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Effect of Strategic Sourcing Practices on Organizational Performance: Evidence from Habesha Brewery Share Company

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ABSTRACT

The aim of this study is to investigate the effects of strategic sourcing practices on organizational performance at Habesha Brewery Share Company, Debre Berhan, Ethiopia. The study used a quantitative research design, which are descriptive and explanatory research design. Out of the total population of 278 employees, a sample of 163 permanent employees was selected by using a proportional stratified random sampling technique. Data was gathered using a self-administered questionnaire and analyzed using the mean, percentage, correlation coefficient, and multiple regression analysis through SPSS software version 23. The results of regression analysis indicated that all of the five strategic sourcing component variables had a significant positive effect on organizational performance, with varying levels of statistical significance. Particularly, the effective procurement planning variable had the strongest effect (B = 0.309, p < 0.001), followed by the communication variable (B = 0.189, p = 0.003) and the technology integration variable (B = 0.166, p = 0.005). The study variables, such as supplier relationship management variable (B = 0.114, p = 0.042) and the supplier selection variable (B = 0.102, p = 0.035), contributed statistically significantly to the organizational performance. In conclusion, the strategic sourcing practices of the organization significantly enhance organizational performance. Finally, the study recommends the company reinforce procurement planning systems, improve procurement communication strategies, invest in highly modernized state-of-the-art technological tools, and enforce structured supplier evaluation and relationship management frameworks to uphold performance.

Keywords: *Communication, Effective Procurement Planning, Organizational Performance, Supplier Relationship Management, Supplier Selection, and Technology Integration*

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1. INTRODUCTION

Strategic Sourcing is a modern material procurement process designed to acquire the best products and best services for the best value (Ramakrishnan, 2018). Hence, strategic sourcing is the most essential procurement approach for enhanced supply chain management and organizational performance, with businesses globally using it to optimize costs, gain strong competitive advantages, and enhance supplier relationships (Carter & Rogers, 2022). This is true and critical, especially in manufacturing and beverage industries, which are largely dependent on reliable and quality raw material sourcing (Christopher, 2021).

In Africa, a strategic sourcing procurement approach helps business organisations better manage unreliable suppliers, logistical issues, and cost fluctuations (Amoako-Gyampah et al., 2023). In particular, the brewery sector faces several challenges, such as infrastructure and regulatory challenges (Musa & Otchere, 2022). In this regard, existing research focused mainly on the overall general manufacturing, overlooking the brewery manufacturing industry or sector in Ethiopia (Handfield & Nichols, 2002), and rarely integrates communication and technology as key sourcing variables (Monczka et al., 2015). While relationship management, supplier selection, and procurement planning are known to improve efficiency (Barney, 1991; Teece et al., 1997), few research studies address communication and technology aspects in Ethiopia's brewing industry.

Ethiopia's brewing industry is booming and growing fast, but facing critical challenges such as weak relationship management, supplier selection problems, and technological gaps which cause delays and quality issues (Gebremariam & Tesfaye, 2022; Tadesse, 2023). At the Habesha Brewery factory in Debre Berhan, effective strategic sourcing is vital, yet empirical research findings on its specific impact are lacking - this study fills that gap using quantitative surveys at Habesha Brewery. In this regard, most research studies conducted on strategic sourcing mainly focused on cases from more developed countries' economies (Johnson & Flynn, 2021). In addition, there are scholarly debates on whether the creation of long-term supplier partnerships via strategic sourcing can improve manufacturing efficiency (Koufteros et al., 2023) but may increase risk exposure as well (Lee & Billington, 2022). Moreover, integration of modern technology provides more benefits for strategic sourcing activities (Schönsleben, 2023) but faces cost and resistance barriers (Yusuf et al., 2021). Therefore, this study aims to bridge the gap by examining the effects of supplier selection, supplier relationship management, procurement planning, communication, and technology integration on the organizational performance of Habesha Brewery Share Company.

