important pillars for the effective implementation of the curriculum because successful implementation of any curriculum is built on a foundation of teamwork of all stakeholders

Musyimi and Ondara (2022) conducted a study on the effect of stakeholder collaborative monitoring and evaluation practices and performance of county funded projects in Uasin Gishu County, Kenya. The researcher used a descriptive research approach with a target populace of 41 County officials drawn from various departments inclusive of stakeholders. Inadequate allocation of funds to implement collaborative M&E and M&E budget as a percent of development expenditure in every project was found to have effects on projects performance in Uasin Gishu County together with policy framework to great extents. The study concluded that cost implications contributed more to the increase of project performance in the County followed by technical expertise, policy frameworks and stakeholder involvement in that order.

RESEARCH METHODOLOGY

Research Design

This study adopted a descriptive research design, which is appropriate for examining the current state of a phenomenon and establishing the characteristics or relationships between variables (Neuman, 2019). Descriptive research enables researchers to collect accurate and reliable data, providing a clear understanding of the interactions between independent and dependent variables. Additionally, it facilitates the development of quantitative measures that allow for inferences about potential relationships among the study variables (Patron, 2019).

Target Population

This study targeted alcohol manufacturing firms in Nairobi County, Kenya. According to KRA report (2024), Nairobi County has a total of 22 registered Alcoholic Beverages Manufacturing Companies. This study therefore targeted all the 22 companies. The unit of analysis was the 22 companies while the unit of observation was 198 management employees working in these companies. The study targeted management employees since they are in the best position to provide information on the influence of agile procurement on performance of alcoholic beverage companies in Nairobi City County Kenya.

Table 1: Target Population

Category	Target Population
Top management	22
Middle Level Management	66
Low Level Management	110
Total	**198**

Sample Size and Sampling Technique

The sampling frame for this study was the list of management level employees at 22 registered Alcoholic Beverages Manufacturing Companies. It is from this list that the study sample was selected from. The study used Krejcie and Morgan (1970) formula to arrive at the sample size. The selection formula was as follows:

$$n=\frac{N}{1+(N-1)e^2}$$

Where n= the required sample size

N = is the Target Population (198)

e = accuracy level required. Standard error = 5%

Sample calculation

$$n=\frac{198}{1+(198)0.05^2}$$

n=132

n=132 respondents

Table 2: Sample Size

Category	Target Population	Sample Size
Senior level management	22	15
Middle Level Management	66	44
Low Level Management	110	73
Total	**198**	**132**

Data Collection Instruments

The study's primary data collecting tool was questionnaires, which included closed-ended questions. Questionnaires are used since they are efficient data collecting tools allowing respondents to express a large portion of their thoughts on the study topic (Dempsey, 2019). As per Kothari (2018), data acquired using questionnaires is devoid of bias and researcher interference, resulting in reliable and genuine data. The questionnaire is preferred because it allows participants to give their thoughts or ideas in a much more honest way.

According to Agresti (2019), the questionnaire method of data collection is beneficial because the streamlined and indifferent configurations of a questionnaire provide homogeneity and aid in the impartial data collection; participants' privacy and confidentiality are ensured, and they are capable of completing them at their leisure (Kasomo, 2018).

Pilot Testing

The questionnaires were pre-tested by the researcher to evaluate the data's reliability and validity. The purpose of this exercise is to determine the respondents' degree of knowledge of the specifics in the questionnaire, as well as to see if the feedback from the pre-test supplied the sort of information required or if any of the questions were misinterpreted. Some questionnaire items were removed after this exercise, while others were enhanced. A pilot test is used to discover flaws in the design and equipment, as well as to give proxy data for probabilistic sampling procedure (Cooper & Schindler, 2019). This study used 10% (13 respondents) of the sample size for the pilot study

Data Analysis and Presentation

Data analysis refers to the process of systematically applying statistical and logical techniques to describe, summarize, and evaluate collected data in order to draw meaningful conclusions. In this study, both descriptive and inferential statistical techniques were employed, with the assistance of SPSS Version 28.

