



Analyzing the Relationship Factors Influencing Philrice-Supplier Partnership: A Basis for Strategic Policy Improvement

Analie Rose V. Tanguan¹, Joyce Ann M. Tablang², Jean Lyka G. Talplacido³, Benjie L. Tampocao⁴, Jocelyn B. Cruz, PhD⁵

¹Administrative Assistant II, Department of Education

²Training and Development Manager, MSS Cycle Trading

³Marketing Specialist, Bank of the Philippine Islands

⁴Property Preservation Head, Rizal Commercial Banking Corporation

⁵Dean, Graduate School, Nueva Ecija University of Science and Technology

Received: 18 Nov 2024; Received in revised form: 21 Dec 2024; Accepted: 25 Dec 2024; Available online: 29 Dec 2024

Abstract— This study analyzes the relationship factors influencing PhilRice-Supplier partnerships, focusing on mutual trust, integrity, shared objectives, communication, clarity of understanding, and shared resources. This research also addresses the challenges encountered by the local private suppliers about the procurement projects of the government specifically with PhilRice. A descriptive research design was used to gather data from the 30 local private suppliers of PhilRice within Nueva Ecija, Philippines. The study's findings reveal that the respondents emphasized the importance of effective communication between the two contracting parties, ethical behavior, sharing of resources, and support from the staff that leads to a strong and smooth partnership between the government and its suppliers. Several challenges highlighted by the respondents such as slow response to inquiries, payment delays, and unclear project specifications were identified as significant barriers. The study's insights are valuable and relevant for government agencies, private suppliers, and future researchers to improve and strengthen their partnerships and to make the procurement process more efficient.

Keywords— Challenges, Government-Supplier Partnerships, Nueva Ecija, Philippine Rice Research Institute, Relationship Factors, Strategic Policy Improvement.

I. INTRODUCTION

Government-supplier partnerships play a crucial role in the successful implementation of public projects and services. These partnerships involve collaboration between government agencies and private suppliers to address the needs of society. Relationship factors refer to the variables that affect the dynamics and interactions between government agencies and suppliers in a partnership. These factors can include communication, trust, cooperation, mutual understanding, and conflict resolution mechanisms. A strong and positive relationship between the government and suppliers is essential for achieving the goals and objectives of the partnership. Conversely, a weak or strained

relationship can hinder progress and lead to inefficiencies and conflicts.

The effectiveness of these partnerships is heavily influenced by various relationship factors and the terrain of these collaborations is not without its challenges. According to Pellegrino and Tracey (2012); and Roehrich and Lewis, (2007), misaligned goals, ethical dilemmas, and communication breakdowns can lead to conflict and hinder partnership effectiveness. However, understanding and analyzing these factors is essential for developing strategies that can enhance the performance and outcomes of government-supplier partnerships. Moreover, Xiong et al. (2019), distinguished four main reasons: institutional issues such as a poor social environment; organizational issues

such as trust, communication, and transparency; contractual issues such as inadequate risk allocation and distribution mechanisms; and managerial issues such as inefficient partnering capacity.

Apart from considering the said factors, the researcher aimed to describe the challenges encountered in participating in government procurement projects. Thus, by combining these two concepts, the researcher could formulate effective partnership strategies that focus on both government agencies and private suppliers, especially in the government procurement processes and to strengthen or develop their partnerships and achieve better outcomes for society.

II. METHODOLOGY

According to Shuttleworth (2019), descriptive research design is a scientific method that entails observing and describing a subject's behavior without influencing it in any way. The primary objective of this design is to "describe" individuals, situations, issues, behaviors, or phenomena in nature (Siedlecki, 2020). Therefore, in this study, the researchers adopted a descriptive research design.

This study utilized a survey questionnaire strategy to collect data on thoughts and perceptions from the local private suppliers of PhilRice within the province of Nueva Ecija. To do this, the researchers targeted 30 local private suppliers within Nueva Ecija.

For a thorough comprehension of the data, the researcher used the following statistical tools to classify, tabulate, and analyze the data following the objectives of the research study.

