

INVENTORY MANAGEMENT PRACTICES AND PERFORMANCE OF LOGISTIC COMPANIES IN SOUTH SUDAN. A CROSS-SECTIONAL CASE STUDY OF AGS WORLDWIDE MOVERS SOUTH SUDAN.

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Abstract

Background

Historically, inventory management has often meant too much inventory and too little management, or too little inventory and too much management. The study aims to assess Inventory management practices and performance of logistics Companies in South Sudan.

Methodology

The study employed cross sectional survey research design as the overall strategy. The result obtained from the questionnaires and interviews involved editing, coding, tabulation and interpretation of the data using SPSS. Data collected was edited for completeness.

Results

65.8% of the respondents were male, 39.5% of people were single, 30 (39.5%) were in the age bracket of 21-30 years, 36 (47.4%) of the respondents were in the accounts department whereby they dealt with the verification and receipt of payments, 44 (57.9%) agreed that Material handling practices in the organization lead to reduction in wastes, 65(85.5%) agreed that Material handling practices in the organization lead to Decreased production cycle times. 51(67.1%) agreed that Material handling practices in the organization lead to System flexibility, 51(67.1%) agreed that Lead time management practices in the organization lead to a Reduction in inventories, Majority 62 (81.6%) agreed the organization efficient in using resources, All the respondents rated at 63 (83.9%) agreed that the organization is delivering orders quicker and 13 (17.1%) disagreed implying that the organization

Conclusion

Storage management practices had a significant positive influence on the performance of an organization ($r=0.185$). There is no significant relationship between material handling and performance of organizations", and it was rejected ($r = 0.038$). There was no significant relationship ($r=-0.163$) between lead-time management practices and organizational performance.

Recommendations

AGS Worldwide movers should adopt a proactive attitude toward the issue of proper inventory management practices.

Keywords: Inventory Management, Practices, and performance of logistic Companies, South Sudan.

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Background

Historically, inventory management has often meant too much inventory and too little management or too little inventory and too much management. There can be severe penalties for excesses in either direction. Inventory problems have proliferated as technological progress has increased the organization's ability to produce goods in greater quantities, faster, and with multiple design variations. The public has compounded the problem by its receptiveness to variations and frequent design changes (Tersine, 1982). Resource-based view was a theory put forward by Barney's 1991 article "Firm Resources and Sustained Competitive Advantage," which became widely cited as a pivotal work in the emergence of the resource-based view elaborating that the source of an organization's competitive advantage lies mainly in how it

exploits its distinctive internal resources and competencies, by setting strategic objectives based on what they enable it to do (David, 2011). The resource-based approach starts with the organization's strengths and seeks an environment that will enable it to exploit them by changing environments to suit what it does best rather than changing what it does best to fit the environment (Kuncoro, 2005). One of the key insights of the resource-based view is that not all organizational resources are a potential source of competitive advantage (Hitt, 2011). Measuring the performance of the purchasing function yields benefits to organizations such as cost reduction, enhanced profitability, assured supplies, quality improvements, and competitive advantage as noted (Basheka & Bisangabasaija, 2010). The study aims

to assess Inventory management practices and performance of logistic Companies in South Sudan.

Methodology

Research Design

The study employed cross-sectional survey research design as the overall strategy. A cross-sectional study was used in this study because it emphasizes detailed contextual analysis of a limited number of events or conditions and their relationships. The researcher employed both quantitative and qualitative research approaches because they complement one another. Using both helped cover more areas while using only one approach was defective. Surveys do not manipulate variables nor arrange for events to happen but focus only on conditions or relations that exist, opinions held, processes that are going on evident effects, or trends that are developing. Descriptive data was used because it was one of the suitable methods to obtain information concerning current situations.

The Study Population

This comprised of staff and support staff members of AGS Worldwide movers who made a total of 110 as the information and archives manual, 2023. These included departments like administration, Stores, Operations/Production departments and customers. This enabled the researcher to get relevant information from the right people. Data was analyzed using percentages and

trend analysis technique and presented in tables and figures.

Sample Techniques and Sampling Size

Since there are different categories of people, different methods were used to draw samples from each category.

Sample size

A sample is simply a subset of the population. Sampling is the process of selecting sufficient numbers of elements from the population so that a study of the sample and its characteristics makes it possible for the researcher to generalize such characteristics to the population elements (Sekaran, 2000). The study used a sample size of 86. To determine the sample size,

Krejcie's formula was applied as shown below. (Krejcie 1970)

$$n = \frac{N}{1 + N(e)^2}$$

Where n = Sample Size

$$N = \text{Total Population}$$

$$e = \text{sampling error value } (0.05) = 0.05$$

The overall sample size constituted 86 respondents derived from a total population of 110 employees of AGS using the formula of Krejcie, R. V., & Morgan, D. W. (1970). The sample was categorized as seen below;

Table 1: Category of Sample Size

Category	Population	Sample(dp=0.781)	Sampling technique
Administration	20	16	Purposive sampling
Marketing and Sales	55	43	Simple random sampling
Operations and store	35	27	Simple random
			sampling
Total	110	86	

Sample selection

The research sample selection to be employed was Stratified sampling because precision from the results increases since the sampling errors emanating from different strata are minimized. The researcher also used simple random sampling to select respondents from each stratum to represent the views of the rest of the stratum. Simple random sampling allowed each member in each of the categories an equal and independent chance of selection, thereby reducing bias (Mugenda and Mugenda, 2003).

Purposive sampling was used to select key informants like administration, Stores, Operations/Production departments and others on account of their knowledge on inventory management and profitability. This method was selected because it ensured that the critical aspects and feedback of the study was not misused out and increased the likelihood that variability common in any social

phenomenon was represented in the data (Schwandt, 2001).

Data Collection Methods

The researcher employed both qualitative and quantitative data collection methods. This involved the use of questionnaires, focus group discussions, and key informant interviews as explained below:

Quantitative data collection methods

Questionnaires:

These were administered in the form of structured interviews. This involved asking the respondents a different set of questions as the researcher filled in the answers. Only AGS Worldwide mover's employees were targeted for the questionnaires because they are deemed to be the most knowledgeable on the subject under investigation. Structured interviews were standardized in

order, in which questions were asked to the respondents, and minimize the impact of variation so that each interview was offered with the same questions in the same order. This guaranteed that answers were reliably collected and that comparisons were made with confidence between sample subgroups and respondents (Siute, 2005).