2. THEORETICAL FOUNDATION AND HYPOTHESIS DEVELOPMENT

This section provides theoretical underpinnings that are useful for developing hypotheses. Besides, the theory is used to develop a conceptual model of study. Henceforward, the following research hypotheses and research conceptual framework were developed based on the existing scholarly literature.

2.1. Resource-Based View

The theoretical bases of this study emanate from the proposition of the Resource-Based View (RBV), which provides a theoretical framework that explains how organizations can achieve and maintain a competitive advantage through the strategic deployment and integration of tangible and intangible resources, often referred to as capabilities (Priem & Swink, 2012). At its core, RBV is rooted in Penrose's (1959) foundational idea that firms are bundles of unique resources. Over time, RBV has evolved to emphasize the nature and strategic positioning of these resources in ways that can create market barriers and yield economic rents (Lavie, 2006).

The traditional RBV posits that owning and controlling valuable, rare, and non-substitutable (VRIN) resources is essential for maintaining a competitive edge. Nevertheless, this perspective neglects the significance of using external resources through procedures such as partnerships, outsourcing, and supply chain collaboration. This is especially useful when business organizations cover internal resource shortages by using business partners' strengths, as a result, concentrating on their own core competencies.

Resource-Based View has also been stretched to the situation of supply chain management, where both shared and non-shared organizational resources across networked firms are coordinated to develop a collaborative advantage (Lavie, 2006). In this respect, the Resource-Based View outlook shows the role of network resources - those that are accessed through relationships between organizations - as critical assets in complex supply chains. Miller and Rose (2003) argue that RBV contributes to the structural analysis of supply chains and supports the identification of diverse factors to competitive advantage in supply chain management governance. Halldorsson et al. (2007) further stated that RBV suggests key supply chain decisions, particularly in adapting to environmental uncertainty and responding to dynamic market changes through resource sharing.

In today’s highly competitive and resource-scarce environments, firms are realizing that internal organizational resources alone are not sufficient to ensure sustained organizational performance (Barney, 2001). In today's highly globalized context, the RBV is very relevant for the technology adoption and resource-sharing across business organization networks for effective strategic positioning. As such, the theory supports the significance of this research study by highlighting how strategic resource sourcing practices can enhance overall organizational performance.

2.2. Supplier Selection and Organizational Performance

Across different contexts, effective supplier selection practice is widely acknowledged as a critical factor in improving organizational performance. Research findings in this regard indicate that incorporating sustainability supplier selection criteria and selecting reliable supply suppliers improves operational efficiency, strengthens competitive advantage, and reduces supply chain disruptions (Iqbal et al., 2021; Zaid et al., 2018). Empirical findings from research conducted in Tanzania and Ethiopia indicated that thorough, proper and efficient supplier selection and monitoring practices enhance procurement efficiency, cost savings, and overall organizational performance (Changalima et al., 2022; Tewodros & Getachew, 2024). Jointly, these research study findings highlight the substantial role of effective supplier selection in enhancing or improving

overall organizational performance across different industries and regions. Thus, the first hypothesis formulated as follows:

Hypothesis 1: Supplier selection has a significant +ve effect on organizational performance.

2.3. Supplier Relationship Management and Organizational Performance

Many of the empirical research findings have demonstrated that effective supplier relationship management (SRM) significantly improves organizational performance across diverse sectors, contexts and regions. For example, a research study conducted in the automotive industry has reported that SRM positively impacts company performance by enhancing product quality and reducing production costs (Krause et al., 2015). Likewise, in the healthcare sector, supplier integration has been shown to highly correlate with enhanced hospital performance outcomes in patient satisfaction and the quality of care (Devaraj et al., 2017). Furthermore, studies conducted in the e-commerce industry highlights the vital role of strong SRM in increasing performance metrics of delivery speed and product quality (Zhang et al., 2020). In Ethiopia, the results of research studies indicate that effective SRM practices improve supplier performance, enhances organizational efficiency and market competitiveness. Overall, these findings underline the significance of supplier relationship management in driving organizational success both in global and local context. Hence, based on the above presented literature discussion, the following hypothesis is proposed:

Hypothesis 2: Strong supplier relationship management has a significant +ve effect on the organizational performance of companies.

