

# Exploring the Influence of Supplier Relationship Quality on South African Municipalities' Service Delivery Performance

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## Abstract

Most South African municipalities are yet to perform at the desired level. Service delivery protests have been a permanent feature in the South African media for years. Apprehending the factors influencing relationship quality may help municipalities enhance their performance and reduce service delivery problems. The study adopted a quantitative approach within the South African municipality setting. The respondents were sampled using stratified random sampling and snowball sampling. Data were collected from 205 respondents using a structured 5-point Likert scale questionnaire. The data were coded and analyzed using descriptive statistics, SPSS, and AMOS statistical software. The main finding was that relationship quality influenced service delivery performance from the management's perspective. The composite relationship quality variables (cooperation, trust, commitment, and satisfaction) significantly influenced the relationship quality. The implication is that the quality of the relational interactions between the municipalities and their suppliers significantly impacted the quality-of-service delivery performance.

**Keywords :** management practices, relationship, quality, satisfaction, service delivery, performance

**JEL Classification Codes :** M1, M2, M3

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In South Africa, residents of various municipalities have been protesting because of poor service delivery. Among several possible causes of poor service delivery is municipalities' lack of equipment and material to render the needed service. This implies the need for reliable service from suppliers, which depends on the municipality-supplier relationship. Where relationships are not amicable, the supply process is compromised, depriving the organization of its competitive advantage and negatively impacting service delivery (Nyaga & Whipple, 2011).

Supplier relationships can provide organizational competitive advantage (Ismail et al., 2015; Miocevic & Crnjak-Karanovic, 2012; Powers & Reagan, 2007; Walter et al., 2003; Williams, 2005; Wang et al., 2008). Supplier relationships can be regarded as being among the antecedents of effective management in strengthening organizational performance (Kini & Basri, 2022; Miocevic & Crnjak-Karanovic, 2012; Palmatier et al., 2006) and reducing the incidences of poor service delivery as residents become more and more satisfied with the relationship quality and performance of municipalities.

Long-term, flexible relationships are increasingly gaining prominence in business-to-business (B2B) markets (Powers & Reagan, 2007). As such, the relationship quality has been widely researched (Cater & Zabkar, 2009;

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Daunoriene & Zekeviciene, 2015; Keh & Xie, 2009; Kim et al., 2011; Sheu & Hu, 2009; Tung & Carlson, 2013; Van Bruggen et al., 2005). However, an analysis of extant research studies shows that there is considerable research on the relationship quality of the African markets in general (Almomani, 2019; Ghzaïel & Akrouit, 2012; Naude et al., 2013) and there is a dearth of research on South African municipalities' supply networks, specifically.

The effective and efficient utilization of suppliers within municipalities is complicated because the party that bears the cost burden differs from the party that enjoys the service or product (Sheth & Sharma, 2006). The municipality bears the costs, and the services are enjoyed by the municipal residents, whom themselves might have widely varied needs; therefore, economic repercussions may be challenging to measure. To further compound this, municipal service delivery management is resource intensive. The municipality requires capital equipment, information management systems, human capital, and facilities, among many other resources required to provide service delivery that fully satisfies the widely varied needs of the municipal residents. This, therefore, calls for multiple relationships, which can impact service delivery performance (Daunoriene & Zekeviciene, 2015; Gadde & Snehota, 2000; Nyaga & Whipple, 2011). Another problem arises in the analytical quantification of relationship equity (Sheth & Sharma, 2006). According to Becker et al. (2004), sometimes, multiple relationships do not increase profitability and may yield smaller returns. Collaborative processes may be highly complex where the suppliers' market strongly depends on producers and customers (Mettler & Rohner, 2009). Municipal supplier relationship management becomes even more critical because various legislations prescribe municipal operations.

This study seeks to explore factors critical for effective and sustainable supplier relationship quality within the municipalities in South Africa. Effective and sustainable supplier relationships are critical for quality service delivery (Auditor General's Report, 2012; Daunoriene & Zekeviciene, 2015).

## **Problem Statement**

There is a growing concern that South African municipalities are not performing well, as evidenced by service delivery protests (Alexander & Pfaffe, 2011; Alexander, 2013). The South African government has formed and implemented several interventions, and funds have been channeled to the municipalities (Auditor General, 2012, 2016; Cameron, 2014; Empowerdex, 2012). From 2009 to 2014, 38 municipalities were placed under administration (eNCA, 2015).

The causes of poor service delivery are open for discussion. The extent to which the supply chain side (performance and non-performance) contributes to municipal performance remains to be seen; hence, the need to explore the factors influencing relationship quality in the municipality. The relationship models developed thus far, and currently used in academia, tend to focus on the customer (Čater & Čater, 2010; De Cannière et al., 2009; Daunoriene & Zekeviciene, 2015; Keh & Xie, 2009; Kim et al., 2011; Rauyruen & Miller, 2007; Tung & Carlson, 2013; Vaid et al., 2020) and are skewed towards the manufacturing sector and the physical transfer of tangible goods (Abdul-Muhmin, 2005; Mehta et al., 2006). Only some models focus on suppliers (Abdul-Muhmin, 2005; Holm et al., 1999; Hoppner et al., 2015; Nyaga & Whipple, 2011), leaving a void concerning the research regarding the municipalities and their supply networks. Thus, this research aims to contribute to the existing body of knowledge, focusing more on the impact of supplier relationship quality on municipal performance in the South African municipal governance context.