Questionnaires were constructed based on the research objectives. Questionnaires were preferred since they are easy to administer and time-saving (Mugenda et al 2003). The questionnaire contained closed-ended questions using a Likert scale (ranging from 1= Strongly Disagree; 2= Disagree; 3= Not Sure; 4= Agree; 5=Strongly Agree). Self-administered questionnaires were completed by those who could interpret the questionnaire. The researcher administered questionnaires to respondents who could not easily interpret the questions probably because of their educational or literacy levels.

Qualitative data collection methods

Interviews

these were used to obtain information from key respondents who were vastly knowledgeable on the subject matter under investigation. An interview guide was developed to guide data collection on key critical aspects of the research and ensure comprehensive feedback.

Data Collection Instruments

The researcher used interviews self-administered questionnaires and document analysis for data collection.

Interview guide

The interview method of research involved a face-to-face meeting in which a researcher (interviewer) asked an

individual a series of questions. A number of respondents which included; marketing and sales team and operations and store were interviewed to clarify on several issues arising from the researchers need and objectives.

Self-administered Questionnaires

A questionnaire, according to Webster et al (2002) is a written or printed form used in gathering information on some subject, consisting of a set of questions to be submitted to one or more persons. Simple open-ended, simple choice, and self-administered questionnaires were distributed to suggested informants. They were brief, precise, and to the objective of the study.

The questions were mainly used to fall in the age bracket of the research, they administered to administrative staff.

Pre-testing (validity and reliability).

Validity

Validity is the accuracy and meaningfulness of inferences, which are based on the research results. Validity also refers to the ability to produce findings and information that are in agreement with theoretical or conceptual values. To ensure the validity, reliability, and credibility of the instruments used, questionnaires were constructed by the researcher, manually edited by the supervisor to correct possible mistakes, and verified for the survey. Validity of the response was ensured by synchronizing responses from administration, Stores, Operations/Production departments, and others. The results obtained were used to write the report.

This was validated by a quick understanding of the questions and the qualitative nature of the answers supplied by the respondents.

$$CVI = \frac{\text{Number of items rated relevant}}{\text{Total number of items rated in the questionnaire}}$$

Table 2: Determination of validity of instruments

	Relevant items	Not relevant items	CVI
Rater 1	11	5	0.687
Rater 2	15	6	0.71
Total	26	5	0.70

Table 2, showed that the computed CVI is 0.7 and the standard coefficient of 0.70 thus the research instruments were considered valid.

Reliability

Reliability is a measure of the degree to which a research instrument yields consistent results or data after repeated trials. It is also the ability to produce accurate results. The reliability of instruments was established based on the preliminary results derived from the pilot study based on Cronbach's Alpha Coefficient. The pilot study was

conducted among 9 respondents representing 10% of the sample size. These were given questionnaires to fill in and thereafter, the questionnaires were collected and analyzed for reliability. The same test was given to the same sample after three days to determine the reliability coefficient test of the responses between the two tests. The study was tested for reliability coefficient based on Cronbach's Alpha method for reliability and content validity index. All the values for reliability coefficients exceeded 0.7 implying that these results were reliable and consistent. In the same way, the content validity index values had to exceed 0.7 implying that the study yielded valid results.

Table 3: Valid results

Construct Variable	Cronbach's Alpha	Number of items
Quality Information	0.75	5
Personnel	0.87	5
Data management process	0.74	5
Technology	0.86	5
Mean	0.805	

The mean for the reliability test is established at 0.805, which is well above 0.70, and therefore, the internal consistency (reliability) of the instrument was confirmed.

Procedure for Data Collection

The researcher developed a proposal which after approval got an introduction letter from Team University to help him access different offices and relevant personnel where the study was carried out. The researcher arranged days for face-to-face interviews with the people she was to interview.

Questionnaires were also given to the assistants to be distributed to the relevant people to the topic of research. The researcher visited different offices in different facilities to find out how relevant this study was to the organization and the country.

Data analysis

The result obtained from the questionnaires and interviews involved editing, coding, tabulation and interpretation of the data using SPSS. Data collected was edited for completeness, accuracy, uniformity, consistence, and its comprehensiveness. In order to classify all the answers given by the respondents into meaningful categories for purposes of bringing out their important pattern, coding was used.

On the other hand, regression analysis was used to show the relationship between the independent variables on the dependent variable. Pearson's correlation coefficients and significance were used to identify the significance levels to test the hypotheses at the 99% and 95% confidence levels in the correlation analysis. A correlation coefficient between 0 and 0.30 shall imply a weak correlation, 0.31 and 0.60 suggest a moderate relationship, while a correlation between 0.61 and 80 suggests a high relationship, and 0.81 to 0.99 suggests a very high

relationship.

Ethical Consideration

The researcher obtained a letter from Team University allowing him to go to the field to collect the data. The letter was used as an introduction and to seek permission in the field where she collected data. The major ethical problem that the researcher faced during this study was the privacy and confidentiality of the respondents, including the information they were willing to provide. To ensure confidentiality and privacy, the respondents were told upfront that participation in the study is voluntary and they are not under any pressure to answer questions they are not comfortable with; their names were required as well.

Information relating to inventory management and performance is sensitive, and most administrators were unwilling to release it, thinking it could expose inadequacies in their organization. The respondents were assured at the start of the data collection that the information they were giving was strictly for academic purposes and that all data obtained on private matters was treated confidentially (Amin, 2005).

Results

Response Rate

The researcher targeted a sample size of 86 respondents, from whom 76 respondents were able to fully respond to the questions asked in the data collection instruments giving a response rate of 88.4%. A response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. Based on the assertion, the response rate was excellent.

The gender of the respondents

The researcher determined the gender of the participants.

Table 4: Gender of the respondents

	Frequency	Percent
female	26	34.2
male	50	65.8
Total	86	100.0

Source: Primary Data

Table 4, 65.8% of the respondents were male, while the others were female being representing 34.2% of the entire sample size, indicating that all sexes were represented in this study.