2.4. Procurement Planning and Organizational Performance

Effective procurement planning is broadly accepted and is largely recognized as a key factor in improving organizational performance. In this regard, research studies indicate that well-structured procurement planning improves the performance of the supplier, cost-effectiveness, resource utilization, and operational efficiency (Kiplel et al., 2018; Krause et al., 2015). Moreover, the combination of technology and data analytics in procurement planning advances future forecasting accuracy, collaboration with strong suppliers, and overall supply chain performance (Liao et al., 2010; Wamba Fosso et al., 2018). In the Ethiopian context, research studies shows that effective procurement planning supports service delivery efficiency, reduces lead times or cut delays, improves overall product quality, and enhances competitiveness of public and manufacturing sectors (Worku, 2016; Tadesse, 2019; Kabega et al., 2024). Hence, the authors proposed the following hypothesis

Hypothesis 3: Procurement planning has a significant +ve effect on organizational performance.

2.5. Communication and Organizational Performance

Communication which is clear and effective is steadily recognized as a key driver of organizational performance across different country contexts, including global, African, and Ethiopian settings. In this regard, research findings indicate that transparent and open communication improves employee engagement, psychological safety, collaboration, innovation, and customer satisfaction,

which collectively improve organizational performance (Newman et al., 2017; Kim et al., 2020; Buckley et al., 2019). In sector-specific communication research studies, the use of modern digital technologies such as blockchain as well as Internet of Things (IoT) has been found to enhance supply chain efficiency by reducing errors and by increasing transparency (Liu et al., 2020). Evidence from South African SMEs and the public sector study confirms that effective communication strengthens job satisfaction, more innovation, and strong competitive advantage (Nkomo et al., 2019; Mokgolo et al., 2020). Likewise, studies in Ethiopia indicate that effective communication contributes to higher employee productivity and engagement, which eventually enhancing organizational performance. Therefore, a hypothesis is proposed.

Hypothesis 4: Communication has a significant +ve effect on organizational performance

2.6. Technology Integration and Organizational Performance

Research study findings indicated that the utilization of modern technology has a significant and large impact on the performance of organizations across several industries. It further improves communication within organizations by enhancing information sharing and cooperation between employees. Moreover, the use of automation technology further modernizes workflows, increases productivity, and reduces errors. The use of live data and advanced analytics supports more precise, data-driven decision-making, which enhances strategic outcomes (Khan et al., 2020).

Moreover, research highlights the vital and key roles of modern information and modern communication technology (ICT) in fostering business innovation, which subsequently improves organizational performance (Widjaja, Sumintapura, & Yani, 2020). A study conducted in Côte d'Ivoire on an agricultural cooperative proved that the adoption of ICT significantly improves organizational performance. The study also indicated that employees' administrative commitment and growth mindset act as mediator's variable between ICT use and improved organizational performance (Hermawan & Suharnomo, 2020).

Similarly, research on Paraguayan microenterprises found that implementing computerized management systems positively affected administrative efficiency, resulting in more accurate and faster processes (Udayanga, 2020). Thus, based on the above corpus studies review, the following important hypothesis is designed:

Hypothesis 5: Technology has a significant +ve effect on organizational performance

3. CONCEPTUAL FRAMEWORK

The reason for developing the conceptual framework is to clearly define the relationship among the research study variables. It is derived from corpus literature and relates to specific research problems and allows to mix different ideas from different research theories and connect them with research questions. Therefore, based on the above theoretical and empirical grounds, the following conceptual framework is developed. Therefore, figure 1 illustrates conceptual framework of the study.