According to the Auditor General (2012), many advances have been made in transforming local government since 1994, but a lot is yet to be done to institutionalize these reforms. The same report stated that 70% of municipal entities are manned by people without the minimum required competence level and skill set. In comparison, 73% lack the general punitive measure for failing to meet performance goals. The Auditor General

refers to the need to increase cooperation and strengthen the working relationships of the municipal entities with their working partners in service delivery. It is this void that this study addresses.

The Auditor General's (2016) consolidated general report on local government audit outcomes stated that about 26% (72 out of 278) of the municipalities received a clean audit. This is indicative of the fact that a lot is yet to be done to institutionalize these reforms. The report noted that some key positions remain vacant (Alexander & Pfaffe, 2011; Auditor General, 2012; Peters & Van Nieuwenhuyzen, 2013). Among others, the vacant critical municipal posts are municipal managers, chief executive officers (CEOs), chief financial officers (CFOs), heads of supply chain management units, senior managers who perform strategic planning, and other experts in monitoring and evaluation. According to the same report, in agreement with Alexander and Kane-Berman (2014), many municipalities find it challenging to attract workers with critical skill - sets, such as engineers, spatial planners, supply-chain managers, and chartered accountants (Malik & Kaur, 2020).

## **Purpose of the Study**

The study aims to investigate the influence of supplier relationship quality on South African municipalities' service delivery performance; generate knowledge on supplier relationship quality; and create a framework or model that will facilitate the improvement of service delivery in the municipal sector.

## **Research Objectives**

The primary objective of this study is to explore the influence of supplier relationship quality on the South African municipalities' service delivery performance to come up with recommendations and a model which may, if adopted, facilitate effective, efficient, and sustainably functional supplier relations.

## **Theoretical Framework**

The study draws a firm theory based on the social exchange theory and the trust and commitment theory. The study is premised on the trust–commitment theory, founded on the social exchange theory.

### ***The Social Exchange Theory***

The theory posits that relational parties form, engage, and sustain relationships in a give-and-take transaction. Each relational party places value (present and future) on the exchanges such as love, friendship, gifts, profits, and security (Redmond, 2015). Interestingly, the relational parties place different values on different exchanges, and the values change over time on the same exchanges. The propensity to sustain a relational exchange is premised on reciprocity (or the mere prospect of it).

“Relationships entail an expectation of reciprocal exchanges. This shared expectation develops a stable set of rewards that guides interactions and disciplines parties in a relationship by influencing their current behavior with the hint of future possibilities” (Hoppner et al., 2015, p. 65). This implies that the relational parties will evaluate the exchange outcomes and determine what to do, what can be done, or what could be done. This will influence the players' behavior in the relational exchange contexts (business or otherwise).

The social exchange theory is based on the evaluation of the costs incurred and benefits gained (or costs to be incurred or benefits to be gained in the future) through relational exchanges, which are, in most cases, not necessarily specified (Ribarsky, 2013; Tanskanen, 2015; Zhu, 2012). Each relational partner will evaluate the costs incurred and benefits gained if the relationship is formed, engaged, and sustained compared with the costs

incurred if the relationship does not sustain (Redmond, 2015; Tanskanen, 2015). Therefore, the relational parties will engage in the relationship if it yields more significant benefits than not engaging in the relationship. The benefits could be quantitative (such as profits or gifts), qualitative (such as love, ego, and security), abstract, potential, or concrete.

### **Trust–Commitment Theory**

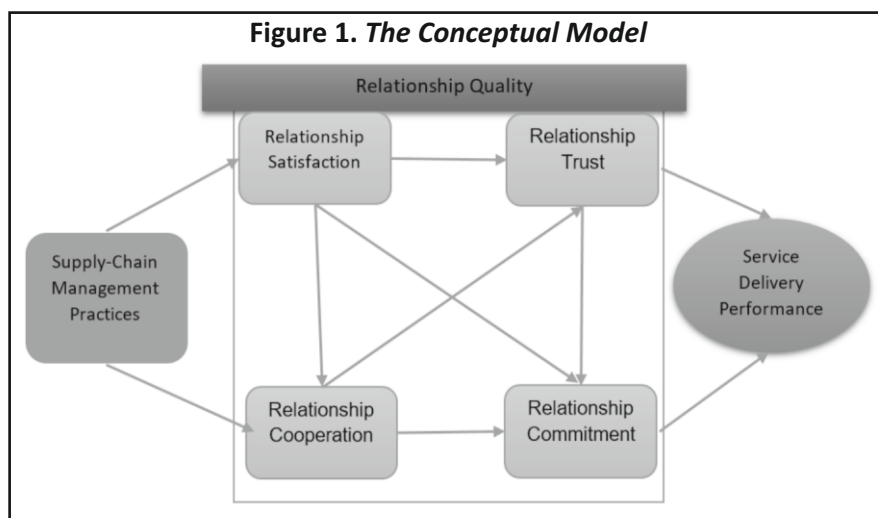
The sustained relational exchanges will yield trust and commitment. The existence of trust and commitment in a relationship are the precursors to sustained relational exchanges. The propensity to stay in a sustained relationship is premised on trust and commitment.

