UNIVERSITY OF MINES AND TECHNOLOGY

TARKWA

FACULTY OF INTEGRATED MANAGEMENT SCIENCE

DEPARTMENT OF MANAGEMENT STUDIES

A THESIS REPORT TITLED

ASSESSING THE EFFECTS OF STRATEGIC PARTNERSHIP ON FIRM PROFITABILITY IN THE TELECOMMUNICATIONS INDUSTRY: A CASE OF VODAFONE DISTRIBUTORSHIP IN WESTERN REGION OF GHANA

BY

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MASTER OF BUSINESS AND TECHNOLOGY MANAGEMENT

(SUPPLY CHAIN)

TARKWA, GHANA

FEBRUARY 2022

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OWODOO, EMMANUEL K. KWAANSAH

SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS AND TECHNOLOGY MANAGEMENT (SUPPLY CHAIN)

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DECLARATION

I declare that this thesis is my own work. It is being submitted for the degree of Master of Business and Technology Management (Supply Chain) degree at the University of Mines and Technology (UMaT), Tarkwa. It has not been submitted for any degree or examination in any other University.

…….

(Signature of Candidate)

…… day of ……. (Year)…….…….

ABSTRACT

Competing in the market is difficult for most companies because they have limited flexibility in adjusting to the quickly changing competitive environments, which require resource and capability flexibility. As a result, more companies in emerging economies have increased their competitiveness by partnering with other companies, especially in telecommunications. However, there is confusion about the effect of strategic partnership on firms' profitability and what firms in the telecommunication industry do to achieve and then sustain their full leadership potential as strategic partners. This study employs Partial Least Squares (PLS) Structural Equation Modelling to empirically investigate how strategic partnerships lead to firms' profitability in the telecommunication industry from the Ghanaian perspective. The result showed that the effect size of the relationship between strategic partnership on firm's performance was 0.127 indicating a medium effect. Also, the result supported the hypothesis that there is a positive relationship between strategic partnership and distribution quality. Furthermore, the result showed a significant positive relationship between distribution quality and profitability, which supports the hypothesis that there is a positive relationship between distribution quality and profitability. Thus, again, there is a partial mediation of distribution quality on the relationship between strategic partnerships and profitability. These findings imply that firms in the telecommunication industry should invest in distribution quality as this will directly and positively mediate the positive impact of strategic partnership on firms' profitability.

DEDICATION

I dedicate this project to my family, especially my loving and caring Wife, Mrs Agnes Ama Kwaansah, whose support, patience, and encouragement have made this work successful.

I also dedicate this thesis to

Nezo Group Family

And to my academic mentors, especially

Professor Richard K. Amankwah

Dr Akyene Tetteh

Dr Eric K Boadi

Dr Kofi Kamasa

Dr Frank Boateng

Mr Francis Doku

All Lecturers in the Management Studies Department, FIMS and

My Fellow Programme Pioneers and Colleagues who complemented my efforts as a team member

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CHAPTER 1
INTRODUCTION

1.1 Background to the Study

Many corporations are hindered by the fact that they cannot respond quickly and flexibly to changing competitive environments because they are dependent on their internal resources and capabilities (Liu et al., 2018). Thus, most emerging market companies, especially those in the telecommunications industry, have attempted to improve their overall market position by entering into strategic partnerships with other companies (Eksoz et al., 2019).

Recent years have seen strategic partnerships between two or more parties. Businesses form strategic partnerships when two or more business units voluntarily cooperate with a non-hierarchic structure to pursue mutual gains (Ghouri et al., 2019). One of the main advantages of strategic partnerships is that they assist companies that partner by providing access to each other's technology, skills, or products. Many alliances are possible, ranging from independent contractor agreements to joint ventures (Wilkins, 2018). However, the strategic partnership is unlike arm's length buy/sell contracts, franchising, licensing, cross-licensing, or joint ventures. Instead, it is a more complex inter-firm relationship—the firms participating in the alliance divide up the benefits according to their contributions.

As the profitability of telecommunications partners in emerging economies has been shown to rise through strategic partnerships, there has been a great deal of debate on the topic (Saci and Jasimuddin, 2018). Various aspects, roles, principles, processes, and viewpoints are influenced by the demand for companies in the telecommunications industry to become strategic partners in improving their profitability. It appears to be hinting at what telecom firms may do in the role of strategic partners.

To realise and sustain their leadership potential, companies in the telecommunications industry operate ambiguously as strategic partners (Cihelková et al., 2020). It is complex in many ways (Tarigan and Siagian, 2021). The first thing needed is clarity as to who the call is directed to and who it is intended for (e.g., unit leaders, department/administrative unit as a whole). Another problem is that there is no clear definition of a strategic partnership in the telecommunications industry. The strategic management of training, development and

management-education interventions increases a person's learning capacity (Supriyadi and Ekawati, 2014).

Additionally, there are so many dimensions that the project has become unnecessarily complex. Inputs representing national and multinational dimensions were added to the framework, alongside 24 processes and 14 outcomes that included satisfaction with external stakeholders (Tarigan and Siagian, 2021). Though impressive, the attempt to be exhaustive is overshadowed by the sheer quantity of dimensions and types presented, which has likely made the model unwieldy to apply in practice. In addition, no effort has been made to define specific goals and how those goals connect firms to be perceived as strategic partners within the company. There are no empirically verifiable frameworks that attempt to summarise the multitude of strategic imperatives listed by various authors (Kmetec et al., 2019). It is unclear to what extent the telecommunication industry should be considered a strategic partner. Combining all of these issues makes for a perfect opportunity to create a more cohesive framework.

Although setbacks occurred, many corporations rely on strategic partnerships as a critical way to succeed in an increasingly borderless marketplace (Envall and Hall, 2016). In the IT industry, telecommunications service providers (TOS) strive to keep their place in the market and take advantage of new opportunities through strategic partnerships. Many US telecommunications companies have partnerships with other companies in communication and distribution (Chan-Olmsted and Jamison, 2011). While most of these partnerships have involved long-distance phone companies trying to connect with customers by offering local exchange services where permitted, several of these joint ventures have had the intent of local exchange providers establishing partnerships with distant telecommunication carriers. Companies with quick access to end customers can be great partners for distribution channels.

According to Afiuc et al. (2020) many telecommunications firms in Ghana, including MTN, Vodafone, and AirtelTigo, work together to establish strategic partnerships in the country's telecommunications industry with partners like Nezo, Embalinks, Ashtell, Buadac, and others. When it comes to obtaining needed technologies and resources, strategic partnerships are cheaper than contractual agreements or acquisitions. A telecommunications firm has to pay a significant amount of money and go through a complex set of activities to

acquire a company. Yet, while the strategic partnership utilises existing technologies and resources, it has no such processes, maintaining complete managerial independence (Alhassan et al., 2015). More importantly, strategic partnerships do not demand as much money as a merger or licensing to monitor and control because they afford a quick and relatively inexpensive exit from the company if unfavorable business results occur (Gonzalez, 2020).

1.2 Problem Statement

Recently, strategic partnerships have received high theoretical and practical interests (Eksoz et al., 2019; Kilubi and Rogers, 2018). Under competitive market conditions and even in monopoly markets, some scholars have emphasised the importance of strategic partnerships for firms in maximising profits. (Bitzer et. Al., 2008) used Global Commodity Chain analysis and Convention Theory to explore the roles of alliances. Associations could make a difference at the production level by establishing standards for the number of products produced. However, the collaboration between companies does not evenly distribute the role of actors, resulting in increased competition and a parallel production integrated into the conventional workflow.

Notwithstanding that, the importance of strategic partnerships has necessitated cross-disciplinary studies in marketing, innovation management, distribution strategy. Moreover, under competitive market conditions and even in monopoly markets, some scholars have emphasised the importance of strategic partnerships for firms in maximising profits: management, strategic management, and logistics and supply chain management. Also, many authors have studied strategic partnerships across various industries. For example, Alhyari et al. (2014) investigated how strategic alliances affect the Korean telecommunications industry. However, past studies have focused on defining the concept and differentiating it from other ideas, like mergers and acquisitions (Thongrawd et al., 2020; Youn et al., 2013). Also, most of the recent articles conceptualise the concept with its dimensions and measurements(Frederiksen et al., 2019). As a result, there have been various conceptualisations of strategic partnerships. However, the most widely accepted and applied conceptualisations are those provided by (Raut et al., 2012) as trust, commitment, collaboration, long-term relationship, and customisation.

The composition of strategic partnership is precise, but there is very scant empirical literature on how strategic partnership leads to firms' profitability (Kmetec et al., 2019; Lee

and Mellat-Parast, 2009). The effect of strategic alliances on a company's financial performance is significant. Little work has been done on joint ventures, particularly well structured and includes equity stakes (Quattrociocchi et al., 2017). A little in-depth study has been done to determine whether the findings can be generalised to other sectors (Syifa et al., 2020).

Industries such as telecommunications, in contrast, have pursued partnerships that focus on transactional gains from an alliance, with less formal terms than other industries.

The ease of switching from one network to another makes the telecommunication industry highly competitive (Tweneboah-Koduah et al., 2016). For telecommunication firms to increase market share and profitability, they must be strategic in every aspect of their dealings, especially by engaging in strategic partnerships with distributors. A firm's profitability depends on all businesses' specific factors, including marketing, pricing, place, labour, technology, and distribution quality (Adamson and King, 2017).

As a result, there are many strategic partnerships in the Ghanaian telecommunication company to increase profitability. A notable example is a strategic partnership between Vodafone Ghana and its distributors especially Nezo Ghana and Buadec Company Limited. Even though these distributors have engaged in a strategic partnership in some aspects of business, they are skeptical about its impact on their profitability and the general profitability in the industry. The lack of empirical evidence of strategic partnership on profitability has stalled possible partnerships in other aspects of the business. More critically, the distributors' business development managers, especially Nezo Ghana, find it extremely difficult to convince management to engage in a further strategic partnership.

This literature shows scant work on strategic partnership in the telecommunication industry especially relating to profitability. This shows that strategic partnership literature is still developing in the telecommunication industry, especially regarding how it increases participants' profitability in the telecommunication supply chain. Because the telecommunication industry provides unique characteristics from other industries (Chan-Olmsted and Jamison, 2011; Rezghdeh and Shokouhyar, 2020), it becomes an interesting gap that researchers can explore. To fill this gap, empirically investigate how strategic partnerships lead to firms' profitability in the telecommunication industry from the Ghanaian perspective.

1.3 Research Objectives

This study's main objective is to evaluate the effects of strategic partnerships on the profitability in the Ghanaian telecommunication industry using Vodafone Ghana limited and its distributors, specifically Nezo Ghana Limited and Buadec, as case firms. Specifically, the study's objectives are to;

i. Investigate the relationship effect between strategic partnership and firms' profitability.

ii. Explore the relationship between strategic partnership and distribution quality.

iii. Determine the effect of distribution quality on firms profitability

iv. Explore the mediating role of distribution quality on the relationship between strategic partnership and firms' profitability.

1.4 Research Questions

i. What is the relationship between strategic partnership and firms' profitability?

ii. What is the relationship between strategic partnership and distribution quality?

iii. How does distribution quality affect firms' profitability?

iv. Can distribution quality mediate the relationship between strategic partnership and firms' profitability?

1.5 Scope of the Study

This study aims to assess the strategic partnership on firms' profitability in the telecommunication industry. Specifically, it relates to Vodafone Ghana and its strategic distribution partners in the Western rural (Nezo Ghana) and Western Urban (Buadec Company) areas. The study will thus be conducted on senior officers of these companies.

1.6 Significance of the Study

This study seeks to establish how strategic partnerships improve firms' profitability. When this study confirms that strategic partnership improves firms' profitability, it may provide new insights into how firms can successfully engage in a strategic partnership to reduce cost and gain a competitive advantage. Thus, the study will inform managers that profitability depends not only on new product development but also on strategic distribution partnerships. Also, apart from establishing a direct relationship between strategic partnership and firms' profitability, this study contributes to the extant literature and practice

by introducing distribution quality as a mediating factor in this relationship. If this study establishes the mediating role of distribution quality implies a complex relationship between strategic partnership and firms' profitability than just a direct relationship. Thus, considering distribution quality as a mediator will provide a more comprehensive understanding of the factors that lead to firms' profitability.

Again, the results of this study will be relevant to policymakers such as governmental bodies and management of companies with distribution units. To policymakers like the Ministry of Trade and Industry, Food and Drugs Board, and the Ghana Standard Board, the study's findings and results will guide monitoring the impact of Ghana's operations or Telecommunication Companies. It will also serve as a benchmark for measuring their respective policy goals and objectives. In addition, this study will bring new insights into strategic partnerships for cost-effectiveness and further assist distributors in implementing necessary structures to curtail high costs in the distribution, thereby increasing profitability. Specifically, to the management of Nezo Ghana Limited and other Vodafone distributors, the findings of this study will help improve the effectiveness and efficiency of distribution to maximise profit and assist with the enforcement of the control mechanism shortfalls, if any.