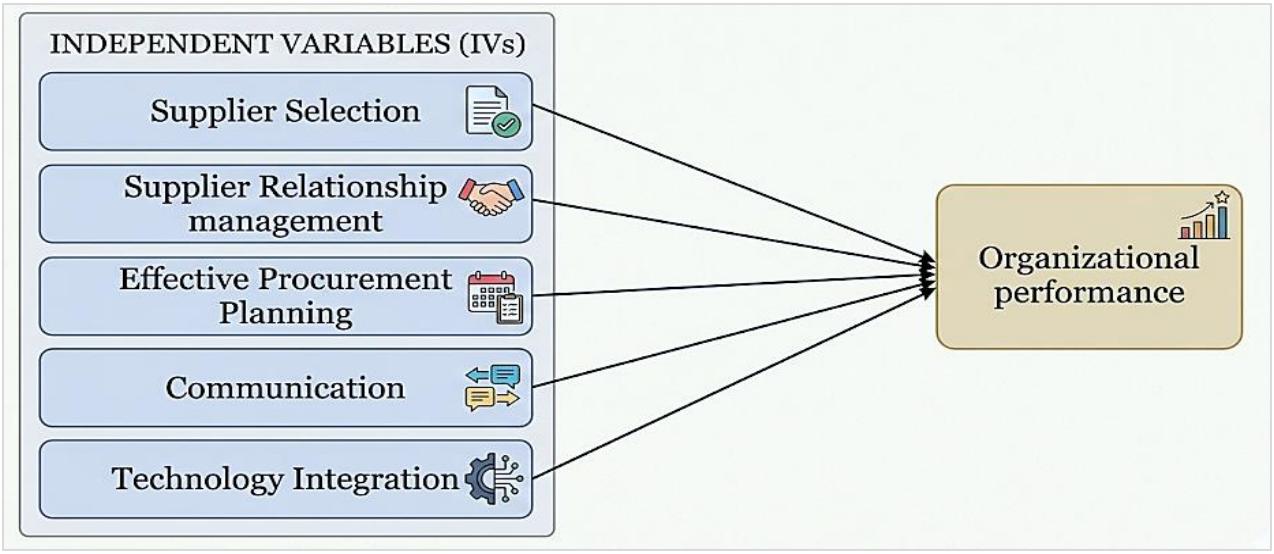

Figure1: Conceptual Framework

4. MATERIALS AND METHODS

4.1. Research setting and sampling procedure

The research study employed both types of research design, descriptive research and explanatory research designs, which are quantitative in nature, using numerical sample data to describe the nature of the existing conditions and explain how and why strategic sourcing practices affect organizational performance respectively (Muijs, 2010). The data for this research were collected by using a properly self-administered survey questionnaire from employees permanently working at Habesha Brewery Company in the Debre Berhan plant. As of 2025, the number of permanent employees currently working at Habesha Brewery was 278. Therefore, using Yemane (1967) sample size determination formula, 164 sample respondents were drawn. A stratified sampling technique was preferred to adequately represent the subgroups in terms management body, production department (technical), sales and marketing department, and administrative staff. Thus, it helps to avoid over and under representations of the population in the
subgroups. Then, the required number of participants was selected from each stratum through a simple random sampling technique. Thus, in the current study using Yamane ‘s (1967) formula, the sample size was calculated as follows.

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

$$n=\frac{278}{1+278(0.05)^2}=\frac{278}{1.695}=164$$

The study used the above formula to determine the sample sizes for each stratum (management body, production department (technical), sales and marketing department, and administrative staff). Therefore, the respective number of participants that were selected from each sampled group is shown in Table 1*:*

Table 1: Sample Size Determined by the use Proportionate Stratified Sampling Method.

Strata	Population	Computation	Sample size
Management body	23	23*164/278	14
Technical (Production Department)	175	175*164/278	103
Sales And Marketing Department	30	30*164/278	18
Administrative Staff	50	50*164/278	29
Total	278		164

Hence, 164 employees filled out the questionnaire, of which 163 responses were analyzed, as the remaining one questionnaire (1) was not returned.