Marital status of the respondents

The researcher aimed to determine the marital status of the participants.

Table 5: Marital status

	Frequency	Percent
Single	30	39.5
Married	26	34.2
Divorced	16	21.1
Widowed	4	5.3
Total	86	100.0

Source: Primary Data

Table 5, 39.5% of people were single, 34.2% of the respondents were married compared to 21.1% and 5.3% who were divorced and widowed respectively. The marital status of each respondent was taken to be a very important demographic variable for the study because these position

influences one's ability to engage in an activity that is environmental friendly or not. This indicated that people from different categories of marital status were part of this study.

The age bracket of the respondents

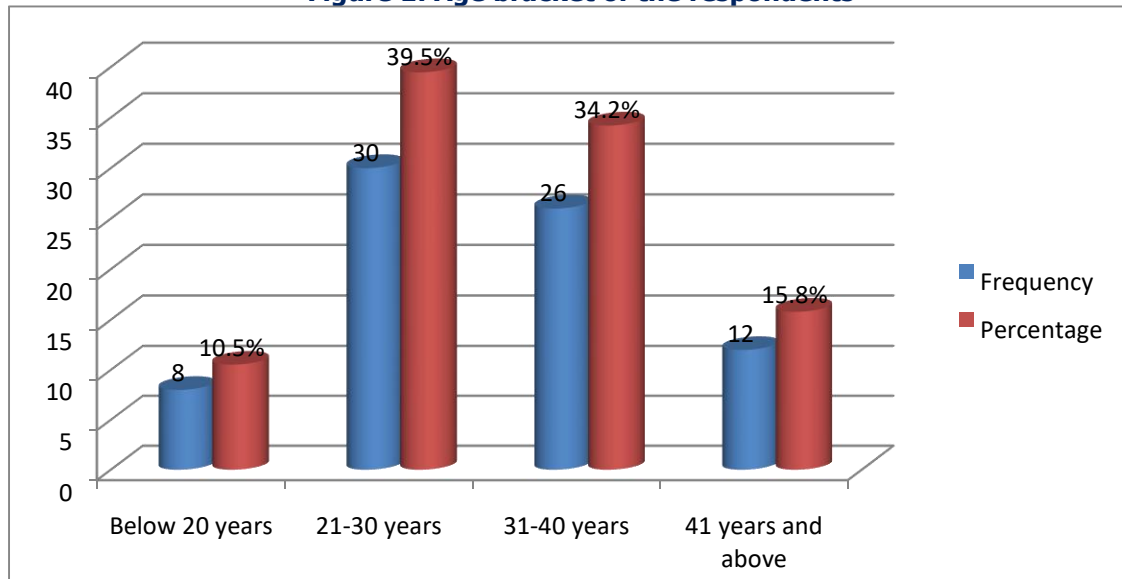
Figure 1: Age bracket of the respondents*Source: Primary Data*

Figure 1, 30 (39.5%) of the respondents were in the age bracket of 21-30 years, 26 (34.2%) were of the age of 31-40 years, 12 (15.8%) were in the age bracket of 41 years and above and 8(10.5%) were below 20 years. This

indicates that employees in AGS Worldwide movers' distributors were mature enough to answer the questions in the questionnaires, which meant that the information given was reliable.

The educational background of the respondents

Table 6: Education level

	Frequency	Percent
primary	10	13.2
secondary	27	35.5
tertiary	16	21.1
University	23	30.3
Total	86	100.0

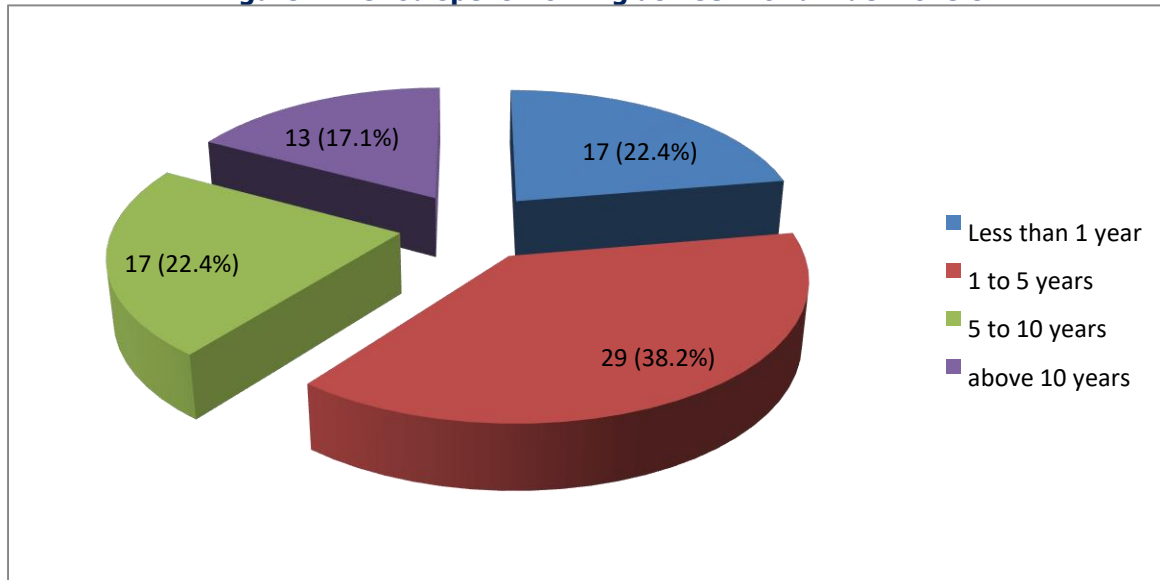
Source: Primary Data

Table 6, respondents who have attained secondary qualification are the highest, with a frequency of 27 members of the sample, who represent a percentage of 35.5%. This further illustrated that the respondents were

highly educated in their field of operation, owing to the amount of knowledge acquired from school. This enabled them to give credible information relating to this research.

The period spent working at the Organization by the respondents.