The results of this study will also be significant for future researchers. This study's output will contribute to knowledge and literature on strategic partnership, distribution quality, and firm profitability. In addition, it will provide a valuable reference to researchers, students, policymakers, marketing professionals, and other stakeholders interested in the sales and distribution business in the Ghanaian economy. Also, this research is in partial fulfillment of the University of Mines and Technology (UMaT, Tarkwa) requirement for the award of a master's degree.

1.7 Organisation of Study

The study is organised into five chapters. Chapter one includes the study's background, the problem statement, objectives, research questions, and the study's significance. Chapter two examines the Literature review, conceptual, theoretical, and empirical literature—while Chapter three details the research methodology. Next, chapter four provides the analysis and discussion of the data. Finally, chapter five summarises the findings, conclusions, recommendations, areas for further research, and the article's limitations.

CHAPTER 2
LITERATURE REVIEW

2.0 Introduction

This chapter presents the literature review section of the thesis. It entails conceptual overview, empirical review, theoretical perspectives, and hypothesis development.

2.1 Conceptual Review

2.1.1 Strategic partnership

A strategic partnership is between two separate organisations in the supply chain. It aims to achieve specific goals and create particular benefits while also providing a competitive advantage and boosting profitability for both parties. This strategic partnership will help predict their raw material requirements to meet customer demands (Capik and Brockerhoff, 2017).

A high level of trust, commitment, coordination, and interdependence is required for a successful strategic partnership (Ghouri et al., 2019). Picking strategic partnerships necessitate compatibility across organisational levels and the unity of the senior management with the partners' organisation. Strategic partnerships focus on long-term relationships that aim to meet strategic and financial goals to benefit their customers and partners (Gonzalez, 2020). The strategic alliance will assist firms in gauging customers' needs, the availability of products, and technological advancements. To better address the constraints faced by the supplier, the strategic partnership will help the enterprise and supplier resolve them. A conclusion can be summarised as follows: Working together with suppliers, businesses will have the opportunity to respond quickly, have their products always on hand, benefit from lower inventory costs, and earn more revenue.

The conceptual and empirical articles demonstrate that buyers and suppliers enter into diverse industry partnerships to benefit mutually. As an example, numerous partnerships have started on the premise of decreased overhead costs and cost savings for both partners. This suggests that such partnerships can reduce cost, thereby increasing profitability (Eksoz

et al., 2019). Developing and managing partnerships with buyers is vital for effective business-to-business marketing plans.

An established industry leader relationship can help suppliers enhance their operations and prestige. Further research (M. Cho et al., 2021; Wikaningrum et al., 2020) shows that alliances with buyers can benefit suppliers in unstable markets, such as giving them a more stable marketplace. When the business deal with customers long-term, it can grow at the same rate as firms that use a transactional approach to service customers but with less expense by better inventory management. Previous studies (Saci and Jasimuddin, 2018; Sedyaningrum et al., 2019)have found that developing strategic partnerships with suppliers helps companies with a lot of market share to increase profitability (Saci and Jasimuddin, 2018). Industrial buyers want to reduce their supplier base while maintaining close relationships with their remaining suppliers to achieve these things. The closer relationship between suppliers allows for improved performance, lower purchasing costs, and greater technical cooperation. However, Supriyadi and Ekawati (2014) provide evidence that when new products are developed via partnerships, they don't perform any better when first launched than those developed internally. Therefore, researchers have directed a significant effort toward developing partnership models, which may be elements of other marketing relationship models (Nenavani and Jain, 2021). The models organise the variables that contribute to and maintain a partnership's existence and longevity a partnership performs over time. If well-specified, a model will enable subsequent empirical studies to verify or invalidate the model's trustworthiness. The buyer-supplier partnership success model illustrates how buyers and suppliers can collaborate to foster and manage mutually beneficial relationships, achieving a wide range of partnership outcomes.

Many variables have been proposed as essential parts of these models. When considering the kinds of relationships, the firms maintain, it is common to see good communication flow, the willingness to make changes over time, a view of the industry, and profitability. For instance, Dementiev (2016) felt that a successful relationship included qualities such as trust, open communication, and full disclosure of information. According to Segers (2013), a partnership was the most efficient arrangement for managing transaction costs. Maintaining a balance of power among the partners will help to keep opportunistic behavior at bay.

Likewise, Mustikaningsih et al. (2019) claim that uneven partnership power could make success extremely difficult. Supplier and buyer must depend on each other for a balance of power. Androsova and Sogacheva (2020) explained that suppliers often have limited autonomy, as buyers account for a large portion of sales. Nevertheless, they noted that suppliers could regain full autonomy by adding value-added components, such as unique services.

2.1.1.1 Model of Partnership Success

Ahmad et al. (2021) use two partnership success indicators: sales volume attributed to partners and customer satisfaction. The authors further contend that partnerships are personal business relationships that should feature specific characteristics. The attributes of the partnership, the techniques of communication, and the methods of conflict resolution all support a partnership's success. These attributes are discussed below;

2.1.1.2 Attributes of Partnerships

According to Ahmad et al. (2021), commitment, coordination, interdependence, and trust are the attributes necessary for successful partnerships. When these characteristics are present in a business partnership, they perceive their interdependence and are motivated to collaborate for the betterment of both parties.

2.1.1.3 Communication Behavior

Another factor in the Ahmad et al. (2021) model of partnership success is communication behavior. Communication, information sharing, and participation are key ingredients of open collaboration.

2.1.1.4 Conflict Resolution Techniques

Ahmad et al. (2021) identify partnership's conflict resolution method as the final factor. In their study, the authors discovered possible methods of joint problem-solving. However, collaborative resolution techniques such as common problem solving and persuasion will be more important than competitive ones in most successful partnerships. Therefore, further specification of the model is required. Ahmad et al. (2021) model only discuss partnership success characteristics. Still, it does not detail the circumstances that bring two parties together to form a partnership. In other words, what are the precursor causes of an association's foundation? This set of antecedents, beginning with these historical precedents,

determines the association's building and the viability of partnership success. The researchers did a study with purchasing managers to account for these antecedents to assess other factors linked to partnership success.

2.1.1.5 Partnership Performance

These problems have received less attention (Sodhi and Son, 2009). First, there are a few consensuses and available measures. Second, partnership performance remains unclear because the definition of partnership has not been well established. Additionally, the performance of the partnership will vary according to the environmental conditions and recourse capabilities of the organisation" (Hodge and Greve, 2017). This new measure creates the partnership performance measures' compatibility and reliability problems. Additionally, researchers must beware of conflating indicators and determinants of partnership performance. If they do, the research process will be much more difficult.

Research has obtained partnership performance indicators (Rezaei et al., 2018). A wide range of methodologies has been employed to determine the viability of collaborative inter-firm partnerships. When it comes to using objective measures, it is much more common to use quantitative, comparable measures that are not subject to bias in data collection and data sources. Plans include various financial policies. For the most part, obtaining the data for financial measures is difficult because companies' profits can be derived in multiple ways besides dividends (Alhyari et.al., 2014). A thorough assessment of all aspects is required to comprehensively assess the successful collaborative inter-firm arrangements that are not financial. This is in addition to the objective measures, such as survival and termination (Saleh et al., 2018). While these focus more on strategic alliances, not the type of partnerships we consider, they are relevant to that discussion.

Additionally, to increase our partnership's chances of success, we will need to measure partners' subjective perceptions of their partnership, for example, how satisfied they are with their partnership and how successful they think the partnership has been so far. For example, (Han et al., 2018) look at the study in three dimensions. First, they have attempted to determine if consistency exists between the firm's mission and measurements of collaborative inter-firm arrangement (Young et al., 2013). It was discovered that there was a positive correlation between objective and subjective measures. Although subjective measures are subject to biases such as "common methods bias," they are also helpful because

they help make sense of a large amount of diverse data. In the absence of reliable financial data, use subjective measures of partnership performance.

According to (Ku et al., 2016), collaborative inter-firm partnerships are impacted by various factors. These are (1) information exchange, (2) relationship-specific assets, (3) partner asymmetry (4) trust, and (5) joint partnership management

2.1.1.6 Information Exchange

When developing and maintaining an efficient supply chain partnership, there needs to be a substantial supply chain information exchange level, and participants must be willing to enable this. Based on its findings, Shikuku (2019) found that information exchange and information quality are critical for effective inter-organisational supply chain management (ISCM) practice. Leveraging efficient IT reduces transaction costs and risk, allowing firms to interact with each other more freely. Several empirical studies have found that information exchange is an essential determinant of a supply-chain partnership's overall performance in supply chain settings.

2.1.1.7 Trust

In academic literature, trust is a topic that has been studied extensively. According to Glavee-Geo et. al., (2020), trust reduces uncertainty about a partner's future responses, increasing collaboration. By reducing the perceived risk that one company's weakness will be exploited by its partner and growing control over inter-firm relationships. In this case, increasing trust instead of replacing retailers' power increases the efficiency of mutual benefits from ECR and other manufacturer-retailer partnerships.

2.1.1.8 Physical Distribution Service

Marketing managers have outlined the complexities of setting service levels for the distribution of physical goods. Packaging services are defined as a supplier's coordinated suite of activities designed to offer value and security for customers. It also ensures value and convenience for customers (Ishfaq et al., 2016).

Distribution methods, such as delivery, transportation, and warehousing, ensure that goods are readily available for customers. As such, a definition implicitly excludes services that do not directly relate to order and delivery, including product consulting, training seminars, and similar services. However, because these activities are tangential to the physical

distribution mix, they are not directly included in this description (Freeman et al., 2020). " Distribution service delivery element that is frequently mentioned and quantifiable is ordered cycle time. This is the time it takes for a customer to receive an order in good condition, which sums up all events from when the order is placed to the end. Measures that a manufacturer uses that are affected by repeat orders from the same supplier include the average order cycle time and the consistency of the order flow (Yang et al., 2018). Order cycle time consistency is measured by the variance of order cycle times about the expected time. Guaranteed or promised time, average time or longest acceptable time are the three main alternatives of the expected time. Affected by other factors, the length of the elapsed order cycle will include the time required to place the order, transmit it, and process it.
However, order cycle time does not cover all aspects of physical distribution service. For example, a straightforward way to handle customers' questions is information. A buyer might think that the ability to find out when an order is shipped or delivered is a valuable planning tool.

They are all a part of physical distribution because invoicing systems that consider user information systems are required to go along with it (Jensen, 2020). Like the improvement in order cycle time, improvements in these areas increase costs and patronage for the supplier. A distribution system's goal is satisfied when customers get what they've ordered. Therefore, there is a breakdown in physical distribution service, quality control, or production schedule if any discrepancy is found in the order specification (Androsova and Sogacheva, 2020). Failures may take various forms. Incorrect goods may arrive with the order, but they are damaged substantially. Order quantities and specifications may differ. To purchase a tight deadline, the buyer must act on information that has been provided to him; the supplier will learn of any issues with the goods or their buyers only if significant problems arise. The physical distribution manager make an informed decision on whether to improve or expand physical distribution services (Jaqueta et al., 2020).

2.1.2 Distribution Quality

Quality distribution of products or services is critical in the business environment. When distribution quality was conceptualised in the 1970s and 1980s, CEOs linked it to profitability for their companies (Towers and Xu, 2016). They added high-quality in the strategic planning process to ensure long-term competitive advantage. To better meet customers' expectations, the manufacturer's definition of quality changed to the customer's

definition. Quality reports and theories have since been generated by researchers in manufacturing, marketing, and consumer behavior (Kristinae et al., 2020). Many quality literature point out that different definitions and quality dimensions have gained prominence depending on academic disciplines, economies, and value systems (Jaqueta et al., 2020). While these differences exist, most customers feel that a business must meet a dynamic quality threshold to keep customers satisfied.

2.1.2.1 Channel of Distribution

The channel of distribution helps convey the flow of goods from producers to consumers. Jain et al. (2012) mentioned that channel distribution is essential for producers and manufacturers, as merchants need to place products on their shelves. Producers and manufacturers use trading business units to develop and innovate their channels to reach this goal (Nguyen, 2019). Goods are transferred from the manufacturer to the supplier and then to the retailer. After that, they move on to the end customer. A chain of distribution units passes products from trading units to consumers until it reaches the end-user. The distribution chain or distribution channel is known as the distribution process (Guan, 2010).

2.1.2.2 Distribution Strategy

A distribution system is a network of organisations that connects suppliers to customer groups. Strategic and tactical decisions are required to design a distribution system. When it comes to strategic decisions, things like warehouses, wholesalers, and retailers play a significant role. The intensity of selected structures is determined by tactical choices, including the number of intermediaries and channel management policies like trade discounts (Segetlija et al., 2012.).

2.1.3 Profitability Measures

These profitability measures, the Return on Asset (ROA) and the Return on Equity (ROE), have commonly been used as ROIs. ROA shows how efficiently a bank manages its assets to generate revenue. A downside of using ROA is that it ignores off-balance-sheet assets, which causes it to underestimate the value of assets. The long-term results of this effort may lead to an upward bias in ROA's estimation of bank success. to do this, the researcher examines profitability by considering the following: assets are used to generate profits, revenue increases, and so does profit margin, and their targets are on target (Shin, 2001). While these researchers (Akuoko et al., 2021; Francisco, 2013) say that ROA is one of the

most critical profitability measures in the banking literature, nonetheless, other authors (Parham, 1992; Dooley and Rosser, 1990) have asserted that profitability can be measured by the return on assets (ROA).