1. To describe the profile of the suppliers, the researcher used frequency and percentage;
2. To analyze the relationship factors influencing the government-supplier partnerships, frequency, and percentage were employed;

Table 1. Relationship Factors According to Importance

RANK	RELATIONSHIP FACTOR	FREQUENCY	PERCENTAGE
1	Integrity	17	56.7%
2	Mutual Trust	14	46.7%
3	Communications	18	60%
4	Clarity of understanding	30	100%
5	Shared Objectives	20	66.7%
6	Shared Resources	20	66.7%

Table 1 shows the relationship factors according to importance. Integrity dominates the 1st rank with 56.7% or a majority of the respondents believing that Integrity is a

3. To describe the challenges encountered by the private suppliers in participating in the government procurement projects, weighted mean and Likert scale was utilized:

Scale on Data Interpretation (Tables 2 and 4)

SCALE	VERBAL INTERPRETATION
5	Strongly Agree
4	Agree
3	Neutral
2	Disagree
1	Strongly Disagree

III. RESULTS AND DISCUSSION

Business/Company Profile of Respondents

The largest group of respondents making up 36.7% of the total are from San Jose, Nueva Ecija. Following this, 26.7% are from Munoz, Nueva Ecija while Talavera and Cabanatuan, Nueva Ecija tied with 16.7% each. The smallest group of respondents making up 3.3% are from Sta. Rosa, Nueva Ecija.

As for the product or service category, 26.7% of the respondents are in General Merchandise / Multi-Products followed by Food and Meals, Appliances, Ink, Toner Cartridges, and other Office IT supplies, Agricultural Supplies, Materials, and Equipment with 13.3% each. 10% are in Automotive Supplies while a smaller percentage are in Aircon Service Center and Repairs, Hardware & Construction Supplies and Materials, and Office Supplies and Equipment with 3.3% each. Based on their PhilGEPS Membership, Platinum and Red tied with 50% each.

Duration of Partnership with PhilRice

The respondents' distribution is based on their duration of partnership with PhilRice, where 56.7% or a majority of the respondents are in 1 to 5 years, followed by 6 to 10 years with 30% while less than 1 year and 11 years and above are tied with 6.7% each.

very important factor in a government-supplier partnership. Mutual Trust dominates the 2nd rank with 46.7% while Communications dominates the 3rd rank with 60%. The 4th

rank was occupied by Clarity of Understanding alone with 100%. Shared Objectives made up at 5th rank with 66.7% and Shared Resources were the 6th and last rank with 33.3%.

Table 2. Private Suppliers Perceived Practices of PhilRice in Terms of Relationship Factor

STATEMENT	WEIGHTED MEAN	VERBAL INTERPRETATION
<i>A. Mutual Trust</i>		
I am confident that PhilRice honors its commitments to suppliers.	4.67	Strongly Agree
<i>B. Integrity</i>		
PhilRice adheres to ethical standards in its dealings with suppliers.	4.73	Strongly Agree
<i>C. Shared Objectives</i>		
PhilRice effectively communicates its long-term objectives to suppliers involved in procurement projects.	3.90	Agree
<i>D. Communication</i>		
Communication between PhilRice and its suppliers is frequent during procurement projects.	4.37	Strongly Agree
<i>E. Clarity of Understanding</i>		
There is a shared understanding of objectives and processes in procurement projects between PhilRice and its suppliers.	4.43	Strongly Agree
<i>F. Shared Resources</i>		
PhilRice is willing to share resources (e.g., information) with its suppliers during procurement projects.	4.07	Agree

Table 2 shows a comprehensive assessment of PhilRice's relationship with its suppliers, emphasizing relationship factors such as mutual trust, integrity, shared objectives, communication, clarity of understanding, and shared resources. The highest ratings are observed in the areas of integrity (4.73) and mutual trust (4.67), both receiving a "Strongly Agree" interpretation, indicating that suppliers have strong confidence in PhilRice's commitment and

ethical standards. Communication is also rated highly (4.37), reflecting frequent interactions during procurement projects. Clarity of understanding scores similarly high (4.43), suggesting a well-aligned perception of objectives and processes between PhilRice and its suppliers. However, the shared objectives category, while still positive, has a slightly lower score (3.90), indicating room for improvement in conveying long-term goals to suppliers.

Table 3. Relationship Factors According to Most Problems or Challenges Encountered

RANK	RELATIONSHIP FACTOR	FREQUENCY	PERCENTAGE
1	Communications	20	66.7%
2	Clarity of understanding	18	60%
3	Integrity	15	50%
4	Mutual Trust	16	53.3%
5	Shared Objectives	20	66.7%
6	Shared Resources	20	66.7%

Table 3 shows the ranking of relationship factors according to most problems or challenges encountered. Communication dominates the 1st rank with 66.7% or a majority of the respondents believing that Communication is often the reason why the partnership with PhilRice is

sometimes not effective. Clarity of understanding dominates the 2nd rank with 60%. Integrity dominates the 3rd rank with 50%. Mutual Trust dominates the 4th rank with 53.3%. Shared Objectives make up at 5th rank with 66.7% while Shared Resources is the 6th and last rank with 33.3%.