Descriptive statistics was used to organize, summarize, and present the data in a clear and meaningful way. This included measures such as frequencies, percentages, means, standard deviations, and cross-tabulations. Graphical presentations such as charts, tables, and histograms were also used to enhance understanding of the data patterns and trends. Descriptive statistics provide an overview of the respondents' characteristics and the distribution of the study variables.

Inferential statistics was used to test hypotheses and examine relationships between variables. Techniques such as correlation analysis, regression analysis, and ANOVA (Analysis of Variance) were applied to determine the strength and significance of the relationships between independent and dependent variables. SPSS Version 28 facilitated these analyses by enabling

accurate computation of statistical measures, p-values, and confidence intervals, which help in making generalizations from the sample to the target population.

The model is presented as follows:

$$Y=\beta o+\beta_1 X_1+\beta_2 X_2+ \varepsilon$$

Where:

Y= Performance of alcoholic beverage companies in Nairobi City County Kenya

β_o= Constant Coefficient

X_1= process flexibility

X_2= stakeholder collaboration

ε = Random Error Term

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

Descriptive Statistics

Process Flexibility and Organization Performance

The first specific objective of the study was to assess the influence of process flexibility on performance of alcoholic beverage companies in Nairobi City County Kenya. The respondents were requested to indicate their level of agreement on various statements related to process flexibility and performance of alcoholic beverage companies in Nairobi City County Kenya. The results were as shown Table 3.

From the results, the respondents agreed that the company can easily switch to alternative suppliers when necessary (M=3.868, SD= 0.685). In addition, the respondents agreed that there are established procedures to onboard new suppliers without disrupting operations (M=3.855, SD=0.772). Further, the respondents agreed that processes are in place to expedite deliveries when urgent requirements arise (M=3.816, SD=0.502).

From the results, the respondents agreed that the company effectively manages delays to minimize the impact on operations (M=3.781, SD= 0.553). In addition, the respondents agreed that contractual agreements are flexible enough to accommodate variations in order quantities (M=3.748, SD=0.663). Further, the respondents agreed that the company can renegotiate contract terms without causing significant operational disruptions (M=3.712, SD=0.514).

Table 3: Process Flexibility and Organization Performance

	Mean	Std. Deviation
The company can easily switch to alternative suppliers when necessary.	3.868	0.685
There are established procedures to onboard new suppliers without disrupting operations.	3.855	0.772
Processes are in place to expedite deliveries when urgent requirements arise.	3.816	0.502
The company effectively manages delays to minimize the impact on operations.	3.781	0.553
Contractual agreements are flexible enough to accommodate variations in order quantities.	3.748	0.663
The company can renegotiate contract terms without causing significant operational disruptions.	3.712	0.514
Aggregate	**3.797**	**0.615**

Stakeholder Collaboration and Organization Performance

The second specific objective of the study was to establish the influence of stakeholder collaboration on performance of alcoholic beverage companies in Nairobi City County Kenya. The respondents were requested to indicate their level of agreement on various statements related to stakeholder collaboration and performance of alcoholic beverage companies in Nairobi City County Kenya. The results were as shown Table 4.

From the results, the respondents agreed that collaborative planning with stakeholders improves the efficiency of operations (M=3.884, SD= 0.718). In addition, the respondents agreed that stakeholders are actively involved in setting long-term and short-term goals (M=3.868, SD=0.621). Further, the respondents agreed that there are effective communication channels established with all key stakeholders (M=3.851, SD=0.752).

From the results, the respondents agreed that timely and accurate information sharing enhances coordination with stakeholders (M=3.835, SD= 0.598). In addition, the respondents agreed that suppliers can be relied upon to consistently meet quality and delivery expectations (M=3.773, SD=0.695). Further, the respondents agreed that trust with suppliers contributes to long-term collaboration and mutual benefits (M=3.685, SD=0.796).