Another method of calculating profitability is to divide net income by equity. The financial ROI on each unit of shareholders' capital is calculated. Banks with high financial leverage typically have a higher leverage ratio. Well-diversified banks that enjoy substantial economic clout may be riskier, but they may also earn an above-average return on equity. In this way, the standards of ROE might be responsible for obscuring banks' proper financial health. Even when applying ROE, regulatory factors need to be considered. ROE is, however, commonly used together with ROA.

2.2 Theoretical Review

2.2.1 Resource-Based View (RBV)

The resource-based theory emphasises using an organisation's existing assets and capabilities to gain a competitive advantage. RBV investigates the interrelationships between resources within an organisation. It explains why and how some organisations gain a competitive advantage.

RBV argues that an entity may be physical, human, organisation, valuable, unusual, and inimitable (Cruz and Haugan, 2019). Core strategic theoretical lenses have emerged from organisational resources and capabilities. First, tangible and intangible assets help companies to create competitive relationships. Second, knowledge capacity can build immaterial resources and enable dynamic organisational learning in organisations (Rotjanakorn et al., 2020). Third, relational power is designed to increase the resources of the alliance partners to build, expand, or modify their resources.

Based upon the company's resource-based view (RBV) as a general framework and prior research, this study explains the likely association of public strategic partnerships with firms' profitability. Firstly, an explanation based on the virtual cycle argument shows that companies involved in strategic alliances benefit and invest more in strategic partnerships (Kraaijenbrink et al., 2010). Over time, these impacts have increased, leading some companies to participate more in strategic partnerships than their historical investments and competitors and maintain a more proactive digital strategic position. Secondly, due to higher investment in strategic partnership and increased opportunity to learn from occasional

failures in its overall partnership portfolio, companies undergoing the virtuous cycle are more likely to improve their management of partnerships (Desarbo et al., 2007). Several empirical studies (Alonso and Andrews, 2019; Rungsithong et al., 2017) support this explanation and show company knowledge to improve customer satisfaction using strategic partnership capabilities.

Third, companies may have just about exhausted partnership efficiency gains because of the long history of companies looking at strategic partnership profit-making avenues to reduce costs rather than generating income. If RBV's logic focuses on differential firm performance if revenue growth is a significant cause of differentiation due to the exhaustion of cost-based differentiation, it may be more promising to trace the impact of strategic partnership on profitability through revenue growth (Bayighomog Likoum et al., 2020). The three above relates explanations to the main principles of RBV, using concepts of social complexity, erosion barriers, path dependence, and organisational learning to explain why resources create and maintain competitive advantages. This study suggests that by combining strategic partnerships with profitability, strategic partnerships facilitate revenue expansion by pooling resources, creating new value proposals, new marketing, and sales channels, and improving customer life cycle management.

2.2.2 Transaction Cost Theory

Transaction costs theory is an optimal transaction management structure when faced with transaction costs outside of the company's control (Schmidt and Wagner, 2019). This theory has already been proven true within the realms of management. The study of Akbar and Tracogna, (2018) explained how the sharing economy and hotel industry were envisioned to change according to theories about the future. Information, goods, or services exchanged between successive stages of a production process are viewed as transactions within the theoretical framework (Williamson, 1989). Every transaction within a business can be thought of as an exchange between value-adding stages and a buyer's purchase (Williamson, 1989).

Bounded rationality and opportunism are two critical assumptions in transaction cost theory (Williamson, 1989). First, the principle of bounded rationality assumes that humans are constrained by their cognitive abilities when carrying out behavior. Second, the inability to process all available information prevents a decision from being rational. Lastly, opportunism connotes the possibility that the other party is solely concerned with self-

interest. Two types of uncertainty are concerned with transaction costs: randomness and errors. The greater the uncertainty about government regulations, laws, and policies, the more difficult it is to draft agreements ahead of time. The behavioral delay occurs when it is difficult to accurately measure one party's post-transaction performance because of either implicit or explicit information asymmetry.

The transaction cost theory presents three different governance problems which stem from transaction costs. Most specifically, institutions must pick a governance framework that best solves the safeguarding, performance measurement, and adaptation issues.

The assumption is that price and transaction costs are decisive for an organisational undertaking. A transaction costs the least and yields the highest price, which is the mode the buyer will accept (Babu et al., 2020). Thus, strategic partnerships impact the cost of processes and activities while at the same time reducing these costs.

The transaction costs of digital technology are evaluated in supply chain management investigations. Another great example is Schmidt and Wagner (2019), who demonstrated that digital technology could reduce transaction costs. If market-oriented governance structures are implemented for buyer-supplier transactions, research supports that the costs of transactions will be reduced. The significant cost reduction is made possible by controlling opportunistic behavior and reducing uncertainties about the environment and behavior. Also, Roeck et al. (2020) investigated how much of a digital technology's costs could be minimised or eliminated.

Additionally, Rowan and Galanakis (2020) deduced from transaction cost reviews how difficult it is for small and medium-sized businesses to modernise themselves in the post-COVID-19 period. Despite these findings, Akbar and Tracogna (2018) also demonstrated how digitisation could reduce opportunistic behavior in the hotel industry, with the study showing how both buyers and sellers could benefit. Verifiable smart contracts can be created using digital technology, especially blockchain (Saberi et al., 2019).

As a result of Multaharju et al., (2017) surveying 100 Finnish companies, Lintukangas (2011) collected data. It appears that the companies that can manage strategic partnerships are effective at coordinating their supply chains and are eager to build stronger ties with their suppliers. They also establish trustworthy relationships and constantly contact their suppliers; they utilise reputable supply procedures. When Williamson (1975, 1985) writes

about transaction cost economics (TCE), he explains how firms should perform certain activities in-house and other activities that should be outsourced. According to the study by Kroes and Ghosh (2010), when outsourcing results in a reduction in firm size, TCE predicts firms will choose to outsource. This, in turn, decreases the overall transaction costs. Later in the same decade, Williamson (1991) raised the hard market and hierarchy pole to its most incredible heights. acknowledge the existence of 'hybrid governance.' Complex contracts and other forms of strategic partnerships, including supplier alliances, are used with an exchange hybrid governance structure to facilitate this.

Additional costs may be associated with the supervision of a third-party vendor. As long as the total production and transaction costs for the entire project is lower due to outsourcing, the principles of TCE are applicable. In their research, Jüttner et al. (2003), found that a high level of supply chain integration depends on strategic commitment. According to Liu et al. (2018), manufacturers in China committed to their suppliers exhibit increased customer integration. In a joint responsibility shared planning setting, trust is associated with cooperative buyer-supplier behavior and flexibility in contract arrangements. The authors of the paper, Li et al. (2006), contend that confidence in supply chain partners is tied to the amount of information shared and the quality. In this case, a partnership between two or more entities is conceptualised as bringing together complementary resources and capabilities of the business and selected partners to bestow a competitive advantage on all parties.

2.3 Empirical Review

Interest in a strategic partnership has grown significantly. It has been the subject of a great deal of investigation by numerous authors for many different reasons. For example, Egels-Zandén et al. (2015) found that, with the strategic partnerships, garment businesses in the province of West Java, Indonesia, experienced an increase in their innovation capabilities and a rise in their business performance. They used a total of 250 garment companies as a case study and used multiple regression analysis to obtain their findings. According to the results, strategic partnership aids in innovation capabilities. Thus, the impact of direct partnerships on innovation capabilities is most apparent for strategic partnerships. However, the researchers ignore the financial benefits of the strategic partnership. To gain a stronger position in key partnerships, such as supply chains, Lee and Mellat-Parast (2009) built a foundation for forming initial trust in strategic alliances. When there are no previous

relationships, trust is the most critical consideration. While the experiments chosen for further study are too contrived and lack external validity. One potential pitfall of generalising is that the two sub-samples of undergraduate students and employees do not apply to the larger population.

A different study found that partnership components significantly impacted pharmaceutical manufacturing firms in Pakistan, Khan and Siddiqui, (2018). Thirty-five pharmaceutical companies located in Pakistan's big cities were included in the study. Based on the results, it appears that strategically partnering with suppliers, sharing information, and utilising information all have a significant effect on the performance of pharmaceutical firms. Additionally, the study examined whether each independent variable was linked to the business's overall performance. Partnering with strategic suppliers yields positive benefits for pharmaceutical companies' performance while sharing information worsens performance. The company relied only on the pharmaceutical industry, including telecommunications or other industries where cooperation is important.
Syifa et al. (2020) found that supply chain management and strategic partnership impacted Perusahaan Daerah Air Minum (PDAM), a Regional Water Utility Company in West Java performance. The partnership had a much more significant impact on PDAM success than supply chain management for superior performance. The study's findings provided PDAM management alternatives in West Java. By building horizontal partnerships and streamlining supply chain management, West Java can achieve better PDAM performance.

Caiazza and Stanton, (2016) studied inter-organisational partnership's effects on innovations. The findings verified that businesses consider private and public partnerships effective and valuable for overall performance. However, some weaknesses in generalisability have emerged in this paper due to the unique characteristics of agro-food. The literature discussed above shows a deficit in strategic partnership and firms' profitability. With the current need to cut costs, the relationship between strategic partnership and firms' profitability is critical in turbulent and volatile environments where organisations adapt to new structures, processes, procedures, and norms. Therefore, decision-makers must acknowledge the need for change and take appropriate, strategic measures to address these challenges (Saci and Jasimuddin, 2018).

This study provides empirical evidence on the relationship between strategic partnership and organisational profitability to fill these identified gaps in the literature. In addition, as established, this study fills the gap of the lack of empirical evidence on the moderating role of distribution quality on the relationship between strategic partnership and firms' profitability, especially in the telecommunication industry.

2.4 Conceptual Framework

2.4.1 Hypotheses Development

2.4.1.1 Strategic partnership and firm profitability

To realise opportunities and improve profitability, companies create strategic partnerships with private and public organisations—a collaboration with other companies to enhance the trust-enabling exchange of information. Interorganisational ties increase one's sense of belonging to a social network, help individuals exchange information, and help organisations retain a positive reputation (Gottlieb et al., 2020). Sustainable and long-term partnerships increase knowledge flow, which leads to improved product development, process efficiency, or increased marketing performance. Partnerships among involved firms yield benefits to both parties and act as a source of new and innovative activities for all parties, resulting in reduced opportunistic behaviors with positive effects on knowledge transfer (Wikaningrum et al., 2020). While these claims may or may not be correct, there is some merit to the notion that partnerships between firms can enhance firms' participation in the telecommunications industry.

Furthermore, public research institutions are advantageous for determining the effects of strategic partnerships. This is particularly well-suited for small business startups with limited resources, as they cannot afford to form strategic partnerships. Consequently, it is possible to hypothesise that;

H1: There is a positive relationship between strategic partnership and firms' profitability.

2.4.1.2 Strategic Partnership and Distribution Quality

Many researchers have studied the relationship between strategic partnership and distribution service quality. Prior studies have considered strategic partnership an antecedent of distribution quality (Mellat-Parast, 2015). Empirical findings showed that strategic partnership is related to improved distribution quality (Espino-Rodríguez and

Ramírez-Fierro, 2018). Strategic partners, especially the major players in the telecommunication industry, require their representative partners to ensure products are available on time and visible at the point of sale. Research in service marketing considers distribution quality as an affective construct.

An exploratory study reveals that managers' attitudes often develop a certain worldview (Arawati and Za'faran, 2008). A result of this is that managers will tend to act in ways that appear appropriate to others, suggesting that firms with similar work ethics might bring about new practices within the company. According to the literature, organisations consider the interests of their partners. To preserve their credibility, firms frequently mimic the behavior of other firms. Many companies implement quality-related distribution practices by looking at the marketplace and comparing their performance to competitors. Collaboration and interfirm networks are weakly supported in research on comparative political economy. An essential aspect of effective collaboration is to work with relevant partners on practices that meet the firm's needs and requirements. Suppliers who have formed a strategic partnership with a firm can impact firm decisions and actions and take actions on behalf of or against the firm. It is hypothesised that:

H2: There is a positive relationship between strategic partnership and distribution quality

2.4.1.3 Distribution Quality and Profitability

As in most of the distribution quality and firm profitability literature, distribution quality improves profitability. This study uncovers three critical empirical studies that have already been conducted. The first stream originated from empirical studies that used the Profit Impacts of Market Strategies (PIMS) database to calculate the profit impact of marketing strategies. Many studies discovered a strong correlation between higher ROI and superior distribution quality (ROI). Wagner (1984) could not reach a definitive conclusion regarding the relationship between quality and ROI.

