

## **ABSTRACT**

Business organizations striving to improve their performance rely on several capabilities including logistic service reliability capability. However, there is also a need to understand how external variables may moderate the effect of logistic capabilities and performance. This study evaluated the moderating effect of supply chain linkages on the relationship between logistic service reliability capability and firm performance of manufacturing firms in Kenya. The study anchored on explanatory research design. A sample size of 442 firms was selected using stratified and simple random sampling approaches. The study established that logistic service reliability capability positively and significantly affects firm performance, subject to moderation by supply chain linkages. For the design of management system in a firm, there is need to integrate and improve the overall effects of logistic service reliability capability by incorporating supply chain linkages in the model. There is need for firm managers to understand and find ways to effectively manage the interactions between logistic service reliability capability and supply chain linkages in order to improve performance and meet the customer requirements satisfactorily. In many manufacturing firms especially in developing countries such interactions are rarely studied.