According to Morgan and Hunt (1994), the trust–commitment theory posits that the interaction between trust and commitment will create long-lasting relationships bonded together by cooperation (Hawley, 2014). Therefore, a relationship without trust and commitment is likely weak and short-lived, and this is because their absence will most likely block the collaborative conditions among the relational parties. According to Wang et al. (2016), trust and commitment are the ingredients for the increased propensity to collaborate and reciprocate within a relationship.

Trust and commitment will shape the perception of the relational parties regarding the relational exchanges and the prediction of relational performance (Mukherjee & Nath, 2007). The concept of perception and prediction denotes some level of risk-taking in relational exchanges. The greater the level of trust, the greater the likely risk embedded in the relational exchanges. On the other hand, it can also be argued that the greater the relational party's trust and commitment, the greater the relational exchange benefits (Hawley, 2014). In theory, the significant assumptions about the relationship need to be taken cautiously because good relations might imply corruption-riddled relationships, and poorly perceived relations might imply little influence over suppliers and, therefore, little or no corruption.

## **Conceptual Model and Hypothesis Development**

As depicted in the conceptual model (Figure 1), the study proposes how a municipality performs the supply chain management practices that influence the relationship quality variables. The relationship quality will, in turn,



influence the service delivery performance. In simple terms, this implies that when municipal managers effectively and efficiently execute supply chain management practices, this will, in turn, positively influence relationship quality. The extent or strength of the relationship quality will influence the service delivery performance. In other words, if the municipality fails to perform the supply chain management practices as expected, the relationship quality is likely to be moot. Consequently, poor relationship quality will likely compromise the service delivery performance and vice versa. Diagrammatically, the conceptual model is portrayed in Figure 1.

The following are, therefore, hypothesized from the conceptual model:

- ⇒ **H1**: There is a positive relationship between supply-chain management practices and relationship satisfaction.
- ⇒ **H2**: Supply-chain management practices between the municipalities and their supply-chain partners positively influence relationship cooperation.
- ⇒ **H3**: Relationship satisfaction positively influences relationship cooperation.
- ⇒ **H4**: Relationship satisfaction between municipalities and supply chain partners positively influences trust.
- ⇒ **H5**: Relationship satisfaction positively influences relationship commitment.
- ⇒ **H6**: Relationship cooperation among supplier relationship parties positively influences relationship trust.
- ⇒ **H7**: Relationship cooperation in supplier relationships positively influences relationship commitment.
- ⇒ **H8**: Relationship trust in supplier relationships positively influences relationship commitment.
- ⇒ **H9**: Relationship quality is an outcome of the mediating effect of supply chain management practices, relationship satisfaction, relationship cooperation, relationship trust, and relationship commitment.
- ⇒ **H10**: Commitment to a relationship positively influences service delivery performance.
- ⇒ **H11**: The existence of trust between the municipalities and their supply-chain partners increases service delivery performance.

## Research Design and Methodology

The study has adopted a quantitative approach. The South African municipalities were sampled using the stratified random and snowball sampling approaches. Firstly, the municipalities were stratified into metropolitan, district, and local strata. South Africa has eight metropolitan municipalities, 44 district municipalities, and 231 local municipalities. A simple random sample was taken from each stratum to ensure that each was sufficiently represented. However, since the local municipalities are geographically dispersed and diverse, a two-stage cluster sampling method was implemented to economize the usage of resources within fewer places. The sampling of the local and district municipality clusters in this study was done in two stages. The local and district municipality clusters were first randomly sampled within each stratum. The likelihood of an element being selected corresponded to the population size of each stratum, therefore, an element within bigger clusters had a substantial likelihood of being included in the sample than those from small clusters. Systematic random sampling was used to select a fixed number of municipalities for inclusion in the sample. A larger sample is always better than a smaller one since an increase in sample size decreases the sampling error.

The sample size was a compromise between practical and theoretical considerations for this research. The sample size of this study comprised of 500 respondents drawn from the purchasing personnel staff from the respective municipalities. This made a sufficient sample for the AMOS 25 statistical software we chose to employ. The study was conducted between 2017–2019.

Five hundred questionnaires were distributed to the respondents comprising municipal supply-chain professionals at various levels of management, yielding an overall response rate of 46%. However, 41% of the sampled respondents (205 fully completed questionnaires) were used to answer the research questions, as 5% of the questionnaires returned were incomplete. The unusable questionnaires were either blank or partially complete, with significant portions of the survey blank.