Table 4: Stakeholder Collaboration and Organization Performance

	Mean	Std. Deviation
Collaborative planning with stakeholders improves the efficiency of operations.	3.884	0.718
Stakeholders are actively involved in setting long-term and short-term goals.	3.868	0.621
There are effective communication channels established with all key stakeholders.	3.851	0.752
Timely and accurate information sharing enhances coordination with stakeholders.	3.835	0.598
Suppliers can be relied upon to consistently meet quality and delivery expectations.	3.773	0.695
Trust with suppliers contributes to long-term collaboration and mutual benefits.	3.685	0.796
Aggregate	**3.816**	**0.697**

Organization Performance

The respondents were requested to indicate their level of agreement on various statements related to performance of alcoholic beverage companies in Nairobi City County Kenya. The results were as shown Table 5.

From the results, the respondents agreed that the company consistently achieves its targeted profit margins annually (M=3.773, SD= 0.695). In addition, the respondents agreed that the level of operational costs is effectively controlled to maximize profitability (M=3.685, SD=0.796). Further, the respondents agreed that the company continuously attracts a significant proportion of the target customer base (M=3.671, SD=0.617).

From the results, the respondents agreed that the company's brand presence strongly influences its competitive advantage in the industry (M=3.663, SD= 0.599). In addition, the respondents agreed that seasonal or promotional campaigns significantly boost the company's sales volumes (M=3.635, SD=0.711). Further, the respondents agreed that the company effectively meets its sales targets across various distribution channels (M=3.611, SD=0.554).

Table 5: Organization Performance

	Mean	Std. Deviation
The company consistently achieves its targeted profit margins annually.	3.773	0.695
The level of operational costs is effectively controlled to maximize profitability.	3.685	0.796
The company continuously attracts a significant proportion of the target customer base.	3.671	0.617
The company's brand presence strongly influences its competitive advantage in the industry.	3.663	0.599
Seasonal or promotional campaigns significantly boost the company's sales volumes.	3.635	0.711
The company effectively meets its sales targets across various distribution channels.	3.611	0.554
Aggregate	**3.673**	**0.662**

Inferential Statistics

Inferential statistics in the current study focused on correlation and regression analysis. Correlation analysis was used to determine the strength of the relationship while regression analysis was used to determine the relationship between dependent variable (performance of alcoholic beverage companies in Nairobi City County Kenya) and independent variables (process flexibility and stakeholder collaboration).

Correlation Analysis

The present study used Pearson correlation analysis to determine the strength of association between independent variables (process flexibility and stakeholder collaboration) and the dependent variable (performance of alcoholic beverage companies in Nairobi City County Kenya). Pearson correlation coefficient range between zero and one, where by the strength of association increase with increase in the value of the correlation coefficients.

Table 6: Correlation Coefficients

		Organization Performance	Process Flexibility	Stakeholder Collaboration
Organization Performance	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	96		
Process Flexibility	Pearson Correlation	.847**	1	
	Sig. (2-tailed)	.001		
	N	96	96	
Stakeholder Collaboration	Pearson Correlation	.865**	.189	1
	Sig. (2-tailed)	.000	.081	
	N	96	96	96
	Sig. (2-tailed)	.003	.018	.043
	N	96	96	96

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

From the results, there was a very strong relationship between process flexibility and performance of alcoholic beverage companies in Nairobi City County Kenya (r = 0.847, p value =0.001). The relationship was significant since the p value 0.001 was less than 0.05 (significant level). The findings are in line with the findings of Ginting, Harsasi and Khurniawan (2024) who indicated that there is a very strong relationship between process flexibility and organization performance.

Moreover, the results revealed that there is a very strong relationship between stakeholder collaboration and performance of alcoholic beverage companies in Nairobi City County Kenya (r = 0.865, p value =0.000). The relationship was significant since the p value 0.000 was less than 0.05 (significant level). The findings conform to the findings of Gumus, Bulut and Bellibas (2020) that there is a very strong relationship between stakeholder collaboration and organization performance.