This is from several ACSI studies, in which customer expectations, quality of distribution, perceived value, customer satisfaction, customer complaints, and customer loyalty were examined. They found that high-quality distribution can be financially beneficial, as shown by (Mustikaningsih et al., 2019). They found a positive correlation between distribution quality and various financial measures such as return on assets, market-to-book ratio, and price-earnings ratio. Jacobson and Aaker (1987) found a positive correlation between stock

return and perceived product quality, which indicates that distribution is related to profitability. Recently, Suwandi (2020), in a study to understand customers' perception of quality of distribution, sales promotion, and customer satisfaction, found that the quality of distribution influences customer satisfaction and improves business performance. Thus, given this accumulation of findings (Jacobson and Aaker, 1987; Mustikaningsih et al., 2019; Suwandi, 2020), it can be said that distribution quality positively influences business performance. Firms' performance used profitability as opposed to growth as a measure. This research examines how distribution quality relates to profitability. Thus, this study hypothesises that:

H3: There is a positive relationship between distribution quality and profitability

2.4.1.4 Mediating Role of Distribution Quality

Little research has examined how the quality of the strategic distribution partnership and the profitability of companies relate to each other. Although researchers are interested in their relationship, some hundred companies usually find it challenging to collect soft data, such as strategic partnership and profits (Nguyen, 2019). Therefore, extensive studies investigating their relationship are rarely conducted, not to mention a mediation effect of distribution quality.

However, some indirect evidence implied the mediation effect on the relationship between strategic partnership and company profitability of distribution quality. For example, in several studies identifying new products' success and failure factors, Eksoz et al., (2019) found that superior distribution quality in new products and services succeeds in the market. This implies a potential quality mediation effect on the relationship between strategic partnership and profitability. Furthermore, the Sears Employee–Customer–Profit (ECP) model sets a chain of purposes and effects from strategic partnership to improved distribution quality. Since strategic partnerships are related to product or service quality, we speculate on quality mediation. While neither of these studies has directly discussed the mediation effect of distribution quality, both reported positive correlations between strategic partnership attributes and performance measures such as growth rates and equity rates (ROE). This study, therefore, suggests that mediation models were viable.

H4. Distribution quality mediates the positive relationship between strategic partnership and profitability.

The research model is as shown in figure 2.1 below

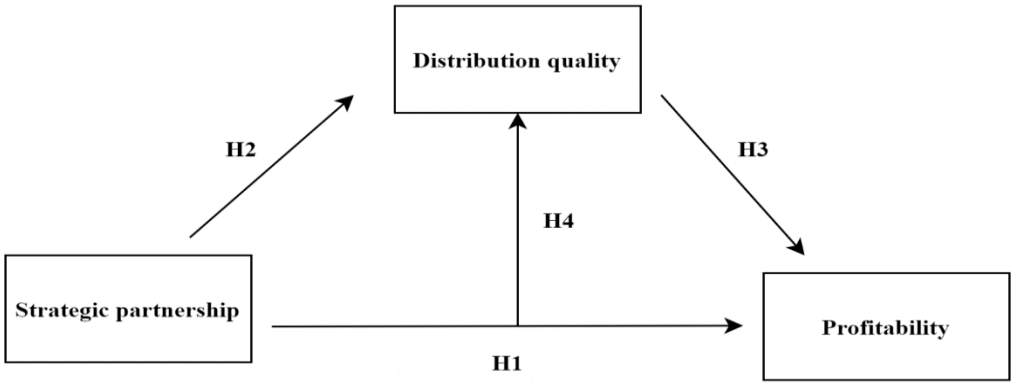

Figure 2.1: Conceptual Framework

Source: Authors' Construct

From Figure 2.1, Strategic partnership is the independent variable. Distribution quality is the mediating variable, and profitability is the dependent variable. These relationships will be tested later in the study.

2.5 Chapter Summary

This chapter presented the conceptual, empirical, and theoretical reviews. Key concepts reviewed in this study include Strategic Partnership, Partnership Performance, Physical Distribution Service, and Profitability Measures. The conceptual and empirical articles demonstrate that buyers and suppliers enter into diverse industry partnerships to benefit mutually. As an example, numerous partnerships have started on the premise of decreased overhead costs and cost savings for both partners. This suggests that such partnerships can reduce cost, thereby increasing profitability. Developing and managing partnerships with buyers is vital for effective business-to-business marketing plans. The review also establishes nascent studies on how strategic partnership impacts profitability in the telecommunication industry.

Under theoretical review, selected strategic partnership theories such as the Resource-Based Theory and Transaction Cost Theory were used to explain the study. The Transaction cost

posits that strategic partnerships impact the cost of processes and activities while at the same time reducing these costs. The Resource-Based view also argues that firms engage in strategic partnership for mutual benefits because of differences in resources and skills

This chapter also developed the research hypothesis leading to the conceptual framework used for this study. The relationship between the independent variable (Strategic partnership, mediating variable (distribution quality), an independent variable(profitability) will be further tested later in this study.

CHAPTER 3
METHODOLOGY

3.0 Introduction

This section of the research outlines the essential aspects of research design and strategy, population, sampling selection and procedure, data collection technique, validity and reliability, data analysis technique, the definition of variables, estimation techniques, and chapter summary.

3.1 Research Design and Strategy

The research study adopted the quantitative research method. Quantitative research is typically considered the more “scientific” approach to social sciences (Cavaleri et al., 2019). It focuses on using specific definitions to operationalise concepts and variables (Powell, 2020).

An argument made by Maula and Stam (2020) is that quantitative research is held in such high regard because of the predictive advantages it offers. Indeed, accurately predicting outcomes is one of the quantitative methodology's most notable features.

In quantitative research methods, data are collected and analysed in numeric form. The researcher believes collecting data, and its analysis in the numeric form will be appropriate for investigating such an issue.

The approach helps in gathering data for the hypotheses. In the data collection, the researcher collected primary data using the questionnaires. The questionnaires were created in a five-point Likert-scale format, ranging from 1 to 5 (one goes in favour of strong agreement while five go in favour of strong disagreement. The strategic partnership was measured using Ten items adapted from (Alhyari et al., 2014; Kmetec et al., 2019; Nenavani and Jain, 2021). Distribution quality was measured with eight items adapted from (Bienstock et al., 1997; Nguyen, 2019). Also, this study adapted eight measures for profitability from (Adamson and King, 2017; Sudiyatno et al., 2020). In all, there were twenty-six items in the questionnaire for the study. This was used to draw a conceptual framework to establish a relationship between understudy factors and the hypothesis.

3.2 Population to the Study

The study population comprises three distributive players in the Ghana Telecommunications industry. Focal firm Vodafone Ghana, western region exclusive distributors Nezo Ghana and Buadac Company ltd respectively and their sub-distributors. The Operations officers, Managers, supervisors, and other senior officers within these three players were involved in this study. The population for the study is approximately 800 (Gyedu et al., 2021; Osei-owusu, 2015).

3.3 Sample Selection and Sampling Procedure

The sample consisted of Vodafone Ghana and its distributors in the Western Region. The researcher adopted Purposive- Convenience sampling techniques to select the respondents. Purposive sampling was employed to target senior officers with reliable information on the industry's strategic partnership and the firm's profitability. The convenience sampling technique was used to choose senior officers who were well equipped with relevant information to the researcher focus. Wilson Van Voorhis and Morgan (2007) suggest that 10 percent of the population is adequate for sample size. Therefore, an adequate participatory sample size of 150 was used to generate the respondents through convenience sampling based on the 800 population for the study. Again Ellen (2018) suggests that the sample size is determined by (1) the nature of data analysis proposed and (2) estimated response rate. Because this study applies Partial Least Square Structural Equation Modelling (PLS-SEM), the sample size meets the recommended rule of thumb. That is, 10 times to the number of indicators of the construct with the highest number of indicators or greater than 10 times the maximum number of outer or inner model links pointing to any latent variable in the model (Hair et al., 2011). The construct with the highest number of indicators in this study is 10. So, 10*10=100. So the 150 sample size for this study is appropriate. The sample size is more than similar research works (Sánchez-Hernández et al., 2019; Tarigan and Siagian, 2021) done with PLS-SEM

3.4 Data Collection Technique

The researcher used primary data. The primary data included the field data that the researcher collected personally. The data were by administering questionnaires to the various participants. The researcher used questionnaires to collect data for the research analysis. The research questionnaires were administered to respondents. Due to COVID 19

restrictions on personal contacts, soft copies of the questionnaires were sent to the emails and mobile phones of the sampled respondents. Those that were readily available were given printed copies. Out of the 180 questionnaires distributed, 150 questionnaires were returned, representing 83% This took the researcher an anticipated 60 days to collect data. This number of responses was appropriate for the study, as explained earlier under section 3.3.

3.5 Validity and Reliability

This research ensured the measuring instruments were reliable and valid by adapting them from prior literature. The instruments have been validated to measure what they are meant to measure. As confirmation, the researcher also validated these measuring instruments using eight experts in the industry. The results established that these items measure the constructs they are meant to measure. The researcher conducted pretests to ensure that the variables gave consistent results for reliability. The researcher checked for reliability (Cronbach Alpha) and validity (ANOVA) during the indicators' data analysis. All the indicators were satisfied. Chapter 4 entails the details.

3.6 Data Analysis Technique

Structural equation modelling (SEM) was used to analyse the data with SPSS and WarPLS 7.0 software. Structural equation modeling (SEM) has become a robust multivariate analysis technique widely used (Becker et al., 2018). SEM or path analysis is a multivariate method commonly used to test various hypotheses about interrelations among variables. The quantitative social sciences are enormous fans of structural equation modeling without question. The proliferation of structural equation modeling as a popular software is attributed to the sophistication of the underlying statistical theory, the substantive value it may have, and the availability and simplicity of structural equation modeling software.

This study uses PLS-SEM because it enables researchers to estimate complex without imposing distributional assumptions on the data. This research has many constructs and indicator variables appropriate for PLS-SEM.

Again, PLS-SEM is a causal predictive approach that emphasises prediction in estimating statistical models, whose structure is designed to provide causal explanations. (Hair et.al, 2019). It enables profitability to be predicted, as in the case of this study.

Finally, user-friendly software packages generally require little technical knowledge about the method, such as SmartPLS and Warp PLS.

3.6.1 Definition of Variable

This study considers three constructs: strategic partnership, physical distribution quality, and profitability. The strategic partnership is an independent variable whilst distribution quality is a mediator, and profitability is a dependent variable. Their meanings and relationships are explained in Chapter Two.

3.6.2 Estimation Technique/ Strategy

This study adopted the partial least squares path modeling or partial least squares structural equation modeling (PLS-PM, PLS-SEM) for estimating the complex cause-effect relationship among the latent variables. The PLS can be analysed if the number of samples is small and there is no constraint on the normal distribution of the sample distribution. Also, PLS can build models for formation indicators. These made it suitable for this study.

3.7 Case firms

This study focuses on strategic partnership and profitability in the telecommunication industry. Especially, it involves Vodafone Ghana and its distributors in the western rural (Nezo) and western Urban areas. This section presents brief information on the case firms.

3.7.1 Vodafone Ghana Limited

Vodafone Ghana is the national telecommunication company of Ghana operating company of Vodafone Group Plc. It is the only total communications solutions provider. It has 13.81% of the Ghanaian market shares.

Vodafone Ghana has thirteen (13) regionally-based exclusive distributors contracted on territorial demarcation across the 16 regions of the country. These distributors are responsible for the sales and distribution of Vodafone Ghana products and services

In the western urban and western rural, Vodafone partners Nezo Ghana and Buadec, respectively, to manage the distribution of its products.