Table 4. Private Suppliers Concerns or Challenges Encountered with PhilRice

STATEMENT	WEIGHTED MEAN	VERBAL INTERPRETATION
<i>A. Mutual Trust</i>		
There is a lack of confidence in PhilRice's ability to meet the agreed payment terms and schedules.	3.97	Agree
<i>B. Integrity</i>		
PhilRice often fails to fulfill its contractual obligations.	3.83	Agree
<i>C. Communications</i>		
PhilRice shows little commitment to achieving common goals with suppliers.	3.77	Agree
<i>D. Communications</i>		
PhilRice is slow to respond to supplier inquiries and concerns.	3.50	Agree
<i>E. Clarity of Understanding</i>		
The terms and conditions of procurement agreements are often unclear.	3.67	Agree
<i>F. Shared Resources</i>		
PhilRice provides insufficient support and guidance throughout the procurement process.	3.53	Agree

Table 4 outlines various concerns or challenges faced by private suppliers in their transactions with PhilRice, as reflected in six relationship factors. Private suppliers express moderate agreement (3.97) with a lack of confidence in PhilRice's ability to meet payment terms and schedules, indicating a significant trust issue. Likewise, there is concern regarding PhilRice's adherence to contractual obligations (3.83). Communication challenges are also evident, with suppliers agreeing that PhilRice shows little commitment to common goals (3.77) and is slow in responding to inquiries (3.50). In addition, terms and conditions in procurement agreements are perceived as unclear (3.67), and there is a consensus that PhilRice provides inadequate support and guidance throughout the procurement process (3.53). Overall, these ratings suggest that while the issues are still manageable, PhilRice must improve its interactions and support for suppliers to make the procurement process more efficient and to strengthen their partnership.

IV. CONCLUSIONS

The following conclusions were made based on the data collected and the findings obtained:

1. Integrity, communication, mutual trust, clarity of understanding, shared objectives, and shared resources were identified as the key factors influencing government-supplier partnerships.

2. Suppliers expressed strong confidence in PhilRice's integrity and adherence to ethical standards. Clarity of objectives and processes was also perceived positively. Communication emerged as the most frequent challenge faced by suppliers. Additionally, suppliers reported concerns regarding PhilRice's ability to meet payment terms, fulfill contractual obligations, and provide adequate support throughout the procurement process.

V. RECOMMENDATIONS

The following are recommended based on the findings of the study:

1. PhilRice has to be more transparent and communicate better. They have to talk about project updates, resolve issues, and promote teamwork. Create and put into place clear routes of contact for questions and comments. These could be hotlines, internet portals, or assigned staff. Finally, PhilRice needs to make their long-term goals and the importance of supplier participation in procurement projects very evident.
2. PhilRice has to make the expectations more clear. To prevent misunderstandings, create uniform procurement agreements with precise, succinct terms and conditions. Pre-bidding conferences are

another way to assure fair competition, address supplier inquiries, and define project requirements.

3. PhilRice needs to help its suppliers more. Simplify procurement procedures to increase their effectiveness and supplier friendliness.