Data were collected using a structured 5-point Likert scale questionnaire. The questionnaire was designed by past researchers and modified to suit the current study. The data collected from the survey questionnaire were analyzed using descriptive and inferential statistics and the SPSS and AMOS statistical software. Composite reliability (CR) values and Cronbach's alpha values were used to assess the reliability of the measurement instruments. The discriminant validity of the research constructs was also measured using the average variance extracted (AVE), and the inter-construct correlation matrix was also assessed. The AMOS software was used to perform confirmatory factor analysis and to generate the path coefficients and the model fit index for the collected data.

## Data Analysis and Results

The data gathered on supplier relationship quality's influence on South African municipalities' service delivery performance are statistically anatomized in this section. The study's respondent profile, the scale of accuracy analysis, the model fit, and the hypotheses results are analyzed and evaluated.

### *Demographic Profile of the Respondents*

An overview of the demographic profile of the respondents is presented in Table 1. The respondents were asked to identify their gender, ethnic group, age, municipal province, job position, and municipal classification. Most participants were females, representing 37.6%, and the median age group of the respondents was 35 – 39,

**Table 1. Sample Demographic Profile**

		Frequency	Percentage
Gender	Male	71	34.6
	Female	77	37.6
	Other	57	27.8
<b>Total</b>		<b>205</b>	<b>100</b>
Ethnic Group	Black African	2	1
	Coloured	70	34.1
	Indian-Asian	68	33.2
	White	65	31.7
<b>Total</b>		<b>205</b>	<b>100</b>
Age Group	25 – 29	66	32.2
	30 – 34	69	33.7
	35 – 39	70	34.1
<b>Total</b>		<b>205</b>	<b>100</b>
Province	Eastern Cape	2	1



	Free State	68	33.2
	Gauteng	74	36.1
	KwaZulu-Natal	60	29.3
	Limpopo	1	0.5
<b>Total</b>		<b>205</b>	<b>100</b>
Job Position			
(Level of Management)	Low-level	79	38.5
	Mid-level	54	26.3
	Top-level	72	35.1
	<b>Total</b>	<b>205</b>	<b>100</b>
Municipal Classification	Local	34	16.6
	District	95	46.3
	Metro	76	37.1
<b>Total</b>		<b>205</b>	<b>100</b>

**Table 2. Scale Accuracy Analysis**

Research Constructs		Scale Item		Cronbach's Test		CR	AVE	Highest Shared Variance	Factor Loadings
		Mean	SD	Item-total	〈 Value				
SCMP	SCMP1	3.61	1.147	0.782	0.966	0.970	0.650	0.439	0.841
	SCMP2	3.99	0.750	0.649					0.700
	SCMP3	3.89	0.867	0.704					0.753
	SCMP4	3.65	1.171	0.758					0.846
	SCMP5	3.92	0.733	0.674					0.793
	SCMP6	3.296	0.971	0.803					0.796
	SCMP7	2.510	0.872	0.776					0.902
	SCMP8	3.122	1.365	0.735					0.846
	SCMP9	3.449	0.991	0.653					0.765
	SCMP10	2.980	1.205	0.723					0.756
	SCMP11	3.306	1.265	0.725					0.796
	SCMP12	3.418	1.221	0.781					0.902
	SCMP13	2.908	1.220	0.821					0.846
	SCMP14	4.184	0.460	0.835					0.765
	SCMP15	3.643	0.872	0.810					0.756
SDP	SDP1	3.69	1.119	0.735	0.951	0.960	0.620	0.277	0.898
	SDP2	3.73	0.773	0.554					0.775
	SDP3	3.64	0.910	0.581					0.697
	SDP4	3.46	1.063	0.685					0.761
	SDP5	3.89	0.806	0.502					0.711

	SDP6	3.980	0.734	0.754					0.808
	SDP7	3.306	0.964	0.622					0.783
	SDP8	3.418	0.936	0.670					0.774
	SDP9	2.908	0.863	0.618					0.792
	SDP10	4.184	0.760	0.598					0.859
	SDP11	3.643	0.553	0.552					0.950
	SDP12	4.051	0.413	0.618					0.683
	SDP13	3.735	0.884	0.611					0.722
	SDP14	3.796	0.783	0.608					0.808
	SDP15	3.745	0.782	0.768					0.783
<b>RS</b>	RS1	3.86	1.221	0.791	0.923	0.930	0.610	0.364	0.859
	RS2	4.00	1.125	0.671					0.726
	RS3	3.96	1.117	0.719					0.832
	RS4	4.12	0.893	0.672					0.711
	RS5	4.143	0.515	0.576					0.722
	RS6	4.153	0.440	0.648					0.767
	RS7	3.643	0.606	0.809					0.847
	RS8	3.755	0.201	0.850					0.781
<b>RT</b>	RT1	3.571	0.991	0.829	0.911	0.920	0.600	0.387	0.812
	RT2	3.480	1.205	0.761					0.825
	RT3	3.857	1.265	0.576					0.717
	RT4	3.857	1.221	0.648					0.857
	RT5	3.796	1.220	0.809					0.766
	RT6	3.857	0.460	0.850					0.817
	RT7	4.143	0.872	0.829					0.698
	RT8	4.153	0.734	0.761					0.701
<b>RCP</b>	RCP1	3.78	1.006	0.721	0.902	0.900	0.610	0.339	0.809
	RCP2	3.62	1.275	0.852					0.886
	RCP3	4.03	0.847	0.744					0.743
	RCP4	3.53	1.071	0.677					0.714
	RCP5	3.96	1.021	0.727					0.742
	RCP6	3.85	1.018	0.762					0.796
<b>RCm</b>	RCm1	3.61	1.070	0.745	0.889	0.910	0.640	0.440	0.835
	RCm2	3.87	0.825	0.512					0.886
	RCm3	3.86	1.152	0.747					0.742
	RCm4	3.96	0.944	0.679					0.753
	RCm5	4.02	0.939	0.658					0.635
	RCm6	4.473	0.873	0.775					0.921