Regression Analysis

Multivariate regression analysis was used to assess the relationship between independent variables (process flexibility and stakeholder collaboration) and the dependent variable (performance of alcoholic beverage companies in Nairobi City County Kenya)

Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.821	.675	.674	.10428

a. Predictors: (Constant), process flexibility and stakeholder collaboration

The model summary was used to explain the variation in the dependent variable that could be explained by the independent variables. The r-squared for the relationship between the independent variables and the dependent variable was 0.675. This implied that 67.5% of the variation in the dependent variable (performance of alcoholic beverage companies in Nairobi City County Kenya) could be explained by independent variables (process flexibility and stakeholder collaboration).

Table 8: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	100.081	2	50.041	96.418	.000[b]
	Residual	48.254	93	.519		
	Total	148.335	95			

a. Dependent Variable: performance of alcoholic beverage companies in Nairobi City County Kenya

b. Predictors: (Constant), process flexibility and stakeholder collaboration

The ANOVA was used to determine whether the model was a good fit for the data. F calculated was 96.418while the F critical was 3.094. The p value was 0.000. Since the F-calculated was greater than the F-critical and the p value 0.000 was less than 0.05, the model was considered as a good fit for the data. Therefore, the model can be used to predict the influence of process flexibility and stakeholder collaboration on performance of alcoholic beverage companies in Nairobi City County Kenya.

Table 9: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.239	0.061		3.918	0.004
	process flexibility	0.357	0.098	0.356	3.643	0.001
	stakeholder collaboration	0.375	0.099	0.376	3.788	0.000

a Dependent Variable: performance of alcoholic beverage companies in Nairobi City County Kenya

The regression model was as follows:

$$\mathbf{Y = 0.239 + 0.357X_1 + 0.375X_2 + \varepsilon}$$

According to the results, process flexibility has a significant effect on performance of alcoholic beverage companies in Nairobi City County Kenya, β_1=0.357, p value= 0.001). The relationship was considered significant since the p value 0.001 was less than the significant level of 0.05. The findings are in line with the findings of Ginting, Harsasi and Khurniawan (2024) who indicated that there is a very strong relationship between process flexibility and organization performance.

The results also revealed that stakeholder collaboration has significant effect on performance of alcoholic beverage companies in Nairobi City County Kenya, β1=0.375, p value= 0.000). The relationship was considered significant since the p value 0.000 was less than the significant level of 0.05. The findings conform to the findings of Gumus, Bulut and Bellibas (2020) that there is a very strong relationship between stakeholder collaboration and organization performance

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The study concludes that process flexibility has a positive and significant effect on performance of alcoholic beverage companies in Nairobi City County Kenya. Findings revealed that supplier switching, lead time and contract adaptability influence performance of alcoholic beverage companies in Nairobi City County Kenya. In addition, the study concludes that stakeholder collaboration has a positive and significant effect on performance of alcoholic beverage companies in Nairobi City County Kenya. Findings revealed that joint planning, information sharing and supplier trust influence performance of alcoholic beverage companies in Nairobi City County Kenya.

Recommendations

The study recommends that alcoholic beverage companies in Kenya should invest in modern production technologies, train employees in multiple operational skills, and establish flexible workflows that facilitate efficient adjustments in production volumes and product varieties. This would enable companies to minimize operational disruptions, improve resource utilization, reduce production costs, and enhance their overall performance. Further, the study recommends that alcoholic beverage companies in Kenya should promote information sharing, joint planning, and collaborative problem-solving to improve supply chain efficiency, ensure regulatory compliance, and respond effectively to market needs. This would enhance stakeholder relationships, reduce operational challenges, improve customer satisfaction, and ultimately contribute to better organizational performance.

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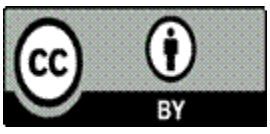
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