4.2. Measures and scales

Item scale in the questionnaire that measure the study variables adapted from earlier similar research studies. Supplier selection and supplier relationship management were measured by using a 5-point Likert-type scale which was adapted from the work of Monczka et al. (2016) and Narasimhan and Das (2001). Six items measuring procurement planning were adapted from Thai (2001) and Basheka (2008). Communication scale items were adapted from Robbins and Judge (2013) whereas items measuring technology integration were adapted from Gunasekaran and Ngai (2004). To measure organizational performance, a six-item scale was adapted from (Li et al. 2006). Each questionnaire item was evaluated using a 5-point Likert-type research scale ranging from 1 (strongly disagree) to 5 (strongly agree).

4.3. Instrument validity and reliability.

To ensure the validity of the questionnaire data collection tool or instrument, it was developed based on a thorough review of relevant and related literature and previous similar studies related to strategic sourcing and organizational performance. Content validity was established by consulting subject matter experts who reviewed the items for clarity, relevance, and comprehensiveness to ensure the data collection instrument accurately measured the intended constructs of the research (Creswell & Creswell, 2018). Moreover, a prior pilot test was done with a small group of respondents similar to the study population to identify ambiguous questions and improve the overall quality of the instrument. The current study also employed Cronbach's alpha values to keep the consistency of each item in the variable of the study under consideration. As illustrated in Table 2 below, all Cronbach's alpha values of each variable of the study met the cut value of above 0.70, indicating that the data collection instrument reliability was adequately established.

Table 2: Summary of reliability test

Variables	**Cronbach's Alpha**	**No. of Items**
Supplier Selection	.917	6
Supplier Relationship Management	.900	6
Effective Procurement Planning	.810	6
Communication	.852	5
Technology Integration	.947	5
Organizational Performance	.865	6

The regression model was done in the form of:

$$Y= [\beta o + \beta 1x1 + \beta 2x2 + \beta 3x3 + \beta 4x4 + \beta 5x45]$$

Where;
Y is the dependent variable
βo = constant
X1, x2, x3, x4, and x5 = independent variables
β1, β2, β3, β4, β5 = coefficients of independent variables
e= error term
Same thing
OP– Organizational Performance -dependent variable
X1- Supplier Selection
X2 – Supplier Relationship Management
X3 – Effective Procurement Planning
X4 – Communication
X5 – technology integration
e –Error term

5. Results and discussions

5.1. Descriptive Analysis

Table 3 below establishes the context of the study, suggesting the demographic profile of the respondents whose demographic characteristics are being described. The table reveals a relatively proportional gender composition, comprising 57.1% of males compared to 42.9% of females. With respect to academic progression, the majority of respondents (95.7%) were bachelor's degree holders, followed by a minimal representation of diploma holders (1.2%). Meanwhile, participants have worked in the Habesha Brewery factory for 6 to 10 years (50.3%). Conversely, respondents who have worked for below two years are very small (9.8%).

Table 3. Summary of demographic characteristics

Variables	Categories	Respondents (N = 163)	
		Frequency	Percentage (%)
Gender	Male	93	57.1
	Female	70	42.9
	Total	163	100.0
Academic qualification	Diploma	2	1.2
	Degree	156	95.7
	Masters	5	3.1
	Total	163	100.0
Years of experience	Below 2 years	16	9.8
	3-5 years	30	18.4
	6-10 years	82	50.3
	Above 10 years	35	21.5
	Total	163	100.0

Source – Own survey 2025

As clarified in Table 4 below, the mean score for supplier selection was 3.96, confirming a generally high level of agreement among respondents regarding the positive effects of supplier selection practices and reinforcing the role of strategic sourcing in achieving organizational performance goals. The findings of Prajogo et al., (2016) agree with the current findings, indicating that manufacturing sectors with better supplier selection processes are more likely to perform better. Equally, the result of the current study revealed that the mean score for supplier relationship management was 3.823, indicating a high level of agreement regarding the effectiveness of supplier relationship management practices. The findings of (Chen, Paulraj, and Lado 2004) congruent with the present study, highlighting that a strong company-supplier connection brings sustained organizational performance at large.