**Note.** SCMP = Supply-Chain Management Practices ; RS = Relationship Satisfaction ; RCP = Relationship Cooperation ; RT = Relationship Trust ; RCm = Relationship Commitment ; SDP = Service Delivery Performance ; SD = Standard Deviation ; CR = Composite Reliability ; AVE = Average Variance Extracted.

\* Scores : 1 – Strongly Disagree ; 3 – Moderately Agree ; 5 – Strongly Agree.



representing 34.1% of the total respondents. The analysis of the respondents' demographics further revealed that the predominant province of residence was Gauteng (36.1%) and that the colored ethnic grouping was in the majority representing 34.1% of the total respondents. Most respondents (37.1%) identified their municipality as a metropolitan municipality, with the local municipality being the least with a 16.6% representation. The analysis revealed that most respondents occupied low-level management jobs representing 38.5%, and mid-level management was the least with a 26.3% representation of the total respondents (Table 1).

A summary of the statistical analysis is presented in Table 2. The mean values produced show that most respondents concurred with the measures asked ( $>3- <5$ ). None of the standard deviation scores exceeded 2, indicating that the mean values are an accurate mirror image of the majority average perceptions. The reliability and validity assessment sections detail the measurement model statistics.

### **Model Fit Summary – Measurement Model**

An analysis of the study's model fit is presented in this section. The analysis is classified into three: (a) the absolute fit indices, (b) incremental fit indices, and (c) the parsimony fit indices (Hair Jr. et al., 2010). The evaluated indices are: CMIN or the chi-square ( $\chi^2/df$ ), the normed fit index (NFI), the goodness-of-fit index (GFI), the root mean square error of approximation (RMSEA), the Tucker – Lewis Index (TLI), the comparative fit index (CFI) as well as the incremental fit index (IFI).

The chi-square (CMIN/DF) has a value of 2.173, which does not exceed the acceptable limit of 3 (Moss et al., 2015). The comparative fit index (CFI) has a value of 0.905, which exceeds the minimum acceptable value of 0.900 (Hu & Bentler, 1999), and the goodness of fit index (GFI) is 0.902, exceeding the acceptable 0.900 level (Baumgartner & Homburg, 1996). The value of the normed fit index (NFI) (recorded value of 0.913) and the incremental fit index (IFI) (recorded value of 0.928) both exceed the 0.900 value (Bentler & Bonett, 1980 ; Bollen, 1989). The Tucker – Lewis Index (TLI) value also exceeds the required score of 0.900, as it records a score of 0.901 (Hooper et al., 2008). The root mean square error of approximation (RMSEA) is captured within the approved parameters ( $<0.08$ ), having achieved a score of 0.067.

The outcomes of the fit indices of the inceptive evaluation of the confirmatory factor analysis of all the research constructs and their ultimate measures are all satisfactory (Browne & Cudeck, 1992), as shown in Table 3. Therefore, the CFA results indicate that the conceptual model reflects the data gathered for the current study (Bentler, 1990). Based on these CFA findings, the model is acceptable due to a close fit between the model and the

**Table 3. Model Fit Summary – Measurement Model**

Model Fit Indices	Acceptable Threshold	Current Study Threshold	Decision : Acceptable/Unacceptable
Chi-Square Value : $\chi^2/df$	$<3$	2.173	Acceptable
Comparative Fit Index (CFI)	$> 0.900$	0.905	Acceptable
The Goodness of Fit Index (GFI)	$> 0.900$	0.902	Acceptable
Incremental Fit Index (IFI)	$> 0.900$	0.913	Acceptable
Normed Fit Index (NFI)	$> 0.900$	0.928	Acceptable
Tucker – Lewis Index (TLI)	$> 0.900$	0.901	Acceptable
Random Measure of Standard Error Approximation (RMSEA)	$< 0.08$	0.067	Acceptable

**Table 4. Correlation Between the Constructs**

Research Constructs	SCMP	SDP	RS	RT	RCP	RCm
SCMP	<b>1.000</b>					
SDP	0.512	<b>1.000</b>				
RS	0.603	0.526	<b>1.000</b>			
RT	0.401	0.451	0.483	<b>1.000</b>		
RCP	0.519	0.483	0.562	0.538	<b>1.000</b>	
RCm	0.663	0.561	0.446	0.622	0.582	<b>1.000</b>

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

**Note.** SCMP = Supply Chain Management Practices ; RS = Relationship Satisfaction ; RCP = Relationship Cooperation ; RT = Relationship Trust ; RCm = Relationship Communication ; SDP = Service Delivery Performance.

collected data. Now that a good fit for the hypothesized model has been achieved, the following section assesses the path modeling and tests the model hypotheses (Lytras et al., 2010).

