

Abstract

Quality of a firm's products is ultimately impacted by the commitment to providing quality raw materials by suppliers. Cost/price of raw materials is directly related to the overall operation costs of the firm and its net earnings, flexible contract terms provides cushion in unwelcoming situations while geographical compatibility determines the businesses' responsiveness and scheduling of its production and operations besides key supply chain components. Suppliers' role in achieving these priorities is core as exemplified in supplier support for firm's continued improvement. The purpose of this study is to assess the key determinants accounting for selection of suppliers of raw materials among Kenyan firms. The researcher employed case study based on manufacturing firms in Kenya illustrated with Kenya Breweries Limited. Data was collected qualitative and quantitative in nature and was analyzed qualitatively and quantitatively using descriptive statistics with assistance of Statistical Package for Social Sciences (SPSS) version 17.0. The research findings were that cost/price of raw materials, parts and services, commitment to providing quality raw materials, flexibility contract terms showed the respondents' yes answer percentages of 84%, 78%, and 64% from the findings respectively influenced selection of raw material suppliers among manufacturing firms, thus making these factors critical factors for consideration in selection of raw material suppliers. The generalizability of research findings is was limited by use of case study is a set up with several manufacturing firms in which standard criteria of supplier selection is still not yet adopted by many firms. This implies need for further studies on other firms with different inventory material component needs. The implications are useful to firms establishing and implementing supplier selection policy and criteria and are thinking of adopting modern perspectives to raw materials procurement. The result can guide manufacturing firms in selecting the most appropriate supplier appraisal criteria such as commitment to quality, flexible contract terms, and cost/price of raw materials.