Moreover, the overall mean score for effective procurement planning is 3.87, reflecting a generally positive attitude among sample respondents at the Habesha Brewery. The findings Tukamuhabwa et al. (2014) corroborate with the current study, indicating that strategic sourcing practices significantly improve organizational performance. Consistent with Mazzei (2014), the current study found that the mean score for communication was 3.807, suggesting that respondents perceived communication practices at Habesha Brewery to be at high level and supporting the idea that effective communication significantly contributes to enhanced organizational performance. Furthermore, the mean score for technology integration was 4.19, reflecting a strong perception among respondents that technology integration significantly enhances organizational performance. This is further corroborated by Chatterjee, Rana, and Dwivedi (2021), who found that successful digital adoption in procurement leads to substantial improvements in both cost-effectiveness and competitive advantage. Finally, the mean score for organizational performance was 3.777, indicating that high level of agreement among respondents for organizational performance. This finding is consistent with Carr and Pearson (2002), who found that a firm's performance improvements made through strategic practicing have a direct and significant influence on quality, flexibility, and internal client satisfaction.

To determine multicollinearity issues among predictor variables, correlational matrix was used as it is presented in Table 4. As a rule of thumb, intercorrelations among the independent variables above 0.8 signal a possible multicollinearity problem (Garson, 2012). However, in the context of this study as Table 4 below shows, all predictor variables were quite different from each other, since no correlation matrix value exceeded 0.8. Therefore, multicollinearity was not an issue for the current study. Moreover, as indicated in Table 5, the tolerance value is greater than 0.368 (1-R^2). This implies that there is no problem of multicollinearity. Moreover, homoscedasticity assumption test was done to make the error terms along the regression equal. As the scatter plots in Figure 2 indicate, the distribution of points has no obvious pattern against the X-axis as well as the Y-axis, indicating that the assumption of Homoscedasticity is not violated.