Figure 2: Period spent working at AGS Worldwide movers



Source: Primary Data

Figure 2, the majority of the respondents had spent a period of 1-5 years working within the organization, rated at 38.2%, this was followed by 22.4% who had spent 5-10 years, and less than a year respectively finally those who had worked above 10 years rated at 17.1%. This indicates that the respondents had experience with the organization

since total majority had been part of the organization for quite a long period. The results further illustrated that the organization has experienced staff. Experienced staff are likely to perform better at their jobs due to the job experience gained over time.

Department of the respondents

Table 7: Department of the respondents

	Frequency	Percent
Valid Top management	9	11.8
stores	12	15.8
Purchasing	19	25.0
Accounts	36	47.4
Total	86	100.0

Source: Primary Data

Table 7, 36 (47.4%) of the respondents were in the accounts department where they dealt with the verification and receipt of payments, 19 (25%) were in the purchasing department, 12 (15.8%) were in the store's department and 9(11.8%) were from the top management. This indicates that employees had reliable knowledge to answer the questions in the questionnaires, which meant that the information given was reliable, and they were in a good

position to give relevant information on the effects of inventory management practices on organizational performance.

Storage management practices and performance of AGS Worldwide movers.

The study sought to establish the relationship between storage management practices and performance of AGS

Worldwide movers. The employees were requested to respond to a number of statements by indicating their agreement using a five-point Likert scale of SD=Strongly

Disagreed, D=Disagreed, N – Not sure, A=Agreed and SA = Strongly Agreed.

Table 8: Storage management practices and performance of AGS

Item responses		Frequency	Percent	Mean
Inventory Management practices contribute greatly to the performance of AGS	Strongly agree	20	26.3	2.43
	Agree	23	33.3	
	Not sure	17	22.4	
	Disagree	12	15.8	
	Strongly disagree	4	5.3	
Inventory Management helps in inventory planning and scheduling	Strongly agree	16	21.1	2.22
	Agree	32	42.1	
In AGS.	Not sure	23	30.3	
	Disagree	5	6.6	
	Strongly disagree	0	0.00	
Procurement/purchase dates and quantities are improved by inventory management practices	Strongly agree	17	22.4	2.07
	Agree	42	55.3	
	Not sure	12	15.8	
	Disagree	5	6.6	
	Strongly disagree	0	0.00	
Cost reduction in AGS Result of inventory management practices	Strongly agree	9	11.8	2.57
	Agree	32	42.1	
	Not sure	22	28.9	
	Disagree	9	11.8	
	Strongly disagree	4	5.3	
Inventory Management helps in effective store management of AGS	Strongly agree	11	14.5	2.67
	Agree	34	44.7	
	Not sure	10	13.2	
	Disagree	11	14.5	
	Strongly disagree	10	13.2	
Internal coordination in AGS can be improved by inventory management	Strongly agree	15	19.7	2.99
	Agree	18	23.7	
	Not sure	8	10.5	
	Disagree	23	30.3	
	Strongly disagree	12	15.8	
Improved customer service can be realized with inventory management	Strongly agree	20	26.3	2.21
	Agree	34	44.7	
	Not sure	12	15.8	
	Disagree	6	7.9	
	Strongly disagree	4	5.3	
Good management practices Improve inventory Management in AGS.	Strongly agree	18	23.7	2.45
	Agree	32	42.1	
	Not sure	7	9.2	
	Disagree	12	15.8	
	Strongly disagree	7	9.2	

N=76 Sources: Primary Data 2024

Table 8, The respondents were asked whether Inventory Management practices contribute greatly to the performance of AGS Worldwide movers and the majority rated at 43 (56.6%) agreed to the statement, 17 (22.4%) were not sure and finally only 16 (21.1%) disagreed implying that Inventory Management practices contribute greatly to the performance of AGS worldwide movers since the majority were in agreement. Based on this finding, all organizations consider storage productivity as a major aspect of organizational efficiency. When goods are stored well, their value is maintained.

Based on Table 8, the respondents were asked whether Inventory Management helps in inventory planning and scheduling. The majority rated at 48 (63.2%) agreed, 23 (30.3%) were not sure, and only 5 (6.6%) disagreed, implying that Inventory Management helps in inventory planning and scheduling. 59 (77.7%) agreed that Procurement/purchase dates and quantities are improved by inventory management practices, 12 (15.8%) were not sure, and only 5 (6.6%) disagreed, implying that Procurement/purchase dates and quantities are improved by inventory management practices.

Based on the findings, Storage management practices provide tools to enable organizational operations to consistently offer exemplary service delivery, and unified data gives you information integrity. According to the table above, the respondents were asked whether Cost reduction in AGS Worldwide Movers is a result of inventory management practices, the majority rated at 41 (53.9%) agreed to the statement, 22 (28.9%) were not sure and 13 (17.1%) disagreed implying that Cost reduction is a result of inventory management practices.

According to the field findings, the respondents were asked whether Inventory Management helps in effective store management of AGS, the majority rated 45 (59.2%) agreed, followed by those who disagreed rated 21 (27.7%), and finally, 10 (13.2%) who were not sure implying that Inventory Management helps in effective stores management of AGS. According to the field survey, effective store management is an attempt to maintain a systematic and well-organized infrastructure and an orderly inventory system. It is also concerned with the adequate supply of goods/products in the Stores while minimizing

inventory costs at the same time.

Regarding the statement posed that the Internal coordination in AGS can be improved by inventory management, the respondents rated 35(46.1%) disagreed. This was followed by 33 (43.4%) who agreed, and only 8 (10.5%) were not sure, implying that this statement requires further research since it had a balanced view between those who agreed and disagreed. Based on the findings, proper internal coordination brings about Good inventory management solutions to save employees' and partners' time. Less time spent on managing Inventory results in greater productivity for the organization.

Based on the table above, the respondents were asked whether Improved customer service can be realized with inventory management, the majority rated at 54 (71%)

agreed, 12 (15.8%) were not sure and only 10 (13.2%) disagreed implying that Improved customer service can be realized with inventory management. This helps to improve the organization's accuracy and efficiency, and the customers will love them for it. An employee from the administration

The department at AGS stated that:

"The customers will trust you to fulfill their needs, and you'll have exactly what they're looking for when they come back for more."