3.7.2. Nezo Ghana Limited

It is a Limited Liability Company incorporated in 2020 as a subsidiary under Nezo Group with the object to trade in Telecommunications Supplies & Services, General Goods &

Services, Engineering Services, and Petroleum Services throughout Ghana and West Africa in general. Nezo Ghana is headquartered in Tarkwa with Branch Offices in Asankaragwa, Bogoso, Enchi, Dadieso, Prestea, Wassa Akropong, and Samraboi, in the Western North Region of Ghana. Currently, Nezo Ghana is the main distributor for sales and distribution of Vodafone Ghana products and services within the western rural territory of the Western Corridor demarcation of Ghana. These products include Vodafone Airtime, Vodafone Cash, Vodafone Data & Data Devices. Nezo workforce of 235 comprising of 70 permanent, 55 temporals and 110 field commission agents. Below Map shows the territory of Control under Vodafone business:

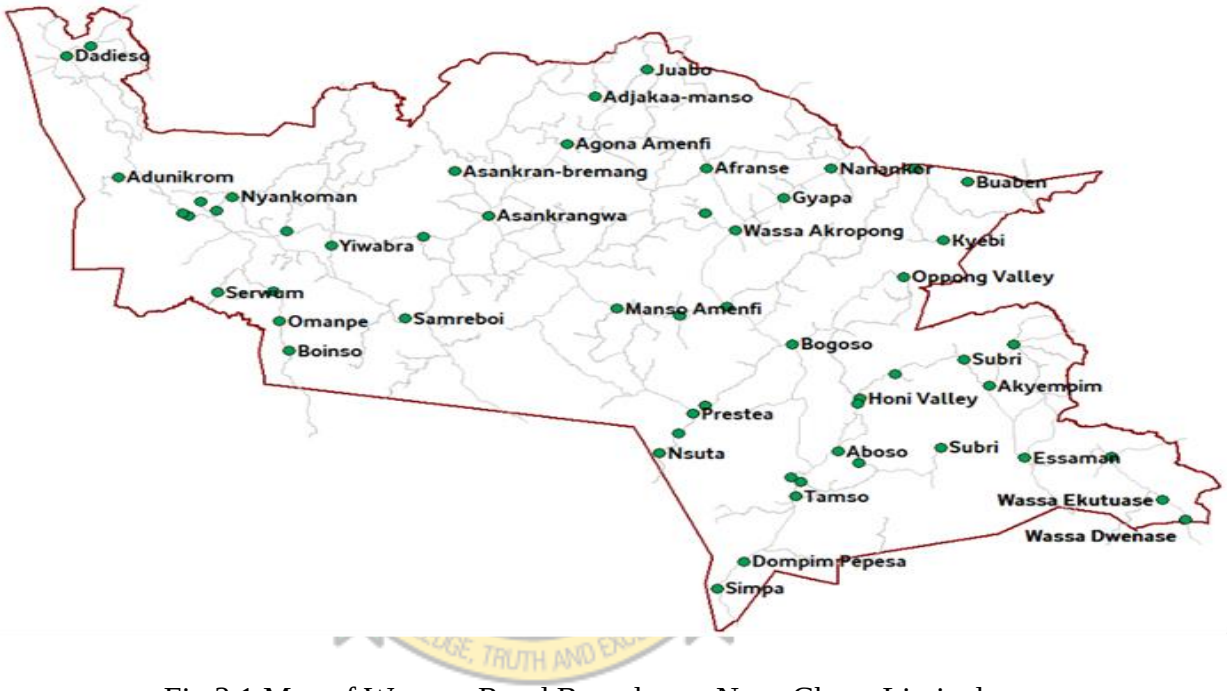

Fig 3.1 Map of Western Rural Boundary – Nezo Ghana Limited

3.7.3. Buadec Company Limited

Buadac Company Limited is a telecommunications contractor established in 2006 for the sales and distribution of telecommunication products and services. The Company head office is located at Market Circle in Sekondi-Takoradi, Western Region (Ghana). The Company gained the exclusive right to the sales and distribution of Vodafone products and services within the Western urban region of Ghana in 2009. It has a workforce of 300 workers comprising 90 permanent, 25 temporal and 185 field commission agents responsible for the daily running of the business operations. The 10 Branches of the

company are located strategically across the Metropolis, Municipal and Districts of the Urban location of the region.

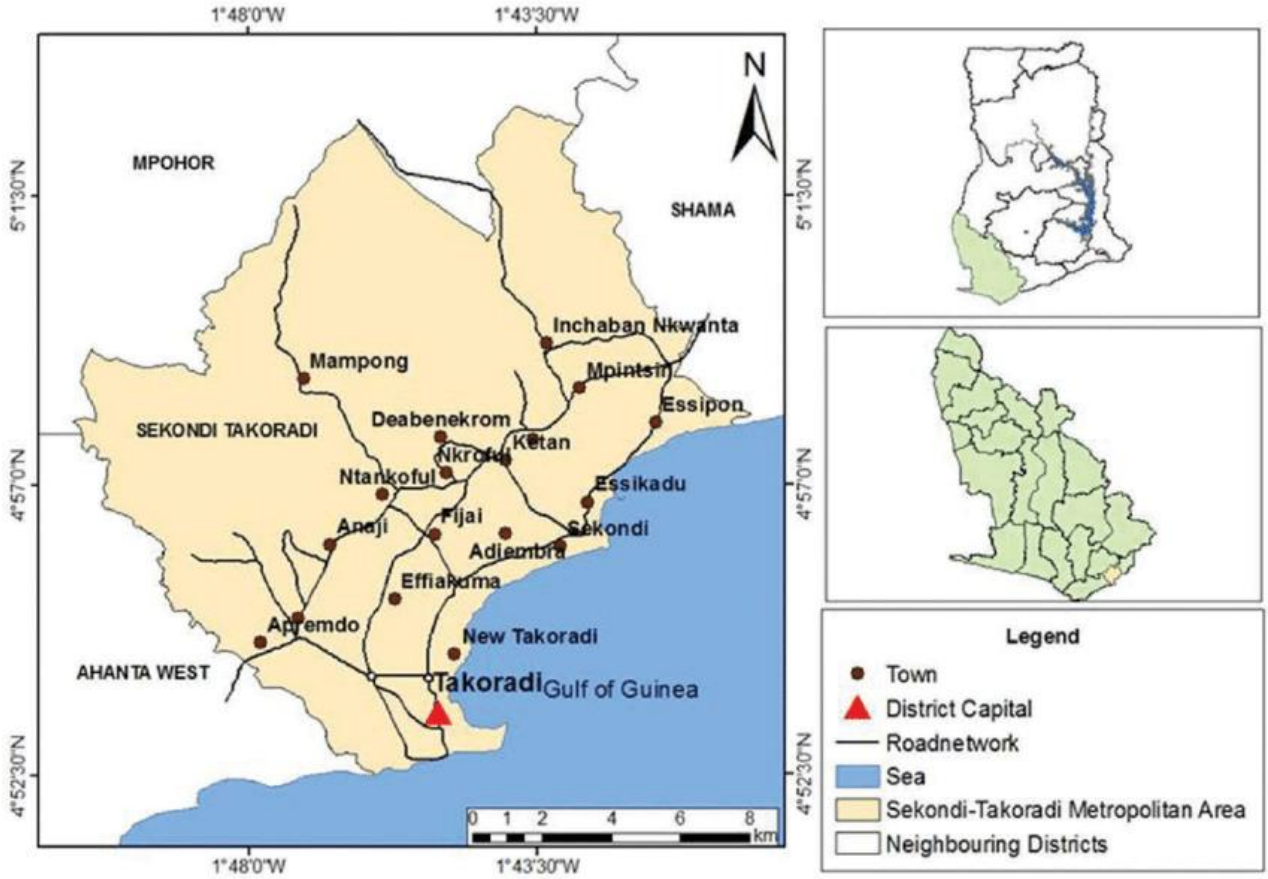

Fig 3.2 Map of Western Urban Territorial Boundary Control

3.8 Chapter Summary

This chapter has presented the methodology section of the research. The research is a quantitative study that uses a questionnaire to collect the data. The methods and processes used to achieve the objectives of the study were explained. It described the procedures involved in the study. The key components included in this chapter are research design and strategy, population, sampling selection and procedure, data collection technique, validity and reliability, data analysis technique, the definition of variables, estimation technique (PLS-SEM).

CHAPTER 4
RESULTS AND DISCUSSIONS

4.0 Introduction

This chapter reviews the results and analysis of the study. The findings are discussed in the existing literature to identify similarities and differences. The outline for the chapter follows in the order of; data presentation, the profile of respondent, descriptive analysis, discussion, and conclusion.

4.1 Data Presentation

During the conceptual phase of this study, primary data was collected from the respondents. The first step involved the demographic characteristics of the respondents.

4.2 Demographic Characteristic of Respondents

The study presents the demographic profile of the respondent as found in Table 4.1 below.

Table 4.1: Demographic Characteristics

Characteristics	Frequency	Percent
Gender		
Male	112	74.7
Female	38	25.3
Total	150	100.0
Age		
18-24 years	15	10.0
25-35 years	65	43.3
36-57 years	70	46.7
Total	150	100.0
Level of IT skills		
None	0	0n
Basic	35	23.3

Intermediate	54	36.0
Professional	61	40.7
Total	150	100.0
Total	150	100.0
Highest educational attainment	-	
Technical	9	6
HND	16	10.7
First degree	71	47.3
Masters	54	36
Total	150	100.0
Working tenure		
0-5 years	25	16.6
6-10 years	55	36.7
11 years and over	66	44
Total	150	100.0
Name of company		
Vodafone	69	46
Nezo	43	28.6
Buadec	38	25.3
Total	150	100.0
Your Company Size		
1-500	31	20.7
501-1000	59	39.3
Over 1000	39	26.0
Total	150	100.0
Your position in the Company:	-	
Executive management	58	38.7
Middle management	53	35.3
Supervisor	39	26.0

Which function in the organisation are you most associated?		
Sales and Marketing	60	40.0
Inventory management	29	19.3
Accounting/finance	15	10.0
Purchasing and supply	14	9.3
Human resources	6	4.0
Customer service	21	14.0
IT	5	3.3
Total	150	100.0

Source: Researcher's Survey, 2021

From Table 4.1, the demographic information considered in this study were gender, age, and level of IT skills, number of employees, company name, position in the company, educational qualification, function in the organisation, and years of work. Regarding gender, 112 males were representing 74.7% of the total number of respondents, and 38 females represented 25.3% of the total respondents. This suggests that the majority of the managers of the sampled firms were males. This supports the general notion of many men holding high management positions in Ghana. Also, it implies that few women prefer to work in the telecommunication industry.

With age, 70 respondents representing 46.7%, which was the majority were in the age group of 37 to 57, closely followed by 65 respondents representing 43.3% in the age group 25-35, then least was 15 respondents representing 10.0% in the age group 18-24 years. This is not surprising because top management positions require experience cumulating from many years of work. Therefore, most top management positions are occupied by relatively older people and rarely by young people. On the IT level, none of the respondents had any level of IT skills. 35 of them, representing 23.3 %, had basic IT skills, while 54 of them, representing 36%, had intermediate skills. Expectedly, most of them (61, representing 40.7%) had professional IT skills. This is not surprising since the telecommunication industry is IT-driven, and most of its activities involve technology. IT role in management for telecommunication is more pronounced during the COVID 19 pandemic, where most meetings and communications are held online.

The demographic characteristics also show that 69 of the respondents representing 46%, work for Vodafone Ghana, 43 % represent 28.6% work for Nezo Ghana, while 38 represent 25.3% work for Buadec. This finding relates to the size of these firms. Vodafone Ghana is bigger than its distributors in terms of capital and employees.

Again, most of the respondents (66 representing 44%) had work experience over 11 years, while few (25 representing 16.6%) had work experiences less than 5 years. This suggests that most managers in the telecommunication industry have many years of experience in their managerial position. It also implies that they have witnessed some strategic partnerships between their firm and other partners. However, those in managerial positions with less than 5 years of work might have held similar positions in related companies or have high academic qualifications.

Moreover, most respondents (58, representing 38.7 percent) held executive management positions. This is consistent with the study because a strategic partnership decision is a strategic-level decision usually taken by top management like business executives.

4.3 Descriptive Statistics of the Measurements Reliability Statistics

The Cronbach's alpha values for the constructs; strategic partnership, distribution quality, and profitability were 0.908, 0.790, and 0.775 (Table 4.3, Table 4.4, and Table 4.4). In addition, Cronbach's alpha ≥ 0.70 was considered significant (Hair et al, 2019). Therefore, all the constructs from the analysis of the result recorded a high level of reliability.

4.3.1 Strategic Partnership

The mean score test was conducted to determine the relative importance of each of the indicators. From the results (Table 4.3), six indicators of the variable recorded mean scores between 4.07 to 4.20 with a low standard deviation below 1.00. The indicators identified were for the construct.

Table 4.2: Mean Score and Reliability of Strategic Partnership

	Mean	Std. Deviation	Cronbach's Alpha
Our firms' relationship with partners is a long term one	4.20	0.742	0.904
All levels of management in our firm share the purpose, visions and objectives of the partnership	4.15	0.784	0.896
Our firm values the relationship as a long-term alliance	4.20	0.724	0.900
Our firm values each partner's contribution in the partnership	4.07	0.808	0.891
Our partners are part of our firm	4.11	0.938	0.905
There is a fair distribution of benefits derived from the partnership among all partners.	3.64	1.045	0.906
Our firm is committed to the partnership	4.10	0.730	0.898
Our firm shares all evaluation reports relevant to our partnership with our partners	3.83	0.886	0.894
There are high levels of trust among the partners.	3.82	0.927	0.894
There is a high level of information flow among partners	3.65	0.969	0.900
Overall Cronbach's Alpha	**3.98**	**0.855**	**0.908**

Source: Researcher's Survey, 2021

4.3.2 Physical Distribution Quality

Table 4.4 presented the descriptive statistics of physical distribution quality; mean score ranking. From the results, respondents averagely agreed that the firm delivered products undamaged. The firms' direct customers needed assistance when unable to assist, having suppliers in all their key markets and firms fulfilled all purchase orders accurately.

