EFFECTS OF INVENTORY MANAGEMENT ON PERFORMANCE OF TEA PROCESSING FIRMS IN KENYA

(A CASE OF IMENTI TEA FACTORY IN MERU COUNTY)

KIOGORA .M. KITHINJI

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULLFIRMENT OF THE REQUIMENT FOR THE AWARD OF BACHELORS DEGREE IN B.COM (PROCUREMENT AND PURCHASING SND SUPLIERS CHAIN MANAGEMENT OPTION), SCHOOL OF BUSINESS AND ECONOMICS DEPARTMENT OF BUSINESS UNIVERSITY OF EMBU (UoEm).

APRIL 2019

ABSTRACT

Inventory management are ways and tools used by processing firms to achieve the performance of the firm. In recent years' inventory management has quite received a great attention from managers, scholars and even researchers. Processing firms around the globe and particular in Kenya, a case of Imenti tea processing company has embarked on finding the ways and the solutions to make the management of inventory work for the betterment of their performance. The purpose of these study was to establish the effects of inventory management on the performance of processing firms in Kenya a case of Imenti tea factory located in Meru county. The study was guided by three specific objectives; to establish the significance of a just-in-time system on the performance of the processing firms in Kenya, to find out how strategic supplier partnerships in inventory management affects the performance of the processing firms in Kenya and to investigate the effect of information technology in inventory management on the performance of the processing firms in Kenya. The research methodology adopted was descriptive research design for the firm studied. Data collected using structured questionnaire was administered by drop and pick method. Objective one of the study was analyzed using descriptive statistics of mean and standard deviation. Objective two was analyzed using regression analysis and objective three was analyzed using mean score. The results were presented in chats and tables. The target population of this study was 70 respondents in Imenti tea factory in Meru county with an estimated total of 160 employees. Data was collected by use of a questionnaire and was analyzed mainly by use of descriptive and inferential statistics.