### **Inter-Construct Correlation Matrix**

This study's discriminant validity is assessed by evaluating the correlation values of the research constructs. The correlation values range from 0 to 1, and lower correlation values among the research variables prove that the research variables are divergent from each other and are unrelated. Where higher correlation values exist between research constructs, discriminant validity is not present. The correlation values that do not exceed 0.85 are generally accepted as indicating the existence of discriminant validity within the research constructs (Henseler et al., 2015; Kline, 2011). Table 4 summarizes the inter-construct correlations of the current study.

### **Path Modeling : Hypothesis Testing and its Significance Levels**

The *p*-values are assessed to determine whether the hypotheses are supported. The hypotheses are viewed as significant at a 95% or higher level of significance ( $\geq 95\%$ ), that is, to say, the *p*-value is  $\leq 0.05$  (Hair Jr. et al., 2010 ; Hastie et al., 2009). For the current study, the hypotheses are viewed as significant at a 99% significance level when the *p*-value is equal to 0.01 and are indicated using three asterisks (\*\*\*) . The path coefficients describe the relationship strength between the research constructs: stronger relationships are indicated by a higher value and vice versa. The path coefficient, the explanation of the specified hypotheses, their analogous factor loadings, the probability value (*p*-value), and the consequence of their respective relationships are shown in Table 5.

✎ **Supply-Chain Management Practices and Relationship Satisfaction.** The outcome shows that supply-chain management practices strongly positively and significantly affect relationship satisfaction ( $\beta = 0.653$ ; *p*-value = 0.01). This outcome suggests that supply-chain management practices explain about 65.3% of relationship satisfaction.

✎ **Supply-Chain Management Practices and Relationship Cooperation.** The outcome shows that supply-chain management practices have a more substantial positive and significant effect on relationship satisfaction ( $\beta = 0.653$ ; *p*-value = 0.01) compared to their relationship cooperation ( $\beta = 0.322$ ; *p*-value = 0.01). This outcome suggests that supply-chain management practices explain about 32.2% of the relationship cooperation.

**Table 5. Hypothesis Testing Results**

Proposed Hypothesis Relationship	Hypothesis	Path Coefficients	p - values	Rejected/ Supported
SCMP → RS	H1	0.653	***	Supported and significant
SCMP → RCP	H2	0.322	***	Supported and significant
RS → RCP	H3	0.581	***	Supported and significant
RS → RT	H4	0.692	***	Supported and significant
RS → RCm	H5	0.598	***	Supported and significant
RCP → RT	H6	0.466	***	Supported and significant
RCP → RCm	H7	0.299	***	Supported and significant
RT → RCm	H8	0.715	***	Supported and significant
RCm → SDP	H10	0.688	***	Supported and significant
RT → SDP	H11	0.531	***	Supported and significant

**Note.** SCMP = Supply Chain Management Practices ; RS = Relationship Satisfaction ; RCP = Relationship Cooperation ; RT = Relationship Trust ; RCm = Relationship Commitment ; SDP = Service Delivery Performance.

H9 could not be tested because it has subcomponents.

Levels of Significance : \* = 0.10 ; \*\* = 0.05 ; \*\*\* = 0.01.

➤ **Relationship Satisfaction and Relationship Cooperation.** The outcome shows that relationship satisfaction has a strong positive and significant effect on the level of relationship cooperation ( $\beta = 0.581$ ;  $p$ -value = 0.01). This outcome suggests that relationship satisfaction explains about 58.1% of relationship cooperation.

➤ **Relationship Satisfaction and Relationship Trust.** The outcome shows that relationship satisfaction has a more substantial positive and significant effect on the level of relationship trust ( $\beta = 0.692$ ;  $p$ -value = 0.01) compared to its effect on relationship cooperation ( $\beta = 0.581$ ;  $p$ -value = 0.01). This outcome suggests that relationship satisfaction explains about 69.2% of the relationship trust.

➤ **Relationship Satisfaction and Relationship Commitment.** The result shows that relationship satisfaction has a more substantial positive and significant effect on the level of relationship trust ( $\beta = 0.692$ ;  $p$ -value = 0.01) compared to relationship commitment ( $\beta = 0.598$ ;  $p$ -value = 0.01). This outcome suggests that relationship satisfaction explains about 59.8% of the relationship commitment.

➤ **Relationship Cooperation and Relationship Trust.** The result shows that relationship cooperation has a strong positive and significant effect on the level of relationship trust ( $\beta = 0.466$ ;  $p$ -value = 0.01). This outcome suggests that relationship cooperation explains about 46.6% of the relationship trust.