Table 4.3: Mean Score and Reliability of Physical Distribution Quality

	Mean	Std. Deviation	Cronbach's Alpha
Our firm has a distribution time schedule that is followed strictly	3.81	0.865	0.763
Our firm products are always readily available in the market	3.99	0.803	0.744
Our firm fulfills all purchase orders accurately	4.01	0.760	0.743
Our firm accepts returned goods from customers	3.68	0.830	0.799
Our firm achieves desired performance at all times	3.61	1.035	0.764
Our firm has many suppliers in all our key markets.	4.05	0.708	0.761
Our firm directs customers for needed assistance when we are unable to assist them	4.07	0.636	0.779
Our firm delivers undamaged products.	4.22	0.842	0.778
Overall	**3.93**	**0.810**	**0.790**

Source: Researcher's Survey, 2021

4.3.3 Profitability

The mean scores ranking of profitability is presented in Table 4.5. The average mean score for the assertion that the firm increased profit when all KPIs are met, and firms had many high-volume customers with mean scores of 4.04 (SD = 0.741) and 4.01 (SD = 0.675). The participants also agreed that firms had a credible sales audit system, reduced losses significantly, and achieved sales targets all year round.

Table 4.4: Mean Score and Reliability of Profitability

	Mean	Std. Deviation	Cronbach's Alpha
Our firm enjoys a return on assets and investment every year	3.29	1.053	0.769
Our firm experiences an increase in sales revenue all year rounds	3.64	0.822	0.738
Our firm increases its profit when all KPI's are met	4.04	0.741	0.745

There is a significant increase in profit margin on all products	3.30	0.792	0.760
Our firm reduces loses significantly	3.77	0.618	0.761
Our firm has many high-volume customers	4.01	0.675	0.747
Our firm has a credible sales audit system	3.99	0.839	0.739
Our firm achieves its sales targets all year round	3.77	0.763	0.749
Overall Cronbach's Alpha	**3.73**	**0.788**	**0.775**

Source: Researcher's Survey, 2021

4.3.4 Exploratory Factor Analysis

Factor analysis was conducted to determine the underlying relationship among the constructs' indicators. According to Maskey et al., (2018), this technique aid in statistically reducing indicators to an easily understood framework. The factor analysis was appropriate because it could better identify indicators to develop the relationship model. The study comprised three constructs; strategic partnership, distribution quality, and profitability; each of these constructs was subjected to factor analysis. The components extracted (the first component in each) were used to develop the model to assess the relationship among the constructs (variables) using the structural equation model.

The study used the principal component method of extraction and Varimax with Kaiser Normalisation as rotation method. In examining the adequacy of the sampling, Kaiser-Meyer-Olkin measured the sampling adequacy index. According to Hair et al. (2019), the acceptable range of KMO measures of sampling adequacy of 0.70. Results from Table 4.7, 4.9, and 4.12 were all greater than the 0.70 thresholds indicating factor analysis was appropriate. The factorability of the correlation matrix was examined using the Bartletts test of sphericity. The result showed all the Barttlets tests of sphericity were significant (p-values < 0.05), refer to Table 4.7, 4.9, and 4.12.

Another vital measure examined was the extracted commonalities of the variables. Communalities extracted on each variable were assessed to help decide the indicators that have to be extracted. Similarly, communality values of a potentially significant variable must yield an extraction value (eigenvalues) greater than 0.50 at the initial iteration (Hair et al., 2019). The eigenvalue and factor loadings were set at conventional high values of 1.0 and 0.5, respectively (Hair et al., 2019). The extracted components in each of the analyses accounted for more than 50% total variance. The rotated component matrix was used to

determine the easily identified and interpreted. All the three-factor analyses extracted two components each, and the first components in each were used in the subsequent analysis.

Table 4.5: Rotated Component Matrix of Strategic Partnership

	Component	
	1	2
Our firms' relationship with partners is a long term one		0.849
All levels of management in our firm share the purpose, visions, and objectives of the partnership		0.727
Our firm values the relationship as a long-term alliance		0.863
Our firm values each partner's contribution to the partnership	0.582	0.63
Our partners are part of our firm	0.561	
There is a fair distribution of benefits derived from the partnership among all partners.	0.802	
Our firm is committed to the partnership	0.525	0.575
Our firm shares all evaluation reports relevant to our partnership with our partners	0.785	
There are high levels of trust among the partners.	0.731	
There is high level of information flow among partners	0.767	

Source: Researcher's Survey, 2021

Table 4.6: Bartlett's Test of Strategic Partnership

Bartlett's Test of Sphericity	Approx. Chi-Square	591.909
	Df	28
	p-value	0.000

Source: Researcher's Survey, 2021

NB: The following indicators of the strategic partnership were cross-loaded and therefore removed from the analysis; "Our firm values each partner's contribution in the partnership"

and "Our firm is committed to the partnership." The second estimation also revealed that "Our partners are part of our firm" had low communality of 0.435. The final items that passed through all factor analysis diagnoses were subjected to the factor analysis. The first component extracted was used to assess the model.

Table 4.7: Extracted variables and their attributes of Strategic Partnership

	Communalities Extraction	Factor Loadings	Total	% of Variance	Cumulative %
Component 1					
Our firms' relationship with partners is a long term one	0.774	0.865	3.039	37.984	37.984
All levels of management in our firm share the purpose, visions and objectives of the partnership	0.723	0.731			
Our firm values the relationship as a long-term alliance	0.804	0.860			
Component 2					
Our partners are part of our firm	0.435	0.570	2.424	30.299	68.283
There is fair distribution of benefits derived from the partnership among all partners.	0.665	0.810			
Our firm shares all evaluation reports relevant to our partnership with our partners	0.726	0.794			
There are high levels of trust among the partners.	0.694	0.744			
There is a high level of information flow among partners	0.641	0.772			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		**0.849**			

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalisation; Rotation converged in 3 iterations.

Source: Researcher's Survey, 2021

Table 4.8: KMO and Bartlett's Test of Physical Distribution Quality

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.779
Bartlett's Test of Sphericity	Approx. Chi-Square	337.398
	Df	28
	Sig.	0.000

Source: Researcher's Survey, 2021

Table 4.91: Extracted variables and their attributes of Physical Distribution Quality

	Communalities Extraction	Factor Loadings	Total	% of Variance	Cumulative %
Component 1					
Our firm has a distribution time schedule that is followed strictly	0.527	0.718	2.664	33.295	33.295
Our firm products are always readily available in the market	0.589	0.658			
Our firm fulfils all purchase orders accurately	0.605	0.641			
Our firm achieves desired performance at all times	0.673	0.813			
Our firm delivers products undamaged.	0.662	0.667			
Component 2					
Our firm accepts returned goods from customers	0.531	0.819	1.919	23.984	57.279

Our firm has many suppliers in all our key markets.	0.545	0.602
Our firm directs customers for needed assistance when we are unable to assist them	0.550	0.721

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalisation; Rotation converged in 3 iterations.

Source: Researcher's Survey, 2021

Table 4.20: Communalities

	Initial	Extraction
Our firm enjoys a return on assets and investment every year	1	0.328
Our firm experiences an increase in sales revenue all year rounds	1	0.617
Our firm increases its profit when all KPI's are met	1	0.446
There is a significant increase in profit margin on all products	1	0.611
Our firm reduces losses significantly	1	0.341
Our firm has many high-volume customers	1	0.705
Our firm has a credible sales audit system	1	0.659
Our firm achieves its sales targets all year round	1	0.570

Extraction Method: Principal Component Analysis.

Source: Researcher's Survey, 2021

The communalities of the following indicators of profitability are low; "Our firm enjoys a return on assets and investment every year," "Our firm reduces significantly," and "Our firm increases its profit when all KPI's are met."

Table 4.3: KMO and Bartlett's Test of Profitability

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.766
	Approx. Chi-Square	283.981
Bartlett's Test of Sphericity	Df	28
	sig.	0.000

Source: Researcher's Survey, 2021

4.3.5 Partial Least Square Structural Equation Modeling

Following the factor analysis to identify the various dimensions of the indicators in each construct, the next stage was to test the correlation of the varying constructs of strategic partnership, distribution quality, and profitability. The study, therefore, employed partial least square structural equation modeling (PLS-SEM). This technique was paramount in determining the relationship between constructs where the measurement errors of the model could be assessed and minimised to establish a reliable estimate. It was also a reliable model to determine whether the hypothetical model was consistent with the data collected to reflect the theory. In addition, the power to confirm the factor loadings and path coefficient was enhanced by this model. Following (Hair et al., 2019), the first stage evaluated the measurement model. After achieving the required threshold for the various measures, a structural assessment was conducted to test the hypotheses.

4.3.6 Measurement Model Assessment

The measurement model of PLS-SEM was an essential characteristic for the study. The measurement models included Cronbach's Alpha and Composite reliability to evaluate the internal consistency. And average variance extracted (AVE) to assess the convergent validity. Fornell-Lacker criterion and cross-loadings were used to weigh the discriminant validity.

Table 4.12: Average weights and Factor Loadings and Reliability and Validity of the Construct

	Factor Loadings	Weight	CA	CR	AVE	VIF
Strategic Partnership	-					
There is a fair distribution of benefits derived from the partnership among all partners.	0.787	0.286	0.848	0.898	0.687	1.945
Our firm shares all evaluation reports relevant to our partnership with our partners	0.845	0.307				
There are high levels of trust among the partners.	0.842	0.306				
There is a high level of information flow among partners	0.840	0.306				
Profitability	-					
Our firm experiences increase in sales revenue all year rounds	0.792	0.431	0.800	0.826	0.613	1.414
There is a significant increase in profit margin on all products	0.738	0.402				
Our firm achieves its sales targets all year round	0.816	0.444				
Physical Distribution Quality	-					
Our firm has distribution time schedule that is followed strictly	0.764	0.315	0.783	0.86	0.606	2.001
Our firm products are always readily available in the market	0.790	0.326				
Our firm fulfils all purchase orders accurately	0.788	0.325				
Our firm achieves desired performance at all times	0.772	0.319				

Source: Researcher's Survey, 2021

The factor loading indicators were higher, indicating indicator reliability. Cronbach's alpha's internal consistency reliability measures and composite reliability values were more significant than the 0.70 thresholds. According to Hair et al. (2019), composite reliability and Cronbach's alpha should be equal to 0.70 or higher to be reliable. The results suggested there was internal consistency reliability of the measurements in the study. Table 4.13 dealt with the convergent validity analysis by examining the average variance extracted (AVE) values that occurred for both constructs' variance explained and measurement error within the construct (Fornell and Larcker, 1981; Hair et al., 2019). According to Hair et al. (2014), AVE higher than 50% showed the average variance explained for a construct was higher than the unexplained variance. The AVE values in Table 4.13 were all greater than 0.50 (50%), indicating the variance explained in the model for each of the constructs was higher than the unexplained variance.

Table 4.43: Correlations among l.vs. with sq. rts. of AVEs

	Strategy	**Profit**	**Dist_Q**
Strategy	**0.829**	0.484	0.377
Profit	0.484	**0.783**	0.306
Dist_Q	0.377	0.306	**0.779**

Source: Researcher's Survey, 2021

One vital measure of discriminant validity was examining the square root of the AVE. This measures the extent to which a construct was genuinely distinct from other constructs by empirical standards (Hair et al., 2019) with the correlation coefficients among the variables. Reference to the results in (Table 4.14), the square roots of the AVEs were significantly higher than the correlation coefficients of the constructs indicating discriminant validity.

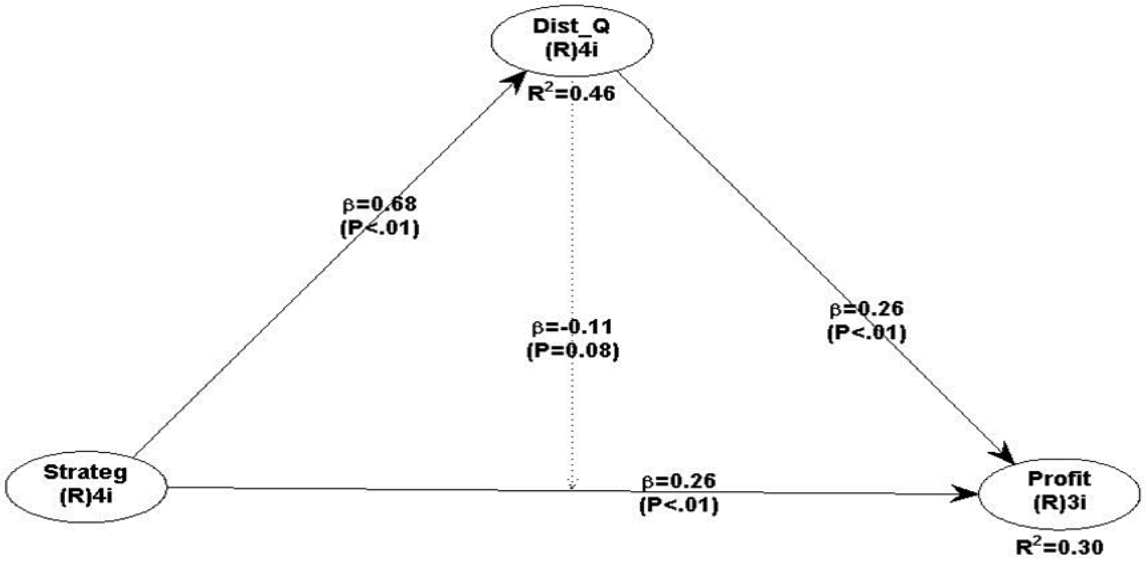

Figure 4.1Model Diagram

Source: Researcher's Survey, 2021

Table 4.54: Coefficient of Determination and Predictive Relevance

	R-Square	Adjusted R-Square	Q-Square
Profit	0.297	0.288	0.301
Dist_Q	0.460	0.456	0.464

Source: Researcher's Survey, 2021

Table 4.65: Path Coefficients and Effects

	Coefficient	Std. Error	t-value	Effect Size	p-value
Strategy ---> Profit	0.256	0.077	3.325	0.124	0.000**
Strategy ---> Dist_Q	0.678	0.070	9.686	0.460	0.000**
Dist_Q ---> Profit	0.257	0.077	3.338	0.131	0.000**
Dist_Q*Strategy ---> Profit (Interaction Effect)	0.080	-1.425	0.049	0.000	0.080*

*** Path coefficient significant at 10% (0.1) and **Path coefficient significant at 1% (0.01)**

Source: Researcher's Survey, 2021

The significance of the structural model showed a substantial relationship between the three path relationships, the relationship between strategic partnership with distribution quality, and the relationship between distribution quality and profitability. The significant relationship suggested that the exogenous constructs, strategic partnership, and distribution quality explain or relate to the endogenous construct; profitability. In the same way, strategic partnership serving as an exogenous variable to distribution quality correlate significantly.