Based on the table above, the respondents were asked whether Good management practices improve inventory Management in AGS, the majority rated at 50 (65.8%) agreed, 19 (25%) disagreed, and only 7 (9.2%) were not sure, implying that Good management practices improve inventory Management in AGS. Based on the findings, storage management isn't

just a concern for companies that deal in finished goods, such as retailers and wholesalers. It's also critical for manufacturers, who maintain three types of inventory: raw materials, work-in-progress, and finished goods. If you run out of an essential ingredient or component, production will halt, which can be extremely costly. If you don't have a supply of finished goods on hand to fill orders as they come in, you risk losing customers; thus, staying on top of inventory is essential if you're to keep the line running and keep products moving out the door.

From the descriptive statistics performed, mean responses with the highest effects included: Inventory Management practices contribute greatly to the performance of AGS Worldwide movers (2.43), inventory Management helps in inventory planning and scheduling in AGS Worldwide movers (2.22), internal coordination in AGS Worldwide movers can be improved by inventory management (2.99) and inventory Management helps in effective stores management of AGS Worldwide movers (2.67) implies that the respondents "Agree" that storage management practices will lead to a high organizational performance. This trend is in agreement with those found in the available literature. The majority of the respondents admitted that storage management practices are a highly significant factor in the organizational performance at AGS Worldwide movers.

Relationship between Storage management practices and performance of AGS Worldwide movers.

To determine the relationship between storage management practices and organizational performance at AGS Worldwide Movers, a correlation was conducted. Pearson correlation coefficient (r) was used to determine the strength of the relationship between storage management practices and organizational performance at AGS Worldwide movers. The significance of the coefficient (p) was used to test the hypothesis by comparing p to the critical significance level at 0.05. This procedure was applied in testing the other objectives, and thus, a lengthy introduction is not repeated in the subsequent sections of the testing.

Table 9: Relationship between store management practices and performance

			Storage management practices	Organizational performance
Storage management practices	Pearson Correlation		1	.185
	Sig. (2-tailed)			.110
	N		86	86
Organizational performance	Pearson Correlation		.185	1
	Sig. (2-tailed)		.110	
	N		86	86

Table 9, storage management practices and performance ($r=0.185$, $p<0.05$). This means that there is a positive relationship between storage management practices and organizational performance at AGS.

The relationship between Materials handling practices and the performance of AGS Worldwide movers.

Table 10: Relationship between Materials handling practices and performance of AGS Worldwide movers.

Item responses		Frequency	Percent	Mean
Material handling practices in the organization lead to a reduction in waste	Strongly agree	16	21.1	2.59
	Agree	28	36.8	
	Not sure	12	15.8	
	Disagree	11	14.5	
	Strongly disagree	9	11.8	
Material handling practices in the organization lead to a Reduction in production costs	Strongly agree	24	31.6	2.17
	Agree	29	38.2	
	Not sure	13	17.1	
	Disagree	6	7.9	
	Strongly disagree	4	5.3	
Material handling practices in the organization lead to Increased product quality	Strongly agree	32	42.1	2.12
	Agree	24	31.6	
	Not sure	7	9.2	
	Disagree	5	6.6	
	Strongly disagree	8	10.5	
Material handling practices in the organization lead to Timely deliveries	Strongly agree	21	27.6	2.30
	Agree	30	39.5	
	Not sure	9	11.8	
	Disagree	13	17.1	
	Strongly disagree	3	3.9	
Material handling practices in the organization lead to Increased profitability	Strongly agree	14	18.4	2.62
	Agree	26	34.2	
	Not sure	19	25	
	Disagree	9	11.8	
	Strongly disagree	8	10.5	
Material handling practices in the organization lead to Reduced stock levels	Strongly agree	16	21.1	2.59
	Agree	28	36.8	
	Not sure	12	15.8	
	Disagree	11	14.5	
	Strongly disagree	9	11.8	

Material handling practices in the organization lead to decreased production cycle times	Strongly agree	24	31.6	1.92
	Agree	41	53.9	
	Not sure	6	7.9	
	Disagree	3	3.9	
	Strongly disagree	2	2.6	
Material handling practices in the organization lead to System flexibility	Strongly agree	21	27.6	2.24
	Agree	30	39.5	
	Not sure	16	21.1	
	Disagree	4	5.3	
	Strongly disagree	5	6.6	

N=76 Source: primary data 2024

Table 10, 44 (57.9%) of the respondents agreed that Material handling practices in the organization lead to a reduction in waste, this was followed by those who disagreed rated 20 (26.3%), and finally, 12 (15.8%) who not sure implying that Material handling practices in the organization lead to a reduction in wastes.

53(69.8%) agreed that Material handling practices in the organization lead to a reduction in production costs, 13 (17.1%) were not sure, and only 10 (13.2%) disagreed, implying that Material handling practices in the organization lead to a reduction in production costs. Based on the field findings, when the material isn't managed well, you can also wind up overstocking too much of certain items. Overstock comes with its own set of problems. The longer an item sits unsold in inventory, the greater the chance it will never sell at all, meaning you'll have to write it off, or at least discount it deeply. Products go out of style or become obsolete. Perishable items spoil. Items that linger in storage get damaged or stolen. Excessive material has to be stored, counted, and handled, which can add ongoing costs. An accounting officer from the Accounts department stated that:

"The more times an item is handled, the more it costs you. Barcodes, scanners, or RFID technology will greatly reduce the time spent updating inventory. As a piece of material is moved from receiving or the shop floor, it can immediately be entered into a database."

56(73.7%) agreed that Material handling practices in the organization lead to Increased product quality, 7 (9.2%) were not sure, and only 13 (17.1%) disagreed, implying that Material handling practices in the organization lead to Increased product quality. Bowersox & Closs (2002) articulated that improvement in continuity of supplies with improved material handling will lead to improvement in cooperation and will also enhance cooperation and communications with reduced duplication of efforts, reduction in material costs, and improvement in quality control, which are the main benefits of materials management

51(67.1%) agreed that Material handling practices in the organization lead to Timely deliveries, 9 (11.8%) were not sure, and only 16 (21%) disagreed, implying that Material handling practices in the organization lead to Timely deliveries. Based on the findings, maintaining good material handling principles will ensure the efficient and timely delivery of high-quality inventory data. To do this an inventory management system needs to be established

and should include: a clear inventory process so that key activities and resources can be focused towards delivery deadlines and delivery quality, institutional arrangements where clearly defined roles and responsibilities for delivering the inventory to a specified time and quality standards and finally a quality framework to ensure that the data is fit for purpose.