➤ **Relationship Cooperation and Relationship Commitment.** The result shows that relationship cooperation has a weaker positive and significant effect on the level of relationship commitment ( $\beta = 0.299$ ;  $p$ -value = 0.01) compared to its effect on relationship trust ( $\beta = 0.466$ ;  $p$ -value = 0.01). This outcome suggests that relationship cooperation explains about 29.9% of the relationship commitment.

➤ **Relationship Trust and Relationship Commitment.** The result shows that relationship trust has a strong positive and significant effect on the level of relationship commitment ( $\beta = 0.715$ ;  $p$ -value = 0.01). This outcome suggests that relationship trust explains about 71.5% of the relationship commitment.

✎ **Relationship Commitment and Service Delivery Performance.** The result shows that relationship commitment has a strong positive and significant effect on service delivery performance ( $\beta = 0.688$ ;  $p$ -value = 0.01). This outcome suggests that relationship commitment explains about 68.8% of the service delivery performance.

✎ **Trust and Service Delivery Performance.** The result shows that relationship trust has a weaker positive and significant effect on service delivery performance ( $\beta = 0.531$ ;  $p$ -value = 0.01) compared to the impact of relationship commitment on service delivery performance ( $\beta = 0.688$ ;  $p$ -value = 0.01). This outcome suggests that relationship trust explains about 53.1% of the service delivery performance.

## Implications

The study has overall implications for municipal managers, supply-chain practitioners in both private and public sectors, supply-chain marketers, and anyone particularly interested in the relationship quality debate. The current study's findings confirm that supply-chain management practices play a crucial role in relationship quality and service delivery performance.

Municipal managers may need to ensure that they effectively manage supplier relationships (including relationships with second and third-tier suppliers) by effectively and efficiently performing the SCM activities in a manner that exceeds expectations. Identification and appraisal of suppliers close to the point of need, information sharing, joint problem solving, and compatible information systems are some aspects that improve the execution of SCM activities. On the other hand, effective execution of SCM activities requires the commitment of resources (such as personnel, cash, time, material supplies, etc.). The sustained execution of the SCM activities by committing resources in the relational exchanges will breed relational trust between the suppliers and the municipality, which will then spill over to the residents.

Trust will encourage enhanced commitment, cooperation, and relationship satisfaction, and ultimately trust will also enhance the municipality's perceived service delivery performance. Relationship quality is crucial in ensuring a seamless flow of goods within the value system to the satisfaction of the final user. This implies that training programs and strategies to enhance supply-chain management practices' effective and efficient execution must be adopted to improve relationship quality and, eventually, service delivery performance.

Municipal management is more complex than we may want to admit. Politics has a more direct impact on municipal management than private sector organizations (where it has a peripheral and indirect impact in most cases). Therefore, municipal managers and policymakers must understand the factors influencing relationship quality and service delivery performance. Any misalignment between policy and operational objectives (service delivery performance objectives) might compromise service delivery performance to the discontentment of the residents whose vote the politicians urgently seek.

## Conclusion

To conclude the main findings, all 10 hypotheses are confirmed. Therefore, supply-chain management practices significantly influence relationship quality, and the constituencies of relationship quality significantly influence service delivery performance. By effectively and efficiently executing the supply chain management practices, the municipality may significantly improve the relationship quality and, in turn, significantly please its suppliers. This may enhance the smooth and seamless flow of the required materials for service delivery. The study also reveals that trust and commitment to functional relationships significantly improve service delivery performance which consequently pleases the communities the municipalities serve. The current study's findings make

intriguing theoretical contributions to the ongoing debates on service delivery and relationship quality. These findings also present practical implications to municipal managers, channel marketing practitioners, supply-chain management, or value system management specialists, who, in one way or the other, are involved in the creation and distribution of the goods and services to the final user.

## **Limitations of the Study and Scope for Future Research**

The current study attempts to contribute to the extant literature by understanding the impact of supply-chain management practices on relationship quality and the eventual impact of relationship quality on service delivery performance. Although this study has provided practical implications of the findings and contributes to theory, management, marketing practitioners and policymakers, it has some limitations that may open windows of opportunities for further research in the future. First, the collected data is limited to municipalities in South Africa. It would assist if future studies considered extending the studies across Africa, within and across its economic or political blocks. It would be judicious for future research studies to consider other public entities that operate under similar circumstances to the municipalities. Second, the elected sampling technique restricted the degree of generalization of the research findings. A random sampling of the population across the country may allow for a broader generalization of the research findings. Finally, it would be wise to expose the proposed model to a comparative analysis of the management perspective versus the suppliers' perspective of the relationship quality and its implications on service delivery performance within the same context of South African municipalities.