Table 4.76: Mediation Analysis

Path	Unstandardized βs			VAF	Form of mediation
	Direct effect (D)	Indirect effect (I)	Total effect (D+I)		
Strategy --> Dist_Q --> Profit	0.261	0.226	0.487	0.464	Partial

VAF: Variance accounted for; VAF < 20%: No mediation; c: Partial Mediation; VAF > 80%: Full Mediation

Source: Researcher's Survey, 2021

4.5 Discussions

4.5.1 Demographic Characteristics

The study revealed more males than females in the sample respondent. This implies that there are more males in the telecom supply chain than females. This finding aligns with an earlier observation by Owusu and Duah (2018). This is not surprising because supply chain activities, especially the downstream, involve mental abilities and physical activities. Therefore, many firms prefer males who can provide both psychological and physical activities. Also, the study found that the majority of the respondents are between 36-57 years. The strategic partnership involves decision-makers who have usually worked long (Envall and Hall, 2016; Youn et al., 2013). Therefore, it is justifiable to see many relatively older people in strategic positions. Also, the study found the majority of the respondents to have some high level of IT skills. Again, it is not surprising because the telecommunication industry is technology-related, and most of its operations are backed by technology (Oktarini and Kawano, 2019; Osei-owusu, 2015).

Again, the results showed that most of the respondents had work experience over 11 years, while few had work experiences less than 5 years. This implies that most managers in the telecommunication industry have many years of experience in their managerial position. It also implies that they have witnessed some strategic partnerships between their firm and other partners. However, those in managerial positions with less than 5 years of work might have held similar positions in related companies or have high academic qualifications. Therefore, workers anticipating managerial positions must endeavor to work for a considerable period to gain more experience.

Moreover, most respondents (58, representing 38.7 percent) held executive management positions. This is consistent with the study because a strategic partnership decision is a strategic-level decision usually taken by top management like business executives.

4.5.2 Relationship between Strategic Partnership and Firms' Profitability

The study hypothesized a positive relationship between strategic partnership and firms' profitability. From table 4.16, there is a positive significant relationship (coefficient,0.256, t value, 3.325, p-value, 0.000) between strategic partnership and firms' profitability. Also, the result from Table 4.16 showed that the effect size of the relationship between strategic partnership and the firm's performance was 0.127. According to Cohen (1988), this indicates a medium effect for social science research. The result supported the hypothesis that there was a significant positive relationship between strategic partnerships and firms' profitability. Thus, an increase in strategic partnership will increase firms' profitability. If there is a problem, it is possible to discuss it openly because all organizations have a common goal. As a result, these partnerships are more likely to resolve conflicts, meet their mutual demands, manage costs, deliveries, and other supply chain activities. Firms must therefore consider that the development of the supplier-buyer relationship is an investment and the adaptation of various activities that create organizations' social and structured commitment. As a result, long-term commitment and loyalty are difficult to break (Kmetec et al., 2019). A strategic partnership must be based on mutual commitment and be legally binding to be successful. Partnerships can be influenced by the knowledge that one or the other organization has. Investing in forming alliances can help partner organizations gain advantages and save money (Wood et al., 2016). Through partnerships and collaborations, companies can work together rather than compete, resulting in greater strength and greater competitiveness.

The strategic partnership, in this case, is more vertical can horizontal. This makes the supply chain more effective resulting from improved storage, sourcing, and production (Eksoz et al., 2019). The vertical partnership shows collaboration and synergy within the supply chain. The vertical partnership also positively impacts information sharing with customers and partners.

Also, this finding relates to (Ghadimi et al. 2018; Orr and Jadhav, 2018; Piprani et al., 2020). The strategic partnership firms were able to improve the company's profitability. This finding shows that the collaboration developed among partners in the telecommunication industry is a critical success factor for profitability for the telecommunication firms and their distributors. It enables an incredible innovation in its supply chain that enhances efficiency and effectiveness in reducing operational costs and improving production processes that impact time to market. The ability of telecommunication firms to engage distributors makes it easy for companies to build purchasing strategies product and process innovations to be more efficient, effective, and adaptive.

Suprisingly, Saci and Jasimuddin (2018) found that announcing strategic partnerships has an undesirable effect on firms' profitability in the short term. Also, there is a neutral impact of strategic alliances on firms' profitability in a long time. This result explains the "creation of compensatory value" in the context of a strategic and financial plan. This also implies that information management is critical to the profitability of strategic partnerships. This means that partners need to make it easier for participants to share knowledge, information, materials, and services and provide assistance and support to ensure that the information flow is efficient.

4.5.3 Relationship between Strategic Partnership and Distribution Quality

From table 4.16, there is a significant positive relationship (coefficient,0.678, t value, 9.686, p-value, 0.000) between strategic partnership and distribution quality.

The effect size of strategic partnership on distribution quality was 0.460 > 0.35. This shows a large effect size(Cohen, 1988). The result supported the hypothesis that there is a positive relationship between strategic partnership and distribution quality. This finding confirm earlier observations by Espino-Rodríguez and Ramírez-Fierro, 2018; Makukha and Gray, 2004; Mellat-Parast, 2015) . Mellat-Parast, (2015) revealed that strategic partnership is an antecedent of distribution quality in the telecommunication industry. Strategic partners,

especially the major players in the telecommunication industry, require their representative partners to ensure products are available on time and visible at the point of sale.

In addition, companies can achieve different distribution quality outcomes and performance levels within a strategic partnership. The difference in quality and performance in the existing strategic group is mainly driven by forming a strategic alliance. Strategic partnerships allow companies to achieve a distribution quality and performance level that is distinct from the rest of the strategic group.

4.5.4 Relationship between Distribution Quality and Profitability

From table 4.16, there is a significant positive relationship between distribution quality and profitability, supporting the hypothesis that there is a positive relationship between distribution quality and profitability. Most prior studies (Li, et al., 2018; Nguyen, 2019; Xing et al., 2010) are consistent with our finding that superior distribution quality positively correlates with profitability. Significantly, Azizi et al. (2014) found a positive relationship between physical distribution quality and firms' profitability among telecom firms traded on the U.S. Stock Exchange. Distribution quality is part of telecom firms' outbound logistics. Firm-customer interaction is incorporated into the design of the system, which is critical to customer service and firm profitability (Grant et al., 2006). In addition, distribution quality increases profitability because it affects innovativeness, increasing market share.

This suggests that supply chain management relies heavily on the quality of physical distribution services. For businesses, a well-functioning distribution system will increase value and profit. Customers' perceptions of a company's value can be improved by providing physical distribution services. The flow of finished goods from an organisation to the consumer is supported by adequate physical infrastructure. This means that partners must be involved in all six significant distribution functions quality: transportation, storage, and deposit, assembly and processing, material handling, packaging, and wrapping, as well as information transmission (Xing et al., 2010)

Firms will be able to provide value to customers in various ways, including availability, timeliness, condition, and flexibility. Supply chain success also depends on the quality of physical distribution services, particularly in the general and retail supply chains (Suwandi, 2020). As a result, consumers have more options and comforts to choose from, and businesses have more ways to connect with their customers.

Interestingly, Cho and Pucik (2005) found inconclusive results on the relationship between quality and ROI. This observation opens the opportunity for more research to establish the connection.

4.5.5 Distribution Quality Mediating the Positive Relationship between Strategic Partnership and Profitability

From table 4.17, the results revealed a partial mediation of distribution quality on the relationship between strategic partnerships and profitability. Thus, the result supported the hypothesis that distribution quality mediates the positive relationship between strategic collaboration and profitability. There are, however, no previous research findings that directly support this hypothesis. Little research has examined strategic partnership distribution quality and firm profitability. There is, however, some indirect evidence that supports our finding. For example, Eksoz, Mansouri, Bourlakis, and Önkal (2019) found that new products or services succeed in the market with superior distribution quality. The researcher believes that this finding paves the way for more investigations into the moderating role of distribution quality in the relationship between strategic partnership and firms' profitability.

4.6 Chapter Summary

This chapter reported on the study's data analysis and discussed the findings obtained from the data analysis. The key areas considered in this chapter included the impacts of the independent variables (strategic partnership, distribution quality) on the dependent variable (profitability). All the independent variables had significant and positive effects on the dependent variable.

It also discussed the effect of the mediating variable (distribution quality) on the relationship between the strategic partnership and distribution quality. Interestingly, the results supported all the hypotheses.

CHAPTER 5
SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.0 Introduction

This section summarises the study findings, provides the study's conclusion and provides recommendations based on the study findings. The main aim of this study was to investigate the effects of strategic partnerships on firms' profitability.

5.1 Review of Research Objectives

This study's main objective is to assess the impacts of strategic partnerships on the profitability in the Ghanaian telecommunication industry using Vodafone Ghana limited and its distributors, specifically NEZO Ghana Limited, as case studies.

Specifically, the study's objectives are to;

i. Investigate the relationship between strategic partnership and firms' profitability.

ii. Explore the relationship between strategic partnership and distribution quality.

iii. Determine the effect of distribution quality on firms profitability

iv. Explore the mediating role of distribution quality on the relationship between strategic partnership and firms' profitability.

5.2 Summary of Findings

The research study provides a summary of the previous chapters.

5.2.1 Descriptive Summary

A total of thirteen (13) items loaded firmly under a strategic partnership. These were: Our firms' relationship with partners is a long term one, Our firm values the relationship as a long-term alliance; All levels of management in our firm share the purpose; visions, and objectives of the partnership; Our partners are part of our firm; Our firm is committed to the partnership; Our firm values each partner's contribution in the partnership; Our firm shares all evaluation reports relevant to our partnership with our partners; There are high levels of trust among the partners; There is a high level of information flow among partners; There is a fair distribution of benefits derived from the partnership among all partners.

- About six of the items had mean values of approximately 4 (agree). The median was also approximately 0.8. The study found that firms' relationship with partners is long-term and value the long–term alliance.
- The mean values for physical distribution quality concentrated around 4 (agree), indicating that the firms performed strongly on physical distribution quality.
- Most profitability indicators recorded a mean value of approximately 3. Thus, respondents partially agree with statements such as Our firm increases its profit when all KPI's are met; Our firm has many high-volume customers; Our firm has a credible sales audit system; Our firm reduces losses significantly; Our firm achieves its sales targets all year round; Our firm experiences increase in sales revenue all year rounds; There is a significant increase in profit margin on all products; Our firm enjoys a return on assets and investment every year

5.2.2 Objective 1: Relationship between Strategic Partnership and Firms' Profitability

This part of the study sought to examine the effect of strategic partnership on firms' profitability.

- Strategic partnership positively and significantly influenced firms' profitability. The results met the hypothesised positive relationship between strategic partnership and firms' profitability.
- The effect size of the relationship between strategic partnership on firm's performance was 0.127 indicating a medium effect.
- The result supported the hypothesis that there was a significant positive relationship between strategic partnerships and profitability.

5.2.3 Objective 2: Relationship between Strategic Partnership and Distribution Quality

The study found that strategic partnership positively and significantly influenced distribution quality at the 1 % significance level in examining the relationship between strategic partnership and distribution quality. The effect size of strategic partnership on distribution quality was 0.460 > 0.35 (large effect size). The result supported there is a positive relationship between strategic partnership and distribution quality.

5.2.4 Objective 3: Relationship between Distribution Quality and Profitability

The study examined the relationship between distribution quality and profitability. The path coefficient of the relationship between distribution quality and firm's profitability was 0.334, t-value of 4.395, and p-value < 0.01 (1%). The result showed a significant positive relationship between distribution quality and profitability which supports the hypothesis. There is a positive relationship between distribution quality and a firm's profitability

5.2.5 Objective 4: Mediating effect of Distribution Quality on the relationship between Strategic Partnership and Profitability

The final objective remained to examine if distribution quality indirectly affects profitability.