40(52.6%) agreed that Material handling practices in the organization lead to increased profitability, 17 (22.3%) disagreed, and only 19 (25%) were not sure, implying that Material handling practices in the organization lead to increased

profitability. An employee from the administration department at AGS stated that:

By deciding inventory norms nationally and through control systems, inventory turnover can be maximized, which in turn will maximize current assets turnover and ROI.

44(57.9%) agreed that Material handling practices in the organization lead to Reduced stock levels, 12 (15.8%) were not sure, and only 20 (26.3%) disagreed, implying that Material handling practices in the organization lead to Reduced stock levels. Based on the findings, businesses that actively manage their inventory report a 1025% decrease in stock-outs. A supervisor from the operations department at AGS Worldwide movers stated that:

By proper planning and control of spare parts, capacity utilization can be increased, which will increase the turnover of fixed assets and consequently increase ROI

65(85.5%) agreed that Material handling practices in the organization lead to decreased production cycle times, 6 (7.9%) were not sure, and only 5 (6.5%) disagreed, implying that Material handling practices in the organization lead to decreased production cycle times. Based on the findings, material handling isn't just a concern for companies that deal in finished goods, such as retailers and wholesalers. It's also critical for manufacturers, who maintain three types of inventory: raw materials, work-in-progress, and finished goods. If you run out of an essential ingredient or component, production will halt, which can be extremely costly. If you don't have a supply of finished goods on hand to fill orders as they come in, you risk losing customers. Staying on top of inventory is essential if you're to keep the line running and keep products moving out the

door. 51(67.1%) agreed that Material handling practices in the organization lead to System flexibility, 16 (21.1%) were not sure, and only 9 (11.1%) disagreed, implying

that Material handling practices in the organization lead to System flexibility. Based on the findings, the staff of AGS Worldwide movers is eligible to know when items are received, picked, packed, shipped, kitted, manufactured, etc, and know when they need to order more when they are over-stocked, or under-stocked due to proper material handling.

According to the marketing managers, her department performs the role of marketing research and development, planning, and executing of the marketing activities within the organization which includes pricing, promotion, and distribution of the finished products.

Her department also relies on the purchasing department to ensure that all stock held for sale is stored, issued, and controlled as efficiently as possible. The sales staff continuously depend on the purchasing department to ensure that finished stock is available as and when required.

When the question of how the organization ensures quicker distribution to the various depots for easy access to consumers was posed, she replied that, after the right packaging has been done and the right inventories taken by officers, goods are transported to the various company depots depending on request with company trucks far ahead of time before the various depots run out of stock. With the issue of materials management, she confirmed that the organization does not have a materials management department.

The relationship between material handling practices and organizational performance.

To determine the relationship between material handling practices and organizational performance at AGS Worldwide Movers, a correlation analysis was conducted.

Table 11: Relationship between material handling and organizational performance

Material practices	Handling Pearson Correlation Sig. (2-tailed)	Material handling practices	Organizational performance
	N	1	.038
			.742
		86	86
Organizational performance	Pearson Correlation Sig. (2-tailed)	.038	1
		.742	
		86	86

Table 11, material handling practices and organizational performance have no significant relationship ($r = 0.038$, $p < 0.05$). Thus, the hypothesis that stated that material handling practices would have a significant influence on organizational performance is not accepted. This means that material handling practices do not affect organizational performance at AGS Worldwide movers.

The relationship between Lead time management practices and the performance of AGS Worldwide movers.

The study sought to establish the relationship between Lead time management practices and the performance of AGS Worldwide movers, and the findings were as explained in the following table;

Table 12: Relationship between Lead time management practices and performance of AGS Worldwide movers.

Item responses		Frequency	Percent	Mean
	Strongly agree	20	26.3	2.33
Lead time management practices in the organization lead to a Reduction in inventories	Agree	31	40.8	2.58
	Not sure	11	14.5	
	Disagree	8	10.5	
	Strongly disagree	6	7.9	
Lead time management practices in the organization lead to Shorter production cycle times	Strongly agree	16	21.1	2.58
	Agree	27	35.5	
	Not sure	11	14.5	
	Disagree	17	22.4	
	Strongly disagree	5	6.6	
Lead time management practices in the organization lead to reduced obsolescence and surplus	Strongly agree	7	9.2	2.51
	Agree	41	53.9	
	Not sure	14	18.4	
	Disagree	10	13.2	
	Strongly disagree	4	5.3	
Lead time management practices in the organization lead to a Reduction in materials cost	Strongly agree	11	14.5	2.37
	Agree	44	57.9	
	Not sure	10	13.2	
	Disagree	4	5.3	
	Strongly disagree	7	9.2	
Lead time management practices in the organization lead to an Improvement in product quality	Strongly agree	9	11.8	2.12
	Agree	50	65.8	
	Not sure	16	21.1	
	Disagree	1	1.3	
	Strongly disagree	0	0.00	
Lead time management practices in the organization lead to Increased sales	Strongly agree	5	6.6	2.51
	Agree	32	42.1	
	Not sure	34	44.7	
	Disagree	5	6.6	
	Strongly disagree	0	0.00	
Lead time management practices in the organization lead to Increased profitability	Strongly agree	24	31.6	2.17
	Agree	29	38.2	
	Not sure	13	17.1	
	Disagree	6	7.9	
	Strongly disagree	4	5.3	
Lead time management practices in the organization lead to Increased customer satisfaction	Strongly agree	32	42.1	2.12
	Agree	24	31.6	
	Not sure	7	9.2	
	Disagree	5	6.6	
	Strongly disagree	8	10.5	

N=76 Sources: Primary Data 2024

Table 12, 51(67.1%) agreed that Lead time management practices in the organization lead to a Reduction in inventories, 14 (18.4%) disagreed, and only 11(14.5%)

were not sure, implying that Lead time management practices in the organization lead to a Reduction in inventories. Based on the findings, businesses that

actively manage their lead time report a 2-10% increase in sales. Regarding the above findings, one of the sales personnel in AGS Worldwide movers stated that:

By developing proper systems and control on issue of materials, the consumption can be minimized, reduction in wastes and rejects, resulting in reducing the materials cost, which will increase the profit margin.

