

The aim of this study was to determine the effect of supply chain management practices on the performance of Kenya's state corporations. The study adopted a descriptive research design. A total of 142 parastatals were targeted from which 15 of them were selected to participate in the study. Purposive sampling was used to select two senior managers from each of the 15 parastatals. These respondents were selected from the finance and procurement departments. Questionnaires were used to collect primary data from the state corporations. Both descriptive and inferential statistics were used in the study. Inferential statistics conducted were regression analyses. Results indicated that outsourcing practices ( $p=0.205>0.05$ ) have a negative but insignificant effect on organizational performance. On the other hand, inventory management practices ( $p=0.006<0.05$ ), lean practices ( $p=0.006<0.05$ ), and strategic supplier relationship management practices ( $p=0.001<0.05$ ) all have a positive and significant effect on the performance of state corporations.