EFFECT OF STRATEGIC ICT PARTNERSHIPS ON SERVICE SATISFACTION OF CUSTOM AGENTS IN KENYA

Shivani H. Patel

Jomo Kenyatta University of Agriculture and Technology

(JKUAT)

Dr. Fridah Simba Theuri

Jomo Kenyatta University of Agriculture and Technology

(JKUAT)

Dr. Fred Mugambi Mwirigi

Jomo Kenyatta University of Agriculture and Technology

(JKUAT)

CITATION: Patel, S., H., Theuri, F., S., Mwirigi, F., M. (2017) Effect of Strategic ICT Partnerships On Service Satisfaction of Custom Agents in Kenya. *International Journal of Strategic Management.* Vol. 6 (9) pp 1 – 12.

ABSTRACT

Trade facilitation which entails the simplification and harmonization of Customs procedures is one of the key challenges for many Customs administrations. Many Customs authorities in both developed and developing countries have recognized that productive interaction with business is essential for effective and efficient Customs administrations. This study sought to establish the effect of strategic ICT partnerships on the service satisfaction of Customs agents in Kenya. The research design used for this study was descriptive survey. The population of this study comprised of Customs agents in Kenya. According to information obtained from the Kenya International Freight and Warehousing Association

(KIFWA), for the period 2014/2015, 525 Customs Agents licensed with the Kenya Revenue

Authority (KRA) were registered members of KIFWA Nairobi, while 608 Customs Agents licensed with KRA were registered members of KIFWA Mombasa, being the two branches of KIFWA in Kenya. From this total of 1133 units, a sample size of 297 participants (top management of the Customs Agents firms) was selected. Stratified random sampling was used to select a proportionate strata sample based on the KIFWA branches. Data was collected by use of questionnaires issued to the top management of the Customs Agents. The questionnaire consisted of structured closed ended statements. Data was analyzed mainly by use of descriptive and inferential statistics. Descriptive statistics included mean and standard deviation. Inferential statistical techniques such as correlation and regression were used to draw a causal relationship between the strategic ICT partnerships and service satisfaction of Customs agents. Results were presented by use of diagrams and tables.

The study findings indicated that strategic collaborations have helped in minimize risk management,

KRA

has invested in a management information system

which has made it easy for dissemination of information to Customs agents and that is compatible with other systems,

adoption of technology promotes high levels of efficiency and client's satisfaction. Information technology is used to support operational level efficiencies to reduce cost and increase overall business efficiency. The operational efficiencies help firms in gaining competitive advantage by ensuring low cost and high quality services. The study therefore concludes that strategic ICT partnerships were statistically significant in explaining service satisfaction of Customs agents in Kenya. The study recommends that investment in Information technology be emphasized in Customs and Customs agents as it has an effect on the overall achievement of competitive advantage.

Key Words: Strategic Partnership, Service Satisfaction, Information Technology