REFERENCES

- [1] Bryman, A. (2016). *Social research methods*. Oxford University Press.
- [2] Bryson, J. M., & Crosby, B. C. (1992). *Leadership for the Common Good: Tackling Public Problems in a Shared-Power World*. Jossey-Bass.
- [3] Cousins, P. D., & Spekman, R. E. (2003). Strategic Supply and the Management of Inter-and Intra-Organizational Relationships. *Journal of Purchasing & Supply Management*, 9(1), 19–29.
- [4] Danley, S.; Christiansen, G. *Conflicting Responsibilities: The Multi-Dimensional Ethics of University/Community Partnerships*. *J. Community Engagem. Scholarsh.* 2019, 11, 3
- [5] Dimitri, N. (2010). The Role of Government in Public Procurement: Case Studies from East Africa. *The Journal of Public Procurement*, 10(1), 21–45.
- [6] Dyer, J. H., & Singh, H. (1998). The Relational View: Cooperative Strategy and Sources of Interorganizational Competitive Advantage. *Academy of Management Review*, 23(4), 660–679.
- [7] Edwards, P.; Sharma-Wallace, L.; Barnard, T.; Velarde, S.J.; Warmenhoven, T.; Fitzgerald, G.; Harrison, D.; Garrett, L.; Porou, T.; Pohatu, P. Sustainable livelihoods approaches to inform government-local partnerships and decision-making in vulnerable environments. *N. Z. Geog.* 2019, 75, 63–73.
- [8] Flick, U. (2018). *The SAGE Handbook of Qualitative Data Collection*. Sage Publications.
- [9] Hodge, G. A., Greve, C., & Boardman, A. E. (2017). Public–Private Partnerships: An International Performance Review. *Public Administration Review*, 77(5), 665–678.
- [10] Iyer, K. C., & Jha, K. N. (2006). Challenges in Infrastructure Development: An Indian Perspective. *Journal of Construction Engineering and Management*, 132(7), 697–705.
- [11] Johnson, B., & Christensen, L. (2019). *Educational Research: Quantitative, Qualitative, and Mixed Approaches*. Sage Publications.
- [12] Joung, C. B., Huang, J. S., & Wu, C. H. (2011). Risk Identification and Assessment for Build-Operate-Transfer Projects in Taiwan. *Journal of Construction Engineering and Management*, 137(7), 551–560.
- [13] Lamming, R., Caldwell, N., & Harrison, D. (1996). Who Buys What? Exploring the Structure of UK Public Procurement. *European Journal of Purchasing & Supply Management*, 2(1), 53–61.
- [14] Lewis, S.; Bambra, C.; Barnes, A.; Collins, M.; Egan, M.; Halliday, E.; Orton, L.; Ponsford, R.; Powell, K.; Salway, S.; et al. Reframing “participation” and “inclusion” in public health policy and practice to address health inequalities: Evidence from a major resident-led neighbourhood improvement initiative. *Health. Soc. Care Community* 2019, 27, 199–206.
- [15] Maskell, P., & Malmberg, A. (1999). Localized Learning and Industrial Competitiveness. *Cambridge Journal of Economics*, 23(2), 167–185.
- [16] Mayer, R. C., Davis, J. H., & Schoorman, F. D. (1995). An Integrative Model of Organizational Trust. *Academy of Management Review*, 20(3), 709–734.
- [17] Mohr, J., & Spekman, R. (1994). Characteristics of Partnership Success: Partnership Attributes, Communication Behavior, and Conflict Resolution Techniques. *Strategic Management Journal*, 15(S1), 135–152.
- [18] Moreno-Serna, J.; Sánchez-Chaparro, T.; Mazorra, J.; Arzamendi, A.; Stott, L.; Mataix, C. Transformational collaboration for the SDGs: The alianza shire’s work to provide energy access in refugee camps and host communities. *Sustainability* 2020, 12
- [19] Paine, L. S. (1994). Managing for Organizational Integrity. *Harvard Business Review*, 72(2), 106–117.
- [20] Petersen, K. J., & Ragatz, G. L. (2018). The Impact of Communication Quality on Buyer-Supplier Relationships. *Journal of Operations Management*, 58, 94–109.
- [21] PhilAtlas. (n.d.) Nueva Ecija. Retrieved December 30, 2023 from <https://www.philatlas.com/luzon/r03/nueva-ecija.html>
- [22] Renn, O. Stakeholder and Public Involvement in Risk Governance. *Int. J. Disaster Risk Sci.* 2015, 6, 8–20.
- [23] Siedlecki, Sandra L. (2020). *Understanding Descriptive Research Designs and Methods*. DOI:10.1097/NUR.0000000000000493.
- [24] Sørensen, E., & Torfing, J. (2019). Enhancing Collaborative Innovation in the Public Sector. *Administration & Society*, 51(9), 1355–1381.
- [25] Spekman, R., Isabella, L. A., & MacAvoy, T. C. (2000). *Alliance Competence: Maximizing the Value of Your Partnerships*. Jossey-Bass.
- [26] Ward, M.; Schulz, A.J.; Israel, B.A.; Rice, K.; Martenies, S.E.; Markarian, E. A conceptual framework for evaluating health equity promotion within community-based participatory research partnerships. *Eval. Prog. Plan.* 2018, 70, 25–34
- [27] Xiong, W.; Chen, B.; Wang, H.; Zhu, D. Governing public–private partnerships: systematic review of case study literature. *Aust. J. Public Adm.* 2019, 78, 95–112.