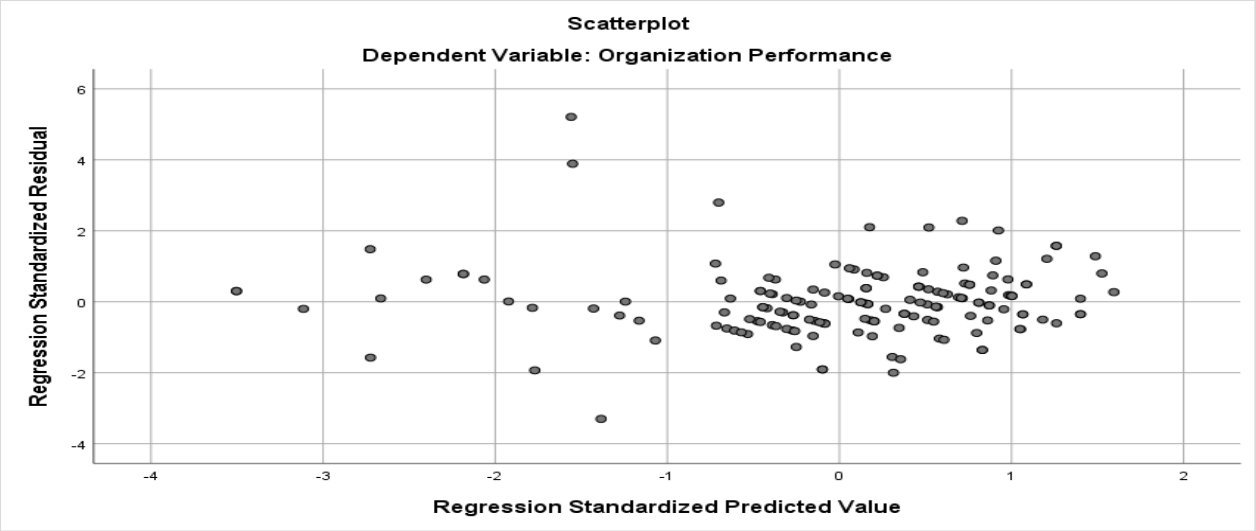

Figure1: Scatter plot

Table 4. Mean, Standard Deviation, and correlations among the Study Variables

	Variables	Mean	SD	1	2	3	4	5	6
1	Supplier Selection	3.96	1.102	1					
2	Supplier relationship management	3.82	1.103	.475**	1				
3	Procurement Planning	3.87	0.970	.445**	.492**	1			
4	Communication	3.80	1.134	.282**	.464**	.575**	1		
5	Technology Integration	4.19	0.99	.490**	.685**	.639**	.655**	1	
6	Organizational Performance	3.77	1.051	.490**	.596**	.676**	.624**	.709**	1

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

5.2. Inferential Analysis

For testing the effect of strategic sourcing practices on organizational performance of sample share company, multiple linear regression statistical technique was used using SPSS. As illustrated in Table 5, the result revealed that supplier selection has a statistically significant positive effect on organizational performance ($\beta = 0.102$, $t = 2.125$, $P < 0.05$). Therefore, the result supported H1. This finding is consistent with the previous similar study conducted by Beltrán-Salomon et al. (2025), who emphasize that strategic supplier selection contributes significantly to supply chain efficiency and overall performance in the manufacturing sector. Likewise, supplier relationship management positively and significantly influences organizational performance ($\beta = 0.102$, $t = 2.055$, $P < 0.05$). Thus, the result also supported H2, this finding suggests that better SRM practices are associated with a 0.114 unit increase in organizational performance. This result also aligns with the findings of Dza, Acquah, and Atsu (2024), who concluded that strong supplier relationships enhance trust, reduce operational disruptions, and lead to better performance outcomes.

Moreover, the results from the regression analysis reveal that effective procurement planning positively and significantly affects organizational performance (B = 0.309, t = 4.185, p < 0.001). Therefore, H3 is strongly accepted. This indicates that procurement planning is a major contributor to performance improvement in the case organization. This result agrees with a previous study by Mkasinyagaize (2024), which reported similar findings in the manufacturing sector context. Consistent with a past study by Musheke and Phiri, (2021), it is found that effective communication positively and significantly affects organizational performance (B = 0.189, t = 3.071, P < 0.001). Hence, H4 is accepted.

Lastly, hypothesis 5 suggests that technology integration's positive and significant effects on organizational performance. The result confirms that technology integration positively and significantly affects organizational performance (B = 0.166, t = 2.846, p < 0.001); therefore, H5 is accepted. The result corroborates the findings of Kyeremeh et al. (2025), who showed that technology integration significantly improves company's efficiency.

Table 5: summary of multiple regression analysis

Labels	Beta (β)	T	Sig.	Tolerance	R	R^2	Adjusted R^2
(Constant)	.323	1.366	.174	.689	.795[a]	.632	.620
Supplier Selection	**.102**	2.125	.035	.503			
Supplier Relationship Management	**.114**	2.055	.042	.521			
Effective Procurement Planning	**.309**	4.185	.000	.522			
Communication	**.189**	3.071	.003	.435			
Technology Integration	**.166**	2.846	.005	.689			

Dependent Variable: Organization Performance; predictors: supplier selection, supplier relationship management, effective procurement planning, communication, and technology integration.

6. CONCLUSIONS

Nowadays, numerous modern organizations are looking to incorporate different methods that help them retain their important suppliers and gain a competitive advantage in a dynamic business environment. Given that sourcing practices have been shown to positively influence organizational performance, further exploration is needed on how sourcing practices may differently contribute to predicting these positive outcomes. Thus, this study, directed toward understanding how strategic sourcing (dimension-wise) affects performance at work, will allow several share companies to incorporate and encourage factors that are likely to result in improved performance. Therefore, the study concluded that supplier selection has a statistically significant and positive effect on organizational performance at Habesha Brewery Share Company. The result indicates that carefully choosing suppliers based on criteria such as quality, reliability, and cost contributes to improved organizational outcomes.