43(56.6%) agreed that Lead time management practices in the organization lead to Shorter production cycle times, 11 (14.5%) were not sure, and only 22

(29%) disagreed, implying that Lead time management practices in the organization lead to Shorter production cycle times. 50(63.1%) agreed that Lead time management practices in the organization lead to reduced obsolescence and surplus, 14 (18.4%) were not sure, and only 14 (18.5%) disagreed, implying that Lead time management practices in the organization lead to reduced obsolescence and surplus. 55(72.4%) agreed that Lead time management practices in the organization lead to a Reduction in materials cost, 11 (14.5%) disagreed, and only 10 (13.2%) were not sure, implying that Lead time management practices in the organization lead to a Reduction in materials cost. Based on the field findings, lead time management helps to result in decreased inventory write-offs/ write-downs, plus lower inventory holding costs. 59(77.6%) agreed that Lead time management practices in the organization lead to Improvement in product quality, 16 (21.1%) were not sure, and only 1 (1.3%) disagreed, implying that Lead time management practices in the organization lead to Improvement in product quality.

Regarding the above, the drivers of AGS Worldwide movers emphasized that:

Incoming goods are delivered to the purchasing department team of inspectors on arrival to verify the right content and specifications as stated on the quotation form. Inspection in this context means the examination of incoming commodities for the right quality and quantity.

37(48.7%) agreed that Lead time management practices in the organization lead to increased sales, 34 (44.7%) were not sure, and only 5 (6.6%) disagreed, implying that Lead time management practices in the organization lead to Increased sales. According to the findings, sales depots like AGS Worldwide Movers rely on sales to earn revenue and increase profits. These companies purchase merchandise and resell it to customers. Inventory control involves considering which items to buy and the quantity of each. Styles change, and so do customer tastes. The company needs to anticipate the amount of sales it can make at a profitable price. When the inventory becomes

obsolete, the company can no longer sell it profitably and loses money. Retail firms increase their total sales when they use effective lead time management.

Regarding the above, a sales officer at AGS Worldwide movers stated that:

Optimizing the operations is a complex task due to the complexity involved in the various processes of a manufacturing firm. Operations such as planning, scheduling, tracking, monitoring, and dispatching become a major task to satisfy potential goals of increasing throughput and reducing inventories and costs. To overcome this complexity, there should be proper communication and a relationship with the supplier within and outside the firm. 53(69.8%) agreed that Lead time management practices in the organization lead to increased profitability, 13 (17.1%) were not sure, and only 10 (13.2%) disagreed, implying that Lead time management practices in the organization lead to increased profitability. 56(73.7%) agreed that Lead time management practices in the organization lead to Increased customer satisfaction, 7 (9.2%) were not sure, and only 13 (17.1%) disagreed, implying that Lead time management practices in the organization lead to Increased customer satisfaction. Based on these findings, lead time management practices optimize the value of goods you have and increase inventory turnover by keeping fewer slow-moving products on hand, while increasing your stock levels on profitable goods. From the descriptive statistics performed using the data collected relating to the relationship between lead time management and organizational performance, the effects with the highest means included: lead time management practices in the organization lead to Shorter production cycle times (2.58), lead time management practices in the organization lead to Reduced obsolescence and surplus(2.51), lead time management practices in the organization lead to Increased sales (2.51) and lead time management practices in the organization lead to Reduction in materials cost (2.37). These responses had means above 2.4, implying that the respondents “Agreed” with those propositions.

Testing the relationship between lead-time management and organizational performance

To determine the relationship between lead-time management practices and Organizational performance at AGS Worldwide Movers, a correlation analysis was conducted.

Table 13: Relationship between lead-time management and performance

	Lead time management practices	Organizational performance
Lead time management practices	Pearson Correlation 1	-.163
	Sig. (2-tailed)	.160
	N	86
Organizational performance	Pearson Correlation -.163	1
	Sig. (2-tailed)	.160
	N	86

Table 13, lead-time management practices and organizational performance have no significant relationship ($r = -0.163$, $p < 0.05$). Thus, the hypothesis that stated that lead time management would have a significant influence on organizational performance is not accepted. This means that lead-time management practices do not affect organizational performance at AGS Worldwide

movers; thus, the more the lead time, the less the performance of AGS Worldwide movers.

Organizational performance

The study sought to establish organizational performance at AGS Worldwide Movers.

Table 14: Performance of AGS Worldwide movers

Item responses		Frequency	Percent	Mean
My organization is growing faster	Strongly agree	20	26.3	2.13
	Agree	36	47.4	
	Not sure	10	13.2	
	Disagree	10	13.2	
	Strongly disagree	0	0.00	
My organization is more profitable	Strongly agree	28	36.8	2.01
	Agree	30	39.5	
	Not sure	7	9.2	
	Disagree	11	14.5	
	Strongly disagree	0	0.00	
My organization is providing higher-quality services.	Strongly agree	5	6.6	2.59
	Agree	46	60.5	
	Not sure	7	9.2	
	Disagree	11	14.5	
	Strongly disagree	7	9.2	
My organization is efficient in using resources	Strongly agree	26	34.2	2.00
	Agree	36	47.4	
	Not sure	3	3.9	
	Disagree	10	13.2	
	Strongly disagree	1	1.3	
My organization is delivering orders quickly.	Strongly agree	25	32.9	2.01
	Agree	38	50	
	Not sure	0	0.00	
	Disagree	13	17.1	
	Strongly disagree	0	0.00	
	Strongly agree	25	32.9	2.13
In my organization, everything that matters to	Agree	32	42.1	
Performance is	Not sure	11	14.5	

My organization has a large market share in Uganda	Disagree	0	0.00	2.22
	Strongly disagree	8	10.5	
	Strongly agree	9	11.8	
	Agree	50	65.8	
	Not sure	8	10.5	
	Disagree	9	11.8	
	Strongly disagree	0	0.00	