## **Authors' Contribution**

Dr. Stanford Kasai conceived the idea and developed a quantitative design to undertake the empirical study. This was part of his Phd study. Professor Norman Chiliya supervised him. Professor Chiliya verified the analytical methods and supervised the study. Dr. Stanford Kasai conducted the data collection and analysis. He also did the numerical computations using SPSS 24.0. Dr. Stanford Kasai wrote and edited the final manuscript in consultation with Prof. Chiliya.

## **Conflict of Interest**

The authors certify that they have no affiliations with or involvement in any organization or entity with any financial interest or non-financial interest in the subject matter or materials discussed in this manuscript.

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## **Disclaimer**

The views and opinions expressed in this article are those of the authors.

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## Appendix

### **Supply Chain Management Practices**

SCMP1	We work on suppliers' on-time delivery directly to our points of use.
SCMP2	We communicate our future strategic needs to our suppliers.
SCMP3	We work on locating suppliers closer to our customers.
SCMP4	Our suppliers keep us fully informed about issues that affect our operations.
SCMP5	Our suppliers and we keep each other informed about events or changes that may affect our plans.
SCMP6	Information exchange between our suppliers and us is complete, accurate, timely, and reliable.
SCMP7	We inform our suppliers in advance of our changing needs.
SCMP8	We frequently interact with our suppliers to set reliability, responsiveness, and other standards.
SCMP9	We frequently determine future customer expectations.
SCMP10	We periodically evaluate the importance of our relationship with our suppliers.
SCMP11	We work on improving the integration of activities with our suppliers.
SCMP12	We work on creating a compatible communication /information system.
SCMP13	We work on establishing more frequent contact with our suppliers.
SCMP14	We regularly solve problems jointly with our suppliers.
SCMP15	We aid our suppliers in increasing their on-time delivery capabilities.

### **Service Delivery Performance**

SDP1	The water service provided by the municipality is satisfactory.
SDP2	I am satisfied with the sanitation services provided by the municipality.
SDP3	I am satisfied with the electricity service provided by the municipality (ignore if electricity is supplied by ESKOM).
SDP4	The municipality generally keeps the streets, roads, and bridges in excellent condition.
SDP5	The municipality generally keeps the stormwater drainage system in excellent condition.
SDP6	The municipality highly prioritizes the provision of low-cost houses.
SDP7	The standard of service delivery of the municipality in respect of building plans and land use application is excellent.
SDP8	The refuse removal service provided by the municipality is excellent.
SDP9	The parks and playgrounds in our area are excellently maintained by the municipality.
SDP10	The municipal sports fields, swimming pools, and stadiums in our area are excellently maintained by the municipality.
SDP11	The fire protection services provided by our Fire Department are excellent.
SDP12	The traffic control services provided by our Traffic Department are excellent.
SDP13	The management of civic protection (dealing with civic offences, and so on) services provided by our Civic Protection Department are excellent.
SDP14	There are sufficient municipal libraries in our municipal area.
SDP15	The municipal libraries in our municipal area are excellently maintained by the municipality.

### **Relationship Satisfaction**

RS1	Our relationship with our suppliers is very attractive.
RS2	The working relationship of the municipality with its suppliers is characterized by feelings of hostility.
RS3	Our suppliers express criticism tactfully.
RS4	Interactions between the municipality and its suppliers are characterized by mutual respect.
RS5	Majority of our suppliers leave us in the dark about things we ought to know.
RS6	Majority of our suppliers refuse to explain the reasons for their policies.

RS7	We are pleased with our relationship with most of our suppliers.
RS8	We would like our relationship with the majority of our suppliers to continue in the future.
<b>Relationship Trust</b>	
RT1	Most of our suppliers are always in negotiations with us.
RT2	Most of our suppliers may use opportunities that arise to gain profits at our expense.
RT3	Based on experience, we cannot, with complete confidence, rely on the majority of our suppliers to keep promises made to us.
RT4	Most of our suppliers are trustworthy.
RT5	The contact person of most of our suppliers has always been fair in negotiations with us.
RT6	We know how the contact person (of most of our suppliers) would act. S/he can always be counted on to act as we expect.
RT7	The contact person of the majority of our suppliers is trustworthy.
RT8	We have faith in the contact person (of most of our suppliers) to look out for our interests even when it is costly.
<b>Relationship Cooperation</b>	
RCP1	We have a mutually beneficial relationship with most of our suppliers.
RCP2	We can work together well with most of our suppliers.
RCP3	We should describe our cooperative relationship with most of our suppliers.
RCP4	We jointly solve problems regarding providing our products and services to our clients.
RCP5	Both sides contribute to developing products, services, and ideas.
RCP6	We jointly care about customer interests.
<b>Relationship Commitment</b>	
RCm1	Our municipality does not feel a strong sense of "belonging" to most of our suppliers.
RCm2	It would be tough for our municipality to leave most of our suppliers right now, even if we wanted to.
RCm3	The majority of our suppliers deserve our municipality's loyalty.
RCm4	It would be relatively inexpensive for the municipality to leave most of our suppliers in the near future.
RCm5	The municipality would not leave most of our suppliers because we feel obligated to them.
RCm6	We continue to source from most of our suppliers because it is pleasant working with them.

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## About the Authors

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