- The VAF value threshold revealed partial mediation of distribution quality on the relationship between strategic partnerships and profitability.
- The VAF was the proportion of the indirect effect to the total impact, 46.4% (20% ≤ VAF ≤ 80%), thus partial mediation.
- This result implies that distribution quality statistically and significantly mediates the relationship between strategic partnership and profitability.
- In other words, strategic partnership indirectly affects profitability through its effect on distribution quality.
- The result supported the hypothesis that distribution quality mediates the positive relationship between strategic partnership and profitability.

5.3 Research Implications

This section presents how the findings of the study may be important for policy, practice, theory, and subsequent research

5.3.1 Implications for Telecommunication Industry

This study suggests that telecommunications companies can achieve more together than they can independently. They'll be more productive and profitable as a result.

Managers in the telecommunications industry can learn from this research that a company's success is not solely dependent on the introduction of new products but also on creating effective distribution partnerships. Telecommunications companies are increasingly relying

on third-party distribution companies. The distribution function of their products will be improved due to a successful distribution partnership.

This study will provide new insights into strategic partnerships for cost-effectiveness and help distributors in the telecommunication industry implement necessary structures to reduce high distribution costs. This has the potential to improve their bottom line.

5.3.1 Implications for Regulators

This study provides a framework for developing policies that will help companies improve customer satisfaction and increase profitability for regulators. A regulator's ability to develop policies that enhance the strategic partnership between the firm and its stakeholders is essential to its financial success and operational effectiveness.

Telecom regulators must create and enforce an ethical code of ethics for strategic partnerships to safeguard their partners. They won't be at the mercy of the larger (focal) partners here.

The study's findings and results will help policymakers like the Ministry of Trade and Industry, Food and Drugs Board, and the Ghana Standard Board, National Communication Commission better monitor the impact of Ghana's operations or Telecommunication Companies and provide a more reliable guide.

5.3.2. Implications for Research

The results of this study will also be significant for future researchers. This study's output will contribute to knowledge and literature on strategic partnership, distribution quality, and firm profitability. In addition, it will provide a valuable reference source to researchers, academics, students, policymakers, marketing professionals, and other stakeholders interested in the sales and distribution business in the Ghanaian economy.

Also, apart from establishing a direct relationship between strategic partnership and firms' profitability, this exposes distribution quality as a mediating factor in this relationship. The mediating role of distribution quality implies a complex relationship between strategic partnership and firms' profitability than just a direct relationship. Thus, considering

distribution quality as a mediator provides a more comprehensive understanding of the factors that lead to firms' profitability.

Again, quantitatively, this study has proven that distribution quality can predict firm profitability. It opens up an exciting research stream where firms can investigate various dimensions of distribution quality to improve efficiency and profitability.

5.4. Recommendations

The recommendations are as follows:

To begin, telecommunications firms should form strategic alliances to increase their profits in both the short- and long term. Lower-level risks in the distribution chain could contribute directly, and other partners would be concerned about protecting telecom firms' assets and equipment. The strategic importance of joint partnership management and relationship-specific assets can't be overstated for the partners. When it comes to increasing operational efficiency, trust and information exchange are the best ways to meet partners' goals.

Indirect benefits could come from commitment on partners to reduce waste in operational areas and ensure that pilfering is diminished.

Secondly, managers should invest in strategic suppliers to cultivate responsiveness and build readiness to deal with environmental uncertainty and implement responsive strategies. Before implementing supply chain strategies, practitioners should keep strategic suppliers in the loop.

Additionally, managers should use a risk mitigation framework to classify partners most vulnerable to supply chain uncertainty. Internal and external capabilities both play a role in a company's ability to adapt to sudden changes in the environment.

Building such capabilities among partners helps address uncertainties at the initial stages before they escalate.

Strategic partnership policies must be implemented as well to improve competitive advantage. Resources, knowledge, and competitive advantage can all be gained from strategic partnerships. Only a select few companies have the resources necessary to compete effectively in today's dynamic marketplace. The supply chain policy of a company should be aligned with the context to achieve operational performance. The supply chain's performance may be adversely affected by a mismatch between supply chain policy and the broader context. Supply chain strategy selection becomes more critical as the dynamics of the market change.

It is recommended that companies in the telecom industry increase their investment in distribution quality, as this will directly and positively mediate the positive impact of strategic partnership on their profitability.

5.4 Recommendations for Future Research

This research and the various research opportunities within the strategic partnership in the telecommunication industry provide a foundation for future studies.

Therefore, the researcher recommends the following for future work;

1. In terms of the geographical coverage of the study, it is proposed that future research should cover the entire country to generalise the findings.
2. The model developed for this study is relatively unique and has not been widely applied in other studies. Therefore, the researcher recommends that others use this model in other studies to confirm its relevance.
3. Since strategic partnership is usually a firms' strategic decision, the researcher recommends that other studies employ a multi-criteria decision-making technique to evaluate such choices.
4. This study used physical distribution quality to mediate strategic partnership and profitability. Other studies can test other moderators such as stakeholder involvement and market share.
5. Future research should consider more quantitative methods to enhance the theoretical level in the area of strategic partnership and firms' profitability

Chapter Summary

This study presented the theoretical contributions, recommendations for practice, and recommendations for future work. Telecommunication firms should invest in a strategic partnership to improve their profitability directly and indirectly. They must also adopt aggressive sales and promotion activities to improve profitability.

Since strategic partnership is usually a strategic decision of firms, this chapter recommended that future studies employ a multi-criteria decision-making technique to evaluate such choices. Again, future research should consider more quantitative methods to enhance the theoretical level in the area of strategic partnership and firms' profitability.

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APPENDIX A

QUESTIONNAIRE

This questionnaire is designed to collect information on "**Strategic Partnership, Physical Distribution quality, and profitability in Ghanaian Telecommunication Industry**" Your contribution towards completing this questionnaire is highly appreciated.

Confidentiality Disclaimer: We want to assure you that the responses are entirely anonymous. The responses will stay confidential and will not be tracked. Any statistics presented will be in aggregate.

PERSONAL INFORMATION

1. **Gender**: Male [ ] Female [ ]
2. **Age**: Below 18yrs [ ] 18 – 24yrs [ ] 25 – 35yrs [ ] 36 – 57yrs [ ] Above 57yrs [ ]
3. What is your level of IT skills? None [ ] [ ] Basic [ ] Intermediary [ ] Professional

PART B: GENERAL INFORMATION

1. Name of company: *

A. Vodafone

B. Nezo

C. Buadec

2. Your Company Size ?*

A. 1 - 500

B. 501 - 1000

C. Over 1000

3. Your position in the Company: *

A. Executive Management

B. Middle Management

C. Supervisor

4. Highest educational attainment*:

A. Technical

B. HND

C. First degree

D. Masters

5. Working tenure (years): *

A. less than 2 yrs.

B. 2-5 yrs.

C. 6-9 yrs.

D. 10 yrs. and above

6. Which function in the organisation are you most associated? *

A. Sales and Marketing

B. Inventory management

C. Accounting/ Finance

D. Purchase and Supply

E. Human Resources

F. Customer Service

G. IT

Please read carefully, and answer the questions as best as you can, state the extent to which you agree or disagree with each of the following statements;

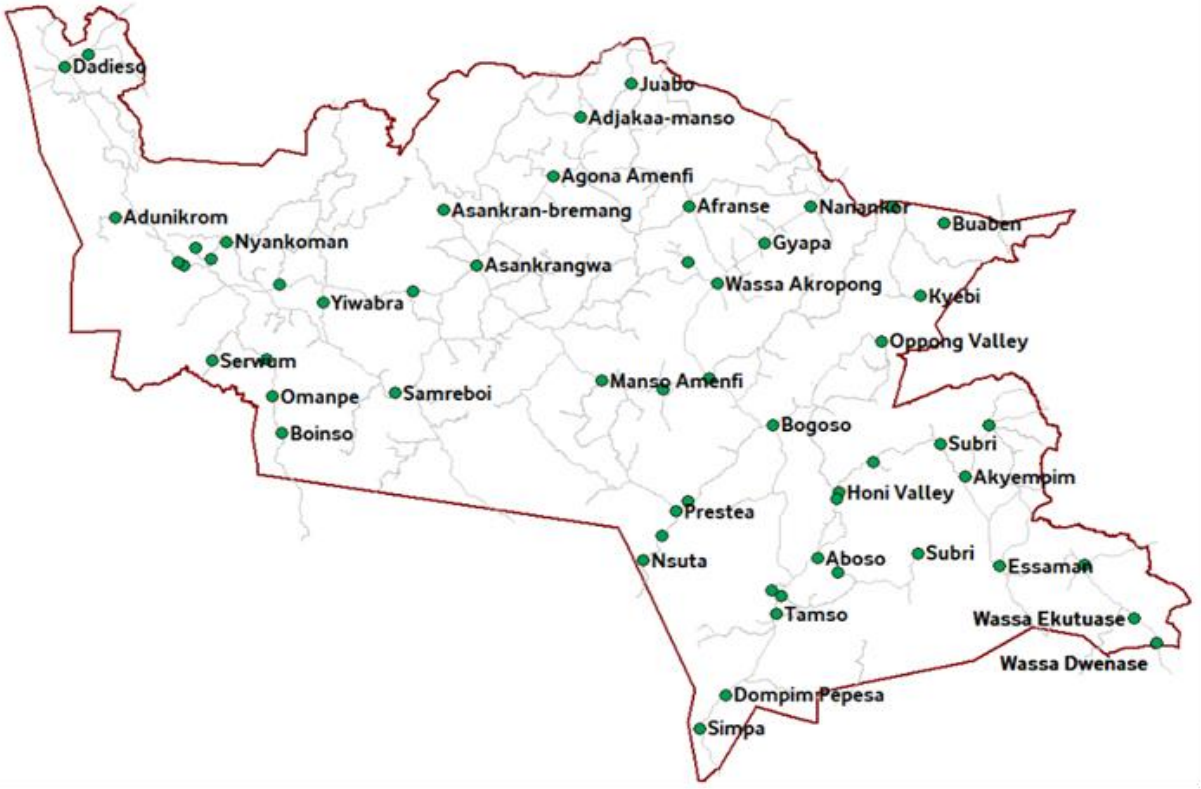
1 – Strongly disagree, 2 – Disagree, 3 – Neutral, 4 – Agree, 5 – Strongly agree,

Strategic partnership						
1	Our firms' relationship with partners is a long term one	1☐	2☐	3☐	4☐	5☐
2	All levels of management in our firm share the purpose, visions, and objectives of the partnership	1☐	2☐	3☐	4☐	5☐
3	Our firm values the relationship as a long-term alliance	1☐	2☐	3☐	4☐	5☐
4	Our firm values each partner's contribution in the partnership	1☐	2☐	3☐	4☐	5☐
5	Our partners are part of our firm	1☐	2☐	3☐	4☐	5☐
6	There is a fair distribution of benefits derived from the partnership among all partners.	1☐	2☐	3☐	4☐	5☐
7	Our firm is committed to the partnership	1☐	2☐	3☐	4☐	5☐
8	Our firm shares all evaluation reports relevant to our partnership with our partners	1☐	2☐	3☐	4☐	5☐
9	There are high levels of trust among the partners.	1☐	2☐	3☐	4☐	5☐
10	There is a high level of information flow among partners	1☐	2☐	3☐	4☐	5☐
Physical distribution quality						
1	Our firm has a distribution time schedule that is followed strictly	1☐	2☐	3☐	4☐	5☐
2	Our firm products are always readily available in the market	1☐	2☐	3☐	4☐	5☐
3	Our firm fulfils all purchase orders accurately	1☐	2☐	3☐	4☐	5☐
4	Our firm accepts returned goods from customers	1☐	2☐	3☐	4☐	5☐
5	Our firm achieves desired performance at all times	1☐	2☐	3☐	4☐	5☐
6	Our firm has many suppliers in all our key markets.	1☐	2☐	3☐	4☐	5☐
7	Our firm directs customers for needed assistance when we are unable to assist them	1☐	2☐	3☐	4☐	5☐
8	Our firm delivers products undamaged.	1☐	2☐	3☐	4☐	5☐
Profitability						
1	Our firm enjoys a return on assets and investment every year	1☐	2☐	3☐	4☐	5☐

2	Our firm experiences an increase in sales revenue all year rounds	1☐	2☐	3☐	4☐	5☐
3	Our firm increases its profit when all KPI's are met	1☐	2☐	3☐	4☐	5☐
4	There is significant increase in profit margin on all products	1☐	2☐	3☐	4☐	5☐
5	Our firm reduces loses significantly	1☐	2☐	3☐	4☐	5☐
6	Our firm has many high-volume customers	1☐	2☐	3☐	4☐	5☐
7	Our firm has a credible sales audit system	1☐	2☐	3☐	4☐	5☐
8	Our firm achieves its sales targets all year round	1☐	2☐	3☐	4☐	5☐

APPENDIX B

WESTERN RURAL BOUNDARY – NEZO GHANA LIMITED



WESTERN URBAN BOUNDARY – BUADAC COMPANY LIMITED