N=76 Source: Primary Data 2024

Table 14, 56 (73.7%) agreed that the organization is growing faster, 10 (13.2%) disagreed, and only 10 (13.2%) disagreed, implying that the organization is growing faster. The respondents rated 58 (76.3%) agreed that the organization is more profitable, 11 (14.5%) disagreed, and 7 (9.2%) were not sure, implying that the organization is more profitable. The respondents rated 51 (67.1%) agreed that the organization is providing higher quality services, 18 (23.7%) disagreed, and 7 (9.2%) were not sure, implying that the organization is providing higher quality services. The majority of the respondents, 62 (81.6%), agreed the organization is efficient in using resources, 11 (14.5%) disagreed, and 3 (3.9%) were not sure, implying that the organization is efficient in using resources. All the respondents rated 63 (83.9%) agreed that the organization is delivering orders quicker, and 13 (17.1%) disagreed, implying that the organization is delivering orders quicker. 57(75%) agreed that in the organization, everything that matters to performance is explicitly reported, 11 (14.5%) were not sure, and only 8 (10.5%) were not sure, implying that in the organization, everything that matters to performance is explicitly reported. The respondents rated 59 (77.6%) agreed that the organization has a large market share in Uganda, 9 (11.8%) disagreed, and 8(10.5%) were not sure, implying that the organization has a large market share in Uganda.

Discussion

The relationship between Storage management practices and the performance of AGS Worldwide movers.

The study tested the first hypothesis: “storage management practices have a significant positive influence on the performance of an organization,” and it was accepted. This is because there was a moderately positive relationship ($r=0.185$) between storage management practices and organizational performance, whereby an improvement in storage management practices increases the performance of the organization. The study revealed that 56.6% agreed that storage management practices contribute greatly to the performance of AGS Worldwide movers. Based on this finding, organizations consider storage productivity as a major aspect of organizational efficiency. When goods are stored well, their value is maintained. Storage management helps in inventory planning and scheduling at AGS Worldwide movers. 77.7% agreed that Procurement/purchase dates and quantities are improved by inventory management practices. Based on the findings, Storage management practices provide tools to enable organizational operations to consistently offer exemplary service delivery, and unified data gives you information

integrity. The study further revealed that Cost reduction in AGS Worldwide movers is a result of inventory management practices. Cost reduction helps in preparing employees for managing the inventory ideology and also in achieving the profitability objective of AGS Worldwide movers. The study revealed that storage Management helps in the effective store management of AGS Worldwide movers. According to the field survey, effective store management is an attempt to maintain a systematic and well-organized infrastructure and an orderly inventory system. It is also concerned with the adequate supply of goods/products in the Stores while minimizing inventory costs at the same time. Improved customer service can be realized with inventory management. This helps to improve the organization’s accuracy and efficiency, and the customers will love them for it. Based on the findings, storage management isn't just a concern for companies that deal in finished goods, such as retailers and wholesalers. It's also critical for manufacturers, who maintain three types of inventory: raw materials, work-in-progress, and finished goods.

Relationship between Materials handling practices and performance of AGS Worldwide movers.

“There is no significant relationship between material handling and performance of organizations”, and it was rejected. This is because material handling practices and organizational performance have no significant relationship ($r = 0.038$). The study revealed that material handling practices in the organization lead to a reduction in waste, and material handling practices in the organization lead to a reduction in production costs. Based on the field findings, when the material is not managed well, you can also wind up overstocking too much of certain items. Overstock comes with its own set of problems. The respondents rated 73.7% agreed that material handling practices in the organization lead to Increased product quality whereby any improvement in continuity of supplies with improved material handling will lead to improvement in cooperation and will also enhance cooperation and communications with reduced duplication of efforts, reduction in material costs and improvement in quality control, which are the main benefits of materials management. This study established that material handling practices can achieve the benefits of effective use of labor, providing system flexibility, increasing productivity, decreasing lead times, reducing wastes, reducing production costs, increased product quality. The ratings showed that material handling does not play a vital role in organizational performance however organizations must ensure that inventory control

systems are highly involved in material management activities hence achieving higher organizational performance.

The relationship between Lead time management practices and performance of AGS Worldwide movers.

The study tested the third hypothesis: "Lead-time management practices have a significant positive influence on the performance of organizations" and it was rejected. This is because there was no significant relationship ($r=-0.163$) between lead-time management practices and organizational performance whereby an improvement in lead-time management practices does not improve on the performance of organizations. In regards to this negative relationship, the more the supply delays, the more the decline in customer satisfaction. Based on the above findings, shorter lead times allow designers to be more flexible and creative, prevent lost business, and increase cash flow, having a consistently quick turnaround helps businesses gain traction and outpace their competitors. Further, it's arguable that these benefits may overcome the advantage of lower labor costs in cheaper foreign factories. However, AGS Worldwide movers sometimes do not supply the products in the shortest time possible but they offer extra products at the same price which helps in customer loyalty where the price of the product mainly affects the performance, not the lead time.

Conclusion

Storage management practices had a significant positive influence on the performance of an organization ($r=0.185$). There is no significant relationship between material handling and performance of organizations", and it was rejected ($r = 0.038$). There was no significant relationship ($r=-0.163$) between lead-time management practices and organizational performance whereby an improvement in lead-time management practices does not improve the performance of organizations. Lead time management practice is not a very important competitive tool in organizations.

Recommendations

AGS Worldwide movers should adopt proactive attitudes towards the issue of proper inventory management practices.

AGS Worldwide movers should carry out control measures on stock as it is the case of cash by large firms. The top management at AGS Worldwide movers should adopt the use of information technology, that will not only help in information sharing, but also will help in hastening orders from suppliers hence shortening the lead time.

Management at AGS Worldwide movers needs to form an expediting committee that will help in following up on orders with the suppliers hence delivering the products at the right time.

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Conflict of interest

The author did not declare any conflict of interest

Author contribution

Juma Aloro Kassimu collected data and drafted the manuscript of the study

Muhamad Ssendagi supervised the study

Ethical approval

The researcher obtained a letter from Team University allowing him to go to the field to collect the data. The letter was used as an introduction and to seek permission in the field where she collected data.

Informed consent

Participants were required to first consent before participating in the study.

Author Biography

Juma Aloro Kassimu is a student of a Master of Business Administration (procurement and logistics) at Team University.

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