The implications that can be drawn from this study are that organizations trying to foster improved performance are more likely to be successful if they convince and have collaborative interactions

suppliers with in every aspect. Consistent with Resource-Based View (RBV), which explains how organizations can achieve and maintain a competitive advantage through the strategic deployment and integration of tangible and intangible resources, can better integration and thereby strengthening overall performance of the organization (Priem & Swink, 2012).

Furthermore, the current study concludes that organizational performance significantly affected by supplier relationship management. Having such relationship could not only maintain strong suppliers' network but also would enhance product and service delivery performance thereby strengthening overall operations of the company. As the sample data showed, effective procurement planning is the dominant strategic sourcing component in explaining organizational performance and improving efficiencies and productivities as well, which suggest that strategic procurement planning is vital for nourishing optimal operational results.

Moreover, organizational performance is positively and significantly influenced by having virtuous communication as highlighted by the current findings. Therefore, responsiveness and decision-making process both inside and outside the organization with external suppliers be strengthened through Well-organized and transparent communication, which reflects open communication practices are vital in supporting strategic sourcing activities and improving performance outcomes.

Lastly, technology integration such as digital tools and systems in the sourcing practice is more likely to play a paramount role in enhancing organizational performance as the current study demonstrated highlighting implementing suitable technologies supports more informed and timely decisions, therefore furthering the overall performance of Habesha Brewery Share Company.

7. RECOMMENDATIONS

A loyal relationship with suppliers does not occur simply by setting up various policies; improving supplier communication is essential to optimizing sourcing practices. Therefore, the researcher recommends a well-rounded approach based on the findings: Habesha Brewery Share Company should further strengthen its supplier selection processes by establishing and applying well-defined selection criteria that focus on quality, reliability, and cost-effectiveness. By doing so, the company can enhance consistent performance outcomes. In terms of supplier relationship management, the management should strive to maintain loyal partnerships with its suppliers. This can be achieved by creating a workplace environment that makes suppliers feel valued, heard, and fosters a sense of camaraderie.

To ensure the on-time availability of resources and achieve the goal that were established, the company should focus on strategic and empirically driven planning activities, which include aligning procurement strategies with overall business goals. A well-structured procurement plan will not only reduce waste and costs but also enhance productivity and organizational performance. For communication practices, it is recommended that the company establish clear and effective communication channels both internally among departments and externally with suppliers. Timely and transparent information sharing will support better decision-making, reduce

misunderstandings, and foster a culture of collaboration, ultimately leading to improved organizational outcomes.

To maintain performance competitiveness, Habesha Brewery Share Company ought to adopt and integrate modern procurement and sourcing technologies such as e-supplier management platforms and procurement systems so that the company's operations and procurement activities can be essentially enhanced at faster pace.

8. FUTURE RESEARCH DIRECTIONS

This study has its own limitations. The first and major limitation of the study is related to the area in which study was conducted. That is, the study was conducted only at Habesha Brewery Share Company; and thus, the researcher cannot conclude that the study results are applicable to all public sectors. The second most important limitation is that the study administered self-report questionnaires for data collection. However, it would be better if future researchers used a mixed-methods-approach. Another limitation of this study is that the approach used to gather the data is a cross-sectional research design rather than a longitudinal research design, which makes it difficult to establish a cause-and-effect relationship between the variables being studied. Consequently, the findings of this study can't be generalized to targeted specific organizational contexts other than the one from which the data were gathered and analyzed. Lastly, the current study is confined only to the effects of strategic sourcing practices on organizational performance. Thus, future research can explore directions that can provide further insights into the concept of supply chain management and block chain in logistic management. Additionally, future researchers can also include mediator and moderator variables to further explain the conception between sourcing practice and organizational performance.

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